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**Resolution No. 23-42**  
**Adopting an Amendment to The Bonner County**  
**Comprehensive Plan Regarding the Economic Development**  
**Component**  
**File #AM0008-23**

**BONNER COUNTY BOARD OF COMMISSIONERS  
RESOLUTION 2023 -**

**Adopting an Amendment to  
The Bonner County Comprehensive Plan  
Regarding the Economic Development Component  
Bonner County Planning Department File AM0008-23**

**Whereas**, Bonner County, pursuant to Idaho Code §67-6508 and §67-6509, did adopt a Comprehensive Plan by resolution of the Board of County Commissioners on July 21, 1978, recorded at Instrument #202678, Bonner County records; and

**Whereas**, Bonner County did adopt an amendment to the Comprehensive Plan with the adoption of the Economic Development component (Resolution #02-34, recorded on May 31, 2002 at Instrument #602167 in Bonner County records), and

**Whereas**, Bonner County desires to update its comprehensive plan by amending the Economic Development component; and

**Whereas**, the Bonner County Planning Commission did hold a duly noticed public hearing on April 18, 2023 on the proposed amendment to the Economic Development component, and did recommend approval of the amendment to the said component; and

**Whereas**, the Board of County Commissioners did hold a duly noticed public hearing on May 24, 2023, on the proposed amendment to the Bonner County Comprehensive Plan regarding the Economic Development component;

**Now, therefore be it resolved** by the Board of County Commissioners of Bonner County, Idaho, that the Economic Development component adopted by the Commissioners at Resolution #02-34, recorded on May 31, 2002 at Instrument #602167 in Bonner County records is hereby repealed in its entirety and replaced by a new Economic Development component that is hereby adopted by the resolution of the Board of County Commissioners, Bonner County;

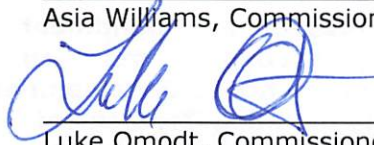
**Be it further resolved** that, pursuant to Idaho Code, Section 67-6509(c), a copy of this resolution and the accompanying Economic Development component shall be kept on file with the Bonner County Clerk and that, with the recording of this document in the records of Bonner County, Idaho, Section 67-6509(c) of the Idaho Code is fulfilled.

Adopted as a resolution of the Board of County Commissioners of Bonner County, Idaho, done this May 24, 2023 upon a majority vote.

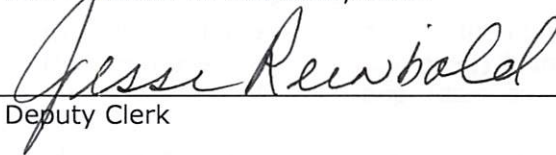
**BONNER COUNTY BOARD OF COMMISSIONERS**

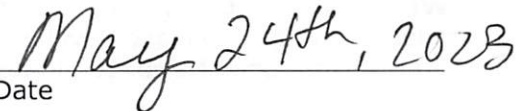
  
\_\_\_\_\_  
Steve Bradshaw, Chairman


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Asia Williams, Commissioner

  
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Luke Omodt, Commissioner

ATTEST: Michael W. Rosedale, Clerk

  
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By Deputy Clerk

  
\_\_\_\_\_  
Date

Legal:   
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## **Bonner County Planning Department**

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## **BONNER COUNTY COMPREHENSIVE PLAN**

**COMPONENT: ECONOMIC DEVELOPMENT**

**ADOPTED UPDATE: MAY 24, 2023**

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## **Introduction**

Bonner County's economy is highly integrated across the rural portions of the county and the several incorporated cities in the county. A couple examples illustrate this level of integration:

- While only about 28% of the county's residents live in one of the incorporated cities, in 2019 nearly half of all jobs in the county were located in one or more of these incorporated cities.
- While nearly half of the jobs are located in the incorporated cities, only about 20% of those who work in Bonner County lived in one or more of these incorporated cities.

Given this level of economic integration across the county as a whole, the economic development component addresses the overall economy of the county without attempting to describe the economy of the rural portion of the county separately from the incorporated cities.

# Chapter 1 - Labor Force Demographics

Table 1 highlights key characteristics of Bonner County’s demographics as they relate to the labor force.

With respect to age, Bonner County’s population is, on average, significantly older than both Idaho overall as well as in comparison with the United States. Bonner County has become an attractive retirement destination for many, which is no doubt the driving force behind this statistic.

