

Chapter XIV

ECONOMIC DEVELOPMENT ELEMENT

INTRODUCTION

This chapter presents the economic development element of the multi-jurisdictional comprehensive plan for Walworth County. Part One of this chapter provides background information on economic development in the County and is strictly informational. Part Two establishes the economic development goal, objectives, policies, and programs for the multi-jurisdictional comprehensive plan. Land use regulations shall be consistent with Part Two of this chapter.

PART ONE: BACKGROUND INFORMATION ON ECONOMIC DEVELOPMENT IN WALWORTH COUNTY

This section presents a summary of key background information that was considered in developing the economic development goal, objectives, policies, and programs. It presents: a summary description of the economic base of Walworth County; a summary of public input on economic development received during the course of the comprehensive planning effort; and other information as required under the State comprehensive planning law.

Economic Base

A detailed description of the economic base in Walworth County is presented in Chapter II of this report. A summary of the key features of the economic base from Chapter II, along with additional data now available, follows:

- According to the U.S. Bureau of Economic Analysis, the number of jobs in the County increased from about 26,400 jobs in 1970 to 33,500 jobs in 1980, 39,900 jobs in 1990, and 51,800 jobs in 2000.¹ The largest job concentrations occur in and around the County's cities and villages (see Map II-2 and Table II-17 in Chapter II). Most of the major private employers in the County—those with at least 100 employees—are also concentrated within the County's cities and villages (see Map II-3 and associated list of major employers in Table II-19).
- The industry mix of jobs in the County has changed over the past several decades, although trends in this regard are clouded by a major change in the industrial classification system. The proportion of jobs in services has increased, while the proportion of manufacturing jobs has decreased somewhat. As of 2006,

¹The number of jobs reported by the Bureau of Economic Analysis includes wage and salary employment and the self-employed, and reflects full-time and part-time jobs.

the latest year for which Bureau of Economic Analysis data are available, jobs were distributed by major industrial group as follows: manufacturing—16.7 percent of all jobs; retail trade—10.3 percent; services—36.9 percent; and all other categories combined—36.1 percent. About 39 percent of the services category was comprised of jobs in leisure- and hospitality-related uses (accommodations, food services, arts, entertainment, and recreation).²

- Housing-related industries collectively comprise another component of the County’s economic base. Examples of these are residential construction operations, sub-contractors, realtors, developers, residential lenders, wholesale building suppliers, home re-modeling and repair services, landscape services, and home supply and home furnishing stores.
- The agricultural sector remains a key component of the County’s economic base. According to the Federal Census of Agriculture, the value of agricultural products sold was \$87.4 million for the County in 2002.³ Crop-related sales accounted for 43 percent; livestock- and poultry-related sales accounted for 57 percent (see Table III-4 in Chapter III).
- According to the U.S. Census Bureau, the County’s labor force included 51,900 persons in 2000. U.S. Bureau of Labor Statistics data indicate that the County’s labor force increased by 3.9 percent between 2000 and 2007; this compares to an estimated increase of 9.4 percent in the County population during that period.
- According to the Census Bureau, of the County’s workforce, more than one-third (about 17,600 persons) commuted to jobs outside of Walworth County in 2000. The number of workers commuting to jobs outside the County exceeded the number of workers commuting into the County by about 6,800. Of the 17,600 County residents who commuted to work outside the County, 66 percent worked in other Wisconsin counties; 33 percent worked in Illinois; and 1 percent worked elsewhere. Of the 10,800 persons who commuted into Walworth County for work, 87 percent commuted from other Wisconsin counties, 12 percent commuted from Illinois; and 1 percent commuted from elsewhere.
- According to the Census Bureau, the educational attainment level of the County population—a measure of the quality of the work force—was similar to that of the State in 2000. About 84 percent of the County population age 25 and older had attained a high school or higher level of education—one percentage point lower than the State.⁴ Nearly 22 percent of the County population age 25 and older had a bachelor’s or graduate degree, compared to just over 22 percent for the State (see Table II-5 in Chapter II). The County proportion with a bachelor’s or graduate degree (nearly 22 percent) was slightly below the national figure of just over 24 percent.
- According to the Bureau of Economic Analysis, per capita income in Walworth County was about \$27,300 in 2000, compared to about \$28,600 for the State. Since then, the gap between the County and State per capita income has increased—from \$1,300 in 2000 to \$3,800 in 2006.
- According to the Census Bureau, the median household income for Walworth County in 2000 was about \$46,300, nearly 6 percent higher than the median household income of \$43,800 for the State. The Census Bureau’s annual American Community Survey indicates that the median household income for Walworth County remained 6 percent higher than the State median household income in 2006.

