

ECONOMY

This element examines Boone County's economy in two ways. The first component reviews the economic factors related to individuals in the county, or resident work characteristics. These are: income, unemployment, poverty, population and employment, the type and distribution of jobs in the county, and commuting patterns.

The second component of this Element examines employment measures, or the economic factors related to the county in general. These factors are employment types (the kinds of jobs available), employment levels (the number of employees by industrial sector), and employment trends (major directions in county employment).

The conclusion of this Element examines economic development and proposes that, for the future, the county should move toward a sustainable economy closely connected to the metropolitan region.

RESIDENT WORK FORCE MEASURES

Income

During the 1990's, the average income of Boone County residents (per capita personal income) increased steadily and was slightly higher than average personal incomes in the Northern Kentucky region (Boone, Kenton and Campbell counties) and even more so than the State of Kentucky as a whole. **Table 4.1** illustrates this growth and compares the County's per capita incomes with the region and state.

Table 4.1 - Personal Income By Place Of Residence, 1990-2002

Year	Boone		Northern KY		Kentucky	
	\$	% +/-	\$	% +/-	\$	% +/-
1990	\$18,156		\$16,772		\$14,984	
1991	\$18,200	0.2%	\$17,199	2.5%	\$15,626	4.3%
1992	\$19,569	7.5%	\$18,899	9.9%	\$17,175	9.9%
1993	\$20,218	3.3%	\$19,430	2.8%	\$17,520	2.0%
1994	\$21,176	4.7%	\$20,412	5.1%	\$18,225	4.0%
1995	\$22,136	4.5%	\$21,244	4.1%	\$18,879	3.6%
1996	\$23,433	5.9%	\$22,679	6.8%	\$19,854	5.2%
1997	\$24,825	5.9%	\$23,955	5.6%	\$20,855	5.0%
1998	\$26,274	5.8%	\$25,295	5.6%	\$22,043	5.7%
1999	\$27,709	5.5%	\$26,562	5.0%	\$22,763	3.3%
2000	\$29,940	8.1%	\$28,635	7.8%	\$24,414	7.3%
2001	\$29,809	-0.4%	\$28,945	1.1%	\$24,954	2.2%
2002	\$29,703	-0.4%	\$29,557	2.1%	\$25,494	2.2%

Source: United States Census Bureau

In a general sense, the steady increase in the per capita income of Boone County is representative of the steady monetary growth of the county's economy. The down turn in the national economy beginning in 2001 is reflected in these income figures. The latest available data on the average income of residents in Boone County reveals that, as a whole, it lies above the average per capita income for the Northern Kentucky Region (Boone, Kenton, and Campbell counties inclusive), as well as that of Kentucky. This generalization holds true for family and non-family households. **Table 4.2** details these findings. In every instance, Union has the highest average incomes in the county. When compared with the income averages of the three counties in the region, Union is considerably higher across the board.

Table 4.3 shows the number of families for the municipalities and the county, by the number of workers in the families. The trend both nationally and locally has been the need for families to have more than one wage earner in order to sustain an adequate standard of living. The table illustrates the change that has occurred in the City of Union over the past 20 years due to the immigration of professional families with two workers. Walton has also seen a substantial increase (almost 20% over a 10-year period).

Table 4.2 - Income By Place Of Residence In 2000

	2000 Households		2000 Families
	Median	Mean	Median
Florence	42,567	49,598	52,160
Union	85,454	89,757	85,859
Walton	42,462	48,457	45,924
Boone County	53,593	63,870	61,114
Kenton County	43,906	55,660	52,953
Campbell County	41,903	52,111	51,481
Kentucky	22,534	29,354	27,028

