

CHAPTER 6 Economic Development Element

66.1001 (2)(f) Wis. Stat:

Economic Development element. A compilation of objectives, policies, goals, maps and programs to promote the stabilization, retention or expansion of the economic base and quality employment opportunities in the local governmental unit, including an analysis of the labor force and economic base of the local governmental unit. The element shall assess categories or particular types of new businesses and industries that are desired by the local governmental unit. The element shall assess the local governmental unit's strengths and weaknesses with respect to attracting and retaining businesses and industries, and shall designate an adequate number of sites for such businesses and industries. The element shall also evaluate and promote the use of environmentally contaminated sites for commercial or industrial uses. The element shall also identify county, region and state economic development programs that apply to the local governmental unit.

Section 6.1 Introduction

This section of the Comprehensive Plan summarizes Stevens Point's existing economic activity and conditions. 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 City of Stevens Point believes that it is in the best interest of the City to pursue a balanced community, one that includes quality commercial and industrial opportunities that emphasize economic diversity, along with quality residential neighborhoods. This element concludes with goals, objectives, and policies to promote the stabilization, retention, and expansion of the economic base.

Section 6.2 Labor Force Analysis

A. Educational Attainment

Table 1.6 of the Issues and Opportunities Chapter compares educational attainment for City of Stevens Point adults with similar information for the Village of Plover and Portage County as a whole. The percentage of 25+ year-olds City residents who completed some college, or completed a college degree program rose from 47% to 53% between 1990 and 2000. The percentage of City residents aged 25+ achieving associate, bachelor and graduate degrees (33%) is slightly lower than that of Plover (37.8%), but higher than Portage County overall (30.3%).

B. 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 sources of income received regularly such as Veterans' (VA) payments, unemployment compensation, child support, or alimony. The 2000 Census Summary File 3 (which is based on a sample of units within a community, and not a total count), reported that out of 9,276 households sampled within the City of Stevens Point, 7,337 (79%) were classified as households with earnings; 2,402 had social

security income, 364 received Supplemental Security Income (SSI), 1,424 received retirement income, 56 received public assistance income, and 1,516 received other types of income.

In order to better understand the existing wage-earning realities within Stevens Point, “earnings” data was considered to be more informative. “Earnings” are defined by the US Census Bureau as the algebraic sum of wage 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 earnings and income for households (in average per household), and individuals, for communities within the Portage County Urban Area. According to Census 2000 information, the City of Stevens Point recorded the lowest earnings and income across the Urban Area, a situation caused in part by the presence of a large college student component within their population. College students traditionally have a limited income during their time in school.

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
Stevens Point	\$27,265	\$41,935	54%	\$27,417	\$43,565	59%	\$10,282	\$17,510	70%
Village of Plover	\$38,652	\$57,951	50%	\$38,501	\$61,809	61%	\$13,486	\$23,085	71%
Village of Whiting	\$36,284	\$51,390	42%	\$34,448	\$48,412	41%	\$12,892	\$19,492	51%
Village of Park Ridge	\$46,175	\$57,934	25%	\$48,980	\$63,515	30%	\$19,842	\$28,074	41%
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

Table 1.8 of the Issues and Opportunities Chapter details changes in household income over the last 20 years, as reported in the U.S. Census. Median income (½ of incomes above, ½ below) for all Stevens Point households in 2000 was \$33,178. By comparison, Village of Plover’s median income was \$51,238, and Portage County overall, \$43,487. These figures, as well as those in Table 6.1, are based on all households. One way of trying to isolate the effect of lower student incomes is to look at “family” versus “non-family” household data. The 2000 Census median income reported for family households in Stevens Point was \$47,176, while the non-family median income was \$21,114. The Census does not provide data of this type for earnings, but it can be reasonably assumed that the differences would be somewhat similar.

C. Labor Force and Unemployment

Table 6.2 below examines labor force participation and employment percentages for Stevens Point, other communities within the Urban Area, Portage County and State of Wisconsin. Age sixteen is considered to be the lower threshold for being eligible for employment. The City has a significantly lower percentage of residents in the labor force (67.2%) than most of the Urban Area, Portage County overall and the State. According to the 2000 Census information, Stevens Point also had a much higher unemployment rate (9.4%) than the Urban Area communities, Portage County (5.9%) and the State (4.7%). The City’s large college-aged student population may account for a portion of this difference, as some students do not work while in school. Stevens Point is also home to over 40% of Portage County’s residents aged 65+. Unemployment numbers, however, only include those persons that are actively seeking employment. Research into the causes and remedies for the City’s higher number should be pursued.

