



2022

IDAHO COMMERCE

ANNUAL REPORT

PHOTO COURTESY: VISIT IDAHO





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FROM THE DIRECTOR

Over fiscal year 2022, the State of Idaho built upon past successes and made key investments in our state that will have impacts for years to come.

At the beginning of the fiscal year, Governor Brad Little formed the Governor's Cybersecurity Task Force to address the cybersecurity vulnerabilities affecting citizens, businesses, critical infrastructure operators and state and local governments.

As co-chair of the task force alongside Associate Laboratory Director of the Idaho National Laboratory Zach Tudor, I was honored to serve with so many Idaho experts in the field. After five official meetings and more than a dozen subcommittee meetings, the 19 task force members — representing key Idaho institutions — announced their recommendations in May of 2022.

The Governor formally accepted all 18 recommendations covering key areas such as critical infrastructure protection, election security, workforce development and education and public engagement.

The task force was just the beginning of addressing our state's cybersecurity needs. I look forward to seeing the task force's recommendations implemented — some of which already have — and what the future holds for cybersecurity in Idaho.

During the 2022 legislative session, the Idaho Commerce team, with the support of key legislators, was able to pass and codify in statute the Idaho Semiconductors for America Act. This important new statute will have wide-reaching economic impacts across the state and

the U.S. It will decrease reliance on foreign-made semiconductors and increase national security.

The act was dependent upon the Federal CHIPS and Science Act of 2022 — passed in August of 2022 — and provides qualifying Idaho semiconductor companies with a sales and use tax exemption on the purchase of qualifying construction and building materials.

The Business Attraction team had significant economic development wins this fiscal year with nine TRI projects approved. These projects are estimated to create nearly 3,000 jobs, \$3 billion in project wages at an average wage of over \$66,000.

Idaho continued to make strategic investments in Idaho broadband. The Idaho Broadband Advisory Board awarded \$10 million in CARES Act funding to 13 projects across Idaho, connecting more than 4,600 households, businesses and community institutions in more than 20 Idaho communities. The board also adopted a strategic plan in June of this fiscal year. These investments and achievements build upon the Idaho Commerce Office of Broadband's mission to improve broadband access across the state.

Continuing to break records, Visit Idaho saw significant increases this fiscal year. The tourism industry, once again, achieved the highest revenue-generating year on record for 2% lodging tax collections, bringing in more than \$20 million, an increase of over 39% from last year.

Idaho Commerce was able to be part of so many momentous achievements for businesses, communities and residents in our state this last year. Impacts from these achievements are sure to be felt for years to come. I am grateful and proud of our talented and professional team.

Although much was achieved last fiscal year and many key investments were made, we look forward to continuing to invest in our great state well into the future.



TOM KEALEY

Director, Idaho Commerce



LEARN MORE ABOUT IDAHO COMMERCE AT [COMMERCE.IDAHO.GOV](https://commerce.idaho.gov).

OUR MISSION

As the lead economic development agency for the State of Idaho, the mission of Idaho Commerce is to foster a business-friendly environment to aid in quality job creation, support existing companies, strengthen communities, promote innovation and market Idaho domestically and internationally.

Idaho Commerce's vision is to support the growth of the state's economy by fostering a thriving business environment.



BUSINESS RETENTION AND EXPANSION

Hitting the road again, FY2022 was a busy year for the Business Retention and Expansion (BRE) team. The team met with nearly 1,200 business leaders across the state to identify opportunities and barriers to growth. The BRE team helps businesses leverage incentives, take advantage of state and federal programs, understand financing options, explore federal contracting and get connected to other resources and tools for success.

In addition to supporting cities and counties through the Idaho Gem Grant, Main Street America and the Rural Economic Development Program, the team successfully planned and executed an Idaho Pavilion at two trade shows. Additionally, BRE team members, who are recognized as subject matter experts in the economic development community, participated in, and led, numerous trainings for Idaho businesses.

The team continues to help companies and communities navigate workforce, housing and childcare challenges.

IDAHO GEM GRANT

The BRE team assisted cities and counties in finding funding for needed infrastructure projects through the Idaho Gem Grant. The Gem Grant is available to local governments of rural communities with populations of 10,000 or less and can be leveraged to plan and implement projects that create and retain jobs.

This fiscal year, the team awarded 13 Gem Grant awards for a total of over \$398,000 with over \$802,000 in matching funds supplied by communities for infrastructure projects across the state. Projects included lift stations, water main renovations or extensions, power upgrades and studies for workforce housing. Total capital expenditures generated from these projects are anticipated to be over \$8,000,000 with nearly 40 jobs created or retained.



IDAHO GEM GRANT SUCCESS STORY

Following a \$50,000 Gem Grant, the City of Heyburn was able to upgrade the sewer line at their industrial park, allowing the city to retain Worldwide Dehydrated Foods, a subsidiary of the Mart Group, one of the most sophisticated fresh packed potato suppliers in the United States.

Mart Group is an Idaho company owned and operated by a number of family farming operations located in Southern Idaho, primarily in Minidoka County. The company recently purchased an old potato dehydrator plant at the Burley-Heyburn Industrial Park. However, the property they purchased did not have the wastewater infrastructure to support the plant.

Through a Gem Grant, the City of Heyburn was able to improve that wastewater infrastructure, something that Senator Kelly Anthon, city administrator for the City of Rupert, helped to facilitate.

“When a business approaches a small town like that and the wastewater system needs to be upgraded, it is very difficult to afford it,” Anthon said. “So, the impact



FY2022 GEM GRANT AWARDS

APPLICANT	AWARD	MATCH	TOTAL	PROJECT
Benewah County	\$13,000	\$3,680	\$16,680	Environmental study for housing project
Cascade	\$5,500	\$15,000	\$20,500	Market feasibility home healthcare expansion
Clark Fork	\$50,000	\$124,025	\$174,025	Water main extension
Driggs	\$50,000	\$46,500	\$96,500	Water main extension
Glenns Ferry	\$28,500	\$72,440	\$100,940	Airport water loop
Greenleaf	\$5,109	\$14,541	\$19,650	Match to complete a business and operations plan
Heyburn	\$50,000	\$45,360	\$95,360	Sewer force main improvements
Island Park	\$25,000	\$90,000	\$115,000	Municipal drinking water facilities plan
McCall	\$50,000	\$62,539	\$112,539	Donation and relocation of accessory dwelling unit for deed restricted affordable housing
McCammon	\$50,000	\$177,500	\$227,500	Lift station renovation
Mountain Home	\$2,100	\$9,000	\$11,100	Traffic and market studies, appraisal and permit fees for low income housing project
Oneida County	\$50,000	\$97,325	\$147,325	Water main extension
Soda Springs	\$19,500	\$44,721	\$64,221	Power upgrades
TOTALS	\$398,709	\$802,631	\$1,201,340	

of that \$50,000 in public infrastructure is amazing. It really does go to show why the Gem Grant can have a huge impact on a rural Idaho economy.”

