



Brad Little, Governor
Tom Kealey, Director

Economic Advisory Council Meeting Minutes
Idaho Department of Commerce
Thursday July 23, 2020

| Members | Idaho Commerce Staff |
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| (T) Steve Meyer, <i>Region I</i> | (T) Tom Kealey, <i>Director</i> |
| (T) Mike Reynoldson, <i>Region III</i> | (T) Jake Reynolds, <i>Business Development & Operations Administrator</i> |
| (T) John Craner, <i>Region IV</i> | (T) Susie Davidson, <i>Business Attraction Manager</i> |
| (T) Rick Phillips, <i>Region V</i> | (T) Eric Forsch, <i>Business Retention & Expansion Manager</i> |
| (T) Dave Wilson, <i>Region VII</i> | (T) Dennis Porter, <i>Community Development Manager</i> |
| (T) Sandy Patano, <i>At-Large</i> | (T) Ewa Szewczyk, <i>Grants and Contracts Manager</i> |
| | (T) Jason Barnes, <i>Business Attraction Specialist</i> |
| | (T) Paris Dickerson, <i>Business Attraction Specialist</i> |
| | (T) Rylon Hofacer, <i>Senior Research Analyst</i> |
| | (T) Tony Tenne, <i>Senior Community Development Specialist</i> |
| | (T) James Varner, <i>Community Development Analyst</i> |
| <i>(T) denotes via telephone</i> | |

Call to Order

Chairman John Craner called the meeting to order at 2:01 p.m. with a quorum present.

Approval of Minutes

Chairman Craner noted that the minutes for the June 25, 2020 Economic Advisory Council (EAC) meeting had been distributed and if there were no corrections, he would approve the minutes as distributed.

Call for Conflict of Interest

Chairman Craner asked EAC if they have a conflict of interest and would like to recuse themselves. Rick Phillips has abstained himself from voting on Project Rubber.

Director's Welcome

Director Kealey welcome John Craner as the new Chairman of the Economic Advisory Council and thanked the Council for their consideration of Project Rubber and Project Prime Cut. Director Kealey pointed out that Sharon Deal will be retiring from the Department of Commerce and thanked for her work on the Community Development Block Grant. He went on to give an update on the Department of Commerce and how they are working with the restrictions COVID-19 in putting on the department. Susie Davidson gave an update on the continued interest in Idaho.

Motion to Move to Executive Session

Chairman Craner announced he would entertain a motion to move the Council to executive session to review the details of the TRI's proprietary scoring process *pursuant to Idaho Code 74-206(1)(d) to review records exempt from public disclosure under Idaho Code Sections 74-107(6), and 67-4708.*

Steve Meyer moved to enter executive session. Dave Wilson seconded.

Roll call vote to move into executive session

Steve Meyer – Aye

Mike Reynoldson – Aye

John Craner – Aye

Rick Phillips – Aye

Dave Wilson – Aye

Sandy Patano – Aye

With over two-thirds majority in favor, the Council moved into executive session at 2:20 p.m.

Return to Public Session

Chairman Craner noted that the Council returned to the public session at 2:53 p.m.

Chairman Craner indicated the Council:

1. Reviewed and discussed Project Rubber application for a refundable tax credit; and
2. After discussions were concluded, the executive session was closed upon motion by Steve Meyer, seconded by Rick Phillips and a majority vote.

Motion

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

- A post-performance refundable tax credit which represents 15% of new state revenue for 7 years.
- Tax credit certificate issued post-performance upon review and verification by Commerce.
- No less than 20 new jobs, or 60% of the total annual projected new jobs, whichever is greater.
- Average annual wages must equal or exceed the average Elmore County wage of \$34,920.
- Company must maintain the minimum required jobs for the term of the incentive agreement.
- Company must maintain operations in Idaho for the term of the agreement.
- Subject to confirmation of community match.
- Any additional terms deemed necessary by the Director not otherwise conflicting with the above conditions.

Moved by: Mike Reynoldson
Seconded by: Dave Wilson

Steve Meyer – Aye
Mike Reynoldson – Aye
John Craner – Aye
Rick Phillips – Aye
Dave Wilson – Aye
Sandy Patano – Aye

With two-thirds majority vote. Motion Approved.

Motion

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

- A post-performance refundable tax credit which represents 28% of new state revenue for 14 years.
- Tax credit certificate issued post-performance upon review and verification by Commerce.
- No less than 20 new jobs, or 60% of the total annual projected new jobs, whichever is greater.
- Average annual wages must equal or exceed the average Jerome County wage of \$38,124.
- Company must maintain the minimum required jobs for the term of the incentive 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: Sandy Patano
Seconded by: Steve Meyer

Steve Meyer – Aye
Mike Reynoldson – Aye
John Craner – Aye
Rick Phillips – Abstained from voting
Dave Wilson – Aye
Sandy Patano – Aye

With two-thirds majority vote. Motion Approved.

CDBG & RCIF Budgets

Community Development Manager Dennis Porter gave a power point presentation on the CDBG and RCIF program updates.

CDBG-CV CARES status

Dennis Porter went on to explain the response to COVID-19 with the CDBG CARES funds and what CDBG will do with the second wave of funds.

Status of Existing Projects

Community Development team Dennis Porter, Sharon Deal, and Tony Tenne gave status updates of the 2017 – 2019 CDBG projects and the 2017 – 2020 RCIF projects.

New Business

Director Kealey informed EAC of the continued interest in Idaho and in Idaho Companies. He informed the Council that we are seeing decline in tourism in Idaho because of COVID-19. Eric Forsch gave an update on reports from realtors to Commerce indicate increased interest in moving to rural communities as work from home allows for more flexibility on where people can live. However, having reliable broadband is a vital part of the equation. Jake Reynolds shared “How COVID-19 is shifting corporate location strategy” one pager with EAC.

Motion

To close the meeting.

Moved by: Sandy Patano

Seconded by: Rick Phillips

All in favor. Motion approved.

Chairman Craner adjourned the meeting at 4:04 p.m.