*Table 1 Bonner County: Demographic Characteristics*

	<b>BONNER COUNTY</b>	<b>%</b>	<b>STATE OF IDAHO</b>
<b>Total Population</b>	<b>49,491</b>	<b>100%</b>	<b>1,900,923</b>
<b>Sex</b>			
Male	25,042	50.6%	50.1%
Female	24,449	49.4%	49.9%
<b>Age</b>			
Median Age	47.9	-	36.6
Under 5 Years	2,326	4.7%	6.0%
Under 18 Years	9,651	19.5%	24.7%
Between 18 & 65 Years	24,696	49.9%	74.7%
Over 65 Years	12,818	25.9%	16.6%
<b>Educational Attainment (25 Years and over)</b>			
High School Graduate or higher		91.5%	91.3%
Bachelor's Degree or higher		26.6%	28.7%
Graduate or Professional Degree		0.0%	6.1%
<b>Median Household Income</b>	<b>\$51,594</b>		<b>\$58,915</b>

Table 1 also shows the educational attainment of county residents over the age of 25. It should be noted that the data on educational attainment include those age 65 and older, so it may not provide an accurate reflection of the educational attainment of the active workforce. A more detailed breakdown of educational attainment only for those in the workforce would be useful to develop a better understanding of the county’s economic potential.

# Chapter 2 - Labor Force Employment Trends

Figure 1 shows the 5-year trends in both the size of the overall labor force in the county, as well as the total number employed. Both numbers show a 16% growth over this time period.

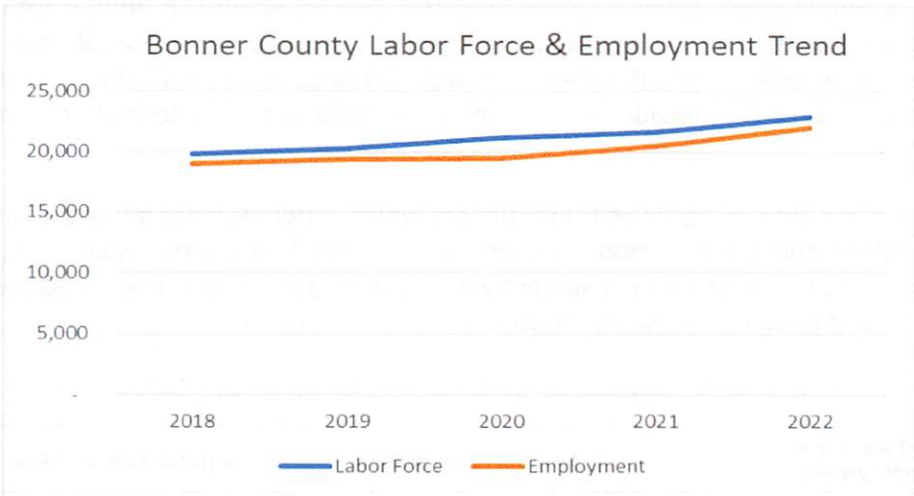


Figure 1 Bonner County Labor Force and Employment Trend

Source: Idaho Dept. of Labor – Local Area Unemployment

Figure 2 shows the seasonally- adjusted unemployment rate for the county. The peak that occurred in 2020 was obviously an anomaly driven by the COVID pandemic. In general, the unemployment trend pattern tracks with that of Idaho and the United States overall. However, Bonner County's unemployment rate is consistently higher than the state overall.

