

# Board of the Governor's Office of Economic Development

## Governor's Office of Economic Development

Kanab Center  
20 North 100 East  
Kanab, UT 84741

and

60 E South Temple 3<sup>rd</sup> Floor  
Salt Lake City, Utah 84111

January 10, 2020 • 1:00 pm – 3:00 pm

### AGENDA

Welcome..... Jerry Oldroyd

Motion on December 12, 2019 Meeting Minutes ..... GOED Board

Incentives Report ..... Mel Lavitt

The Board will discuss public information about companies who have applied for incentives and vote on whether to approve the incentives, and if so, at what level. Two companies will be presented.

ED Zone ..... Tom Wadsworth

Designation of Economic Development Zone for tax incentive eligibility. The board will consider ED Zone designation for United Parcel Service

Film Incentives..... Derek Mellus

- Nine Years to Neptune
- Haul out the Holly
- The Outpost, Season 3
- American Crime: The Salamander

Rural Fast Track Grant Endorsements ..... Nan Anderson

- York Motorsports, Inc.
- United Soil Science

Utah Outdoor Recreation Grants 2019..... Tom Adams

Presentation of 2019 grant winners

Presentation: Kanab Economic Development..... Kelly Stowell

Review of local growth and economic focus

Presentation: EVZion- East Zion National Park EV Shuttle System..... Emily Paskett

Introduction to proposed electric shuttle solution for Zion NP

GOED Update ..... Val Hale

Review of departmental activities and upcoming events

Incentives Update..... Tom Wadsworth

Review of GOED's new and existing corporate incentives projects

EDCUtah Update .....Theresa Foxley

Overview of current and upcoming business development projects at EDCUtah

Adjourn Meeting .....

### **2020 GOED Board Meeting Dates**

In accordance with the Americans with Disabilities Act, individuals requiring special accommodation during this meeting should notify Larry Shepherd at 801.538.8770 prior to the meeting.

January 10, 2020	July 9, 2020
February 13, 2020	August 13, 2020
March 12, 2020	September 10, 2020
April 9, 2020	October 8, 2020
May 14, 2020	November 12, 2020
June 11, 2020	December 10, 2020

**GOED BOARD EXECUTIVE SUMMARY**  
**Northrop Grumman Corporation**  
**January 10, 2020**

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**Project Highlights**

Timeline:	2020
Target Industry:	Aerospace/Defense
Proposed Location(s):	Weber County
Capital Investment:	\$380,000,000
Jobs:	2,250
Average Wage:	\$102,140

**Company Overview**

Northrop Grumman Corporation is an American global aerospace and defense technology formed by Northrop's 1994 purchase of Grumman. The company reported revenues in excess of \$30 billion in 2018 and was the fourth-largest arms trader in the world in 2017 with about 84% of all revenue coming from defense related activities.

In June 2018, Northrop Grumman closed on the acquisition of Orbital ATK Inc., a Utah-headquartered global leader in aerospace and defense technologies. Orbital ATK is now Northrop Grumman Innovation systems.

In order to service the GBSD contract, Northrop Grumman is considering locating the vast majority of the engineers needed for the project in Utah. 92% of the jobs included in this incentive request are associated with the GBSD project and 8% is other growth. 176 jobs will be in Salt Lake City, while the majority will be in either Ogden or at Falcon Hill.

**Incentives Committee Recommendation**

Total amount of EDTIF, post-performance refundable tax credit:	<b>\$ 59,919,439</b>
The amount represents the following percentage of new state revenues:	<b>30%</b>
Number of years that incentive is approved for:	<b>20 Years</b>

**Jobs & Revenue**

Full time jobs over project lifetime: 2,250

**New State Wages & Revenue:**

New State Wages over 5 years:	\$4,487,623,200
New State Revenue over 5 years:	\$199,731,465

### **Proposed Motion**

**Approve Northrop Grumman Corporation for an EDTIF post-performance refundable tax credit of up to \$59,919,439 which represents 30% of the \$199,731,465 of new state revenue, which may be earned over 20 years.**

- Total EDTIF incentive not to exceed \$59,919,439 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 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 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 GOED Incentives Committee in order for company to be eligible for the incentive.
- Only new state revenue and new jobs created after the GOED Board final approval date are eligible for this incentive.

## **GOED BOARD EXECUTIVE SUMMARY**

### **Procter & Gamble Company**

**January 10, 2020**

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#### **Project Highlights**

Timeline:	2019
Target Industry:	Manufacturing
Proposed Location(s):	Box Elder County
Capital Investment:	\$310,000,000
Jobs:	221
Average Wage:	\$81,000

#### **Company Overview**

The Procter & Gamble Company (P&G) is a multinational consumer goods corporation headquartered in Cincinnati, Ohio. It specializes in a wide range of products in the home-cleaning, paper, beauty, food and beverage, and personal healthcare segments. Procter & Gamble products are sold primarily to consumers through mass merchandisers, grocery stores, club stores, etc.