Not only did the sewer line retain Worldwide Dehydrated Foods, it also will lead to the creation of over 40 new jobs, efficiencies inside the City of Heyburn wastewater system, ancillary jobs with local suppliers and contractors and will allow Worldwide Dehydrated Foods to create about 15 million pounds of dehydrated potatoes per year.

“Idaho is a great place to do business,” Anthon said. “The Gem Grant Program is a reflection of that. For rural community leaders who think they cannot participate in growing their local economy, the Gem Grant program says otherwise. The Gem Grant program gives you an opportunity to receive funding for public infrastructure that can change your whole community.”

RURAL ECONOMIC DEVELOPMENT PROFESSIONALS PROGRAM

Amplifying its economic development efforts through the Rural Economic Development Professionals grant program, the BRE team partners with 18 experts located in Idaho’s seven regions.

Rural communities can tap into the Idaho Rural

Economic Development Professionals grant program (Rural ED Pro) which awards grants, in tandem with local funding, to hire full-time economic development professionals. Experts are managed by a local board and work on initiatives such as business retention, expansion, attraction and more.

The team awarded 18 Rural ED Pro grants this fiscal year, totaling over \$545,000.

RURAL ED PRO SUCCESS STORY

Housing for workforce is a problem affecting nearly every city in the United States. St. Maries, located in Benewah County, with a population of a little more than 3,000 residents, is no different.

Beginning nearly five years ago, Alex Barta, a Rural ED Pro and executive director of the Greater St. Joe Development Foundation (Timber Plus), has been leading a workforce housing project in this rural city.

The project began when the board recognized a need for more housing in the community. After funding a housing needs assessment, and shopping around for builders and developers, the community began to hit roadblocks. Many developers were hesitant to buy the land because of the work needed to make it “shovel-ready.”



PHOTO COURTESY: ALEX BARTA

BENEWAH COUNTY HAS STARTED GETTING THE SITE "SHOVEL-READY" FOR DEVELOPMENT.

"It fit perfectly with our situation," Barta said.

Under this new partnership, Benewah County would retain ownership of the land and partner with LEAP to build the housing needed.

Since that fateful meeting in 2019, the site in Benewah County has been surveyed and is getting "shovel-ready" for development. The county also recently received a Gem Grant for geotechnical environmental studies of the property.

The community expects to break ground on the new site as early as the Spring of 2024. Although the scale of the project is yet to be determined, the project is estimated to provide between 30 to 90 affordable housing units.

"While it will not solve the entire problem, this project will provide a substantial increase in housing inventory," Barta said. "Opening up new housing units like these could start churning our housing market in a positive direction."

However, the project received new hope, when in 2019, Barta attended a bi-monthly Rural ED Pro chat hosted by Idaho Commerce.

At the meeting, LEAP Housing, a Boise-based nonprofit with a focus on affordable housing solutions, presented on the potential of public and private partnerships between the organization and communities.

FY2022 ED PRO AWARDS



APPLICANT	RURAL ED PRO	POPULATION	AWARD
Benewah County	Alex Barta	9,241	\$33,000
Blaine County	Harry Griffiths	22,802	\$27,200
Bonner County	Ryan Robinson	45,339	\$20,500
Boundary County	David Sims	12,175	\$33,000
Butte County	Monica Hampton	2,588	\$30,500
Clearwater County	Diane Hairston	8,762	\$33,000
Custer County	Jolie Turek	4,259	\$33,000
Fruitland	Kristen Nieskens	33,836	\$25,750
Glenns Ferry	Christy Acord	2,272	\$20,000
Greenleaf	Tina Wilson	56,877	\$33,000
Idaho County	Tim McDonald	20,413	\$33,000
Lemhi County	Tammy Stringham	7,987	\$31,000
Oneida County	Kathy Ray	31,561	\$28,000
Power County	Kristen Jensen	10,750	\$33,000
Shoshone County	Paige Olsen	12,789	\$33,000
Teton County	Brian McDermott	11,929	\$33,000
Twin Falls County	Ervina Covcic	53,235	\$33,000
Valley County	Jill Morris	12,653	\$33,000
TOTAL			\$545,950

TESTED IN IDAHO

Tested in Idaho aims to highlight Idaho's outdoor-recreation companies that develop their products in the great Idaho outdoors — from compelling tales of passion and grit behind their business to the stories of creativity and innovation that get their products to adventure consumers all over the world.

This fiscal year, Tested in Idaho unveiled a new website, making it easier for visitors to find Tested in Idaho partners and their unique stories. Additionally, the team onboarded six new Tested in Idaho partners ranging from leading boot manufacturer, Hoffman Boots, growing women's apparel producer, Wild Rye to an emerging company blending technology and outdoor recreation, Karmik Outdoors. The team continues to look into ways to increase value to partners and work with existing partners to share updates and stories.



OUTDOOR RETAILER OFFERED IDAHO COMPANIES AN UNPARALLELED OPPORTUNITY TO SHOWCASE THEIR PRODUCTS.

OUTDOOR RETAILER

When it comes to promoting your products, finding inspiration and resources for your business and connecting with other outdoor industry organizations, there are few opportunities better than Outdoor Retailer — the world's leading outdoor sports show.

This fiscal year, Idaho Commerce and Business Oregon held a joint booth experience called the Northwest pavilion — for the first time ever. Ten businesses from Idaho— eight of which are Tested in Idaho companies — and 12 from Oregon, participated in the pavilion. Companies are already reporting positive results trickling in from the show.

“We had a great experience,” Daniel Harrington, director of global sales and logistics at Telic said. “We made some good connections with agencies that could help us expand into areas we have had trouble accessing on our own.”

Doug Faude, President of Cognito Brands, has attended Outdoor Retailer since 1994 and noted the “synergy” with other companies at the joint booth.

“It only takes one interaction to make the show a success, and this event gave us some great opportunities,” Faude said. “I think it really made Idaho stand out in the industry.”



PHOTO COURTESY: LINCOLN COUNTY

THE LINCOLN COUNTY BROADBAND PROJECT PROVIDED IMPROVED INTERNET TO OVER 1,000 LOCATIONS.

BROADBAND

The Idaho Commerce Office of Broadband's mission is to improve broadband access across the state. Stable, reliable broadband infrastructure positions Idaho communities to attract business and enhance quality of life for their citizens.

In FY2022, the Idaho Broadband Advisory Board awarded nearly \$10 million in CARES Act funding to 13 projects across Idaho, connecting more than 4,600 households, businesses and community anchor institutions in more than 20 communities.