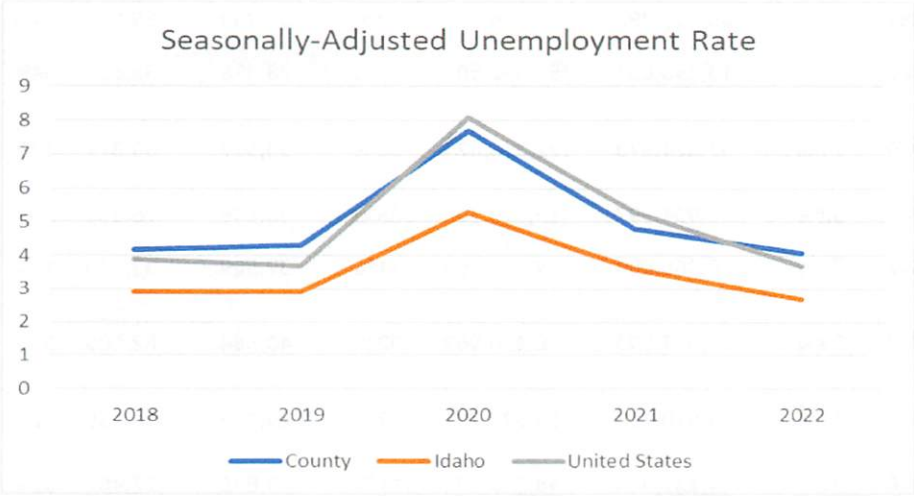


Figure 2 Bonner County: Seasonally Adjusted Unemployment Rate

Source: Idaho Dept. of Labor – Local Area Unemployment



## Chapter 3 – Key Economic Sectors and Employers in Bonner County

Table 2 shows the total wages paid in the County by industry in 2011 and 2021. For the overall economy, the annual average employment grew by 22% over this period, while the annual total wages grew by 69%. The largest growth in annual average employment was observed in the following three sectors – Construction, Information and Education & Health Services industries. The largest growth in the total annual wages over the decade was observed in Construction, Information and Leisure & Hospitality industries.

The fastest growing sector over this time period was Construction, which is perhaps not surprising in light of the significant population and building boom experienced during this period. Historically Bonner County has had periods of other high growth sectors where Information Technology, Leisure & Hospitality, and Professional and Business Services showed substantial growth.

*Table 2 Bonner County: Annual Avg. Employment, Annual Total Wages and Annual Avg. Pay (2011-2021)*

Industry	Annual Average Employment			Annual Total Wages			Annual Average Pay		
	2011	2021	% Inc.	2011 (Dollars)	2021 (Dollars)	% Inc.	2011 (Dollars)	2021 (Dollars)	% Inc.
Total, all industries	12,552	15,302	22%	393,311,508	663,674,554	69%	31,335	43,372	38%
Goods-producing	2,867	3,668	28%	100,759,292	188,244,014	87%	35,145	51,319	46%
Natural resources and mining	360	389	8%	15,909,740	21,198,074	33%	44,235	54,529	23%
Construction	648	1,198	85%	18,335,670	52,571,170	187%	28,318	43,870	55%
Manufacturing	1,860	2,081	12%	66,513,882	114,474,770	72%	35,763	55,010	54%
Service-providing	7,383	9,208	25%	213,298,057	355,905,505	67%	28,890	38,651	34%
Trade, transportation, and utilities	2,770	3,079	11%	92,824,570	121,210,474	31%	33,517	39,371	17%
Information	172	262	52%	6,994,397	19,979,705	186%	40,586	76,331	88%
Financial activities	506	642	27%	18,966,804	34,314,188	81%	37,509	53,470	43%
Professional and business services	710	944	33%	29,027,893	58,496,969	102%	40,884	62,000	52%
Education and health services	1,141	1,564	37%	33,810,709	56,530,721	67%	29,626	36,135	22%
Leisure and hospitality	1,672	2,180	30%	23,131,836	48,846,204	111%	13,835	22,407	62%
Other services	412	538	31%	8,541,848	16,527,244	93%	20,716	30,706	48%

