

IDAHO COMMERCE  
FY2018 ANNUAL REPORT





As another year comes and goes, it is my pleasure to reflect on where we have been, where we are going, all we accomplished and all we strive to improve. Idaho is no stranger to national accolades and honors as our state's businesses and communities continue to receive acclaim from all over the world. I'm pleased to report this recognition is well-earned and our state's economy continues to operate from a position of strength thanks to the many successes in public-private partnerships, technology innovation, and job, wage and income growth.

National praise is exciting and a great opportunity for Idaho to be highlighted, but as I traveled the state over this last year I also found many of our greatest stories are in the seemingly smaller moments that often sneak past the spotlight. It's a natural tendency to focus on big projects, but there are wins of all sizes to be proud of across Idaho.

Last year, I had the opportunity to visit the beautiful community of Grangeville, Idaho, the home of Gem Chain Bar, a small business that manufactures timber harvesting equipment for companies around the world. During my tour of Gem Chain Bar, they pointed out a robot developed by VersaBuilt, a robotics company based out of Boise, that is essential to their processes. The next day, after learning about Gem Chain Bar's ballistic-grade steel and precision waterjet cutting processes, I toured a nearby logging site

where the loggers were using none other than Gem Chain Bar to slice through lodgepole pines. This is an example of Idaho's unique, diverse and integrated economic ecosystem and how Idaho businesses, both large and small, not only support customers around the world, they support businesses in their own backyard.

Thanks to our partners in the private sector, statewide economic development organizations, and other state and federal agency partners, Idaho Commerce has the capacity to deliver more opportunities for Idaho businesses than ever. Idaho is a haven for companies and industries working to invest in expansions, relocations, job growth projects, partnerships, commercialization of new technologies, expansion of international trade and community development. Every win, small or large, enhances our economy's diversity and helps maintain Idaho as a great place to work, play and do business.

In this annual report, we have assembled an FY2018 (July 1, 2017 - June 30, 2018) agency update complete with program reports, grant information, and highlights of the impacts these projects have on Idaho's economy and communities. For the past 12 years, Idaho Governor C.L. "Butch" Otter has played a critical role in defining what it means to "Move at the Speed of Business" and keep Idaho growing. As we turn the page to a new chapter with Governor Brad Little, Idaho Commerce looks forward to more years of synergy and forward momentum in our beautiful state.

Bobbi-Jo Meuleman  
Director, Idaho Commerce

# 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 job creation, support existing companies, strengthen communities and market Idaho to:

- Grow and expand the economy by supporting the expansion and retention of Idaho businesses and attraction of new businesses to the state;
- Cultivate the development of new businesses and job opportunities across targeted industry sectors;
- Expand Idaho's tourism and recreation industries;
- Guide Idaho businesses in exports of goods and services to the world and encourage foreign investment in Idaho;
- Encourage communities to be prepared for business growth through infrastructure development and site readiness;
- Invest in development of new, innovative research through public private partnerships.

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## BUSINESS RETENTION AND EXPANSION

The Business Retention and Expansion (BRE) team's primary role is to support the growth and expansion of more than 57,000 local businesses across the state. Most capital investment and job growth in Idaho comes from our existing companies. We work to ensure these businesses expansions are successful and get the attention and service they deserve. Our highest priorities are preserving and creating great Idaho jobs by removing barriers to growth and connecting Idaho companies with the resources they need.

Since the BRE team's creation in 2016, the five team members, in conjunction with local officials and economic development professionals across the state, have met in-person with over 1,000 companies.

Customized, in-person business visits are vital to building successful economic development partnerships. These interactions allow all parties to determine what opportunities, challenges, and risks are impacting Idaho businesses, and then connect our businesses with the right resources to help them grow and overcome challenges. The resources can include incentives, infrastructure grants, export assistance, promotional opportunities and more.

The BRE team will continue to focus on rural communities throughout Idaho. Through the Rural Economic Development Professional Grants, we are able to provide more resources to rural communities across the state. Programs including Opportunity Zones, Main Street and the Tested in Idaho campaign are opportunities to showcase rural communities and businesses, and drive more investment, job growth and visitation to those areas.

## IDAHO GEM GRANT

Local governments of rural communities (populations of 10,000 or less) can leverage Idaho Gem Grant funding to plan and implement projects that create and retain jobs. Eligible grant activities include water and sewer infrastructure for a new business, remediation of slum and blight conditions blocking business development, and matching funds for the creation of assets with a high certainty of aiding future economic development efforts. Many rural governments use the Idaho Gem Grants for architect and engineering studies, construction contracts, equipment or fiber infrastructure. The state-funded grant program is a component of the Idaho Rural Initiative.