Table 6.2: Employment Status of Population 16 Years and Above, Year 2000

	Stevens Point	Village of Plover	Village of Whiting	Village of Park Ridge	Portage County	Wisconsin
Population 16 Years +	20,604	7,919	1,451	401	53,135	4,157,030
Not in Labor Force <i>% not in Labor Force</i>	6,752 32.8%	1,602 20.2%	567 39.1%	141 35.2%	15,191 28.6%	1,284,926 30.9%
In Labor Force <i>% In Labor Force</i>	13,852 67.2%	6,317 79.8%	884 60.9%	260 64.8%	37,944 71.4%	2,872,104 69.1%
Labor Force Components						
Armed Forces <i>% in Armed Forces</i>	4 0.03%	8 0.13%	0 0.00%	0 0.00%	12 0.03%	2,868 0.1%
Civilian Labor Force <i>% in Civ. Labor Force</i>	13,848 99.97%	6,309 99.87%	884 100.00%	260 100.00%	37,932 99.97%	2,869,236 99.9%
Employed <i>Percentage</i>	12,547 90.6%	6,094 96.6%	864 97.7%	260 100.00%	35,677 94.1%	2,734,925 95.3%
Unemployed <i>Percentage</i>	1,301 9.4%	215 3.4%	20 2.3%	0 0.00%	2,255 5.9%	134,311 4.7%

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

D. Type of Employment for Stevens Point Residents

Table 6.3 below provides information regarding the type of occupation that Stevens Point residents are employed in. According to Census data, Sales and Office occupations remain the City’s largest occupation category. The Management/Professional category remains the second largest, but added the largest number of employees between 1990 and 2000. This can be related to the City’s educational attainment and income gains previously discussed. 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 Stevens Point were employed in, and is **not a listing of the employment opportunities currently located in the City.**

Table 6.3: Stevens Point Resident Employment by Occupation

Occupation	1990		2000	
	Number	Percent	Number	Percent
Management, professional, and related occupations	2,739	25.2%	3,628	28.9%
Service occupations	1,925	17.7%	2,469	19.7%
Sales and Office occupations	3,700	34.0%	3,739	29.8%
Farming, Fishing, and Forestry occupations	105	1.0%	59	0.5%
Construction, Extraction, and Maintenance occupations	774	7.1%	667	5.3%
Production, Transportation, and Material Moving occupations	1,643	15.1%	1,985	15.8%
Total Employed	10,886	100%	12,547	100%

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

Table 6.4: Percentage Comparison of Resident Employment by Occupation in 2000

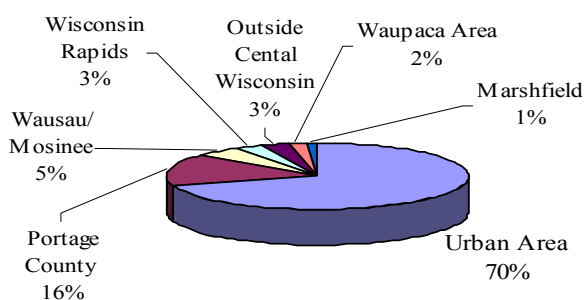
Occupation	City of Wis. Rapids	City of Wausau	City of Marshfield	Portage County	State of Wisconsin
Management, professional, and related occupations	23.2%	30.6%	31.2%	30.0%	31.3%
Service occupations	17.5%	14.5%	16.4%	14.3%	14.0%
Sales and Office occupations	26.2%	28.7%	25.3%	27.2%	25.2%
Farming, Fishing, and Forestry occupations	1.1%	0.5%	0.5%	1.2%	0.9%
Construction, Extraction, and Maintenance occupations	8.9%	6.4%	9.2%	8.2%	8.7%
Production, Transportation, and Material Moving occupations	23.1%	19.3%	17.4%	19.1%	19.8%
Total Employment	8,225	18,489	9,470	35,677	2,734,925

Source: U.S. Census Bureau, 2000 Census

E. Commuting

The majority of people from Stevens Point work within the central Urban Area of Portage County. According to the 2001 Portage County Comprehensive Planning Survey, 70% of City respondents worked in the Urban Area, followed by 16% working in other areas of Portage County (see Figure 6.1, below, and Appendix G). Other destinations listed were Wausau/Mosinee (5%), Wisconsin Rapids (3%), outside central Wisconsin (3%), Waupaca area (2%), and Marshfield (1%). The fact that the majority of the Stevens Point labor force works close to home is further supported by U.S. Census Bureau data that over 72% of employed City residents work within the City of Stevens Point.

Figure 6.1: Commuting Destinations



Section 6.3 Economic Base Characteristics

The City has been home to economic development since the 1850's when several saw, lath and picket mills were reported in or just outside the village (later city) limits, and has seen continued growth through the 1990's and early 2000's.

The City of Stevens Point has historically been the center of employment within the County. According to the 2000 Census, Portage County contained over 35,600 jobs. Of the 50 largest employers within Portage County in 2002, over two-thirds were located within Stevens Point, including 9 of the top 10.