**Source:** QCEW Data Files: U.S. Bureau of Labor Statistics

## Percent Increase in Annual Avg. Employment, Wages and Pay (2011-2021)

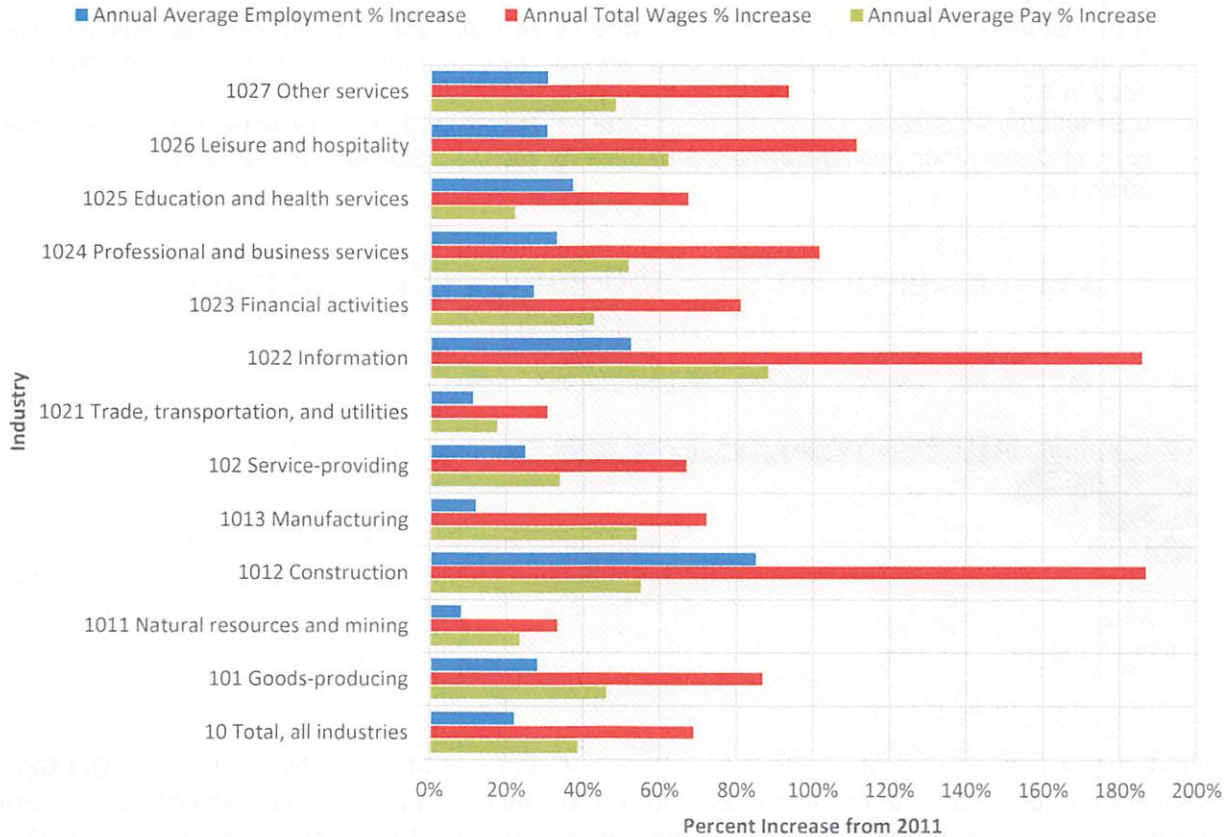


Figure 3 Bonner County: Annual Average Employment, Annual Total Wages and Annual Average Pay - Percent Increase (2011-2021)

Most business establishments in Bonner County are small firms. Table 3 shows that over 80 percent of all businesses have fewer than 10 employees, and that proportion has been consistent over the past several years as the total number of businesses has grown by about 5%.

Table 3 Bonner County: Number of Establishments by Establishment Sizes (2018-2020)

<b>ESTABLISHMENT SIZE</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Establishments with less than 5 employees	1099	1106	1155
Establishments with 5 to 9 employees	266	272	298
Establishments with 10 to 19 employees	163	161	157
Establishments with 20 to 49 employees	76	73	81
Establishments with 50 to 99 employees	20	25	22
Establishments with 100 to 249 employees	13	15	16
Establishments with 250 to 499 employees	4	3	3
<b>Establishments of all sizes</b>	<b>1642</b>	<b>1656</b>	<b>1733</b>



**Sources:**

- (CB2000CBP: All Sectors: County Business Patterns, Including ZIP Code Business Patterns, by Legal Form of Organization and Employment Size Class for the U.S., States, and Selected Geographies: 2020 - Census Bureau Table, n.d.)
- (CB1900CBP: All Sectors: County Business Patterns, Including ZIP Code Business Patterns, by Legal Form of Organization and Employment Size Class for the U.S., States, and Selected Geographies: 2019, n.d.)
- (CB1800CBP: All Sectors: County Business Patterns, Including ZIP Code Business Patterns, by Legal Form of Organization and Employment Size Class for the U.S., States, and Selected Geographies: 2018, n.d.)