Source: 2000 U.S. Census

Table 4.3 - Percentages of Families With Two Or More Workers In Family

	1979	1989	1999
<i>Florence</i>	62%	66%	73%
<i>Union</i>	59%	74%	76%
<i>Walton</i>	52%	53%	72%
<i>Unincorp. Boone</i>	60%	67%	72%
<i>Kentucky</i>	49%	55%	61%

source: U.S. Census Bureau

Unemployment

During the period from 1975 to 2000, Boone County's unemployment rate was never lower than the 3.1 percent in 2000. The highest it reached was 9.5 percent during the recession of 1982. The unemployment rates for Boone County are presented in **Table 4.4**, along with those for Northern Kentucky, Kentucky, and the United States. The highest "across the board" levels of unemployment correspond with the periods of state and national recession during 1975, 1982, 1983, and 1991. The lowest unemployment rates likewise correspond with times of low unemployment in the nation, specifically during the general economic expansion during the mid and late 1990's. This demonstrates that Boone County's economy tends to fluctuate with the economies of the larger economic bodies. The unemployment rates of the county more loosely follow the state and national trends, and consistently remain below the rates for both. This means that Boone County has tended to fare better in terms of unemployment both during periods of national economic recession and growth. The Kentucky unemployment rate in July of 2000 was only 3.8 percent, while the rate for the entire Cincinnati Metropolitan Statistical Area was only 3.4 percent in December of 1999.

Comparing Boone County employment with Northern Kentucky statistics over this period, it seems that Boone County employment, at times, grew or contracted at comparable rates with Northern Kentucky overall. At other times, Boone County's employment grew at a faster rate and actually "drove" job growth for the Northern Kentucky area.

Poverty

Poverty status for individuals and families in the United States is determined by the costs of food consumption for a family of three or more persons. The U.S. Department of Agriculture determined in 1955 that poor families of three or more persons will spend a third of their income on food. The poverty level or threshold was then set at three times the cost of this economy food plan. For smaller families or individuals, the relative cost of the "economy food plan" was higher to compensate for higher fixed costs in these smaller households. The U.S. Census Bureau uses these guidelines to create a table of poverty thresholds of income, based on family size and number of children under 18 years of age.

Table 4.5 presents the number of persons in poverty by area in 1999. The table gives the numbers of individuals in specific areas who have incomes at or below the poverty threshold. Areas with the largest percentage of individuals in poverty are the City of Florence (9.5%) and the unincorporated areas (5.6%) of the county. Poverty is thus found in both the urban and rural areas of the county.

Table 4.4
Unemployment Rates, 1975-2000
Boone County, Northern Kentucky, Kentucky & USA

Year	Boone County	Northern Kentucky	Kentucky	U.S.
1980	6.0	6.2	8.0	7.1
1981	7.5	7.3	8.4	7.6
1982	9.5	8.7	10.6	9.7
1983	9.4	9.7	11.7	9.6
1984	7.4	7.6	9.3	7.5
1985	6.1	6.6	9.5	7.2
1986	5.8	6.0	9.3	7.0
1987	6.0	6.3	8.8	6.2
1988	4.9	5.5	7.9	5.5
1989	3.8	4.2	6.2	5.3
1990	3.4	3.6	5.8	5.5
1991	5.5	5.3	7.3	6.7
1992	5.3	5.6	6.9	7.4
1993	4.9	4.7	6.2	6.8
1995	4.1		5.4	
2000	3.1	3.7	3.8	3.6

Source: NKADD
Kentucky Cabinet for Human Resources

Table 4.5
Poverty Level By Persons, 1999

	persons	percent
Florence	2,196	9.5%
Union	40	1.4%
Walton	190	7.7%
Unincorporated	2,359	4.1%
Boone County	4,785	5.6%

U.S. Census Bureau

Table 4.6 compares the poverty levels of families for the census years of 1979, 1989, and 1999. The percentage of families with children under the poverty level in Boone County has improved slightly, dropping from 1.3 to 1.2 percent over the past 10 years. The City of Walton, after showing an increase of 40 families from 1979 to 1989, showed improvement as their number dropped back to the 1979 level in 1999.