### FY2018 GEM Grant Awards

<b>City of Potlatch</b>	\$6,900	<b>City of Victor</b>	\$50,000
<b>Jerome County</b>	\$50,000	<b>City of Driggs</b>	\$16,000
<b>City of Ponderay</b>	\$15,000	<b>Boundary County</b>	\$25,000
<b>City of Rupert</b>	\$50,000	<b>City of Sandpoint</b>	\$25,752
<b>Custer County</b>	\$24,000	<b>Shoshone Paiute Tribes</b>	\$50,000
<b>City of Payette</b>	\$50,000	<b>City of Rexburg</b>	\$50,000
<b>Idaho County</b>	\$50,000	<b>City of Mountain Home</b>	\$50,000
		<b>14 TOTAL AWARDS</b>	<b>\$512,652</b>

## GEM GRANT SUCCESS STORY: CITY OF PAYETTE & 121 N. MAIN

Over the years, the building at 121 N. Main in Payette, Idaho has been home to several businesses. During the 1950s it hosted Ferney's Ice Cream Shop, then became a metal shop, then barbershop, café, beauty shop, and dress store. At one point it was even home to a radio station. Since 2006, the windows have been boarded up and remained that way until 2017 when the Portia Club decided to raise funds and turn the building into a business incubator.

Thanks to a \$50,000 Gem Grant from Idaho Commerce, a \$10,000 grant from the City of Payette, another \$25,000 donation, and in-kind engineering work from CK3, the building is currently being rehabilitated to become a business incubator, designed to help entrepreneurs turn their ideas into new Idaho companies which will create even more economic activity and jobs in the area.





## RURAL ECONOMIC DEVELOPMENT PROFESSIONALS PROGRAM

Rural communities can tap into the Idaho Rural Economic Development program to support the advancement of local economic development capacity. The program awards grants, used in tandem with local funding, to hire full-time economic development professionals. These experts are managed by a local board of directors and work on a variety of initiatives including business retention, expansion, attraction, export assistance and entrepreneurial development. This state-funded grant is a component of the Idaho Rural Initiative.

### FY2018 Rural Ed Pro Awards

<b>Benewah County</b>	\$28,000	<b>City of Greenleaf</b>	\$30,000
<b>Blaine County</b>	\$25,000	<b>Idaho County</b>	\$32,000
<b>Bonner County</b>	\$15,000	<b>Lemhi County</b>	\$28,000
<b>Boundary County</b>	\$32,000	<b>Oneida County</b>	\$32,000
<b>Butte County</b>	\$25,000	<b>Power County</b>	\$30,000
<b>Clearwater County</b>	\$32,000	<b>Shoshone County</b>	\$32,000
<b>Custer County</b>	\$32,000	<b>Teton County</b>	\$27,500
<b>City of Fruitland</b>	\$20,000	<b>Twin Falls County</b>	\$32,000
<b>City of Glens Ferry</b>	\$20,000	<b>Valley County</b>	\$27,500
		<b>18 TOTAL AWARDS</b>	<b>\$500,000</b>



## INTERNATIONAL TRADE

The International Team, along with the State's overseas trade offices in Mexico, China and Taiwan, provided global support to a multitude of Idaho industries and businesses throughout FY2018.

Our overseas trade office directors and Idaho Commerce staff engaged in over 600 export and import inquiries from Idaho companies, covering topics like trade compliance, tariffs, and international marketing efforts, such as trade missions and trade shows.

One such marketing effort was organized by Idaho-Mexico Trade Office Manager, Fabiola McClellan. Ms. McClellan coordinated the Idaho pavilion at the Expo Seguridad, a safety and security trade show, for participating Idaho companies.

The Idaho-Asia trade office located in Taipei, Taiwan is managed by Eddie Yen. With the assistance of Idaho Commerce and the Idaho State Department of Agriculture,

Mr. Yen organized a trade mission to Taiwan and Vietnam that included a total of 19 companies and organizations from around the state.

In addition, Mr. Yen planned and executed an Idaho pavilion at the Taiwan Aerospace and Defense show with five Idaho companies, as well as an Idaho pavilion at the Singapore Air Show with six Idaho companies. In order to support the lumber and building materials industry, Mr. Yen attended the Taipei Building Show with four Idaho companies to lend them support and match-making services with current and future customers.

These events resulted in a total of over \$3.8 million in immediate sales for the participating companies.



# OUTDOOR RECREATIONAL TECHNOLOGY INDUSTRY TRADE SHOW HIGHLIGHT - ISPO 2018 IN MUNICH, GERMANY

The International Team organized an Idaho pavilion at the ISPO trade show in Germany - one of the most prominent trade fairs for international sports professionals. The show has more than 2,700 exhibitors and over 85,000 visitors from 120 different countries. ISPO covers products such as outdoor, ski, health, fitness, clothing, equipment, and resources and materials. The Idaho pavilion was funded with the State Trade Expansion Program (STEP) and included six companies:

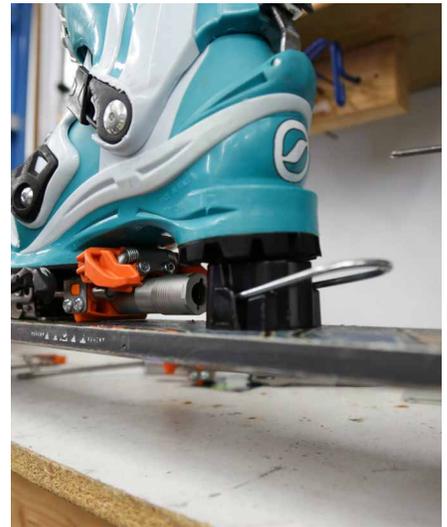
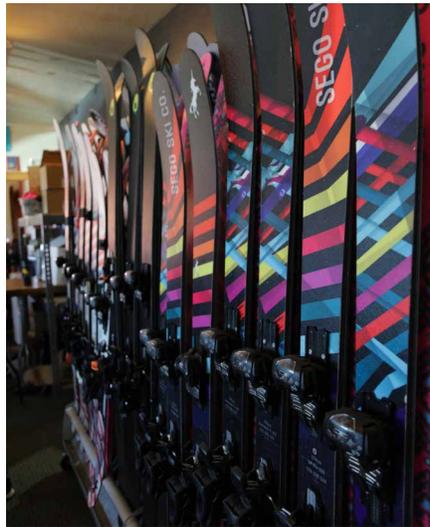
- 22 Designs LLC
- Club Apparel LLC
- Gorilla Gold Online LLC
- Krieg Climbing
- Lucky Bums Subsidiary LLC
- Telic International LLC

Sego Ski Co., which exhibited in a separate booth, was awarded a STEP Financial Assistance Award administered by Idaho Commerce to attend ISPO 2018. Sego Ski Co. participated in the Idaho pavilion in 2017 and was able to increase their footprint from the successes of the previous year.

The seven Idaho companies achieved immediate sales results of over \$70,000.

“ISPO was the perfect show for us as a climbing company. The entire process was amazing. As a small business it helped since my bandwidth is absorbed by the day to day. We were able to get the ball rolling on new projects and meet with new manufacturers. It will be one of the catalysts for the next five years.”

-Sam Krieg, Owner, Krieg Climbing



## STEP FINANCIAL ASSISTANCE AWARDS FY2018

The State of Idaho has received a State Trade Expansion Program (STEP) Grant of \$343,240 for program year September 2017 - September 2018. The STEP program is funded in part through a grant with the U.S. Small Business Administration (SBA) and is administered by Idaho Commerce. This is the sixth award Idaho has received to make 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.

## FY2018 Idaho State Trade Expansion Program (STEP) Awards

<b>American Mills LLC</b> (aka Clark Seed)	\$3,100
<b>American Semiconductor Inc</b>	\$9,000
<b>Aviation Specialties Unlimited Inc.</b> (dba ASU)	\$15,000
<b>Behavior Imaging Solutions</b> (formerly Caring Technologies / TalkAutism)	\$6,125
<b>BiologiQ Inc.</b>	\$9,205
<b>Black Sage Technologies Inc.</b>	\$4,950
<b>Encoder Products Co.</b>	\$6,000
<b>Ground Force Manufacturing LLC</b>	\$3,140
<b>Hamilton Manufacturing Inc.</b> (HMI)	\$5,525
<b>Idaho Milk Products Inc.</b>	\$3,450
<b>Odin Works</b>	\$7,000
<b>Performance Design LLC (Rhin-O-Tuff)</b>	\$5,710
<b>Precision Energy Services Inc.</b>	\$3,256
<b>Preco Electronics Inc</b>	\$8,400
<b>Promed Keyboard Group Inc.</b> (PKG)	\$3,000
<b>Sego LLC</b> (dba Sego Ski Co.)	\$8,410
<b>Tedder Industries</b>	\$7,225
<b>Toumetis Inc.</b>	\$8,300
<b>Unitech Composites Inc</b>	\$15,000
<b>Ventry Solutions Inc.</b>	\$7,400
<b>20 TOTAL AWARDS</b>	<b>\$139,196</b>

“Utilizing STEP grants has been very beneficial for our exports at 22 Designs. We would not have attended ISPO each year without the funds, and the show has really helped us to grow our sales throughout Europe, and into Asia.”

- Chris Valiante, Co-Founder, 22 Designs

# BUSINESS ATTRACTION

The Business Attraction Team, in coordination with our local economic development partners, serves as the state's single point of contact for businesses looking to expand or relocate to Idaho. Focusing on superior customer service, the team's time is spread between professional site selectors and businesses acting on their own behalf as they evaluate location options and finalize their expansion or relocation plans.

The team offers expertise in Idaho's business environment, serves as the lead for Idaho's incentives and are subject matter experts and customer representatives for the Tax Reimbursement Incentive (TRI). Through FY2018, the team has guided 46 existing and new companies to a successful TRI award. Additionally, the team supports prospective businesses, existing businesses and Idaho's economic development community by providing in-depth data, analysis and strategic advice using the department's suite of research tools. Expansion and recruitment of business into the state brings new jobs and diversifies Idaho's GDP.

## ECONOMIC ADVISORY COUNCIL

The Economic Advisory Council was established under Idaho Code 67-4704. The Council's main purpose is to advise the Governor and Idaho Commerce on goals and objectives that further economic development within the state.

The council makes recommendations to the Governor on applications for Community Development and Rural Community Block Grant funding.

In addition, Council members advise their regions on economic development opportunities and represent their interests to state government. The Council consists of seven 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.

