



# Community & Economic Development

Attracting, Cultivating and Supporting Growth

# Agenda



Economic Development  
Past, Present & Future



Trends Impacting Success



Public & Private Sector Roles

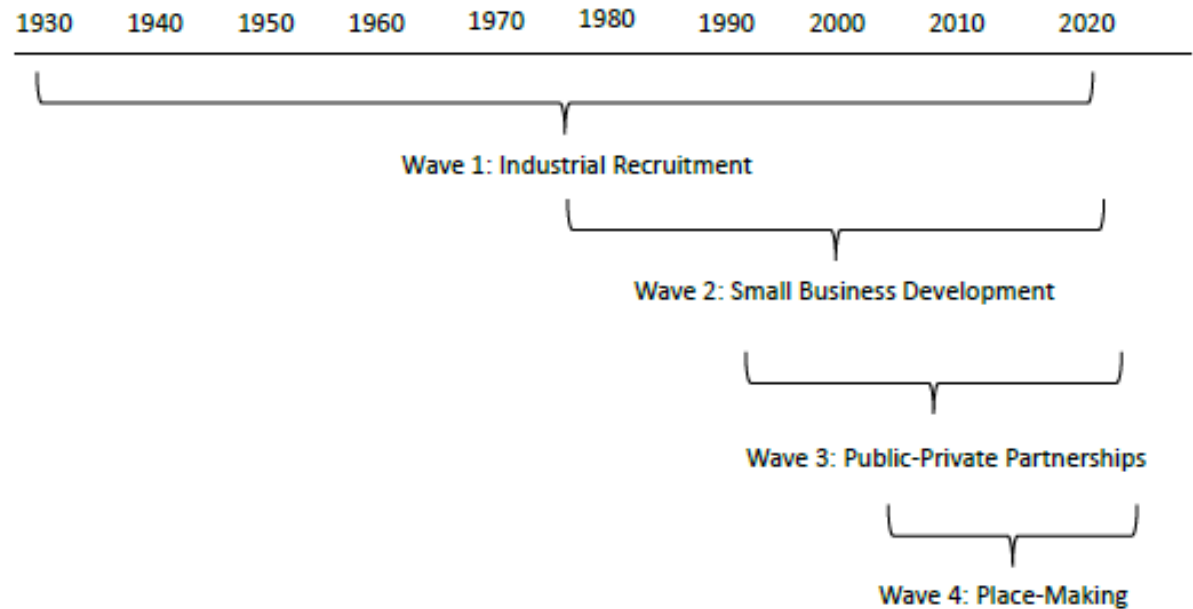


# Economic Development Past Present & Future



# History of Economic Development

History of how we have approached economic growth and development at the local/regional level.



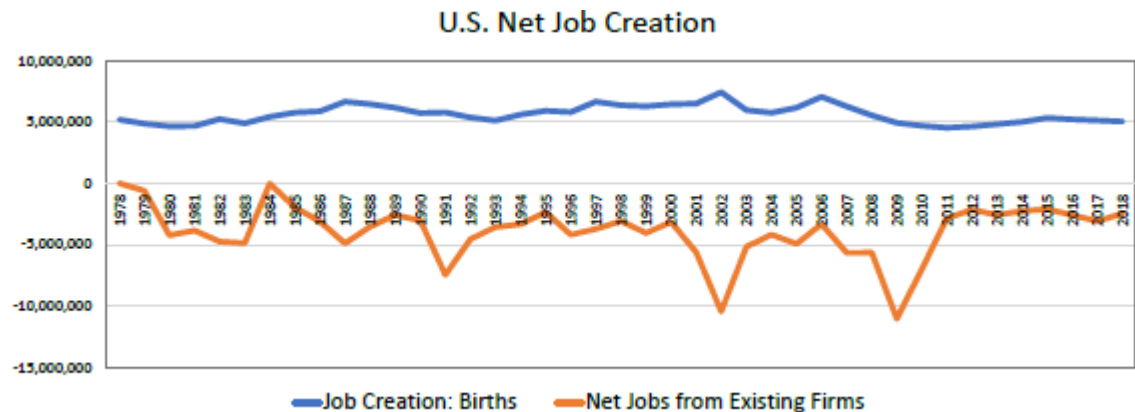
# Industry Recruitment: First Wave

- Focus on manufacturing, natural resources
- Positive business climate required:
  - Cheap land
  - Cheap labor
  - Limited regulation
  - Limited taxation
- Start of the battle between states/cities for projects
  - Great depression era programs (1933) supported competition for dollars



