



**Economic  
Development and  
Growing the  
Economy**

**UW  
Extension**

# Profiles of Best Practices

## **Building Community Economic Development Capacity— Ashland Action Team**

### **Community, County**

City of Ashland, Ashland County

### **Area of Project Impact**

Ashland, Bayfield and Iron Counties

### **Population Affected**

8,785

### **Situation**

The City of Ashland experienced a plant closing, involving a layoff or relocation of 221 jobs and the loss of approximately \$11,000,000 annually from the area economy.

### **Economic Development Strategies**

The community strategy was to deal with the major plant closing by building community economic development capacity through community action involving the collaboration of civic, labor, and business leaders. This cooperation created an action plan and action team.

### **Implementation**

Ashland community leaders mobilized to address economic problems caused by a plant closing. The community began by holding several informational meetings in order to gather information and develop a response plan. As a result, an Action Team was created with a primary responsibility to oversee job creation, job retention, and employee assistance. In general, the Action Team divided implementation responsibilities between two members—the Ashland Area Development Corporation handled the job creation and retention; and Northwest Wisconsin Concentrated Employment Program, Incorporated oversaw the major task of job retraining, education, and social / financial services for the displaced workers.

In addition to the Ashland Area Development Corporation and the Northwest Wisconsin Concentrated Employment Program, the Action Team consisted of a number of business leaders, city government officials and community. Individuals and organizational representatives met monthly as part of this Action Team for a period of twelve weeks, and then met bi-monthly for twenty-one months. This group began engaging in a number of diverse economic development efforts. They followed up on twenty-one active leads for job creation opportunities. For instance, the Action Team administered a start-up business loan program for employees interested in starting their own businesses, and implemented a college scholarship program for dependents of former employees.

### **Partners and Leadership**

The recovery for Ashland and Northern Wisconsin has been successful because of a combination of excellent partnerships. The cooperation between local government (Ashland and Bayfield Counties, and the City of Ashland) and state government proved to be a major factor in success. The cooperation received from other organizations also played an important role in the recovery. These organizations include the Ashland Area Development Corporation, Northwest Wisconsin Concentrated Employed Program, Incorporated, Fort James Corporation, the Northwest Regional Planning Commission, Impact Seven, Wisconsin Indianhead Technical College and Wisconsin Job Service. Without the leadership, management and experience provided by these organizations, the project

would not have been successful. Another major partner was the private business community which included banking, utilities, and manufacturing.

## **Outcomes**

Job creation opportunities resulted in six projects and a capital investment of \$10,000,000; in addition, three existing Ashland companies expanded adding another \$11,000,000 of capital investment. Total jobs impacted over two years as a result of these efforts: 192 new jobs, another 156 jobs retained. In addition, 8 former employees started their own businesses, leveraging \$450,000 of private investment and providing 11½ new full-time equivalent jobs. Finally, the scholarship program saw 58 applications and 33 scholarships for a total of \$100,000.

## **Contact**

Frank R. Kempf  
Ashland Area Development Corp.  
422 Third Street West, Suite 101  
Ashland, WI 54806  
715-682-8344  
fkempf@ncis.net