### FY2018 MEMBERS INCLUDE:

#### REGION I

**Steve Meyer**, Chair - Parkwood Properties

#### REGION II

**Robin Woods**, Vice Chair - Alturas Analytics, Inc.

#### REGION III

**Mike Reynoldson** - Blue Cross of Idaho

#### REGION IV

**John Craner** - Zion's Bank

#### REGION V

**Rick Phillips** - JR Simplot Company

#### REGION VI

**Mark Young** - Raymond James Financial Services, Inc.

#### REGION VII

**David "Dave" Wilson** - Wilson Construction LLC

#### AT-LARGE

**Sandy Patano** - Sandy Patano Consulting, LLC

## IDAHO TAX REIMBURSEMENT INCENTIVE

The Idaho Tax Reimbursement Incentive (TRI) took effect July 1, 2014, as a tool to encourage businesses to grow or expand into 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 all income, payroll and sales taxes for up to 15 years.

### The TRI eligibility requirements are as follows:

- Create 20 new jobs in rural communities (city population of 25,000 or less), or 50 jobs in urban centers.
- New jobs must be full time (30 hours or more) and pay an average wage of equal to or greater than the average county wage.
- Demonstrate a meaningful community match.
- Confirm the company’s stability and the project’s potential to be a significant economic impact in the community and state.
- Prove that the incentive is a critical factor in the company’s decision to expand in Idaho.

## FY2018 TRI OVERVIEW

The fourth year of TRI has been another successful year in helping to support growth in existing Idaho businesses and rural communities. During FY2018, half of the eight approved projects were for the expansion of an existing Idaho business. Similarly, half of the eight approved projects are in rural Idaho communities.

From FY2015 through FY2018, the Idaho Economic Advisory Council has approved 46 projects. When completed, these projects’ investments are projected to create over 7,800 jobs across the state and pay over \$3.5 billion in new wages for Idaho citizens. With an average project wage of \$46,575, these new jobs are well above the statewide average annual wage of \$41,312.

Through FY2018, 25 of the 46 projects have been awarded to existing Idaho businesses and 27 of the 46 projects have gone to rural communities. We are excited to see the TRI continue to deliver valuable economic development results for our state’s rural communities.

The incentive supports companies ranging in industries including: advanced manufacturing, aerospace, food production, back office and shared services, software and technology, travel and tourism, education, and warehousing and distribution. Collectively, the 46 TRI projects are expected to generate over \$367 million in new state revenues, resulting in more than a 4 to 1 return on investment.

LOCATION		TYPE		INDUSTRY	
<b>2</b>	<b>6</b>	<b>3</b>	<b>5</b>	<b>3</b> Warehouse & Distribution	<b>2</b> Advanced Manufacturing
Urban	Rural	New	Existing	<b>2</b> Food Production	<b>1</b> Software & Technology

# FY2018 APPROVED TRI PROJECTS



## FY2018 Approved TRI Awards

Company	City	Term (Yrs.)	TRI %	Jobs	Avg. Wage	Total Payroll	CapEx	Project Tax Revenue
Capitol Distributing	Caldwell	12	24%	265	\$42,400	\$67,300,000	\$30,000,000	\$4,900,000
Critical Power Products & Services	Post Falls	7	14%	23	\$91,600	\$14,700,000	\$2,600,000	\$1,800,000
Idaho Milk Products	Jerome	10	25%	53	\$51,300	\$25,900,000	\$31,000,000	\$2,100,000
Jayco	Twin Falls	12	24%	360	\$43,300	\$170,500,000	\$21,000,000	\$20,400,000
NewCold	Burley	12	25%	68	\$44,700	\$31,300,000	\$80,000,000	\$4,800,000
Project Breeze 2	Hayden	10	23%	59	\$73,400	\$43,300,000	\$3,000,000	\$3,300,000
Project Dry	Greenleaf	8	18%	50	\$34,200	\$9,100,000	\$3,500,000	\$540,500
Project Widget	Nampa	10	22%	180	\$48,800	\$50,100,000	\$21,000,000	\$9,800,000

# COMMUNITY DEVELOPMENT

Our community development infrastructure experts at Idaho Commerce help Idaho communities prepare for growth in a variety of ways. Team members visit communities to identify needs and provide assistance in the form of consulting, training and fostering connections to other local community groups. Most importantly, this team also helps communities secure grant funding that enables them to provide services and infrastructure—like utility upgrades or main street improvements—that businesses need in order to launch, grow and expand in the area.

## IDAHO COMMUNITY DEVELOPMENT BLOCK GRANT

Each year, the US Department of Housing and Urban Development (HUD) provides states with Community Development Block Grant (CDBG) funds to use for projects that benefit low - and moderate - income people, help prevent or eliminate slum and blight conditions, and solve catastrophic health and safety threats. Eligible grant activities include public facilities construction and infrastructure improvements, economic development projects, senior citizen centers, and community centers.

