

Chapter 5 Economic Development

Community Goal Statement: *Naples City will pursue economic development activities, which protect and support existing businesses, enhance and promote the community's commercial and industrial base and maintain a stable and adequate tax base to support city services.*

Economic Development Objectives:

- Objective 1: *Develop an identifiable and unique retail and commercial center in Naples.*
- Objective 2: *Encourage and support the development of a major grocery store/indoor mall/shopping center in the Naples City.*
- Objective 3: *Promote a positive community attitude, image and identity.*
- Objective 4: *Broaden the commercial and industrial tax base of Naples City.*
- Objective 5: *Support the creation of a four-year college in Ashley Valley.*
- Objective 6: *Increase tourist-supported commercial activity to capture potential expenditures and tax revenue.*
- Objective 7: *Maintain an environment favorable to the expansion and retention of existing businesses.*
- Objective 8: *Recruit businesses that diversify the area's economy in a manner consistent with the community's lifestyle and character.*
- Objective 9: *Maintain community land use ordinances and zoning regulations that support business recruitment and relocation efforts.*
- Objective 10: *Obtain a Naples specific zip code.*
- Objective 11: *Establish Naples as the "Gateway to Eastern Utah".*

Introduction

The overall goal of the Economic Development Element is to provide quality jobs for all economic segments of the community and to maintain a stable and adequate tax base to support community services. This chapter includes a needs assessment and subsequent community goals, objectives and implementation strategies designed to achieve those ends.

Summary of Existing Conditions

Population Growth

In 1990, Naples had a total population of 1,334 persons. By 1999, the Naples population has grown to approximately 1,600. The Governor's Office of Planning and Budget projects that the population of Naples will grow to 1,750 by the year 2010 and by 2020 to grow to 2,190 by adding another 590 persons.

Naples City Revenues

The Naples City budget totaled \$1,451,763 in FY 1999. The increase in capital projects funds and funding is from CIB. These have doubled the city budget. This and the strong retail tax base of Naples has kept property taxes low, at only 2% of the total revenues.

	1997	% of Total	1998	% of Total	1999	% of Total
Sales Taxes	\$ 296,346	52.5%	\$325,811	44.5%	\$ 300,030	21%
Franchise Tax	66,281	12%	69,315	9.5%	71,483	5%
Property Taxes	25,277	4.5%	25,985	3.5%	34,448	2%
Fee in-lieu	7,231	1%	6,265	1%	6,387	.5%
Licenses & Permits	12,430	2%	15,531	2%	15,139	1%
Intergovernmental	59,962	11%	179,796	24.5%	91,480	6%
Fees and Services	5,200	1%	4,743	.5%	8,375	.5%
Fines and Forfeitures	28,018	5%	38,847	5%	48,759	3%
RDA	48,866	8.5%	47,745	6.5%	37,513	2.5%
Capital Project Funds	986	.5%	1,091	1.5%	821,129	57%
Miscellaneous	11,150	2%	2,037	1.5%	17,020	1%
TOTAL	\$ 561,747		\$726,605		\$1,451,76	
Source: Utah State Auditor		Computations: Bonneville Research				

The Naples City budget grew from \$726,605 in Fiscal Year 1998 to \$1,451,763 in Fiscal Year 1999. The strong growth came from a dramatic increases in capital project funds.

	1998	1999	Change	Percent of Change
Sales Taxes	\$ 325,811	\$300,030	\$ (25,781)	-
Franchise Taxes	69,315	71,483	2,168	
Property Taxes	25,985	34,448	8,463	
Fee-In-Lieu	6,265	6,387	122	.02%
Licenses & Permits	15,531	15,139	(392)	
Intergovernmental	179,796	91,480	(88,316)	-
Fees and Services	4,743	8,375	3,632	.50%
Fines and Forfeitures	38,847	48,759	9,912	.01%
RDA	47,745	37,513	(10,232)	-1.00 %
Capital Project Funds	1,091	821,129	820,038	113.00 %
Miscellaneous	2,037	17,020	14,982	2.00 %
TOTAL	\$ 726,605	\$ 1,451,763	\$ 725,158	
Source: Utah State Auditor		Computations: Bonneville Research		

The "Miscellaneous" category includes building permit fees, interest earnings, and other general fees and charges.

Employment

Employment in Naples is driven by two factors. One, the employment of the residents of Naples, and secondly, the employment of individuals who work in Naples, but who live elsewhere. Employment of the residents of Naples is projected to increase from approximately 577 to almost 700 by 2010. Projections for employment of persons who work in Naples and live outside the City is anticipated to grow to 2,190 persons over the next twenty years.

Providing these jobs at a living wage for all economic segments of Naples in order to support a stable and adequate tax base for city services is the objective of this planning element. Good jobs are generally defined as those jobs which pay at least 125% of the average wage of the community.

	2010 Projection	2020 Projection
Required New Jobs	106	230
Net New Population	271	590
Source: GOPB, Bonneville Research		

General Wage Trends

The average monthly wage in Naples/Uintah County in 1999 was \$1,779, or \$10.26 per hour (assuming a 40-hour work week). The average monthly wage in Utah is \$2,286, or \$13.19 per

hour. Uintah County still lags the state in average pay by 22 percent.

