

# HJ NEWS

## **Cache County looks to relieve workforce shortage, help entrepreneurs with economic grant**

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A new state grant will focus on growing the Cache County economy and addressing labor shortage issues.

“The main purpose of the grant is to help diversify economic opportunity beyond the four primary metropolitan counties,” said Shawn Milne, Cache County economic development director. “We have applied for the grant in part to help businesses with the workforce shortage.”

The county received the \$200,000 grant from the Governor’s Office of Economic Opportunity under the Rural County Grant Program on Nov. 23.

The economic department noted that three primary demographics were more absent in the workforce: 18-24 year olds, mothers and senior citizens.

Milne noted that the presumption was that a lot of young adults within that 18-24 demographic had other forms of financial support and that’s why they were not working. Several women left the workforce to take care of their children.

“It was expected in the last year that about 1.5 million Americans were expected to retire out of the workforce, but instead we had a little over 3 million who left the workforce,” Milne added, calling the elderly the other side of the bookend.

Another possible contributor to the labor shortage, according to libertarian think tank The Cato Institute, is that the federal government has issued 1.2 million fewer visas to immigrants, refugees and temporary foreign workers since March 2020, when the COVID-19 pandemic closed consulates. Local companies that have in the past hired high numbers of refugees and other immigrants, such as iFit and JBS, have been increasing starting wages to fill shortages, anecdotally tempting workers away from other industries.

The grant money, in addition to addressing the workforce shortage, will be used to look into solutions for suffering businesses and support entrepreneurship through Bridgerland Technical College.

Mark Alexander is the director of the Entrepreneurship Center at BTEch. He offers business consultation and advice to startup businesses as well as helps to provide resources a new business might need, such as office space or a kitchen.

These services are offered at a low price to any startup; Alexander's business or consultation advice is free.

"An entrepreneurship center may on the surface seem counterproductive to a work shortage," he said. "Most businesses that start today aren't going to be successfully hiring people for at least three years ... It's going to take them a little while to get going. We feel like we need to continue to foster business creation because we don't know what it's going to be like down the road."

The portion of the grant going to BTEch will be used to remodel the Entrepreneurship Center with additional incubation offices, or temporary offices, as well as purchase needed equipment such as 3D printers, sewing machines or updated equipment in the kitchen.

"We're expanding to include those incubation offices, having a classroom and a boardroom available and a photography studio," Alexander added. "Then that will open more space up to the valley as well as more bandwidth for being able to help more businesses."

Zach Christensen, general manager of HSA Depot, is one of those entrepreneurs using the BTEch center. He has been renting out an incubation office for the past month and said he was thankful for the temporary space.

"That's one of the big barriers of a startup — having a space to work and good people to give advice," Christensen said.

He hopes his store, which will carry eligible items for health savings and flex spending accounts, will benefit the community.

"We're focusing on helping people understand their health savings accounts," he said. "We've always been on the front end of developing products and that backend where we get to see the distribution of medical products and the good that it's doing. That's what really pulls us."

Cache County will match an additional \$80,000 from a different federal grant. In addition to working with BTEch, Milne and the economic department will also work with the Cache Valley Chamber of Commerce, Department of Workforce Services and the Cache Valley Economic Development Alliance to coach and consult local employers across the valley.

"What can I do as an economic developer to help them?" Milne asked. "We're here to help our businesses succeed and we know they don't have forever and a day to create a government program to solve the problem."

As of October, Cache County currently has the lowest unemployment rate of any county in Utah. The Utah Department of Workforce Services lists the rate at 1.4%.