

**Q2 ECONOMIC DEVELOPMENT FOUNDATION**  
**via TEAMS MEETING and onsite location**  
**WSI Boardroom**  
**1600 East Century Avenue**  
**Bismarck ND 58503**  
**July 17, 2024**  
**1:30 – 4:30 p.m.**

**Economic Development Foundation members present:** Douglas Bolken, Tom Campbell, Ron Day, Lyn James, Megan Langley, Spencer Marchand, Frank Matus, John Nagel, Lindsey Narum, Vicki Monson, Kevin Miiller, Mike Seminary, Thomas Stromme.

**Commerce staff present:** Tammy Heick, Shawn Kessel, Tracey Miller, Kim Schmidt, Rikki Roehrich, Alison Widmer

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**WELCOME**

Chairperson Lyn James called the meeting to order at 1:30 p.m., welcoming the Economic Development Foundation members and guests. Roll call was conducted.

**ADMINISTRATIVE MATTERS**  
**AGENDA/MINUTES/FINANCIAL SUMMARY**

**Motion:** It was moved by Megan Langley, seconded by Mike Seminary, to approve the addition to today's agenda, for the inclusion of the North Dakota Governor's Cup Sponsorship Request. Motion carried by all.

**Motion:** It was moved by Mike Seminary, seconded by Megan Langley, to approve the minutes of April 4, 2024. Motion carried by all.

**Motion:** It was moved by Megan Langley, seconded by Ron Day to approve the Financial Summary Report, as of June 30, 2024, for \$67,598.65. Motion carried by all.

**NORWEGIAN HOST REIMBURSEMENT REQUEST**  
**Deputy Commissioner Shawn Kessel**

In May, the Norwegian Ambassador to the U.S. was hosted by the Governor's Office, the Department of Commerce, and the ND Trade Office. The meeting intention was to conduct a joint investment/educational mission to Finland and Norway in the second quarter of 2025.

Costs incurred with this hosting, exceeded the forty percent alcohol threshold per the ND State Fiscal Policy. Deputy Commissioner Kessel discussed the charges and followed up with an ask for the Foundation to cover the meal and alcohol charges.

**Motion:** It was moved by Kevin Miiller, seconded by Ron Day, to approve the meal and alcohol expenses totaling \$291.00. Motion carried.

Discussion included a future look at approaching reimbursement from the Foundation for alcohol costs that exceed the forty percent threshold of the total restaurant bill. Commerce would cover the costs up to forty percent.

**Roll Call Vote was conducted:** Douglas Bolken, yes; Tom Campbell, yes; Ron Day, yes; Bruce Gjovig – absent; Cassidy Hjelmstad – absent; Lyn James – yes; Megan Langley, yes; Spencer Marchand, yes; Frank Matus, yes; Vikki Monson, yes; Kevin Miiller, yes; John Nagel, yes; Lynsey Narum, yes; Anna Nelson, absent; Mike Seminary, yes; Thomas Stromme, yes.

## **NORTH DAKOTA GOVERNOR'S CUP SPONSORSHIP REQUEST**

### **Deputy Commissioner Shawn Kessel**

Deputy Commissioner Kessel discussed the first annual North Dakota's Governors Cup to be held on July 22<sup>nd</sup> – 23<sup>rd</sup> in Fargo, ND. This premiere event will attract a diverse range of business professionals and leaders from across the country and showcase ND's friendly business climate, quality of life, and vision for the future. The event is aimed to raise funds for the ND Career Builders Loan Repayment Program.

Attendance to the event is \$600.00 per person. Deputy Commissioner Kessel asked for reimbursement of \$3,600 for six business professionals to attend the charitable event.

**Motion:** It was moved by Mike Seminary, seconded by Megan Langley, to approve the total cost of \$3,600.00 for six business professionals to attend the charitable event at \$600.00 per person. Motion carried.

**Roll Call Vote was conducted:** Douglas Bolken, yes; Tom Campbell, yes; Ron Day, yes; Bruce Gjovig – absent; Cassidy Hjelmstad – absent; Lyn James – yes; Megan Langley, yes; Spencer Marchand, yes; Frank Matus, yes; Vikki Monson, yes; Kevin Miiller, yes; John Nagel, yes; Lynsey Narum, yes; Anna Nelson, absent; Mike Seminary, yes; Thomas Stromme, yes.

## **DEPARTMENTAL UPDATES AND STRATEGIC REVIEW**

### **Commerce and Global Engagement Office**

#### **Deputy Commissioner Kessel**

Upcoming visits include the:

- Farnborough Air Show on July 21<sup>st</sup> – 26<sup>th</sup>. This event presents a prime opportunity to showcase our capabilities and foster partnerships. Ten business meetings, partnering with Vantis/Grand Sky, will position North Dakota on the global stage in aerospace innovation.
- Japanese Midwest Conference in September 2024.
- Governor's Mission to Korea is still being worked through for October 13 – 19<sup>th</sup>, 2024.
- Taiwan Mission with the Department of Agriculture in 2025.
- Finland & Norway Mission is being discussed with Superintendent Kirsten Baesler in 2025.