Table 6.5: Largest 50 Employers in Portage County – Public and Private (2002)

Rank	Employer Legal Name	Product or Service	Employment Size Range
1	Sentry Insurance A Mutual Co	Fire, marine, and casualty insurance	1000+
2	Stevens Point Public School	Elementary and secondary schools	1000+
3	UW - Stevens Point	Colleges, universities, and professional schools	1000+
4	The Cops Corp	Grocery stores	500-999
4	St. Michael's Hospital of Stevens	General medical and surgical hospitals	500-999
6	Stora Enso North America Corp	Paper mills	500-999
7	McCain Foods USA Inc.	Frozen fruits, fruit juices, and vegetables	500-999
8	County of Portage	Executive & legislative offices combined	500-999
9	Ministry Medical Group, Inc.	Offices and clinics of doctors of medicine	500-999
10	Worzalla Publishing Co	Book printing	250-499
11	Golden County Foods Inc.	Frozen fruits, fruit juices, and vegetables	250-499
12	Noel Group	Travel agencies	250-499
13	H O Wolding Inc.	Trucking, except local	250-499
14	Donaldson Co. Inc.	General industrial machinery and equipment	250-499
15	Kimberly-Clark Corp	Paper mills	250-499
16	Herrschners Inc.	Catalog and mail-order houses	250-499
17	Lands' End Inc.	Catalog and mail-order houses	250-499
18	Wal-Mart Associates Inc.	Department stores	250-499
19	City of Stevens Point	Executive & legislative offices combined	100-249
20	Sunrise Medical Hhg Inc.	Furniture and fixtures	100-249
21	Del Monte Corp	Canned fruits, vegetables, preserves, jams, and jellies	100-249
22	Shopko Stores Inc.	Department stores	100-249
23	YMCA of Stevens Point Wis	Civic, social, and fraternal organizations	100-249
24	Compass Two LLC	Eating and drinking places	100-249
25	Figi's Mail Order Gifts, Inc.	Catalog and mail-order houses	100-249
26	Cap Services Inc.	Social services	100-249
27	Eldercare Resources Corp	Skilled nursing care facilities	100-249
28	Basic American Inc.	Dried and dehydrated fruits, vegetables, and soup mixes	100-249
29	School District of the Tomorrow	Elementary and secondary schools	100-249
30	United Parcel Service Inc.	Air courier services	100-249
30	Associated Bank NA	National commercial banks	100-249
32	Rause Management Inc.	Eating and drinking places	100-249
33	Gah Human Resources Inc.	Hotels and motels	100-249
34	Pointe Precision LLC	Aircraft parts and auxiliary equipment	100-249
35	Wisconsin Hospitality Group LLC	Eating and drinking places	100-249
36	Menard, Inc.	Lumber and other building materials dealers	100-249
37	Skyward Inc.	Computer programming services	100-249
37	Rosholt School District	Elementary and secondary schools	100-249
39	Delta Dental Plan of Wisconsin Inc.	Hospital and medical service plans	100-249
40	Community Industries Corp	Job training and vocational rehabilitation services	100-249
41	Target Corporation	Department stores	100-249
42	Schierl Inc.	Tires and tubes	100-249
43	Treb Inc.	Eating and drinking places	100-249
44	Scaffidi Motors Inc.	Motor vehicle dealers	100-249
45	Wisconsin Electric Power Co	Electric services	100-249
46	Valley Sales Corp	Commercial printing, lithographic	100-249
46	Almond-Bancroft School District	Elementary and secondary schools	100-249
48	Spee Dee Delivery Service Inc.	Courier services, except by air	100-249
49	Fulfillment Specialists of America	Help supply services	100-249
50	Village of Plover Portage County	Executive & legislative offices combined	50-99

Source: WI Department of Workforce Development, UW-Extension

The Wisconsin Department of Workforce Development estimated that in 2004 there were 33,406 jobs in Portage County, with 22,113 (66%) being located within Stevens Point. Table 6.6 below provides a listing of major manufacturing and non-manufacturing employers within Portage County in 2004. Stevens Point firms are displayed in *bold italics*.

Table 6.6: Major Portage County Employers, 2004

Portage County Major Manufacturing Employers		
Company Name	Employment	Type of Business
Basic American Foods	167	Food Processing
Del Monte Corporation	726	Food Processing
<i>Donaldson Company Inc.</i>	378	Filters
<i>Herrschners</i>	167	Knitting & Crafts Dist.
Kimberly Clark	223	Paper Products
<i>Lands' End</i>	641	Clothing & Access. Dist.
McCain Foods	643	Potatoes
Pointe Precision	104	Precision Machining
<i>Steel King Industries, Inc.</i>	143	Industrial Shelving
<i>Stora Enso North America</i>	736	Paper Products
<i>Sunrise Medical Center, Inc.</i>	240	Medical furniture
The Worth Company	71	Marine Accessories
<i>Worzalla Publishing Company</i>	368	Commercial Printing
Portage County Major Non-Manufacturing Employers		
Company Name	Employment	Type of Business
<i>Associated Bank</i>	464	Financial Institution
Banta Global Turnkey	146	Warehouse Distribution
<i>Canadian National</i>	369	Railroad
<i>City of Stevens Point</i>	223	Government
<i>Copps Corporation Stores</i>	1,028	Grocery Dist. & Stores
<i>County Market</i>	81	Grocery Store
<i>Delta Dental</i>	131	Dental Insurance
HO Wolding	102	Trucking Company
<i>Holiday Inn</i>	134	<i>Lodging & Hospitality</i>
<i>McDonalds Restaurant</i>	174	<i>Fast Food Restaurant</i>
<i>Noel Group/Marathon Travel</i>	557	<i>Travel Insurance/Services</i>
<i>Portage County</i>	620	<i>Government</i>
<i>Rice Medical Center</i>	505	<i>Medical Center</i>
River Pines Center	171	Elderly Care
<i>Saint Michael's Hospital</i>	940	<i>Hospital</i>
<i>Scaffidi Motors</i>	80	<i>Automobile Sales</i>
<i>Sentry Insurance</i>	2,195	<i>Insurance</i>
<i>Shopko</i>	132	<i>Department Store</i>
<i>Skyward</i>	132	<i>Computer Programming</i>
<i>Spectra Print</i>	120	<i>Printing Company</i>
<i>Stevens Point Area Public School District</i>	1,108	<i>Public School</i>
<i>Stevens Point Area Catholic Schools</i>	144	<i>Parochial School</i>
<i>Target</i>	140	<i>Department Store</i>
<i>Team Schierl Companies</i>	228	<i>Service-Tires, Gas, Food</i>
<i>University of Wisconsin Stevens Point</i>	1,101	<i>4 year University</i>
<i>Wal-Mart</i>	231	<i>Department Store</i>

