



# BEDL Committee Presentation

February 4, 2019



Utah Governor's Office of  
Economic Development

BUSINESS • TOURISM • FILM

# History

GOED was created in 2005 by the Legislature to elevate the profile of economic development in the state.

GOED was formerly the Division of Community and Economic Development.

# Vision

Utah will be the nation's best-performing economy.

It will be the premier global business environment and tourist destination.

# Mission

The Utah Governor's Office of Economic Development enhances the state's quality of life by increasing and diversifying Utah's revenue base and improving employment opportunities.

# Purpose

GOED administers programs created by the Utah Legislature. *GOED does not create programs.*

We administer programs as closely to the legislative intent as possible.

# Incentives are Rebates

The Utah Legislature has determined that Utah's approach to economic development incentives will be in the form of **post-performance tax rebates.**

# GOED Board of Directors



**Jerry Oldroyd**  
Chair  
Ballard Spahr



**Stefanie Bevans**  
Design to Print  
Washington County



**Brent Brown**  
Brent Brown Automotive Group  
Utah County



**Carine Clark**  
Banyan and Silicon Slopes Board  
Utah County



**Christopher Conabee**  
Paladin Development Partners  
Summit County



**Margaret Jacobs**  
Sundance Institute Board  
Summit County

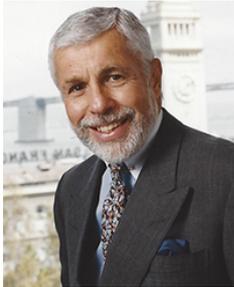


**Susan Johnson**  
Futura Industries  
Weber County



**Roger Killpack**  
Service Drug  
Millard County

# GOED Board of Directors



**Mel Lavitt**  
Needham and Company  
Summit County



**Annette Meier**  
Superior Drilling Products  
Uintah County



**Andrea Moss**  
Comenity Capital Bank  
Salt Lake County



**Peter Mouskondis**  
Nicholas and Co.  
Salt Lake County



**Steve Neeleman**  
HealthEquity  
Utah County



**Lorena Riffo-Jenson**  
VOX Creative  
Salt Lake County



**Ted Wilson**  
Former UCAIR executive director  
Former Salt Lake City mayor  
Salt Lake County

# GOED Teams

## Corporate Recruitment, International Trade and Diplomacy

- Corporate Recruitment
- International Trade and Diplomacy
- Talent Ready Utah (workforce development)

# GOED Teams

## Urban and Rural Business Services

- Office of Rural Development
- Clusters
- Procurement Technical Assistance Center
- Business Resource Centers

# GOED Teams

## Tourism, Film and Global Branding

- Utah Office of Tourism
- Utah Film Commission

# GOED Teams

Office of Outdoor Recreation

Pete Suazo Athletic Commission

STEM Action Center

# GOED Teams

Operations: Compliance and Finance

Marketing Communications

# Strategic Partners

Economic Development Corporation of Utah (EDCU)

World Trade Center Utah (WTC)

USTAR

Chambers of Commerce

# Fast Facts

## FY 2019 Budget



Full-Time  
Employees  
87

\$88,303,300  
FY19 Total Budget  


Administration:

\$4,496,800 = 5%

Legislative Pass-Through:

\$13,938,800 = 15%

Other Pass-Through:

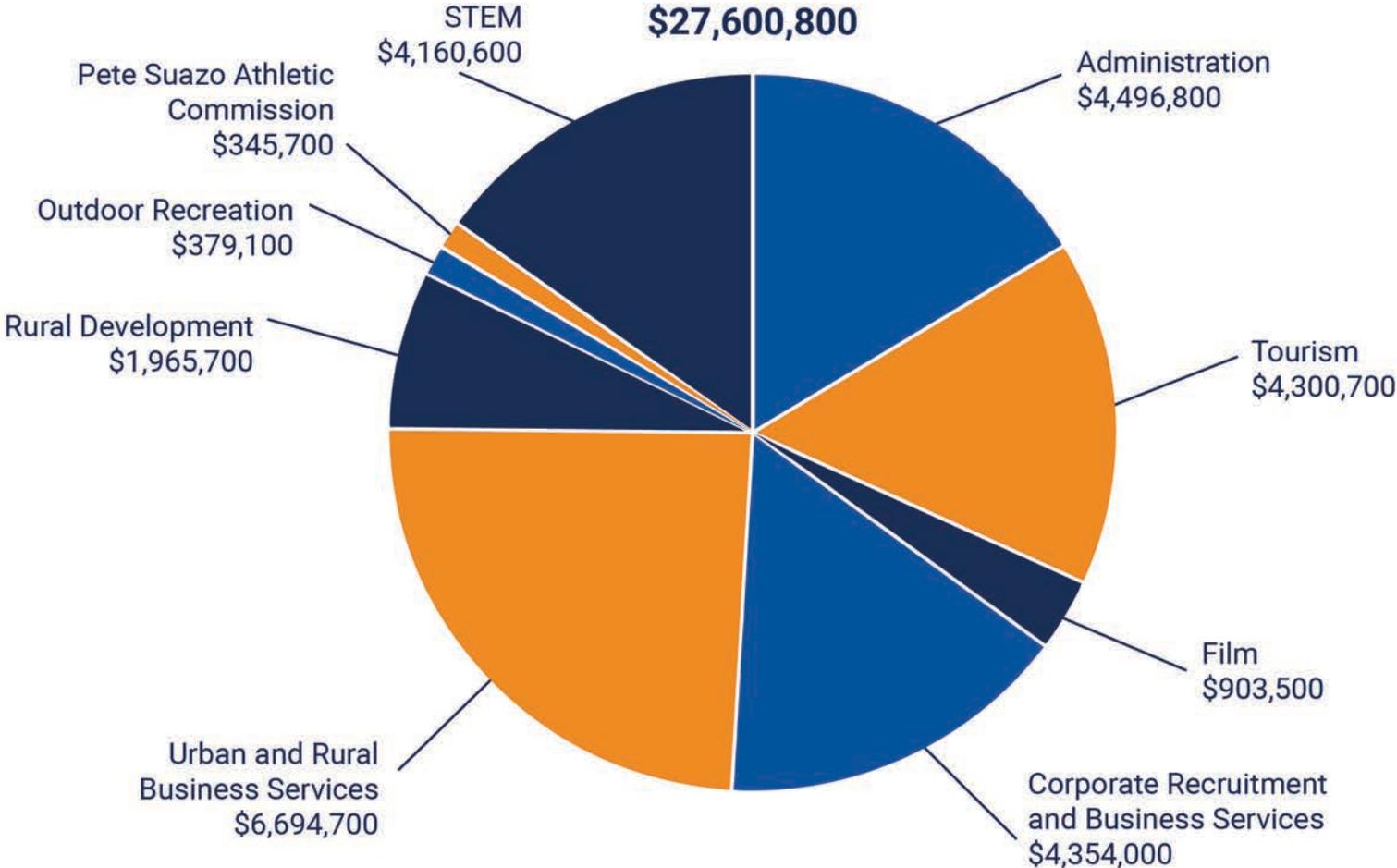
\$12,900,000 = 14%

TMPF:

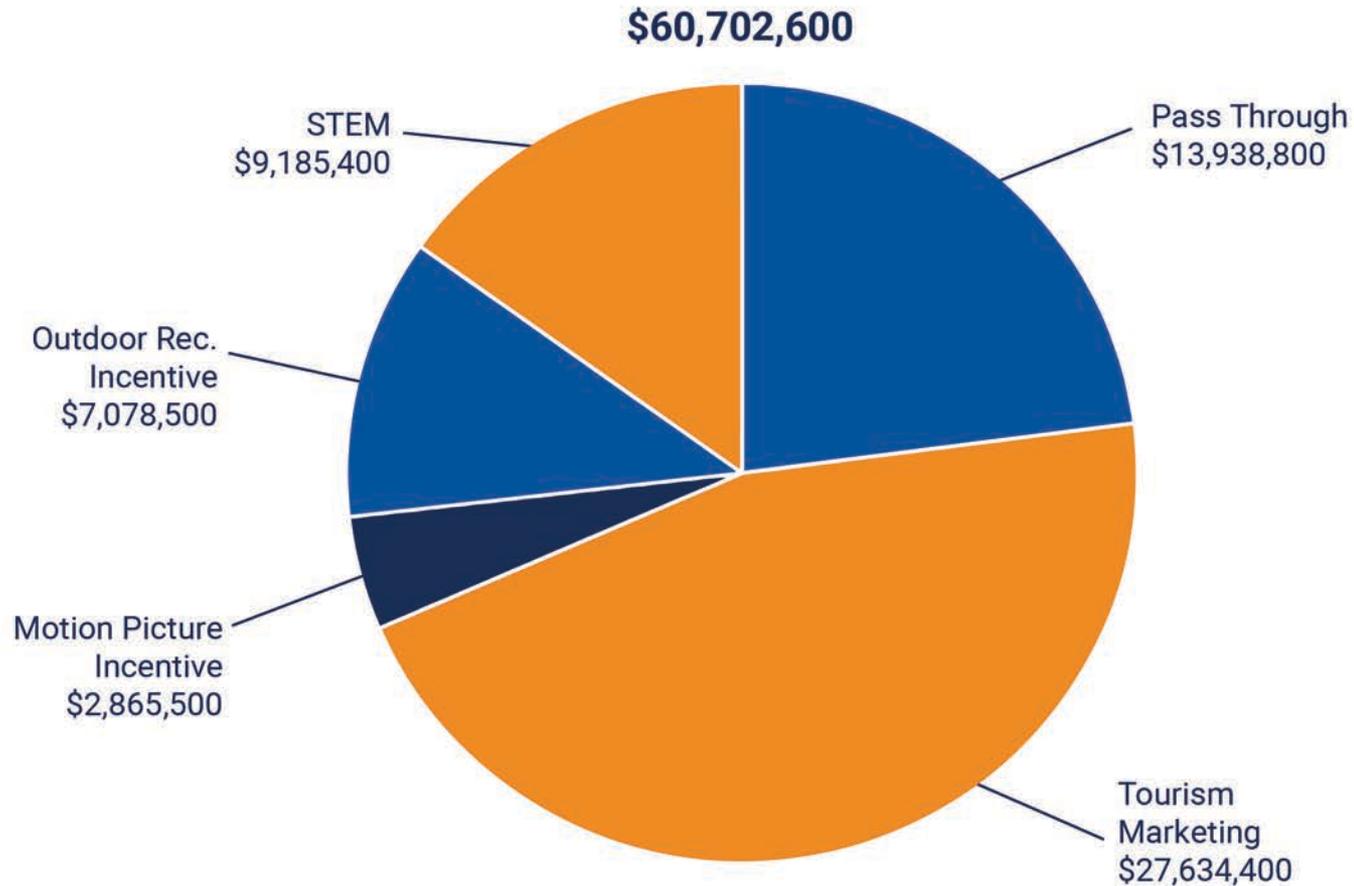
\$24,000,000 = 27%

\$2.4M  
Sports Commission  
Pass-Through

# FY 2019 Operations Budget



# FY 2019 Non-Operations Budget



# Performance Metrics

## Online Travel Reimbursement System

Average days to reimburse was 2.01

Now it's 0.7 (less than one day)