P&G currently sells products in 180 countries. The company's product portfolio contains numerous well-known consumer brands and its products are often number one or two in the categories in which they compete.

P&G operates a manufacturing facility in Box Elder County that was opened in 2011. Currently, the Box Elder site makes products in the Paper and Babycare Divisions. These include products like Charmin toilet paper, Bounty paper towels, and Pampers & Luvs diapers.

The company is continuing to expand and is undergoing an internal search to determine where to open additional manufacturing lines in order to support regional customers and consumers and compete strategically from a supply-chain and logistics perspective. This potential expansion would bring multiple additional manufacturing lines in the Feminine Care division to the Box Elder site, increasing the footprint and the production capacity of the facility.

#### **Incentives Committee Recommendation**

Total amount of EDTIF, post-performance refundable tax credit:	<b>\$ 4,191,954</b>
The amount represents the following percentage of new state revenues:	<b>30%</b>
Number of years that incentive is approved for:	<b>20 Years</b>

#### **Jobs & Revenue**

Full time jobs over project lifetime: 221

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

New State Wages over 5 years:	\$375,293,226
New State Revenue over 5 years:	\$13,932,761

### **Proposed Motion**

**Approve The Procter & Gamble Company for an EDTIF post-performance refundable tax credit of up to \$4,191,954 which represents 30% of the \$13,932,761 of new state revenue, which may be earned over 20 years.**

- Total EDTIF incentive not to exceed \$4,191,954 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 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 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 GOED Incentives Committee in order for company to be eligible for the incentive.
- Only new state revenue and new jobs created after the GOED Board final approval date are eligible for this incentive.

**GOED BOARD  
ECONOMIC DEVELOPMENT ZONE  
UPS  
1/10/2020**

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ESTABLISH AN ECONOMIC DEVELOPMENT ZONE FOR THE PURPOSE OF SUPPORTING THE EXPANSION OF UPS AT THE AT 2040 PARKWAY BLVD, SALT LAKE CITY, UT 84119

**MOTION:** APPROVE THE CREATION OF AN ECONOMIC DEVELOPMENT ZONE FOR SALT LAKE CITY IN SUPPORT OF THEIR LETTER OF REQUEST DETAILING THE EXPANSION OF UPS AT THE AT 2040 PARKWAY BLVD, SALT LAKE CITY, UT 84119





JACKIE BISKUPSKI  
MAYOR

DEPARTMENT of ECONOMIC DEVELOPMENT

LARA FRITTS  
DIRECTOR

September 2, 2016

Ms. Theresa Foxley  
Deputy Director  
Utah Governor's Office of Economic Development  
60 E. South Temple, 3<sup>rd</sup> Floor  
Salt Lake City, UT 84111

**RE: Project Peak**

Dear Ms. Foxley,

First and foremost, Salt Lake City (SLC) would like to thank Project Peak for its interest in expanding its operations to our community. The City is fully prepared to assist the Governor's Office of Economic Development (GOED) with Project Peak and support the EDTIF incentive, and is prepared to provide the following local incentives for Project Peak:

**Incentive Letter of Understanding** – Salt Lake City has provided a Letter of Understanding expressing the commitment to use good faith efforts to include Project Peak in any economic development incentive programs proposed by the Department of Economic Development before the issuance of a Certificate of Occupancy for this project.

**Expedited Permit Review** – The first plan review, including initial comments and construction document corrections, can be guaranteed within ten (10) business days of the date of application at a cost of two (2) times the standard review fee. In addition for Project Peak, the City will include "front-of-the-line" service on all subsequent plan reviews, if necessary, with comments and corrections guaranteed within five (5) business days.

**Impact Fee Moratorium** – Salt Lake City is currently under an impact fee moratorium period which expires November 2, 2016. With the expedited permit review service, and if Project Peak can complete the permit review process within this time frame, it is possible Project Peak will fall under this moratorium period. Impact fees for this project, assuming the construction of a 1.2 million SF industrial building, would total approximately \$3,132,000. If Project Peak is issued a building permit by November 2, 2016 this fee will not apply.

**Building Services Ombudsman Service** – Salt Lake City will provide Project Peak with a dedicated, single point of contact to coordinate Project Peak's permitting application to ensure deadlines are met.

SALT LAKE ARTS COUNCIL FOUNDATION  
REDEVELOPMENT AGENCY OF SALT LAKE  
DEPARTMENT OF ECONOMIC DEVELOPMENT

WWW.SALT LAKE ARTS.ORG  
WWW.SLCGOV.COM

**Development Review Team (DRT) review** – SLC will provide at no cost a consolidated development review, which will greatly reduce construction and development costs. Project Peak will have access to all applicable city departments at the Director-level to help facilitate an expedient development process.

**LEED Expedited Review** – LEED certified buildings receive expedited review by the Salt Lake City Building Services department at no additional permitting cost.

