



Brad Little, Governor
Tom Kealey, Director

Economic Advisory Council Meeting Minutes Idaho Department of Commerce

Thursday April 28, 2022
JR Williams Building, East Conference Room
700 West State Street, Boise Idaho 83702

Members	Idaho Commerce Staff
Jeremy Grimm, <i>Region I</i>	Tom Kealey, <i>Director</i>
Paul Kimmell, <i>Region II</i>	Jake Reynolds, <i>Business Development & Operations Administrator</i>
Mike Reynoldson, <i>Region III</i>	(T) Karen Appelgren, <i>Business Retention and Expansion Manager</i>
Randy Bauscher, <i>Region IV</i>	Susie Davidson, <i>Business Attraction Manager</i>
Rick Phillips, <i>Region V</i>	Dennis Porter, <i>Community Development Manager</i>
Dave Wilson, <i>Region VII</i>	Ewa Szewczyk, <i>Grants and Contracts Manager</i>
Sandy Patano, <i>At-Large</i>	Jason Barnes, <i>Business Attraction Specialist</i>
	(T) Mark Blaiser, <i>Business Attraction Specialist</i>
	Magaly Carrillo, <i>Community Development Analyst</i>
	Tony Tenne, <i>Senior Community Development Specialist</i>
<i>(T) denotes via telephone</i>	James Varner, <i>Community Development Analyst</i>

Call to Order

Chairman Mike Reynoldson called the meeting to order at 8:32 a.m. with a quorum present.

Approval of Minutes

Chairman Mike Reynoldson noted that the minutes for the February 24, 2022, Economic Advisory Council (EAC) meeting had been distributed and if there were no corrections, he would approve the minutes as distributed.

Moved by: Randy Bauscher

Seconded By: Sandy Patano

All in favor. Motion approved.

Call for Conflict of Interest

Chairman Mike Reynoldson asked EAC if they have a conflict of interest and would like to recuse themselves.

Rick Phillips will abstain from voting on the Aberdeen CDBG Public Facility Application.

Director's Welcome

Director Kealey welcomed EAC to Boise for the in-person April meeting. The Department of Commerce staff introduced themselves to EAC. Director Kealey gave an update on the 2022 legislative session and what is going on around the State of Idaho.

Motion to Move to Executive Session

Chairman Mike Reynoldson 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.***

Paul Kimmell moved to enter executive session. Randy Bauscher seconded.

Roll call vote to move into executive session.

Jeremy Grimm – Aye

Paul Kimmell – Aye

Mike Reynoldson – Aye

Randy Bauscher – Aye

Rick Phillips – Aye

Dave Wilson – Aye

Sandy Patano – Aye

With over two-thirds majority in favor, the Council moved into executive session at 8:59 a.m.

Return to Public Session

Chairman Mike Reynoldson noted that the Council returned to the public session at 9:40 a.m.

Chairman Mike Reynoldson indicated the Council:

1. Reviewed and discussed Project Nature, Project Wheat, and Project Vent; and
2. After discussions were concluded, the executive session was closed upon motion by Sandy Patano seconded by Rick Phillips and a majority vote.

Motion

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

- A post-performance refundable tax credit which represents 30% of new state revenue for 15 years.
- Tax credit certificate issued post-performance upon review and verification by 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 county wage, which is currently \$40,827.00, subject to change annually.
- 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: Rick Phillips

Roll call vote to move into executive session.

Jeremy Grimm – Aye
Paul Kimmell – Aye
Mike Reynoldson – Aye
Randy Bauscher – Aye
Rick Phillips – Aye
Dave Wilson – Aye
Sandy Patano – Aye

All in favor. Motion approved.

Motion

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

- A post-performance refundable tax credit which represents 16% of new state revenue for 8 years.
- Tax credit certificate issued post-performance upon review and verification by 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 county wage, which is currently \$40,827.00, subject to change annually.
- 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: Rick Phillips
Seconded By: Paul Kimmell
Roll call vote to move into executive session.
Jeremy Grimm – Aye
Paul Kimmell – Aye
Mike Reynoldson – Aye
Randy Bauscher – Aye

Rick Phillips – Aye
Dave Wilson – Aye
Sandy Patano – Aye

All in favor. Motion approved.