### FY2018 CDBG Awards\*

<b>Ashton</b>	\$100,000	Pool Liner Replacement and New Path
<b>Ashton</b>	\$500,000	Wastewater Collection Line Replacement
<b>Bingham County</b>	\$150,000	Aberdeen Senior Center Kitchen and Bathroom Upgrades
<b>Bingham County</b>	\$150,000	Shelley Senior Center Improvements
<b>Blackfoot</b>	\$150,000	New Park Restroom
<b>Bonnets Ferry</b>	\$150,000	Public Pool Improvements
<b>Carey</b>	\$55,000	Playground Equipment Replacement
<b>Culdesac</b>	\$500,000	Wastewater System Improvements
<b>Deary</b>	\$500,000	New Well and Transmission Line Improvements
<b>Firth</b>	\$500,000	Construction of New Mechanical Treatment Plant
<b>Franklin</b>	\$500,000	Water System Improvements
<b>Franklin City</b>	\$150,000	New Park Restroom and Court
<b>Homedale</b>	\$492,874	New Library Construction
<b>Kellogg</b>	\$125,000	Public Pool Improvements
<b>Kendrick</b>	\$500,000	Wastewater Collection Line Upgrades
<b>Malad</b>	\$500,000	Construction of New Treatment / Storage Lagoons
<b>Minidoka County</b>	\$468,134	Purchase of Two New Fire Engines
<b>Moscow</b>	\$289,000	Purchase of a New Fire Engine
<b>New Meadows</b>	\$500,000	New Well and Reservoir
<b>Owyhee County</b>	\$500,000	Wastewater Lagoon Improvements
<b>Parma</b>	\$49,606	Replacement of Park Restroom
<b>Potlatch</b>	\$80,000	New Splash Pad
<b>Power County</b>	\$250,000	Remodeling of Existing Health Clinic
<b>Priest River</b>	\$500,000	Wastewater Collection Line Replacement
<b>Rupert</b>	\$500,000	Downtown Revitalization
<b>Rupert</b>	\$150,000	Senior Center Improvements
<b>Sandpoint</b>	\$478,650	Downtown Revitalization
<b>27 TOTAL AWARDS</b>	<b>\$8,788,264</b>	

\*Federal Fiscal Year



## CDBG PROJECT SPOTLIGHT

The citizens of Kellogg voted in support of an \$8 million bond to replace the aging and faulty sewer lines that serve the city. In part due to the city's commitment of investing \$8 million into their sewer system, the city was awarded \$1 million in funding to assist in the design and construction costs. These improvements will help the city meet the Clean Water Act and provide for the infrastructure foundation that allows for economic growth.

### RURAL COMMUNITY DEVELOPMENT BLOCK GRANTS

Another component of the Idaho Rural Initiative, Rural Community Block Grants (RCBG) help rural communities improve public infrastructure in support of economic expansion via job creation. Eligible activities include: construction or expansion of infrastructure (such as water, wastewater or road systems) or new construction or renovation of an industrial building owned by an eligible entity that will be leased to a business.

#### FY2018 RCBG Awards

City / County	Business	Award	Jobs	Project
Washington County	Intrinsic Organics	\$66,548	20	Construction of access road to serve new business
City of Jerome	Magic Valley Quality Milk Producers	\$270,000	12	Road improvement and overlay to serve existing business that is expanding
<b>2 TOTAL AWARDS</b>		<b>\$338,548</b>		



## IDAHO TOURISM

Idaho's third largest industry, travel and tourism, continues to break visitation and spending records across the state. In FY2018, Idaho Commerce's Tourism Development team achieved the highest revenue generating year on record for 2% lodging tax collections at \$12.4 million in tax collections for the year, an 11.2% year over year improvement.

This accomplishment supports and validates the statewide marketing efforts and strategic planning that is attracting more visitors to Idaho. The recent boom of new lodging properties and tax collection on vacation rental marketplaces in Idaho, in addition to more direct flight service into the state, are big contributing factors to the statewide successes.

Our gateway website, [visitidaho.org](http://visitidaho.org), continues to increase reach and engagement on multiple platforms. Idaho Tourism is continuing to increase investment in media advertising, content marketing, social media marketing and press relations in addition to improving collaboration with other state agencies and leveraging funds to promote and expand recreation opportunities through participation in the Idaho Recreation and Tourism Initiative.

Idaho's international marketing program is facilitated through a five-state partnership known as Rocky Mountain International. This consortium includes Montana, Wyoming, North Dakota and South Dakota.

The overseas marketing program is designed to promote and develop group travel, pre-packaged tours, convention and incentive tours, and promotion and publicity internationally, specifically in the German market (Germany, Switzerland and Austria), the United Kingdom market (England, Wales, Scotland, Northern Ireland, and the Republic of Ireland), the French market, the Benelux market (Belgium, the Netherlands and Luxembourg) the Italian market, the Nordic market (Denmark, Sweden, Norway, Iceland and Finland), and the Australian market (Australia and New Zealand).