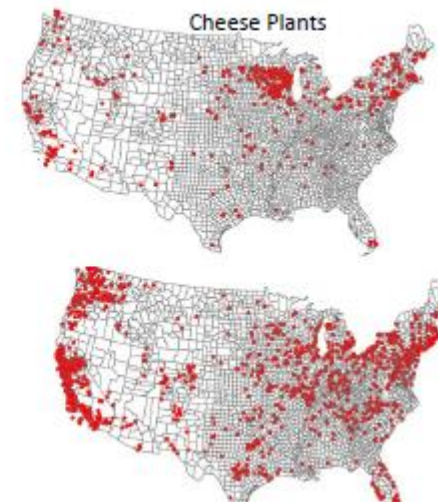
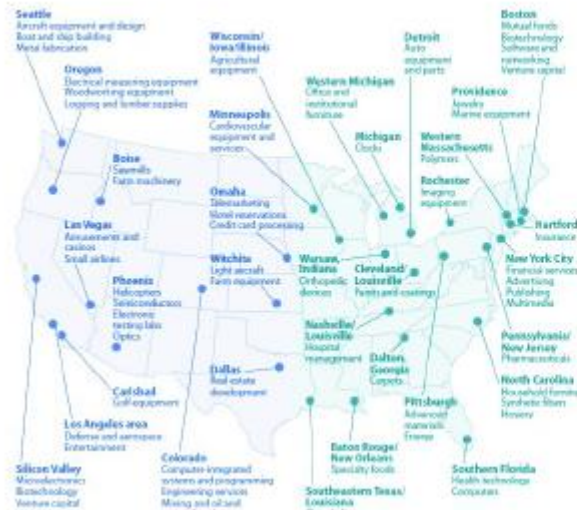
# Business Retention & Expansion: Second Wave

- Focus on job growth from existing businesses (80/20 rule)
- Effort to be proactive rather than reactive
- Understanding local advantages/challenges and planning accordingly.
- Supports entrepreneurial development and recruitment in competitive sectors/areas.



# Cluster Development: 3<sup>rd</sup> Wave

- Focus on clusters of businesses which maximize local resources and share talent.
- Promote networking and public-private partnerships for research & development.
- Looks toward future growth areas rather than past success.
- Emphasis on public/private partnerships rather than direct incentives

