

CHAPTER 6 Economic Development Element

Section 6.1 Introduction

This element will present information about the economy within the Town of Pine Grove. 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 Pine Grove has historically been a rural community of primarily agricultural activity with a scattering of small-scale, home-grown commercial uses. The Pine Grove Town Board has never been actively involved with economic development efforts. This trend is likely to continue. Most business growth affecting residents of Pine Grove occurs outside the Town. These jobs provide employment for a majority of the residents.

This element concludes with goals, objectives, and policies to address the stabilization, retention, or expansion of the economic base. County and state economic development information is included to help the Town identify potential resources that could be utilized 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 Pine Grove has seen an increase in the percentage of its residents who have achieved a college degree (associate, bachelor, or graduate/professional degree).

2. Earnings and Income

Wages are not the only form of income that 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): 251 (80.0%) of 312 Pine Grove households sampled were classified as households with earnings; 96 (30.7%) were households with social security income; 36 (11.5%) were households that received retirement income; 1 household received public assistance, and 58 households (18.6%) has other types of income.

In order to better understand the existing wage-earning realities within the Town of Pine Grove, “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 Pine Grove area and Portage County overall. Between 1989 and 1999, the Town of Pine Grove experienced a much higher percentage increase in all three categories than the other selected Towns and Portage County overall. In actual dollars, however, Pine Grove remains slightly behind the other units.

Table 6.1: Mean Earnings, Mean Household 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 Pine Grove	\$26,147	\$47,986	84%	\$27,277	\$47,491	74%	\$8,952	\$18,257	104%
Town of Almond	\$34,340	\$42,386	23%	\$36,617	\$47,961	31%	\$14,057	\$17,962	28%
Town of Buena Vista	\$35,365	\$48,055	36%	\$36,182	\$51,832	53%	\$11,246	\$18,775	67%
Town of Lanark	\$32,396	\$50,273	55%	\$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,
Portage County Planning and Zoning

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 Pine Grove residents was \$35,294, which was lower 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 for more information on median income.

3. Percent in Labor Force and Unemployment

Table 6.2 below examines labor force participation and employment percentages for the Town of Pine Grove, 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 participation rate of 64.5%, which was slightly lower than the Portage County rate of 67.1%. Pine Grove did experience a decrease in the unemployment rate from 8.3% in 1990 to 5.1% in 2000.

Table 6.2: Employment Status of Town of Pine Grove Residents 16 Years and Over

Employment Status	1990		2000	
	Number	Percent	Number	Percent
Persons 16 years and over	662	100%	628	100%
In labor force	443	66.9%	405	64.5%
Civilian labor force	442	66.8%	405	64.5%
Employed	387	58.5%	373	59.4%
Unemployed	55	8.3%	32	5.1%
Armed Forces	1	0.2%	0	0.0%
Not in labor force	219	33.1%	223	35.5%

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

4. Employment by Occupation

Table 6.3 below provides information regarding the type of occupation that Town of Pine Grove residents were employed in 2000. The Management, Professional, and Related occupations category recorded the largest increase in number and percentage. Farming, Fishing, and Forestry recorded the largest decreases.

Table 6.3: Town of Pine Grove Employment by Occupation

Occupation	1990		2000	
	Number	Percent	Number	Percent
Management, Professional, and Related occupations	44	11.4%	60	16.1%
Service occupations	57	14.7%	58	15.5%
Sales and Office occupations	48	12.4%	51	13.6%
Farming, Fishing, and Forestry occupations	71	18.3%	38	10.2%
Construction, Extraction, and Maintenance occupations	68	17.6%	60	16.1%
Production, Transportation, and Material Moving occupations	99	25.6%	106	28.4%
Total Employed	387	100.0%	373	100.0%

Source: U.S. Census Bureau

5. Commuting

Census data from 2000 shows that 26% of Town residents worked within Pine Grove. According to the 2001 Portage County Comprehensive Planning Survey, 57% of Town respondents worked outside of the Town and 42% of respondents worked somewhere in Portage County. The fact that the majority of Pine Grove's labor force works outside the Town is further supported by additional Census 2000 data indicating that mean travel time to work for residents was 26.8 minutes.

B. Local Economic Base Analysis

The Town of Pine Grove is not active in promoting large scale industrial and commercial economic development, as it is mainly an agricultural community. Residents want to maintain the agricultural industry in their Town, however, small scale, home-based businesses, and those that are complimentary and/or do not hinder agriculture are desired. Existing businesses located in the Town of Pine Grove include:

- | | |
|-------------------------------|---------------------------------------|
| Bank | Landscaping |
| Beauty Shop/Tanning Salon | Mini-storage |
| Campground | Plumbing and Heating |
| Chemical application company | Post Office |
| Child care | Potato Grading and Packaging facility |
| Construction | Private Air Strip |
| Cranberry Operations | Recycling |
| Crop Dusting Business | Tavern |
| Gas Station/Convenience Store | Trailer sales |
| Greenhouse | Trucking |
| Grocery Store | Wood Chip Sales and Distribution |
| Insurance Agency | Dish Network Satellite Office |

Section 6.3 Strengths and Weaknesses for Attracting/Retaining Business

A. Strengths

- Agricultural education program available at Tri-County School District
- I-39 runs through the middle of Town
- No zoning
- Rural Atmosphere
- Central location
- Proximity to Prairie Chicken land

B. Weaknesses

- Lack of agricultural education programs in Almond-Bancroft School District.
- Water contamination from nitrates
- Shallow depth to groundwater
- Aging workforce/smaller workforce
- No zoning
- No active business recruitment program
- Lack of community sewer and water.

Section 6.4 Desired Businesses

Sites designated for new development in the Town of Pine Grove include: northwest of Bancroft along I-39; the I-39 and CTH D interchange; and throughout the Town, on a case-by-case basis. Desired businesses for the Town include:

- Hardware store
- Laundromat, other basic services
- Businesses or industries with well paying jobs not requiring municipal septic or water
- Small scale, home grown business

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 two sites that are listed in the Town of Pine Grove with the WI DNR as a brownfield site with open status. The first site, located on the corner of Tennessee Walker Rd. and Cty Rd W, has been identified as having a leaking underground petroleum storage tank. The second site is located near Prairie Chicken Road and Highway W, which was a large herbicide spill. 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 Program (WI Dept. of Commerce)**

Purpose: To provide resources to local governments to assist economic development projects that provide jobs to low-to-moderate income persons and expand 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. Program is for new technology to industry and industry sector.

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 Identified by the Town of Pine Grove

- Better paying agricultural jobs have left the community, with nothing replacing them.
- Retaining business activity – hard to sustain certain types of businesses.
- Inability to offer incentives for businesses, as compared to larger municipalities, to locate within the Town.

Section 6.8 Economic Development Goals, Objectives and Policies

Goal 1 - Promote and maintain business activity throughout the Town.

Objective 1 - Encourage residents to patronize local businesses.

Objective 2 - Preserve productive agricultural land in the Town.

Objective 3 - Work with Portage County Business Council to promote economic development in Pine Grove.

Policy - Encourage business expansion within the Town.

Goal 2 - Support tourism in the Town

Objective 1 - Promote recreational activities such as camping and wildlife viewing.