

## **ECONOMIC DEVELOPMENT**

### **6.1 INTRODUCTION**

The ability of a community to attract new and innovative businesses, industries and workers is a key element for the community’s economic survival and prosperity, as well as providing a good climate for business development that enhances the community’s overall well being.

### **6.2 66.1001 REQUIREMENTS**

This element of the plan contains a compilation of background information, goals, objectives, and programs to promote the retention and stabilization of the economic base in the Town of Madge. As required by §66.1001, Wisconsin Statutes, this element includes an assessment of new business and industries that are desired in the town and an assessment of the town’s strengths and weaknesses with respect to attracting and retaining businesses and industries. It also identifies applicable county, state, and regional economic development programs that apply to the Town of Madge.

The town’s Future Land Use Map (Map 9.1) designates a sufficient number of sites and opportunities for the economic development focus of the town to be satisfied over the 20-year planning period.

### **6.3 LABOR FORCE**

The labor force is defined as those members of the population 16 years or older who are employed, or if unemployed, are looking for jobs. Table 6.1 gives an overview of some of the characteristics of the population and labor force in the Town of Madge, Washburn County, and the State of Wisconsin.

<b>Characteristics</b>	<b>Town of Madge</b>	<b>Washburn County</b>	<b>Wisconsin</b>
Civilian Labor Force	212	7,618	2,869,236
Unemployment Rate	9.0%	6.1%	4.7%
Labor Participation Rate	51.6%	59.7%	69.1%
Education Beyond High School (25 and over)	43.4%	44.0%	50.6%
Bachelor's Degree or Higher (25 and over)	18.2%	15.2%	22.4%
Per Capita Income	\$28,602	\$17,341	\$21,271
Median Household Income	\$36,667	\$33,716	\$43,791
Poverty Rate	9.1%	9.9%	8.7%
Median Age	51.9	42.1	36.0

Source: U.S Census Bureau, Census 2000, SF1 & SF3

According to the 2000 U.S. Census Bureau, of the 454 inhabitants in the Town of Madge, approximately 411 are 16 years or over. Of those 411, 51.6 percent, or 212, comprise the civilian labor force. At that time, 193 of the 212 were identified employed and 19 unemployed.

The labor force participation rate is the number of residents who are either working or looking for work divided by the total population over 16 years of age. One of the primary reasons for the low labor force participation rate in the town and the county is the large portion of the population over the age of 65.

The Town of Madge contains a larger percent of residents over 60 years old than is found in the state of Wisconsin. This is reflected in the town's median age (51.9), which is substantially higher than the state median age (36.0) and the county median age (42.1).

## **6.4 ECONOMIC BASE**

The Town of Madge is a small rural community located in southeastern Washburn County. Protecting the town's natural resources and yet providing for economic development is a delicate balance for residents of the area.

### **Employment by Industry**

Table 6.2 lists the number and percent of employed residents in the Town of Madge by industry sector from Census 2000 data plus the 2002 annual average pay for each industry sector for Washburn County. Wage data for 2000 is not available at the community level. Furthermore, 2000 county level wage data is not available using the new North American Industry Classification System (NAICS) because of the changeover from the Standard Industrial Classification (SIC) codes to the NAICS during this time period; therefore, the 2002 average annual pay is used in the table.

**Table 6.2: Town of Madge Employment by Industry by NAICS**

<b>Industry</b>	<b>Census 2000 Number</b>	<b>Percent</b>	<b>2002 Annual Avg Pay for Washburn County</b>
All Industries	193	100.0%	\$22,870
Agriculture, forestry, fishing and hunting, and mining	20	10.4%	\$19,430
Construction	7	3.6%	\$24,478
Manufacturing	34	17.6%	\$26,834
Wholesale trade	2	1.0%	ND
Retail trade	11	5.7%	\$19,112
Transportation and warehousing, and utilities	7	3.6%	\$23,096
Information	8	4.1%	\$28,603
Finance, insurance, real estate, and rental and leasing	6	3.1%	\$30,497
Professional, scientific, mgmt., administrative, and waste mgmt.	16	8.3%	\$22,521
Educational, health and social services	32	16.6%	\$26,209
Arts, entertainment, recreation, accommodation and food serv.	20	10.4%	\$9,820
Other services (except public administration)	13	6.7%	\$18,047
Public administration	17	8.8%	\$25,869

Source: U.S. Bureau of the Census, Census 2000; U.S. Bureau of Labor Statistics  
 ND: Non Disclosable--data do not meet BLS or State agency disclosure standards

As shown in Table 6.2, the manufacturing industry sector provided nearly 18 percent of the jobs in 2000 for Town of Madge residents. Educational, health, and social services at nearly 17 percent and agriculture, forestry, fishing and hunting, and mining); and arts, entertainment, recreation, accommodation and food services at 10 percent were the next largest industry employers of town residents.

