

## Go Utah Board Meeting Minutes

September 9, 2021 • 11:00 a.m. – 12:30 p.m.

<b>Members Present:</b>	Carine Clark, Steve Neeleman, Susan Johnson, Annette Meier, Jesse Turley, Brad Bonham, Tanner Ainge, Geri Gamber, Roger Killpack, Heather Kahlert, Stefanie Bevans, Kira Slawson
<b>Members Excused:</b>	Doug Dilley, Andrea Moss, Ted Wilson
<b>Staff:</b>	Dan Hemmert, Ben Hart, Daniel Royal, Larry Shepherd, Pete Codella, Kori Ann Edwards, Tony Young, Abby Hunsaker, Mike Hall, Lance Soffe, Dane Ishihara, Jim Grover, Linda Cabrales, Ryan Starks
<b>Visitors:</b>	Theresa Foxley, Colby Cooley, Vlada Yaremenko, Ze Min Xiao, Todd Jenson, Brice Wallace, Justin Meehan, Eric Stavriotis, Kirk Jensen, Brian Janroy, Steve Pollard, Sara Meess, Mark Johnson, Wendell Laidley, Kelly Pehrson, Bailee Woolstenhulme, Nate Talley, Sophia DiCaro

### Welcome

Carine Clark welcomed everyone to the September 9, 2021 GOED Board Meeting

### Approval of the Minutes

**MOTION: Jess Turley moved to approve the August 12, 2021 board meeting minutes with one addition to note recusals on the vote for the Malouf incentive. Annette Meier seconded the motion. The motion carried unanimously.**

### EDTIF – Cytiva **Project Highlights**

Timeline:	2021
Target Industry:	Life Sciences & Manufacturing
City:	Logan
County:	Cache
Class:	3rd
Capital Investment:	\$231,100,000
Jobs:	396
Average Wage:	\$42,929

### **Project Overview**

Cytiva is a global provider of technologies and services that advances and accelerates the development and manufacture of therapeutics. Formerly part of GE Healthcare, the company has a rich heritage tracing back hundreds of years, and a fresh beginning since 2020. Cytiva is a 3.3 billion USD global life sciences leader with nearly 8000 associates across 40 countries who are dedicated to the company mission to advance and accelerate therapeutics. Cytiva is part of the Danaher family of companies, a global science and technology innovator committed to helping customers solve complex challenges and improving quality of life around the world.

Products will be cell culture media and single use consumables used in mfg. of pharmaceutical products. This project will take advantage of synergies related to the expansion of existing infrastructure, resources, and supply chain that already exists within the existing Logan, UT facility.

### **Jobs & Revenue**

Full time jobs over project lifetime: 396

#### Company Average Wage vs. County Average Wage

Max with health benefits:	153%
Max w/o health benefits:	113%
Min with health benefits:	137%
Min w/o health benefits:	102%

#### **New State Wages & Revenue**

New State Wages over 10 years:	\$147,621,622
New State Revenue over 10 years:	\$19,420,258
Withholding:	\$5,480,453
Sales:	\$7,033,578

Corporate: \$6,906,257

**MOTION: Annette Meier moved the following motion: The Governor's Office of Economic Opportunity Board approves Cytiva for an EDTIF post-performance refundable tax incentive in rural Utah equal to a 25% reduction in state tax paid on new state tax revenue above the baseline established for the preceding 12 months, not to exceed \$4,855,064 over 10 years. New state revenue is projected to be \$19,420,258. Brad Bonham seconded the motion. The motion carried unanimously.**

- Total EDTIF incentive not to exceed \$4,855,064 EDTIF post-performance refundable tax credit.
- Annual EDTIF incentive amount based on 25% of qualified new incremental state tax revenues generated and received in the previous calendar year.
- Total incentive not to exceed 25% 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 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 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.