The goods-producing industries of mining (\$3,796), construction (\$2,202), manufacturing (\$2,618), and transportation (\$2,885) generally pay higher than average wages. The service-producing industries (trade - \$1,569, finance Insurance and real estate - \$2,648, services -\$1,940, and government - \$2,223) generally pay less than average wages.

Employers

The largest employers in Uintah County are the Uintah County School District, the Ute Indian Tribe, and Uintah County. Half of the ten largest employers are public or government.

Retail Sales

The Utah State Tax Commission reported that taxable retail sales in Naples for the fourth quarter of 1999 were over \$9.4 million. The top six categories represent over 94% of those sales:

Ranking	Sector	1998 sales	% of total	1999 Retail Sales	% of total	% Change from 1998 to 1999
1	Wholesale-Durable Goods	\$ 2,134,311	27%	\$ 3,049,458	32%	42.9%
2	Services-Auto and Misc. Repair	988,890	13%	1,471,746	15.5%	48.8%
3	Wholesale - Nondurable Goods	1,167,108	15%	1,312,848	14%	12.5%
4	Services - Business	1,464,357	19%	1,211,639	13%	-17.3%
5	Non-disclosable	768,695	10%	1,111,549	12%	44.6%
6	Mining	1,087,537	14%	737,750	8%	-32.2%
7	Retail - Miscellaneous	112,378	1%	235,317	3%	10.4%
8	Private Motor Vehicle Sales	94,471	1%	223,436	2%	130.5%
9	Services-amusement and recreation	-0-	-	52,715	.5%	-
Totals		\$ 7,817,687	100%	\$ 9,406,458	100%	100%

Source: Utah State Tax Commission

The State of Utah taxes the sale and use of all goods and products, except those sold for resale. Thus, wholesale goods sold, but not sold for resale, are taxed. These taxable "wholesale" sales represent 43% of the retail sales in Naples.

One successful strategy that many communities follow is to identify what you do well, and

focus on those areas. If Naples followed this strategy, they would emphasize wholesale sales (both durable and non-durable), mining, and business and auto/truck repair services.

Retail Potential

Naples has not developed a retail base to serve households and individuals that live and work in the Naples City.

Using market profile information and a comprehensive analysis of income information based on updated 1999 Census estimates, the typical purchasing profiles of Naples household was determined.

- All Stores - \$ 11,317 per household.
- Grocery/Food Sales - \$ 3,066 per household.
- Restaurant Sales - \$ 1,058 per household.
- Apparel and Accessories - \$ 1,000 per household.
- Leisure & Entertainment - \$ 411 per household.
- Home Furnishing - \$ 578 per household.

The retail potential was determined for the Naples area, using the number of Naples households in 1999 as 528, and 2002 as 632. Naples households are purchasing almost \$6 million currently, and this will grow to over \$7 million by 2002.

RETAIL POTENTIAL BY STORE TYPE			
	Est. yearly household expenditures	1999	2002
Number of Naples Households		528	632
All Stores	\$ 11,317	\$ 5,975,37	\$ 7,152,344
Grocery/Food Sales	3,066	1,618,848	1,937,712
Restaurant Sales	1,058	558,624	668,656
Apparel and accessories	1,000	528,000	632,000
Leisure & Entertainment	411	217,008	259,752
Home Furnishings	411	217,008	259,752

If shopping opportunities were developed in such a way that they were convenient for the residents of Jensen, other residents of Eastern Uintah County, and tourists traveling on US 40, even greater retail potential exists.

Traffic

Traffic on US 40 in Naples City provides a significant retail opportunity. The following are the Average Daily Traffic (ADT) traffic counts at key points in Naples for 1997, 1998 and 1999:

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	1997	1998	1999
East Hwy. 40	11,007	10,788	8,375
South State Hwy 45	5,368	5,130	5,330
<i>These numbers provided by UDOT</i>			

Travel/Tourism

Taxable transient room rentals in Uintah County for 1997 were \$4.5 million, and the Utah Division of Travel Development estimates that 770 persons are employed due to Travel & Recreation related business. Visitations to Flaming Gorge, Dinosaur National Monument and the Utah Field House State Park are down 18% between 1992 and 1997.

ZIP Codes

Currently Naples uses the 84078 ZIP code, which is also associated with the whole of Uintah County, with the exception of Jensen.

Economic Development Objectives and Implementation Strategies

Objective 1: *Develop an identifiable and unique retail and commercial center in Naples.*

Implementation Strategies:

- 1.1 Designate approximately twenty (20) acres of vacant or re-developable land with convenient access for a retail center.
- 1.2 Maintain the City flower-planting project.
- 1.3 Expand activities at the City Park as an “anchor use”, to draw residents, and provide a community base of activity.
- 1.4 Develop a unique Naples Community festival or event.
- 1.5 Develop promotional events, such as theme events or open-air markets, to promote an awareness of Naples as a commercial center.

