

Mary Souza's Newsletter

February 7, 2014

Got Jobs?

Dear Newsletter Readers,

[LCDC's](#) latest newsletter is out, touting their incredible success in creating jobs. The impact, they say, is “everlasting”. Then the newsletter goes on to defend against comparisons of LCDC to the Twin Falls Idaho urban renewal agency. Twin Falls brought in several large manufacturing plants, most notably Chobani Yogurt and Clif Bars. (Did you see the funny Chobani Yogurt commercial during the Super Bowl?...the one with the bear?) These two companies, along with the smaller Glanbia Cheese and the Frulact Group, will add more than 1000 new jobs in less than a two year time frame. Good jobs. which are solid, year- round positions.

Comparatively, LCDC claims credit , since their start in 1997, for the 235 people working at the Kroc Center, 740 people working in Riverstone, and the 500 positions at the US Bank Call Center out on Seltice Way.

Let's break those down just a bit, shall we? The Kroc Center was brought to Coeur d'Alene by the long hard work of a committee of local citizens, not the LCDC. I can't believe the LCDC takes such major credit for the project.

Do you remember the “But for” test for urban renewal? It requires you to ask, “But for urban renewal, would the project have happened?” So, but for LCDC, would the Kroc Center have been built? Yes. The Kroc center would have been built without LCDC. The two small roles LCDC had were, first, buying the \$35k option to hold the property. Others could have done the same. And, secondly, at the end of construction, LCDC gave \$500,000 toward the parking lot. So, LCDC gave a total of \$535,000 on a \$66 million dollar project. Hardly the defining resource.

Consequently, there's no way LCDC should take any credit for the number of jobs at the Kroc, many of which are part time and do not include benefits. Remember, please, that even though the Kroc Center is beautiful and a great addition to our town, it is a private, church-owned company. I am always amazed at how many people think it is a city-owned public community center. It is not.

Riverstone is an interesting story. I have always supported Riverstone's first phase. “But for” LCDC, would Riverstone, phase I, have been built? Possibly, but probably not, so it was a good decision. The second phase of Riverstone is another issue because urban renewal is supposed to “prime the pump”, not keep pumping and pumping more taxpayer dollars into projects. And the jobs? I think the LCDC's numbers are highly inflated.

Many of the businesses in Riverstone were already in CdA, they just moved to Riverstone. Some examples of this are Oxyfresh, Orvitz, the bank, the title company, the dental offices, eye doctor, some legal offices, etc. Even the theaters to a certain extent. They were in town

already. Maybe these companies added a few employees when they moved, maybe not. Yes, there are some new places like Zi Spa, Red Robin, Azteca, and such, but the restaurants, food shops and small retailers offer mainly entry-level jobs.

The US Bank Call Center is different. It is a legitimate credit to LCDC in the realm of jobs. Yet look at the whole scheme of things. Doesn't the Call Center stick out as odd for LCDC? Everything else they have focused on has been tourist or residential. There are no other projects like the Call Center.

That's because the Mill River housing development was already planned, back then, and LCDC was poised to approve extending water, sewer and street upgrades out to the location. Jobs Plus already had the US Bank Call Center on the line, so to speak, so a deal was finagled which gave some land to US Bank, a small park by the river to the City, and then LCDC approved the services out to Mill River. It was much more about Jobs Plus than LCDC, but I'll give them credit anyway.

I just wish they had continued to bring in companies with good jobs for the people who live in our community, not simply servicing the residential and personal desires of high-end visitors.

LCDC's latest newsletter also announces two new housing projects they are approving, one out on Seltice Way and one in Riverstone West. (Please keep in mind that many urban renewal agencies in Idaho will not get involved with residential projects because they compete with the fair market and might lead to abuse.) Here are my questions: The unemployment statistics show we need jobs. There is no shortage of housing. What long-term jobs do these residential developments bring to our town? Almost none.

The latest labor statistics show that Coeur d'Alene ended last year with almost [5,000 people unemployed](#). That is 6.9%, which is far higher than Idaho's state unemployment level of 5.7% and even a bit above the national average of 6.7%. We are not doing too well.

LCDC's newsletter had it right, though, when it says of Twin Falls vs LCDC: "There is a clear difference between the two urban renewal models." Yes, it seems pretty obvious the first priority of Twin Falls is good jobs for its people. That gives me hope. Maybe our new Mayor and Council can help LCDC refocus on what is best for our community too: Quality jobs.

Please stay warm out there!

Mary