Table 4.6 - Poverty Levels By Families, 1979, 1989, 1999

Year	Number of Families Below Poverty Level					
	With Children under 18			Without Children under 18		
	1979	1989	1999	1979	1989	1999
Florence	365	319	498	87	74	85
Union	3	12	11	2	0	3
Walton	31	71	31	10	9	6
Unincorporated	470	390	502	128	131	97
Boone County	869	792	1,042	227	214	191

Source: 1980, 1990, 2000 U.S. Census

In 1999, Boone County had 7.1% of its citizens under the poverty level, compared to the statewide percentage of 15.8% and the nationwide level of 9.2%. Kenton County (9.0%) and Campbell County (9.3%) more closely reflected the national number.

The Population and Employment

Table 4.7 shows the total labor force (Boone County residents in the labor force whether employed or not), the employment (number of jobs) in the County and the total employment figures for Northern Kentucky (Boone, Kenton, and Campbell Counties) for the years 1980 to 2000. Overall the County's labor force and employment have steadily increased over the years.

Table 4.7 - Boone County Labor Force And Employment, 1980-2000

Year	Total Labor Force	Employment	N. KY Employment
1980	22,239	20,900	121,390
1985	25,600	24,038	127,933
1990	30,919	29,874	140,907
1995	37,980	36,160	146,510
2000	46,791	45,323	165,941

Sources: Northern Kentucky Area Development District (NKADD); Kentucky Cabinet for Human Resources; OKI

Table 4.8 compares the Occupation of Employed Residents by Area for the two census years 1989 and 1999. This table clarifies the types of occupations of Boone County residents. It gives us an initial discernment of the social/economic profile of Boone County residents. From 1989 to 1999 county residents who work in managerial/professional occupations more than doubled. Across the board increases, except in farming and construction/maintenance, are consistent with the pattern of more high-income wage earners migrating to Boone County. They have helped stimulate the dramatic growth in residential and commercial development in the county over the past 10 years. The increases in these categories are also consistent with the continuing trend toward two-worker families.

The Boone County resident worker population has become more "white collar" or professional in orientation than in the past. This has happened across the board in Boone County, not just in the unincorporated areas or Union, as might be expected. It is highly likely that many of these professionals commute outside Boone County, as shown in **Table 4.9**. This table gives a description of resident workers by place of work in 2000. Nearly half of the resident workers in Boone County worked outside of the county.

Table 4.8 - Occupation Of Employed Residents; By Area For 1989 & 1999

Occupation of Employed Residents	Florence		Union		Walton		Unincorp.		Boone County	
	1989	1999	1989	1999	1989	1999	1989	1999	1989	1999
Management, Professional, & related	4247	3,510	139	644	136	256	4,332	10,110	6,923	14,520
Service occupations	468	1,687	19	119	31	186	641	3,365	1,159	5,357
Sales and Office occupations	1,184	3,845	80	430	94	423	2,249	8,949	3,607	13,647
Farming/Forestry/Fish	37	14	4	0	18	4	416	96	475	114
Construction/Extraction/Maintenance	1,673	988	76	92	191	154	3,032	2,813	4,972	4,047
Production/Transportation	815	2,398	71	205	147	256	2,360	4,509	3,393	7,368
TOTALS=	8,424	12,442	389	1,490	617	1,279	13,030	29,842	20,529	45,053

Source: 1990 & 2000 U.S. Census

Table 4.9 - Employed Residents By Place Of Work By Area Of Residence In 2000

Place of residence	Worked in Boone County	Worked outside Boone County, but not outside Kentucky	Worked outside Kentucky
Florence	6,597	2,924	2,684
Union	753	331	385
Walton	747	307	205
Unincorporated	15,492	6,853	7,229
Boone County	23,589	10,415	10,503

Includes persons 16 years of age and older - Source: U.S. Census

Commuting Patterns

The relationship of County commuting patterns to the metropolitan region is a valuable tool for analyzing the county's economy, as well as its relationship to the region's economy and transportation systems. In 1980, the Bureau of the Census listed Boone County as having 9,047 resident workers. Of these, one-half worked within the county and the other one-half commuted outside of Boone County. As stated above and shown in **Table 4.9**, there were 23,589 resident workers by 2000, and the same ratio existed, with nearly half working outside the county. These job related commuting patterns are termed transpositions. **Table 4.10** and **Table 4.11** show the transpositions of the labor force by decade. By comparing the commuting patterns for 1970 and 1980, it is clear that transpositions increased during this ten-year period, with non-resident county workers, however, the trend began to reverse during the 1990's, and in 2000, the resident county workers outnumbered the non-resident county workers. From the standpoint of the Boone County economy and planning issues such as transportation, this is a positive trend. It means that transportation needs are less, and that the housing and jobs within the county are better matched.

