

IDAHO COMMERCE
FY2020 ANNUAL REPORT







As we reflect on 2020, a year that began with the same promise and high expectations as the last several years, we are proud of the grit, resolve and achievements of Idaho businesses, communities, various stakeholders, and our Idaho Commerce team, despite an unprecedented global pandemic.

We recognize the immense challenges COVID-19 has created, specifically over the latter third of FY2020. As we rebound from these challenges, we are seeing equal or greater opportunities for the future.

For years, Idaho has been a leader in economic prosperity: job and wage growth, population and trade growth, and visitation growth. Thanks to Governor Little's leadership, we again find ourselves leading the nation in our economic rebound by getting Idahoans back to work safely and our businesses adjusting and growing.

In response to COVID-19, Idaho is leading the way in broadband connectivity across the state. Broadband infrastructure and service expansion continues to be a strategic priority for Idaho, not just for e-commerce, but also for online education, telehealth, public safety and telework.

In 2019, Governor Little established the Idaho Broadband Task Force. Early in 2020, he proposed and the Legislature approved, a new Office of Broadband within Idaho Commerce. In June 2020, when Idaho had the opportunity to use federal relief funds to invest in vital broadband service, the Idaho Broadband Grant Program was created with \$50 million in CARES Act funds allocated to Idaho Commerce to provide financial support to cities, counties, tribal areas, and libraries across the state to purchase broadband infrastructure, equipment and services from private internet service providers. By expanding Idaho's broadband service and connectivity in response to COVID-19, Idaho is setting the stage for longer term opportunity and future success for many stakeholders.

Despite the challenges presented by COVID-19, our team at Idaho Commerce has responded successfully. Rather than meeting our Idaho business partners in the field, we met online. We hosted our usual conferences, workshops, and trainings, and conducted webinars and regular meetings virtually to help Idaho businesses and community partners with ideas, information, and inspiration.

We assisted many Idaho businesses respond to COVID-19 by helping them access programs like the SBA Paycheck Protection Program (PPP) and Economic Injury Disaster Loans (EIDL), and Idaho's small business grants to support their business during the most difficult times.

We continued our business attraction efforts by recruiting strategic businesses to the state, who will bring new jobs at higher wages and advancement opportunities.

We assisted rural communities with not only traditional infrastructure projects, but new community development projects made possible by CARES Act funds.

We promoted tourism, travel and visiting Idaho safely and recreating responsibly. We designed and promoted public safety media for consumers and Idaho businesses to stay safe and keep Idaho's economy open with CARES ACT funds.

In a year like no other, our team and our statewide network of economic development professionals were very active, and our accomplishments supported our core principles that guide us for positive economic growth, tourism, and innovation.

In this annual report, we have assembled our FY2020 agency update complete with program reports, grant information, and highlights of the related impacts on Idaho's economy and communities.

Again, this year, it has been our great honor to serve the citizens, communities, and businesses across Idaho. We thank our statewide partners and stakeholders for their work and contributions. You helped Idaho rebound from COVID-19 and remain the best place to live and do business in the country.

Tom Kealey
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 quality job creation, support existing companies, strengthen communities, promote innovation and market Idaho domestically and internationally.

VISION

The vision of Idaho Commerce is to support the growth of the state's economy with a thriving business environment. Our standard is to "Move at the Speed of Business" to accelerate the growth of the state's economy and ensure we are proactively anticipating the needs of businesses.

STRATEGIC PRIORITIES:

- Support Existing Businesses
- Strategic Business Attraction
- Support Rural Idaho
- Promote Good Trade Policy
- Market and Promote Idaho
- Advance Technology Ecosystem & Increase Broadband Connectivity
- Utilize Responsible Incentives

Business Retention and Expansion

The Business Retention and Expansion (BRE) team's primary role is supporting the growth and expansion of more than 57,000 businesses across the state. The BRE team works with Idaho businesses to ensure their expansions are successful and get the attention and service they deserve. We accomplish this by removing barriers to growth, connecting Idaho companies with resources, and providing communities with tools to be healthy and resilient. This includes incentives, Rural Economic Development Professional Grants, Opportunity Zones, Main Street, and marketing programs like Tested in Idaho.

