

CHAPTER 6 Economic Development Element

Section 6.1 Introduction

This element will present information about the economy within the Town of Amherst. Economic development, which can be defined as the type and level of business activity within an area, is often based on a combination of market forces, regulation, and the extent of local government encouragement. The Town of Amherst has historically been a rural community of primarily agricultural activity with a scattering of small-scale commercial uses. In the recent past, an increase in residential development, recreation and tourism has occurred due to the desirable lakes, rivers and transportation improvements in the Town. As such, the majority of business development will most likely occur in the Villages of Amherst, Amherst Junction and Nelsonville, which are within the Town.

Different types of development in surrounding areas, such as Stevens Point, Waupaca, and the Fox Valley area, can have an impact on Town growth, quality of life, and even its ability to pay for Town services. For this reason the Town of Amherst wishes to pursue economic development opportunities that will enhance the rural character of the area and assure the community the means to provide for the services and infrastructure needs of present and future residents.

This element concludes with goals, objectives, and policies to promote the stabilization, retention, or expansion of the economic base. County and state economic development information is included to help the Town identify potential opportunities that could be used to pursue appropriate economic development activities.

Section 6.2 Labor Force and Economic Base

A. Labor Force Analysis

1. Educational Attainment

As discussed in the Issues and Opportunities chapter of this plan, and illustrated by Table 1.4 of that chapter, the Town of Amherst has seen an increase in the percentage of its residents who have achieved a college degree (Associates, Bachelor, or Graduate/Professional degree). According to Census 2000 data, 23.2% of Town residents have an associates degree or higher.

2. Earnings and Income

Wages are not the only form of income those residents receive. "Total income" is defined by the U.S. Census as the sum of the amounts reported separately for wages, salary, commissions, bonuses, or tips; self-employment income from non-farm or farm businesses, including proprietorships and partnerships; interest, dividends, net rental income, royalty income, or income from estates and trusts; Social security or Railroad Retirement income; Supplemental Security Income (SSI); any public assistance or welfare payments from the state or local welfare office; retirement, survivor, or disability pensions; and any other source of income received regularly such as Veterans; (VA) payments, unemployment compensation, child support, or alimony. According to the 2000 Census (Summary File 3 Table P58, P60, P62-66) 419 (84.1%) of 498 Town of Amherst households sampled were classified as household with earnings; 110 (26.3%) were households with social security income; 56 (16.5%) were households that received retirement income; 3 households received public assistance and 74 households (17.7%) has other types of income.

In order to better understand the existing wage-earning realities within the Town of Amherst, “earnings” data was considered to be more informative. “Earnings” are defined by the U.S. Census Bureau as the algebraic sum of wages or salary income and net income from self-employment, representing the amount of income received regularly before deductions for personal income taxes, Social Security, bond purchases, union dues, Medicare deductions etc.

Table 6.1 compares mean (average) earnings, and mean household and per capita income, for households and individuals in communities within the Amherst area and Portage County overall. Compared to the surrounding Towns and Portage County overall, the Town of Amherst experienced the highest percentage increase since 1989 in mean earnings. The Town performed higher than most Portage County Towns for mean household earnings increase.

Table 6.1: Mean Earnings, Mean Income, and Per Capita Income Comparison

	Mean Earnings Per Household			Mean Income Per Household			Per Capita Income		
	1989	1999	Change	1989	1999	Change	1989	1999	Change
Town of Amherst	\$34,883	\$54,644	57%	\$36,120	\$63,172	75%	\$11,387	\$19,751	73%
Town of Buena Vista	\$35,365	\$48,055	36%	\$36,182	\$51,832	53%	\$11,246	\$18,775	67%
Town of New Hope	\$34,645	\$51,461	49%	\$33,113	\$57,024	72%	\$11,289	\$21,334	89%
Town of Stockton	\$39,107	\$55,413	42%	\$38,599	\$58,001	50%	\$12,471	\$19,886	59%
Town of Lanark	\$32,396	\$50,273	44%	\$32,682	\$51,376	57%	\$10,511	\$19,246	83%
Portage County	\$33,230	\$50,373	52%	\$33,184	\$52,102	57%	\$11,730	\$19,854	69%

Source: U.S. Census Bureau, 1990 and 2000 Census

Mean earnings = total earnings/ # h/holds with earnings;

Mean income = total income/ # h/holds with income

According to 2000 Census data, median household income for Town of Amherst residents was \$50,435, which was higher than Portage County (\$43,487) and State of Wisconsin (\$43,791). See Table 1.6 of the Issues and Opportunities chapter of this Comprehensive Plan.