Source: Portage County Business Council/Contact with Employers 2004. May include part-time and/or seasonal workers

The Stevens Point area economy is complex and interwoven, a product of joining the economic activities of a very large area. Former Wisconsin Governor Lee Sherman Dreyfus described the economies of Wausau, Stevens Point, Marshfield, and Wisconsin Rapids as a “ruralplex” to describe the interdependent nature of our economy. Economic activity does not stop at the City limits or even the County limits. In addition, local government actions can have only a limited affect on economic activity. National and even world events play a large role in local economic activity. Local government actions can help “set the table” for economic expansion.

Future commercial/industrial growth in Stevens Point will involve two types of activities: the expansion of existing businesses and the attraction of new businesses. Industrial development is encouraged for the following reasons: 1) to increase income for Stevens Point residents by providing higher paying jobs; 2) to increase the City's tax base; 3) to provide additional balance to Stevens Point's diverse economy; and 4) to provide jobs within the City in order to prevent out-migration, especially among young adults.

This section will artificially divide the City’s economy into two categories; “local” where the product is sold locally, and the “export” category where the product produced is sold outside the local economy. Even these definitions are artificial because a retail store located in Stevens Point can be said to be an exporter if the purchaser is from outside the city limits. For the sake of this discussion, the local economy is defined as at least all of Portage County.

A. Local Commercial Development

The “local” category describes commercial developments that primarily depend on local customers. This category includes retail, service and professional offices such as local banks, insurance offices, medical offices.

The City should promote developments that strengthen the identity of local commercial areas, incorporate compact, concentrated development of compatible activities and promote pedestrian access. In addition, new local commercial development should be used to improve the appearance and quality of areas identified for commercial development and redevelopment.

Local Commercial development within Stevens Point is generally concentrated in 4 main areas: 1) the Downtown Business District, 2) Division Street (between Fourth Avenue and North Point Drive), 3) Division/Church Street corridor (Dixon Street south to the City limits), and 4) US Hwy 10 E, (Plover River east to the City limits).

Local Commercial development also exists in scattered locations across the City (see Map 6.1). Although presently less intensive in scale, the following corridors can also accommodate future development:

1. Stanley Street (STH 66), between Wilshire Blvd and the Municipal Airport.
2. South side of US Hwy 10 E, between Frontenac Avenue and Wilshire Blvd.
3. South side of Patch Street, between Indiana Avenue and McDill Pond.
4. West Clark Street, between the Wisconsin River and West River Drive.

B. Export Category

The “export” category of the local economy includes the industrial, finance, insurance, and some government categories of the local economy. Any business that creates a product that is produced locally and is sold outside the local economy is classified as an “export” business. That applies whether that product is manufactured from metal, is a piece of paper produced at Sentry Insurance or Noel Group or Associated Bank, or is intellectual property produced at UWSP, the

key concept is the product is produced locally or value is added locally and it brings “new” money into the local economy.

New money introduced into the County is the engine that expands the local economy. This so-called new money is spent by local workers in local service stores creating a multiplier effect. Each new dollar introduced into the local economy helps to create other local jobs at grocery, retail, and other service jobs.

Export economic activity is distributed all across Stevens Point (see Map 6.1). Industrial development has historically been located within the main railroad corridor running east/west through the City, between Patch Street and Dixon Street, terminating at the paper mill (currently Stora Enso North America) along the Wisconsin River. Expansion of industrial activity was generally concentrated in the Stevens Point Industrial Park and the Portage County Business Park, both located in the eastern portion of the City, on opposite sides of Interstate Highway 39. Each of these Parks contains professional office development (e.g. Delta Dental and Wisconsin Interscholastic Athletic Association) that serve export functions.