**Worker Commuting Patterns**

Table 6.3 indicates the number of people who lived or worked in the Town of Madge and who commuted to work based on Census 2000 data. It includes the locations of their places of employment and the locations of their residences. Of the 189 residents in the Town of Madge that commuted to work, nearly 30 percent worked in the town. Roughly 28 percent of town employees commuted from the City of Spooner and 19 percent commuted from neighboring Barron County.

**Table 6.3: Town of Madge Commuting Patterns, 2000**

Live In:	Work In	Count	Travel To:	From:	Count
Town of Madge	T. of Madge, Washburn Co. WI	56	Town of Madge	T. of Madge, Washburn Co. WI	56
	T. of Beaver Brook, Washburn Co.	3		C. of Spooner, Washburn Co.	52
	T. of Trego, Washburn Co.	2		Barron County, WI	36
	Burnett County, WI	2		T. of Sarona, Washburn Co.	9
	T. of Spooner, Washburn Co.	1		C. of Shell Lake, Washburn Co	8
				Hennepin County, MN	6
				La Crosse County, WI	5
				C. of Hayward, Sawyer Co.	3
				T. of Casey, Washburn Co.	3
				Eau Claire County, WI	3
				V. of Birchwood, Washburn Co.	2
				T. of Spooner, Washburn Co.	2
				Chickasaw County, IA	2
		St. Croix County, WI	1		
		T. of Chicog, Washburn Co.	1		
Totals		64	Totals		189

Source: U.S. Census 2000, MCD/County to MCD/County Worker Flow files

**6.5 CURRENT BUSINESS INVENTORY**

The Town of Madge is a rural community with relatively easy access to the Cities of Spooner, Shell Lake, Hayward, and Rice Lake. There are very few businesses located in the Town of Madge. Residents of the town generally travel to Spooner, Rice Lake, or Hayward for work and to purchase needed and desired goods and services.

Several different types of businesses make up the economic sector in the Town of Madge. It should be noted that as of October 22, 2001, the Wisconsin Department of Revenue reported in its Statement of Assessments that there were 27 different commercial parcels in Madge, totaling 170 acres. There is approximately 20 acres of land zoned for commercial use in the town, most of which exists at the intersection of CTH B and M as well as in other scattered areas in the town. Current business types include:

- Resorts
- Restaurants
- Campgrounds
- Auto body
- Auto fabrication
- Bait shops
- Golf course
- Gift shop
- Taverns
- Bed and breakfast
- Farming/animal, crop, organic
- Logging
- Cranberry grower
- Storage buildings
- Publishing
- Environmental center
- Hair dresser
- Trout farm
- Snow removal
- Artists/musicians
- Cabinetry
- Horse ranch
- Construction; excavation, masonry, carpentry, etc.
- Sawmill

Most of the local economic activity that occurs in the town is associated with farming, forestry, and home occupations. It is believed that many home occupations exist in the town. The town supports a resident’s right to have a small business operation on his/her property, provided that the establishment does not create an environmental hazard or create a nuisance for neighboring property owners by generating excessive traffic, noise, lighting, signage, etc. This is based on the planning survey finding that 71.2 percent of people who own land in Madge answered that there should be aesthetic requirements for commercial and industrial development.

**6.6 ATTRACTING AND RETAINING BUSINESS AND INDUSTRY**

The attraction of business and industry is somewhat important to the town as 50.5 percent of respondents answered that it is important to attract new industry to the area. The Town of Madge has several attributes that would make it an excellent place to locate a potential business. Specifically the town has:

- Recreational areas
- Both large and small lakes
- A rural atmosphere
- Open spaces
- Good roads
- Community hub
- 3-phase electrical service

While the town enjoys its share of advantages, there are several disadvantages or weaknesses that the town must address when seeking to attract new business and industry.

- Low population base
- Seasonally intermittent population
- No public utilities (sewer and water)

**6.7 BUSINESS OPPORTUNITIES**

Future commercial and industrial development in the Town of Madge would most likely locate along both the CTH B and M corridors. The development of this *Comprehensive Plan* is seen as an important step to plan for and accommodate for growth and development. The community would like to see a compatible mix of land uses along this corridor in the future. The town would even support limited residential development in this area (some exists already) to provide additional housing opportunities.

While the town would like to welcome additional business development, it is important that any new development exist in harmony with the local environment. Therefore, new business and industry development should be “clean” and not produce waste, which would be a hazard to the natural resources of the Town of Madge, i.e. lakes, rivers, streams, wetlands, groundwater, forests, and agricultural lands. Likewise, new development should blend into the rural landscape and not represent a nuisance to other residents. Also, in helping to determine where new businesses should be located, 60.1 percent of survey respondents said new businesses generally should be located near other businesses.