Since the BRE team's creation in 2016, the team members, in conjunction with local officials and economic

development professionals across the state, have met with over 2,300 companies. COVID-19 dramatically changed the team's focus, as businesses focused less on expansion and instead on mitigation and adapting to a new normal. Partnering with other State agencies, SBA, SBDC, and local economic development professionals, the BRE team worked hard to ensure businesses were aware of resources and incentives to keep their businesses and their communities healthy. Pivoting from in-person visits to remote conference calls, the team was able to meet with more companies through one-on-one visits and roundtables, connecting them with CARES Act resources, incentives, infrastructure grants, export assistance, promotional opportunities, and more.



Idaho Broadband Task Force

Like water, electricity and highways, Idaho citizens, communities, and businesses, in both urban and rural areas, must have access to secure reliable, affordable broadband internet speeds in order to grow, thrive and connect to the world.

In May 2019, Governor Brad Little established the Idaho Broadband Task Force to improve connectivity and broadband infrastructure across Idaho. Led by Idaho Commerce Director Tom Kealey, the Idaho Broadband Task Force comprised internet service providers, satellite providers, cellular providers, and other industry representatives as well as representatives from Idaho's legislature, tribes, universities, state agencies, counties, and cities.

Meeting four times in 2019, the task force developed five recommendations to assist in advancing Idaho's broadband connectivity, speeds, and infrastructure:

1. **Update the State Broadband Plan**
Affirmation of the Idaho Broadband Plan by the Governor, along with the appropriate notifications to Federal and State agencies will support maximum funding opportunities and coordination to expand broadband service across Idaho..
2. **Establish a State Broadband Office**
As part of an ongoing broadband strategy, Idaho should create a State Broadband Office within the Department of Commerce, initially recommending one full time staff position.
3. **Consider State Funding Options**
State funding solutions through grants and loans that complement existing programs and projects and reforming the existing State Universal Service Fund to

include broadband subscribers should be considered to close the funding gap and deploy broadband infrastructure and service.

4. **Improve Deployment Efficiency by Formalizing Dig Once and Hang Once Policies**
Establish a state construction registry maintained by the State of Idaho for all upcoming transportation infrastructure projects and of existing available conduit in the public right of way and promote joint projects.
5. **Engage on Near Term Projects**
The task force recognized that there are current, unfunded projects in unserved areas which are very important for Idaho. These near-term projects could have an immediate impact on unserved areas.

Tested in Idaho Highlight: Paddle Idaho

Explore rough, explore dry. From the whitewater rapids of the Salmon River to backcountry hikes through the mountains and valleys of the Frank Church, the Paddle Idaho Drybags are engineered to withstand Idaho's toughest adventures. The strength, durability and reliability of these



waterproof bags are bound to improve your adventure experience and keep all your important gear free of the elements.

Due to their deep passion for outdoor adventure, Allie Broncheau and Bobbi Mongkhon first built their dry bags with the intention of extreme outdoor usage. The idea was for their products to be able to be used for not only water sports but camping, hunting, motorcycle adventures and car roof storage bags as well. The heavy-duty bags are cut from scratch and welded by hand with high heat, never glued! The original Paddle Idaho bag was the original top-load vinyl dry bag which has proven to be the most resilient on the market. Since then, Paddle Idaho has expanded their product line to include the convenient Sawtooth Duffle Bag, truck bed pads, sleeping pads and an ever growing list of the latest and greatest items that are always **Tested in Idaho**.

IDAHO GEM GRANT

Local governments of rural communities with 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.

FY2020 GEM GRANT AWARDS

Clark County	\$50,000
Jefferson County	\$50,000
Emmett	\$50,000
Custer County	\$24,000
Jerome	\$42,877
Washington County	\$50,000
Lemhi County	\$3,250
Franklin County	\$50,000
Harrison	\$50,000
TOTAL AWARDS	\$370,127

GEM Grant Success Story: Jefferson County

In Jefferson County, an Idaho Gem Grant provided match to leverage a combination of local and federal funds for road improvements to county road 2100 East in service of

local businesses including Kettle Butte Dairy. These improvements will allow businesses like Kettle Butte Dairy to expand operations, creating up to 30 new jobs.