Justin Meehan offered thanks to the board, spoke of the scope of the project, and the jobs that will be created. Kirk Jensen of Logan City expressed the city's excitement for the project and the jobs created. He thanked the board and others who have worked to move this project along.

**EDTIF – Apogee Worx, LLC**  
**Project Highlights**

Timeline:	2021
Target Industry:	Aerospace & Defense
City:	Ogden
County:	Weber
Class:	2nd
Capital Investment:	\$6,548,115
Jobs:	100
Average Wage:	\$84,400

**Project Overview**

Apogee Worx LLC is an Ogden Utah based aerospace company. The company focuses on Department of Defense (DOD) aircraft systems integration with multiple current contracts upgrading USAF Ogden Air Logistics Center supported aircraft, such as the A-10 C. Apogee Worx designs and manufactures all components necessary to install new capabilities in DOD aircraft. Additionally, the company manufactures aircraft support equipment.

This project will relocate Apogee Worx's main operations to larger facilities in Utah.

**Jobs & Revenue**

Full time jobs over project lifetime: 100

**Company Average Wage vs. County Average Wage**

Max with health benefits:	168%
Max w/o health benefits:	191%
Min with health benefits:	179%
Min w/o health benefits:	201%

**New State Wages & Revenue**

New State Wages over 8 years:	\$46,554,897
New State Revenue over 8 years:	\$5,416,249
Withholding:	\$1,728,351

**MOTION: Roger Killpack moved the following: The Governor's Office of Economic Opportunity Board approves Apogee Worx, LLC 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 \$812,437 over 8 years. New state revenue is projected to be \$5,416,249. Geri Gamber seconded the motion. The motion carried unanimously.**

- Total EDTIF incentive not to exceed \$812,437 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 8 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, 8 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.

Steve Pollard talked of company growth over the previous 6 years, their work in support of legacy aircraft at Hill AFB, and need to move to larger facilities. Brian Janroy mentioned their status as a veteran-owned company with half of its workers also veterans.

Mark Johnson expressed Ogden City's support of the company and this project.

**EDTIF – Lumio Inc.**  
**Project Highlights**

Timeline:	2026
Target Industry:	Energy
City:	Lehi
County:	Utah
Class:	2nd
Capital Investment:	\$120,000,000
Jobs:	3,697
Average Wage:	\$93,776

**Project Overview**

Lumio is a leading technology company and instant Top-Five U.S. residential solar provider comprising four leading regional solar companies and multiple software platforms. Built upon principles of ethical leadership and customer-first innovation, Lumio's collective strength lies in experience design, software, partnerships, supply chain, cooperative sales strategies, fulfillment, and best-in-class operations.

Lumio will centralize many of corporate functions, along with their operations and sales management, in the Salt Lake region. Lumio would anticipate building a large HQs campus in the Salt Lake area to support this anticipated headcount expansion.

**Jobs & Revenue**

Full time jobs over project lifetime: 3,697

**Company Average Wage vs. County Average Wage**

Max with health benefits:	201%
Max w/o health benefits:	201%
Min with health benefits:	112%
Min w/o health benefits:	112%

**New State Wages & Revenue**

New State Wages over 20 years:	\$4,020,979,464
New State Revenue over 20 years:	\$161,232,932
Withholding:	\$150,392,613

**MOTION: Kira Slawson moved the following: The Governor's Office of Economic Opportunity Board approves Lumio Inc. for an EDTIF post-performance refundable tax incentive equal to a 25% reduction in state tax paid on new state tax revenue above the baseline established for the preceding 12 months, not to exceed \$40,308,233 over 20 years. New state revenue is projected to be \$161,232,932. Brad Bonham seconded the motion. The motion carried unanimously.**

- Total EDTIF incentive not to exceed \$40,308,233 EDTIF post-performance refundable tax credit.
- Annual EDTIF incentive amount based on 25% of qualified new incremental state tax revenues generated and received in the previous calendar year.
- Total incentive not to exceed 25% 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 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, 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.

