

OUTLOOK

ECONOMIC DEVELOPMENT IN SOUTHERN IDAHO

AREA'S ECONOMY REMAINS HEALTHY

Economic factors for the Magic Valley continue to demonstrate the area's strong performance despite recessionary tendencies both nationally and statewide. The Magic Valley's combined unemployment rate for August 2003 was an impressive 3.8 percent, well below the national average of 6.1 and the state of Idaho's 5.7 rate for this same time period. Twin Falls County had the lowest August unemployment rate in Idaho, 3.6 percent.

The area also experienced a large increase in Civilian Labor Force year-over-year with a 10.8 percent gain, an important factor impacting the healthy unemployment rate.

"This economy continues to stay strong, vibrant and steady," said Jan Rogers, executive director of Southern Idaho Economic

Development Organization. "As we continue to diversify our economy and maintain — even grow — our employment base, we expect to end another year as one of the strongest economic regions in the state."

Many sectors showed outstanding growth in the past year, according to Greg Rogers, the Idaho Department of Labor's regional labor economist for the Magic Valley. "Construction had a strong 9.2 percent increase thanks to brisk residential and business construction," he said. "Twin Falls is on record pace for new housing starts. And, manufacturing increased 8.9 percent with food processing as the main driver in the upswing. 2003 will surely be another impressive economic year for the Magic Valley."

JOB-CREATION SUPPORTED BY \$1.4 MILLION IN GRANT FUNDS

Creating and supporting job growth in Southern Idaho is serious business. With \$1.42 million in hand thanks to the support of over 70 private investors, new and expanding businesses who add base-industry jobs may tap into these available funds. This program is unique in Idaho largely because of it's 100 percent support by private investment and because grant monies go directly to businesses for job creation.

In September 2002, Business Plus III began as a seamless fundraising

extension effort of Business Plus II, a similar five-year operation that raised \$1.6 million and created more than 900 jobs in the area. Like its predecessor, Business Plus III will primarily focus on job development, business retention,

expansion, attraction and recruitment. This campaign will be led and managed by board members representing all six Magic Valley counties - Twin Falls, Jerome, Buhl, Gooding, Minidoka and Cassia. This will be a collaborative



Where We Are...

As we embark on our third year of operation, we've had an opportunity to review past successes of last year and determine SIEDO's focus for 2003-2004. Our marketing and public relations accomplishments surpassed last year's level while several new business leads were generated.

Over 20 articles appeared in 12 regional/national publications and 78 newspaper articles referenced SIEDO. This exposure further establishes Southern Idaho as a vibrant region offering a competitive environment where industry can prosper. And these "third party" endorsements — including several bylined articles we were asked to author for trade publications — provide substantial credibility for our region.

Numerous active business leads were generated last year that resulted in several site visits to Southern Idaho and several businesses completed or will complete expansions to their operation. Visits to SIEDO's web site increased substantially, generating some of those business leads.

In our third year, we will continue to build upon past successes, work to reach new audiences and support economic development efforts of local businesses and the region as a whole.

Sincerely,

Jan Rogers
Executive Director

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About Us

The Southern Idaho Economic Development Organization (SIEDO) was formed in June 2001 as a joint venture of public and private sectors to help diversify and strengthen the local economies of Twin Falls, Jerome and Mini-Cassia. SIEDO: Builds support within the community for economic development and marketing programs; promotes retention and expansion of existing firms; implements a focused, cost-effective marketing plan to attract new firms to the southern Idaho area; and stimulates new startups.

SIEDO positions the southern Idaho area as a highly desirable location for corporate executives and site consultants to consider. New businesses will also be attracted via various marketing efforts targeting appropriate industries. An easy-to-use web site incorporating this new identity — www.southernidaho.org — allows anyone interested in learning about southern Idaho to access valuable information quickly and easily.

Visit our web site at
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(Job Creation continued)

effort of all six Chamber of Commerce's, the Southern Idaho Economic Development Organization (SIEDO), county/city economic development organizations, the College of Southern Idaho as well as private sectors throughout the Magic Valley.

Allocation of funds will be based primarily on the needs of that business

Kraft Foods In Rupert Expands

Last month, Kraft Foods in Rupert announced that they would begin production of a new cheese product this fall, adding up to 35 new jobs. And in mid September, Idaho Governor Dirk Kempthorne announced that this job growth would be supported with a \$105,000 Workforce Development Training Fund (WDTF) grant.