Motion

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

- A post-performance refundable tax credit which represents 16% of new state revenue for 8 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 county wage, which is currently \$43,723.00, subject to change annually.
- 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

Moved by: Dave Wilson
Seconded By: Paul Kimmell

Roll call vote to move into executive session.

Jeremy Grimm – Aye
Paul Kimmell – Aye
Mike Reynoldson – Aye
Randy Bauscher – Aye
Rick Phillips – Aye
Dave Wilson – Aye
Sandy Patano – Aye

All in favor. Motion approved.

CDBG Budget Overview

Community Development Manager Dennis Porter gave a Power Point presentation on the Community Development program budget and gave an update on the spending authority cap increase that was approved by the legislature. Dennis Porter updated EAC on the ARPA funding and gave project updates.

Break

CDBG Community Presentations

Washington County

Washington County presented the Pac Fibre RCIF Job Creation application to EAC. Pac Fibre gave a power point presentation about the company and Idaho Power gave a summary about the power in the area. Washington County is asking for \$199,942 for power system upgrades to connect Pac Fibre with more power. The power connection will also help the surrounding area with growth.

City of Rexburg

The City of Rexburg and East-Central Idaho Planning and Development Association (ECIPDA) presented the Teton River Business Center Job Creation application to EAC. The City of Rexburg is asking for \$500,000 for the construction of a new 2-story 20,000 square foot building that will create at least 20 new jobs. The City has received ARPA funds to help with broadband around the City of Rexburg that will also help with the Teton Business Center.

CDBG Application Overview

The City of Rexburg Teton Business Center application review. The City of Rexburg is asking for \$500,000.

Motion

To approve the City of Rexburg Teton Business Center application.

Moved by: Dave Wilson

Seconded By: Rick Phillips

All in favor. Motion approved.

Washington County Pac Fibre Job Creation application review. Washington County is asking for \$199,753

Motion

To approve the Washington County application only if Pac Fibre were to waive their vested interest in the potential refundable construction cost of \$148,827. Pac Fibre required to hire at least 10 new jobs.

Moved by: Paul Kimmell

Seconded By: Sandy Patano

All in favor. Motion approved.

Senior/Community Center application review from the City of Downey for \$225,000, the City of Hagerman for \$225,000, and the City of Glens Ferry for \$150,000.

Motion

To approve the Senior/Community Center applications from the City of Downey for \$225,000, the City of Hagerman for \$225,000, and the City of Glens Ferry for \$150,000 as recommended by the Community Development team.

Moved by: Rick Phillips

Seconded By: Randy Bauscher
All in favor. Motion approved.

Lunch

Region Overview

Each EAC member gave an update on their respective region. Workforce and Housing are a continued problem around the State of Idaho.

CDBG Application Overview (Continued)

The Community Development Team went over the 14 Public Facility applications that include the City of Elk River for \$500,000, the City of Grand View for \$500,000, the City of Rigby for \$500,000, the City of American Falls for \$497,030, Kootenai County for \$500,000, the City of Homedale for \$500,000, the City of Moscow for \$335,000, the City of Shoshone for \$500,000, the City of Craigmont for \$500,000, the City of Winchester for \$500,000, the City of Aberdeen for \$500,000, the City of Ashton for \$500,000, the City of Grangeville for \$500,000, and the City of Challis for \$500,000.

Motion

To table the City of Aberdeen application until the Community Development Team has necessary information.

Rick Phillips has abstained from voting on the City of Aberdeen.

Moved by: Dave Wilson

Seconded By: Randy Bauscher

All in favor. Motion approved.

Motion

To fund the remaining Public Facility application as recommended by the Community Development Team not including the City of Aberdeen.

Moved by: Dave Wilson

Seconded By: Randy Bauscher

All in favor. Motion approved.

City of Oakley Post Disaster application review.

Motion

To approve the City of Oakley Post Disaster application as recommended by the Community Development Team.

Moved by: Rick Phillips

Seconded By: Dave Wilson

All in favor. Motion approved.

Motion

To close the meeting.

Moved by: Rick Phillips

Seconded By: Sandy Patano

All in favor. Motion approved.

Chairman Mike Reynoldson adjourned the meeting at 1:59 p.m.