The board has also completed the Idaho Broadband Strategic Plan and started the work of preparing the state for Capital Projects Fund (CPF) grant dollars from the U.S. Treasury and Broadband Equity, Access and Deployment (BEAD) grant funding from the National Telecommunications and Information Administration (NTIA).

The office also worked with communities and internet service providers on broadband plans, digital divide efforts, participated in the FCC Precision Ag Connectivity Task Force Mapping Working Group and presented on several panels and fireside chats on broadband infrastructure deployment in Idaho. The office continues to make strides in ensuring all Idahoans have access to reliable broadband.

BROADBAND SUCCESS STORY

During the pandemic, many children in Lincoln County had to sit on the steps in front of the Richfield Library to complete homework.



FY2022 BROADBAND AWARDS

APPLICANT	COUNTY	COMMUNITY	AWARD	LOCATIONS SERVED
Kootenai County	Kootenai	Twin Lakes	\$608,631	375
Bonner County	Bonner	Spring Creek	\$172,800	434
Bonner County	Bonner	Blanchard	\$1,347,170	693
Idaho County	Idaho	Pollock, Whitewater, Westlake, Caribel, Kooskia	\$496,509	600
Lewis County	Lewis	Winchester, Craig Junction, Central Ridge	\$198,603	220
Nez Perce Tribe	Nez Perce	Lapwai, Thunder Hill	\$314,989	32
Boise County	Boise	Lowman	\$676,056	204
Elmore County	Elmore	King Hill	\$431,748	152
Lincoln County	Lincoln	Shoshone, Dietrich, Richfield	\$1,505,430	1,010
Weston	Franklin	Weston	\$1,495,187	183
Ririe	Jefferson	Ririe	\$473,158	216
Roberts	Jefferson	Roberts	\$766,610	275
Blaine County	Blaine	Carey	\$1,508,626	253
TOTALS			\$9,995,517	4,647

In fact, a survey conducted by the county found that nearly 50% of students did not have internet access in their homes.

Rebecca Wood, commissioner for Lincoln County, saw this struggle in her community and knew something had to change.

“It was a crisis because there was no way for these kids to stay caught up,” Wood said. “We were really behind on helping our kids and those in the community.”

Wood jumped into action, contacting the Region 4 Economic Development agency about any open grant opportunities. That is when she learned about the Idaho Broadband Grant Program.

After utilizing ARPA funds to conduct an engineering study, Lincoln County applied for the grant. However, the county only had three and a half months to complete its grant project.

With this accelerated timeline, ETS, the ISP working with the community, decided to install towers to connect all three cities in Lincoln County.

In the middle of a blizzard, on December 28, the project was finally completed, providing internet access to over 1,000 locations in Lincoln County. Following the project’s completion, Lincoln County was awarded over \$1.5 million from the grant.

Not only has the county been able to connect all three cities, Shoshone, Dietrich and Richfield, but also the Richfield Library, schools and businesses such as Glanbia.

Wood says this is just the beginning to improving internet connectivity in Lincoln County and has plans for a second phase of improving broadband for its residents.

“We have people in areas that have never been on the internet before,” Wood said. “It has changed lives really, especially for our students and access to telehealth. It has also opened doors for us for new industrial and commercial projects that we have never had before. I think that we were blessed to receive this grant and I cannot wait for the second phase of this project.”

GOVERNOR’S CYBERSECURITY TASK FORCE

An increased and significant risk of cyberattacks affecting citizens, businesses, critical infrastructure operators and state and local governments led Governor Brad Little to establish the Governor’s Cybersecurity Task Force.

Created in August 2021, the task force was comprised of 19 members from key Idaho institutions and was co-chaired by Idaho Commerce Director Tom Kealey and Associate Laboratory Director of Idaho National Laboratory, Zach Tudor.

The task force held five official meetings and more than a dozen subcommittee meetings. To take an in-depth look



IDAHO BROADBAND ADVISORY BOARD

The Idaho Broadband Advisory Board (IBAB) was created by the Idaho Legislature in 2021 through House Bill 127. The board consists of three members from the Idaho House of Representatives, three from the Idaho Senate and the Governor appoints three from the private sector.

The board created a statewide plan for structuring, prioritizing and dispersing grants from state and federal funding. This plan supports the board’s vision that Idahoans have access to affordable and reliable broadband infrastructure.

FY2022 MEMBERS

REPRESENTATIVE JOHN VANDER WOUDE - CHAIRMAN

SENATOR CARL CRABTREE - VICE CHAIRMAN

REPRESENTATIVE BARBARA EHARDT

REPRESENTATIVE MEGAN BLANKSMA

SENATOR DAVID NELSON

SENATOR DOUG RICKS

MARGIE WATSON - JC WATSON & COMPANY

ANDY EMERSON - MH SOLUTIONS

MITCH WATKINS - WATKINS DISTRIBUTING



PHOTO COURTESY: INL

THE GOVERNOR’S CYBERSECURITY TASK FORCE DELIVERED ITS FINAL RECOMMENDATIONS IN MAY 2022.

into cybersecurity in Idaho, additional experts served on four committees focusing on critical infrastructure, workforce development and education, election security and cyber literacy.

On May 4, 2022, Governor Little formally accepted the 18 recommendations developed by the task force. The recommendations cover key areas including critical infrastructure protection, election security, workforce development and education and public engagement.

Although the task force’s work was critical to addressing the state’s cybersecurity needs, the task force identified that its work should be continued to address the ever-evolving landscape of cybersecurity.

INTERNATIONAL TRADE

With trade shows resuming once more, the International team led several Idaho pavilions in international markets, allowing Idaho companies to grow and make connections internationally this fiscal year.

The team executed a combination of virtual and

in-person events, completing 12 trade shows and two virtual trade missions, serving over 50 Idaho companies.

Additionally, the state’s three trade offices participated in four Foreign Direct Investment promotions in Taiwan, China and Mexico. The team organized and completed over 220 export consulting and diplomatic meetings and facilitated over 460 export and import inquiries. The trade offices assisted Idaho companies with over \$11 million in export sales.



PHOTO COURTESY: AEROLEDS

THE SINGAPORE AIR TRADE SHOW IS ONE OF THE LARGEST AEROSPACE AND DEFENSE SHOWS IN THE WORLD.

SINGAPORE AIR TRADE SHOW

The Singapore Air Trade Show is one of the largest aerospace and defense trade shows in the world.

Nearly 13,000 people attended the show from more than 64 countries. Idaho companies that attended were able to meet with industry, government and military delegations from around the world.

Four Idaho companies participated in the show: AeroCet, ASU, Black Sage and AeroLEDs.

AeroLEDs, a company that produces lights for the aviation industry, said attending the show for a second year was a “no-brainer” after receiving a STEP Grant. With

no resellers, distributors, or sales in Singapore, the show has provided them the opportunity to expand into a new market.