Other professional office export examples are Sentry Insurance (both World Headquarters and downtown facilities), the Noel Group (located in several locations downtown), and the University of Wisconsin Stevens Point, which occupies the north central portion of the City.

Future expansion of export economic activity is anticipated to be expansion of existing employers at their existing sites. Care must be taken to provide expansion space for these employers. Vacant land available for new or expanding export businesses is located primarily within the Portage County Business Park, with some possibly occurring through downtown redevelopment.

Section 6.4 Economic Trends

The value of commercial and industrial property within the City of Stevens Point has greatly increased over time. In 1980, the City’s commercial property was valued at \$158,419,000; by 2000 the value had risen to \$417,601,000, an increase of 164%. Manufacturing property value increased from \$15,680,000 to \$66,426,000, 324% over the same period. Table 8.3 in the Land Use Element of this Comprehensive Plan illustrates the change in percentage of total value for the City over the 20-year period. Commercial and manufacturing property has slowly been increasing their share of a total value that topped one billion dollars in 2000.

As previously mentioned, the Wisconsin Department of Workforce Development estimated that in 2004 there were 33,406 jobs in Portage County, with 22,113 (66%) being located within Stevens Point. A 2004 study prepared by University of Wisconsin-Extension analyzing the Portage County economy utilized employment projections of approximately 51,000 for the year 2020. If Stevens Point’s current percentage of County employment was carried forward, and this County-wide projection was achieved, the City would be home to nearly 11,000 new jobs by the end of the planning period (2020).

Map 6.1: “Local Commercial” and “Export” Development

Section 6.5 Strengths and Weaknesses Analysis and Preferred Business Type

The following information is based on discussions held by the Stevens Point Plan Commission and Common Council. The order of information in A, B, and C below is random, and not prioritized. The list of types of businesses in A indicates a desire to maintain the mix of commercial/office/export activity currently existing within the City.

A. Categories or types of new businesses and/or industries that are desired by the community:

- Expansion of current employers such as UWSP, SENA, Sentry Insurance, Noel Travel Group, Associated Bank
- Employers that add value to local products or resources such as food processors
- Employers who support or supply local employers such as products related to the paper industry
- Employers who use the skills of students who graduate from UWSP or MSTC such as data processing graduates
- Technology based industries
- Financial, insurance, real estate
- Tourism and convention business
- Light and Heavy industrial
- Retail
- Service industry
- “Research & Development” firms
- Construction companies
- Professional offices
- Housing for the elderly
- Insurance and banking activities

B. Community strengths for attracting/retaining business and industry in Stevens Point:

- Diversified economy – office, service, retail, industrial.
- Existing clean industries.
- Strong work ethic.
- High quality of life - natural beauty of the City, indoor/outdoor recreational facilities, access to affordable medical care, relative safety of the City, abundant natural resources
- Good Education - Public/Private, Kindergarten through University of Wisconsin – Stevens Point (UWSP) and Mid-State Technical College.
- UWSP - provides sizeable employment opportunities and together with Mid-State Technical College a pool of potential, well trained graduates for employment in the community.
- Cultural Activities - UWSP, the public and parochial school systems, the Portage County Public Library and other, civic organizations offer a broad range of cultural activities for the Stevens Point area residents.
- Cultural and Ethnic Diversity - the University’s student body and faculty members, as well as the in-migration of minorities such as the Hmong, enrich the cultural and ethnic diversity of the community. There is a broad range of cultural activities available for residents, involving many groups across the community.
- Central location in state - convenient distance from other urban areas for travel and commuting, and central location for convention facilities.
- Excellent transportation system - access to two airports, railroad hub, crossroads for Interstate, U.S. and State Highway network.
- Price of land - relatively inexpensive; land is available for annexation if necessary.

C. Community weaknesses for attracting/retaining business and industry in Stevens Point:

- Need more land – limited amount of vacant land within Stevens Point; high water table north/west of the City, as well as high bedrock north, limit options for City expansion.
- Large amounts of City land is tax exempt, and not on the tax rolls.
- Loss of qualified graduates or potential employees from University and College.
- Cuts to UW budget can negatively effect UWSP operations, total employment, cultural and economic benefits to community.
- Budget reductions to public employers can reduce services that are now a strength.
- The State of Wisconsin is too focused on UW-Madison; we need a stronger voice from our community/region aimed at State Government to get a fair share of State investment.
- Stevens Point is not perceived as a "cool" community – this may limit our ability to attract and retain younger people.
- Need greater access to venture capital.
- Lack of large, private benevolent foundations.
- Lack of incentive money.
- Lack of direct access to major metropolitan areas/airports.

Section 6.6 Identification of Developable Land

Although land exists within Stevens Point for short term commercial, light and heavy industrial development, the City will need to look beyond its current (2006) borders for longer term land needs (see the Land Use Element of this Comprehensive Plan). The Portage County Business Park will be a focal point for a portion of new development, along with the Parkdale development (northeast of the Amber Avenue/USH 10E intersection) and vacant land in the northeast quadrant of the STH 66/I-39 interchange. Potential areas for annexation will need to be identified and analyzed by the City.

