

**Draft for 2/4/2020 Meeting**  
**Economic Development**

This chapter component includes an analysis of the economic base of the Priest Lake Area including employment, industries, economies, jobs, and income levels.

**Existing Conditions:**

Due to the unique boundary extents of the PLA, data specific to this area was difficult to obtain. Although the PLA boundary incorporates a portion of the Priest River zip code area, an examination of the economic conditions measured in this area did not align with the economic opportunities in the heart of the Priest Lake Area due to the fact that the data includes the incorporated city of Priest River. To get a more in depth look at the local conditions of the PLA, a study conducted for the Nordman zip code area indicated an economic base associated with public land access, a closer match to the opportunities available in the Priest Lake Area as a whole. According to economic modeling group, EMSI, numbers show that the top three industries for the Nordman area are local government jobs, residential building construction and civilian federal government work. To provide further backing for this succinct subset of data, it was compared to the economic base for the entirety of Bonner County. According to the Idaho Department of Labor, construction based jobs have become an economic foundation for Bonner County due to the county's ever growing population and tourist base [Idaho Department of Labor, *Workforce Trends*, November 2019].

Likewise, being surrounded by the diverse natural landscape of the Idaho Panhandle National Forest, and due to its prominent geographic location, the economic base of the area shares a distinct relationship with the public lands that surround it. From the southern border of the PLA boundary, a scenic 16 mile drive leads visitors to the waters of Priest Lake. Along the Highway 57 corridor, a visual inventory guides travelers to resorts, marinas, food establishments, and recreation based businesses. These local establishments, combined with the many government jobs associated with the management of locally abundant public lands, provide the primary economic base for the PLA.

**Seasonal Employment Factors:**

Since forest-related activities and summer tourism all play major roles in the Priest Lake Area, employment peaks in late summer and decreases in the winter months. These patterns associated with tourism have influenced the types of businesses that are able to flourish within a seasonally based population. Many local businesses close for the early spring months during winter road break-up, whereas others reduce their hours of operation after the summer tourists leave. These fluxes influence unemployment statistics. For example, unemployment peaked at 5% in early 2019 and fell to 3.9% by late summer [American Community Survey (ACS), *United States Census Bureau*, Retrieved February 3,

2020]. These seasonal employment opportunities also bring challenges associated with workforce housing. Many resorts report having a challenging time finding workers due to a lack of local rentals. [Can we quote Teri here? This seems to be a known fact amongst the community. Quantify?]

**Not covered...yet:**

Work Destination {This could be significant information- where are people (mostly) working - in PLA or other area? Commute distance.}

Cottage Industries: [We didnt talk about home businesses, but these seem important to mention]

Agriculture: [already allowed outright in current comp plan, but we can mention in this component too. What sort of ag jobs are there in the PLA?]

## **Future Conditions**

There is a historic relationship between public land and the Priest Lake Area. While the culture of this relationship may mean something different from one person to the next, there is no escaping the integral relationship between public lands and its influence on the local community. In forecasting the future of economic development in the area, it became clear that maintaining the quality of all natural resources is an essential economic development strategy for the PLA. While economic opportunities are important to the community, one unwavering principle is that future economic development shall not degrade the condition of the PLA's current air, water, open spaces, and natural areas for recreation that contribute to a healthy community. Economic development must take into account the viability of future recreational opportunities that have thus far enriched the lifestyle and wellbeing of residents.

## **Economic Development Strategies**

In planning for future economic development,, it became apparent that there are four main economic development strategies that guide the conversation about future development in the area. Below is a list of priority economic development strategies policy makers shall take into account when planning for any future economic development within the PLA.

1. Protect the natural environment.
2. Diversify housing and provide opportunities for workforce housing.
3. Expand local communication services- (communication towers & internet service providers)
4. Maintain the local community character (achieved through three main avenues: encourage family oriented businesses, identify appropriate locations and sizes for future ED, and maintain the look and feel of a small town with rural character.

## Goals & Policies:

1. Ensure development is occurring in areas that residents deem necessary and appropriate to maintain a high quality of life in residential areas.
2. Policies shall support home occupations and small start-up businesses that allow for local employment opportunities.
3. Policies shall provide options for workforce housing.
4. Development standards for all Commercial & Light Industrial facilities shall minimize specified conditions with respect to emissions of noise, light, glare, smoke, odor, dust, particulate matters, vibrations, traffic, and hours of operation.
5. Policies shall address the impact of commercial and industrial development on natural resources.
6. Designated scenic byways and their natural views shall be preserved and protected when considering commercial and industrial development.