²*Because of a major change in the industrial classification system, information regarding the industry mix of jobs after the year 2000 is not directly comparable to information for the period from 1970 to 2000 presented in Chapter II.*

³*The value of agricultural products sold excludes amounts associated with food/grain processing and related activities.*

⁴*The Census Bureau reports educational attainment only for the population age 25 and older.*

- According to the Wisconsin Department of Revenue, the total equalized value of property in Walworth County stood at \$13.21 billion in 2006. The equalized value of property per capita for the County was \$132,400 in 2006, compared to \$83,500 for the State. Within Walworth County, the equalized value per capita was less than \$100,000 for 12 communities; between \$100,000 and \$200,000 for 10 communities; and greater than \$200,000 for six communities, including two with an equalized value per capita exceeding \$500,000 (see Table II-23 in Chapter II).
- There are a number of business parks in Walworth County intended to accommodate industrial, distribution, research, and related uses. These business parks have sanitary sewer service and typically have an internal street system. Existing business parks that had at least 10 acres of undeveloped land remaining in 2008 are shown on Map XIV-1.

Public Input

Public input on economic development was obtained primarily through the countywide public opinion survey and the series of public informational meetings held throughout the County in December 2007.

Countywide Public Opinion Survey

The countywide public opinion survey—a sample survey of resident households and non-resident owners of residential property in the County—included a number of questions pertaining to economic development. A summary of the relevant findings from the survey follows:

- The survey included several questions regarding whether policies should encourage, discourage, or remain neutral on, commercial and industrial development. On average, roughly one-fourth of the respondents favored encouraging such development; roughly one-fourth favored discouraging such development; and roughly one-half favored a neutral approach.⁵
- There was little support for using property taxes to fund a program to encourage commercial and industrial development. In this regard, about 13 percent of all respondents indicated that they would be willing to support a tax increase of at least 10 cents per \$1,000 of assessed valuation for this purpose.
- In a question directed at those who feel that commercial and industrial development should be encouraged or allowed in the County, respondents were asked which type of business growth they would like to see. The types of industries most preferred were light industry (54 percent of all survey respondents); services (41 percent); and agricultural-related (39 percent). Heavy industry was the least preferred (10 percent of all survey respondents). In a separate question directed at those who feel that the County should continue to grow, about 35 percent indicated a preference for tourist-related businesses.
- In a question as to whether businesses should be concentrated in a few areas or dispersed throughout the County, 54 percent indicated that businesses should be concentrated, 34 percent indicated that they should be dispersed, and 11 percent had no opinion. Of those who indicated that businesses should be concentrated, most said that they should be concentrated in currently zoned commercial and industrial areas.

⁵*Survey respondents were asked whether the local officials in Walworth County should encourage, discourage, or remain neutral on various types of development. With respect to industrial development, the responses were as follows: “encourage”—25 percent; “discourage”—26 percent; “remain neutral”—46 percent; “no opinion”—3 percent. With respect to retail development, the responses were as follows: “encourage”—27 percent; “discourage”—22 percent; “remain neutral”—49 percent; “no opinion”—2 percent. A similar pattern of responses was apparent when the question was asked in a slightly different way. Thus, when asked whether commercial and industrial development should be encouraged or discouraged in Walworth County, the responses were as follows: “encouraged”—29 percent; “discouraged”—19 percent; “allowed but not encouraged”—50 percent; and “no opinion”—2 percent.*

- About 67 percent of all respondents indicated that employment opportunities were important in their decision to live, locate, or invest in Walworth County.
- As part of the survey, respondents were asked about the local impact of growth in the County on a variety of factors. About 77 percent of respondents indicated that the impact of growth on the availability of shopping was positive; that was the highest positive response among the factors evaluated.

SWOT Exercises/Public Informational Meetings of December 2007

Economic development matters were not among the top strengths, weaknesses, opportunities, or threats facing the County as identified in the SWOT exercises held as part of the public informational meetings in December 2007.⁶ However, a number of participants in the SWOT exercises did cite economic development-related concerns. Some participants cited high taxes, lack of industry/lack of high paying jobs, and “brain drain” as weaknesses or threats to the County. Many participants cited the County’s agricultural base as a strength/opportunity. Some cited tourism as a strength.