### Recent travel and tourism trends include:

- Total direct travel spending in Idaho was \$3.7 billion in 2017. This represents a 6.5% increase over the preceding year in current dollars. In real dollars (adjusted for inflation) Idaho travel spending increased by 4.5%.
- Direct travel-generated employment was 45,800 in 2017. Employment has increased by 3.1% per year since 2010. Earnings (\$1.1 billion in 2017) have increased by 5.8% per year since 2010.
- Local, state and federal tax revenue generated by travel spending totaled \$475 million in 2017: \$286 million state and local, and \$188 million federal. This is equivalent to \$740 for each Idaho household (state and local tax revenue is equivalent to \$450 for each Idaho household).
- The Gross Domestic Product of the Idaho travel industry was \$1.6 billion in 2017. In 2016 travel GDP was \$1.4 billion compared to \$4.9 billion for Agriculture and Food Products Manufacturing and \$2.2 billion for Computer and Electronics Manufacturing. However, in many rural areas of the state, travel is the most important export-oriented industry.
- The economic impacts directly generated by visitor spending also contribute to significant secondary impacts. The total (direct plus secondary) employment supported by the Idaho travel industry was 63,300 jobs. The total earnings supported by the travel industry were \$1.76 billion. These total impacts reflect the re-spending of income by travel industry employees and businesses on additional goods and services.

*Source: Dean Runyan Associates – Idaho Travel Impacts 2010 – 2017*

# THE IDAHO TOURISM EFFECT

Tourism is the state's **3rd largest** industry, behind agriculture and technology



## Top reasons visitors come to Idaho:



visit friends and family



experience the outdoors



tour the region

## Job Creation

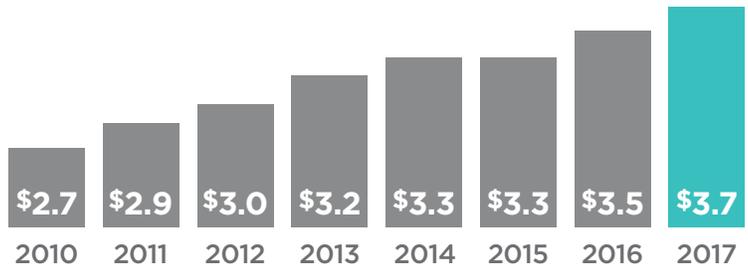
The number of jobs created by the Idaho tourism industry:

**45,800**

Jobs statewide

**34.3 million** trips were made by visitors to Idaho

**\$3.7 billion** spent in Idaho in total direct travel spending\*



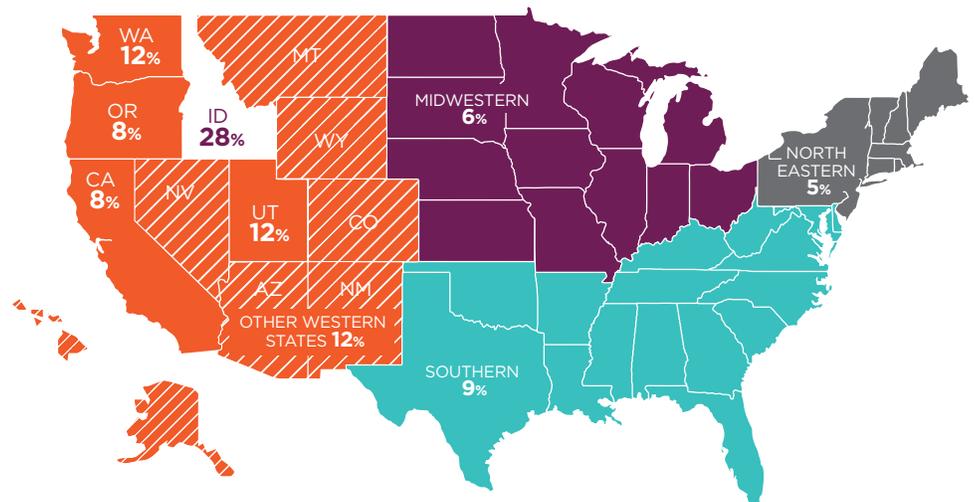
**80%** of people are **very satisfied** with their overall trip experience

**75%** are very satisfied with the **safety and security** on their trip

**\$3.3 billion** spent by visitors at their destination

**72%** of tourism spending is generated from **out-of-state** visitors

- \$1.02B** food service & stores
- \$547M** local transportation
- \$607M** accommodations
- \$487M** entertainment
- \$444M** retail sales
- \$212M** air transportation



Dean Runyan, The Idaho Economic Impact Report and Longwoods International, Who is the Idaho Traveler? 2017 Edition. Figures reflect domestic travel only through 2017. \*Includes spending by Idaho residents for travel outside Idaho.

## IDAHO REGIONAL TRAVEL AND CONVENTION GRANT

Using monies collected from Idaho's 2% lodging tax, the Idaho Travel Council distributes Idaho Regional Travel and Convention Grants to nonprofit, incorporated organizations within the state's seven travel 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 TRAVEL COUNCIL

Idaho Travel Council is an eight-member council appointed by the Governor as prescribed in Idaho Code section 67-4712. The Council meets around the state in January, March, May, August and October. The public is encouraged to attend these meetings to keep informed about the Idaho Commerce Tourism Development team's marketing program.

