

Chapter 5

ECONOMIC DEVELOPMENT

The purpose of the Plan's economic-development component is to analyze the local economy for strengths and weaknesses. This chapter is intended to be an overview of the key economic-development indicators in the County.



Economic development is vital to the future of any community. It requires many facets of planning and efforts that seek to improve the economic well-being and quality of life for a community by creating and/or retaining jobs and supporting or growing incomes and the tax base.

The key economic-development indicators are population; personal income and wages; current household income-distribution, poverty, and education; sources of employment; and housing affordability. There is data publicly available on government websites; it represents the data most frequently used by federal, state, and private agencies.

In its broadest sense, policies of economic development encompass three major areas:

- Meeting broad economic objectives such as price stability, high employment, and sustainable growth. Such efforts from local government include monetary-and-fiscal policies and tax policies.
- Programs that provide infrastructure and services such as highways, parks, affordable housing, crime prevention, fire protection, and K-12 education. Such programs include Impact Fees (per Idaho Code §67-8202) for new commercial and residential development.
- Job creation and retention through specific efforts in marketing, neighborhood development, workforce development, small business development, business attraction, business retention and expansion, technology transfer, and real estate development. This third category is a primary focus of economic-development professionals.



INDUSTRY SECTORS

Industry Sectors are the categories of employment that local, state, and federal statistics are based on. Workplaces are classified into industries based on their principal product or activity. The State of Idaho lists 15 sectors, while each county may vary in the sectors they have or report on. For instance, the state groups agriculture with forestry,

fishing, and hunting while Jerome County only addresses agriculture. While most sectors are self-explanatory, examples of "other services" might include vehicle, household or commercial equipment repair and maintenance, as well as personal care, and social organizations. The report showing average employment and wages is found at www.labor.idaho.gov.

Sectors addressed by the Idaho Department of Labor in Jerome County are as follows:

- Agriculture
- Mining
- Construction
- Manufacturing
- Trade, Utilities, and Transportation
- Information
- Financial Activities
- Professional and Business Services
- Educational and Health Services
- Leisure & Hospitality
- Other Services
- Government

Jerome County Industry Sectors

The largest industry-sector percentage as reflected in Appendix A: 5-1 is in agriculture, which is mostly attributed to the growth in the dairy industry over the 25-year period from 1993 to 2018. Manufacturing was second in line with a substantial increase for the same period. This was most likely due to the growth in cheese, milk, milk powders, and cheese powders in Jerome. Supporting industries have increased in correlation to the growth in agriculture. The next highest is transportation and utilities--largely a result of dairy industry growth. Proximity to the major corridors of Interstate 84 and U.S. Route 93 has influenced the transportation industry.



Currently, there are almost 20 employers in the County with more than 100 employees. The mix has changed since 1993 with new companies adding diversity to the economic base.



Source: Idaho Department of Labor – Quarterly Report – June 2018
<http://labor.idaho.gov/publications/lmi/pubs/JeromeProfile.pdf>

FOCUS AREAS

A high quality of life depends on economic activity and the opportunities for meaningful work. Jerome County must successfully maintain and attract commerce and industry essential for the County's economic well-being. To ensure economic vitality, Jerome County must continue to encourage diversified growth and promote

business opportunities to create jobs, broaden the tax base, and minimize the impact of economic fluctuations. The following paragraphs highlight particular focus areas for the future economic vitality of Jerome County.

Employment

Agricultural employment has grown number wise and as a share of total industry. It is the base industry of Jerome County and the region. It is the single largest employment sector in the local economy. The agricultural sector continues to grow its share of the total jobs nationally and numerically but Jerome is counter-intuitive from the national trend. It has grown its goods-producing sectors over the last 25 years, and the number of jobs continues to trend upward.

Unemployment Rate

Jerome County's unemployment rate was on a downhill slide during the period of expansion in the dairy industry, which spanned the 1980's into the early part of the 21st Century when the "Great Recession" impacted the nation. The County's unemployment rate is currently at its lowest in the last ten years. The most recent seasonally adjusted unemployment rate for Jerome County was 2.4 percent (about 297 unemployed persons) as of May 2018. Current unemployment statistics are located in Appendix A: 5-2. <http://labor.idaho.gov/publications/lmi/pubs/JeromeProfile.pdf>

Labor Force

Jerome County's labor force increased from about 9,800 in 2007 to slightly more than 12,000 in 2018. Labor force information can be found in Appendix A: 5-2. <http://labor.idaho.gov/publications/lmi/pubs/JeromeProfile.pdf>



Per Capita Income

Jerome County's per capita income increased from about \$29,197 in 2007 to slightly more than \$36,000 in 2016 (Appendix A: 5-3). Per capita income may be used as a means of evaluating the living conditions and quality of life in different areas. The figure is also useful in assessing an area's affordability. It can be used in conjunction with data on real estate prices, for instance, to help determine if average homes are out of reach for the average family. <http://labor.idaho.gov/publications/lmi/pubs/JeromeProfile.pdf>

Educated Population



The County's most valuable asset is its people. The economic success of Jerome County is directly related to how well the County invests in its current workers and the young people who will be the future workforce.

Employees must have ongoing access to opportunities for upgrading their knowledge and skills. Investing in ongoing training for the current workforce will result in a larger number of productive workers and a more creative, innovative, and satisfied workforce.

Housing

A variety of housing types, locations, and prices is an important element for attracting new members of the workforce and also for the retention of the current workforce. There is more information in the Housing chapter of this plan.

Recreation and Tourism

Recreational opportunities and tourism are more and more a part of the talent attraction for jobs. With our 2.4 percent unemployment rate, any significant economic-development will require the recruitment of workforce and the attraction of millennial staff. More on tourism and recreation is contained in the Tourism, Parks, & Recreation chapter of this plan.

ECONOMIC DEVELOPMENT SUPPORT

In 2013, the City and County of Jerome, along with 20 business leaders in the valley, formed Jerome 20/20, Inc. It is a unique organization focused on economic development for the City and County of Jerome. In its marketing, Jerome 20/20, Inc. emphasizes the following key attributes:

- Business Friendly Leadership
- Year-round Recreation and Scenic Beauty
- Favorable Business Climate—City and County
- Low Cost Energy and Operating Costs
- Affordable Land with Rail Service
- Affordable Cost of Living
- Interstate I-84 and U.S. Route 93 Corridor – a Total of Six I-84 Exits
- Skilled and Dedicated Workforce Along with Workforce Training from the College of Southern Idaho

Idaho Commerce is the lead economic-development agency for the State of Idaho--offering and assisting businesses with tax incentives, grants, business development, community development, and many other services.

Southern Idaho Economic Development Organization (SIEDO) works to promote economic development through expansion of existing businesses and to attract new businesses to the region. SIEDO works closely with businesses and the communities of Buhl, Burley, Camas County, Fairfield, Filer, Glens Ferry, Gooding, Gooding County, Hansen, Heyburn, Jerome, Jerome County, Lincoln County, Murtaugh, Paul, Rupert, Shoshone, Twin Falls, Twin Falls County, and Wendell to diversify and strengthen the local economy.