Other Public Input

As part of its effort to develop a County economic development strategy, the Walworth County Economic Development Alliance conducted a survey of business firms in the County in May 2008. In comparison to the countywide public opinion survey of resident households described above, the respondents to the survey of business firms indicated more support for dedicating resources for business retention, expansion, and recruitment efforts. Respondents indicated general support for various potential economic development initiatives to which they were asked to react—ranging from the provision of entrepreneurial training to changes in government permitting processes for development.

In 2006, the University of Wisconsin-Whitewater’s Fiscal and Economic Research Center conducted a survey of manufacturers in Walworth County, funded by a grant from the Walworth County Workforce Development Board.⁷ The survey included a range of questions regarding the respondents’ workforce needs, including types of skills that are needed and the degree of difficulty in finding qualified workers. Response patterns indicated that engineer, technical sales staff, and technician positions are the most difficult to fill.

Strengths and Weaknesses

The State comprehensive planning law requires that the economic development element assess strengths and weaknesses with respect to attracting and retaining businesses. The following are among the County’s strengths in this respect:

- Availability of public utilities.
- A good road system within the County and good highway connections beyond the County.
- Freight rail lines, with three freight railroad operators.
- Access to airports, including five public use airports in the County, and reasonable access to commercial passenger service in Milwaukee, Rockford, and Chicago.
- Good schools: elementary and secondary schools; technical school (Gateway Technical College); and college/university (George Williams College, University of Wisconsin-Whitewater).
- A balanced mix of existing businesses and industries.

⁶*Each of the four public informational meetings held in December 2007 included a group exercise to identify strengths, weaknesses, opportunities, and threats (SWOT exercise) facing Walworth County.*

⁷*Russ Kashian, 2006 Survey of Manufacturing Jobs in Walworth County, Wisconsin, dated August 2006.*

- Quality of life factors, such as an abundance of recreational opportunities, that make the County a desirable place to live and work.
- A strong hospitality/tourism sector, which is closely tied to the abundance of natural resource features (lakes, rivers, woodlands) and good public and private access to these resources.
- A strong agricultural base—a combination of the large tracts of farmland, productive soils, farming operations, and food/grain processors.
- Existing groups and organizations that foster economic development in general or that support sectors of the County economy including: local chambers of commerce; local non-profit development corporations; local community development authorities; local tourism and visitor bureaus; the Walworth County Visitors' Bureau; the Walworth County Farm Bureau; and the Walworth County Economic Development Alliance (WCEDA).

The County does face challenges in attracting and retaining businesses. These include maintaining a work force with the training and skills that employers need; maintaining existing roads and other infrastructure that support economic activity; and accommodating additional business and industries without sacrificing the quality of the environment. The size of the County's workforce will be affected by the retirement of the baby-boom generation (persons born from 1946 through 1964) in the coming decades—a phenomenon which will affect the available workforce throughout the Southeastern Wisconsin Region, the State, and the Nation. At the same time, some of the new jobs within Walworth County may be filled by County residents who now work outside the County. As already noted, more than one-third of the County workforce commuted to jobs outside the County in 2000.

Desired Types of Industries

The State comprehensive planning law requires that the economic development element assess the types of new business and industries desired. As noted earlier, the countywide public opinion survey included several questions in this regard. In a question directed at those who feel that commercial and industrial development should be encouraged or allowed in the County, respondents were asked which type of business growth they preferred. The favored categories were light industry (54 percent of all survey respondents); services (41 percent); and agriculture-related (39 percent). Heavy industry was the least favored (10 percent of all survey respondents). In a separate question directed at those who feel that the County should continue to grow, about 35 percent indicated a preference for tourist-related businesses.

A number of participants in the December 2007 SWOT exercises listed agriculture among the County's strengths and opportunities, citing increased demand for organic farm products and demand for biofuels as opportunities for the agricultural sector. The agricultural sector will remain an important part of the economic base of the County, and businesses that process farm products or otherwise support farm operations are key to maintaining a strong agricultural base.

