



Utah Governor's Office *of* Economic Development

OFFICE OF RURAL DEVELOPMENT

Governor's Rural Partnership Board Meeting

June 24, 2020 from 4:00 PM – 5:30 PM

Held virtually by the Governor's Office of Economic Development, Office of Rural Development

Present: Lt. Governor Spencer J. Cox, Steve Styler, Geri Gamber, Shannon Ellsworth, Joan Hammer, Brian Higginbotham, Michael McCandless, Emily Niehaus, Brian Raymond, Zac Whitwell, Jason Yerka, Robert Miller, Kent Wilson, Michael McKee, Jeff Peterson, James Toledo

Regrets: Stephen Lisonbee, Tim Munns

Guests: Ryan Starks, Paul Hill, James Dixon, Beckie Page, Rebecca Dilg, Chris Byrd, Scott Cheney and 24 other rural partners

Call to Order

Steve Styler, GRPB Co-Chairperson

Welcome and Minutes Approval

Lt. Governor Spencer J. Cox, GRPB Co-Chairperson

Motion:	Approve the Governor's Rural Partnership Board meeting minutes from April 24, 2020.	
<i>Motion by:</i>	Jeff Peterson	
<i>Seconded by:</i>	Emily Niehaus	
Vote Tally:	<u>AYE</u>	<u>NAY</u>
	15	0
Result:	Motion passes .	

Service Recognition

Spencer Cox, GRPB Co-Chairperson

The GRPB recognized the distinguished service of Tim Munns, Michael McCandless, and Brian Raymond, who have each contributed significantly to the development of rural Utah. Lt. Governor Cox thanked them for their efforts and their willingness to serve and expressed the gratitude of Gov. Herbert as well.

Legislative Special Session Update and Impact on Rural Programs

Ryan Starks, Managing Director of Business Services, GOED

Ryan Starks presented on the recent legislative special session and the impact that state budget adjustments will have on rural programs. The Commercial Rental Assistance program requirements have been altered to allow for the full \$40 million dollars to be distributed in SB 3006. Awards are now \$15,000 for two months rent. The Business Grant Program has been created to encourage local economic development. The program is endowed with \$25 million. The Tourism Marketing Performance fund was cut to \$12 million, with half devoted to regional marketing. \$9 million was also allocated to Talent Ready Utah to develop Utah professional skills. A PPE Support Grant Program was also instituted to assist PPE purchasing. Public health campaigns were also initiated. The Business Resource Center program has also been entirely cut, as has the anticipated Rural Speculative Industrial Building Program. The Opportunity Zone program was upheld, with all the funding being preserved. The upcoming Rural County Grant program, originally anticipated to be made up of a non-competitive part A and a competitive part B, has been reduced to only include part A. Instead of distributing \$200,000 to rural counties, the grant amount has been reduced to about \$93,000. Enterprise Zones have been limited in scope through SB 95, and the Rural Fast Track program and BEAR program will sunset through SB 95. The RCIC funding was diminished, but the program is still in place, along with the Targeted Business Tax Credit and Rural Jobs initiative. Steve Styler asked if the state's CARES ACT Funding would go towards a rural grant program or to support GOED later in the year, maybe to revitalize cut SB 95 programs. Ryan responded that it's possible but might require some advocacy. Ryan said they would take note of the possibility to support rural industry and tourism.

ROI Update

Paul Hill, Extension Associate Professor, Utah State University

Paul Hill presented on USU's Rural Online Initiative Program. The goal of the program is to empower rural communities through remote work and specialized training to keep rural workforces competitive. Russell Goodrich shared some success stories. A man in Carbon County was able to find a job in Customer Service Management through the ROI program, while a woman in Emery County was able to work in Business Support from home. A Duchesne county woman was able to work as a virtual administrative assistant through ROI. Similar examples from Washington, Sevier, and Iron counties were presented. Paul also explained more about the ROI program history. The program has awarded 638 certificates. Enrollment has increased during the pandemic and polling has shown the positive impacts of the program. There have been 209 job placements since October 2018. The ROI program is addressing negative net migration through their course to encourage younger professionals to stay in rural Utah when possible. Steve Styler asked some clarifying questions on the legislative alterations to the program. Shannon Ellsworth expressed her gratitude to ROI for being ahead of the curve on remote work. Brian Higgenbotham also expressed his gratitude to everyone who helped make sure this program would not be totally eliminated. Mike McKee said hi to Russell Goodrich.