### Percentage of Total Establishments by Establishment Size (2020)

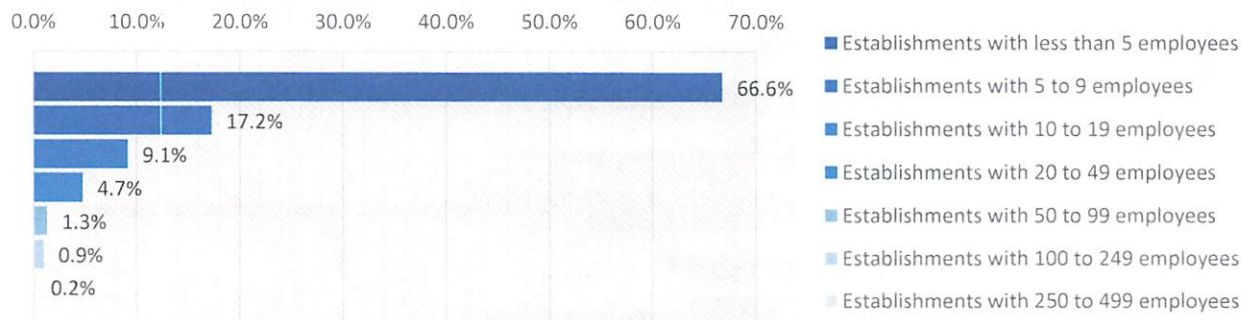


Table 4 shows the ten largest employers in Bonner County as of 2021. As shown, 3 of the top ten employers are local government agencies, with the balance being private companies from a variety of sectors. It is worth noting that three of the top ten are from the manufacturing sector, with two of those in the relatively high-technology fields of aircraft manufacture (Kodiak) and electronic components (Encoder Products).

*Table 4 Bonner County: Top Employers, 2021*

TOP EMPLOYERS, 2021		
Employer	Ownership	Employment Range
Lake Pend Oreille School District	Local Government	500-999
Litehouse	Private	250-499
Bonner General Health	Private	250-499
Bonner County	Local Government	250-499
Schweitzer Mountain Resort	Private	250-499
Wal-Mart	Private	250-499
West Bonner County School District	Local Government	100-249
Kodiak	Private	100-249
Idaho Forest Group	Private	100-249
Encoder Products	Private	100-249

Source: Idaho Department of Labor - Quarterly Census of Employment Wages

**Source:** Idaho Department of Labor

## Chapter 4 – Commuting Patterns

Figure 4 shows an overall view of commuting patterns in Bonner County in 2019. Approximately 10,500 people both live and work in Bonner County. About 4,200 people commute into Bonner County from the surrounding area to work in the county. Conversely, about 6,500 people commute from Bonner County to work in the surrounding area.