Ryan Edmark, director of sales at AeroLEDs, said they have continued to attend the show, as every year they have picked up more and more interest. The company was not just able to make sales, but also important connections and started bidding on projects not just in Singapore, but across the globe.

“There is a lot more opportunity out there for us that we have not even explored yet,” Edmark said. “A lot of the people that attend that show are very eager to do business. We may have never ever gone to an international trade show without the State of Idaho. They have helped us open markets, gain new revenue streams and we are extremely grateful.”

Each of the participating Idaho companies reported nearly \$100,000 in export sales following the show.

FY2022 STEP AWARD OVERVIEW

The State of Idaho Expansion Program (STEP) is funded in part through a grant from the U.S. Small Business Administration (SBA) and is administered by Idaho Commerce.

Since 2011, Idaho has received STEP awards, making funds available to qualifying Idaho companies for international marketing campaigns to export their products.

Program objectives are to increase the number of small businesses that export, increase the value of exports and increase the number of small businesses exploring significant new trade opportunities. Participants must meet SBA eligibility requirements to participate in STEP-funded programs.

For STEP Year 9B (September 30, 2021 – September 29, 2022), the State of Idaho received \$445,000. Although numbers are still being reported, a total of 55 companies participated, 24 of which are new to the program. So far, there has been a return on investment of \$5.03 : \$1 for this award.

The state also received \$207,945 for the STEP Year 9A (September 30, 2020 – September 29, 2022) and all federal funds were expended. A total of 36 companies participated, 15 of which were new to the program. The ROI for this award was \$18.63 : \$1.

In STEP year seven (September 30, 2018 – September 29, 2021), participating companies reported

\$12,556,575 in sales from the \$600,000 funding awards for a program ROI of \$20.9 : \$1 for the grant period.

STEP Financial Assistance Awards (FAA) are available to qualifying companies seeking support in various international trade activities such as foreign market sales trips, governors or foreign trade missions and international or domestic trade shows.

The STEP Idaho Online Global Program (OGP) is available to qualifying companies seeking support with international websites and e-commerce.

The U.S. Commercial Service (USCS) is part of the U.S. Department of Commerce’s International Trade Administration, offering companies a full range of expertise in international trade. The International team works with the local USCS office to offer services to eligible small businesses.



STEP SUCCESS STORY

When it comes to providing night vision solutions in the aviation industry, few companies compare to Aviation Specialties Unlimited (ASU).

A leader in a niche market, ASU provides night vision imaging systems for first responders, training for pilots and crews to operate the goggles safely and modifications for aircraft to make them compatible with the goggles.

Since ASU provides products and services for a niche market, it is even more important to sell those products and services to the right clients. That is where the company has utilized the STEP Financial Assistance Award. STEP Financial Assistance Awards (FAA) are available to qualifying companies seeking support in various international trade activities.



FY2022 STEP GRANT AWARDS*

GRANT TYPE	APPLICANT	AWARD
Idaho Online Global Program	Databot	\$9,000
	Empowrd Foods	\$9,000
	HMI Hamilton Manufacturing Inc.	\$9,000
	Independent Food Co.	\$9,000
	Prosperity Organic Foods	\$9,000
	Valley Implement & Motor Co.	\$9,000
Financial Assistance Award	American Semiconductor Inc.	\$9,000
	Aviation Specialties Unlimited	\$9,000
	Databot	\$9,000
	DSH Investments	\$9,000
	HMI Hamilton Manufacturing Inc.	\$9,000
	Nu-Vois	\$9,000
	Snacktivist	\$7,159
	Telic International	\$9,000
	Wild Rye	\$9,000
	XRBF Industries	\$7,559
USCS Services	360 Immersive	\$3,937
	Aviation Specialties Unlimited	\$675
	EcoAnalysts	\$1,050
	Encoder Products Co.	\$362
	Gorilla Gold Online	\$675
	Industrial Ventilation Inc.	\$3,375
	Industrial Ventilation Inc.	\$675
	Inergy Holdings	\$3,420
	Initial Ascent	\$100
	Liberty Lubricants	\$675
	Milestone International	\$4,600
	Nu-Vois	\$3,475
	Oxyfresh Worldwide	\$562
	Oxyfresh Worldwide	\$675
Rocky Mountain Amusement	\$262	
Saalt	\$1,050	
Tedder Industries	\$525	
Valley Implement & Motor Co.	\$3,375	
WMDTech	\$675	

Over the last few years, ASU has participated in several STEP-sponsored trade shows. Recently, utilizing FAA, the company participated in the European Rotors Trade Show held in Cologne, Germany.

Following the show, the company reported over \$288,000 in sales. However, aside from the initial monetary benefits, Sarah Pokorney, marketing manager at ASU, said it opened numerous opportunities.

“These shows have opened my eyes to the opportunities available to expand our reach,” Pokorney said. “It helps our investment and efforts go farther because we are getting both the financial offset and support from Idaho Commerce. It is like having an ally when we are planning a show and a partner like Idaho Commerce is a force multiplier when we hit the show floor.”

IDAHO GLOBAL ENTREPRENEURIAL MISSION

The IGEM-Commerce (IGEM) program is a state funded program, receiving \$1 million annually for commercialization grants.

IGEM invests in emerging technologies by connecting Idaho businesses with university research capabilities. IGEM is helping to develop new products, grow companies and attract investments, while elevating research capacities at Idaho’s public research universities.

In FY2022 IGEM awarded three new grant awards, and five supplemental grant awards, for a total of \$1.3 million toward research and development of innovations that benefit Idaho companies and the economy.

This year, IGEM celebrates a milestone: 10 years of innovation, facilitating private and public partnerships and elevating research capacities at Idaho’s public universities. Over its 10 years, the IGEM program has funded a total of 43 projects, investing over \$10 million in university and industry research partnerships.

IGEM SUCCESS STORY

Mining has historically been a top industry in Idaho. With one of the best mineral endowments in the country for rare earth elements, it is no wonder that publicly traded and community-minded Idaho Strategic Resources has called Idaho home for decades.

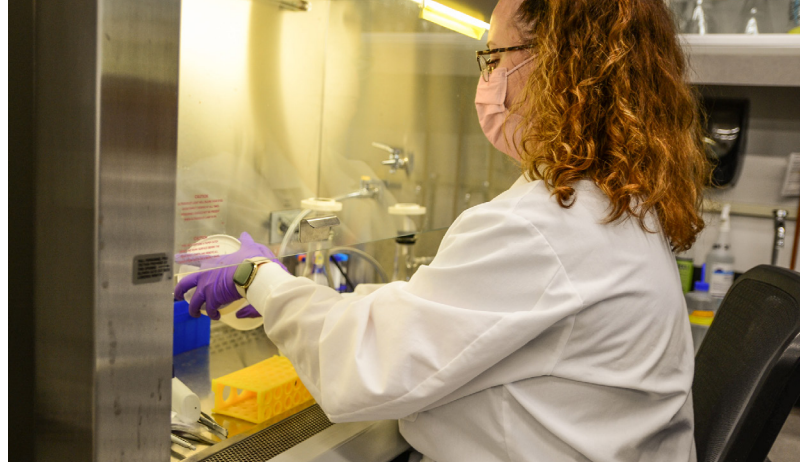
The company is led by John Swallow, who joined the company eight years ago and works alongside his family and sons, Travis Swallow and Ryan Swallow. With family

*FEDERAL FISCAL YEAR, SEPTEMBER 2021 - SEPTEMBER 2022



IDAHO STRATEGIC RESOURCES WILL WORK WITH RESEARCHERS TO DEVELOP NEW DRILLING AND EXTRACTION TECHNIQUES.