Table 4.10 - Boone County Transpositions, 1970-2000

	1970	1980	1990	2000
Resident County Workers	4,099	9,047	14,102	23,589
Non-Resident County Workers	4,025	11,687	15,772	21,734
Resident Out Commuters	7,034	9,172	14,412	20,918
<i>Source: U.S. Census</i>				

The exchange of workers continues to happen to the greatest degree between Boone County and Kenton County in Kentucky, and Boone County and Hamilton County in Ohio. In 1980, 7,000 Kenton County residents worked in Boone County; by 1990, the number had increased to 11,299, and in 2000 it rose to 17,053. In 1980, 1,394 Hamilton County residents commuted to Boone County to work; by 1990, the number had more than doubled to 3,044, and then it doubled again in 2000 to 6,505. The amount of workers commuting to Boone from Clermont, Campbell, Kenton, and Dearborn Counties significantly outnumbers those commuting from Boone County to those counties, while Hamilton County is the only county that receives more workers than Boone County.

The counties immediately south of Boone County, Grant and Gallatin, continue their dependence on Boone County for jobs. This same phenomenon is now happening between Boone County and Dearborn County in Indiana. In 1980, there were 124 workers from Dearborn County commuting to Boone County. By 1990, the number increased over six fold to 784, and in 2000, it had almost doubled again to 1,466. The significance of these numbers is that it indicates the strong economic ties Boone County has with the surrounding region. To some extent these other counties act as bedroom communities for Boone County, even though Boone County is a suburban county. The county's economic growth directly affects the counties to the south and Dearborn County in the north. Any future economic transformations in Boone County will have an impact on all surrounding counties.

Table 4.10 details the number of resident, nonresident, and resident out commuters for Boone County from 1970 to 1990. **Table 4.11** presents the statistics in **Table 4.10** (both resident and non-resident) as percentages.

**Table 4.11
Boone County Workers By Percent Resident Or Non-Resident, 1970-2000**

	1970	1980	1990	2000
Resident County Workers	50.4	43.6	47.2	52.0
Non-Resident County Workers	49.6	56.4	52.8	48.0
<i>Source: U.S. Census</i>				

Part of the explanation for the growth in employment has to do with the overall trend in the growth of industrial and commercial uses in suburban areas from 1970 to 2000. Much of this growth in Boone County was stimulated by the expansion of airport operations during the 1980's and 1990's. The split in transpositions for Boone County workers is consistent for this thirty year time period, with a general transition to a suburb-to-suburb commuting pattern for many workers. **Table 4.10** clearly illustrates the substantial overall increase of commuters on Boone County's roadways. There were 11,000 (both non-resident workers and resident out workers) commuters on Boone County's roadways in 1970; however, by 1990 that number had tripled to 36,000 commuters, and by 2000 had increased to 42,652.

Employment projections by the Ohio-Kentucky-Indiana Regional Council of Governments (OKI) predict that there will be 108,049 jobs in Boone County by the year 2030. Light-rail and improved bus services could be in place by that

time. Otherwise, traffic congestion on Boone County's roadways would be significant and could have the effect of limiting this expected growth in employment.

The questions that should be asked about present and future transpositions are “who commutes out of the county?” and “Who commutes into the county?” and “Why?” **Table 4.8** shows that there was a large increase in residents who were professional or "white collar" workers in the county over the past few decades. However, during this same period, the actual increase in jobs in Boone County was in the more low-paying categories of wholesale/retail, transportation/public utility and services. There has been a continuing increase in non-resident county workers.