Rural ED Pro Success Story: Frigitek

Local leaders from Pocatello, American Falls, Bannock County, and Power County came together for the ground-breaking of a new Frigitek Cold Storage Facility next to the Pocatello Regional Airport.

Frigitek is leasing approximately 20 acres in the business park area at the airport. The future 280,000 square foot cold storage facility will employ up to 80 people when completed.

The facility will allow Idaho farmers to store their products before being shipped around the country. The company

chose this location due to its proximity to multiple major highways, railroads, and the airport.

Frigitek President Kenneth Brown says, "This project is successful because of some very, very imaginative hard-working people, and I really appreciate that. You guys are very, very fortunate to have each other. It's a special city."

The facility is currently in the planning phases of development. Local leaders have been working with the company for three years to advance development.

RURAL ECONOMIC DEVELOPMENT PROFESSIONALS PROGRAM

The Rural Economic Development Program was created to support economic development projects in rural communities. The program awards grants, used in conjunction with local funding, to hire full-time economic development professionals. These experts are managed by a local

board of directors and work on initiatives including business retention, expansion, export assistance, tourism, and entrepreneurial development. This State-funded grant is a component of the Idaho Rural Initiative.

FY2020 RURAL ED PRO AWARDS

APPLICANT	ED PRO	POPULATION	FY2020 AWARD	FY2020 PER CAPITA
Benewah County	Alex Barta	9,241	\$30,000	\$3.25
Blaine County	Harry Griffith	22,802	\$24,250	\$1.06
Bonner County	Andrea Marcoccio	45,339	\$17,500	\$0.39
Boundary County	Dennis Weed	12,175	\$30,000	\$2.46
Butte County	Monica Hampton	2,588	\$27,500	\$10.63
Clearwater County	Chris St. Germain	8,762	\$30,000	\$3.42
Custer County	Jolie Turek	4,259	\$30,000	\$7.04
Fruitland	Kit Kamo	33,836	\$22,750	\$0.67
Glenns Ferry	Christy Accord	2,272	\$20,000	\$8.80
Greenleaf	Tina Wilson	56,877	\$30,000	\$0.53
Idaho County	Gavin Lewis	20,413	\$30,000	\$1.47
Lemhi County	Tammy Stringham	7,987	\$28,000	\$3.51
Oneida County	Kathy Ray	31,561	\$30,000	\$0.95
Power County	Kristen Jensen	10,750	\$30,000	\$2.79
Shoshone County	Colleen Rosson	12,789	\$30,000	\$2.35
Teton County	Brian McDermott	11,929	\$30,000	\$2.51
Twin Falls County	Ervina Covcic	53,235	\$30,000	\$0.56
Valley County	Andrew Mentzer	12,653	\$30,000	\$2.37
TOTALS		359,468	\$500,000	\$1.39

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 FY2020, the team has guided 65 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 businesses 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 also makes recommendations to the Governor and Director on Tax Reimbursement Incentive awards and Community Development and Rural Community Development 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 for one additional consecutive term.

FY2020 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 - Zions 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 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 all income, payroll, and sales taxes for up to 15 years.

In March 2020, the Idaho Supreme Court issued an opinion upholding the constitutionality of the Tax

Reimbursement Incentive. The Supreme Court's opinion affirmed a previous district court decision and confirmed the TRI does not improperly delegate legislative authority and does not improperly limit judicial review. This decision preserves all existing TRI awards and enables Idaho Commerce and the Economic Advisory Council to continue to administer future qualified awards.

