

Go Utah Board Meeting Minutes
August 12, 2021 • 10:00 a.m. – 12:00 p.m.

Members Present:	Carine Clark, Steve Neeleman, Doug Dilley, Andrea Moss, Susan Johnson, Ted Wilson, Annette Meier, Jesse Turley, Brad Bonham, Tanner Ainge, Geri Gamber, Roger Killpack
Members Excused:	Heather Kahlert, Stefanie Bevans, Kira Slawson
Staff:	Dan Hemmert, Ben Hart, Daniel Royal, Larry Shepherd, Pete Codella, Kori Ann Edwards, Tony Young, Abby Hunsaker, James Dixon, Virginia Pearce, Mike Hall, Kyle Palmer
Visitors:	Theresa Foxley, Colby Cooley, Stephanie Pack, Erin Farr, Max Backlund, Bill Faith, Mark Duncan, Todd Jenson, Mollie McDonald, Brice Wallace, Justin Maughan, Tedd Carrison, Mark Siegel, Jeff Steed, Matthew Hollyoak, Bonney Oommen

Welcome

Carine Clark welcomed everyone to the August 12, 2021 GOED Board Meeting

Introduction of Todd Jenson

Kori Ann Edwards introduced Todd Jenson, assistant attorney general, who has recently been assigned to the Go Utah office.

Todd spoke briefly to the board and reminded board members about voting and abstaining/recusing themselves from votes.

Approval of the Minutes

MOTION: Jess Turley moved to approve the July 8, 2021 board meeting minutes. Annette Meier seconded the motion. The motion carried unanimously.

EDTIF – Weir Slurry Group, Inc.

Project Highlights

Timeline:	2022
Target Industry:	Manufacturing
City:	Salt Lake City
County:	Salt Lake
Class:	1st
Capital Investment:	\$22,600,000
Jobs:	133
Average Wage:	\$103,030

Project Overview

Weir Slurry Group Inc is the USA operating entity for Weir Minerals. For tax purposes, Weir Slurry Group Inc. is a subsidiary of Weir Group USA Inc. which is owned by Weir Group PLC. Weir Minerals is a global leader in the provision of mill circuit technology and services, as well as the market leader in slurry handling equipment and associated aftermarket support for abrasive high wear applications. Its technology is used in mining, oil & gas, and general industrial markets around the world.

Weir Slurry Group is considering relocating its headquarters to Salt Lake County, Utah. The company already has 150 employees located in Utah with its rubber manufacturing operation. The relocation of Weir Minerals primary North America manufacturing and distribution will bring benefits to the state and local community, including high paying jobs, business for local suppliers, partnerships with local universities and trades schools, and efforts to be a sustainable business while providing sustainable solutions for their clients.

Jobs & Revenue

Full time jobs over project lifetime: 133

Company Average Wage vs. County Average Wage

Max with health benefits:	493%
Max w/o health benefits:	411%
Min with health benefits:	201%
Min w/o health benefits:	167%

New State Wages & Revenue

New State Wages over 10 years:	\$113,161,000
New State Revenue over 10 years:	\$6,125,406
Withholding:	\$4,201,102

MOTION: Jesse Turley moved the following motion: The Governor's Office of Economic Opportunity Board approves Weir Slurry Group, Inc for an EDTIF post-performance refundable tax incentive equal to a 20% reduction in state tax paid on new state tax revenue above the baseline established for the preceding 12 months, not to exceed \$1,225,081 over 10 years. New state revenue is projected to be \$6,125,406. Susan Johnson seconded the motion. The motion carried unanimously.

- Total EDTIF incentive not to exceed \$1,225,081 EDTIF post-performance refundable tax credit.
- Annual EDTIF incentive amount based on 20% of qualified new incremental state tax revenues generated and received in the previous calendar year.
- Total incentive not to exceed 20% of qualified new incremental state tax revenues over 10 years with a contractual recapture provision for any excess funds paid to the company.
- Must meet new qualified employment projections, employee headcount at the stated wage 110% criteria at 50% for each project year.
- Annual total project average salary of new employees (not each new position, this is an aggregate annual number) to be at least 110% of the county average wage each excluding company contributed health insurance.
- Must commit to keep operation in Utah for the length of the incentive period, 10 years.
- Incentives are site specific and subject to local incentive participation.
- Local incentive proposal must be presented and approved by the Go Utah Incentives Committee in order for company to be eligible for the incentive.
- Only new state revenue and new jobs created after the Go Utah Board final approval date are eligible for this incentive.

Bill Faith, Managing Director U.S. Minerals, described the reasons why Utah was attractive to the company including attracting top talent from the University of Utah and other schools, locating nearer to major clients, and the manufacturing facility they already have in Utah. Mark Duncan detailed the scope of the project and jobs moving to Utah.