SLC may be able to assist a company with other relocation requirements depending on the nature of the request. We look forward to working with GOED and Project Peak to facilitate their expansion to Salt Lake City.

Best regards,

Peter Makowski  
Interim Deputy Director  
Department of Economic Development  
Salt Lake City Corp.  
[peter.makowski@slcgov.com](mailto:peter.makowski@slcgov.com)  
801-535-7159



**GOED BOARD – MOTION PICTURE INCENTIVE PROGRAM**  
**EXECUTIVE SUMMARY**  
**HAPPY PLANET, LLC**  
**“Nine Years to Neptune”**  
**January 10, 2020**

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**Project Highlights**

- Category: Episodic
- Genre: Family
- Director: Tyler McKellar, Greg Kiefer
- Producer: Benton Paul, Peter McKellar

**Utah Jobs and Revenue**

- Estimated Cast: 11
- Estimated Cast Average Daily Salary: \$700
- Estimated Crew: 44
- Estimated Crew Average Daily Salary: \$450
- Estimated Extras: 0
- Estimated Extras Average Daily Salary: \$0
- Length of Film Production: 456
- Estimated Spend: \$4,545,670

**Project Schedule**

- Prep: December 01, 2019 through May 18, 2020
- Principal Photography: May 19, 2020 through September 18, 2020
- Wrap: September 19, 2020 through February 28, 2021
- Post Production: June 08, 2020 through December 21, 2020

**Summary**

*Nine Years to Neptune* is a scripted, comedy-driven educational TV series featuring a spaceship full of puppets (and 1 human) headed for the galaxy's most distant planet. Think *The Office* meets *The Muppets*.

**Proposed Motion**

Approve for Happy Planet, LLC, a MPIP Tax Credit of no more than \$681,850 (which represents 15% of dollars left in state) for the production of *Nine Years to Neptune*.

- 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 base line incentive of 15% of dollars left in state
- Dollars left in state start date no earlier than 60 days prior to the Governor's Office of Economic Development Board of Directors approval.

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

**GOED BOARD – MOTION PICTURE INCENTIVE PROGRAM**  
**EXECUTIVE SUMMARY**  
**CABIN IN THE WOODS, LLC**  
**“HAUL OUT THE HOLLY”**  
**January 10, 2020**

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**Project Highlights**

- |             |                                 |
|-------------|---------------------------------|
| • Category: | Feature                         |
| • Genre:    | Family                          |
| • Director: | Mandy Fabian                    |
| • Producer: | John Kelly, Kelly Pendencygraft |

**Utah Jobs and Revenue**

- |  |             |
|--|-------------|
| • Estimated Cast:                        | 44          |
| • Estimated Cast Average Daily Salary:   | \$650       |
| • Estimated Crew:                        | 100         |
| • Estimated Crew Average Daily Salary:   | \$300       |
| • Estimated Extras:                      | 350         |
| • Estimated Extras Average Daily Salary: | \$75        |
| • Length of Film Production:             | 303         |
| • Estimated Spend:                       | \$2,500,000 |

**Project Schedule**

- |                          |  |
|--------------------------|--|
| • Prep:                  | January 02, 2020 through February 28, 2020 |
| • Principal Photography: | March 02, 2020 through April 17, 2020      |
| • Wrap:                  | April 20, 2020 through August 28, 2020     |
| • Post Production:       | April 20, 2020 through October 30, 2020    |

**Summary**

Holly decides to throw a living funeral for herself, and invites her family and friends. Holly must make peace with her loved ones before she is gone forever.

**Proposed Motion**

Approve for Cabin In The Woods, LLC, a MPIP Tax Credit of no more than \$375,000 (which represents 15% of dollars left in state) for the production of *Haul Out the Holly*.

- 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 base line incentive of 15% of dollars left in state
- Dollars left in state start date no earlier than 30 days prior to the Governor’s Office of Economic Development Board of Directors approval.

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

**GOED BOARD – MOTION PICTURE INCENTIVE PROGRAM**  
**EXECUTIVE SUMMARY**  
**CAMERA 40 PRODUCTIONS, LLC**  
**“The Outpost Season 3”**  
**January 10, 2020**

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**Project Highlights**

- Category: Episodic
- Genre: Sci-Fi
- Director: Jonathan Glassner, Marc Roskin
- Producer: Jonathan English, Jennifer Kirkham

**Utah Jobs and Revenue**

- Estimated Cast: 5
- Estimated Cast Average Daily Salary: \$1,100
- Estimated Crew: 25
- Estimated Crew Average Daily Salary: \$500
- Estimated Extras: 10
- Estimated Extras Average Daily Salary: \$125
- Length of Film Production: 276
- Estimated Spend: \$1,500,000

**Project Schedule**

- Prep: October 31, 2019 through February 28, 2020
- Principal Photography: March 01, 2020 through March 08, 2020
- Wrap: March 09, 2020 through March 10, 2020
- Post Production: March 11, 2020 through October 31, 2020

**Summary**

The Outpost is a fantasy TV series for the CW Network and SyFy Channel internationally.