A. Future Local Commercial / Export Expansion, within the 2006 Stevens Point Boundary

Beyond the main areas of commercial/industrial development referenced above, the following areas are recommended for consideration for possible future economic development through re-development:

1. Sections of Division Street.
2. South Church Street.
3. Downtown.
4. SNE area bounded by Park Street, Wood Street, Wisconsin Street and Wisconsin River.
5. Patch Street from Michigan Avenue to the Plover River.
6. West Clark Street, between the Wisconsin River and West River Drive.

Please see the Land Use chapter of this Comprehensive Plan for further discussion of these re-development areas.

B. Possible Future Local Commercial / Export Expansion, within the Extraterritorial Area

Such development that incorporates new land into Stevens Point should go hand-in-hand with mutual municipal cooperation with appropriate governing bodies for land development.

1. STH 66 corridor east of Interstate Highway 39.
2. Vacant land north of County Road HH to the railroad tracks, 1 mile east of Brilowski Rd.

Section 6.7 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 134 sites currently listed by the WI DNR within the City of Stevens Point as a contaminated site with open status. Please see Appendix I for listings. 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.

The only sites identified by the Plan Commission as having larger scale re-development potential were the former Wisconsin Public Service site located near the river front, northwest of the Center Pointe Mall, and the former City landfill, located in the southeast portion of the City between Whiting Avenue and the Wisconsin River.

Section 6.8 Economic Development Programs

This section contains a brief description of Stevens Point development actions and various programs that could potentially assist the City's businesses with loans and grants

A. City of Stevens Point

Revolving Loan Fund Program

Purpose: Federal funds administered by the City of Stevens Point to assist businesses to retain or create new jobs, one-half of which must be available to low-to-moderate income persons. Revolving loan funds provide gap financing to make local projects feasible. Revolving Loan Funds may not exceed 33% of total project costs.

Use of Funds: Priority is given to businesses who export their product from the County. Eligible expenses include land, working capital, equipment, and inventory. Participation in building costs will require extra-ordinary costs. Users of the fund include metal manufacturers, software companies, and other local businesses.

Amount available: Up to \$20,000 per job created or retained.

Advantage: Loan terms are flexible and relate to the need of the business. City funds may be in subordinate position to make project feasible. Review time is very short because decisions are made locally.

Community Development Authority

The Community Development Authority (CDA) is a separate body politic created under State Statute Section 66.1335. The purpose of the CDA is to carry out blight elimination, slum clearance, urban renewal programs and projects, and operating the public housing properties in the City. The CDA operates 359 housing units. Because the CDA is a separate body politic, it operates independent of the City Council. In the past, the CDA and Common Council collaborated on joint projects such as downtown renewal.

Tax Increment Financing (TIF)

TIF is aimed at eliminating blight, rehabilitating declining property values, and promoting industry. There were already other laws in place for these purposes, but lack of incentives and financial resources had stymied efforts to use them effectively. TIF works because it provides its own financing resource. It is basically a financing tool that cities and villages can use to promote tax base expansion. When a Tax Increment District (TID) is created the aggregate equalized value of taxable and certain city-owned property is established by the Department of Revenue. This is called the Tax Incremental Base. The city then installs public improvements, and property values grow. Taxes paid on the increased value are used to pay for projects undertaken by the City. This is the Tax Increment. It is based on the increased values in the TID and levies of all the taxing jurisdictions that share the tax base. Refer to the following link for additional information:

<http://www.dor.state.wi.us/forms/govtif/pe-207p.pdf>

Stevens Point has previously created three TID's, two of which were for industrial development, with the third for downtown renovation. TID Two was closed out several years ago. The increment value of TID One and Three is \$66,229,270 (2004); both are expected to be closed in 2005. The City is in the process of establishing a new TID in the north-central portion of Stevens Point, along Division Street. Stevens Point expects to use TID's to encourage rehabilitation of various areas around the City and to encourage increased tax base.

B. Portage County

1. Portage County Business Council

The Portage County Business Council provides confidential development services to businesses considering location or expansion in Portage County. The Business Council provides a wide variety of services including: site selection, labor market analysis, financial packaging services, liaison between governments/businesses and researching federal and state programs to leverage private dollars on economic development projects.

2. Wisconsin Learning Center

The Wisconsin Learning Center is located in the Portage County Business Park. The University of Wisconsin - Stevens Point and Mid-State Technical College offer a wide array of business seminars and customized training for workforce development.

3. Revolving Loan Fund Programs

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

The municipalities in Portage County that participate in this revolving loan program are: the City of Stevens Point, Village of Plover, and the Village of Rosholt. These loan programs can only fund projects within their municipal boundaries. Portage County also participates in this program.

C. Regional

1. North Central Wisconsin Regional Planning Commission

The Regional Revolving Loan Fund (RLF) is intended to provide gap financing to qualified businesses. A gap can be defined as the difference between what a borrower and private lender have available and what is needed for a project to take place. Typically, these funds are long-term, have low down payments, and carry lower interest rates than traditional private financing. RLF's do not compete with banks, but complement them and other programs in a total financial structure.

