

BUSINESS INCENTIVES PRACTICE

MAJOR INCENTIVE PROGRAMS UTAH

A Cushman & Wakefield Global Business Consulting Publication



2015

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The Business Incentives Practice (“BIP”) strategically assists companies through the process of securing optimal incentive packages for projects considering an expansion, consolidation, or relocation. BIP leverages a project’s unique strengths and benefits to identify, negotiate, and implement all feasible economic development or government incentives (“Incentives”) opportunities. Moreover, BIP provides ongoing support and administration for a project to address any issues that may arise. By engaging BIP to work in parallel to the site selection team, businesses can have assurance that the optimal level of Incentives is secured and realized.

SERVICES

BIP’s mission is to develop a strategy that enhances business performance, while reducing a project’s up-front capital and ongoing operational costs through the procurement of Incentives. Many businesses are not aware they may be entitled to Incentives benefits for certain expansion, consolidation, and relocation activities. BIP identifies said opportunities through a multifaceted methodology that begins with careful analysis of project-specific data. The process continues with a detailed due diligence on all aspects of site-specific Incentives opportunities and concludes with the negotiation, implementation, and administration of Incentives.

RESULTS

BIP has successfully secured Incentives packages for a broad range of clients globally. The BIP team maintains a robust incentives database and along with its vast experience it facilitates the best possible results for a project. Since its inception, BIP professionals have negotiated in excess of \$3.0 billion in savings for its clients.



KEY PROJECT TYPES

BIP enables its clients to identify, negotiate, and quantify the myriad of incentives available through the federal, state, and municipal governments, as well as utilities service providers. BIP clients represent all industry sectors, ranging in size from Fortune 100 corporations to private owners, occupiers and developers. Almost any type of corporate location initiative can benefit from the use of C&W’s Business Incentives Practice:

- Corporate Headquarters Facilities
- Manufacturing Facilities
- R&D Centers
- Warehouse and Distribution Facilities
- Call Centers
- Data Centers
- Back-Office Centers
- Mixed-Use Developments

UTAH’S RECENTLY AWARDED INCENTIVES (USD M)

COMPANY	INVESTMENT	JOBS	INCENTIVES
CHG Healthcare Services	\$9.2	500	\$1.7
Overstock.com	\$2.7	333	\$2.3
Consumer United	\$0.9	400	\$1.1
Oracle Corporation	\$6.1	351	\$2.8
Houweling Nurseries Oxnard	\$79.0	280	\$4.7
Environmental StoneWorks	\$2.0	124	\$0.5
Varian Medical Systems	\$40.0	1,000	\$7.1
Exeter Finance Corporation	\$2.1	550	\$2.3
Nature Food Products	\$20.0	261	\$1.4
School Improvement Network	\$8.0	470	\$3.1
Indus Valley Partners Corporation	\$0.5	200	\$1.1
Cardon Outreach	\$5.3	308	\$1.8

OVERVIEW OF MAJOR UTAH INCENTIVE PROGRAMS

EDTIF TAX CREDIT

The EDTIF tax credit is a post-performance, refundable tax credit for up to 30% of new state revenues (sales, corporate and withholding taxes paid to the state) over the life of the project (typically 5-10 years). It is available to companies seeking relocation and expansion of operations to the State of Utah. In order to qualify for the EDTIF tax credit, companies must:

- Obtain commitment from local government to provide local incentives and establish an Economic Development Zone
- Enter into an incentive agreement with the Governor's Office of Economic Development which specifies performance milestones
- Create new high-paying jobs in the state
- At least 50 jobs in urban counties
- At least 125% of urban county average wage or 100% of rural county wage
- Generate new tax revenues.
- Significant capital investment
- Significant purchases from Utah vendors or suppliers

INDUSTRIAL ASSISTANCE FUND

The Industrial Assistance Fund is a post performance grants are available to companies that create high paying jobs. To qualify, a business must create at least 50 jobs with salaries at or above the average county wage (at least 125% of urban county average wage or 100% of rural county wage). Eligible companies must be within the state's targeted industries of life sciences, aerospace, software development/IT, outdoor recreation products, energy and natural resources and financial services. Corporate headquarters projects are also eligible.

CUSTOM FIT TRAINING

Custom Fit Training offers customized training programs that are designed to provide Utah businesses with a well-trained workforce. Utilizing funds provided by the Utah State Legislature, Custom Fit Training is designed to stimulate economic development and facilitate the creation of new jobs in our state. In order to qualify, companies must meet the following eligibility requirements:

- Company is located in Salt Lake County
- Company is for-profit
- Company pays taxes to the State of Utah
- Training participants are W2/W4 employees of the company
- Company provides participant information (name and date of birth)
- Custom Fit Training coordinator is involved in the procurement and training implementation process

Utah shows an average deal value of \$5.12 million with 333 new jobs created per deal

OTHER UTAH INCENTIVE PROGRAMS

- Private Activity Bond
- Rural Fast Track Program
- Recycling Market Development Zones
- Renewable Energy Development Incentive (REDI)
- Utah Recycling Market Development Zones
- Motion Picture Incentive Program
- Enterprise Zones
- Life Science and Technology Tax Credits

For more information, contact:

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