

**MINUTES OF THE
ECONOMIC DEVELOPMENT AND WORKFORCE SERVICES
INTERIM COMMITTEE**

Wednesday, November 14, 2012 – 9:00 a.m. – Room 20 House Building

Members Present:

Sen. Stuart C. Reid, Senate Chair
Rep. Jim Bird, House Chair
Sen. Patricia W. Jones
Sen. Aaron Osmond
Rep. Johnny Anderson
Rep. Rebecca Chavez-Houck
Rep. Brian Doughty
Rep. Keith Grover
Rep. Ronda Rudd Menlove
Rep. Jeremy A. Peterson
Rep. Dixon M. Pitcher
Rep. Marie H. Poulson
Rep. Dean T. Sanpei

Members Absent:

Sen. Karen W. Morgan
Sen. Jerry W. Stevenson
Rep. Brad R. Wilson

Staff Present:

Mr. Benjamin N. Christensen, Policy Analyst
Mr. Peter Asplund, Associate General Counsel
Mr. Robert H. Rees, Associate General Counsel
Ms. Debra Hale, Legislative Secretary

Note: A list of others present, a copy of related materials, and an audio recording of the meeting can be found at www.le.utah.gov.

1. Committee Business

Chair Reid called the meeting to order at 9:02 a.m.

MOTION: Rep. Bird moved to approve the minutes of the October 17, 2012, meeting. The motion passed unanimously. Rep. Anderson, Rep. Grover, and Rep. Pitcher were absent for the vote.

2. Economic Development Task Force -- Update

Committee staff distributed copies of the Economic Development Task Force Interim Report. Chair Reid summarized the work of the task force and explained that the two-year task force will produce a final report in the fall of 2013.

3. Utah Economic Development Organizational Structure and Mission

Mr. Spencer Eccles, Executive Director, Governor's Office of Economic Development (GOED), began a visual presentation "Collaborative Economic Development" and emphasized the success of Utah's economic efforts by illustrating the employment count as presently near the pre-recession count in September 2008. He explained that this success is primarily due to the fact that the offices of the GOED, the Utah Science Technology and Research Initiative (USTAR), the World Trade Center Utah, and the Office of Energy Development are housed in the same building, with the office of the Economic Development Corporation of Utah (edcUtah) only one block away, promoting interoffice, collaborative efforts.

Mr. Jeff Edwards, President and CEO, Economic Development Corporation of Utah, continued with the visual presentation by describing edcUtah as a catalyst for quality job growth and increased capital

investment by assisting in-state companies to grow and recruit out-of-state companies to expand and relocate to Utah. He stressed the importance of the availability of online information for businesses to see the assistance available for and the advantages of beginning, conducting, and growing business in Utah.

Mr. Ted McAleer, Executive Director, USTAR, continued with the visual presentation by describing USTAR and stating that it strengthens Utah's "knowledge economy" and generates high-paying jobs through technology economic development. He described Enve Composites, Inc., a manufacturer of handmade carbon fiber bicycle rims and components, and played a short video describing Enve's success with resources available to them through USTAR and GOED.

Mr. Christopher M. Conabee, Managing Director, Corporate Recruitment and Business Services, Governor's Office of Economic Development, stated that Enve's attraction to doing business in Utah was due to the state's 1) assurance of quality control, 2) available grants to develop their products, and 3) availability of labor and training through Davis Applied Technology College.

Ms. Elizabeth Goryunova, Executive Vice President and COO, World Trade Center Utah, also continued with the visual presentation by explaining the process by which World Trade Center Utah assists Utah companies to think, act, and succeed globally. She added that, although Utah is a small and land-locked state, its exports have doubled and exceeded \$19 billion in 2011. Ms. Goryunova pointed out that 60% of Utah businesses export to only one country and that the state needs personnel to educate businesses on how to export, thereby bringing new money to the state.

Mr. Steve John, Strategic Chief Information Officer, Workday, Inc., referred to the same visual presentation and noted the outstanding success of Workday as a leading edge technology company, which tripled in size in the past year. He pointed out what Workday saw as the advantages of selecting Salt Lake City when the company began searching for a low-cost, stable resource base location for a fully functioning second office: 1) convenient access to the company's number one office in San Francisco, 2) great tax incentives, 3) lower resource costs, 4) lower home costs, 5) an adaptable culture, and 6) a beautiful view of and easy access to the mountains. He concluded his presentation by stating that, although poor air quality was a factor, it was not a significant one.

Mr. Eccles added that the Workday case study is a classic example of how the GOED approaches a company, assists in getting it settled in Utah, questions it for further needs or options, and works with it to consolidate additional products or offices in the state. He introduced Ms. Samantha Mary Julian, Director, Energy and Natural Resources Cluster, Governor's Office of Economic Development, and stated that this office was developed as the first recommendation of Utah's 10-Year Strategic Energy Plan. Mr. Eccles referred to the visual presentation to address the challenges in rural area companies, such as the delivery of energy, by connecting their concerns with applicable resources.

Mr. Eccles summarized the history and growth of the GOED and outlined the need to develop more collaborative and coordinated efforts to 1) portray the advantages of Utah's business opportunities and 2) increase efforts in addressing problems of doing business in rural Utah. He emphasized that corporate recruitment is increasing due to efforts to promote Utah as 1) a business-friendly environment with sufficient funds and grants and 2) a safe and stable place to do business.

4. Other Items /Adjourn

MOTION: Sen. Osmond moved to adjourn the meeting. The motion passed unanimously. Rep. Bird and Rep. Anderson were absent for the vote.

Chair Reid adjourned the meeting at 11:02 a.m.