Objective 2: *Encourage and support the development of a major grocery store/indoor mall/shopping center in the Naples City.*

Implementation Strategies:

- 2.1 Establish an aggressive marketing program - attract a major grocery store/shopping service center in the Naples City.
- 2.2 Review current business recruitment information packets for professional image and current information.
- 2.3 Conduct a “mock” site visit with a targeted grocery store.
- 2.4 Designate approximately twenty (20) acres of vacant or re-developable land with convenient access for a retail center.

Objective 3: *Promote a positive community attitude, image and identity.*

Implementation Strategies:

- 3.1 Maintain the City flower-planting project.
- 3.2 Expand activities at the City Park as an “anchor use” - draw residents, promote foot traffic and provide evening activity.
- 3.3 Develop promotional events, such as theme events or open-air markets, to promote an awareness of Naples as a commercial center.
- 3.4 Establish an outreach program and seek funding for a revolving loan

fund to encourage existing businesses facing on U.S. 40, which are in compliance with the General Plan, to improve highway frontage and sign renovation.

Objective 4: *Broaden the commercial and industrial tax base in the Naples City.*

Implementation Strategies:

4.1 Encourage opportunities to retain and grow existing businesses and for local entrepreneurs to start new enterprises.

4.2 Local entrepreneurs should be identified and encouraged to expand business opportunities.

4.3 Provide easy access to educational and informational resources for business development.

4.4 Provide or encourage the development of revolving loan funds, small business development centers, and incubators.

4.5 Encourage mentoring of new entrepreneurs by the business community.

Objective 5: *Support the creation of a four-year college in Ashley Valley.*

Implementation Strategies:

5.1 Encourage Ashley Valley Higher Education to provide local career appropriate educational and training programs.

5.2 Encourage Ashley Valley Higher Education to develop an Energy, Agriculture and Public Lands Management Curriculum.

5.3 Encourage Ashley Valley employers to form training/educational partnerships with higher education.

5.4 Assure that adequate land area is designated for higher education use and is located to maximize the economic benefits to the surrounding areas.

5.5 Conduct a feasibility study to evaluate the viability of a four-year college in Ashley Valley.

5.6 Present the findings of the feasibility study to the Board of Regents, and Legislature.

Objective 6: *Increase tourist-supported commercial activity to capture potential expenditures and tax revenue.*

Implementation Strategies:

6.1 Develop a unique Naples Community festivals or event.

6.2 Encourage destination recreational visitation, which capitalize on open spaces, dinosaurs, the airport, a mild summer climate, and outdoor recreation opportunities.

6.3 Explore opportunities presented by the large number of persons who come to Ashley Valley every year to participate in outfitter or guided river rafting, fishing and hunting trips.

Objective 7: *Maintain an environment favorable for the expansion and retention of existing businesses.*

Implementation Strategies:

7.1 Review current business regulations and land use provisions to insure that they are consistent with land use and economic development objectives.

7.2 Designate approximately 40 plus acres of vacant or re-developable land with good highway access for light industry, distribution, and high technology developments.

7.3 Conduct an annual survey of Naples area business to determine what efforts could be supported or encouraged to grow and nurture existing businesses.

Objective 8: *Recruit businesses that diversifies the area's economy in a manner consistent with the community's lifestyle and character.*

Implementation Strategies:

8.1 Establish an aggressive marketing program - attract light industry, distribution, and high technology business to the Naples City.

8.2 Review current business recruitment packets for professional image and current information.

8.3 Conduct a "mock" site visit with a targeted grocery store.

8.4 Designate approximately 40 plus acres of vacant or re-developable land for attract light industry, distribution, and high technology developments.

Objective 9: *Maintain community land uses ordinances and zoning regulations that are conducive to business recruitment and relocation efforts.*

Implementation Strategies:

- 9.1 Improve Planning and Zoning Administration and Enforcement.
- 9.2 Develop an Educational and Incentive Junk and Trash Clean Up & Fix-Up Program.
- 9.3 Keep the Naples General Plan current and up-to date.

Objective 10: *Obtain a unique zip code address for Naples City.*

Implementation Strategies:

- 10.1 Investigate the requirements for establishing a community ZIP Code unique to Naples.
- 10.2 Petition the US Postal service once the unique ZIP requirements are met.

Objective 11: *Establish Naples as the "Gateway to Eastern Utah".*

Implementation Strategies:

- 11.1 Develop a community design theme (brand), which is unique to Naples.
- 11.2 Develop a community festival or event, which is unique to Naples.
- 11.3 Maintain the City flower-planting project, but in a manner which is unique to Naples.
- 11.4 Establish an outreach program and seek funding for a revolving loan fund to encourage existing businesses facing on U.S. 40, which are in compliance with the General Plan, to improve highway frontage and sign renovation.
- 11.5 Encourage the State of Utah to develop a "Gateway Information Center" in Naples which to provide a recreational opportunity information to the large number of visitors arriving from Colorado and other point's east.