Wendell Laidley (CFO) spoke of the companies merging together to create Lumio, their primary markets and growth plans, and the location of the headquarters in Utah.

**Industrial Assistance Account, UDAF Disaster Relief**

Dan Hemmert presented the proposal to transfer \$5,000,000 from the Industrial Assistance Account to the Utah Department of Agriculture and Food for the purpose of establishing a loan fund to provide relief to agricultural producers impacted by the severe drought, primarily cattle ranchers paying increased costs for feed. Assurance has been given by legislative leadership that this amount will be replenished to the IAA in the next legislative session.

Kelly Pehrson, deputy commissioner of UDAF, responded to questions from the board.

**MOTION: Jesse Turley moved the following: Approve that Go Utah enter into a Memorandum of Understanding with the Utah Department of Agriculture and Food (UDAF), to grant \$5 million from the Industrial Assistance Account to UDAF, and to provide funding for emergency loans. Steve Neeleman seconded the motion. The motion carried unanimously.**

- As recommended by UDAF, the low interest loans will be unsecured, seven (7) year fully amortized loans with a 0% interest rate for the first two (2) years and 2.75% thereafter.
- To be eligible for a loan, an agricultural producer must have an Adjusted Gross Income (AGI) of less than \$250,000, as documented on their most recent tax return.

**Incentives Update**

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

**EDC Utah Update**

Colby Cooley of EDC Utah presented on the status of current and upcoming projects in the pipeline. Ze Min Xiao presented information on the newly created Center of Economic Opportunity and Belonging to increase racial equity, diversity and inclusion. The focus will be on Investment – time and resources to create greater opportunity; Engagement – equitable representation and deeper connections across social, cultural and racial lines; and Movement, Not a Moment – a commitment that this effort will not be a moment, but a legacy movement.

**Film Incentives**

Virginia Pearce presented the following film incentive:

**GO UTAH – MOTION PICTURE INCENTIVE PROGRAM  
EXECUTIVE SUMMARY  
NINE TALES INC  
“The Graduates”  
September 09, 2021**

**Project Highlights**

- |             |                           |
|-------------|---------------------------|
| • Category: | Feature                   |
| • Genre:    | Drama                     |
| • Director: | Hannah Peterson           |
| • Producer: | Josh Peters, Taylor Shung |

**Utah Jobs and Revenue**

- |  |           |
|--|-----------|
| • Estimated Cast:                        | 28        |
| • Estimated Cast Average Daily Salary:   | \$361     |
| • Estimated Crew:                        | 33        |
| • Estimated Crew Average Daily Salary:   | \$300     |
| • Estimated Extras:                      | 400       |
| • Estimated Extras Average Daily Salary: | \$100     |
| • Estimated Spend:                       | \$500,400 |

**Project Schedule**

- |                          |   |
|--------------------------|---|
| • Prep:                  | September 03, 2021 through October 05, 2021 |
| • Principal Photography: | October 06, 2021 through October 31, 2021   |
| • Wrap:                  | November 01, 2021 through November 15, 2021 |

**Summary**

One year after a school shooting, three individuals closest to one of the victims; his father, his best friend and his girlfriend are each learning how to move forward and heal for the first time.

**Proposed Motion**

Approve for Nine Tales Inc, a MPIP Cash Rebate of no more than \$100,080 (which represents 20% of dollars left in state) for the production of “The Graduates.”

- Incentive offer based on receipt of a complete MPIP application including a script and proof of financing
- Must meet \$500,000 minimum dollars left in state to be eligible for the incentive of 20% of dollars left in state
- At least 75% of the production’s cast/crew must be Utah residents
- Dollars left in state start date no earlier than 30 days prior to the Governor’s Office of Economic Opportunity Board of Directors approval

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

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

**GOED Update**

Dan Hemmert discussed recent activities and efforts within Go Utah and its programs.

**Meeting Adjourned**