It could be argued that, generally, the county "exports" its professional, resident workers and "imports" non-professional, lower-wage workers. The question should also be asked: “If the county must import its low to moderate-wage workers, is this because there is not an adequate amount of affordable housing in the county for these workers?” In addition, it may mean that Boone County needs to provide for adequate sites for future higher wage business development.

Transpositions are generally viewed negatively by transportation planners because a transposition most often means commuting in a single occupant vehicle (SOV). If the projected increase in employment, described above, indeed happens in Boone County (and within the whole metropolitan region) and present commuting habits persist, it would result in similar increases in transpositions. If no changes in commuting habits are seen, or no major roadway capacity improvements or transit improvements (i.e. light-rail, feeder bus) are implemented, economic development could result in chronic congestion and increased pollution problems for the whole region. Clearly, there is a strong correlation between the health of a region's environment and the health of a region's economy.

Table 4.12 gives the trips to and from Boone County by location. The average daily commuting trips for the OKI region in 2000 was 909,906.

Table 4.12 - Boone County Commuting Patterns In 2000

	Trips from Boone County	Trips to Boone County
Butler County	641	857
Clermont County	350	1,422
Hamilton County	8,351	6,505
Warren County	242	337
Boone County	23,589	23,589
Campbell County	1,150	4,062
Kenton County	8,220	17,053
Dearborn County	350	1,466
TOTAL	42,893	55,291

Source: OKI

EMPLOYMENT MEASURES

As described in the Business Activity Element, there are two categories of industrial activity, base and nonbase. According to the Tri County Economic Development Corporation, these terms are sometimes replaced by other definitions but are still valid. Base industries furnish the products which sustain society, such as those derived from agriculture, mining, and manufacturing activities. Nonbase industries are users and marketers of base industrial products. These support or service activities have developed beyond the simple distribution of physical products to the provision of human services.

The two industry types are interrelated and interdependent. Base industrial activities are responsible for bringing outside income into a community. Nonbase industries then circulate that income while providing the services necessary both for the operation of base industries and for daily activities of all residents in the community.

While base industries provide the foundation for a long term employment sector, base industry products, employees and families immediately generate the need for non-base support industries. This develops an urban growth cycle of population, products, and service, in terms of both volume and diversity. Growth may be considered to be an increase in volume. Base industries increase their activities and expand their employment rolls in response to market demand for their products. Such growth generates population increases and requirements for additional non-base services.

Before beginning this comparison of base and non-base industry, it is important to realize the constraints of the comparison. With the shift of the past few decades in the United States to a post-industrial economy, the base and

non-base distinction no longer strictly follows traditional lines. Boone County's strong retail, office, and service sectors serve as a regional base and act as a regional draw resulting in significant outside dollars flowing into the county's economy. The U.S. Census and other data sources also change, combine, or split categories over time, which often make data difficult to compare.

Furthermore, Boone County's economy is strongly tied to the Greater Cincinnati Metropolitan Area's economy. It is important to note that several factors outside the county have an important affect on the county's economy. However, despite these constraints the base to non-base analysis does reveal important aspects of the county's economic anatomy, and this comparison is useful in establishing the current status of economic factors.

Employment Types

Table 4.13 contains employment numbers for Boone County's major non-agricultural industries from 1979 through 1999. Of the represented industries, mining, construction, manufacturing, and transportation/public utilities are base industries, and wholesale/retail, finance/ insurance/real estate, services, and federal/state/local government are traditionally non-base industries (increasing numbers of services and federal/state/real estate industries may be considered base employment in a post-industrial, metropolitan area). These categories are defined as follows: mining - the extraction of minerals; construction - establishments that operate as general contractors, operative builders, special builders, special trade contractors, land subdividers, and developers; manufacturing - the mechanical or chemical transformation of materials or substances into new products; transportation - movement of people and merchandise from one place to another; wholesale - the sale of merchandise to retailers repair shops, industrial, commercial, institutional, professional business users, farmers, governments, and wholesalers; retail - sale of merchandise to the general public for personal or household consumption and services incidental to sales; F/I/R/E - finance, insurance and real estate; services - businesses which provide amusement, education, repair, and other services.