Contaminated Sites

The comprehensive planning law requires that the economic development element evaluate and promote the use of environmentally contaminated sites for commercial and industrial uses. The Wisconsin Department of Natural Resources (WDNR) is the primary source of information on contaminated sites. Contaminated sites identified by the Department include leaking underground storage tank (LUST) sites and other sites identified as environmental repair (ERP) sites. A LUST site has soil and/or groundwater contaminated with petroleum. An ERP site has contaminated soil or groundwater as a result of industrial spills, dumping, or buried containers of hazardous materials. Mapped information from the WDNR showing the location of yet-to-be-remediated LUST and ERP sites in Walworth County is reproduced on Map XIV-2. These sites tend to be located in cities and villages, but some are found in towns. Re-use of these sites for economic development purposes is more relevant to cities and villages than to towns, since much of the new commercial and industrial development/redevelopment in the County will occur in cities and villages. Additional information on these sites is on file at the WDNR.

Government Programs

The State comprehensive planning law requires that the economic development element identify available government sponsored economic development programs. Major economic development programs with potential application in Walworth County include the following:

- U.S. Economic Development Administration: Supplemental Funds for Business Recovery and Long-Term Economic Development (related to the floods of 2008).
- U.S. Small Business Administration: Basic 7(a) Loan Program; CDC/504 Loan Program; and Micro-Loan Program.
- U.S. Department of Agriculture: Rural Business Enterprise Grant Program and Rural Business Opportunity Grant Program.
- Wisconsin Department of Commerce: Community Development Block Grant for Economic Development (CDBG-ED) Program; Community Development Block Grant for Public Facilities (CDBG-PF) Program; Community-Based Economic Development (CBED) Program; Rural Economic Development (RED) Program; Customized Labor Training (CLT) Program; Industrial Revenue Bond Program; Main Street Program; Blight Elimination and Brownfield Redevelopment Program; various tax credit programs.
- Wisconsin Housing and Economic Development Authority: Small Business Guarantee Program.
- Other: Tax incremental districts (cities and villages) and business improvement districts.

Information regarding State and Federal economic development programs is available on the agency websites.

PART TWO: ECONOMIC DEVELOPMENT GOAL, OBJECTIVES, POLICIES, AND PROGRAMS

Economic Development Goal

- Economic growth within the County that is consistent with its natural, infrastructure, financial, and human resources—and consistent with the other goals and objectives of this comprehensive plan.

Economic Development Objectives

- A range of employment opportunities for current and future County residents.
- A County work force with the knowledge and skills required for present and future businesses and industries.
- A balanced County tax base.
- Economic development that is consistent with the land use element and other elements of this comprehensive plan.

Economic Development Policies and Programs

Town Perspective

1. Key economic development policies for towns in Walworth County are related to recommendations concerning the land use element presented in Chapter IX of this report. The land use plan element has the following implications for economic development within the towns:

- Agriculture: The preservation of farmland is a priority in all of the towns. The agricultural sector will remain a key component of the economic base of each town.
- Tourism/Hospitality: The existing tourism/hospitality sector will remain an important part of the economic base, where it now exists. The Town of Geneva has identified a significant area where additional commercial-recreational activity could be accommodated.⁸
- Industrial Development: None of the participating towns propose a major expansion of manufacturing or other industrial activity. New industrial development would generally be limited to relatively small currently zoned industrial areas and to small-scale infill of areas already in such use.
- Commercial Development: Some towns have identified very little or no land for additional commercial development. Other towns have identified areas that would serve as neighborhood centers, town commercial centers, or commercial gateways to urban centers (examples include gateway commercial areas in the Towns of Delavan and Whitewater).
- Older Commercial or Mixed Use Areas: Some towns encompass areas with small clusters of older commercial-type buildings. The land use plan element recommends that towns encourage the maintenance and revitalization of such areas as appropriate.

In general, while some towns would accommodate additional commercial development as noted above, the towns do not envision large-scale commercial or industrial centers that would generate major increases in jobs. It is the towns' expectation that large-scale commercial and industrial centers, and the associated employment growth, will generally occur in cities and villages, where utilities and other urban services are available.