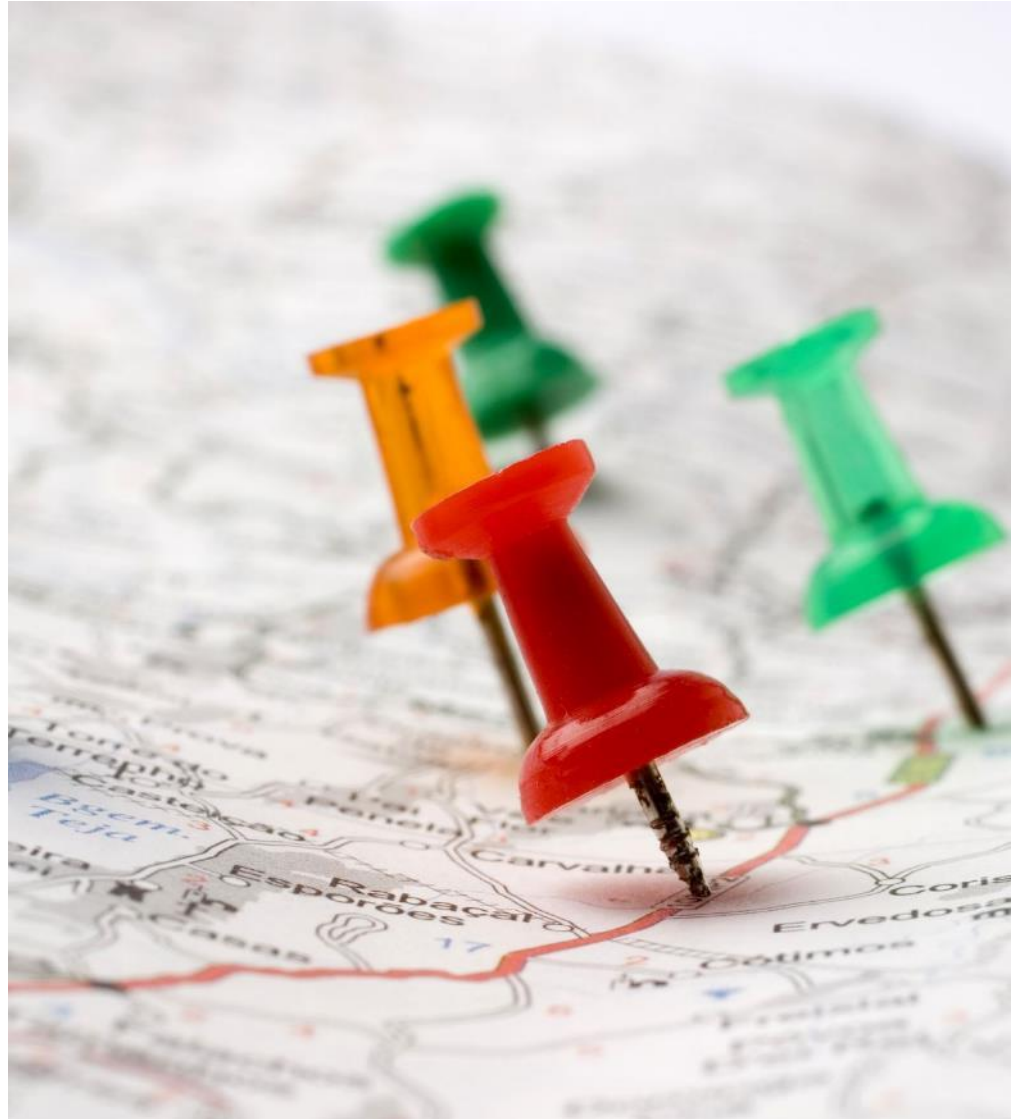


# Community Development: 4<sup>th</sup> wave

- Focus on talent and labor attraction & retention
- Recognition that people can make location decisions separate from careers
  - Remote work, entrepreneurship
- Focus on quality of life and engagement with community.
  - Public wifi/high speed broadband, volunteerism, education, networking/mentorship, welcoming community, recreation, parks, libraries, safety, arts & culture, vibrant downtown