EDTIF – AmTrust Financial Services, Inc.
Project Highlights

Timeline:	2022
Target Industry:	Financial Services
City:	South Jordan
County:	Salt Lake
Class:	1st
Capital Investment:	\$1,000,000
Jobs:	180
Average Wage:	\$55,691

Project Overview

AmTrust underwrites and provides property and casualty insurance products to niche customer groups that are generally underserved within the broader insurance market. AmTrust operates in the United States and internationally through three operating segments: Small Commercial Business, Specialty Risk and Extended Warranty, and Specialty Program. Their insurance subsidiaries domiciled in the U.S. are collectively licensed to provide workers’ compensation insurance and commercial property and casualty insurance, including service contract reimbursement coverages included in their Specialty Risk and Extended Warranty segment, in all 50 states, the District of Columbia and Puerto Rico.

This Project is a relocation, and would add new jobs with an average annual starting salary of \$66,000. The new positions would consist of claims assistants, claims adjusters/examiners, and supervisors/managers. In addition to the job creation, should the subject project move forward in Utah, the Company anticipates leasing an initial 10,000 square feet, and up to 25k square feet within a few years.

Jobs & Revenue

Full time jobs over project lifetime: 180

Company Average Wage vs. County Average Wage

Max with health benefits:	138%
Max w/o health benefits:	122%
Min with health benefits:	123%
Min w/o health benefits:	108%

New State Wages & Revenue

New State Wages over 5 years:	\$43,230,000
New State Revenue over 5 years:	\$1,628,414
Withholding:	\$1,604,914

MOTION: Andrea Moss moved the following: The Governor's Office of Economic Opportunity Board approves AmTrust Financial Services, Inc for an EDTIF post-performance refundable tax incentive equal to a 15% reduction in state tax paid on new state tax revenue above the baseline established for the preceding 12 months, not to exceed \$244,262 over 5 years. New state revenue is projected to be \$1,628,414. Annette Meier seconded the motion. The motion carried unanimously.

- Total EDTIF incentive not to exceed \$244,262 EDTIF post-performance refundable tax credit.
- Annual EDTIF incentive amount based on 15% of qualified new incremental state tax revenues generated and received in the previous calendar year.
- Total incentive not to exceed 15% of qualified new incremental state tax revenues over 5 years with a contractual recapture provision for any excess funds paid to the company.
- Must meet new qualified employment projections, employee headcount at the stated wage 110% criteria at 50% for each project year.
- Annual total project average salary of new employees (not each new position, this is an aggregate annual number) to be at least 110% of the county average wage each excluding company contributed health insurance.
- Must commit to keep operation in Utah for the length of the incentive period, 5 years.
- Incentives are site specific and subject to local incentive participation.
- Local incentive proposal must be presented and approved by the Go Utah Incentives Committee in order for company to be eligible for the incentive.
- Only new state revenue and new jobs created after the Go Utah Board final approval date are eligible for this incentive.

Mark Siegel, Vice President - Global Real Estate with AmTrust, discussed the company's insurance services and their plans for hiring qualified workers in Utah.

EDTIF – Malouf
Project Highlights

Timeline:	2022
Target Industry:	Back Office
City:	Nibley
County:	Cache
Class:	3rd
Capital Investment:	\$450,000,000
Jobs:	4,200
Average Wage:	\$61,257

Project Overview

CVB INC, hereafter referred to as ("Malouf" or "Malouf Companies"), is an innovative tech-based health and wellness conglomerate. Malouf Companies™ spans 18 years, six states and multiple industries. Headquartered in the largely rural Cache Valley, Malouf™ brings high-quality jobs and economic stimulus to northern Utah, employing over 1,200 people and operating in three corporate offices and seven distribution centers. Notable companies in the Malouf™ family include home furnishings innovators Malouf™ Home, Lucid™, Linenspa™, and Dr. Oz Good Life™; Utah retail company Downeast™, which includes home and apparel divisions; technology and app pioneer Impact Suite™; and venture-focused family office Tamarak Capital™.

This project will add value to the company's current building by increasing the usable office space. Malouf wants to retool their current warehouse space to become offices, research and development space, and photo/video studio space.

This expansion should increase the value of their building and will certainly increase the value of their business as it allows them to operate more efficiently and continue hiring. Malouf anticipates putting between four and five million dollars into this project in construction costs within the next year which would include furniture, décor, plumbing, computers, and exterior/interior modifications (entrances, windows, etc.). Within the next 20 years, they anticipate putting in an additional \$445,000,000 into the campus. The company anticipates onboarding an additional 4,200 employees in relations to this project over the next 20 years.