# Performance Metrics

## Contract Management

Average 600 contracts annually

Drafted within 14 days

Processed and filed within 10 days of receiving a signed contract

30% reduction in time

# CY 2017 EDTIF Actuals

Assessments:	49
High-Paying jobs (current):	6,426

# CY 2017 New State Revenue (NSR)

Gross:	\$63,281,600
Net:	\$47,073,900

# Cumulative

Gross NSR: \$440,731,000

Net NSR: \$313,611,000

Jobs: 20,429

# January to December 2018

16 Companies approved for a tax rebate

Average wage = \$89,200

Projected jobs = 5,085

# Average Terms

2011 = 11 years, 23% rebate

2017 = 7 years, 20% rebate

# ROI

EDTIF results in direct new state revenue  
at a three-to-one ratio

**300% return on investment**

Does not include any economic multipliers

# One-Time Budget Requests

Columbus Community Center  
\$2,000,000 FY 2019

GOED Data Analyst position  
\$50,000 FY 2019

RV Trade Show (Salt Palace Doors)  
\$150,000 FY 2019

Training Center for Workforce Development  
\$15,000,000 FY 2019

# Ongoing Budget Requests

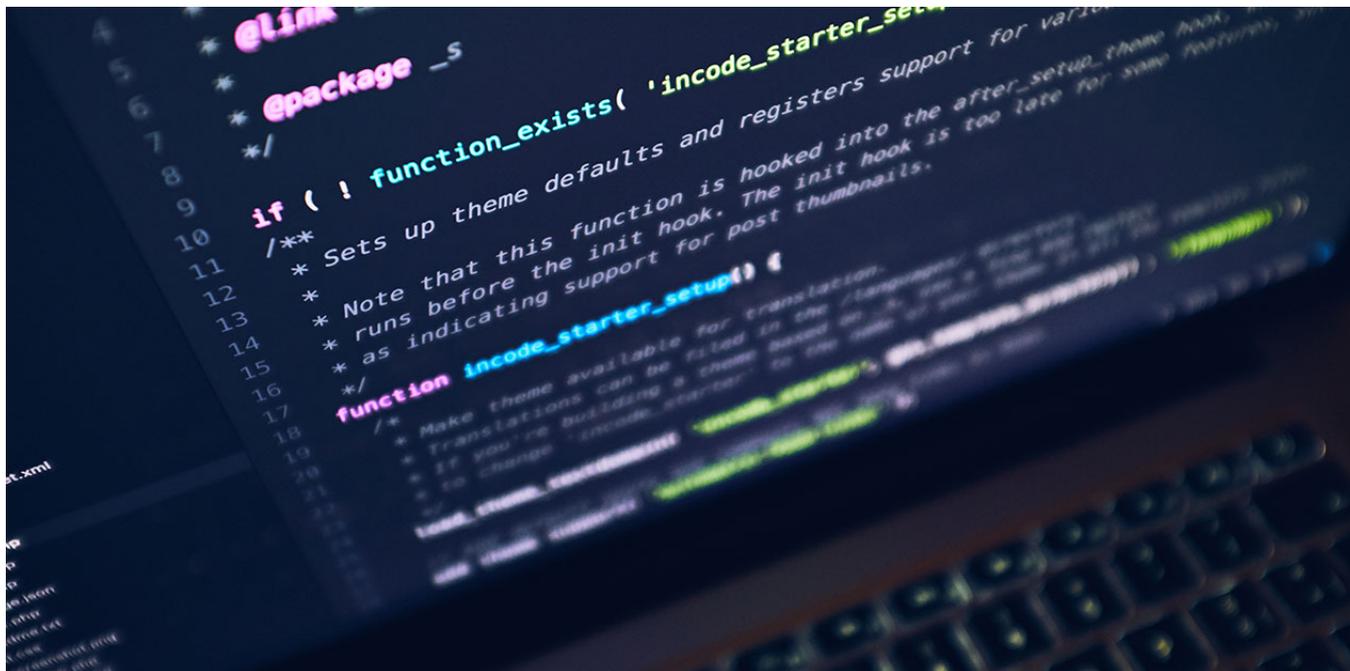
Computer Science for Utah  
\$3,865,000 FY 2020

GOED Data Analyst position  
\$150,000 FY 2020

World Trade Center  
\$350,000 FY 2020

# Computer Science for Utah

Public/Private partnership to  
put computer science classes in all Utah schools



# Resolution

## HCR 4 / Every Kid Outside Initiative



# PR Effort to Brand Utah

THE WALL STREET JOURNAL

diana gardner ▾

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ECONOMY

## Utah Shows How Labor-Force Growth Fuels Economic Growth

The state has outpaced the country in economic expansion since 2010

# Opportunity Zones in Utah



# Partial Federal Government Shutdown

**KSL.com** News Sports Brandview TV Radio

NEWS / OUTDOORS

**FOX 13** NEWS GOOD DAY UTAH COMMUNITY THE PLACE APPS CONTESTS TRAFFIC EVENTS DREAM

Utah's governor is happy there's a deal

Utah company gives \$100M to help preserve Arches and Bryce operated by Presidents Day during shutdown



(Trent Nelson | The Salt Lake Tribune) A woman in a hammock at the end of the Riverside Walk in Zion National Park as the government shutdown continues on Saturday, Jan. 12, 2019.