**Proposed Motion**

Approve for Camera 40 Productions, LLC, a MPIP Cash Rebate of no more than \$225,000 (which represents 15% of dollars left in state) for the production of *The Outpost Season 3*.

- 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 base line incentive of 15% of dollars left in state
- Dollars left in state start date no earlier than 90 days prior to the Governor’s Office of Economic Development Board of Directors approval.

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

**GOED BOARD – MOTION PICTURE INCENTIVE PROGRAM**  
**EXECUTIVE SUMMARY**  
**A&P PRODUCTIONS, LLC**  
**“American Crime: The Salamander”**  
**January 10, 2020**

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**Project Highlights**

- Category: Episodic
- Genre: Documentary
- Director: Jared Hess, Tyler Measom
- Producer: TBD

**Utah Jobs and Revenue**

- Estimated Cast: 5
- Estimated Cast Average Daily Salary: \$261
- Estimated Crew: 41
- Estimated Crew Average Daily Salary: \$381
- Estimated Extras: 10
- Estimated Extras Average Daily Salary: \$150
- Length of Film Production: 203
- Estimated Spend: \$1,160,497

**Project Schedule**

- Prep: January 06, 2020 through January 25, 2020
- Principal Photography: January 27, 2020 through June 27, 2020
- Wrap: August 03, 2020 through August 22, 2020
- Post Production: February 03, 2020 through July 25, 2020

**Summary**

The Salamander revisits the remarkable tale of the most prolific and accomplished forger in modern history, Mark Hofmann, a shadowy genius whose elaborate deceptions rewrote history and ultimately led to double murder and the largest criminal investigation in the state of Utah.

**Proposed Motion**

Approve for A&P Productions, LLC, a MPIP Cash Rebate of no more than \$174,074 (which represents 15% of dollars left in state) for the production of *American Crime: The Salamander*.

- 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 base line incentive of 15% of dollars left in state
- Dollars left in state start date no earlier than 30 days prior to the Governor’s Office of Economic Development Board of Directors approval.

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

## GOED RFT PUBLIC SUMMARY—JANUARY 10, 2020

### GOED BOARD RURAL FAST TRACK GRANT YORK MOTORSPORTS, INC.

JANUARY 10, 2020

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The Office of Rural Development recommends a Rural Fast Track capital investment grant for York Motorsports, Inc., located in Vernal, Uintah County, for the purpose of the **purchase of Genos M560-V Vertical Machining Center (or equivalent) CNC milling machine and related tooling**. The total project cost is valued at One-hundred and sixty-three thousand, five-hundred dollars (\$163,000).

**MOTION: Endorse a Rural Fast Track capital investment grant for York Motorsports, Inc, in the amount of \$50,000.**

*The company is required to create one (1) new full-time position, and expects to create one (1) new full time position paying at least 110% of the Uintah County average wage. Upon proof of job retention for a period of 12 consecutive months, the company also qualifies for a grant fund reimbursement of up to One-thousand five-hundred dollars (\$1,500).*

### GOED BOARD RURAL FAST TRACK GRANT UNITED SOIL SCIENCE

JANUARY 10, 2020

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The Office of Rural Development recommends a Rural Fast Track capital investment grant for United Soil Science, located in Delta, Millard County, for the purpose of purchasing a Fertilizer Air-spreader and construction of a bulk storage facility. The total project cost is valued at One-hundred and sixty-three thousand dollars (\$163,000).

**MOTION: Endorse a Rural Fast Track capital investment grant for United Soil Science in the amount of \$50,000.**

*The company is required to create one (1) new full-time position, and expects to create one (1) new full time position paying at least 110% of the county average wage. Upon proof of job retention for a period of 12 consecutive months, the company also qualifies for a grant fund reimbursement of up to One-thousand five-hundred dollars (\$1,500).*

## GOED Board Meeting Minutes

November 14, 2019 • 10:00 a.m. – 10:30 p.m.  
Utah Governor's Office of Economic Development  
60 E South Temple, FL 3  
Salt Lake City, UT 84111

<b>Members Present:</b>	Mel Lavitt, Jerry Oldroyd, Ted Wilson, Margo Jacobs, Heather Kahlert, Annette Meier, Susan Johnson, Stefanie Bevans, Steve Neeleman (P), Andrea Moss (P), Roger Killpack (P), Carine Clark (P), Lorena Riffo-Jenson (P)
<b>Members Excused:</b>	Doug Dilley, Peter Mouskondis
<b>Staff:</b>	Ben Hart, Thomas Wadsworth, Larry Shepherd, Owen Barrott, Ginger Chinn, Ryan Starks, Kimberlee Carlile, Tony Young, Virginia Pearce, Lynne Meyer, Jim Grover, James Dixon, Kamron Dalton, Chanel Flores, Taylor Broadbent, Pete Codella, Kori Ann Edwards, Nan Anderson, Jason Marden
<b>Visitors:</b>	Mike Flynn, Colby Cooley, Vlada Yaremenko, Erin Farr, Chris Pieper, Brice Wallace, Tony Burkart, Jennifer Thibadeau, Dixon Holmes, Patrick Mullen, Grant Baskerville, Rob Bachman

### Welcome

Jerry Oldroyd welcomed everyone to the November 14, 2019 GOED Board Meeting.