#### 2018 Members:

##### REGION I

###### Doug Burnett

Vice Chair - Coeur d'Alene Resort

##### REGION II

###### Lara Smith

Chair - Three Rivers Resort

##### REGION III

###### Jim Manion

AAA Idaho, retired

##### REGION IV

###### Shawn Barigar

Twin Falls Chamber of Commerce

##### REGION V

###### Matt Hunter

Pocatello Chamber of Commerce

##### REGION VI

###### Lonnie Allen

Three Rivers Ranch

##### REGION VII

###### Mike Fitzpatrick

Sun Valley Company

##### AT-LARGE

###### Richard Shaffer

Wallace Inn

#### Fiscal Year 2018 Tourism Awards

##### REGION 1

Coeur d'Alene Convention & Visitors Bureau	\$638,000
Greater Sandpoint Chamber of Commerce	\$180,000
North Idaho Tourism Alliance (NITA)	\$107,000
Post Falls Chamber of Commerce	\$75,000

##### REGION 2

Hells Canyon VB dba Visit Lewis Clark Valley	\$96,000
Moscow Chamber of Commerce	\$91,000
North Central Idaho Travel Assoc. (NCITA)	\$80,000

##### REGION 3

Boise Metro Chamber of Commerce	\$1,037,685
Cascade Chamber of Commerce	\$76,600
McCall Area Chamber of Commerce	\$305,308
Nampa Chamber of Commerce	\$82,350
Southwest Idaho Travel Assoc. (SWITA)	\$525,605

##### REGION 4

Southern Idaho Tourism (SIT)	\$377,750
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##### REGION 5

Bear Lake Convention & Visitors Bureau (CVB)	\$44,000
Southeast Idaho High Country Tourism	\$128,397
Pocatello Convention & Visitors Bureau (CVB)	\$160,500

##### REGION 6

Idaho Falls Chamber of Commerce	\$241,065
Teton Regional Economic Coalition	\$110,000
Yellowstone Teton Territory (YTT)	\$410,000

##### REGION 7

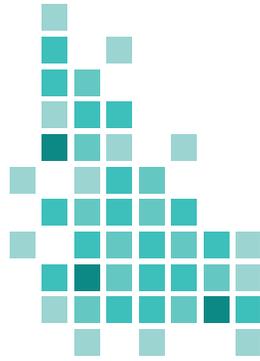
Hailey Chamber of Commerce	\$88,250
Lemhi County Economic Development Assoc.	\$26,000
Stanley-Sawtooth Chamber of Commerce	\$76,994
Sun Valley Marketing Alliance Inc.	\$339,000

##### MULTI REGION

Idaho Lodging & Restaurant Assoc. (ILRA)	\$35,576
Idaho Outfitters & Guides Assoc. (IOGA)	\$95,264
Idaho RV Campgrounds Assoc. (IRVCA)	\$92,855
Idaho Ski Areas Assoc. (ISAA)	\$70,620

##### TOTAL 2018 ITC GRANT AWARDS

**\$5,590,819**

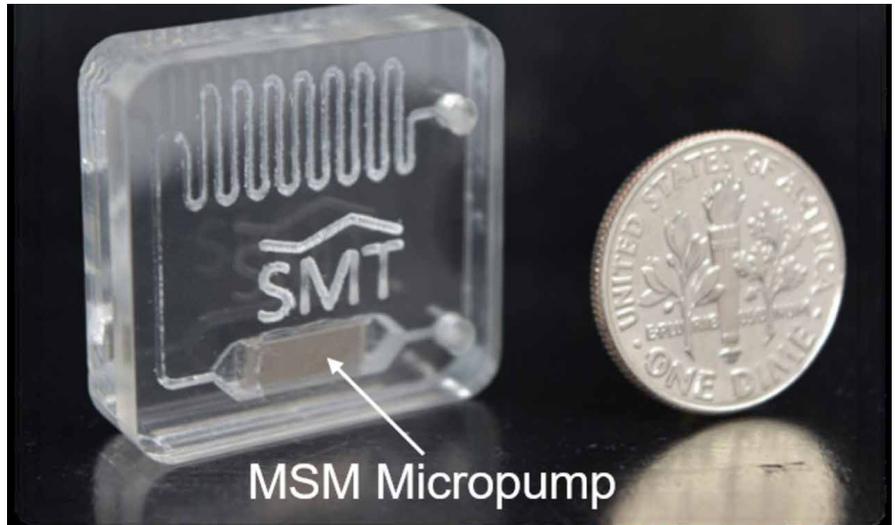


# IGEM

## IDAHO GLOBAL ENTREPRENEURIAL MISSION (IGEM)

The Idaho Global Entrepreneurial Mission (IGEM) is a three-prong program that invests public funds in advanced university research, capacity building and commercialization initiatives to further economic development efforts across the state. By connecting Idaho businesses with university research capabilities, IGEM is helping to develop new products, grow companies and attract incremental investments, while elevating research capacities at Idaho's universities.

The IGEM-Commerce component of the program awards upwards of \$1 million annually to public-private commercialization research projects. These projects have brought to market advancements in industries like agribusiness, computer science, medical and veterinary research, advanced energy initiatives, and other areas that are equally vital to the state's economy.