Update Regarding Rural County Grant Program

James Dixon, Program Manager, Office of Rural Development, GOED

James reported that ORD is now only in charge of the REDI, RCIC, and RCG programs, the EZ and TBTC tax credits, and the Rural Jobs program. RCIC funding has been limited. The upcoming Rural County Grant program, originally anticipated to be made up of a non-competitive part A and a competitive part B, has been reduced to only include part A. Instead of distributing \$200,000 to rural counties, the grant amount has been reduced to about \$96,000. Counties must form a County Economic Development (CED) Advisory Board and apply for the grant and outline economic development projects that could be implemented with the funds. Steve asked whether CEDs had all been created.. Brandy Grace had prepared a draft with her agency and assisted counties in preparing applications. Michael McKee asked whether GRPB members could get a copy of James' presentation. Ryan Starks stated that a webinar or similar outreach effort would be made toward the counties. Brian Raymond asked what the matching ratios would be for the counties, and James explained that the ratios depend on class and population of the county. Steve Styler emphasized that matching amounts would get the counties invested. Zac Whitwell would like to see a webinar and asked for clarification on whether board members might risk conflicts of interest in approving part B portions of the bill in the future. James agreed and said members should recuse themselves if needed.

GRPB White Paper Proposals

GRPB Board Members

- Zac Whitwell talked about the 25K Jobs initiative and how many organizations are focusing on remote working in rural counties. Zac asked for the support of the board for the Rural Workforce Network.
- Jeff Peterson presented on rural utilities and how the pandemic has underscored the lack of access to broadband and telecom utilities in rural Utah. Power utilities' costs have also impacted rural Utah during the pandemic with more people working from home and staying home more. Jeff asked for the board's continued support in supporting lower costs for rural utilities.
- Dustin Jansen works with Indian Affairs, and emphasized the importance of broadband access and overall access to online resources for rural Utahns, particularly native tribes. Pandemic conditions have created harsh issues for students of all ages, and the Navajo reservation has a distinct lack of LTE service for students and workers alike. Dustin suggested broadband be a public utility or that steps be taken to make it more accessible in general.
- Mayor Emily Niehaus presented on challenges regarding rural cities including broadband, economic competition, brain drain. Recreation and public lands is particularly important to many Utah localities. Resources are needed for construction contractors, particularly for housing. If housing can be created and maintained, talent from urban areas can be attracted and investments in broadband and telecommunications will result in that. Working parents were hit hard during the pandemic, as well as childcare providers. Rural communities provide a lot for urban municipalities and the favor needs to be reciprocated.
- Jason Yerka presented on small business issues. Jason assisted in the development of an Entrepreneur Academy to support small businesses in rural Utah online, including millennial. It helps the student create an individualized and customized checklist for starting a business. The SBDC received CARES funds to support the Entrepreneur Academy.

- Mike McKee leads a infrastructure coalition and they were able to bring in recreation funds for Daggett County, a railroad near the Uintah Basin, a road near the Navajo in San Juan County, water infrastructure in that same area, and other initiatives, like connecting a road to Flaming Gorge to Yellowstone. Mike suggested utilizing natural gas resources to shore up rural Utah's economic strength.
- Shannon Ellsworth presented on state incentives for rural Utah. She expressed it might be stronger if the legislature were to consolidate grants to focus one on capital and another on jobs. Shannon also emphasized the need for data to know what is being efficacious and what direction these incentives need to take to have larger impacts.
- Rebecca Dilg read the paper for Stephen Lisonbee. Stephen wanted to focus on investment in small businesses in rural Utah and the need for access to mentors. Workforce development is needed in order to support employers and employees alike. Stephen reported that community development is critical to sustaining innovation and growth, and wants to develop a Utah Rural Leaders Academy to create resources for community leaders to help the continued development of rural Utah.
- Kent Wilson and Geri Gamber reported on behalf of Utah AOGs. The AOGs feel a funding pinch and need more funding and support. They also want to streamline the Rural County Grant program. The Southeastern Utah AOG specifically would like to outline how to diversify funding for economic development. Kent Wilson emphasized the challenge in economic development in Emery County. UAC has made a number of partnerships to help make better economic development happen in Emery County and other counties in rural Utah.

Brian Raymond expressed his gratitude for serving on the board, and echoed the fact that broadband and economic development are crucial. He also expressed a desire to see SB 95 funding continue. Brian also explained that the lack of good housing in Daggett County has deprived the population of reliable healthcare providers.

Steve Styler talked about REDTIF legislation drafting and how tax increment financing would be a good issue to pursue.

New Board Member Appointment Update

Jason Yerka, Designated by Mike McCandless

Jason presented Curtis Wells and Gary Hollows to fill the vacancies created by the departing GRPB members who were recognized at the beginning of the meeting.

Motion:	Motion to recommend Curtis Wells and Gary Hollows to the Governor as GRPB members	
<i>Motion by:</i>	Jason Yerka	
<i>Seconded by:</i>	Brian Raymond	
Vote Tally:	<u>AYE</u>	<u>NAY</u>
	15	0

Result: Motion passes .

Adjournment of the Meeting

Steve Styler, GRPB Co-Chairperson

Motion: Motion to Adjourn

<i>Motion by:</i> Jason Yerka

<i>Seconded by:</i> Zac Whitwell

Vote Tally:	<u>AYE</u>	<u>NAY</u>
	15	0

Result: Motion passes .

Next meeting: August 13, 2020, 9 - 11 am at the Noyes Bldg., Snow College, Ephraim