# Trends Impacting Success



# Shifting Decision Making

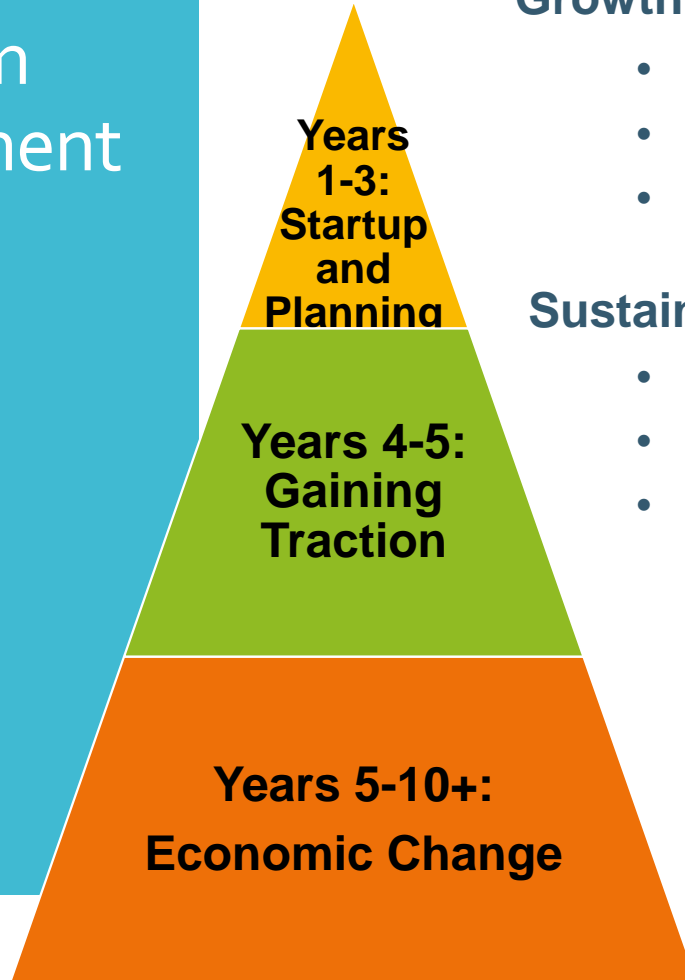
## Corporate Decision Making

- 1) Resource-Driven (raw materials/shipping)
- 2) Regulatory-Driven (cost of doing business)
- 3) Labor-Driven (population numbers)
- 4) Cluster/Knowledge Driven (partner companies, research institutions)
- 5) Employee Retention Driven (where we can recruit/retain long-term)

# Economic Trends Supporting Shift

- Digital economy 17% of economy but only 5% in rural places
- Community development supports people and ideas as well as businesses.
- Spending power: Locally owned businesses, non-local businesses, residents that also work in town, resident commuters, non-resident workers, visitors

# Long Term Commitment



## Startup Phase

- 68% positive business growth
- Average leverage: \$6:\$1
- Average 500 hours volunteer time