County Perspective

1. Under this comprehensive plan, the County perspective on economic development is similar to that outlined above. Thus, while recognizing that the entirety of the County contributes to the County's economic base, this comprehensive plan envisions that most new larger-scale commercial and industrial development will occur in areas where public utilities and urban services are available—primarily the County's cities and villages. In keeping with this perspective, the following is recommended:
 - Cities and villages should evaluate the supply of land available for commercial and industrial development in the context of their community economic growth projections, reserve lands for future development as needed, and plan for the extension of utility services to such lands as appropriate. Ideally this would be done as city/village comprehensive plans are prepared.
 - Cities and villages should include towns in planning future commercial and industrial areas that border on, or potentially extend into, neighboring town areas, taking into consideration 1) existing or potential boundary agreements, 2) potential annexations, and 3) extraterritorial powers.
 - Cities and villages are encouraged to maintain and revitalize as appropriate their older commercial centers and mixed use areas, including the clean-up and re-use of contaminated sites in those areas.
 - Cities and villages are encouraged to make full use of existing State and Federal economic development programs in efforts to implement their economic development plans and to make full use of State brownfield remediation assistance in efforts to clean-up and re-use contaminated sites.

⁸*In the Town of Geneva, these areas have been identified as “development reserve,”—essentially, a holding area within which certain commercial-recreational uses could potentially be accommodated.*

Other Agencies and Organizations

1. In addition to the County and local units of government, a number of other agencies and organizations contribute to the development and maintenance of the County's economic base. The following is recommended:
 - Local chambers of commerce, private non-profit development corporations, and visitors' bureaus are encouraged to continue to carry out their functions that support and strengthen various sectors of the County's economy within the framework of this comprehensive plan.
 - The Walworth County Farm Bureau is encouraged to continue its activities in support of the County's farmers and the County's agricultural base.
 - Gateway Technical College plays a critical role in educating and training the County's work force and provides important outreach services to the business community. Gateway is encouraged to ensure that its programs and curriculum match the needs of present and future business and industries as well as to continue to assist area businesses and organizations through its business development service activities.
 - The University of Wisconsin-Whitewater (UWW) provides expertise in business and economic research and provides outreach services to businesses in Walworth County and other counties in the area. The Small Business Development Center at UWW provides information, guidance, and training to start-up and existing small businesses. The Wisconsin Innovation Service Center at UWW assists businesses in assessing the viability and marketability of new products. Both of these centers are part of a network of similar centers located at four-year University of Wisconsin campuses throughout the State. In addition, the Fiscal and Economic Research Center in the UWW College of Business and Economics provides expertise for local economic studies and community surveys. The UWW is encouraged to continue these business outreach and economic research activities in the years ahead.
 - Under the direction of the Walworth County Workforce Development Board, the Walworth County Job Center connects people seeking employment with employers seeking workers. The Center provides assistance to those seeking employment—including job information, assistance with resumes, workshops, and career guidance—and provides assistance to employers—including job listings, workshops, and job fairs. The Job Center is encouraged to continue its efforts to match job seekers and employers.
 - A private corporation funded in part by Walworth County, five communities in the County, and County businesses, the Walworth County Economic Development Alliance (WCEDA) promotes economic development within the County. Since it was created in December 2005, WCEDA has been involved in a range of business retention, expansion, and attraction activities. In 2008, WCEDA received a Rural Development grant from the U. S. Department of Agriculture which is being used to support a revolving loan fund for small businesses in Walworth County as well as to support the provision of technical assistance by WCEDA staff to small businesses. Recently WCEDA submitted a request for economic development grants available through the Wisconsin Department of Commerce.

The Walworth County Economic Development Alliance is encouraged to continue to apply for State and Federal economic development grants, and utilizing those grants, administer programs which serve to maintain, expand, and diversify the County's economic base. WCEDA is encouraged to develop and maintain an inventory of available business and industrial sites in Walworth County as a reference for businesses seeking to locate or expand in Walworth County. It is further recommended

