

Sanpete County, Utah

ASAP Implementation Report



SANPETE COUNTY ECONOMIC DEVELOPMENT– Implementing ASAP

1. Introduction

The economies in many communities and counties in the West are struggling with limited employment opportunities and stagnant wages especially for working class, service and blue-collar jobs. In rural communities, problems are compounded because of declining employment in agriculture, natural resources and manufacturing, historically the primary employers of rural Americans. In more rapidly growing metro and shoulder counties, problems of housing, transportation and accommodating new growth and development complicate the integration of adjacent rural counties into a regional economy. Such is the case with Sanpete County comprised of largely rural communities but with growth and expansion on the horizon from metro regions just to the north of Sanpete County. In an effort to assist communities with their regional economic development efforts, the Western Rural Development Center and its partners throughout the western region have developed ASAP (Area Sector Analysis Process), a strategic planning model designed especially for rural or growing metro counties in the Western United States.

2. ASAP Model

The ASAP model and process has been applied or is in the process of being applied, in a dozen or more communities in the West including the Utah counties of Wayne, Sevier, Juab, Sanpete, Piute, Millard in the 6 County Association of Governments; Grand and San Juan Counties in the Southeastern AOG; and Beaver and Garfield Counties in the 5 County AOG region.

The ASAP process consists of six modules that are delivered once each month for six months. Module topics are: 1. Introduction and Overview of the ASAP Process; 2. Community Goals and Assets: Acquiring County Data and Surveys; 3. Overview of County Socioeconomic Factors; 4. Presentation and Discussion of ASAP Output (Target Industry Data Report presented); 5. Quantitative Analysis of ASAP Results Sanpete County NAICS Report presented); and 6. Applying ASAP Results to Community Economic Development Efforts (Sanpete County Final Report and Implementing ASAP presented).

During the six-module process, community goals are determined through a survey of county residents. Community **infrastructure, economic and quality of life** assets are **also** determined. Finally, survey data **from** over 2,500 businesses from all geographic regions of the country **are reviewed** to determine what industries **would** need to succeed in a **target** community **or county** and what benefits the industry **would** bring to the **local** community.

The ASAP process then **matches community survey and asset input with industry interview data**. The ASAP model helps communities determine industries that are both desirable for local residents and compatible with industry needs. Extensive data and information are provided to the community on industries that are both desirable and compatible and are selected by the community for further research and analysis.

Utilizing ASAP output, the ASAP team helps the community team to develop and implement an economic development strategic plan.

Data specific to Sanpete County are provided below: included are survey and asset results (Tables 1-3), and target industrial sectors (Table 4).

3. Survey Results (Desirability)

159 Sanpete County residents responded to an on-line survey of economic development preferences and goals summarized in Tables 1 and 2. Questions are organized around the business and development implications of factors relating to sustaining and improving the economic, environmental and social quality of county residents. The top three responses, “New businesses hire locally,” New businesses return profits to the community,” and, “New businesses increase the average local wage” reflect the concern of residents for an improvement in the quality of their economic life. Nearly a third of the 159 responses, included one of these top three economic outcomes. These community development choices and preferences comprise a **desirability index** which is one critical component of the ASAP matching process.

TABLE 1: Community Development Goal Rankings

<i>Goal</i>	<i>Weight</i>	<i>Rank</i>
Economic Quality	47.8%	1
Environmental Quality	32.1%	2
Social Quality	20.0%	3

TABLE 2: Community Development Indicator Rankings

<i>Indicator</i>	<i>Weight</i>	<i>Rank</i>
G1.I1 - Every new job generates additional jobs in the community	8.7%	6
G1.I2 - New businesses return profits to the community	9.8%	2
G1.I3 - New businesses hire locally	13.2%	1
G1.I4 - New businesses buy locally	6.7%	8
G1.I5 - New businesses increase the average local wage	9.4%	3
G2.I1 - New businesses do not pollute the water	9.1%	4
G2.I2 - New businesses do not release toxic chemicals in the air	8.8%	5
G2.I3 - New businesses are in compliance with hazardous waste management	8.0%	7
G2.I4 - New businesses do not emit greenhouse gas	3.7%	12
G2.I5 - New businesses do not develop undeveloped land	2.4%	15
G3.I1 - New businesses increase the local tax base	3.7%	11
G3.I2 - New jobs are full-time	5.1%	10
G3.I3 - New jobs offer benefits (health and/or retirement)	6.3%	9
G3.I4 - New jobs provide training programs	2.4%	14
G3.I5 - New businesses support community activities	2.4%	13
Number of observations	159	

4. Asset Evaluation Results (Compatibility)

Table 3 identifies county assets that are important and in some cases critical for the operation of businesses and industry in Sanpete County. Factors such as accessibility, available retail and industrial space, cell phone service, water and power supply are all compared to national standards and evaluated as assets. These assets are then compared to requirements of 2500 businesses and industries interviewed over the past ten years and the results compiled in a data base for ASAP use. These data become a critical part of a **compatibility index** used to match and target industries with community goals and preferences.