"This is terrific news for Kraft Foods-Rupert and our community," said Keitha Buckingham, Plant Manager. "In addition to bringing much needed jobs to the area, it also strengthens our plant's position among all Kraft facilities that manufacture cheese." Some additional seasonal workers will also be hired, she said.

PMT Opens New Facility

Project Mutual Telephone Cooperative (PMT) in Rupert has expanded into a new building just across the street from their main building, taking over a former Anderson Lumber building. The facility was recently renovated with a warehouse and garage added to give PMT an additional 6,000 square feet.

"You just can't replicate the convenience of this location," said PMT president and chief executive officer Charlie Creason. "With the Anderson Lumber building sitting there unoccupied, we knew it would just make sense to expand our operations there. This building now gives us a centralized location to receive

and secondarily, how that investment will benefit and effect the community. Small bridge loans may be made to businesses that need short-term financial support and there will be greater flexibility in funding criteria.*

*Business Plus II's "Take Note" newsletter - Fall 2003



The WDTF grant is funded by a three percent offset to employer Unemployment Insurance taxes and is administered by the Idaho Department of Commerce and Labor.* Since 1996, Idaho has been providing funds to company's to assist in training new employees and to take full advantage of specific economic opportuni-

ties and industrial expansion initiatives in the marketplace. It also allows for skills upgrade training of current workers. Funds are available for any size employer and are accessible for both urban and rural areas.

Kraft Foods-Rupert currently has approximately 80 employees and manufacturers Philadelphia brand cream cheese.

*South Idaho Press, 9/16/2003

orders and park company vehicles," he said. Previously, some technicians operated from a pole yard about three miles away.

PMT's purchase of this property and building further enhances and supports the business community in downtown Rupert. City officials agreed to help PMT with street repairs, sidewalks and curbs around the building. "The city was willing to go with us on an application with the Idaho Department of Commerce for an infrastructure grant," Creason said. The grant provided \$50,000 in funds with the city providing matching funds.*

*Minidoka County News, 7/30/03

BURLEY WILL BUILD NEW WASTEWATER TREATMENT PLANT

In order to accommodate the city of Burley's growing population and in hopes of attracting new businesses, Burley plans to have completed work on a state-of-the-art mechanical wastewater treatment plant by fall of 2006.

The city currently has two 40-acre lagoons to treat wastewater. In order to comply with EPA standards, Burley is under an obligation to build a plant that would meet new EPA NPDES (National Pollution Discharge Elimination Standards) permit requirements. In addition, a new plant was essential to attracting companies who required sufficient wastewater treatment facilities - such as food manufacturers and processors, milk/cheese processors and some light manufacturing.

So in 2000, Burley requested an \$18 million loan from the Department of

Environmental quality. The loan will be repaid from wastewater revenues approved in a revenue bond election earlier this spring. In addition, they asked voters to approve a \$7 million General Obligation Bond for additional capacity. This bond was also approved by a two-thirds majority vote.

DEQ has approved the loan secured by the revenue bond and \$4.9 million of the General Obligation Funds have already been issued allowing Burley to proceed in construction of the new plant. "Engineering of the plant will be completed in about eight months," said Mark Mitton, Burley city administrator. "After these plans are approved by the City Council, the project will go to bid and construction will begin in the fall of 2004 with operation of the new wastewater plant beginning in 2006."

CSI'S DR. BECK RECEIVES NATIONAL ACHIEVEMENT AWARD

The International Economic Development Council (IEDC) at their annual meeting in Cincinnati in September honored Dr. Jerry Beck, executive vice president and chief academic officer at the College of Southern Idaho for his achievements in continuing education.

Dr. Beck received the 2003 Richard Preston Award that honors an economic development practitioner who has demonstrated excellence in continuing education. This is the industry's most prestigious award.

"Dr. Beck has been a vital partner with the college in southern Idaho's economic development," said Rick L. Weddle, IEDC chairman. "Equally impressive, he has developed and implemented a highly tailored curriculum to support an aggressive economic development campaign."



CSI's Small Business Development Center that Dr. Beck helped to establish in 1987, has assisted thousands of entrepreneurs. He has also led efforts to diversify and strengthen the regional economy by creating — in partnership with private businesses — the Southern Idaho Economic Development Organization (SIEDO) where he currently serves as chairman of the board.