### Approval of the Minutes

**MOTION: Mel Lavitt moved to approve the October 10, 2019 board meeting minutes. Margo Jacobs seconded the motion. The motion carried unanimously.**

### EDTIF – Qualtrics LLC

#### **Project Highlights**

Timeline:	2020
Target Industry:	Software/Tech
Location:	Provo, UT
CapEx:	\$45,000,000
Jobs:	2,245
Average Wage:	\$87,000

#### **Project Overview**

Qualtrics is an experience management company that specializes in software that enables companies to collect and analyze data on customers, brand, employees and products to increase insight into business operations and the effectiveness of product offerings.

Qualtrics is currently headquartered in Provo, UT, with co-headquarters in Seattle, WA. Due to the company's rapid growth, they are approaching full capacity in their Provo office. This new project under consideration is to add additional office space and headcount to Provo by constructing a new facility of up to 150,000 sq ft. Capital investment in the new office is estimated to be \$45 million.

The company plans to hire an additional 2,400 employees in Provo over ten years, providing above-market salary, benefits, and valuable experience. Additional positions will include expansion of all current operations in Utah including: software engineers, sales, marketing, technical support, finance and account management.

Qualtrics has grown rapidly. The company recently purchased a lease for a large office space at its co-headquarters location in Seattle, WA. Additionally, international expansion has continued and now includes 11 offices and over 700 employees overseas. In order to hit revenue targets and grow the business, the company will be increasing headcount significantly.

The company is working on budgeting and planning for the upcoming years, and this incentive will be a key factor in determining where the majority of the growth of headcount will occur.

#### **Jobs & Revenue**

Full time jobs over project lifetime: 2,245

Company Average Wage vs. County Average Wage

Max with health benefits:	228%
Max w/o health benefits:	213%
Min with health benefits:	223%
Min w/o health benefits:	209%

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

New State Wages over 10 years:	\$1,494,700,000
New State Revenue over 10 years:	\$131,131,340
Withholding:	\$55,490,738
Sales:	\$27,378,103
Corporate:	\$48,262,500

**MOTION: Margo Jacobs moved to approve Qualtrics, LLC. for an EDTIF post-performance refundable tax credit of up to \$32,782,835 which represents 25% of the \$131,131,340 of new state revenue, which may be earned over 10 years. Heather Kahlert seconded the motion. The motion carried unanimously.**

- Total EDTIF incentive not to exceed \$32,782,835 EDTIF post-performance refundable tax credit.
- Annual EDTIF incentive amount based on 25% of qualified new incremental state tax revenues generated and receipted 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 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 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 GOED Incentives Committee in order for company to be eligible for the incentive.
- Only new state revenue and new jobs created after the GOED Board final approval date are eligible for this incentive.

Board Member Steve Neeleman recused himself from discussion and consideration of this incentive due to a business relationship he has with Qualtrics.

**Presentations:** Rob Bachman, Qualtrics CFO, thanked the board and the State of Utah for partnering with Qualtrics over the years. Qualtrics will continue to expand in Utah. He discussed recruiting and retaining talent saying they believe they can hire the required talent for this project.

Dixon Holmes of Provo City spoke to the excitement the city has for this project and the home grown entrepreneurial spirit of the community that has created companies like Qualtrics.

#### **EDTIF – Amazon Web Services**

##### **Project Highlights**

Timeline:	2020
Target Industry:	Advanced Manufacturing
Location:	Salt Lake County
CapEx:	\$25,350,000
Jobs:	300
Average Wage:	\$104,000

##### **Project Overview**

Amazon Web Services (AWS) is a subsidiary of Amazon that provides on-demand cloud computing platforms to individuals, companies and governments. One of these services is Amazon Elastic Compute Cloud, which allows users to have a virtual cluster of computers through the Internet.

The AWS technology is implemented at server farms throughout the world, and maintained by the Amazon subsidiary. Fees are based on a combination of usage, the hardware/OS/software/networking features chosen by the subscriber, required availability, redundancy, security, and service options. As part of the subscription agreement, Amazon provides security for subscribers' system. Amazon markets AWS to subscribers as a way of obtaining large scale computing capacity more quickly and cheaply than building an actual physical server farm.

