



C.L. "Butch" Otter, Governor

Megan Ronk, Director

## **Economic Advisory Council Meeting**

**Tuesday, November 28, 2017**

700 West State Street, Boise – J.R. Williams Building

### **Members Present Via Phone:**

Steve Meyer, *Region I*  
Robin Woods, *Region II*  
Mike Reynoldson, *Region III*  
Rick Phillips, *Region V*  
Mark Young, *Region VI*  
Sandy Patano, *At-Large*

### **Members Absent:**

John Craner, *Region IV*  
Dave Wilson, *Region VII*

### **Commerce Staff Present:**

Megan Ronk, *Director*  
Bobbi-Jo Meuleman, *Chief Operations Officer*  
Susie Davidson, *Business Attraction Manager*  
Cindy Lee, *Grants & Contracts Manager*  
Dennis Porter, *Community Development Program Manager*  
Jake Reynolds, *Business Retention & Expansion Manager*  
Patrick Watson, *Senior Research Analyst*  
Amanda Ames, *Community Development Specialist*  
Ewa Szewczyk, *Grants & Contracts Program Specialist*  
Audra Fink, *Administrative Assistant*

### **Call to Order & Welcome**

Chairman Steve Meyer called the meeting to order at 2:01 p.m.

Megan thanked the council for their support of her upcoming transition to the private sector and assured the council that the changeover to Bobbi-Jo would be seamless.

### **Council Vote on Approval of Minutes:**

Chairman Meyer noted that the minutes for the October 26, 2017 Economic Advisory Council (EAC) meeting had been distributed and if there are no corrections he would entertain a motion to approve the minutes as distributed.

**Moved by:** Steve Meyer

**Seconded by:** Rick Phillips

**All in favor. No discussion.**

**Motion approved.**

### **Application Overview**

Megan introduced Project Dry.

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

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

Rick Phillips moved to enter into executive session. Sandy Patano seconded.

Roll call vote to move into executive session:

Steve Meyer -- Aye

Sandy Patano -- Aye

Rick Phillips -- Aye

Mike Reynoldson -- 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 2:10 p.m.

### **Return to Public Session**

Chairman Meyer noted that the Council returned to the public session at 2:42 p.m.

Chairman Meyer indicated the Council:

1. Reviewed and discussed the application submitted for refundable tax credits; and
2. Closed the Executive Session after discussions were concluded. The motion to close the Executive Session was made by Robin Woods, seconded by Mark Young.

### **Review of Tax Reimbursement Incentive for PROJECT DRY**

Chairman Meyer entertained a motion for PROJECT DRY.

#### **Motion:**

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

- A post-performance refundable tax credit which represents 18% for eight years.
- No less than 20 new jobs or 60% of the total annual projected jobs, whichever is greater.
- Average annual wages must equal or exceed the Canyon County average wage of \$33,876.
- Subject to confirmation of a community match from Canyon County and/or the City of Greenleaf.

The tax credit certificate will be issued post-performance upon review and verification by Commerce. The company must maintain operations in Idaho for the term of the agreement. The Director may add additional terms, not otherwise conflicting with the above conditions, including allowance for a maximum two-year construction phase during the term of the agreement, if applicable.

The motion was made by Mark Young, seconded by Robin Woods.

Roll call vote to approve the TRI application for PROJECT DRY:

Steve Meyer -- Nay  
Sandy Patano – Aye  
Rick Phillips -- Aye  
Mike Reynoldson -- Aye  
Robin Woods -- Aye  
Mark Young -- Aye

### **Commerce Legal and Legislative Update**

Megan updated the council on the status of a lawsuit that was previously brought against the Department regarding the TRI. Several weeks ago, Commerce received notification that the Idaho Supreme Court issued the opinion that Employer's Resource did have standing to sue the Department of Commerce. Without validating the plaintiff's case, the Supreme Court returned the case to the District Court. With Megan's departure, the paperwork will be filed to switch the plaintiff to Bobbi-Jo.

At the request of the Council Chair, Megan updated the Council on the 2018 Legislative Session. Commerce will bring forward a bill to the Idaho Legislature that would exempt sales tax associated with the sale of conduits, storage servers, and equipment related to data centers. Commerce is hopeful for the bill's passage as it failed to find support during the 2017 session.

Megan reminded the council of a small, logistical change to the Tourism regional makeup as Camas County has requested to leave Region 7 for Region 4. There has been minimal local and legislative resistance and the change will most likely be formalized on July 1, 2018.

Commerce will also be requesting an increase to the Idaho Opportunity Fund.

### **Final Thoughts**

Mark asked Megan how to formally appeal a decision made during the October EAC meeting regarding a CDBG grant for the City of Ashton. Megan referred Mark to Dennis Porter the CDBG Program Manager.

The next EAC meeting is scheduled for Tuesday, December 19 at 2:00 p.m.

### **Motion**

Sandy Patano moved to close the meeting. Rick Phillips seconded.

All ayes – motion approved.

Chairman Meyer adjourned the meeting at 3:00 p.m.