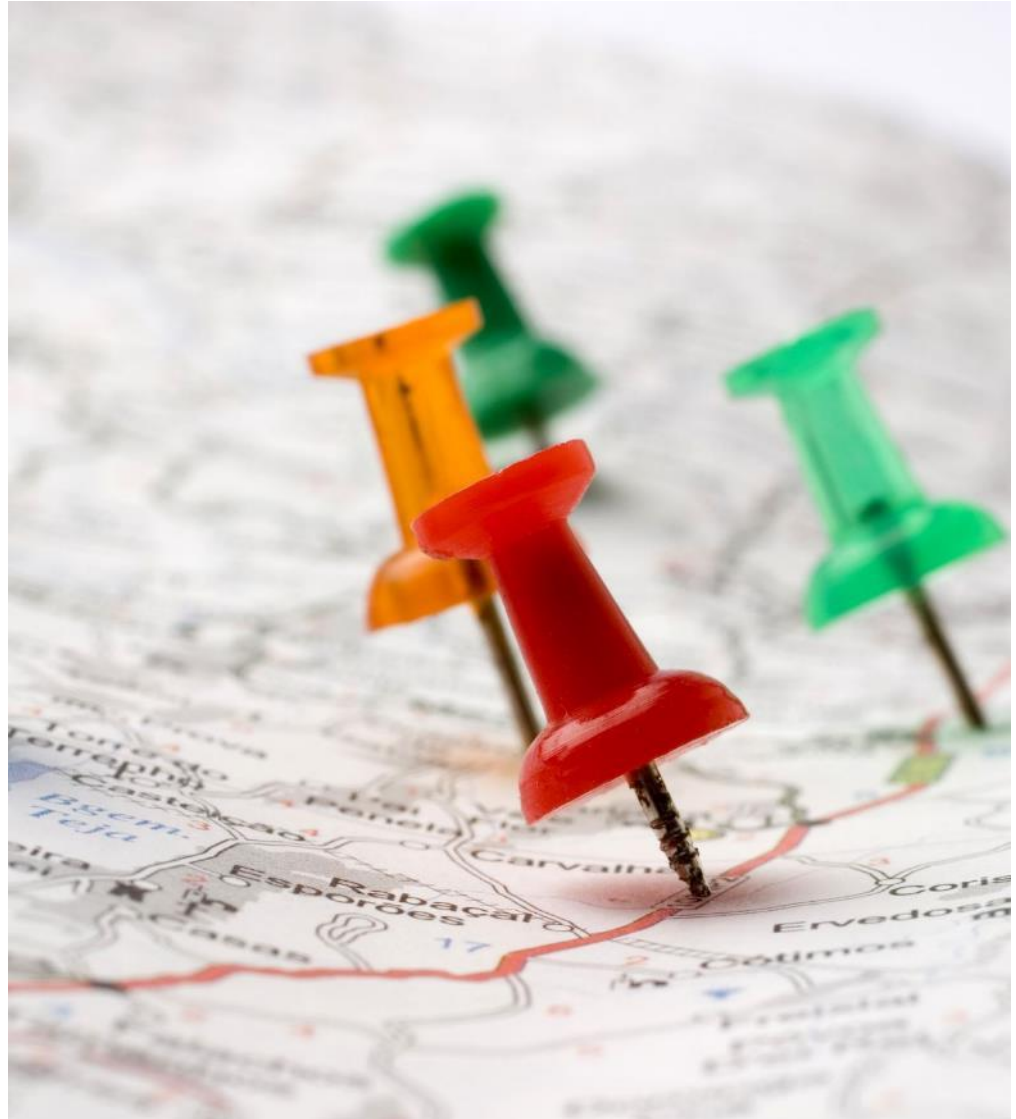
## Growth Phase

- 85% positive business growth
- Average leverage: \$16:\$1
- Average 1,000 hours volunteer time

## Sustain Phase

- 85% positive job growth
- Average leverage: \$23:\$1
- Average 1,500 hours volunteer time

# Public & Private Sector Roles





# Example Initiatives



## Business Retention

- Surveys
- Education & Training
- Mentorship/Networking
- Economic Gardening



## Business Recruitment

- Available property information
- Communicate opportunities
- Demonstrate support
- Provide relevant market data
- Municipal Liaison



## Entrepreneurial Development

- Create a path to permanence
- Startup Guide
- Networking or Coworking opportunities

# Main Street Four Point Model

## **Civic** (Organization)

Bring the community together to build consensus & a common vision, assemble resources, and lead revitalization

## **Physical** (Design)

Improves the district's physical elements, while preserving the community's authentic character & sense of space

## **Economic** (Econ/Vitality)

Strengthens & diversifies the local economy supporting existing base, entrepreneurship, and appropriate development

## **Social** (Promotion)

Positions district as the center of activity, culture, commerce, and community life, market its assets, and positive image

# Tools in the Toolbox – Everyone Has a Role

	Government & Community Partners	Regional Economic Development
Recruiting Employers	<ul style="list-style-type: none"> <li>- Establish &amp; maintain business parks,</li> <li>- Ensure infrastructure capacity</li> </ul>	<ul style="list-style-type: none"> <li>- Market sites</li> <li>- Network with state/regional partners and site selectors</li> <li>- Coordinate with utilities and transportation</li> <li>- Respond to leads</li> </ul>
Retaining & growing Businesses	<ul style="list-style-type: none"> <li>- Participate in retention surveys</li> <li>- Regulation/ Ordinance review &amp; update</li> </ul>	<ul style="list-style-type: none"> <li>- Lead retention surveys</li> <li>- Business networking, referral and clusters</li> <li>- Economic Gardening</li> </ul>
Entrepreneurial Development	<ul style="list-style-type: none"> <li>- Create low cost or small spaces</li> <li>- Engage residents and small businesses</li> </ul>	<ul style="list-style-type: none"> <li>- Connect with high growth companies</li> </ul>
Community Resource Development	<ul style="list-style-type: none"> <li>- Create TIF capacity where needed</li> <li>- Supportive zoning, processes</li> <li>- Available lots, help assembling infill</li> </ul>	<ul style="list-style-type: none"> <li>- Help identify and define needs</li> </ul>

# Team Approach



## Infrastructure & Awareness

- Community designates land
- Zoning & Approvals Process
- Regional/state marketing & outreach of options

## Business Climate

- BRE surveys, responses
- Networking, Clusters & Joint Efforts
- Workforce & Education System Partners
- Entrepreneurial Opportunities

## Engagement & Community

- Involved Residents, Chamber
- Vibrant local economy
- Residential options
- Parks, Culture



# Why Community Investment

- Downtowns/existing districts are often the largest economic engine in the City.
  - Downtown residents spend 200% more at walking distance businesses.
  - The average downtown HH spends \$9,000/year in local goods/services.
  - Filled upper units allow landlords to accept higher risk (i.e. local, retail, restaurant) tenants on the ground floor.
  - Wisconsin average downtown market share:

Land Area	Property Value	Hotel Rooms	Businesses	Restaurant Spending	Retail Spending	Residential Units
2%	6%	27%	16%	21%	14%	12%





# Example Project: Oxbow Hotel

- Renovation of blighted 30-room hotel/rooming house into boutique hotel/music venue (first downtown hotel)
- \$4.1 million
- \$500,000 state grant
- \$250,000 City loan (0%, 10-year term)
- \$60,000 Regional Business Fund Façade Loan (0% interest 15-year term)
- \$1.6 million bank loan (59% LTV)
- \$205,000 owner equity
- Additional \$343,000 in adjacent streetscape improvements and landscaping
- Resulting \$1.2m increase in property value, \$550k/year in retail/room tax



### Pipeline Activity Between 3/21 - 4/25

Active Date	Project Name	Project Stage	Locations Considered	Opportunity Type	Pipeline Description (Public)
4/21/2022	Auto	Preliminary - Too new to know!	Jefferson County	New Business	Site an auto auction company
2/14/2022	Carnival	WIN - Jefferson County	Aztalan (J)	Business Attraction	Purchased property; met to discuss potential uses
8/2/2021	Catalyst	ACTIVE - LOW	Lake Mills (J)	New Business	Mixed-use development
4/10/2022	Confectionary	Preliminary - Too new to know!	Fort Atkinson (J)	New Business	Start-up interested in financing assistance
12/06/2021	Edge	Preliminary - 50/50	Jefferson (J)	Existing Business	Business for sale; current use doesn't have enough labor to attract buyer. Discussing alternate uses.
4/11/2022	Electric	ACTIVE - HIGH	Fort Atkinson (J)	Business Attraction	Interested in developing multiple units; assist community & possible loan applicant
01/28/2021	Hope	ACTIVE - HIGH	Jefferson County	Existing Business - Expansior	Assisting with proposed expansion and incentives; temp & long term space needs
3/9/2022	Hut	WIN - Dodge County	Beaver Dam (D)	Business Attraction	Looking for 100,000+ sf manufacturing facility; Purchased building in Beaver Dam
1/28/2022	Minister	ACTIVE - 50/50	Watertown (J)	Existing Business - Expansior	Purchase of building - possible County RLF loan applicant
1/28/2022	Multiple	Active - 50/50	Watertown (J)	Business Attraction	Fam tour led to exploring development in Watertown
4/4/2022	Oaky	Preliminary - 50/50	Oakland (J)	Residential Development	Possible mixed-use development
4/11/2022	Petey	Preliminary - 50/50	Fort Atkinson (J)	Existing Business - Expansior	Business expansion; assist community & possible loan applican
3/4/2022	Pining	Preliminary - Too new to know!	Watertown (J), Johnson Creek (J)	Existing Business - Expansior	Business expansion. Help with incentives/financing options
10/24/2016	Pipe	ACTIVE - HIGH	Jefferson (J),	Existing Business	Heavy manufacturing; seeking possible relocation. Assisting with financing & incentives
2/14/2022	Pointy	Preliminary - Too new to know!	Jefferson County	Residential Development	Multi-family developer considering investment in JeffCo
2/8/2022	Pulse	Eliminated	Dodge County, Jefferson County	Business Attraction	15-20 acres for 150,000sf new construction FAB production and distribution; Selected a site in DeForest
2/17/2022	Snazzy	ACTIVE - HIGH	Jefferson County	Existing Business	Permitting/zoning Assistance to open a mixed-use facility for childcare and indoor sports
11/02/2021	Spring board	Preliminary - LOW	Palmyra (J)	Residential Development	Mixed-use development; assisting municipality. Applied for Heartland Housing Initiative grant
6/14/2019	Tees	ACTIVE - HIGH	Jefferson (J)	Existing Business	Assisting owner; possible sale
2/22/2022	Zippy	Preliminary - 50/50	Jefferson County	New Business	Potential to construct new large recreational vehical storage facilities; working through issues re: Utilities