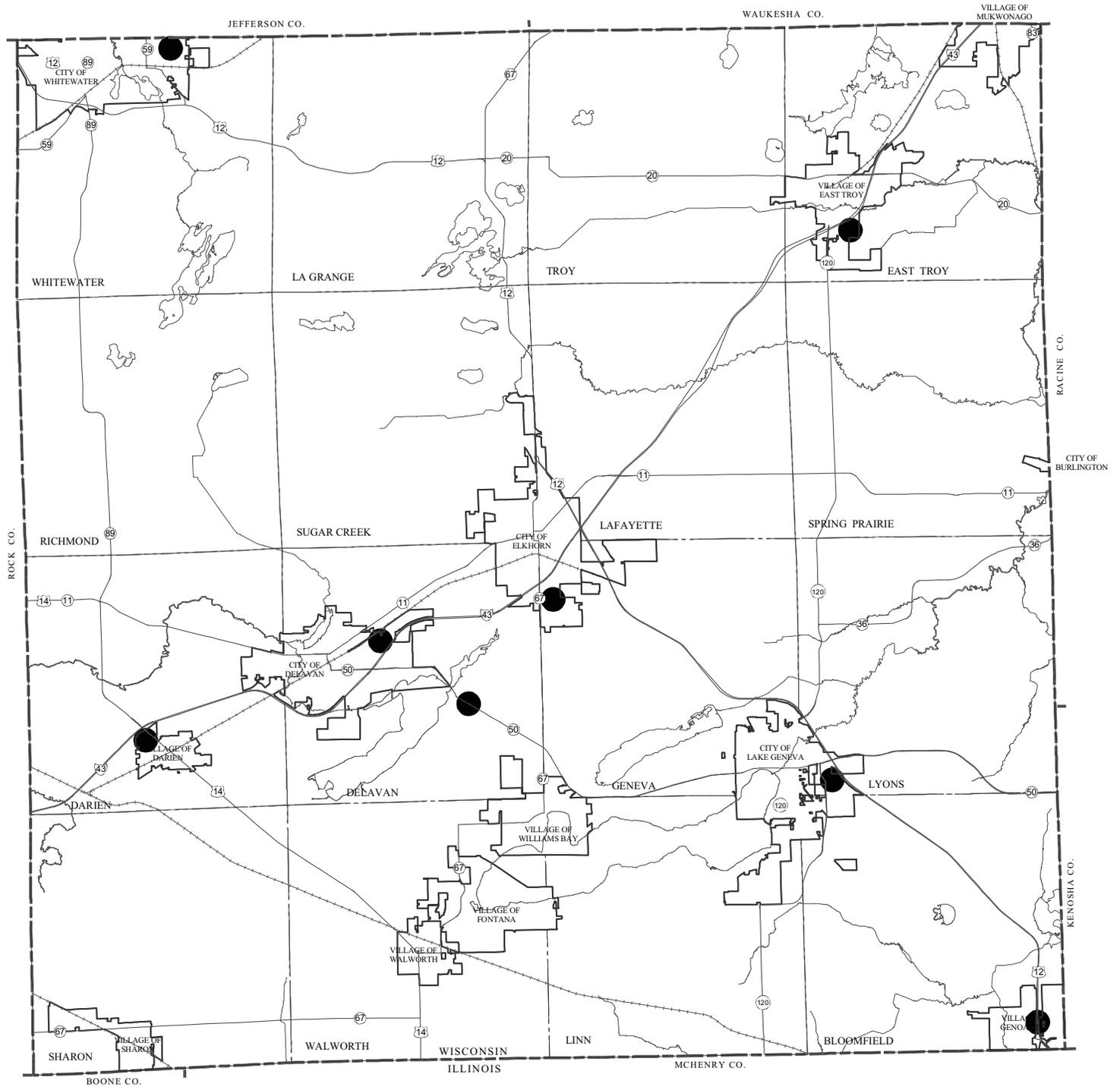
that WCEDA identify other initiatives to strengthen the County’s economic base in consultation with Walworth County and its other financial supporters. All WCEDA activities should be consistent with this multi-jurisdictional comprehensive plan.

Consistency with State and Federal Economic Development Program Guidelines

1. As indicated in this chapter, there are a number of State and Federal programs with potential application within Walworth County. When applying for such programs, the applicants—be they local governments, WCEDA, or other private interests—should consider and incorporate, as appropriate, State and Federal policy priorities and project and investment guidelines.