The computing hardware (servers, computer chips) for AWS data centers is manufactured by Amazon. The server production process requires advanced manufacturing skills and clean room infrastructure. The company is currently evaluating Utah as a potential location for one of their server manufacturing facilities. This new project will add 155 jobs. The majority of these positions will be advanced manufacturing assembly paying \$95,000 per year. Other positions include management, material handlers, and security guards.

The location for this project is in active competition with Reno, Nevada and Phoenix, Arizona. The company has selected Utah as one of the sites and are currently looking at one site in West Valley City and three sites in Salt Lake City inside the Utah Inland Port boundaries.

**Jobs & Revenue**

Full time jobs over project lifetime: 300

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

Max with health benefits:	201%
Max w/o health benefits:	188%
Min with health benefits:	192%
Min w/o health benefits:	183%

**New State Wages & Revenue**

New State Wages over 10 years:	\$304,259,525
New State Revenue over 10 years:	\$12,497,597
Withholding:	\$11,295,635
Sales:	\$634,500
Corporate:	\$567,462

**MOTION: Ted Wilson moved to approve Amazon Web Services, Inc. for an EDTIF post-performance refundable tax credit of up to \$2,499,519 which represents 20% of the \$12,497,597 of new state revenue, which may be earned over 10 years. Susan Johnson seconded the motion. The motion carried unanimously.**

- Total EDTIF incentive not to exceed \$2,499,519 EDTIF post-performance refundable tax credit.
- Annual EDTIF incentive amount based on 20% of qualified new incremental state tax revenues generated and receipted 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 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 GOED Incentives Committee in order for company to be eligible for the incentive.
- Only new state revenue and new jobs created after the GOED Board final approval date are eligible for this incentive.

**Presentations:** Jennifer Thibadeau of Amazon Web Services expressed that the company was excited to be in Utah. She spoke of the company's cloud computing, the work AWS does, and its products. She thanked the GOED board and the State of Utah for working with the company on this project.

**ED Zone:**

- Motion: Approve the creation of an Economic Development Zone for Pleasant Grove in support of their letter of request detailing the expansion of Instructure Inc. at 2100 Pleasant Grove Blvd, Pleasant Grove, UT 84062

**MOTION: Susan Johnson moved to approve the ED Zone as presented. Annette Meier seconded the motion. The motion carried unanimously.**



Film Incentives

**GOED BOARD – COMMUNITY FILM INCENTIVE PROGRAM  
EXECUTIVE SUMMARY  
ROCKETBOY, LLC  
“Rocketboy”  
November 14, 2019**

Project Highlights

- |             |                                    |
|-------------|------------------------------------|
| • Category: | Feature                            |
| • Genre:    | Documentary                        |
| • Director: | Allyse Clegg                       |
| • Producer: | Karina Orton, Scott Christopherson |

Utah Jobs and Revenue

- |  |          |
|--|----------|
| • Estimated Cast:                        | 2        |
| • Estimated Cast Average Daily Salary:   | \$0      |
| • Estimated Crew:                        | 10       |
| • Estimated Crew Average Daily Salary:   | \$400    |
| • Estimated Extras:                      | 0        |
| • Estimated Extras Average Daily Salary: | \$0      |
| • Length of Film Production:             | 724      |
| • Estimated Spend:                       | \$46,400 |

Project Schedule

- |                          |  |
|--------------------------|--|
| • Prep:                  | May 01, 2019 through October 15, 2019      |
| • Principal Photography: | October 21, 2019 through May 30, 2020      |
| • Wrap:                  | June 1, 2020 through June 30, 2020         |
| • Post Production:       | January 01, 2020 through December 01, 2020 |

Summary

Putting everything on the line, two twenty-something, engineers-turned-entrepreneurs scrape together their first commercial rocket launch into space.

Proposed Motion

Approve for Rocketboy, LLC, a Community Film Incentive Program post-performance cash rebate up to \$9,280 (which represents 20% of dollars left in state) for the production of “Rocketboy”.

- Incentive offer based on receipt of a complete CFIP application including a script and proof of financing
- At least 85% of the production’s cast/crew must be Utah residents
- All minimum required criteria and requirements are met as specified on the CFIP rules and incentive contract
- Dollars left in state start date no earlier than 30 days prior to the original Governor’s Office of Economic Development Board of Directors approval

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

**MOTION:**

**Stefanie Bevans moved to endorse this film incentive as presented. Lorena Rizzo-Jensen seconded the motion. The motion carried unanimously.**

**GOED BOARD – COMMUNITY FILM INCENTIVE PROGRAM**  
**EXECUTIVE SUMMARY**  
**ALL HALLOWS DAY EVE, LLC**  
**“All Hallows Day Eve”**  
**November 14, 2019**

**Project Highlights**

- |             |  |
|-------------|--|
| • Category: | Feature                                |
| • Genre:    | Horror                                 |
| • Director: | Nick Jensen                            |
| • Producer: | Nick Jensen, Ian Lucas, James W. Lucas |