2. 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 businesses in eight central Wisconsin Counties, and offers several types of services including seminars, customized in-house training, and individual counseling. (715) 346-3838.

3. CAP Services

CAP's **Business & Commercial Development Project** coordinates a variety of economic development services and promotes business retention and expansion to increase job creation in the community. Commercial and industrial businesses that commit to job creation are provided with below market rate rents and financing for space or equipment. CAP also offers a lease-purchase program for new or renovated industrial and commercial space.

Over the past five years, the business development project has assisted 109 businesses employing 219 individuals start or expand a business. CAP loans of \$774,000 have leveraged \$6.2 million of financing for these businesses.

CAP's **Business Mentoring** program connects entrepreneurs with experienced professionals using the Internet and modern communications. Experienced professionals are volunteers who help a new entrepreneur grow a business. The new entrepreneurs are individuals with low-and moderate- incomes or business owners who are committed to hiring the financially disadvantaged. The only electronic mentoring program in Wisconsin is especially valuable to entrepreneurs in rural areas. This program can also benefit existing entrepreneurs in need of post-start-up technical assistance.

D. State

1. The Wisconsin Department of Commerce

The Wisconsin Department of Commerce (COMMERCE) has a broad range of financial assistance programs to help communities with economic development. The federally funded Community Development Block Grant (CDBG) program can be used for housing, economic development and public facilities improvements. The Community Development Block Grant Economic Development (CDB-ED) program was designed to assist businesses that will

invest private funds and create jobs as they expand or relocate. Refer to the following link for additional financial programs: <http://commerce.wi.gov/MT/MT-COM-4200.html>

2. Community Development Block Grant – Customized Labor Training

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.

3. Wisconsin Community Development Block Grant – Economic Development

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 an existing Revolving Loan Fund.

4. Community Development Block Grant Public Facilities For Economic Development (CDBG-PFED)

The CDBG Public Facilities for Economic Development Program helps underwrite the cost of municipal infrastructure necessary for business development that retains or creates employment opportunities.

Eligible Activities: Eligible activities are improvements to public facilities such as water systems, sewerage systems, and roads that are owned by a general or special purpose unit of government, and which will principally benefit businesses, and which as a result will induce businesses to create jobs and invest in the community.

Eligible Applicants: An eligible applicant is a general purpose unit of government with a population less than 50,000 that is not enrolled in the Community Development Block Grant Entitlement Program. This includes any county, other than Dane, Milwaukee, or Waukesha Counties.

Funding Available: Each project is eligible for up to \$750,000 in CDBG-PFED funds per calendar year.

Submission of Applications: A pre-application meeting must be held with Commerce staff to discuss the potential application. Applications must comply with the following criteria:

- The business must create or retain, at a minimum, one full-time-equivalent job for each \$10,000 of PFED funding.
- At least 51 percent of the jobs must be made available to persons of low and moderate income.
- The business investment for its expansion project must be at least equal to the PFED funding.
- The business must demonstrate its project is feasible.
- The applicant must demonstrate its financial need for the PFED funds.
- The applicant must show that the proposed project is the best alternative for the business and community.
- The applicant must provide at least 25 percent of project funding.

Refer to the following link for additional information:

<http://www.commerce.state.wi.us/CD/CD-bcf-cdbg-pfed.html>

5. 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.

7. Wisconsin DOT Transportation Economic Assistance (TEA) program

The Transportation Economic Assistance (TEA) program provides 50% state grants to governing bodies, private businesses, and consortiums for road, rail, harbor and airport projects that help attract employers to Wisconsin, or encourage business and industry to remain and expand in the state.

Program purpose: The goal of the TEA program is to attract and retain business firms in Wisconsin and thus create or retain jobs. The businesses cannot be speculative and local communities must assure that the number of jobs anticipated from the proposed project will materialize within three years from the date of the project agreement and remain after another four years.

Program description: Grants of up to \$1 million are available for transportation improvements that are essential for an economic development project. It must begin within three years, have the local government's endorsement, and benefit the public. The program is designed to implement an improvement more quickly than normal state programming processes allow. The 50% local match can come from any combination of local, federal, or private funds or in-kind services. Applications are first come, first serve, and funded when all eligibility information is complete and satisfactory.

History: The TEA program began in September 1987. Through November 2003, 55,070 jobs have been directly and indirectly created through the \$56.21 million invested in grants awarded to 159 communities. Some 247 businesses have benefited from the grants. A June 2003 job audit reveals that actual job creation and retention is 16% above that promised. The state average cost to date has been \$2,356 per direct job created/retained.

2002-2003 funding: \$7,250,000 --- State segregated funds
 \$7,250,000 --- Local matching funds

Refer to the following link for additional information:

<http://www.dot.wisconsin.gov/localgov/aid/tea.htm>

8. 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's pollution prevention specialists will assess hazardous waste systems, provide no-cost non-regulatory technical assistance, and identify potential waste reductions options.

