

Part I – Agency Profile

Agency Overview

The Idaho Department of Commerce works to aid in job creation and advance the economic prosperity of Idaho citizens, upgrade public facilities necessary for economic growth and promote Idaho's products, people, and places.

Business is the top priority of the department. The department's constant focus is to understand the needs of Idaho's industries and ensure the department provides timely, effective, and flexible solutions that are lockstep with the aggressive timeframes that business demands. The end result: businesses in Idaho will know they have a resource, advocate, and most importantly, a partner in state government.

Three advisory boards—the Economic Advisory Council, the Idaho Travel Council, and the Idaho Global Entrepreneurial Mission (IGEM) Council—provide guidance and oversight for several department programs. All members of these boards are appointed by the Governor to represent the various regions of the state. Council members represent a broad constituency of private and public-sector interests.

Core Functions/Idaho Code

Idaho Department of Commerce is designated under Idaho Code Title 67, Chapter 47. The Idaho Department of Commerce is committed to ensuring access to a comprehensive menu of high-quality services, education, training, and information for all its customers and partners. The agency offers many economic development programs through:

Business Retention and Expansion provides ongoing communication and outreach to existing Idaho business to support growth and expansion opportunities. This team also provides a curriculum of tiered training opportunities for Idaho communities - especially rural communities - to ensure they are prepared to support business growth.

Business Attraction coordinates with local economic development professionals throughout Idaho on demand-driven and proactive business expansion opportunities that are initiated through companies and/or site selectors reaching out to the state to explore potential expansion or relocation opportunities.

Community Development provides financial and technical assistance to Idaho's cities and counties for construction and rehabilitation of public facilities necessary to support economic diversification, job creation, business expansion, and a sense of community.

Economic Development Initiatives has the task of meeting with partners throughout the state and discussing issues that are affecting economic development such as broadband and affordable housing. Through these conversations it is the goal of the department to devise methods so the state can properly address these challenges.

Idaho Global Entrepreneurial Mission, or IGEM, leverages private-industry guidance and the talent and expertise of Idaho's research universities to commercialize innovative and viable technologies that will strengthen Idaho's economy.

International Business Development supports Idaho businesses' efforts to export goods and services, develops new markets, increases foreign awareness and acceptance of Idaho's products and services, supports foreign direct investment opportunities, and manages Idaho's three international trade offices.

Marketing and Public Information provides support to the entire department through strategic outreach to media, government partners, and other key stakeholders that are focused on showcasing the success stories of Idaho businesses and highlighting Idaho's business-friendly environment to companies outside the state.

Tourism Development works to expand Idaho's tourism and recreation industry by marketing the state and travel opportunities to both domestic and international business and leisure travelers; awards grants to local communities to promote tourism; develops, supports, and promotes tourism events and attractions.

Office of Broadband serves as a dedicated resource for a state broadband strategy and plan including consumer education, facilitating new service opportunities, funding resources, and infrastructure coordination to reach unserved communities in the state.

Operations supports the department through day-to-day fiscal, payroll and HR functions. The team also provides grant management and reporting across the various grant programs throughout the department. The Shared Services team provides centralized administrative support to all Commerce teams to ensure team members are able to maintain their focus on key goals and objectives.

Revenue and Expenditures

Revenue	FY 2018	FY 2019	FY 2020	FY 2021
General Fund	\$5,834,200	\$5,368,100	\$5,372,700	\$5,043,800
Idaho Opportunity Fund	\$2,000,000	\$0	\$0	\$0
Misc. Revenue	\$8,700	\$5,600	\$3,400	\$100
Federal Fund	\$7,827,200	\$8,357,700	\$10,017,900	\$7,089,500
Seminars & Publications	\$202,800	\$188,000	\$158,700	\$57,500
Idaho Travel & Convention	<u>\$12,516,900</u>	<u>\$13,694,000</u>	<u>\$13,132,800</u>	<u>\$14,854,900</u>
Broadband Fund				\$35,000,000
CARES Act				\$46,591,900
Total	\$28,236,100	\$27,613,400	\$28,685,500	\$108,637,700
Expenditures	FY 2018	FY 2019	FY 2020	FY 2021
Personnel Costs	\$3,380,100	\$3,377,700	\$3,289,700	\$3,176,000
Operating Expenditures	\$7,990,700	\$8,428,500	\$9,041,000	\$14,852,200
Capital Outlay	\$25,500	\$6,900	\$400	\$2,000
Trustee/Benefit Payments	<u>\$14,601,800</u>	<u>\$16,492,200</u>	<u>\$17,940,100</u>	<u>\$52,103,500</u>
Total	\$25,998,100	\$28,305,300	\$30,271,200	\$70,133,700

Profile of Cases Managed and/or Key Services Provided

Cases Managed and/or Key Services Provided	FY 2018	FY 2019	FY 2020	FY 2021
Business Attraction Leads	81	111	89	91
Business Retention & Expansion: Outreach	645	717	743	956
Community Development Consultations	77	108	76	40
International Trade Inquiries	632	489	496	558
Total Tourism Inquiries	2,064,821	1,676,595	2,170,084	4,822,297
Total Number of Grants Deployed	154	131	110	173