**Utah Jobs and Revenue**

- |  |          |
|--|----------|
| • Estimated Cast:                        | 12       |
| • Estimated Cast Average Daily Salary:   | \$113    |
| • Estimated Crew:                        | 15       |
| • Estimated Crew Average Daily Salary:   | \$143    |
| • Estimated Extras:                      | 0        |
| • Estimated Extras Average Daily Salary: | \$0      |
| • Length of Film Production:             | 183      |
| • Estimated Spend:                       | \$66,000 |

**Project Schedule**

- |                                  |   |
|----------------------------------|---|
| • Prep:<br>2019                  | September 13, 2019 through November 06, |
| • Principal Photography:<br>2019 | November 07, 2019 through November 18,  |
| • Wrap:<br>2019                  | November 07, 2019 through November 23,  |
| • Post Production:<br>2020       | November 19, 2019 through February 29,  |

**Summary**

Jessica has invited a group of college sorority friends to a Halloween party. The evening will reveal the deepest secret from her past, and that the horrifying legacy of the house may not have been erased by its surface transformation.

**Proposed Motion**

Approve for All Hallows Day Eve, LLC, a Community Film Incentive Program post-performance cash rebate up to \$13,200 (which represents 20% of dollars left in state) for the production of “All Hallows Day Eve”.

- Incentive offer based on receipt of a complete CFIP application including a script and proof of financing
- At least 85% of the production’s cast/crew must be Utah residents
- All minimum required criteria and requirements are met as specified on the CFIP rules and incentive contract
- Dollars left in state start date no earlier than 90 days prior to the original Governor’s Office of Economic Development Board of Directors approval

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

**MOTION:**

Annette Meier moved to endorse this film incentive as presented. Ted Wilson seconded the motion. The motion carried unanimously.

**GOED BOARD – MOTION PICTURE INCENTIVE PROGRAM  
EXECUTIVE SUMMARY  
SOUTH BAY PRODUCTIONS, LLC  
“Wireless”  
November 14, 2019**

**Project Highlights**

- |               |   |
|---------------|---|
| • Category:   | Episodic  |
| • Genre:      | Thriller  |
| • Director:   | Zach Wechter  |
| • Exec. Prod. | Cathy Konrad<br>Zach Wechter<br>Rodney Ferrell<br>Danny Sherman<br>Steven Soderbergh<br>Michael Sugar |
| • Producer:   | Andrew Reyes<br>Isabel San Vargus<br>Christian Heuer  |

**Utah Jobs and Revenue**

- |  |             |
|--|-------------|
| • Estimated Cast:                        | 5           |
| • Estimated Cast Average Daily Salary:   | \$335       |
| • Estimated Crew:                        | 50          |
| • Estimated Crew Average Daily Salary:   | \$450       |
| • Estimated Extras:                      | 120         |
| • Estimated Extras Average Daily Salary: | \$101       |
| • Length of Film Production:             | 67          |
| • Estimated Spend:                       | \$1,263,343 |

**Project Schedule**

- |                                  |  |
|----------------------------------|--|
| • Prep:<br>2019                  | October 14, 2019 through December 03,  |
| • Principal Photography:<br>2019 | December 04, 2019 through December 17, |
| • Wrap:<br>2019                  | December 18, 2019 through December 22, |

**Summary**

Stranded in the mountains off the road, a self-obsessed teen's only hope for survival is the tool he's spent his whole life learning to use: his iPhone.

**Proposed Motion**

Approve for South Bay Productions, LLC, a Motion Picture Incentive Program Cash Rebate of no more than \$252,669 (which represents 20% of dollars left in state) or no more than \$315,836 if additional criteria are satisfied (which represents 25% of the dollars left in state) for the production of “Wireless”.

- 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 base line incentive of 20% of dollars left in state
- Dollars left in state start date no earlier than 60 days prior to the Governor’s Office of Economic Development Board of Directors approval
- South Bay Productions, LLC may be eligible for an additional 5% incentive upon verification of meeting the criteria as adopted by the GOED Board and administered by the Governor’s Office of Economic Development and the Utah Film Commission, including a \$1,000,000 minimum

dollars left in state. At least 75% of the production's cast/crew must be Utah residents or 75% of the production's Utah principal production days must occur in a rural area. Total incentive with this condition, if all terms are met to the satisfaction of the Utah Film Commission, shall not exceed \$315,836 (25% of the dollars left in state).

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

**MOTION:**

Mel Lavitt moved to endorse this film incentive as presented. Ted Wilson seconded the motion. The motion carried unanimously.