Before 1960 a greater percentage of Boone County residents were employed in base industries than non-base industries. This trend began to change during the 1970's; by 1980, non-base industry employment accounted for nearly 60 percent of the total county employment. This shift in the major employment sector is partly due to the decreasing role of agriculture in the county's economy. In 1940, agriculture accounted for nearly 53 percent of the county's employment; by 1980 agriculture employed just over 2 percent of the county's workers. This trend is representative of the county's transition from a rural to an urban economy.

Employment Levels

As of 1997, among the base industries, manufacturing continued to be the largest employer of Boone County workers followed closely by Transportation/Public Utility, while the wholesale/retail industry is the largest employer among non-base industries and is the largest employer of any industry in the county. As of 1997, almost 70 percent of the workers in Boone County were employed in one these three industries. Professional and related services accounted for almost 20 percent of the employment, and continue to increase.

The trends toward more services and retail employment needs to be monitored to make sure that higher paying jobs are provided for in Boone County. This is important beyond the 2030 planning horizon as well because the type of employment provided in the county will also determine the character of housing built in the county, thereby permanently affecting large areas of the county.

Table 4.13 - Place Of Work Employment By Major Industry in Boone County, 1980-99

Year	Mining	Construction	Manufacturing	Trans/ Public Utility	Wholesale/ Retail	F/I/R/E	Services	Government	Other	Total Employment
1980	29	660	6,334	1,610	5,957	605	2,579	2,372	98	20,244
1985	46	661	6,072	2,694	7,412	579	4,067	2,726	149	24,406
1990	44	1,100	7,868	6,454	11,866	771	6,318	2,445	284	37,152
1999		2,012	13,056	13,237	18,142	3,420	11,616	4,741	548	66,772

Source: Northern Kentucky Area Development District; N. KY Chamber of Commerce

Among the represented industries, some show evidence of being fairly volatile in terms of employment, with important shifts from year to year in the number of workers employed. Construction experienced the greatest shifts in numbers of employees from year to year, and Manufacturing likewise experienced substantial changes in the number of workers employed. The employment levels for Wholesale/Retail and Finance/Insurance/Real Estate have demonstrated a more steady, positive growth. Again, the growth in these non-base industries has closely followed the regional pattern,

in which the non-base industries did not experience the declines during periods of national recession that the base industries experienced.

This brief analysis of employment numbers again suggests that Boone County's economic complexion is shifting from the traditional dominance of manufacturing to that of transportation/public utilities (fueled largely by the growth of the Greater Cincinnati International Airport and expansions in utilities), and non-base, or tertiary, industries such as wholesale/retail and services.

Employment Trends

Future trends should include a continuation in the growth of wholesale/retail employment, considering the planned redevelopment of the regionally-oriented commercial district in the Mall Road Area into a mixed use urban community and the continued expansion of the Houston/Donaldson commercial development. There should also be growth in manufacturing employment with the continued expansion of industrial development around the airport and along U.S. 25 near Richwood. The Airport reported that aviation affiliated employment had expanded from 10,000 in 1994 to more than 15,000 in 2000, and predicts more than 18,000 in 2020. In 2005, the University of Cincinnati Economics Center for Education and Research estimated a total of 55,800 jobs in the region and has an annual economic impact of \$4.5 billion. The study described the airport as the eleventh busiest in the world.

Table 4.14 lists the traffic zones plus actual number of jobs for 1990 and 2000 (based on Census information), and OKI's job projections (based on consultation with the Boone County Planning Commission) for the year 2030. A map of the traffic zones is presented as **Figure 2.5** in the Population Element.