Jobs & Revenue

Full time jobs over project lifetime: 4,200

Company Average Wage vs. County Average Wage

Max with health benefits:	242%
Max w/o health benefits:	215%
Min with health benefits:	171%
Min w/o health benefits:	152%

New State Wages & Revenue

New State Wages over 20 years:	\$3,799,007,189
New State Revenue over 20 years:	\$186,779,980
Withholding:	\$141,038,142
Sales:	\$2,814,669
Corporate:	\$42,927,170

MOTION: Ted Wilson moved the following: The Governor's Office of Economic Opportunity Board approves Malouf for an EDTIF post-performance refundable tax incentive in rural Utah equal to a 30% reduction in state tax paid on new state tax revenue above the baseline established for the preceding 12 months, not to exceed \$56,033,994 over 20 years. New state revenue is projected to be \$186,779,980.

Andrea Moss seconded the motion. The motion carried. Jesse Turley and Brad Bonham recused themselves from this vote.

- Total EDTIF incentive not to exceed \$56,033,994 EDTIF post-performance refundable tax credit.
- Annual EDTIF incentive amount based on 30% of qualified new incremental state tax revenues generated and receipted in the previous calendar year.
- Total incentive not to exceed 30% of qualified new incremental state tax revenues over 20 years with a contractual recapture provision for any excess funds paid to the company.
- Must meet new qualified employment projections, employee headcount at the stated wage 100% criteria at 50% for each project year.
- Annual total project average salary of new employees (not each new position, this is an aggregate annual number) to be at least 100% of the county average wage each excluding company contributed health insurance.
- Must commit to keep operation in Utah for the length of the incentive period, 20 years.
- Incentives are site specific and subject to local incentive participation.
- Local incentive proposal must be presented and approved by the Go Utah Incentives Committee in order for company to be eligible for the incentive.
- Only new state revenue and new jobs created after the Go Utah Board final approval date are eligible for this incentive.

Jeff Steed of Malouf talked of the jobs they will create and the wages that the company will provide to its employees. He and Matthew Hollyoak discussed talent acquisition in the current employment environment.

EDTIF – Perfect Day, Inc.

Project Highlights

Timeline:	2022
Target Industry:	Manufacturing
County:	Salt Lake
Class:	1st
Capital Investment:	\$20,000,000
Jobs:	64
Average Wage:	\$71,406

Project Overview

Perfect Day, Inc. is a biotechnology startup company based in Berkeley, California, with a mission to create a more sustainable food supply chain. Starting with dairy, the company has developed processes of creating dairy proteins, by fermentation of microflora, in bioreactors, instead of extraction from bovine milk. They are taking the compromise out of the dairy aisle and restocking it with the best of both worlds: the taste, texture and nutrition of conventional dairy, but produced sustainably (97% less Green House Gas Emissions), without the downsides of factory farming, lactose, hormones, or antibiotics.\

This project will expand operations to a new level compared to the current Utah facility. The company is considering options with other states for expansion but would like to stay in local area to retain the talent they have hired to date. New FTE's will be R&D, business development, finance and accounting, maintenance, and quality, as well as potential senior management positions. Employees will be trained by existing staff who are based outside of Utah. New products being produced and offered will follow services to the biotech, bioprocessing, and food industries for a host of companies as well as expansion into pharma grade biotech. With expansion the anticipation is to offer pharma companies opportunities for rapid innovation for instance (vaccines production).

Jobs & Revenue

Full time jobs over project lifetime: 64

Company Average Wage vs. County Average Wage

Max with health benefits:	1479%
Max w/o health benefits:	163%
Min with health benefits:	130%
Min w/o health benefits:	118%

New State Wages & Revenue

New State Wages over 10 years:	\$16,581,000
New State Revenue over 10 years:	\$3,028,063
Withholding:	\$615,570

MOTION: Annette Meier moved the following: The Governor's Office of Economic Opportunity Board approves Perfect Day for an EDTIF post-performance refundable tax incentive equal to a 20% reduction in state tax paid on new state tax revenue above the baseline established for the preceding 12 months, not to exceed \$605,613 over 5 years. New state revenue is projected to be \$3,028,063. Roger Killpack seconded the motion. The motion carried unanimously.

- Total EDTIF incentive not to exceed \$605,613 EDTIF post-performance refundable tax credit.
- Annual EDTIF incentive amount based on 20% of qualified new incremental state tax revenues generated and received in the previous calendar year.
- Total incentive not to exceed 20% of qualified new incremental state tax revenues over 5 years with a contractual recapture provision for any excess funds paid to the company.
- Must meet new qualified employment projections, employee headcount at the stated wage 110% criteria at 50% for each project year.
- Annual total project average salary of new employees (not each new position, this is an aggregate annual number) to be at least 110% of the county average wage each excluding company contributed health insurance.
- Must commit to keep operation in Utah for the length of the incentive period, 5 years.
- Incentives are site specific and subject to local incentive participation.
- Local incentive proposal must be presented and approved by the Go Utah Incentives Committee in order for company to be eligible for the incentive.
- Only new state revenue and new jobs created after the GO Utah Board final approval date are eligible for this incentive.