## **COMMERCE HB 1018 GRANT PRESENTATION**

### **Deputy Commissioner Kessel**

The Legislative Government Finance Committee asked for a report submission on all grants that Commerce administers. Shawn walked through the various grants from each division. This report was emailed to all members after the meeting.

## **POLICY DOCUMENT DISCUSSION**

### **Deputy Commissioner Kessel**

The Leadership Team began discussions last week and will be followed up in more detail at the next Foundation meeting in August.

A question was asked regarding Vacation Rentals by Owner (VRBO) and Air Bed and Breakfast (Airbnb) regarding a new statewide lodging tax. Shawn followed up with Sara Otte Coleman during the meeting via email and she reported that as for now, only Airbnb pays the local lodging tax through volunteer agreements with the state or city if they administer their lodging tax by home rule. Every state has a different process, and this is a discussion for the Tax Department.

## **SUBCOMMITTEE REPORT OUTS** **Agriculture, Energy, Technology, Tourism**

Subcommittee Chairs walked through their most recent updates from their subcommittee meetings bringing forth their final three recommendations.

### **AGRICULTURE**

- ✚ Chair Megan Langley
- ✚ Members Tom Campbell, Lindsey Narum

#### **1.) Infrastructure**

- Incentivizing by tax break or tax credit for individuals to purchase or landowners to sell small farmsteads (non-production lands) that have been on the vacant property tax exemption role.
- Expand investment in rural water, for livestock wells and rural farmsteads.

#### **2.) Specialty Crop Processing**

- Increase the number of local processing facilities to reduce transportation costs.

#### **3.) Local Foods**

- Define “Local Food” in century code. (No definition currently exists)
- Standardize the rules and regulations across health units in ND for local food sales and purchases. (Schools, nursing homes, restaurants)
- Incentivizing by tax break or tax credit for grocery stores or convenience stores to purchase local foods.

### **ENERGY**

- ✚ Chair Kevin Miller
- ✚ Members Ron Day, Mike Seminary, Paul Steffes

#### **1.) Nuclear Power**

- Public outreach support
- PSAR (Preliminary Safety Analysis Report)
- Determine who will drive policy – ND Transmission Authority, Commerce, EERC, Legislature, Governor’s Office
- Endorse ½ FTE under the Energy & Economic Coordination office within the Commerce Department

#### **2.) Existing ND Businesses and the Expertise needed**

- Single point of contact for businesses in trouble, rural communities, and smaller chambers
- Endorse 1 FTE under the DCS within the Commerce Department

#### **3.) Energy Storage**

- Next Generation energy storage solutions
- Entice investment for supporting green energy and existing coal plants.
- EERC Energy Storage Funding
- Creation of an Energy Storage Authority
- Endorse ½ FTE under the Energy & Coordination office within the Commerce Department

## TECHNOLOGY

- ✚ John Nagel on behalf of Chair Anna Nelson
  - ✚ Members Bruce Gjovig, Cassidy Hjelmstad, Frank Matus, John Nagel
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### 1.) Support Data Center Infrastructure

- Funding mechanism to establish data library/libraries and incentivize private partners (NDSU Ag. data)

### 2.) Create Office of Autonomy

- Under the ND Department of Commerce

### 3.) Cybersecurity

- Develop and execute a multi-part educational campaign for business community and next steps.
- Implement the NIST standard 2.0 and the Broad Band Equity Access & Deployment (BEAD)

## TOURISM

- ✚ Chair Spencer Marchand
  - ✚ Members Thomas Stromme, Douglas Bolken, Lyn James
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### 1.) Destination Development 2.0

- More funding with concrete match requirements.
  - BND PACE Program match requirements as a model

### 2.) Outfitters

- Development of additional outfitter equipment rental for visitors
- Create additional opportunities in different parts of the state, via legislative study.

### 3.) Enhance multi-use, year-round trails on public lands and the National grasslands.

- 2023 ND State Comprehensive Outdoor Recreation Plan (SCORP) indicates that in certain regions of the state, over 80% of respondents feel demand exceeds supply of current trail systems for both paved and unpaved multi-use trails.

## NEXT STEPS

- The Commerce Leadership Team will review the Top 3 Priorities that were discussed at today's meeting.
- The next meeting will be held at the Rough Rider Center in Watford City on August 29<sup>th</sup> at 4:30 discussing the Top 3 Priorities.

## ADJOURNMENT

The meeting was unanimously adjourned at 3:30 p.m.