

Economic Development

Conditions

Labor Force

Sandpoint's labor force accounts for 20 percent of the Bonner County labor force.

According to the 2000 Census, the most common occupations for Sandpoint workers are: professional and related (23%); office and administrative support (22%); sales and related retail; and management, business and financial operations (18%).

About 30 percent of Sandpoint residents have an associate degree or higher.

Residents of Sandpoint generally spend less time commuting to work than residents of Bonner County. Forty-eight percent of Sandpoint residents spent 10 minutes or less commuting, compared with 19 percent of Bonner County residents and 22 percent of Idaho residents.

While 85 percent of Sandpoint workers lived in Bonner County, according to a study conducted by the Census Bureau in 2004, only 31 percent of Sandpoint workers lived in Sandpoint. More than two-thirds of workers lived outside of Sandpoint.



Figure 9.1 - Some structures, like this former power station now housing the "Festival at Sandpoint" and other businesses, exemplify Sandpoint's economic transition from extraction of natural resources to services and recreation near natural resources. (Image source: Studio Cascade, Inc.)

Household Income

In Sandpoint, households are distributed fairly evenly among wage categories between those earning less than \$10,000 and those earning less than \$74,999. Each of these six categories claims between 11 and 19 percent of Sandpoint households. These numbers are comparable to those in Bonner County and the state as a whole, with the exception of the \$10,000 to \$14,999 wage-earning category, where County and State percentages are lower. Sandpoint's median household income is comparable to the County's, but both are about \$5,000 lower than the state median household income of \$37,572. Data regarding household income in Sandpoint is provided in Table 9.1.

Sandpoint has more private wage and salary workers than the county and state, but the City also has fewer government workers than the county and state.

Manufacturing businesses and government employers were responsible for nearly 50 percent of Sandpoint's employment in 2007, according to the Idaho Department of Labor. Accommodation and food services also provided 11 percent of jobs available for Sandpoint residents.

and work. Being bordered by majestic foothills and the clear water of Lake Pend Oreille add to Sandpoint's charm and desirability.

Sandpoint has some disadvantages compared to other cities in Idaho. Primarily, its distance from Interstate 90 (45 miles) and the relatively small labor pool hinder economic growth in some areas. Businesses that need direct access to an interstate highway (e.g., distribution centers) or need more labor than is available locally may not be attracted by Sandpoint.

Future Economic Growth

Sandpoint has a number of attributes that make it a favorable location for relocating businesses:

- *Highways 2 and 95 provide connections to Interstate 90.*
- *Sandpoint is close to many outdoor recreation opportunities including Schweitzer Mountain Resort, Lake Pend Oreille and the Pend Oreille River, parks, national forests and campgrounds.*
- *Beautiful surroundings also play a large part in making Sandpoint a desirable place to live*

Following are examples of businesses more likely to locate in Sandpoint, including reasons why this is so:

- *Professional service businesses – These types of firms will be attracted to Sandpoint's high quality of life and workforce. Businesses of this type include corporate headquarters, software design, engineering, research, call centers, and other professional services.*
- *Small and medium-scale manufacturing firms (20 to 150 employees) – These types of firms will be attracted to the city's access to high quality of life and proximity to natural resources. Businesses of this type include*

Table 9.1 – Household Income, Sandpoint, 1999

	Sandpoint		Bonner County		Idaho	
	Households	%	Households	%	Households	%
Less than \$10,000	321	11.4	1,732	11.7	40,676	8.7
\$10,000 to \$14,999	370	13.1	1,395	9.5	33,431	7.1
\$15,000 to \$24,999	463	16.4	2,439	16.5	71,921	15.3
\$25,000 to \$34,999	337	11.9	2,184	14.8	70,391	15.0
\$35,000 to \$49,999	515	18.3	2,787	18.9	89,612	19.1
\$50,000 to \$74,999	470	16.7	2,634	17.8	90,462	19.2
\$75,000 to \$99,999	162	5.7	865	5.9	39,249	8.3
\$100,000 to \$149,999	125	4.4	528	3.6	22,797	4.8
\$150,000 or more	58	2.0	196	1.4	11,594	2.4
Median household income (dollars)	32,461		32,803		37,572	

Source: US Census 2000

food processors, recreational equipment, furniture manufacturing, specialty apparel, and other specialty manufacturing.

- *Residents and tourist service providers – Firms providing services like lodging, restaurants, specialty retail, financial services, and other services will be attracted to Sandpoint’s location along Highways 2 and 95, proximity to small cities and rural areas, and growing population.*
- *Retirement services – Such providers will find Sandpoint’s health care services, access to recreational opportunities, rural setting and beauty, and Sandpoint’s aging population appealing. The growing numbers of retirees will continue to provide business opportunity.*

Sandpoint is part of a larger economic region including Bonner and Boundary counties, and northeastern Washington. Actions that occur and affect the larger region affect Sandpoint. This is likely to continue into the future as the communities in northern Idaho become increasingly interdependent.