The TRI eligibility requirements are as follows:

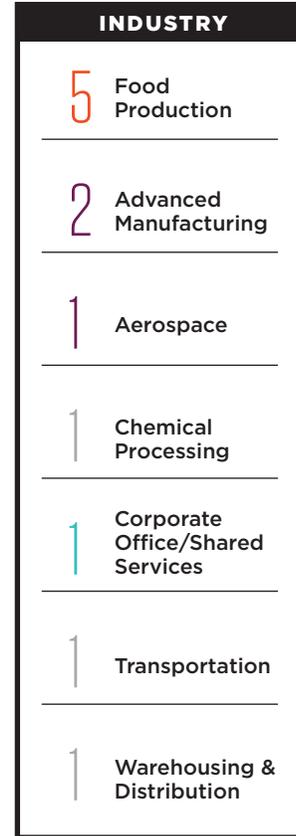
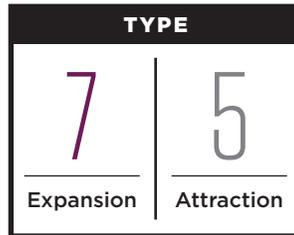
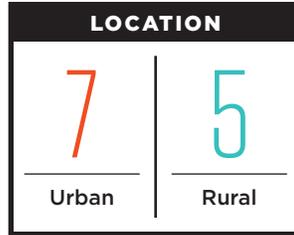
- Create 20 or more new jobs in rural communities (city population of 25,000 or less) or 50 or more jobs in urban centers.
- New jobs must be full time (30 hours or more) and the average wage must be equal to or greater than the average county wage.
- Demonstrate a meaningful community match.
- Confirm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

FY2020 TRI OVERVIEW

The sixth year of TRI has been another successful year in helping to support the growth of Idaho communities. During FY2020, seven of the twelve approved projects were in urban areas while five were in rural areas. Similarly, five of the twelve approved projects were new-to-Idaho companies while seven awards were existing Idaho businesses.

From FY2015 through FY2020, the Idaho Economic Advisory Council has approved 65 projects. When completed, these projects’ investments are projected to create 10,794 jobs across the state and pay over \$5.1 billion in new wages for Idaho residents. With an average project wage of \$49,367, these new jobs are above the statewide average annual wage.

Through FY2020, 35 of the 65 projects have been awarded to existing Idaho businesses and 35 of the 65 projects have been awarded to rural communities. The incentive supports companies across industries including, advanced manufacturing, aerospace, food production, back office and shared services, software and technology, hospitality, education, chemical processing, transportation, and warehousing and distribution.



FY2020 ANNOUNCED TRI PROJECTS



FY2020 Approved TRI Awards

PROJECT NAME	TRI%	TERM	EST. JOB	EST. AVERAGE WAGES	EST. TOTAL PROJECT PAYROLL	EST. STATE TAX REVENUE	EST. CAPITAL INVESTMENT
Project Drive	23	11	692	\$60,024	\$456,903,836	\$85,885,013	\$10,000,000
Project Neutron	16	8	35	\$49,100	\$11,600,000	\$2,600,000	\$3,900,000
Wilbur Ellis	20	10	97	\$44,724	\$36,500,000	\$16,900,000	\$10,000,000
Project Bear	15	7	63	\$40,081	\$25,600,000	\$11,100,000	\$2,850,000
Materne	22	11	53	\$40,442	\$28,500,000	\$17,300,000	\$32,800,000
Project Smile	30	15	180	\$51,889	\$131,100,000	\$46,900,000	\$400,000,000
Production Technologies Inc.	13	7	93	\$34,702	\$32,200,000	\$4,300,000	\$1,000,000
Frigitek	22	11	50	\$46,920	\$22,479,000	\$5,956,189	\$53,000,000
Western Aircraft	23	11	133	\$66,654	\$76,055,000	\$16,307,345	\$19,000,000
Project Apex	23	12	75	\$44,453	\$36,454,000	\$14,916,608	\$1,500,000
Lactalis	17	8	75	\$36,401	\$20,807,288	\$8,159,400	\$1,700,000
PetIQ	28	14	171	\$64,971	\$113,590,000	\$33,497,040	\$22,400,000

TRI Spotlight: GoGo squeeZ® Production Line Expands

Materne North America, a French owned company with U.S. headquarters in New York City, is a market leader in providing solutions to help active families with fun, smart and innovative snacks in forms and tastes that kids love. Materne's flagship brand, GoGo squeeZ®, is a squeezable, resealable, 100% fruit, all-natural, no-sugar-added fruit-based snack for kids. In 2014, Materne began production of GoGo squeeZ pouches at their new facility in Nampa, Idaho.