3. Percent in Labor Force and Unemployment

Table 6.2 examines labor force participation and employment percentages for the Town of Amherst, as described in the 1990 and 2000 census. Age sixteen is considered to be the lower threshold for being eligible for employment. The Town had a 2000 labor force of 73.0%, which was above the Portage County Average of 67.1%. Amherst did experience an increase in the unemployment rate from 3.4% in 1990 to 5.4% in 2000.

Table 6.2: Employment Status of Town of Amherst Population 16 Years and Above

EMPLOYMENT STATUS	1990		2000	
	Number	Percent	Number	Percent
Persons 16 years and over	936	100%	1,113	100%
In labor force	692	73.9%	812	73.0%
Civilian labor force	692	73.9%	812	73.0%
Employed	660	70.5%	752	67.6%
Unemployed	32	3.4%	60	5.4%
Armed Forces	0	0.0%	0	0.0%
Not in labor force	244	26.1%	301	27.0%

Source: Census 1990, 2000

4. Employment by Occupation

Table 6.3 below provides information regarding the type of occupation that Town of Amherst residents were employed in 2000. The management/ professional category is now the largest, followed by sales and office occupations. Table 1.10 of the Issues and Opportunities chapter summarizes resident employment by industry for the last three census years. Information for both these tables represents what type of occupation/industry the working residents of the Town were employed in, and is not a listing of the employment opportunities currently located in Amherst.

Table 6.3: Town of Amherst Employment by Occupation

Occupation	1990		2000	
	Number	Percent	Number	Percent
Management, professional, and related occupations	132	20.0%	260	34.6%
Service occupations	58	8.8%	86	11.4%
Sales and Office occupations	163	24.7%	150	19.9%
Farming, Fishing, and Forestry occupations	99	15.0%	18	2.4%
Construction, Extraction, and Maintenance occupations	19	2.9%	89	11.8%
Production, Transportation, and Material Moving occupations	189	28.6%	149	19.8%
Total Employed	660	100%	752	100%

Source: U.S. Census Bureau

5. Commuting

According to Census 2000 data, mean travel time to work was 23.2 minutes and 81% of the employed residents worked outside of the Town.

B. Local Economic Base Analysis

The land base in the Town of Amherst consists mainly of agricultural uses and has a broad range of businesses relating to the agriculture industry, including two large dairy operations. The Town of Amherst is ranked 11th out of all the Towns in Portage County for having the most irrigated cropland with 1,033 acres. See the Agriculture, Natural and Cultural Resources chapter for further information. Existing businesses in the Town of Amherst include:

- Agriculture
- Services
- Storage
- Recreation
- Trucking
- Retail
- Taverns/Restaurants
- Auto repair
- Gas Station

Section 6.3 Strengths and Weaknesses for Attracting/Retaining Business

A. Strengths

- Transportation infrastructure
- Available land
- Quality natural resources, including air and water.
- Presence of rail line.
- Well situated between urban centers (i.e. Stevens Point, Fox Valley)
- Workforce with good work ethic
- Large population of artisans and craftsmen.
- High quality of rural life.

B. Weaknesses

- Local road networks may limit development.
- Lack of municipal services (i.e. sewer and water)
- Limited workforce.

Section 6.4 Desired Businesses

The Town of Amherst will evaluate new proposals for industrial and commercial activities on a case-by-case basis. Many businesses can develop in the community with little or no impact on existing services and uses. Desired businesses in the Town include:

- Agriculturally related businesses.
- Small scale and home-based businesses.

Section 6.5 Environmentally Contaminated Sites

Contaminated sites, also known as brownfields, serve as potential land base for economic development. Brownfields are defined as abandoned or underutilized commercial and industrial properties where redevelopment is hindered by real or perceived contamination. The Wisconsin Departments of Commerce and Natural Resources have jointly prepared a guide to help finance brownfields cleanup and redevelopment. It can be found on the internet at: <http://www.dnr.state.wi.us/org/aw/rr/archives/pubs/RR539.pdf>

There are currently four sites in the Town of Amherst that are listed with the WI DNR as brownfield sites with open status. Open status refers to a contaminated site in need of clean up or where cleanup is still underway. A complete list of all brownfield sites can be obtained by contacting the DNR or through their website at: www.dnr.state.wi.us/org/aw/rr/brrts/index.htm.

Section 6.6 Economic Development Resources

• **Revolving Loan Fund Programs (Portage County)**

Purpose: Funds administered by local communities, which provide local government the ability to assist in economic development projects that will create jobs for low-to-moderate income persons. Typically, the revolving loan fund program provides "gap" financing to local projects that make the project economically feasible.

Use of Funds: Land, working capital, buildings, and inventory.

Amount Available: Programs are different in each community.

Advantage: Offers terms to make the project economically feasible, maximize the return on and provide businesses the ability to finance job creation efforts locally. This program provides a quicker approval process than the Wisconsin Community Development Block Grant - Economic Development Program.