**LAS VEGAS REVIEW-JOURNAL**  
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**2 KUTV** NEWS WEATHER

\$100M about

sections **cnsnews**

Commentary

**MENS JOURNAL**

ADVENTURE

**Government Know About**



MARK HALLSTON/AFP/Getty Images / Getty Images

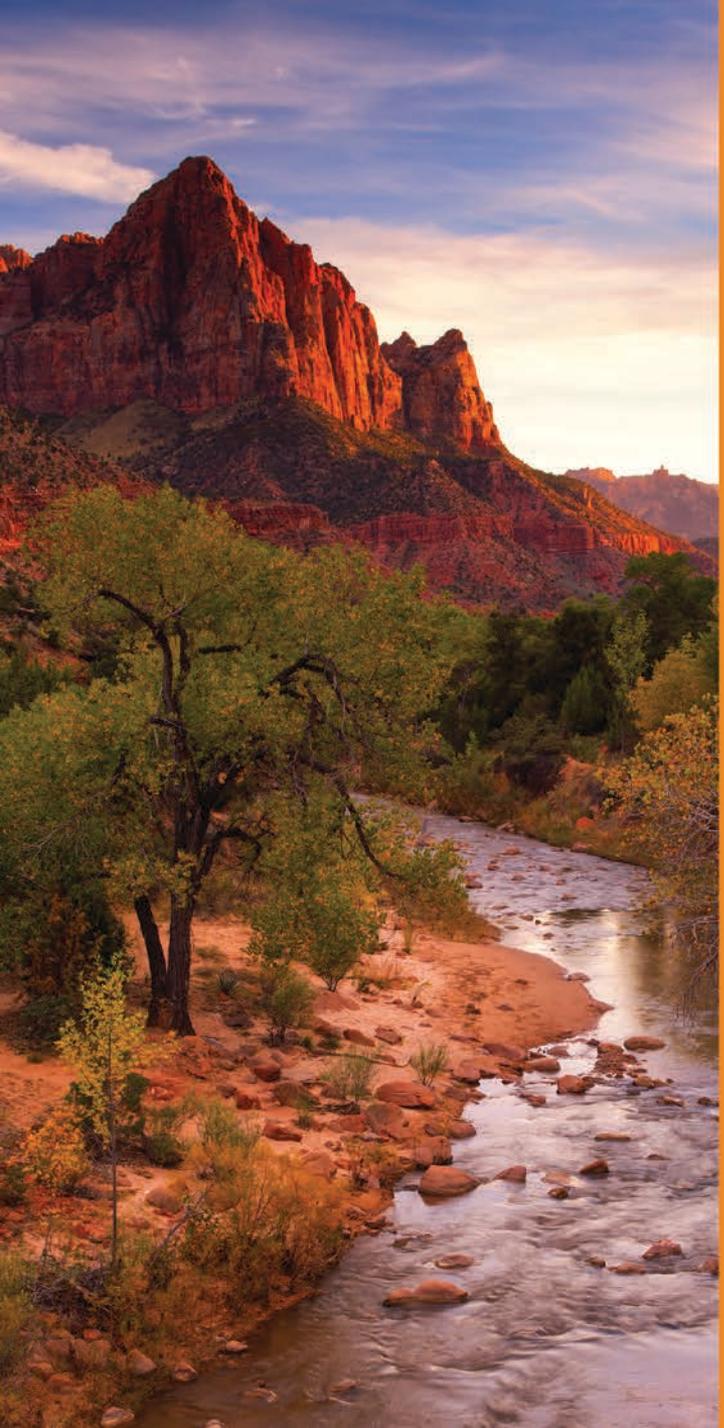
**The New York Times**

## *Frustrated by Shutdown, States Spend to Keep National Parks Open*



Zion National Park in Utah, which is among the states that have tapped their own treasuries to keep a patchwork of federal properties, including national parks, open and maintained during the government shutdown. Ruth Fremson/The New York Times

**By Alan Blinder**



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## Base Budget Metrics and Performance

February 4, 2019

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### Administration

1. Finance – Invoices and reimbursements will be processed and remitted for payment within five days with a target of 90%
  - a. Average days to pay 2.01
    - i. Online travel system created efficiency – days to process reimbursement = 0.7
2. Contract Management – Contracts will be drafted within 14 days, processed and filed within 10 days of receiving signed contracts with a target of 90%
  - a. Average 600 contracts
  - b. Implemented an online tracking system that allows contract manager to insert templates, negotiate in real time, and both parties to sign electronically.
  - c. Processing, signing and filing contract time has been reduced by 30%
  - d. On target
3. Public and Community Relations – Increase development, dissemination, facilitation and support of media releases, media advisories, interviews, and cultivated articles with a target of a 10% increase
  - a. Received about 200 media mentions from Aug. to Dec. 2018. Will monitor moving forward to track progress.
  - b. 80% positive and 20% neutral coverage (no negative mentions of the agency)
4. Marketing Communications – Implemented online project request form to track internal service requests
  - a. During 2018 Q4, 89 marcom project requests were received
  - b. The team achieved a 73% on-time completion rate
  - c. Moving forward, we'll track progress
  - d. The new process greatly reduced miscommunication between teams and helped organize marcom team workflow and output

### Business Services

1. Corporate Recruitment – Increase year-over-year average wage by 2%
  - a. Average wage = \$89,200
    - i. Talking points ONLY – not a data point we have been collecting. We are now collecting and will use as a baseline and begin reporting
2. Business Services – Increase the total number of businesses served by 4% per year
  - a. FY 2018 = 177 New business served
3. Compliance – Perform assessment on 60% of active contracts with follow-up each year
  - a. Assessed 52 which represents 49%
  - b. Talking Point ONLY - This may not be the most accurate performance metric as we do not control who submits and when which affects the %. We would recommend an accuracy and/or timeliness data point which we are currently using in our SUCCESS metric.