### 6.8 TARGETED BUSINESS AND INDUSTRY

New business and industry in the town must not require municipal water or sewer service unless the town wishes to begin providing these services through the creation of a sanitary district. Also, the town wants to be sure that new developments do not jeopardize the rural character and quality of life, as 80.9 percent of respondents to the planning survey answered that the rural character of Washburn County should be preserved. In essence, businesses and industries which might choose to locate in the town should be environmentally friendly, have limited outdoor storage, and require minimal lighting and signage.

Given these constraints, the town would like to target the following general types of commercial businesses:

- Resorts
- Restaurants
- Recreational sales and service
- Gas Station
- Convenience Store
- Greenhouse/nursery
- Auto service
- Low-impact cottage industries

### 6.9 PROGRAM ASSISTANCE

There are many programs at the federal, state, and county level that can help the Town of Madge to support economic development efforts. There are also programs available for individual businesses to utilize as well. What follows is a list, with descriptions, of agencies and programs that can assist the Town of Madge with its economic development plans.

#### FEDERAL

##### Economic Development Administration

The U.S. Department of Commerce Economic Development Administration offers two programs for assistance with economic development that apply to the Town of Madge and/or Washburn County. One is the Public Works and Economic Development Facilities Assistance Program, which supports the construction or rehabilitation of essential public infrastructure and development facilities necessary to generate private sector jobs and investment, including investments that support technology-led development, redevelopment of brownfield sites, and eco-industrial development. Secondly, the Economic Adjustment Assistance Program is available to: (1) address the immediate needs of businesses and communities presently undergoing transition due to a sudden and severe job loss; and (2) demonstrate new and proactive approaches for economic competitiveness and innovative capacity for threatened regions and communities.

##### USDA Wisconsin Rural Development

Several loan and grant programs of benefit to the town/county and local business development are available from the USDA Rural Development. One of those programs is the Community Facility Guaranteed Loans Program, which provides funding to local units of government to construct, enlarge, extend, or otherwise improve community facilities providing essential services in rural areas and towns.

The Rural Economic Development Loans and Grants Program helps develop projects that will result in a sustainable increase in economic productivity, job creation, and incomes in rural areas. Projects may include business start-ups and expansion, community development, incubator projects, medical and training projects, and feasibility studies.

The purpose of the Business and Industry Direct Loan Program is to improve, develop, or finance business, industry, and employment, and improve the economic and environmental climate in rural communities. Loan purposes include purchase and expansion of land, equipment, buildings, and working capital. Loans to public bodies can be used to finance community facilities and construct and equip industrial plants for lease to private businesses.

The Community Facilities Direct Loans and Grants Program provides funding for essential community facilities (CF) such as municipal buildings, day care centers, and health and safety facilities. Examples include fire halls, fire trucks, clinics, nursing homes, and hospitals. CF loans and grants may also be used for such things as activity centers for the handicapped, schools, libraries, and other community buildings.

## **STATE**

### **Wisconsin Department of Commerce**

Three programs are available to local units of government through the Wisconsin Department of Commerce. The first program is the Community Development Block Grant for Economic Development (CDBG-ED). Its purpose is to provide resources to local governments that will enable them to assist economic development projects in their community. The local unit of government is the applicant and recipient of the funds. A specific business, which must be located in a municipality of 50,000 or less, is loaned the funds for eligible business development uses. When the funds are repaid to the local government, they may stay in the community to be used as a revolving loan fund to assist other businesses in the community.

The second program is the Community Development Block Grant Public Facilities for Economic Development (CDBG-PFED). Its purpose is to provide grant funds to local governments that will enable them to provide needed public facilities (i.e., streets, sewer mains, water mains, etc.) to private business enterprises that are going to create full-time jobs by starting or expanding their businesses because of the availability of the funded public facilities.

The third program available from the Wisconsin Department of Commerce is the Community-Based Economic Development Program (CBED). Its purpose is to provide financing assistance to local governments and community-based organizations that undertake planning or development projects or that provide technical assistance in support of business (including technology-based businesses) and community development.

### **Wisconsin Department of Transportation**

Available from the Wisconsin Department of Transportation is a program called the Transportation Facilities Economic Assistance and Development Program (TEA). The intent of the TEA program is to help support new business development in Wisconsin by funding

transportation improvements that are needed to secure jobs in the state. A governing body, a business, a consortium group, or any combination thereof can apply for TEA program funding.