**GOED BOARD – MOTION PICTURE INCENTIVE PROGRAM  
EXECUTIVE SUMMARY  
SALTY PICTURES, INC.  
“High School Musical, The Musical, The Series Season 2”  
November 14, 2019**

**Project Highlights**

- |             |                                  |
|-------------|----------------------------------|
| • Category: | Episodic                         |
| • Genre:    | Comedy                           |
| • Director: | Joanna Kerns                     |
| • Producer: | Barry Rosenbush, Mary Pantelidis |

**Utah Jobs and Revenue**

- |  |              |
|--|--------------|
| • Estimated Cast:                        | 30           |
| • Estimated Cast Average Daily Salary:   | \$1,006      |
| • Estimated Crew:                        | 160          |
| • Estimated Crew Average Daily Salary:   | \$400        |
| • Estimated Extras:                      | 3,254        |
| • Estimated Extras Average Daily Salary: | \$102        |
| • Length of Film Production:             | 269          |
| • Estimated Spend:                       | \$24,365,707 |

**Project Schedule**

- |                          |   |
|--------------------------|---|
| • Prep:                  | December 02, 2019 through February 07, 2020 |
| • Principal Photography: | February 12, 2020 through July 19, 2020     |
| • Wrap:                  | July 22, 2020 through September 04, 2020    |

**Summary**

Winking toward the “High School Musical” past while looking boldly forward, the students at East High focus on their next performance in the upcoming Spring musical.

**Proposed Motion**

Approve for Salty Pictures, Inc., a MPIP Tax Credit of no more than \$4,873,141 (which represents 20% of dollars left in state) or no more than \$6,091,427 if additional criteria are satisfied (which represents 25% of the dollars left in state) for the production of “High School Musical, The Musical, The Series Season 2”.

- 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 base line incentive of 20% of dollars left in state
- Dollars left in state start date no earlier than 30 days prior to the Governor's Office of Economic Development Board of Directors approval
- This tax credit may be split between up to three consecutive State of Utah fiscal years

- Salty Pictures, Inc. may be eligible for an additional 5% incentive upon verification of meeting the criteria as adopted by the GOED Board and administered by the Governor's Office of Economic Development and the Utah Film Commission, including a \$1,000,000 minimum dollars left in state. At least 75% of the production's cast/crew must be Utah residents or 75% of the production's Utah principal production days must occur in a rural area. Total incentive with this condition, if all terms are met to the satisfaction of the Utah Film Commission, shall not exceed \$6,091,427 (25% of the dollars left in state).

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

**MOTION:**

**Susan Johnson moved to endorse this film incentive as presented. Stefanie Bevans seconded the motion. The motion carried unanimously.**

**Presentation**

**Opportunity Zones Update**

Patrick Mullen and Grant Baskerville provided an update on how the federal Opportunity Zones are structured and being utilized in Utah. They shared an overview and timeline of the program's implementation, showed how it was being used in locations around the State of Utah, and their role as state contractors in training, guiding, encouraging, and tracking opportunity zone investment.

**Rural Fast Track Grant Endorsements**

**GOED RFT PUBLIC SUMMARY—NOVEMBER 14, 2019**

**GOED BOARD  
RURAL FAST TRACK GRANT  
TY'S CABINETS  
NOVEMBER 14, 2019**

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The Office of Rural Development recommends a Rural Fast Track capital investment grant for Ty's Cabinets, located in Cleveland, Emery, for the purpose of purchasing and **Edgebender** and **Double Head Sander**. The total project cost is valued at One-hundred and eleven thousand, six-hundred dollars (\$111,600).

**MOTION: Endorse a Rural Fast Track capital investment grant for Ty's Cabinets in the amount of \$50,000.**

*The company is required to create one (1) new full-time position, and expects to create one (1) new full time position paying at least 110% of the county average wage. Upon proof of job retention for a period of 12 consecutive months, the company also qualifies for a grant fund reimbursement of up to one- thousand, five-hundred dollars (\$1,500).*

**GOED BOARD  
RURAL FAST TRACK GRANT  
DESERT STREAM  
NEPHI, JUAB COUNTY**

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The Office of Rural Development recommends a Rural Fast Track capital investment grant for Desert Stream, located in Nephi, Juab County, for the purpose of purchasing a Gusset Bag Filling Machine. The total project cost is valued at Seventy-thousand dollars (\$70,000).

**MOTION: Endorse a Rural Fast Track capital investment grant for Desert Stream in the amount of \$35,000.**

*The company is required to create one (1) new full-time position, and expects to create one (1) new full time position paying at least 110% of the county average wage. Upon proof of job retention for a period of 12 consecutive months, the company also qualifies for a grant fund reimbursement of up to One-thousand, five-hundred dollars (\$1,500).*

**MOTION:**

**Annette Meier moved to endorse the Rural Fast Track grant as presented. Roger Killpack seconded the motion.**

**The motion carried unanimously.**

**GOED Update**

Ben Hart provided an update on upcoming events and recent activities and efforts within GOED and its programs.

**Incentives Update**

Owen Barrott provided an update on the Incentives Program regarding new and existing projects.

**EDCUtah Update**

Colby Cooley of EDCUtah presented on the status of current and upcoming projects in the pipeline.

**Meeting Adjourned**