The City and surrounding communities have economic development agencies and divisions that actively support existing businesses and work to improve the business climate.

Plan Concept

Continued economic development and downtown revitalization in Sandpoint is essential to the community’s viability. Proximity to Schweitzer and Lake Pend Oreille combined with Sandpoint’s community character makes it a great place to live, work and visit. The comprehensive plan promotes activities that continue to support the local economy and encourages a renewed focus on the City’s heritage as an economic driver.

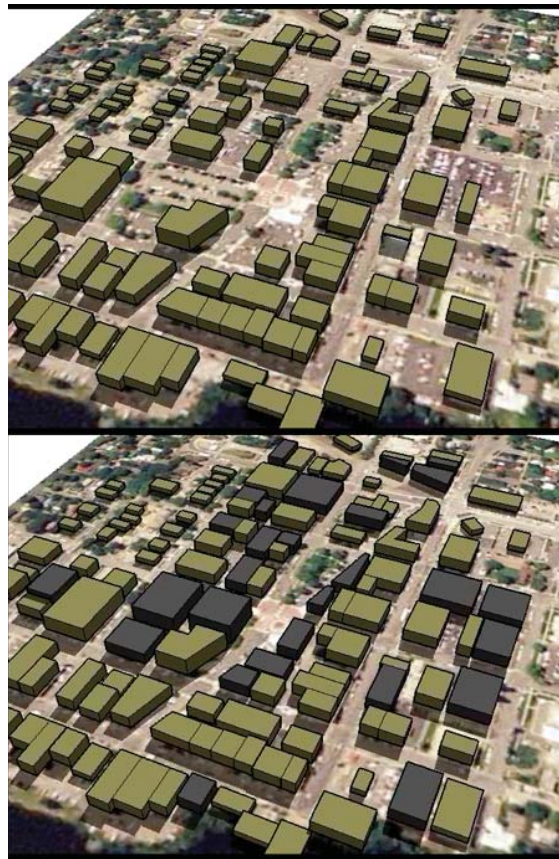


Figure 9.2 - These two slides, shown during the planning process, illustrate Sandpoint’s existing downtown structures (green), and significant areas where additional, similarly-sized structures could be developed. (Image source: Studio Cascade, Inc.)

This comprehensive plan supports retention and expansion of businesses that employ large numbers of Sandpoint residents. Sandpoint’s quality of life offers attractive incentives for attracting additional business and is important to expanding the city’s economy.

Government employment is also a large portion of the economy in Sandpoint. The comprehensive plan encourages the continued support of existing government agencies that headquarter in Sandpoint, providing jobs to 23 percent of employees in the city.

Economic expansion may also increase the need for workforce housing. As housing prices continue to rise in Sandpoint, people

Table 9.2 – Class of Worker - 2000

	Sandpoint		Bonner County		Idaho	
	Number	%	Number	%	Number	%
Private Wage and Salary Workers	2490	78.6	11327	71.3	442,529	73.8
Government Workers	325	10.3	2267	14.3	98,089	16.4
Self-employed workers (non-incorporated business)	344	10.9	2231	14.0	56,018	9.3
Unpaid family workers	8	0.3	65	0.4	2,817	0.5

Source: US Census 2000

earning a moderate wage are finding it difficult to find affordable housing within City limits. As a result, workers live in outlying areas and commute into town, impacting Sandpoint’s traffic. The comprehensive plan, in this and other chapters, encourage a mix of housing types that matches the variety of wage earners in Sandpoint. Such housing strategies are key to the success of the plan on many levels, from the need for capital facilities efficiency, to meeting the quality of life expectations of residents and newcomers alike, to encouraging support for retail and service provision in the City’s core, to reducing development pressures in the ACI.

☒ Goal E-1: Economic Diversity

Create a vibrant and diverse economy in Sandpoint.

Policies

- A Support existing manufacturing businesses as providers of jobs with living-wage and benefits.
- B Encourage localism and innovative techniques to increase circulating dollars within the Sandpoint economy.
- C Attract industries that provide jobs for graduates of higher educational programs and vocational-technical schools.
- D Encourage the development of clean technologies:
- E Encourage arts and environmental related employment.

☒ Goal E-2: Neighboring Communities

Join with neighboring communities to strengthen the regional economy.

Policies

- A Be an active partner with local economic development agencies.
- B Improve transportation corridors to facilitate movement of goods into, out of and through the region.
- C Improve transportation facilities and services to facilitate movement of people through the region.
- D Coordinate land use decisions with surrounding communities to limit commuting distance and redundant infrastructure.

☒ Goal E-3: Workforce Needs

Provide Sandpoint workers with affordable housing options near jobs, public transportation, and non-motorized transportation options.

Policies

- A Encourage diversity of housing types as appropriate in land use districts.
- B Help reduce household transportation costs by allowing housing near jobs.
- C Facilitate public transportation and/or non-motorized transportation connections between jobs and neighborhoods.
- D Promote opportunities that employ Sandpoint residents in Sandpoint.