Table 4.14 - OKI Traffic Zone Jobs Projections

Traffic Zone	1990	2000	2020	2030*
60	4516	5,188	5,939	6,500
811	695	1,430	1,848	2,249
812	340	484	1,427	1,500
813	1219	4,967	6,249	6,248
814	1963	3,344	8,188	8,888
815	1816	4,975	8,014	8,489
816	590	2,935	3,644	4,100
817	3178	2,864	3,635	3,744
818	5947	8,458	10,558	12,030
819	4090	4,564	6,238	6,983
820	300	757	805	806
821	361	941	2,460	2,504
822	197	1,594	1,937	2,257
823	281	330	1,012	1,630
824	724	2,227	4,918	6,053
825	152	3,368	4,686	4,786
826	230	458	668	668
827	6170	15,240	19,182	20,292
883	745	1,872	3,269	4,553
884	597	811	1,341	2,192
885	43	140	200	450
886	309	1,012	1,628	1,955
887	175	805	1,430	2,027
888	222	198	561	882
889	47	286	370	370
890	50	292	812	1,052
891	47	33	111	150
892	32	65	70	70
893	191	22	75	100
894	122	427	433	433
895	198	356	600	600
896	57	326	502	700
897	105	146	200	200
906	381	2,042	5,039	5,439
Totals	36090	72957	108049	120900

Source: aggregated from OKI data, except *BCPC

These projections are based on present trends in those traffic zones and expected future land uses for these areas and are compiled from more detailed traffic analysis zone data from OKI.

In April 1999, a "Greater Cincinnati Labor Market Supply Study" was published. This study was produced by the University of Cincinnati Center for Economic Education and was prepared for Cinergy Corp., Greater Cincinnati Chamber of Commerce, the Northern Kentucky Chamber of Commerce and Ohio Region 5 School to Work Alliance. The Study offered the following conclusions:

- 1) 60% of Greater Cincinnati's (region's) labor force was under the age of 40.
- 2) 48% of the region's labor force has attended college.
- 3) For every female college graduate in the region, there were 1.4 male college graduates.
- 4) 43% of the region's workforce was in technical, sales, administrative support, managerial or professional occupations.
- 5) 39% of the region's workers in service occupations had less than a high school degree.
- 6) Lower labor force participation rates of the 55-64 year old age group have contributed to the tight labor market.
- 7) Contrary to popular opinion, many of the people who were not in the labor force had a good education.
- 8) The labor force participation rate of men was substantially higher than for women.
- 9) By the year 2005, the level of employment will increase faster than the work force.
- 10) Population growth will lag employment growth in Greater Cincinnati.
- 11) In-migration to the region will increase the local labor market supply.
- 12) The working population will mature over the next two decades.
- 13) A more mature labor force may require more training and higher wages.
- 14) Retirement incentives decrease the labor force participation rates of older workers.
- 15) Incentives from employers may be necessary to keep older workers participating in the labor force.
- 16) The region's population participated more in the work force than the national population, especially the 16-64 age group.
- 17) By 2002, an estimated 26,599 people were projected to graduate from specialized programs in the region. However, 50% of the graduates were not projected to enter the local workforce due to interest in receiving a higher educational degree and in working outside Cincinnati.
- 18) There was projected for 2005 a continued tight labor market for workers formally trained in the manufacturing, service, computer science, nursing, therapy, skilled trades, medicine, business and education occupations.

RECOMMENDATIONS

Economic Development and a Sustainable, Regional Economy

The late 1980's and the 1990's contained a resurgence of growth in manufacturing. However, this has not continued during the last five years. The Tri-County Economic Development Corporation (Tri-ED), a non-profit corporation financed by the three Fiscal Courts of Boone, Kenton and Campbell counties, is charged with recruiting companies into the Northern Kentucky region. Tri-ED has clearly been successful in recruiting firms into the industrial developments. In recent years, Tri-ED has also placed an emphasis on retaining existing businesses. The region's specific resources and strengths (such as the International Airport) should be nurtured as catalysts for economic development. Boone County, Northern Kentucky, as well as the whole Cincinnati Metropolitan region, should start taking the necessary steps, now, to make the transition to a sustainable, regional economy of the future.

A sustainable economy would be, as the name implies, sustainable from generation to generation. It would not be as susceptible to national recessions or highly dependent on national expansions. A sustainable economy's engine would not be growth by any means, but instead, continuous innovation and regional cooperation and integration. A sustainable economy holds the promise that economic development, environmental preservation and restoration, and the evolution of a regional orientation (that is inclusive of central city and outer suburb) could all come together as coordinating parts of a continually renewing, economic system, which is competitive in the new world economy.

