



C.L. "Butch" Otter, Governor

Megan Ronk, Director

**Economic Advisory Council Meeting
Wednesday, August 23, 2017**

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

Members Present Via Phone:

Steve Meyer, *Region 1*
Robin Woods, *Region 2*
Mike Reynoldson, *Region 3*
John Craner, *Region 4*
Rick Phillips, *Region 5*
Mark Young, *Region 6*
Margaret Watson, *At-Large*

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*
Patrick Watson, *Senior Research Analyst*
Ewa Szewczyk, *Grants & Contracts Program Specialist*
Audra Fink, *Administrative Assistant*

Commerce Staff Present Via Phone:

Eric Forsch, *Senior Business Attraction Specialist*
Andrea Vlassis-Zahn, *Business Attraction Specialist*

Call to Order & Welcome

Chairman Steve Meyer called the meeting to order at 3:02 p.m.

Council Vote on Approval of Minutes:

Chairman Meyer noted that the minutes for the July 20, 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: Mark Young

Seconded by: Robin Woods

All in favor. No discussion.

Motion approved.

Application Overview

Megan let the council know that Governor C.L. "Butch" Otter appointed Dave Wilson, from Sun Valley, to represent Region 7. According to Megan, Governor Otter has also identified a candidate for the at-large position. If the candidate agrees to the appointment the Economic Advisory Council will no longer have any vacancies.

Director Ronk introduced Project ID and Project Hammer.

Motion to Move to Executive Session

Chairman Meyer announced the Council will review the details of two applications for 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 Meyer entertained a motion under Idaho Code § 67-2345(1)(d) to go into executive session to review the applications.**

Margie Watson moved to enter into executive session. Robin Woods seconded.

Roll call vote to move into executive session:

John Craner – Aye
Steve Meyer – Aye
Mike Reynoldson -- Aye
Margie Watson – Aye
Robin Woods - Aye
Mark Young - Aye

Prior to the start of the meeting Rick Phillips recused himself from the discussion and vote on Project ID due to a conflict. Rick joined the call during executive session, but after Project ID discussions had concluded at 2:35 p.m. During executive session Mark Young left the call due to a scheduling conflict at 2:35 p.m., but after Rick joined the call, therefore a quorum was maintained.

With over two-thirds majority in favor of moving into executive session, the Council moved into executive session at 3:17 p.m.

Return to Public Session

Chairman Meyer noted that the Council returned to the public session at 3:56 p.m.

Chairman Meyer indicated the Council:

1. Reviewed and discussed the applications 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 Rick Phillips.

Review of Tax Reimbursement Incentive for PROJECT ID

Chairman Meyer entertained a motion for PROJECT ID.

Motion:

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

- A post-performance refundable tax credit which represents 25% for twelve 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 Cassia County average wage of \$32,847
- Subject to confirmation of the proposed property tax exemption pledged as match.

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 Mike Reynoldson, seconded by Margie Watson.

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

John Craner – Aye
 Steve Meyer – Aye
 Mike Reynoldson -- Aye
 Margie Watson – Aye
 Robin Woods – Aye
 Mark Young -- Absent
Rick Phillips – Recused

Review of Tax Reimbursement Incentive for PROJECT HAMMER

Chairman Meyer entertained a motion for PROJECT HAMMER.

Motion:

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

- A post-performance refundable tax credit which represents 24% for twelve years.
- No less than 20 new jobs or 70% of the total annual projected jobs, whichever is greater.
- Average annual wages must equal or exceed the Twin Falls County average wage of \$32,472
- Subject to confirmation of the proposed property tax exemption pledged as match.

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 John Craner, seconded by Robin Woods.

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

John Craner – Aye
 Steve Meyer – Aye

Rick Phillips – Aye
Mike Reynoldson -- Aye
Margie Watson – Aye
Robin Woods – Aye
Mark Young - Absent

Final Thoughts

Director Ronk will follow-up with the council regarding the date for the October in-person meeting in Boise.

Motion

Margie Watson moved to close the meeting. Rick Phillips seconded.

All ayes – motion approved.

Chairman Meyer adjourned the meeting at 4:05 p.m.