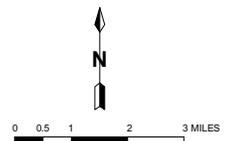
Map XIV-1

EXISTING BUSINESS PARKS WITH LAND AVAILABLE FOR DEVELOPMENT IN WALWORTH COUNTY: 2008



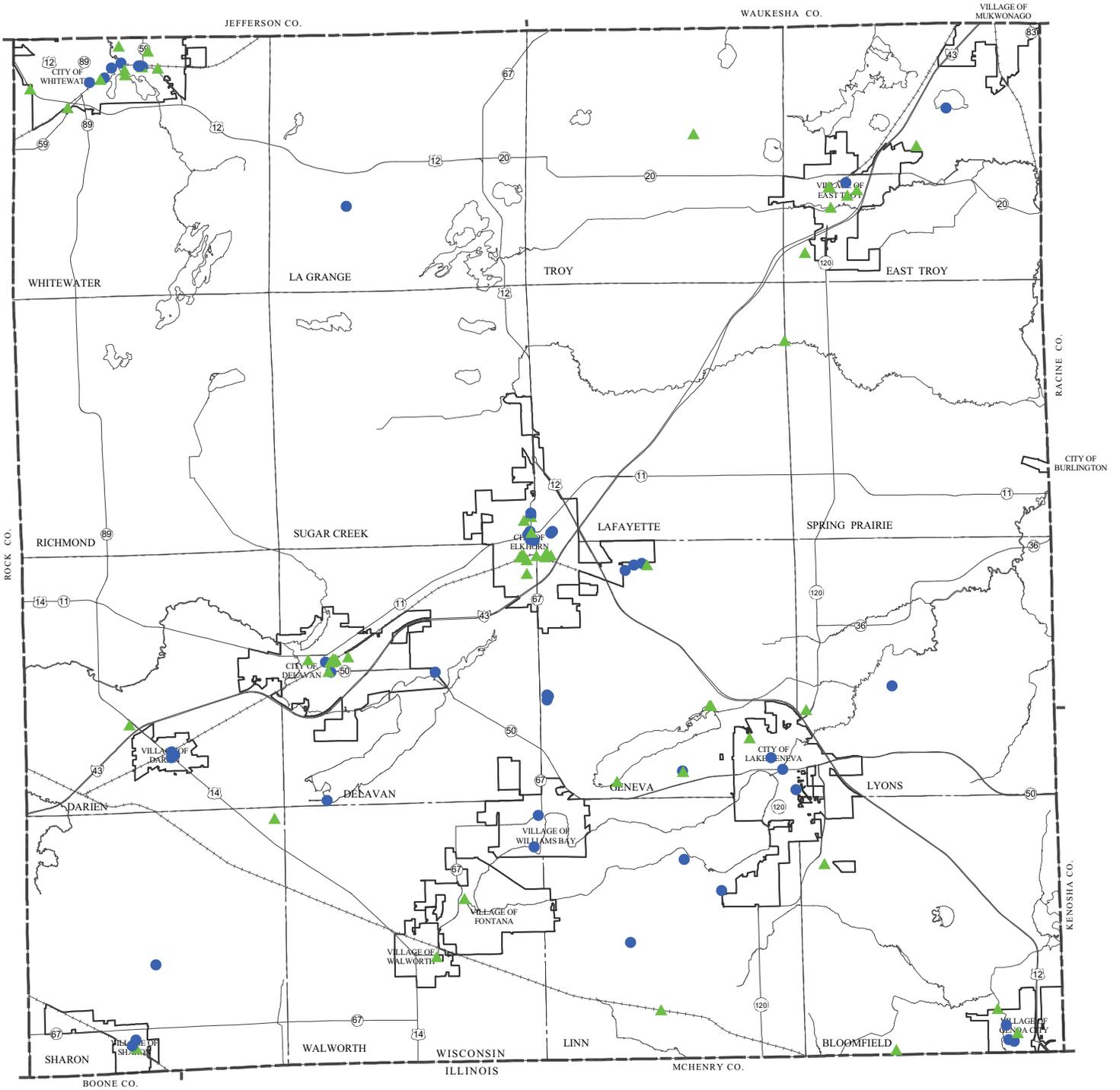
● EXISTING BUSINESS PARK THAT IS SERVED WITH SANITARY SEWERS AND THAT HAS AT LEAST 10 ACRES OF UNDEVELOPED LAND REMAINING IN 2008.

Source: SEWRPC.



Map XIV-2

WISCONSIN DEPARTMENT OF NATURAL RESOURCES INVENTORY
OF CONTAMINATED SITES IN WALWORTH COUNTY: 2008



DNR-IDENTIFIED CONTAMINATED SITES

- LEAKING UNDERGROUND STORAGE TANK (LUST) SITE
- ▲ ENVIRONMENTAL REPAIR (ERP) SITE

Source: Wisconsin Department of Natural Resources
Remediation and Redevelopment Mapping Database and SEWRPC.