In the winter of 2019, Materne selected the Nampa facility for a production line expansion, creating a positive ripple effect throughout the community. Not only will the company purchase more fruit and ingredients from local suppliers, but they will also be hiring an additional 50+ employees to join their existing workforce of 215 people.



New positions for this project will pay an average wage of \$40,442, which is well above the Canyon County average wage of \$35,809.

The Economic Advisory Council awarded Materne a TRI award of 22% for 11 years. This offer will amount to an estimated \$2.6 million over the term of the TRI agreement.

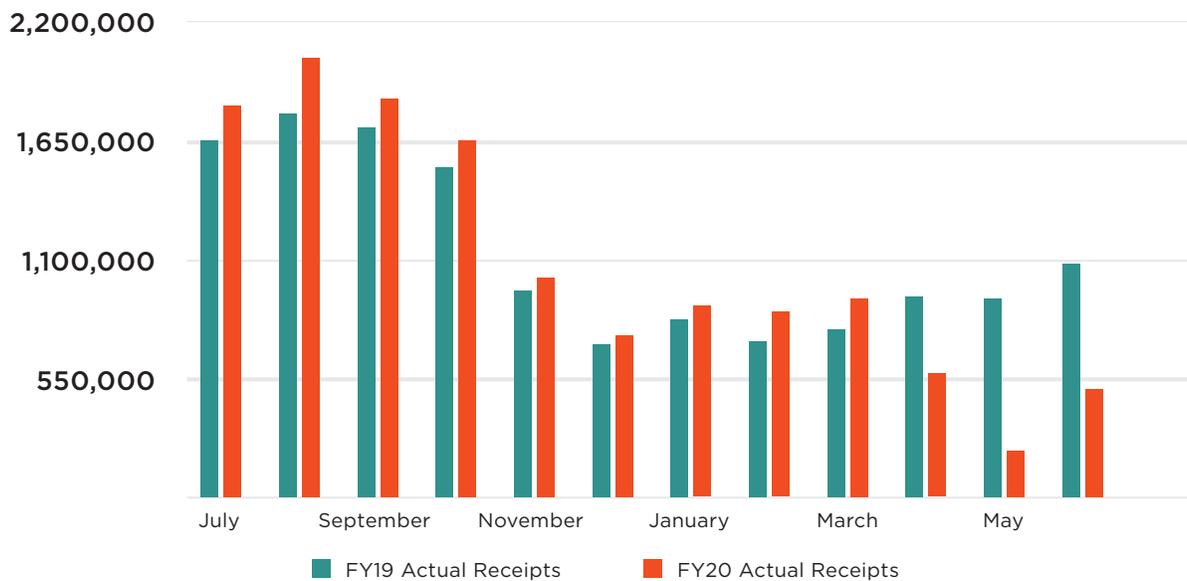
With \$17.3 million projected in new tax revenue, the State of Idaho will receive approximately \$6.70 for every \$1.00 reimbursed to Materne.

Idaho Tourism

Idaho's third largest industry, travel and tourism, achieved the second highest revenue generating year on record for 2% lodging tax collections at \$13.6 million in tax

collections for FY20. This is a decrease of -4% year over year due to the COVID-19 impact in the final quarter of FY2020.

FY2020 Monthly Bed Tax Collections



Through a mix of seasonal campaigns, targeted media, and enhanced owned assets and digital content, the Visit Idaho brand has continued to help welcome more travelers to Idaho year over year, while increasing visitor spending and length of stay.

While COVID-19 has had a devastating impact on the travel and tourism industry across the world, the Idaho travel and tourism industry is poised to be a leading contributor the state's economic rebound by continuing to safely welcome visitors to our communities and small businesses statewide.

COVID-19 PROACTIVE-COLLABORATION APPROACH

With the impact of COVID-19 on Idaho small businesses, it was more important than ever to support the shops, restaurants and other establishments that play a critical role in Idaho's tourism communities and the state economy.