### **Tax Incremental Finance Districts**

Beginning in 2004, towns can create tax incremental finance districts to assist in the development or expansion of projects related to agriculture, forestry, manufacturing, or tourism. Limited types of activities associated with agriculture, forestry, manufacturing, or tourism are allowed. The law also allows for limited use in residential development but only to the extent that the residential development has a necessary and incidental relationship to agriculture, forestry, or manufacturing projects.

## **REGIONAL**

### **Northwest Regional Planning Commission**

The Northwest Regional Planning Commission is a cooperative venture of the local units of governments in the ten counties of Ashland, Bayfield, Burnett, Douglas, Iron, Price, Rusk, Sawyer, Taylor, and Washburn and the five tribal nations of Bad River, Lac Courte Oreilles, Red Cliff, St. Croix, and Lac du Flambeau in the region. The purpose of NWRPC is to assist the communities of the membership to promote sustainable economic development, develop public facilities, provide planning and technical services, efficiently manage and conserve natural resources, and protect the environment. Every five years, NWRPC, with the cooperation of the local units of government in its region, prepares a Comprehensive Economic Development Strategy for the entire Northwest Region.

In an effort to build a focused development strategy for the Northwest Region, NWRPC developed three non-profit development corporations, each focusing on a specific area need and opportunity including financing for business start up and expansions (Northwest Wisconsin Business Development Corporation), technology-based business development (Wisconsin Business Innovation Corporation), and affordable housing (Northwest Affordable Housing, Inc.).

### **Northwest Wisconsin Business Development Corporation**

A strategic partner of the Northwest Regional Planning Commission, the Northwest Wisconsin Business Development Corporation, has available revolving loan funds to address a gap in private capital markets for long-term, fixed rate, low down-payment, and low interest financing to assist businesses in job creation/retention and growth.

### **SuperiorLife Technology Zone Program**

A strategic planning initiative called Build Wisconsin was initiated to produce the first cohesive economic development plan for the State of Wisconsin. As part of Build Wisconsin, six counties in northwest Wisconsin, including Washburn, were designated a technology zone. The Technology Zone program brings \$5 million in income tax incentives for high-tech development to the area. Eligible businesses can receive tax credits based on their ability to create high-wage jobs and investment and support the development of high-tech industries in the region.



## LOCAL

### **Economic Development Organizations**

Several economic development organizations dedicated to community and business development exist in Washburn County. Following is a list of these organizations that promote economic development or provide assistance to local units of government and businesses and industries within the county.

#### **Washburn County Industrial Development Agency**

The Washburn County Industrial Development Agency, LTD oversees the county's CDBG-ED, revolving loan fund. The fund is available to local businesses to increase productivity and spur job creation through expansion and growth.

#### **Washburn County Economic Development Corporation**

The Washburn County Economic Development Corporation is a 501(c)(3) not-for-profit economic development group representing businesses and local units of government in Washburn County. The corporation is tasked with increasing employment opportunities throughout the county by meeting with businesses from outside the county that may be interested in relocating to the county. The corporation also meets with existing businesses interested in retaining or expanding their local employment base. Overall, the goal of the corporation is to create and retain employment opportunities and improve the environment for economic development in the county.

### **Other Programs**

There are many more federal, state, and local programs offering assistance to businesses. They are listed in the Economic Development Manual prepared by the Wisconsin Bankers Association and the Wisconsin Financing Alternatives booklet prepared by the Wisconsin Department of Commerce.

## **5.9 ECONOMIC DEVELOPMENT GOALS, OBJECTIVES, ACTIONS, AND POLICIES**

A set of recommended goals, objectives, and actions has been developed to assist the town in the cautious and conservative approach to economic activities compatible with the rural character, recreational character, health, and environmental protection of the town.

**GOAL:** Cautious and conservative approach to economic activities compatible with the rural character, recreational character, health, and environmental protection of the town.

Objective 1: Encourage the development of stand-alone "latch key" service businesses.

*a. Direct "latch key" service businesses to the area of CTH B and M and other designated commercial areas of the town.*

Objective 2: Encourage home-based service businesses compatible with the natural environment and rural character.

- a. *Review current zoning regulations or types and allowable uses within zoning designations.*
- b. *Require signage compatible with the rural character and recreational character.*

Objective 3: Work with existing and future businesses to ensure that development of new facilities and/or expansion of existing facilities are compatible with the natural environment and rural character of the town.

- a. *Develop a checklist of performance standards based on the comprehensive plan.*

Objective 4: Support regional economic development efforts.

- a. *Work with Washburn County Economic Development Corporation.*
- b. *Support area chambers of commerce (Long Lake, Spooner, Shell Lake, and Stone Lake,) and their efforts to publicize the area's businesses and attractions.*
- c. *Support the Washburn County Tourism Association and supply it with a list of things of interest, recreational opportunities, and services in the town.*