• **Wisconsin Community Development Block Grant-Economic Development (WI Dept. of Commerce)**

Purpose: To provide resources to local governments to assist economic development projects that provides jobs to low-to-moderate income persons and expands the local tax base.

Use of Funds: Land, working capital, buildings, and inventory.

Amount Available: \$750,000 maximum award, \$75,000 to \$500,000 is usual. Provides fixed-rate long term financing.

Advantage: Offers terms to make the project economically feasible, maximize the return on public funds, and provide business with rate of return comparable to industry norms. In addition, these funds remain locally for the creation or expansion of a existing Revolving Loan Fund.

- **Wisconsin Rural Economic Development Program (WI Dept. of Commerce)**

Purpose: To stimulate the start-up and expansion of small businesses in rural and/or small communities.

Use of Funds: Planning and managerial assistance only. This could include development of a marketing strategy for a new product line. Program pays for technical assistance such as consulting fees.

Amount Available: Maximum loan award is \$30,000. This program allows straight loans and/or forgivable loans.

Eligibility: Businesses with fewer than 25 employees. The business should be starting or expanding operations.

- **Community Development Block Grant - Customized Labor Training (WI Dept. of Commerce)**

Purpose: To stimulate the expansion of existing businesses, the attraction and creation of businesses, and the "retooling" of Wisconsin's Industrial base by providing customized labor training. The program is for training in new technology and industrial skills.

Use of Funds: Training costs incurred in the upgrading of manufacturing skills. This includes training on the shop floor while not producing salable product.

Amount Available: Grant Award. Training grant, competitively awarded, requires 50% match from company. Maximum \$2,500 per employee trained.

Eligibility: Proposed training must not supplant training available through existing federal, state and local resources (such as the Technical College and University System). Projects are evaluated on economic contribution; quantity and type of jobs created or saved; cost effectiveness significance of skill upgrading and local unemployment situation.

- **Wisconsin Farm Bureau Federation**

A voluntary, non-governmental organization controlled by member families to represent them on legislative issues and to provide farm marketing, business and planning consultation and services. Contact information:

Wisconsin Farm Bureau Federation
PO Box 5550
Madison, WI 53705-0550
1-800-261-FARM or 608-836-5575

- **USDA – Rural Development Administration (Wisconsin)**

The Rural Development Administration is an organization affiliated with the United States Department of Agriculture that provides funding for home purchase and rehabilitation, technical assistance and funding to new cooperative ventures, and financing for new business development. A full list of their programs can be found on the internet at: <http://www.rurdev.usda.gov/wi/programs/index.htm>

Contact information:

USDA Rural Development - WI
4949 Kirschling Ct.
Stevens Point, WI 54481
Phone: (715)345-7615 FAX: (715)345-7669

Technical Assistance:

- **Small Business Development Center**

The Small Business Development Center (SBDC) located at the University of Wisconsin - Stevens Point, is one of ten university-based SBDC's in Wisconsin. Their mission is to provide learning opportunities and practical guidance to help individuals make informed business decisions. The Stevens Point SBDC works with small business in eight central Wisconsin counties, and offers several types of services including seminars, customized in-house training, and individualized counseling. (715) 346-3838

- **Wisconsin Manufacturing Extension Partnership (WMEP)**

In an effort to improve quality and productivity of small to medium sized Wisconsin Manufacturers, a partnership between government, industry, labor, and education was formed. The WMEP assessment process is designed to be broad based rather than in-depth. The purpose is to "raise flags" where more effort should be placed. After the assessment, this can lead to a technical assistance project, in which your company is paired with a facilitator to help design and implement solutions.

- **Solid and Hazardous Waste Education Center (SHWEC)**

The University of Wisconsin-Extension's SHWEC program was created to provide pollution prevention services to waste generators in Wisconsin. SHWEC' pollution prevention specialists will assess hazardous waste systems, provide no-cost non-regulatory technical assistance, and identify potential waste reduction options.

Section 6.7 Economic Development Issues

The following issues were identified during the comprehensive planning process:

- To what extent does the Town want to promote larger scale or non-agriculture related economic development?
- How will the Town provide business opportunities within the Town?
- How can the Town promote business development and increase its tax base taking into consideration its service limitations?

Section 6.8 Economic Development Goals, Objectives and Policies

Goal 1: Encourage businesses that can operate within the limitations of the Town.

Objective 1.1: Limit large scale commercial development within the Town.

Objective 1.2: Encourage businesses that enhance the rural quality of life and are compatible with surrounding uses.

Policies:

1. Review large scale commercial development on a case by case basis as it relates to surrounding uses, environmental impacts, and available services.
2. Encourage agriculturally-related businesses.
3. Encourage the development of home-based businesses.