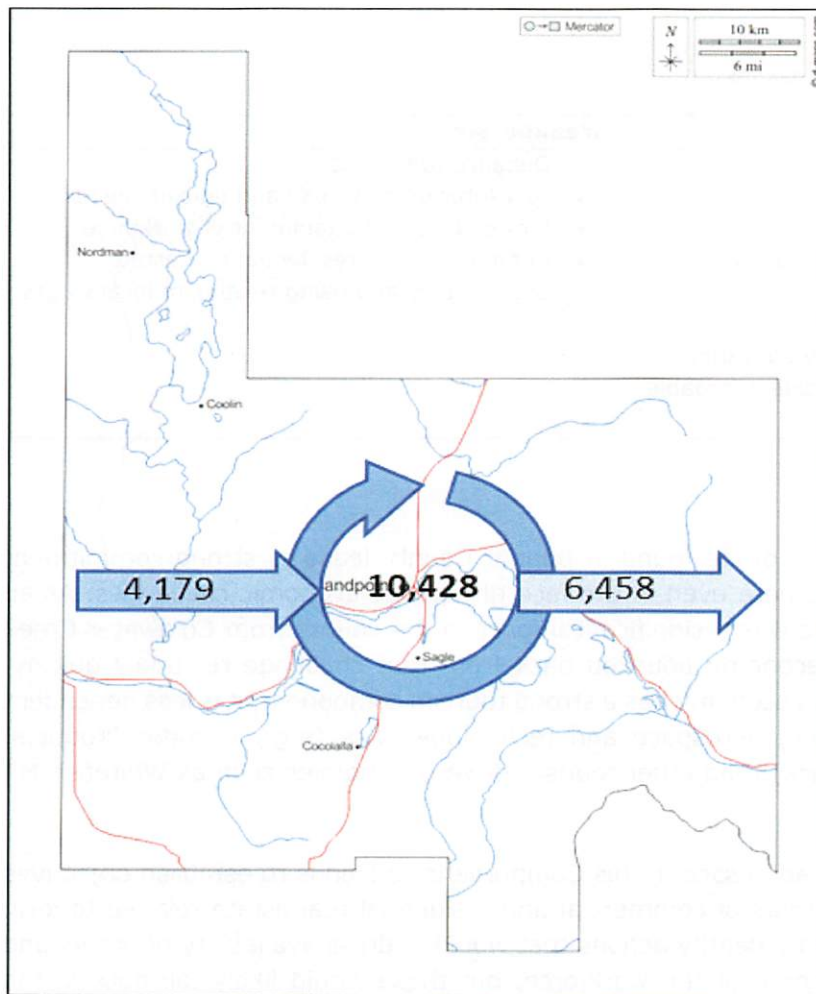


Figure 4 Bonner County: Commuting Pattern

Source: U.S. Census Bureau

## Chapter 5 – Strengths and Challenges Facing the Bonner County Economy

In their 2015 Report *Bonner County: Idaho’s Resilient Economy* Headwaters Economics identified the following strengths and weaknesses of the Bonner County economy. Their analysis was based on a comparison with other similar communities in the West which included McCall ID, Whitefish MT, Redmond OR, and Ashland OR.

*Table 5 Bonner County: Strengths and Weaknesses*

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>• Manufacturing size and breadth</li> <li>• Growing advanced industries</li> <li>• Consistent tourism draw</li> <li>• Residents’ commitment to the community</li>   <li>• High quality of life</li> <li>• High quality primary and secondary education</li> <li>• Commercial and residential real estate affordable relative to urban areas</li> </ul>	<ul style="list-style-type: none"> <li>• Distance to markets</li> <li>• Low Internet download and upload speeds</li> <li>• Low educational attainment of workforce</li> <li>• Commercial and residential real estate unaffordable and rising relative to local wages</li> </ul>

**Source:** Headwaters Economics

The study noted that the high quality of life found in Bonner County leads to strong commitment from its residents to continue to live here even in the face of periodic economic challenges. As an example, they noted that while there was a significant impact to the county from Coldwater Creek going out of business, the overall economy bounced back from that challenge relatively quickly. Further, even though Bonner County’s economy has a strong tourism component, it is less dependent on tourism due to its manufacturing, aerospace and technology base (e.g., Encoder Products, Kochava, Kodiak, Litehouse, Tamarack) than other tourism driven economies such as Whitefish MT and McCall ID.

The primary challenge that could be addressed in this Comprehensive Plan is to establish objectives and policies that address the rising costs of commercial and residential real estate relative to local wages. The county may also be able to identify actions that would address availability of broadband Internet and the educational attainment of the workforce, but these would likely fall outside the domain of land use policy, and therefore would not be addressed in this Comprehensive Plan.

## **Chapter 6 – Summary of Economic Development Policies from Sub-Area Plans**

When we began this update of the Comprehensive Plan, we began by drafting Goals, Objectives and Policies that were drawn from the five sub-area Plans developed by citizen driven committees over the prior several years. In light of that approach, it's appropriate to include a brief review of the policies found in those sub-area plans since these were the foundation for the policies we have recommended.

- Four of the five sub-area plans included an economic development section. In each of those plans specific policies were included, and there was a good degree of commonality across all four. The following is a summary of those policies recommended in multiple sub-area plans.
- New businesses should be located in such a way to cluster commercial and industrial uses in common areas vs. dispersing them throughout the county. Suggested criteria for evaluating where new commercial and industrial uses should be located included: areas with existing commercial/industrial uses, areas adjacent to primary transportation corridors, within Areas of City Impact (ACI), and in areas currently designated for such uses.
- All the sub-area plans recommended policies that would mitigate the impact of commercial and industrial uses on the surrounding area. Examples of mitigation techniques include: appropriate site sizes, use types, landscaping, buffering and establishment of design standards which mitigate emissions of noise, light, glare, smoke, odor, dust, particulate matters, vibrations, traffic.
- Another common theme was the recommendation to establish policies that allowed for home occupation and small cottage industries. The sub-area plans suggested such uses should be allowed in most if not all land use designations while also establishing standards that mitigate potential impact on the surrounding neighborhood.
- Several sub-area committees recognized the high value of Bonner County's rural character and high quality of life, and specifically highlighted the positive impact these features have on business development, retention and economic growth. They recommended that policies should be implemented to ensure those positive characteristics of the county are maintained into the future.
- Several plans recommended policies specifically designed to foster specific economic segments that have historically been a significant part of the county's economic base, including agriculture, timber, mining, and recreation.