Section 6.9 Economic Development Issues/Conclusions

As described earlier in this chapter, the Portage County Urban Area functions as a regional economic unit within which the City of Stevens Point has historically maintained a leadership role. And while considerable development has taken place within the Villages of Whiting and Plover to the south, the economic health of the City is of critical importance to the entire County. Stevens Point is still home to an estimated two-thirds of Portage County jobs, but is also home to a substantial amount of the County's senior citizens and lower-income households. The City must maintain a variety of employment opportunities for its residents as well as maintain an adequate tax-base to provide services required by its diverse population.

Sections A & B below, with accompanying supporting statements, were identified as economic development needs and recorded in the minutes of the 11-22-04 Plan Commission meeting.

A. Creation and retention of jobs

- Identify emerging businesses/technologies
- Upgrade employee work skills
- Identify the expansion potential of existing employers
- Connect existing employers with appropriate incentive programs
- Eliminate government red tape
- Create better networking between businesses and education

B. Increase tax base

- Maintain/enhance the livability of the city
- Create family-supporting jobs
- Maintain diversified economy
- Maintain diversified tax base
- Redevelop older commercial/industrial/residential sites and develop resources to do it
- Support a central clearing house for economic development resources
- Encourage unique retail downtown
- Support the Main Street Program

Section 6.10 Economic Development Goals, Objectives and Policies

Commercial and industrial establishments provide a base for balanced economic growth by supplying necessary goods and services, offering employment opportunities and contributing to the tax base of the community. The following goal, objectives and policies are intended to meet Stevens Point's economic needs over the planning period.

A. Goal: Promote the stabilization and expansion of our economic base and improve the quality of employment opportunities in the city.

B. Objectives and Policies

B1. Provide Portage County Business Council with financial and staff support to implement their function as the central agency for economic development in the City and County.

B1.1 City of Stevens Point should work with the Portage County Business Council to:

- a. Create an environment to encourage the creation of new jobs while maintaining existing jobs in the city limits, with an emphasis on jobs that pay family sustaining wages with a full range of fringe benefits.
- b. Identify emerging businesses & technologies and support the development of businesses involved in these fields
- c. Support programs that upgrade the skills of workers. Examples of actions would include supporting the Stevens Point Area Senior High school home builders and Habitat for Humanity projects, connecting employers with existing state programs (such as Customized Labor Training), cooperating with educational institutions like Mid-State Technical College and UW-Stevens Point in curriculum and facility planning efforts.
- d. Work to develop a relationship between the educational requirements of local employers and the education opportunities provided by local institutions.
- e. Cooperate with the Portage County Business Council in their job retention programs. The goal of the retention program is to develop government-private industry and private-private industry contacts. The intent is to identify local business-to-business opportunities, identify businesses with expansion potential and assist with that expansion, identify businesses with potential problems and connect that business with the resources to address those problems.
- f. Connect existing employers with federal, state, and local incentive programs.

B2. Encourage new commercial and industrial development that diversifies the local economy, adds value to the City tax base, and maintains a stable tax rate.

B2.1 Stevens Point Common Council, and Boards/Commissions/Committees, should:

- a. Support Portage County, CAP Services Inc., Department of Commerce, Small Business Development Center, and the Portage County Business Council, including SCORE, in their economic development activities.
- b. Maintain, and enhance where appropriate, City staff involvement with economic development activities.

- c. Simplify government review processes of development proposals and economic development funding applications.
- d. Identify residential, commercial, and industrial properties in need of redevelopment and assign government agencies, programs and resources to implement that redevelopment.
- e. Identify the amount of land needed for new commercial and industrial development. Annex that land and provide utility services for that land.
- f. Identify the amount and location of land needed for future commercial and industrial development and prevent the premature development of that land with incompatible uses.
- g. Maintain and improve the social, cultural, and natural resource base of the City as a means of attracting a quality commercial environment and a quality labor force.
- h. Support the Main Street Program in downtown Stevens Point. The intent is to encourage the physical redevelopment and commercial viability of downtown
- i. Encourage unique or locally owned retail stores in the City, particularly Downtown.
- j. Work to develop a consensus that the economic health of the City is critical to the economic viability of the entire County.
- k. Lobby legislators to support UW-Stevens Point budget requests.
- l. Work with the Portage County Business Council and Portage County to develop local job incentive programs.
- m. Identify foundations to assist with local economic development activities.
- n. Provide necessary transportation and utility infrastructure to support modern commercial and industrial needs, and continue to work with area leaders to provide a metropolitan approach to transportation.
- o. Tool to encourage and incentives for development
- p. Take advantage of Wisconsin Development Fund, Wisconsin Housing and Economic Development Authority, Tax Incremental Financing, Industrial Revenue Bond, Stevens Point revolving loan fund for downtown building improvements, and other programs that provide incentives for business development within the City.
- q. Encourage a competitive retail market and attract a variety of local and national retailers.
- r. Attract more retail sales to the City of Stevens Point.
- s. Reduce the loss of retail sales to other counties.

B3. Maintain balance between the value of residential, commercial, and industrial properties in the City, similar to the 2004 ratios.