During the 1990's Boone County added a tremendous amount of warehouse and distribution centers. This type of use occupies significant amounts of land while not creating a significant number of jobs per acre. Adjacent counties and cities have expressed desire in attracting these types of employment opportunities. Boone County should work with Kenton and Campbell counties in order to appropriately locate these types of businesses.

To illustrate that we are already beginning to take the initial steps to create a sustainable, regional economy, some attributes of such an economy are characterized below, along with descriptions of Boone County's and the metropolitan region's actual "initial steps". Recommendations for the next steps to be taken by the county are then introduced.

- *A most important attribute for a metropolitan region with a sustainable economy is the development of an infrastructure of public transit, roads, bike paths, and pedestrian facilities, so that human-scale community is enhanced and options to auto travel are ubiquitous.*

For the metropolitan region, the Ohio-Kentucky-Indiana Regional Council of Governments (OKI), in several of its planning efforts, has proposed the development of a light-rail line to run from Kings Island along I-71 to the International Airport and to the Florence Mall area. The OKI planning efforts also propose expansion of bus transit service to the more highly developed residential areas in Boone County.

- *A viable, metropolitan regional economy, that aspires to be competitive in the new world economy, needs good international transportation capacity.*

The Economy Element's Goals and Objectives describe other definite attributes of a sustainable, regional economy. These include support of local agriculture and patronage of local business products and services. Examples of local support for agriculture include the farmers' market in Burlington. The State of Kentucky has promoted this Farmers' Market as the ideal outlet for traditional tobacco farmers to sell alternative crops like fruits and vegetables and to help shorten the distances our foodstuffs are transported as well as enabling our local farmers.

Patronage of local business products and services is best exemplified in the Cincinnati metropolitan region by the Best of Cincinnati promotional magazine. This idea could be implemented in Boone County or Northern Kentucky. The next logical step would be conscious attempts by the area and region for import replacement, such as is done in Eugene, Oregon. In this example, an individual put together a grant of \$38,000 from the city, county and a local bank, for herself and staff of two. This group then contacted local businesses and asked what they expected to purchase from outside the city and county region in the next year. They then searched for local companies who would be able to place bids for the work. They would then continue this cycle of approaching purchasers and seeking potential suppliers and connecting the two. By the end of the first year, the grant had returned more than five thousand percent (of the cost of the contract) in new contracts that were formally done outside the city and county.

Encouraging the establishment of recycling programs and recycled materials industries is another objective in the Economy Element that describes specific attributes of a sustainable, regional economy. Boone County has maintained a volunteer curbside recycling program for the community. Another step that could be taken would be maximizing the use of the local governments purchasing power so that recycled products would be purchased. The State of Kentucky has instituted such a policy.

Maximizing energy conservation and the development of local renewable resources are also two other attributes of a regional, sustainable economy. Cinergy is now promoting energy conservation that includes recommendations for replacing normal light bulbs with long-life, energy-efficient, fluorescent bulbs, as well as, energy audits for homes that give homeowners tips on energy savings. Cinergy is also promoting a program for conversion of government, school bus, taxi, or delivery fleets to natural gas vehicles.

Overall quality of life and local economic health can be assisted by the presence of a strong pedestrian and bike system that connects neighborhoods, employment uses, retail, recreation facilities, government centers, and community identifiers such as historic sites. These systems or individual paths can give identity to an area of the county and encourage small business growth. Examples would include the Mary Ingles (historic pioneer) trail system along the Ohio River, a General John Hunt Morgan (Civil War) trail through the center of the county, or an airport perimeter multi-use trail system. Smaller scale pathways should connect residential uses to recreation facilities and green space.

In conclusion, the county and metropolitan regions are already making the transition to a sustainable, regional economy out of necessity. There are many further steps to be taken by all levels of society. What are now viewed as environmental problems (e.g. energy inefficient construction methods) will actually become opportunities for new, innovative sustainable businesses (e.g. retrofitting older structures for energy conservation).