PHOTO COURTESY: IDAHO STRATEGIC RESOURCES



FY2022 IGEN-COMMERCE GRANT AWARDS

UNIVERSITY PARTNER	AWARD	PROJECT
University of Idaho	\$348,241	Development of Idaho-Sourced Rare Earth Elements Drilling and Extraction
Boise State University	\$286,316	Novel Pavement Bases Using Geocells with MICP Treated Infills
Boise State University	\$160,357	Economic Benefit of PEF Treated Barley for Breweries
University of Idaho	\$150,204	Development of an Advanced Genomic Selection Tool for the U.S. Sheep Industry (Supplemental)
University of Idaho	\$106,175	Testing New Manufacturing Methods of Natural Fiber Insulation (Supplemental)
Boise State University	\$98,223	Novel Movement and Inspection System for Drones (Supplemental)
University of Idaho	\$92,177	Development of Idaho-Sourced Rare Earth Elements Drilling and Extraction (Supplemental)
Boise State University	\$48,000	Economic Benefit of PEF Treated Barley for Breweries (Supplemental)
TOTAL	\$1,289,693	

at the forefront, the company has over 50 employees, many of which include father and son teams like John, Travis and Ryan.

Headquartered in North Idaho, Idaho Strategic Resources is one of the few Idaho companies that possess rare earth element properties. The company's unique qualities made it stand out as a perfect candidate for the IGEN grant program.

The company was asked to participate in the IGEN grant program by the University of Idaho (UI) and partner with

IGEM COUNCIL



The IGEN Council is a 12-member authoritative body appointed by the Governor to preside over the IGEN program. The council thoroughly vets IGEN grant proposals to mitigate risk and maximize the return on investment. The IGEN Council's fiscal stewardship and strategic direction advance IGEN's overall intended goal of economic prosperity through investments in technological advancements and innovation.

FY2022 MEMBERS

DR. DAVID HILL - CHAIR, STATE BOARD OF EDUCATION

TOM KEALEY - DIRECTOR, IDAHO COMMERCE

RICK STOTT - SUPERIOR FARMS

DAMOND WATKINS - STELVIO STRATEGIES

JUAN CARLOS DUQUE - GALENA CAPITAL

DR. MARIANNE WALCK -

IDAHO NATIONAL LABORATORY

DR. CHRISTOPHER NOMURA - UNIVERSITY OF IDAHO

DR. DONNA LYBECKER - IDAHO STATE UNIVERSITY

DR. NANCY GLENN - BOISE STATE UNIVERSITY

SENATOR KELLY ANTHON

REPRESENTATIVE PAUL AMADOR

them to develop new drilling and extraction techniques for rare earth elements.

The project will explore different techniques such as bioleaching, a process using leach tanks full of environmentally friendly biologic materials and agro-mining which is a process of genetically modifying plants to hyper-accumulate materials.

Research is already underway and in addition to receiving an initial grant of \$348,241, UI also received a supplemental award of \$92,177.

“I think (the project) brought together a lot of people in the state of Idaho that otherwise would not be talking and the price tag and the value of that is many, many multiples of whatever the grant is,” John Swallow said.

BUSINESS ATTRACTION

The Business Attraction team, in coordination with local economic development partners, serves as the state’s single point of contact for businesses looking to expand or locate in Idaho. The team offers expertise in Idaho’s business environment and serve as customer representatives and subject matter experts for Idaho’s incentives.

IDAHO TAX REIMBURSEMENT INCENTIVE (TRI)

The Idaho Tax Reimbursement Incentive (TRI) took effect July 1, 2014, as a tool to encourage businesses to grow or expand in Idaho with jobs that pay above the average county wage. This post-performance incentive offers a maximum refundable tax credit of up to 30% on income, payroll and sales taxes for up to 15 years.

In its eighth year, the Idaho Tax Reimbursement Incentive (TRI) has continued to support the growth of Idaho communities.



PHOTO COURTESY: JERVOIS GLOBAL

JERVOIS GLOBAL WAS JUST ONE OF MANY COMPANIES THAT CHOSE TO LOCATE TO IDAHO THIS FISCAL YEAR.

During FY2022, nine TRI projects were approved. Of these, four were in rural areas and five were in urban areas. Similarly, three of the approved projects were to companies new to Idaho, and six were to existing Idaho businesses. When completed, these projects’ investments are projected to create nearly 3,000 jobs across the state with estimated total project wages of almost \$3 billion. With an average project wage of over \$66,000, these new jobs are above the statewide average annual wage.

From FY2015 through FY2022, the Idaho Economic Advisory Council has approved 87 TRI projects. Once the projects are completed, their investments are estimated to create nearly 16,000 jobs across the state and pay over \$9.2 billion in new wages for Idaho residents. With an average project wage of over \$52,000, these new jobs are above the statewide average annual wage.

Of the 87 approved projects, 44 have been approved for businesses new to Idaho, while 43 have been to existing Idaho businesses. Furthermore, the awards have assisted both rural and urban communities, with 47 going to rural communities and 40 to urban communities.

The incentive supports companies across industries, including advanced manufacturing, aerospace, food

TRI ELIGIBILITY REQUIREMENTS

A company must complete an in-depth application and meet the following requirements to qualify for the TRI:



New jobs must be **full-time** (30 hours or more) and pay an average wage **equal to or greater than the average county wage.**



Demonstrate a **meaningful community match.**



Prove that the incentive is a critical factor in the company’s decision to **expand in Idaho.**



Provide **significant economic impact** on the community and Idaho.



Create **20 new jobs in rural communities** (population of 25,000 or less) or **50 in urban areas.**

production, back office and shared services, chemical processing, transportation and warehousing and distribution.

TRI SUCCESS STORY

Since 1961, Lamb Weston has been a staple in Idaho.

As the leading producer of frozen French fries, Lamb Weston has grown considerably over the years but has continued its presence in Southeast Idaho.

Lamb Weston employs more than 500 employees in American Falls and more than 8,000 globally. The company sells its products in more than 100 countries and is currently ranked first amongst other North American frozen potato sellers.