Part II – Performance Measures

Performance Measure		FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Goal 1: Support Existing Business						
1. Number of jobs created and retained	actual	885	1212	5232	2278	
	target	2000	2000	1500	1500	1500
2. Percentage growth of State GDP (billions)	actual	\$71,886 (6.85%)	\$75,391 (4.88%)	\$69,414 (-7.93%)	\$77,776 (12.05%)	
	target	2.5% growth	2.5% growth	3% growth	2% growth	3% growth
3. Number of new business expansion projects announced	actual	NA	12	16	18	
	target	5	5	8	8	8
Goal 2: Strategic Business Attraction & Promoting Responsible Incentives						
4. Amount of statewide capital expenditures by companies in Idaho	actual	\$248,711,000	\$429,207,317	\$573,383,179	\$950,872,107	
	target	\$250,000,000	\$250,000,000	\$300,000,000	\$500,000,000	\$500,000,000
5. Conversion rate of leads to site visits	actual	51%	52%	56%	67%	
	target	60%	60%	50%	50%	50%
6. Number of TRI project awards	actual	9	7	12	15	
	target	10	10	8	8	8
Goal 3: Market & Promote Idaho Products and Businesses Domestically and Internationally						
7. Number of international trade outreach activities organized	actual	1-Trade Mission 5-Trade Shows	1-Trade Mission 6-Trade Shows	1-Trade Mission 7-Trade Shows	2- Trade Missions 4 – Trade Show	
	target	1-Trade Mission 5-Trade Shows	1-Trade Mission 5-Trade Shows	1-Trade Mission 5- Trade Shows	1-Trade Mission 5-Trade Shows	9 trade shows &/or missions
Goal 4: Market and Promoting Idaho’s Tourism and Outdoor Recreation Opportunities						
8. Percentage change in 2% lodging tax collection revenue year over year	actual	\$12,473,710 (11.22 %)	\$13,653,240 (9.46%)	\$13,119,105 (-3.91)	\$14,811,691 (12.90%)	
	target	12% growth	12% growth	11% growth	-30% decline	10% growth

Performance Measure		FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Goal 5: Advance Idaho's Innovation and Commercialization Ecosystem						
9. Number of IGEN projects funded resulting from Partnership	actual	0	5	2	6	
	target	1	1	1	1	2
Goal 6: Facilitate the Idaho Broadband Office, Broadband Grant Programs and Other Projects to Support the Governor's Broadband Connectivity for all Communities						
10. New broadband service for households	actual	NA	NA	NA	30,329	
	target	NA	NA	NA	40,000	10,000

Performance Measure Explanatory Notes

1. New jobs are created through the expansion of existing Idaho businesses or the recruitment of new businesses to the state. Jobs included in this calculation encompass those resulting from the Department of Commerce's business development efforts, and/or through support the department provides to local economic development organizations throughout the state. One of the department's other priorities is to protect and retain existing jobs within the state. Idaho companies are not immune from aggressive recruitment efforts undertaken by other states and communities; thus, the department is continually engaged with local businesses to ensure they maintain their presence in the state. Job creation and retention numbers are monitored and tracked through the department's internal Salesforce database system
2. Idaho Gross Domestic Product (GDP) is a primary measurement to track the economic growth of Idaho. GDP is reported by the U.S. Bureau of Economic Analysis.
3. Capital expenditure represents the private-sector investment in land, property, and/or equipment in a business expansion or relocation project. Cap Ex is tracked through the department's internal Salesforce database system.
4. A lead represents an entry-level contact with the state from a company with the expressed desire to expand or relocate its business. One of the key indicators that the state is under strong consideration by a company is a site visit made by its decision makers. The conversion rate of leads to site visits is a performance measure by which the department will measure the success of its business attraction efforts.
5. Assist existing Idaho businesses with expansion
6. Award incentive for existing and new Idaho businesses that generate higher-wage jobs.
7. Trade missions are led by high ranking government officials to take a group of companies to a foreign country or region to promote their products and/or services, The Idaho Department of Commerce is organizing Idaho pavilions at various international trade shows to provide companies the opportunities to exhibit their products and/or services. Both activities aid the increase of export sales.
8. The total 2% hotel/motel and private campground tax collected as reported to the department by the Idaho State Tax Commission.

9. Strengthen the existing partnerships with universities, the private sector, INL, HERC, and CAES to enhance spinoff business activity and commercialization of university research.
10. Broadband speed is defined by the FCC as any type of internet connection delivered at speeds at a minimum of 25 Mbps download and at a minimum of 3 Mbps upload. New service to households would be defined as the Idaho Office of Broadband helping facilitate grants, assistance, coordination, and implementation of new service to households who do not meet the minimum criteria of broadband service.

For More Information Contact:

Tom Kealey
Idaho Department of Commerce
700 W. State St., Boise ID 83702
Phone: (208) 287-3153;
E-mail: tom.kealey@commerce.idaho.gov