"What a great honor this is for The College of Southern Idaho," said Dr. Beck in accepting his award. "This two-year community college has — since its inception — been proactive and supportive in all efforts related to economic development in Southern Idaho's Magic Valley. So, I share this award with CSI and our visionary president, Jerry Meyerhoeffer."

Did You Know?

National Award Honors

SIEDO's marketing and public relations efforts have been supplemented by an award winning paid advertising campaign. The International Economic Development Council (IEDC) recognized SIEDO's ad campaign that promotes the region's commitment to business development while illustrating the areas balance of business and livability with two separate awards. The awards were presented by IEDC at its annual conference in September in Cincinnati. SIEDO was honored to receive these awards from IEDC, the world's largest economic development professional organization. In addition, SIEDO received an Honorable Mention by IEDC for this newsletter, *Outlook*.

Science & Technology Expo Coming for Kids

Getting kids interested in science and technology can't begin too soon. On October 13, over 1,500 Southern Idaho sixth graders will participate in the College of Southern Idaho's Science & Technology Expo. This is the first event of its kind in this area to spark the interest and further the education of sixth graders in science and technology. Students will get hands-on experiences and an introduction to the science workplaces of Southern Idaho and beyond. Representatives from dozens of Idaho businesses, agencies and industries will be featured. For further information, call 208-732-6290.

Large Real Estate Inventory

There are several large real estate properties available for new businesses or those considering expansion. Here's a quick rundown on the available inventory of significant properties. For more information on these properties, contact SIEDO at 208-324-7408.

Eastland Warehouse - Twin Falls

356 Eastland, Twin Falls
 Total Building Size 31,040
 Warehouse space -- 13,040 in bldg 1
 & 18,000 in bldg 2
 Office Size: 2,384 in bldg 1
 Construction Type: steel
 Year Built: 1975 with upgrade 1994
 Former Use: bean processing in bldg
 1 and warehouse in bldg 2
 Available: Immediately
 Total Land Site Size: 2.28 acres



Former Anderson Lumber Building - Twin Falls

960 Eastland Drive, Twin Falls, Idaho
 Total Building Size: 50,000 sq. ft. plus
 26,000 sq. ft. in outbuildings
 Office Size: 4700 sq. ft.
 Bay size: 26' x 20'
 Construction: Concrete
 Block
 Year Built: 1996
 Former Use: Lumber/Hardware
 Availability: Immediate
 Total Land Site: 10 acres



Former Business Printing Building - Jerome

Total plant size: 130,778 sq. ft.
 Land size: approx.
 28.73 acres
 Office space: 6,911
 sq. ft.
 Year built: 1972 with
 an addition in 1980
 Zoned: Heavy
 industrial
 Available: Immediate
 Former use: Moore Business Forms facility
 Construction: Concrete/2x6 with stucco
 Facility is serviced by Eastern Idaho Railroad



Washington Warehouse - Twin Falls

621 S. Washington, Twin Falls, Idaho
 Total Building Size: 150,000 sq. ft.
 Office Size: 4,800 sq. ft.
 Construction: Concrete
 Year Built: 1970/1990
 Former Use: Factory
 Available: Immediate
 Total Land Site: 16 acres



Arkoosh Potato Processing Facility - Gooding

Gooding County
 126,000 square feet approx
 3,000 square feet office space
 1,800 truck shop in nearby bldg
 Total: 34 acres
 Own private railroad spur
 Concrete and steel construction
 Available: Immediate
 Asking Price: \$1.5 million
 Initial phase built in late 1987 - last
 addition 1999
 Former use - potato processing



Former K-Mart Building - Burley

Assessed value: \$2,380,758
 Total Square footage: 91,078
 Garden center 3,468 of total square footage
 Built: 1992
 Zoned: Commercial
 Total Land Size: 8.180 acres
 Building Type: Block
 Available: Immediate

Former Rite Aide Building - Burley

Assessed value: \$640,000
 Square footage: 35,880
 Built: 1972
 Zoned: C-2
 Total Land Size: 4.43 acres
 Building Type: Brick attached with an Albertson's Grocery store
 Available: Immediate

Spec Building Under Construction

Corner of Hankins and Eldridge Ave.
 Total Building Size: 16,000 sq. ft., expandable to 28,000 sq. ft..
 Land Size: 2.72 acres.
 Building has 20' ceiling height, loading dock and grade level
 doors.
 Office space size is flexible 2,000 sq. ft on up.
 Building can be designed to suit tenant.
 Lease rate at \$5.50 per square foot NNN annually.

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