Recently, Lamb Weston decided to expand its existing plant in American Falls, with a capital investment of more than \$400 million. The project is also expected to create over 180 jobs in the region and was approved for a TRI award.

The company’s long history in Idaho as well as the region’s strong agricultural roots were among a few of the top reasons for the company’s decision to expand in American falls.



LAMB WESTON RECENTLY HELD A GROUND BREAKING ON ITS NEWLY ANNOUNCED EXPANSION.

“Southeast Idaho has great soil and climate to grow good quality potatoes,” Lamb Weston Senior Communications Manager, Tammy Wade said. “There is also available land to expand potato acres with our existing growers. Expanding in American Falls was also a sound decision because of the people. We have operated our plant for more than 60 years and our employees take great ownership in what they do.”

FY2022 APPROVED TRI AWARDS



COMPANY NAME	LOCATION	EST. JOB CREATION	EST. AVERAGE WAGES	EST. TOTAL PROJECT WAGES	EST. STATE TAX REVENUE	EST. CAPITAL INVESTMENT
Lamb Weston	Power County	180	\$51,889	\$131,100,000	\$46,900,000	\$415,000,000
GoGo SqueeZ	Nampa	150	\$59,493	\$123,300,000	\$27,700,000	\$108,000,000
Milk Specialties Global	Jerome County	37	\$58,598	\$21,700,000	\$9,700,000	\$20,000,000
Wild Rye	Blaine County	28	\$74,666	\$14,500,000	\$4,300,000	\$0

FY2022 UNANNOUNCED PROJECTS

Unannounced Projects	5
Est. Job Creation	2,330
Est. Average Wages	\$71,551
Est. Total Project Wages	\$2,685,512,480
Est. Total State Tax Revenue	\$539,431,342
Est. Capital Investment	\$12,526,500,000

TOTALS FOR FY2022

Total Projects	9
Est. Job Creation	2,827
Est. Average Wages	\$66,934
Est. Total Project Wages	\$2,976,112,480
Est. Total State Tax Revenue	\$628,031,342
Est. Capital Investment	\$13,069,500,000



ECONOMIC ADVISORY COUNCIL

The Economic Advisory Council's (EAC) mission is to advise the Governor and Idaho Commerce on goals and objectives that further economic development within Idaho. The council consists of eight members, appointed by the Governor, with one member appointed from each of the state's seven economic development regions and one member appointed at-large. Members serve three-year terms and can be reappointed.

The council provides Tax Reimbursement Incentive recommendations to the Idaho Commerce director and recommendations to the Governor on applications for Community Development Block Grant and the Rural Community Investment Fund. In addition, council members advise their regions on economic development opportunities and represent their regional interests to state government.

FY2022 MEMBERS

JEREMY GRIMM – REGION I, OWNER, WHISKEY ROCK PLANNING

PAUL KIMMELL – REGION II, REGIONAL BUSINESS MANAGER, AVISTA CORPORATION

MIKE REYNOLDSON (CHAIR) – REGION III, VICE PRESIDENT GOVERNMENTAL AFFAIRS, BLUE CROSS OF IDAHO

RANDY BAUSCHER – REGION IV, OWNER, B&H FARMS

RICK PHILLIPS (VICE CHAIR) – REGION V, PUBLIC AFFAIRS MANAGER, SIMPLOT AGRIBUSINESS GROUP

VACANT – REGION VI

DAVE WILSON – REGION VII, OWNER, WILSON CONSTRUCTION

SANDY PATANO – AT LARGE, OWNER, SANDY PATANO CONSULTING

IDAHO SEMICONDUCTORS FOR AMERICA ACT

In the 2022 legislative session, the Idaho Commerce team, with the support of key legislators, passed the Idaho Semiconductors for America Act, which was codified in statute.

The Idaho Semiconductors for America Act provides qualifying Idaho semiconductor companies with a sales and use tax exemption on the purchase of qualifying construction and building materials.

In order to qualify, companies must first qualify for the CHIPS and Science Act of 2022. CHIPS is federal legislation that provides funding for the development of facilities to research, manufacture and produce semiconductors and semiconductor-related materials and equipment.

The Idaho Semiconductors for America Act is now in place and ready to be used by qualifying semiconductor manufacturers to create U.S. made semiconductor chips. These semiconductors decrease reliance on foreign made semiconductors, increase national security and increase jobs and opportunity to the state.

COMMUNITY DEVELOPMENT

The Community Development team provides financial and technical assistance via the Community Development Block Grant (CDBG) and Rural Community Investment Funds (RCIF) to Idaho cities and counties for the construction and rehabilitation of public

infrastructure and facilities necessary to support lower income communities, job creation, business expansion and a sense of community.

COMMUNITY DEVELOPMENT BLOCK GRANT

Each year, the U.S. Department of Housing and Urban Development (HUD) provides states with CDBG funds to use for projects that benefit low and moderate-income communities, help prevent or eliminate blight conditions and address damage caused by natural disasters. Projects include public facilities construction and infrastructure improvements, economic development projects, senior and community centers and public parks.

This fiscal year, the Community Development team awarded a total of \$7,497,030 in CDBG funds to 18 communities throughout Idaho. Additionally, the team awarded \$1,507,985 in CDBG CARES funds to eight communities in Idaho. The team also closed out 19 projects, managed over 80 open projects and closed out the 2015 CDBG program year.

CDBG SUCCESS STORY

Residents in the City of Malad had a new way to stay cool this summer thanks to the construction of a new splash pad. The City of Malad received \$225,000 as part of the Community Development Block Grant Program (CDBG) — in addition to a \$95,958 match from the city and \$10,000 in private in-kind donations — to construct a splash pad and make ADA improvements to the parking lot.



THE NEW SPLASH PAD IN THE CITY OF MALAD WILL KEEP RESIDENTS COOL ALL SUMMER LONG.

Although the project was only recently completed, Malad Mayor Joan Hawkins said it was years in the making. The city surveyed residents on what projects they would like to see in the local park, and a splash pad was a top choice. After attempting a variety of ways

to get funding, in 2018, the Southeast Idaho Council of Governments applied to the CDBG program on behalf of the city.

After they were awarded a CDBG grant for \$125,000, the city banded together to raise funding, hosting a variety of fundraisers such as “Pave the Path to Splash.”

With these efforts and an additional \$75,000 awarded from the CDBG program, the splash pad was finally completed last summer and has quickly become a favorite spot for residents in Malad.

“I believe that anytime you provide a place for entertainment in your community it impacts the residents and the businesses for good,” Mayor Hawkins said. “Our park has become the center of our small city.

