



Brad Little, Governor

Tom Kealey, Director

Economic Advisory Council Meeting Minutes Idaho Department of Commerce

Thursday, January 10, 2019

700 West State Street, Boise – J.R. Williams Building
2nd Floor, Clearwater Conference Room

Members

(T) Steve Meyer, *Region I*
(T) Robin Woods, *Region II*
Mike Reynoldson, *Region III*
(T) John Craner, *Region IV*
(T) Rick Phillips, *Region V*
(T) Mark Young, *Region VI*
(T) Dave Wilson, *Region VII*
(T) Sandy Patano, *At-Large*

Idaho Commerce Staff

Tom Kealey, *Director*
Jake Reynolds, *Business Development & Operations Administrator*
Susie Davidson, *Business Attraction Manager*
Eric Forsch, *Business Retention and Expansion Manager*
Dennis Porter, *Community Development Manager*
Cindy Lee, *Grants & Contracts Manager*
(T) Jennifer Verdon, *International Trade Manager*
Amanda Ames, *Community Development Specialist*
Jason Barnes, *Business Attraction Specialist*
Sharon Deal, *Senior Community Development Specialist*
(T) Sarah Massie, *International Trade Specialist*
Cherié Norris, *Grants / Contracts Analyst*
Tony Tenne, *Senior Community Development Specialist*
James Varner, *Administrative Assistant*
Andrea Vlassis-Zahn, *Business Attraction Specialist*
Patrick Watson, *Senior Research Analyst*

(T) denotes via telephone

Call to Order

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

Approval of Minutes

Chairman Meyer noted that the minutes for the October 16, 2018 Economic Advisory Council (EAC) meeting had been distributed and if there were no corrections he would entertain a motion to approve the minutes as distributed.

Motion

To approve the meeting minutes from the October 16, 2018 EAC meeting as they had been distributed.

Moved by: Sandy Patano

Seconded by: Mark Young

All in Favor.

Motion approved.

Call for Conflict of Interest

Chairman Meyer asked the Council if they have a conflict of interest and would like to recuse themselves. (No response from the Council)

Director's Welcome

Director Tom Kealey welcomed the Council and introduced himself as the new Director of Idaho Commerce. Director Kealey voiced a concern regarding the July 2017 EAC meeting minutes as it stated that Robin Woods would become the Chair on August 1, 2018, one year after Steve Meyer became Chair. Steve Meyer indicated that he and Robin discussed the Chair position in which he was continuing to be the Chair for now. The Chair position will be discussed at the next in-person EAC meeting.

City of Kooskia's Disaster Application

Community Development Manager Dennis Porter and Senior Community Development Specialist Tony Tenne informed the Council that on November 20, 2018 at 2:39 p.m., an earthquake approximately 14 miles southeast of Kooskia caused a small section of the City's lagoon cell dike to partially collapse. City staff temporarily repaired the existing dike and have been closely monitoring it. While completing the temporary dike repair, operators noted a significant flow of water leaking from the lagoon. Tony Tenne explained that Kooskia submitted an insurance claim to Idaho Counties Risk Management Program (ICRMP) and was denied because the policy excluded retaining ponds and liners. The City has met the CDBG disaster eligibility objective and has requested \$100,000 in their application, however, in preliminary discussions, Idaho Commerce indicated to the City they would need to provide some cash match, and, per their application, the City is not committing a cash match.

Recommendation is to approve the application for funding in the amount of \$95,000 to give to Kooskia for a cash match of \$5,000 for the project.

Discussion

Chairman Meyer asked what the City is doing with the sewage water as it leaks from the dike. Dennis Porter explained it would be pumped to the other lagoon cell; therefore, the need is great to get the repairs done before the spring runoff.

John Craner stated if Kooskia is asking for \$100,000 the EAC Council needs to approve them for \$100,000 and not require cash match in a case of an emergency.

Sandy Patano asked if we can say "up to" \$100,000 in approving the application. Dennis Porter let the Council know that is a possibility because we will only expend the necessary amount which could be under \$100,000.

Motion

To approve City of Kooskia's Disaster Application up to \$100,000.

Moved by: Mike Reynoldson

Seconded by: Rick Phillips

All in Favor.

Motion approved.

Tax Reimbursement Incentive Application Review

Motion to Move to Executive Session

Mike Reynoldson motioned to move the Council to executive session to review the details of an application for a refundable tax credit under the Idaho Reimbursement Incentive Act received by the Director and submitted to this Council for review. The application contains records and information exempt from public disclosure.

As a result, I will motion under Idaho Code 74-206(1)(d) to go into executive session to review the applications.

Mike Reynoldson moved to enter into executive Session. Robin Woods seconded.

Roll call vote to move into executive session

Steve Meyer – Aye

Robin Woods – Aye

Mike Reynoldson – Aye

John Craner – Aye

Rick Phillips – Aye

Mark Young – Aye

Dave Wilson – Aye

Sandy Patano – Aye

With over two-thirds majority in favor, the Council moved into executive session at 3:25 p.m.

Return to Public Session

Council returned to public session at 4:00 p.m.

The Council:

1. Reviewed and discussed Project Radar application for a refundable tax credit; and
2. After discussions were concluded, closed the executive session upon motion by Mike Reynoldson and seconded by Sandy Patano, and a majority vote.

Motion

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

- A post-performance refundable tax credit which represents 17% of new state revenue for 8 years.
- Tax credit certificate issued post-performance upon review and verification by Idaho Commerce.
- No less than 50 new jobs, or 60% of the total annual projected new jobs, whichever is greater.
- Average annual wages must equal or exceed the average Ada county wage of \$46,066.

- Award is contingent upon the local city or county providing confirmation of local community match.
- Allow for a maximum two-year construction phase during the term of the agreement.
- Company must maintain operations in Idaho for the term of the agreement.
- Any additional terms deemed necessary by the Director, not otherwise conflicting with the above conditions.

Moved by: Mike Reynoldson

Second by: Rick Phillips

Roll Call Vote:

Steve Meyer – Nay

Robin Woods – Aye

Mike Reynoldson – Aye

John Craner – Nay

Rick Phillips – Aye

Mark Young – Aye

Dave Wilson – Aye

Sandy Patano – Aye

With two thirds majority vote. Motion Approved.

Other Business

Jake Reynolds reviewed the itinerary with the council for the in-person EAC meeting February 5-6. When the agenda is finalized he will send to the Council.

Sandy Patano stated that she has a friend at the museum who could help with the tour. Steve Meyer asked if the broadband presentation could be done at the museum. Jake Reynolds will look into this and get back to the Council.

Jake Reynolds also let the Council know that this was Cindy Lee's last meeting with the EAC Council as she is leaving the Idaho Commerce. He thanked her for everything she had done for Idaho Commerce and the Economic Advisory Council. The Council thanked Cindy as well for all she has done. Cindy thanked everyone in return.

Motion

Unanimous approval to close the meeting.

Chairman Meyer adjourned the meeting at 4:16 p.m.