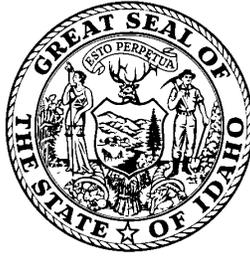


**DIRK KEMPTHORNE**  
GOVERNOR



**Karen A. McGee**  
Chair

**Steve Ahrens**  
Vice Chair

## **WORKFORCE DEVELOPMENT COUNCIL**

317 W. Main Street  
Boise, ID 83735-0790

### **TRANSMITTAL #3**

### **MEMORANDUM**

**January 14, 2003**

**TO:** Workforce Development Council

**FROM:** Allison McClintick, Labor Policy Advisor, Office of the Governor

**SUBJECT:** Report on Idaho Rural Development

**ACTION REQUESTED:** Information only.

#### **BACKGROUND:**

Attached is a brief summary of the accomplishments of Governor Kempthorne's Rural Initiative this past year. Cliff Long, Manager of Business Development for the Idaho Department of Commerce, will make a presentation on the Rural Idaho Initiative at the Council meeting on January 14, 2003.

Attachment

Contact: Cliff Long (208) 334-2470

## Overview

Shortly after taking office, Governor Dirk Kempthorne charged a 63-member task force with developing a series of recommendations for strengthening rural Idaho's economy. Led by Pete O'Neill (Boise), Con Paulos (Jerome), Kenlon Johnson (Idaho Falls) and Steve Meyer (Coeur d'Alene), the group recommends that Idaho increase its investments in five areas: leadership/governance, telecommunications, education/labor force development, infrastructure/public facilities and economic development. With the support of the Idaho Legislature, the following programs are underway:

### RURAL ECONOMIC DEVELOPMENT GRANTS

Idaho cities and counties have access to \$3 million in state funds each year for public facility improvements necessary for job creation and business expansion. Communities are selected based on local economic conditions, project readiness and number of jobs created. So far, 17 grants totaling \$5,839,180 are being used to help create more than 500 jobs in communities throughout the state.

#### 2001

Community	Project	Amount	Jobs
Cascade	Ashley's Inn	\$406,520	30
Council	Industrial Park Phase II	\$489,124	22
Mackay	Industrial Park	\$186,000	29
Shoshone County	TSI/Industrial Park	\$115,336	56
St. Anthony	ML Technologies	\$500,000	50
Sandpoint	Litehouse Foods/Downtown	\$300,700	41
Salmon	Industrial Park	\$500,000	50
Firth	Downtown Redevelopment	<u>\$500,000</u>	<u>20</u>
<b>Total:</b>		<b>\$2,997,680</b>	<b>298</b>

#### 2002

Community	Project	Amount	Jobs
New Plymouth	Industrial Park	\$245,000	30
Shoshone County	Golf Course	\$500,000	30
Hagerman	Downtown Improvements	\$220,000	15
Idaho County/Elk City	Business Expansion	\$340,000	18
Rupert	Idahoan Foods	\$345,000	74
Rupert	Project Mutual Telephone	\$ 50,000	14
Shoshone	Rocky Mountain Hardware	\$141,500	10
Bonneville County	Grupo Modelo	\$500,000	25
Bonneville County	Anheuser-Busch	<u>\$500,000</u>	<u>10</u>
<b>Total:</b>		<b>\$2,841,500</b>	<b>226</b>

## RURAL ECONOMIC DEVELOPMENT PROFESSIONALS

Governor Kempthorne awards \$500,000 to 12 areas of the state each year to fund local economic development professionals. These specialists work on local business retention, expansion and economic diversification. To date, 37 existing businesses have expanded and another 40 firms have started up as a result of their efforts.

County Partners	Professional	Phone
Boundary	Robin Ponsness	267-0352
Shoshone	Vince Rinaldi	752-5511
Clearwater	Tim Rubio	476-9829
Idaho, Lewis	Shaun Maxey	983-1025
Valley, Boise (northern)	John Blaye	382-7194
Adams, Washington	Lisa Wolfe	414-1906
Payette	Steve Chapman	642-0500
Gem	Morris Huffman	365-4743
Gooding, Lincoln, Jerome	James Scott	837-4522
Franklin, Oneida, Bear Lake, Caribou	Richard Westerberg	852-0653
Clark, Fremont	Peter Gladstone	624-1298
Lemhi, Custer	Replacement Pending	756-3214

## GEM COMMUNITY IMPLEMENTATION GRANTS

Designed to allow local communities to meet their economic development goals, nine grants totaling \$378,100 are being used by Gem Communities for job creation projects. The Gem Community Program continues to provide technical assistance to communities that wish to organize local economic development efforts, however, the grant element has been eliminated due to budget cuts.

### 2001

Community	Project	Amount
Dubois	Downtown Improvement	\$50,000
Leadore	Equestrian Events Center	\$50,000
McCall	Holiday Inn Express / Pancake House	\$50,000
Pierce	Downtown Improvement	\$50,000
Washington County	Industrial Park Planning / Infrastructure	\$18,100
Adams County	Sirilli Entrepreneurship Contract	\$50,000
Fairfield	Industrial Park Plan / Infrastructure	\$50,000
Hagerman	New Grocery Store / City Parking	\$50,000
Kamiah	Camas Railroad	\$10,000

## RURAL INCENTIVES/TAX CREDITS

Several incentives were passed in 2001 to improve economic conditions in rural Idaho:

- Workforce Development Training Fund – expanded to meet the needs of rural Idaho
- 3% Broadband Investment Tax Credit for qualified equipment expenditures
- Rural Investment Tax Credit – expired at the end of 2001

## FOR DETAILS ON THE RURAL IDAHO INITIATIVE, CONTACT:

Idaho Department of Commerce  
 Division of Rural and Community Development  
 PO Box 83720  
 Boise, Idaho 83720-0093  
 Phone: 208-334-2470  
 Fax: 208-334-2631  
[www.idoc.state.id.us](http://www.idoc.state.id.us)