FY2022 CDBG AWARDS



	APPLICANT	AWARD	PROJECT
CDBG Projects	American Falls	\$462,030	Infrastructure for affordable housing developments
	Ashton	\$500,000	Wastewater improvements
	Challis	\$500,000	New well construction project
	Craigmont	\$500,000	Wastewater lagoon reconstruction project
	Downey	\$225,000	Community center ADA updates
	Elk River	\$500,000	Wastewater improvements
	Glenns Ferry	\$150,000	Senior center roofing replacement
	Grand View	\$500,000	Drilling new well project
	Grangeville	\$500,000	New water storage tank
	Hagerman	\$225,000	Senior center building stabilization
	Homedale	\$500,000	Wastewater treatment and collection
	Moscow	\$335,000	New pumper fire engine
	Oakley	\$100,000	Post disaster new well construction
	Rexburg	\$500,000	Teton River Business Center expansion
	Rigby	\$500,000	Wastewater treatment plant improvements
	Shoshone	\$500,000	Construction of a water storage tank
	Winchester	\$500,000	Wastewater treatment plant improvements
	Kootenai County	\$500,000	Water storage reservoir construction
CARES Projects	Area Agency on Aging	\$220,000	Home delivered meals to seniors
	American Falls	\$225,000	New playground equipment
	Cottonwood	\$225,000	Park restroom replacement
	Dubois	\$225,000	New restroom and playground equipment
	Filer	\$50,000	New park development
	Orofino	\$112,985	Park ADA accessible restroom
	Preston	\$225,000	New playground equipment
	Rigby	\$225,000	New ADA park restrooms
	TOTAL	\$9,005,015	

This is probably the most popular summer venue for the children of our community. We have been thanked many times over for seeing the project through. It is a great addition to our city park.”

RURAL COMMUNITY INVESTMENT FUNDS

Rural Community Investment Funds (RCIF) help rural communities improve public infrastructure in support of economic expansion via job creation. Eligible activities include the construction or expansion of infrastructure or new construction and renovation of an industrial building owned by an eligible grantee that will be leased to a business.

This fiscal year, the team awarded a \$400,000 RCIF grant to Jerome County. RCIF funds were used to improve electrical power systems serving True West Beef's new facility.

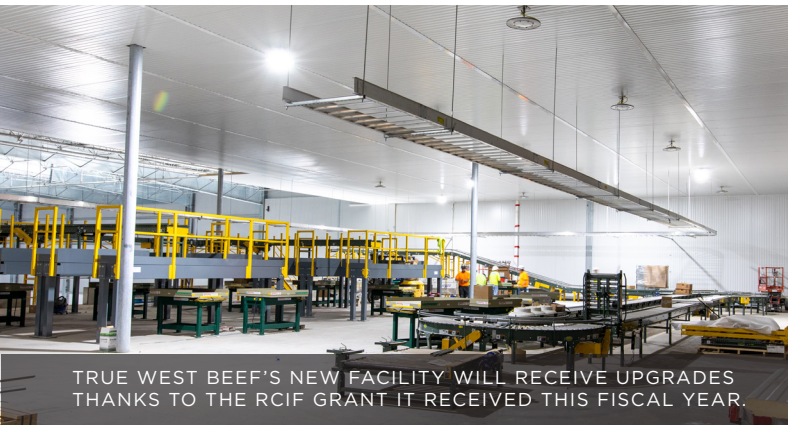


PHOTO COURTESY: TRUE WEST BEEF

TRUE WEST BEEF'S NEW FACILITY WILL RECEIVE UPGRADES THANKS TO THE RCIF GRANT IT RECEIVED THIS FISCAL YEAR.

RCIF SUCCESS STORY

The City of Jerome was awarded a \$400,000 RCIF grant this fiscal year to help upgrade the electrical power system that will serve True West Beef's new meat processing facility.

True West Beef is building a new state-of-the-art facility capable of processing 500 head of cattle per day. This new facility represents an investment of nearly \$200 million and is expected to create more than 500 jobs.

The grant helps upgrade Idaho Power's electrical system by constructing and installing 1,320 linear feet of distribution circuits, distribution protection equipment and an upgraded substation transformer.

These upgrades will not just have a positive impact on the company, but also the community, by providing the infrastructure necessary for other businesses looking to move into the area.

The project allows True West Beef to create 100 jobs

within a year, and the company provided a \$1,755,257 match for the project. As of July 2022, True West Beef has already hired 12 employees. The construction of the facility is ongoing with completion expected by January 2023.

“The RCIF grant was great for the True West Beef project and for Jerome County,” Agri Beef Marketing Executive Director, Jay Theiler, said. “It helped us alleviate some of the upfront costs to upgrade the substation for the reliable power we will need for our facility. This grant was potentially, equally, if not more, impactful for Jerome as it will allow future development.”

VISIT IDAHO

In FY2022, Idaho's third-largest industry, travel and tourism, achieved the highest revenue-generating year on record for 2% lodging tax collections, bringing in over \$20 million. This is an increase of over 39% year-over-year. Idaho continues to see positive growth in lodging collections.

TOURISM SPOTLIGHT

With close proximity to a variety of lodging and restaurants, outdoor enthusiasts have dubbed the Post Falls parks system “Base Camp” for extreme outdoor sports.

The City of Post Falls increased the size of Q'emiln Park to 78 acres, home to the “Q'emiln Walls” and over 100 rock climbing routes many of which are world-class. These climbing routes are easy to access and popular with beginner to expert climbers.

The Post Falls Chamber of Commerce has tapped into an untouched tourism market.

In 2021, the park welcomed 22,814 visitors to rock climbing and mountain biking, a year-over-year increase of 34%.

“The interest in extreme outdoor sports along with the 500-acre trail system in the park has attracted new visitors to Post Falls,” said Christina Petit President of the Post Falls Chamber.

IDAHO REGIONAL TRAVEL AND CONVENTION GRANT

Using funds collected from Idaho's 2% lodging tax, the Idaho Travel Council distributes the Idaho Regional Travel and Convention Grant to nonprofit, incorporated organizations with a primary focus on tourism marketing within the state's seven travel



THE IDAHO OUTFITTERS AND GUIDES ASSOCIATION'S MEMBERSHIP INCLUDES OVER 100 OUTFITTERS AND 2,500 GUIDES.

regions. Funds may also be given to multi-regional associations that promote lodging and restaurants, outfitters and guides, RV parks and campgrounds and ski areas. Preference is given to programs that focus on promoting overnight stays.

IDAHO REGIONAL TRAVEL AND CONVENTION GRANT SUCCESS STORY

Since the inception of the Idaho Regional Travel and Convention Grant Program, the Idaho Outfitters and Guides Association has been a grant recipient.

The Idaho Outfitters and Guides Association (IOGA) is a non-profit business trade association representing a majority of the state's full time licensed outfitters and guides. The organization's members include more than 100 outfitters and 2,500 licensed guides offering guided hunting, fishing, rafting, climbing, biking and more.