☒ Goal E-4: Downtown Revitalization

Support Downtown Sandpoint's historic role as a major economic, social and civic center of Bonner County.

Policies

- A Focus economic development resources primarily on priority projects. Focus on solving specific problems.
- B Encourage residential uses on the second story and above.
- C Collaborate with local business organizations and assist in providing the infrastructure to attract new economically diverse business in the Downtown.
- D Create a streetscape that encourages an active street life.
- E Make Downtown a primary multimodal friendly destination.
- F Regularly update the Downtown Revitalization Plan
- G Encourage preservation of historic buildings.
- H Retain high traffic Downtown anchors.
- I Encourage first floor restaurants and diverse retail utilization.



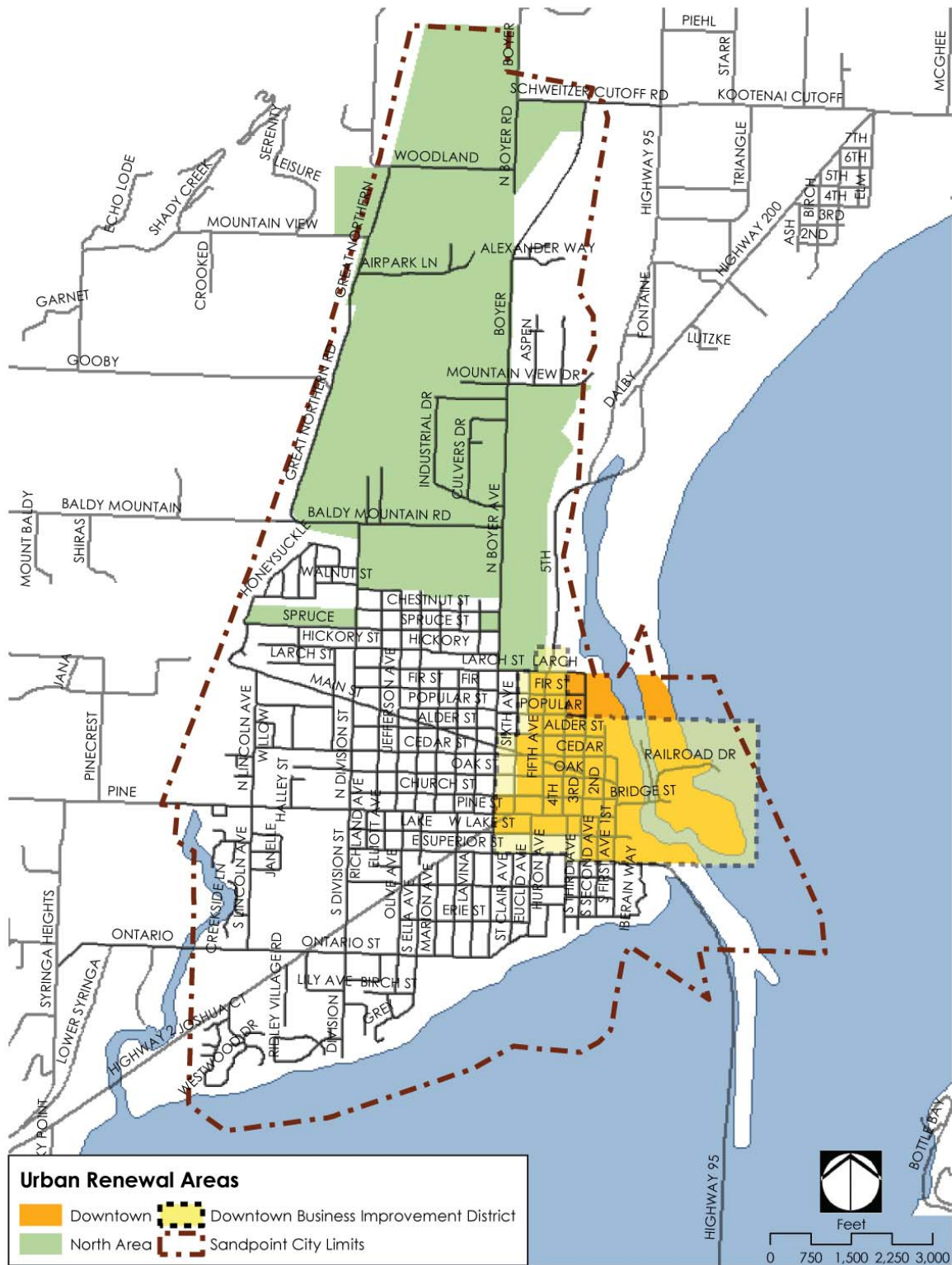


Figure 9.3 - Sandpoint's Downtown, the Downtown Business Improvement District, and north urban renewal area, as defined by the Sandpoint Urban Renewal Agency (SURA) board in 2005. (Image source: Studio Cascade, Inc.)