Idaho Commerce and Idaho Tourism partnered with U.S. Senator Jim Risch and Governor Brad Little to launch Support Local Gems — an all-day event on Friday, April 24, which encouraged Idahoans to support local small businesses affected by the COVID-19 outbreak. The initiative invited Idahoans to show support by shopping online at

their favorite stores, purchasing gift cards, ordering take-out or delivery from local restaurants, writing a review online, posting on social media about a local business or simply saying thank you.

After the one-day event, Visit Idaho extended the effort by sharing resources and the stories of Idaho communities, citizens, and small businesses to ensure supporting Idaho small businesses stays top of mind for Idahoans and visitors to Idaho.

IDAHO REGIONAL TRAVEL AND CONVENTION GRANT

Using funds 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 across the state in January, March, May, July, and October. The public is encouraged to attend these meetings to keep informed about the Idaho Commerce Tourism Development team's marketing program.

FY2020 MEMBERS:

REGION I:

Kayoko Magnus - Coeur d'Alene Resort

REGION II:

Arthur McIntosh - Lindsay Creek Vineyards

REGION III:

Pat Morandi - Roaring Springs Water Park and Wahooz Family Fun Zone and Pinz

REGION IV:

Shawn Barigar - Twin Falls Chamber of Commerce

REGION V:

Matt Hunter - Pocatello Chamber of Commerce

REGION VI:

Lonnie Allen - Three Rivers Ranch Fly-Fishing Lodge

REGION VII:

Mike Fitzpatrick, Vice Chair - Sun Valley Company

AT-LARGE:

Richard Shaffer, Chair - Wallace Inn

FY2020 Tourism Grant Awards:

REGION I:

Coeur d'Alene Convention & Visitors Bureau	\$728,000
Greater Sandpoint Chamber of Commerce	\$187,000
North Idaho Tourism Alliance (NITA)	\$105,500
Post Falls Chamber of Commerce	\$76,500

REGION II:

Hells Canyon VB dba Visit Lewis Clark Valley	\$99,000
Moscow Chamber of Commerce	\$99,000
North Central Idaho Travel Assoc. (NCITA)	\$57,704

REGION III:

Boise Metro Chamber of Commerce	\$1,043,644
Cascade Chamber of Commerce	\$72,680
McCall Area Chamber of Commerce	\$303,356
Nampa Chamber of Commerce	\$82,800
Southwest Idaho Travel Assoc. (SWITA)	\$523,821

REGION IV:

Southern Idaho Tourism (SIT)	\$350,817
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REGION V:

Bear Lake Convention & Visitors Bureau	\$42,500
Southeast Idaho High Country Tourism	\$125,989
Pocatello Convention & Visitors Bureau	\$156,250

REGION VI:

Idaho Falls Chamber of Commerce	\$295,000
Teton Regional Economic Coalition	\$143,000
Yellowstone Teton Territory (YTT)	\$459,000

REGION VII:

Hailey Chamber of Commerce	\$93,154
Lemhi County Economic Development Assoc. (LCEDA)	\$29,000
Stanley-Sawtooth Chamber of Commerce	\$60,637
Sun Valley Marketing Alliance Inc.	\$446,000
Challis Chamber	\$11,000
Greater Salmon Valley Chamber of Commerce	\$2,222

MULTI REGION:

Idaho Lodging & Restaurant Assoc. (ILRA)	\$30,733
Idaho Outfitters & Guides Assoc. (IOGA)	\$85,500
Idaho RV Campgrounds Assoc. (IRVCA)	\$82,400
Idaho Ski Areas Assoc. (ISAA)	\$75,400

TOTAL FY2020 ITC GRANT AWARDS \$5,867,607



Idaho Tourism Spotlight: Salmon Valley

Salmon Valley is a destination hub for a variety of unique and remote experiences, home to the Sacajawea Interpretive Culture and Education Center, that focuses on Lemhi Shoshone culture; mining history; and an outdoor mecca for whitewater rafting, hiking, biking, hunting, fishing, horseback riding and camping.

Lemhi County Economic Development Association (LCEDA) supports and markets the Salmon Valley cooperatively with lodging and attraction partners to increase overnight stays. LCEDA promotional efforts are focused on communicating Salmon Valley's unique activities and attractions that set Salmon apart from other destinations.