Aaron Lieberman, executive director of IOGA, said that not only does receiving the Idaho Travel and Convention

IDAHO TRAVEL COUNCIL

Idaho Travel Council is an eight-member council appointed by the Governor. The council meets across the state in January, March, May, July and October. The public is encouraged to attend these meetings to keep informed about the Tourism team's marketing program.

FY2022 MEMBERS

KAYOKO MAGNUS - REGION I,
COEUR D'ALENE RESORT

ARTHUR MCINTOSH - REGION II, LINDSAY
CREEK VINEYARDS

PAT MORANDI (CHAIR) - REGION III, ROARING
SPRINGS WATER PARK, WAHOZ FAMILY FUN
ZONE AND PINZ

VACANT - REGION IV

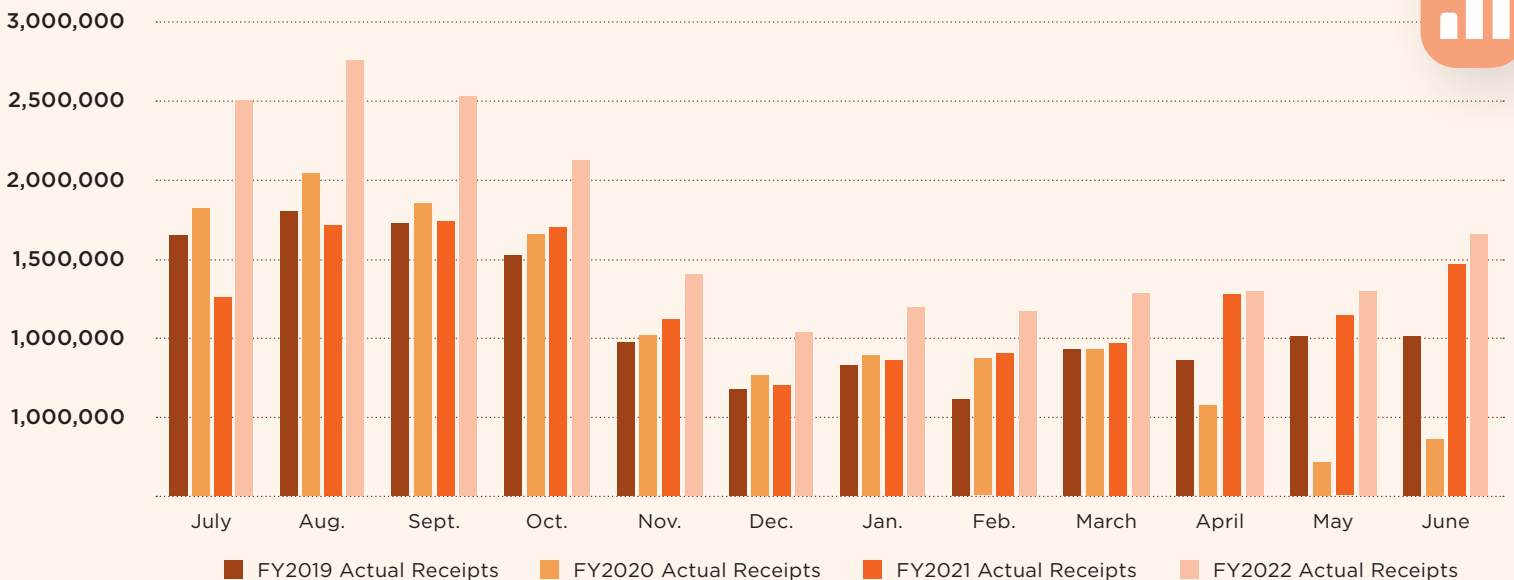
JEFFERY GLISENDORF - REGION V,
TOWNEPLACE SUITES BY MARRIOTT POCATELLO

LONNIE ALLEN (VICE CHAIR) - REGION VI,
THREE RIVERS RANCH FLY FISHING LODGE

TIM JOHNSON - REGION VII, LIMELIGHT
HOTEL KETCHUM

EARL SULLIVAN - AT-LARGE, TELAYA WINE CO.

Comparison of Monthly Lodging Tax Collections



Grant add value to members, but it also allows the association to drive awareness and visitation for outdoor adventures much more broadly than individual outfitters are able to.

“We are trying to maintain that image, which is also, luckily, an accurate one, of Idaho as the place to go

for outdoor recreation,” Lieberman said. “The funding through this grant gives us a reach we would not otherwise have.”

With funds awarded from the last grant cycle, IOGA is working on creating an updated economic impact study for the industry to get an accurate picture of the actual impact the guide and outfitting industry has on the state.

FY2022 IDAHO REGIONAL TRAVEL AND CONVENTION GRANTS



APPLICANT	AMOUNT AWARD	TRAVEL REGION
North Idaho Tourism Alliance (NITA)	\$220,200	Region I
Coeur d'Alene Convention & Visitors Bureau (CVB)	\$1,237,600	Region I
Post Falls Chamber of Commerce	\$120,200	Region I
Greater Sandpoint Chamber of Commerce	\$246,392	Region I
Visit Lewis Clark Valley	\$164,059	Region II
North Central Idaho Travel Assoc (NCITA)	\$67,000	Region II
Moscow Chamber of Commerce	\$160,857	Region II
Boise Metro Chamber of Commerce DBA Boise CVB	\$1,574,499	Region III
Cascade Chamber of Commerce	\$75,000	Region III
Nampa Chamber of Commerce	\$143,470	Region III
McCall Area Chamber of Commerce & Visitors Bureau	\$433,725	Region III
Southwest Idaho Travel Assoc (SWITA)	\$854,675	Region III
Southern Idaho Tourism	\$567,804	Region IV
Southeast Idaho High Country Tourism	\$207,100	Region V
Greater Pocatello Convention & Visitors Bureau	\$232,210	Region V
Bear Lake Valley Convention and Visitor Bureau	\$49,000	Region V
Yellowstone Teton Territory (YTT)	\$1,785,325	Region VI
Hailey Chamber of Commerce Inc	\$153,773	Region VII
Lemhi County Economic Development Assoc (LCEDA)	\$43,500	Region VII
Stanley-Sawtooth Chamber of Commerce	\$169,785	Region VII
Challis Chamber of Commerce	\$17,380	Region VII
Sun Valley Marketing Alliance Inc	\$496,000	Region VII
Greater Salmon Valley Chamber of Commerce	\$9,786	Region VII
Idaho Ski Areas Assoc (ISAA)	\$163,000	Multi-region
Idaho Outfitters & Guides Assoc (IOGA)	\$150,900	Multi-region
Idaho Lodging & Restaurant Assoc (ILRA)	\$59,550	Multi-region
Idaho RV Campgrounds Assoc (IRVCA)	\$90,000	Muli-Region
TOTAL	\$9,492,794	




IDAHO
COMMERCE

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