# FY2018 IGEM-COMMERCE AWARDS

**IN FY2018, IGEM-COMMERCE AWARDED 3 PROJECTS A TOTAL OF \$950,000**

## **General Purpose Goniometer**

Boise State University

**Grant Amount: \$368,772**

This project will support design and development of a market-ready general purpose portable infrasound goniometer. The goniometer will be able to detect natural phenomena sounds as well as differentiating man-made sounds and their sources. This project began as a PhD student's research project and was funded by the Idaho State Board of Education Incubation Fund for initial prototype redesign. This project combines PhD level research at Boise State University with the real-world product development, supply chain, manufacturing and distribution, and expertise of the industry partner, WMDTech, to take this product idea to market. WMDTech has hired Austin Davis (Electrical Engineering Major, Class of 2017-2018) as an electrical engineer for their in-house design of electrical subsystem and firmware coding. Austin participated in the infrasound project when funded by the Idaho State Board of Education Incubation Fund. Multiple systems have been built and are currently running successful tests in Boise and Utah.

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## **Aluminum Cask for Used Fuel Cooling**

University of Idaho

& Boise State University

**Grant Amount: \$237,898**

Faculty in the Nuclear Engineering program at the University of Idaho in Idaho Falls at the Center for Advanced Energy Studies partnered with Faculty at Boise State University in Materials Science to design a used fuel cooling cask that could be deployed on nuclear reactor sites both domestically and internationally in order to alleviate the dwindling space in used fuel pools. The research team is partnered with Sakae Casting Co., LTD from Idaho Falls, Idaho and Tokyo, Japan to take advantage of their unique aluminum casting techniques to fabricate 'Cold Plates,' a water-cooled plate that enables efficient heat removal. IGEM funds have supported the development of a prototype cask design, including experimental testing of boron loading into the aluminum casting process, neutron shielding of the used fuel and heat removal. Sakae has provided several experimental plates for heat removal testing. The current project will produce design information for Sakae to fabricate a prototype for full scale testing. Premier Technology, Inc., in Blackfoot, Idaho, has agreed to assemble the prototype.

## **Development of a Magnetic Shape Memory (MSM) Micropump**

Boise State University

**Grant Amount: \$343,330**

This project will support development of a working Magnetic Shape Memory (MSM) Micro-pump prototype for volume production. The industry partner, Shaw Mountain Technology, LLC, (SMT) is a Boise State University startup company founded in 2015 by Distinguished Professor and former Chair of the Materials Science and Engineering Department, Dr. Peter Müllner. SMT was founded for the primary purpose of commercializing MSM technology and this technology is the flagship product of SMT. SMT received funding from the National Science Foundation Small Business Technology Transfer (NSF STTR) Phase I grant for the development of the MSM Micro-pump. The research proposed in this project will replace the driving mechanism, currently an electromotor and permanent magnet assembly, with a more compact and energy efficient electromagnetic system. This will improve the performance of the MSM Micro-pump and remove all mechanical parts from the system, thereby making it a pumping device without any moving parts.

During FY2018, IGEM-Commerce continued program success by funding its second multi-institution project. The University of Idaho and Boise State University will partner together to focus research on the development of an aluminum cast with embedded natural boron for cooling spent nuclear fuel.

This project is the first IGEM project involving nuclear energy research with collaborators from two Idaho public research universities.

#### In FY2019, IGEM will continue to:

- Partner with Idaho inventors, scientists, designers, visionaries and go-getters to foster a statewide ecosystem of innovation.
- Connect entrepreneurial and small business needs with available technical resources and university research capabilities.
- Identify financial resources throughout the state that are available to help Idaho businesses bring their products and services to market.

## IGEM COUNCIL

The IGEM Council is a twelve-member council appointed by the Governor as prescribed in Idaho Code section 67-4726.

#### Membership of the IGEM Council includes:

- Four (4) representatives from the private sector;
- One (1) representative from the State Board of Education;
- One (1) representative from the Idaho National Laboratory (INL) or the Center for Advanced Energy Studies (CAES);
- One (1) representative each from Boise State University, Idaho State University, and the University of Idaho;
- One (1) representative from the Idaho Senate
- One (1) representative from the Idaho House of Representatives; and the
- Director of Idaho Commerce.

This council thoroughly vets IGEM grant proposals to mitigate risk and maximize the return on investment. The IGEM Council's fiscal stewardship and strategic direction advance IGEM's overall intended goal of economic prosperity through investments in technological advancements and innovation.

#### 2018 MEMBERS:

- **Dr. David Hill**  
Chair, State Board of Education
- **Bill Gilbert**  
Vice Chair, The CAPROCK Group
- **Von Hansen**  
AlertSense
- **Rick Stott**  
Superior Farms
- **Mike Wilson**  
Consultant
- **Dr. Noël Bakhtian**  
Center for Advanced Energy Studies (CAES)
- **Dr. Janet Nelson**  
University of Idaho
- **Dr. Mark Rudin**  
Boise State University
- **Dr. Neels Van der Schyf**  
Idaho State University
- **Senator Kelly Anthon**  
Idaho Senate
- **Representative Luke Malek**  
Idaho House of Representatives
- **Bobbi-Jo Meuleman**  
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