Bonney Oommen spoke of the company's founding and the technology behind their products.

ED Zone

GOED BOARD
ECONOMIC DEVELOPMENT ZONE
BREEZE AVIATION GROUP
7/8/21

ESTABLISH AN ECONOMIC DEVELOPMENT ZONE FOR THE PURPOSE OF SUPPORTING THE EXPANSION OF BREEZE AVIATION GROUP AT 6340 S 3000 EAST SUITE 400, COTTONWOOD HEIGHTS UT 84121.

GOED BOARD
ECONOMIC DEVELOPMENT ZONE
BREEZE AVIATION GROUP

7/8/21

ESTABLISH AN ECONOMIC DEVELOPMENT ZONE FOR THE PURPOSE OF SUPPORTING THE EXPANSION OF BREEZE AVIATION GROUP AT 3421 MIKE JENSEN PKWY PROVO, UT 84601.

Motion:

Annette Meier moved to approve the creation of two economic development zones, first for Cottonwood Heights in support of their letter of request detailing the expansion of Breeze Aviation Group at 6340 S 3000 East Suite 400, UT 8421; second for Provo in support of their letter of request detailing the expansion of Breeze Aviation Group at 3421 Mike Jensen Pkwy Provo, UT 84601. Andrea Moss seconded the motion. The motion carried unanimously. Steve Neeleman recused himself from this vote due to family relationship with a company principal. Jesse Turley also recused himself from the vote.

Incentives Update

Daniel Royal provided an update on the Incentives Program regarding new and existing projects.

EDCUtah Update

Theresa Foxley of EDCUtah presented on the status of current and upcoming projects in the pipeline.

Film Incentives

Virginia Pearce presented the following film incentive:

GO UTAH – MOTION PICTURE INCENTIVE PROGRAM
EXECUTIVE SUMMARY
ELBOW GREASE PICTURES, LLC
“Cain Dominion”
August 12, 2021

Project Highlights

- Category: Feature
- Genre: Thriller
- Director: Michael Schroeder
- Producer: George Parra, Michael Schroeder

Utah Jobs and Revenue

- Estimated Cast: 10
- Estimated Cast Average Daily Salary: \$1,000
- Estimated Crew: 65
- Estimated Crew Average Daily Salary: \$350
- Estimated Extras: 200
- Estimated Extras Average Daily Salary: \$85
- Estimated Spend: \$12,000,000

Project Schedule

- Prep: August 16, 2021 through October 10, 2021
- Principal Photography: October 11, 2021 through December 10, 2021
- Wrap: December 11, 2021 through January 28, 2022

Summary

An expert on Indigenous cultures joins his brother on an elk hunting expedition. While on the expedition, the hunters are haunted by a supernatural force.

Proposed Motion

Approve for Elbow Grease Pictures, LLC, a MPIP Cash Rebate of no more than \$400,000 for the production of “Cain Dominion”.

- Incentive offer based on receipt of a complete MPIP application including a script and proof of financing
- Must meet \$1,000,000 minimum dollars left in state to be eligible for the incentive

- Dollars left in state start no earlier than 30 days prior to the Governor's Office of Economic Opportunity Board of Directors approval
- Elbow Grease Pictures, LLC may be eligible for a 25% incentive upon verification of meeting the criteria as adopted by the Go Utah Board and administered by the Governor's Office of Economic Opportunity and the Utah Film Commission, including \$1,000,000 minimum dollars left in state. Total incentive if all terms are met to the satisfaction of the Utah Film Commission, shall not exceed \$400,000.

All currency values have been rounded to the nearest dollar for the purpose of this summary only.

Motion: Geri Gamber moved to approve the film incentive as presented. Steve Neeleman seconded the motion. The motion carried on a majority vote of the board. Jesse Turley opposed the motion.

10-Year Strategy Update

Ben Hart discussed the efforts starting up to create a comprehensive 10-year strategy for economic vision in the state. He discussed key strategies to be included and the change they represent in the state.

EDTIF Revisions

Ben Hart discussed changes to the EDTIF program that will be considered as the state revamps its economic strategy.

GOED Update

Dan Hemmert provided additional information on the process for redefining economic strategy other recent activities and efforts within Go Utah and its programs.

Meeting Adjourned