The Visit Salmon Valley website was redesigned to improve the users experience and further emphasize the unique aesthetics of the Salmon Valley area and its attractions. Main page of the website features a therapy series so one can get a snapshot of the abundant activities in the Salmon Valley.

The redesigned website experienced a 54.4% increase in organic visitors over FY2019. The increase was due to the quality of content, in-bound links from blog writing, and social posts.

Visit Salmon Valley completed a new "Lodging in the Salmon Valley" video in partnership with the Salmon Local Option Tax (LOT). This video production focused on Lodging options that are inside the Salmon city limits and bolstered awareness of these unique properties and their offerings. Most of the funding for the piece was provided by the LOT and used as match funding for Visit Salmon Valley. Further, the Visit Salmon Valley Facebook page enjoyed over 10,800 views as well as many comments, shares & positive reactions in organic response to this new video.



IMPORTANCE OF OUTFITTERS AND GUIDES

Over 60 licensed outfitters and guides have an economic impact of \$180 million per year in the Salmon Valley. These Salmon based outfitters guide visitors on wilderness adventures that include: rafting trips along the epic Middle Fork of the Salmon and Main Salmon, hunting expeditions, fly-fishing, backcountry skiing, yurt trips, trekking, pack trips, and horseback riding excursions.



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 aid 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 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 address damage caused by natural disasters. Eligible grant activities include public facilities construction and infrastructure improvements, economic development projects, senior and community centers, and public parks.



FY2020 CDBG AWARDS*

Spirit Lake	\$500,000	Water Storage Project
Moyie Springs	\$500,000	Wastewater Treatment Project
St. Maries	\$500,000	Phase 2 Wastewater System Improvements Project
Stites	\$500,000	Water System Improvements Project
Kooskia	\$500,000	Wastewater System Improvements Project
Lincoln Co.	\$105,000	Nursing Home Renovations Project
Buhl	\$454,800	Water and Wastewater Systems Improvements Project
Clifton	\$500,000	Water Storage and New Well Project
Rexburg	\$500,000	Wastewater System Improvements Project
Driggs	\$500,000	Downtown Revitalization Project
Deary	\$89,000	New ADA Accessible Park Restroom Project
Rupert	\$150,000	New Pickleball Courts and ADA work
American Falls	\$150,000	New Playground Equipment Project
Challis	\$150,000	New ADA Accessible Park Restroom Project
Caribou County	\$203,775	Senior Center Renovations
Shelley	\$200,000	Senior Center Renovations

* Federal Fiscal Year

RURAL COMMUNITY INFRASTRUCTURE FUNDS

Rural Community Infrastructure Funds (RCIF) 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 grantee that will be leased to a business.

FY2020 RCIF AWARD

The City of Fruitland was awarded \$230,000 for the reconstruction and widening of NW 9th Street to serve the new Subaru Auto Ranch. The street consists of two lanes, turning lanes, parking lanes, curb & gutter, and sidewalks. The Subaru Auto Ranch will create 23 new jobs and the road will create a marketable asset for the community to provide access to other existing and future businesses in that area.

International Trade

The International team, along with the State's overseas trade offices in Taiwan, China, and Mexico, provided global support to a multitude of Idaho industries and businesses throughout FY2020. Our overseas trade office directors and Idaho Commerce staff engaged in export and import inquiries from Idaho companies, covering topics like trade compliance, tariffs, and international marketing efforts, such as

trade missions and trade shows. The Idaho-Asia trade office located in Taipei, Taiwan is managed by Eddie Yen who covers southeast Asia. The China office in Shanghai, China is supported by Tara Qu. The Idaho-Mexico trade office located in Mexico City is managed by Fabiola McClellan.

In FY2020, the International team planned and executed seven Idaho Pavilions at international trade shows, one



Diplomatic Governor's Mission to Europe and one Governor's Trade Mission to Asia. Idaho companies that participated in the above-mentioned activities achieved export sales totaling over \$11.5 million.