TABLE 3: ASAP Asset Values

Asset	Description	Source	Asset Values			Asset Value Basis	
			Sanpete, UT	Baseline	Ratio	Sanpete, UT	Baseline
A1	Access within 30 minutes to interstate	CAI	No	---	---		
A2	Access within 30 minutes to package freight	CAI	No	---	---		
A3	Access within 30 minutes to railhead	CAI	No	---	---		
A4	Access within 30 minutes to rail freight	CAI	No	---	---		
A5	Access within 30 minutes to passenger air	CAI	No	---	---		
A6	Access within 30 minutes to port/harbor	CAI	No	---	---		
A7	Access within 30 minutes to international port	CAI	No	---	---		
A8	Access to natural gas pipeline	CAI	Yes	---	---		
A9 & A10	Driving miles to metropolitan area population > 50,000	CAI	74.1	282	26.28%	Provo, UT	Glasgow, MT
A11	3-phase electric	CAI	Yes	---	---		
A12	Fiber optic lines	CAI	Yes	---	---		
A13	High-volume water supply	CAI	No	---	---		
A14	High-volume wastewater disposal	CAI	No	---	---		
A15	Solid waste disposal	CAI	Yes	---	---		
A16*	Cell phone service	CAI	N/A	N/A	N/A		
A17	Local public transportation	CAI	No	---	---		
A18	Expansion site	CAI	No	---	---		
A19	High-speed internet	CAI	Yes	---	---		
A20	% of workforce with college degree or equivalent	CAI	20.50%	54.58%	37.56%		Washington, D.C.
A21	% of workforce with HS degree or equivalent	CAI	88.80%	92.77%	95.72%		Montana
A22	% of workforce with less than HS degree	CAI	11.10%	18.21%	60.95%		California
A23	Prevailing yearly wage	CAI	\$ 31,521.00	\$ 113,243.00	27.83%		Santa Clara, CA
A24	Workers compensation tax rate	CAI	1.27%	3.24%	39.20%		California
A25	Business income tax rate	CAI	5.00%	9.99%	50.05%		Pennsylvania
A26*	Local and state government incentives	CAI	N/A	N/A	N/A		
A27*	Union labor	CAI	N/A	N/A	N/A		
A28	Specialized job training programs (excl. college and university)	CAI	No	---	---		
A29	Short- and long-term financing	CAI	Yes	---	---		
A30*	Business/trade association	CAI	N/A	N/A	N/A		
A31	Crime rate	CAI	0.72%	8.13%	8.83%		St. Louis, MO
A32	Median home price	CAI	\$ 152,000.00	\$ 1,000,000.00	15.20%		San Jose (et.al), CA MSA
A33	Air and water quality	CGS	87.28	---	---		
A34	Nature/ecosystem	CGS	80.38	---	---		
A35	Outdoor recreation opportunities	CGS	84.68	---	---		
A36	Social and cultural opportunities	CGS	59.30	---	---		
A37	Retail shopping opportunities	CGS	39.75	---	---		
A38	Education system (K-12)	CGS	70.89	---	---		
A39	Access within 3 minutes to a college or university	CAI	Yes	---	---		
A40	Health care services	CGS	66.71	---	---		
A41	Public safety services (e.g. police, fire)	CGS	70.98	---	---		

* = Not included in ASAP Model

CAI = Community Asset Inventory - values provided by steering committee; ratio values validated and modified where necessary

CGS = Community Goal Survey - average of all community survey rankings (1=lowest, 10=highest)

5. Target Industry Sectors

County desirability and compatibility scores are compared with business interview data in the ASAP data base and matches are profiled on a scattergram as four digit NAICS code industries. Of particular interest are sectors with desirability and compatibility matches greater than .5 plotted on the scattergram. There are more than 200 industries in the Sanpete County study with a compatibility match > .60; 30 sectors with a desirability match > .55; and 25 industries with compatibility and desirability scores > .55. Table 4 represents the five industries from the high (>.55) DI and CI list, plus additional compatible industries added because of their potential in Sanpete County.

The top three industries selected for further research and in-depth analysis are: NAICS 3329 (including sub-sector 332992) Small Arms Ammunition Manufacturing; 3364 Aerospace Product and Parts Manufacturing; and 5415 Systems Design and Related Services (Appendix 1 provides detailed information for these target sectors).

TABLE 4: High Ranking Selected NAICS Sectors

Rank	NAICS4	Description	Existing Sector	DI	CI
16	3252	Resin, Synthetic Rubber, and Artificial Synthetic Fibers and Filaments Manufacturing	X	0.5705	0.7688
15	3273	Cement and Concrete Product Manufacturing		0.5532	0.7740
Add'l	3329	Other Fabricated Metal Product Manufacturing		0.4670	0.8162
18	3331	Agriculture, Construction, and Mining Machinery Manufacturing		0.5521	0.7316
14	3341	Computer and Peripheral Equipment Manufacturing		0.5528	0.7747
13	3353	Electrical Equipment Manufacturing		0.5771	0.7806
Add'l	3359	Other Electrical Equipment and Component Manufacturing		0.4996	0.8622
Add'l	3364	Aerospace Product and Parts Manufacturing	X	0.5429	0.7668
Add'l	3391	Medical Equipment and Supplies Manufacturing	X	0.5279	0.7864
Add'l	5182	Data Processing, Hosting, and Related Services	X	0.5070	0.9362
Add'l	5415	Computer Systems Design and Related Services	X	0.5258	0.6097

6. Sanpete County Implementation Strategy – Next Steps

Organize economic development team

- Option 1: Task Force specific to ASAP analysis and results is organized to review and implement ASAP
- Option 2: Existing ongoing Economic Development Board is tasked with implementation of ASAP

Identify short term strategies

- Research existing ASAP target industries in Sanpete County. Possible BEAR activity
- Research ASAP target industries not currently in county. Possible EDC Utah and GOED assistance for contacts

Organize around economic development strategies

- Encourage local entrepreneurship in high desirable (Desirability Index) and compatible (Compatibility Index) industries
- Assist existing businesses with high DI and CI
- Recruit compatible, desirable industries
- Develop needed infrastructure to increase compatibility with desirable industries

Identify long term strategies

- Infrastructure development
- Industry recruitment