



C.L. "Butch" Otter, Governor  
Jeffery Sayer, Director

**Economic Advisory Council Meeting  
Thursday, January 8, 2015  
Idaho Department of Commerce**

700 W. State Street, Boise, ID 83702 – JR Williams Bldg – 2<sup>nd</sup> Floor

**Members via Phone:**

Steve Meyer, *Region I*  
Robin Woods, *Region II*  
Ron Amarel (*Vice-Chair*), *Region III*  
Kelly Anderson (*Chair*), *Region IV*  
Arlen Wittrock, *Region V*  
Mark Young, *Region VI*  
Margie Watson, *At-Large*

**Commerce Staff Present:**

Jeffery Sayer, *Director*  
Megan Ronk, *Chief Operating Officer*  
Susie Davidson, *Manager, Business Attraction*  
Cindy Lee, *Contracts and Grant Officer*  
Kallen Hayes, *Business Attraction*  
Patrick Watson, *Business Attraction*  
Kate Newton, *Administrative Assistant*

**Guests Present:**

Andy Snook, *Deputy Attorney General*

**Commerce Staff via Phone:**

Eric Forsch, *Business Attraction*  
Jenny Hemly, *Business Attraction*

**Welcome and Introductions**

Chairman Kelly Anderson called the meeting to order at 2:02pm. Chairman Anderson welcomed EAC's new Region VI member, Mark Young. In consideration of time, the Council decided to move directly to the Project Overview by Commerce staff.

**Tax Reimbursement Incentive Overview**

**Project Beam** overview by Eric Forsch

- Project Beam is a privately-owned structural steel product manufacturer
- Will create 105 new jobs in Idaho
- Will be in Canyon County
- Projected Annual Wage: \$66,526 (*above county average*)
- Expecting return to Idaho of:
  - o \$3.23 million/year in new tax revenue
  - o For every \$1.00 reimbursed to project Beam, Idaho will receive \$9.08 back

In conjunction with the recommended terms, the company will also need to meet the following performance requirements:

1. No less than 50 new jobs, or 60% of the total projected new jobs, whichever is greater.
2. Average annual wages must equal or exceed the average county wage of \$31,388.
3. Company must maintain the minimum required jobs for the term of the incentive agreement.
4. Company must maintain operations in Idaho for the term of the incentive agreement.
5. Receipt of incentive is contingent upon Canyon County providing community match of property tax abatement for project.

### **Motion to Move to Executive Session**

Chairman Anderson announced the Council will now review the details of all applications for a refundable tax credit under the Idaho Reimbursement Incentive Act that have been received by the Director and submitted to this Council for review. The applications contain records and information exempt from public disclosure under Idaho Code §§ 9-340D(6) and 67-4708. Chairman Anderson entertained a motion under Idaho Code § 67-2345(1)(d) to go into executive session to review the application.

The motion was made by Arlen Wittrock to enter into executive session; seconded by Robin Woods.

Roll call vote to move into executive session:

Ron Amarel – Aye  
Kelly Anderson – Aye  
Steve Meyer – Aye  
Margie Watson – Aye  
Arlen Wittrock – Aye  
Robin Woods – Aye  
Mark Young – Aye

With over two-thirds majority in favor of moving into executive session, the Council moved into executive session at 2:09pm. Members of the public were excused.

### **Return to Public Session**

Chairman Anderson noted the Council returned to the public session at 2:48pm. Members of the public were invited to rejoin the meeting. Chairman Anderson noted that the Council:

1. Reviewed and discussed the applications submitted for a refundable tax credit; and
2. After discussions were concluded, closed the Executive Session. The motion to close the executive session was made by Watson, seconded by Meyer.

The Council took up each application individually to vote on whether to accept, reject, or request additional information.

### **Approval of Tax Reimbursement Incentive for Project Beam**

Chairman Anderson entertained a motion to approve the Tax Reimbursement Incentive award for Project Beam after no further discussion from the Council.

Motion:

In the matter of the application for Project Beam, I move that the Council approve the application and instruct the Director to enter into an agreement with Project Beam upon the following terms:

- A post-performance refundable tax credit which represents 20% of new state revenue for a period of 6 years.
- Contingent upon finalization of the Canyon County's community match and the Departments verification of that match.
- Tax credit certificate issued post-performance upon review and verification by Commerce.

- No less than 50 new jobs, or 60% of the total annual projected new jobs, whichever is greater.
- Average annual wages must equal or exceed the average county wage of \$31,388.
- Company must maintain operations in Idaho for the term of the incentive agreement.
- Contingent upon further environmental impact review at the discretion of the Director.
- Any additional terms deemed necessary by the Director not otherwise conflicting with the above conditions.

The motion was made by Wittrock; seconded by Woods.

Roll call vote to approve the TRI application for Project Beam:

Ron Amarel – Aye  
Kelly Anderson – Aye  
Steve Meyer – Aye  
Margie Watson – Aye  
Arlen Wittrock – Aye  
Robin Woods – Aye  
Mark Young – Aye

With a unanimous vote, the Tax Reimbursement Incentive of 20% for 6 years for Project Beam was approved and the Council asked the Director to proceed in negotiating the final contract in coordination with Commerce's Deputy Attorney General.

The company name will be announced as soon as the company makes a formal announcement.

Chairman Anderson reminded the Council of the upcoming in-person meeting on January 27<sup>th</sup> & 28<sup>th</sup>. Steve Meyer inquired about the spring quarterly meetings and emphasized the importance and value of the in-person quarterly meetings. Commerce staff will send out an email to the Council with the dates for the upcoming in-person quarterly meetings and monthly conference call meetings.

Chairman Anderson adjourned the meeting at 2:56pm.