



Economic
Development and
Growing the
Economy



Profiles of Best Practices

Housing Incentive Program

Community, County

Grant County, Villages of Potosi and Tennyson

Area of Project Impact

Grant County, Villages of Potosi and Tennyson

Population Affected

1,200 (Villages of Potosi and Tennyson and the school district)

Situation

The villages of Potosi and Tennyson are located in Grant County situated in Southwest Wisconsin close to the Mississippi River and bordering Iowa and Illinois. Referred to as the "Twin Cities," the villages are located only 20 minutes from Dubuque, Iowa, to which some residents commute daily to work. Known as "The Catfish Capital of Wisconsin", the area attracts people interested in a range of recreational outdoor activities and other community activities.

From 1977 to 1997, area population declined by approximately twenty percent. Despite an excellent school system, the school enrollment reflected this trend, which meant that there was less demand to have a school in the area. Although there had been some discussion about trying to build new houses to draw new community members to the villages, it appeared there were no lots available for construction. Overall, there seemed to be a negative attitude about stimulating the community to invest in housing and create new jobs.

Economic Development Strategies

The Potosi Chamber of Commerce recognized that the Potosi/Tennyson villages needed to invest in building community capacity, growing and expanding existing area business and engaging in community development activities by promoting local businesses and new home construction.

Implementation

To address these issues, the Potosi Chamber of Commerce formed a subcommittee called the Potosi/Tennyson Housing Committee in 1999. Six members representing a range of community interests volunteered to staff the Potosi/Tennyson Housing Committee. Members included business owners, a banker, a CEO, a school secretary, and an elementary school counselor. The group shared a desire to promote the communities of Potosi/Tennyson.

One of the first activities undertaken by the Potosi/Tennyson Housing Committee was to conduct an informal survey to determine community members' interest in supporting housing construction. In the first year, the Potosi/Tennyson Housing Committee began this collaborative process by meeting with the Village Boards of Potosi and Tennyson to explore options available for funding. They also contacted a number of small businesses in the area to determine the level of interest in the project. Although there was only a subdued response to the first recruitment letter, committee members followed up on this initial contact by meeting with the business owners individually. This personal approach generated overwhelming support – more than half of the business owners agreed to take part in the initiative. At the same time, a key component of the project was the introduction of a local developer's new subdivision that offered reasonably priced lots.

Meanwhile, other aspects of the enterprise were also taking shape. These included a complete inventory of available the vacant lots in the area and a public relations campaign. The campaign centered on the motto *See it - Feel it - Live it!*. First, it involved newspaper ads. Later a television commercial was shown on a local Dubuque

station. The commercial featured scenic images of the daily community life such as people enjoying fishing and going to church. A Potosi / Tennyson website was developed that gave the project additional exposure. Overall, the public relations campaign focused on drawing people to come see what Potosi and Tennyson have to offer.

Although the Board could not directly support the housing initiative, the Board gave money to the Chamber for economic development. This money was transferred to the housing initiative by the Chamber during the second year of the project.

The housing initiative focused on putting money back into the community and drawing new people to the area. To achieve this objective, an approach was developed that focused on giving incentives to contractors and home buyers. The incentive took the shape of community home dollars. First, to encourage the construction of a speculative home, contractors were offered one thousand community home dollars. These funds could be spent at any business that met the base criteria, either located within the Potosi School District or a Chamber member business or a business approved by the Potosi/Tennyson Housing Committee. Contractors received half the amount before the house was built and half upon completion. The contractor had to conform to an agreement that spelled out such conditions as timeframe for the construction, restrictions on the location of the site within the villages, size of the single family unit, etc. Second, home buyers were entitled to receive both one thousand community home dollars and a coupon book that contained services valued at several thousand dollars for use within the first year after they closed on purchase of the home. The coupon book encouraged new residents to patronize the 50 local businesses represented. Coupons included a free oil change, discount on groceries, discount on materials and labor from a lumber yard, free yard work, free rubbish and recycling services, a health visit, preschool services, and more.

Partners and Leadership

This was a public/private collaborative effort involving:

- Potosi/Tennyson Housing Committee;
- Village Boards of Potosi and Tennyson;
- Potosi/Tennyson Chamber of Commerce; and
- Potosi/Tennyson local businesses.

Outcomes

The project is now in its fifth year. Overall, the project has been successful in addressing concerns about attracting young people to the community. There is a sense that community pride and community improvements have all enhanced quality of life in the villages.

The initial goals have been exceeded; in total the number of new homes is now 37, two new subdivisions including: Potosi Heights (15 lots and 14 homes) and Spruce Park (12 lots just starting construction). Most new homes have been occupied by young families. This offset the increase in the number of people in the retirement community. In the past few years, the school district enrollment increased and a school referendum called to add new classrooms. The high school athletic field was recently remodeled with the assistance of 6,000 volunteer hours and money donations. In addition, a new fire and rescue building was built with support from the community and a federal grant. Village streets have been resurfaced and the Catholic Church has been remodeled. The new houses added to the villages' tax revenue and the value of properties rose by 6 percent within the school district as a result of the combined increase in the valuation of property and the number of new homes. In 2001, a non-profit organization called the Potosi Brewery Foundation started restoration on a brewery that operated from 1852 to 1972.

As long as the overwhelming support of the Potosi and Tennyson Village Boards and the local businesses persists, the Potosi/Tennyson Housing Committee will continue to encourage new home construction and growth in the community. One community representative noted that a community does not stay the same; it either moves forward with new initiatives or it slowly becomes a less vibrant community.

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