

CHAPTER 6 Economic Development Element

Section 6.1 Introduction

This element will present information about the economy within the Town of New Hope. 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 New Hope has historically been a rural community of primarily agricultural activity with a scattering of small-scale commercial uses and will likely remain that way into the future. In the recent past, an increase in recreation and tourism has occurred due to the desirable lakes, rivers and creeks present in the Town. As such, the Town recognizes that the majority of business development will most likely occur beyond its borders. Different types of development in surrounding areas, however, can have an impact on Town growth, quality of life, and even its ability to pay for Town services. For this reason New Hope 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 New Hope 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 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) 245 (85.1%) of 288 New Hope households sampled were classified as household with earnings; 75 (30.1%) were households with social security income; 45 (18.4%) were households that received retirement income; 0 households received public assistance and 46 households (18.8%) has other types of income.

In order to better understand the existing wage-earning realities within the Town of New Hope, “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 New Hope area and Portage County overall. The Town of New Hope experienced a substantial increase in mean earnings, but still lags behind several of the other comparison communities. The same is true for mean and per capita income comparisons. New Hope rated higher in all three categories than the County overall.

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 New Hope	\$34,645	\$51,461	49%	\$33,113	\$57,024	72%	\$11,289	\$21,334	89%
Town of Alban	\$28,983	\$43,386	50%	\$29,255	\$40,468	38%	\$10,164	\$15,664	54%
Town of Sharon	\$39,142	\$59,087	51%	\$38,623	\$61,155	58%	\$12,895	\$21,073	63%
Town of Stockton	\$39,107	\$55,413	42%	\$38,599	\$58,001	50%	\$12,471	\$19,886	59%
Town of Amherst	\$34,883	\$54,644	57%	\$36,120	\$63,172	75%	\$11,387	\$19,751	73%
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 New Hope residents was \$46,538, which was higher than Portage County (\$43,487) and State of Wisconsin (\$43,791) median.

3. Percent in Labor Force and Unemployment

Table 6.2 below examines labor force participation and employment percentages for the Town of New Hope, 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 62.8%, which was lower than the overall Portage County rate of 67.1%. New Hope experienced a slight increase in the unemployment rate from 3.5% in 1990 to 3.8% in 2000.

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

Employment Status	1990		2000	
	Number	Percent	Number	Percent
Persons 16 years and over	548	100	578	100
In labor force	344	62.8%	407	70.4%
Civilian labor force	344	62.8%	407	70.4%
Employed	323	74.0%	385	66.6%
Unemployed	21	3.5%	22	3.8%
Armed Forces	0	0.1%	0	0%
Not in labor force	204	37.2%	171	29.6%

Source: Census 1990 and 2000

4. Employment by Occupation

Table 6.3 below provides information regarding the type of occupation that Town of New Hope residents were employed in 2000. The Management/Professional category is now the largest, more than doubling in number since 1990. Sales and Office occupations ranked 2nd, but only gained 5 employees. Service and Construction/Extraction/Maintenance occupations showed strong gains, growing by 44% and 91%, respectively. Table 1.9 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 New Hope.

Table 6.3: Town of New Hope Employment by Occupation

Occupation	1990		2000	
	Number	Percent	Number	Percent
Management, professional, and related occupations	47	15.8%	118	30.7%
Service occupations	43	14.5%	62	16.1%
Sales and Office occupations	68	22.9%	73	19.0%
Farming, Fishing, and Forestry occupations	47	15.8%	16	4.2%
Construction, Extraction, and Maintenance occupations	23	7.7%	44	11.5%
Production, Transportation, and Material Moving occupations	69	23.2%	71	18.5%
Total Employed	297	100%	384	100%

Source: U.S. Census Bureau

5. Commuting

According to Census 2000 data, 86% of employed residents worked outside the Town while mean travel time to work was 26.9 minutes.

B. Local Economic Base Analysis

The economic base in the Town of New Hope is a mainly rural community, which is supported by residents with hopes of retaining their existing agricultural operations and natural rural setting. The Town is mainly a bedroom community without a defined commercial center or area. The community supports appropriate scale businesses for a rural township and has regulations to ensure they are in harmony with their surroundings.

Existing businesses located in the Town of New Hope include:

- home-based businesses
- agriculture
- builders/carpenters
- seasonal greenhouse
- independent trucking firm

Section 6.3 Strengths and Weaknesses for Attracting/Retaining Business

A. Strengths:

- Well suited for home-based businesses.
- The community supports existing agricultural operations and new agricultural ventures that are in keeping with preserving the resource base and rural character.
- Resource base (lakes, trails, streams) provides opportunity for tourist based businesses.

B. Weaknesses:

- Minimal economic base for job opportunities other than agricultural sector or home-based businesses.
- Development of larger commercial businesses would be in conflict with community's desire to protect agricultural and natural resources and the rural character.
- Lack of municipal services, such as sewer and water.
- Topography is a limiting factor for larger scale agricultural operations

Section 6.4 Desired Businesses

Sites designated for new development in the Town of New Hope will only be considered on a case-by-case basis. Certain types of businesses can develop in the community that have little or no impact on existing uses. Examples of desired businesses for the Town include:

Home-based businesses

Smaller-scale farming operations, and businesses that support the agricultural base.

Artist and Artisan 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 is currently one site adjacent to Cty Rd A, one-tenth of a mile north of Cty Rd Z that is listed with the WI DNR as a brownfield site with open status. This site is listed as having contaminated soil from a diesel fuel spill in 1993. 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 provide 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. 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

The following issues were identified during the comprehensive planning process:

- How can the Town maintain agricultural businesses?
- How can the Town preserve rural character?
- How can the Town promote market gardens?

- How can the Town promote small and home based businesses and other lower intensity commercial development?
- How can the Town limit large farm operations and the nuisances associated with them?

Section 6.8 Summary/Recommendations

As noted earlier, 86% of employed residents worked outside the Town in the year 2000. County projections show the majority of living wage job opportunities will occur in more urbanized areas. Therefore, most town residents will continue to commute to employment opportunities that are available in adjacent communities during this planning horizon.

Section 6.9 Economic Development Goals, Objectives, Policies

A. Goals

1. Preserve the agricultural economy within the Town of New Hope.
2. Encourage and support agricultural and home based businesses.

B. Objectives

1. Preserve productive agricultural lands within the Town.
2. Promote business development that preserves the Town's rural character.

C. Policies

1. Limit development in productive agricultural areas through the use of larger lot zoning.
2. The Town Board and Plan Commission will review special exception requests for home occupations and small scale commercial development based on the following general criteria:
 - a. Site does not have significant physical constraints which could create negative impacts on the environment, e.g. soils are suitable for on-site waste disposal, hazardous wastes can be safely disposed of, naturally occurring wetlands are not filled, etc.
 - b. Proposed use is compatible with surrounding uses or negative impacts can be mitigated by proper site design, screening, buffering, etc.
 - c. Consideration of the opinions of neighboring landowners and the interests of the Town.