In February 2020, Idaho Commerce participated in the Singapore Air Show with six Idaho companies. The International team coordinated the execution of the Idaho pavilion with Eddie Yen and Idaho's Asia Trade Office. Participating Idaho companies included:

- Ramper Innovations - Boise
- Daher - Sandpoint
- AMET - Rexburg
- Black Sage – Boise
- AeroLeds – Boise
- ASU – Boise



STEP FINANCIAL ASSISTANCE AWARDS FY2020

The State of Idaho received a State Trade Expansion Program (STEP) Grant of \$600,000 for program year September 2018 – September 2020. 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 seventh 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.

STEP Year 6 (September 30, 2017 – September 29, 2019) participating companies reported \$19.6 million in sales from the \$0.3 million in funding awards for a program ROI of 57 to 1.

STEP FAA GRANTS FOR FEDERAL FISCAL YEAR SEPTEMBER 2019 – SEPTEMBER 2020

APPLICANT	AWARD AMOUNT	RECIPIENT CITY	APPLICANT	AWARD AMOUNT	RECIPIENT CITY
13 Foods / Anderson Northwest	\$6,800	Lewiston	Kochava Inc	\$9,000	Sandpoint
American Mills LLC (aka Clark Seed)	\$4,300	Ammon	Lubrication Sciences International Inc (Dicronite)	\$7,000	Nampa
Aviation Specialties Unlimited	\$9,000	Boise	Performance Design LLC (Rhin-O-Tuff)	\$8,500	Boise
Aviation Specialties Unlimited	\$7,000	Boise	PKG Inc	\$7,000	Meridian
DOMTEC International LLC	\$5,307	Idaho Falls	Preco Electronics LLC	\$9,000	Boise
Ground Force Manufacturing LLC	\$6,358	Post Falls	Sapidyne Instruments Inc	\$9,000	Boise
Hamilton Manufacturing Inc (HMI)	\$3,199	Twin Falls	SMT (Shaw Mountain Technology)	\$4,245	Nampa
Hamilton Manufacturing Inc (HMI)	\$7,400	Twin Falls	Telic International LLC	\$6,875	Garden City

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 investment, while elevating research capacities at Idaho's universities.

The IGEM-Commerce program receives \$1 million annually for commercialization grants. The IGEM-Commerce investments in emerging technologies has become an exciting economic development tool. 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 public universities.

IGEM-Commerce completed its eighth year, funded 36 projects, and invested over \$7.7 million in university and industry research partnerships. In FY2020, IGEM-Commerce grant funding was fully utilized by industry-university partnerships in commercialization projects enabling IGEM to further invest in Idaho research and economic development initiatives.

FY2020 IGEM – COMMERCE GRANT AWARDS

BOISE STATE UNIVERSITY

Development of a Scalable Manufacturing Process of On-Chip Color Tunable Laser
\$242,114

UNIVERSITY OF IDAHO

Development of an Advanced Genomic Selection Tool for the U.S. Sheep Industry
\$251,114

BOISE STATE UNIVERSITY

Novel Movement and Inspection System for Drones
\$248,083

UNIVERSITY OF IDAHO

Free to Feed Food Allergen Test Kit for Human Milk
\$255,496

IGEM COUNCIL

The IGEM Council is a twelve-member council appointed by the Governor. 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.

Membership of the IGEM Council includes:

- Four (4) representatives from the private sector
- One (1) representative from the State Board of Education (SBOE)
- 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 (BSU), Idaho State University (ISU), and the University of Idaho (UI)
- One (1) representative from the Idaho Senate
- One (1) representative from the Idaho House of Representatives
- Director of the Idaho Department of Commerce

2020 MEMBERS:

- **Dr. David Hill** – Chair, State Board of Education (SBOE)
- **Bill Gilbert** – Vice Chair, The CAPROCK Group
- **Rick Stott** – Superior Farms
- **Von Hansen** – KONEXUS
- **Dr. Noel Bakhtian** – Director, Center for Advanced Energy Studies (CAES)
- **Dr. Harold Blackman** – Boise State University
- **Dr. Scott Snyder** – Idaho State University
- **Dr. Bradley Ritts** – University of Idaho
- **Senator Kelly Anthon** – Idaho Senate
- **Representative Paul Amador** – Idaho House of Representatives
- **Tom Kealey** – Director, Idaho Commerce



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