**Tourism**

1. Tourism Marketing and Performance Account – Increase state sales tax revenue in weighted travel-related NAICS categories as outlined in Utah Code 63N-7-301 with a target growth over 3% or consumer price index
  - a. FY 2017 Sales Tax revenue = \$197 m
  - b. FY 2018 Sales Tax revenue = \$210m
2. Tourism SUCCESS metric – increase number of engaged visitors to VisitUtah.com website defined as visitors who meet the threshold for time on site and page views with a target of 20% increase
  - a. FY 2017 # of visitors – 423,000
  - b. FY 2018 # of visitors – 547,000
3. Film – Increase Film production spending in Utah with a target of 5% increase
  - a. FY 2017 spend = \$63,679,915
  - b. FY 2018 spend = \$70,464,319

**Pete Suazo Athletic Commission**

1. High Profile Events – Averages 1 high profile and 37 Combat Sporting events. PSAC will target one additional high-profile event in FY 2019
2. Licensure Efficiency – Average 991 licenses issued annually with less than 5% of licenses issued in advance. Target online registration to improve efficiency with 90% advanced registration
  - a. Online system has been developed and will deploy for February events

**STEM Action Center**

1. Grants – Complete reimbursements for classroom grants by fiscal year end, June 30 with a target of 90%
  - a. FY 2018 = 100% by Jun 30
2. Contracts - Contract Management – Contracts will be drafted within 14 days, processed and filed within 10 days of receiving signed contracted with a target of 90%
  - a. Approximately 50% of all contracts are STEM
  - b. Met target of 90%
  - c. Working to implement online system with STEM to create efficiency, streamlining and keep all contracts in the same system for tracking, signing and filing
3. Reporting – Collect all year-end reports for sponsorships by fiscal year-end, June 30 with a target of 90%
  - a. FY 2018 = 56%
    - i. Due to turnover

**Rural Employment Expansion Program**

1. Business Development – Increase state-wide business participation in program with a target of 5%
  - a. Baseline data = 9 applications
2. Workforce – Increase REDI-qualified position participation with a target of 5%
  - a. Baseline data = 23 qualified positions

**Talent Ready Utah**

1. Support new industry and education partnerships with a target of 20% increase
  - a. Supported 10 new programs through TRU grants funded through DWS
  - b. Tech Pathway program added 9 additional education partners = 47% increase
  - c. Supported three education partners and 10 construction companies in the creation of a new Keys for Success program
2. Expand current pathway programs throughout school districts in the state with a target of 5%
  - a. Expanded two pathways into three districts
  - b. Added companies to pathway programs
  - c. Added the Tech pathway



## Business Resource Centers



## Small Business Development Centers



## Procurement Technical Assistance Centers

### MISSION

- Local umbrella for resources/ support for businesses (large & small)
- Office space for tenants
- Meeting space
- Community meeting locations

### FUNDING

- \$325,000 state funds
- Partnered with higher education institution
- Funds distributed through grant application

### METRICS

- Unique visitors
- Incubator tenants

### MISSION

- Provide counseling services to small businesses and assist with creating a business plan

### FUNDING

- Funded by the Small Business Administration (Federal) with a state match
- Accredited by the SBDC

### METRICS

- Client loans
- Business starts
- Client revenues
- Tax revenues
- Jobs created

### MISSION

- Expand the number of businesses capable of participating in government contracts
- PTAC supports businesses by registration in the System for Award Management (SAM) tool, identification of contract opportunities, help in understanding requirements, and in preparing and submitting bids

### FUNDING

- Defense Logistics Agency (Federal) with a state match

### METRICS

- Amount of contracts awarded to a business

[business.utah.gov/brc](http://business.utah.gov/brc)

[utahsbdc.org](http://utahsbdc.org)

[business.utah.gov/ptac](http://business.utah.gov/ptac)