

## **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 the Village of Amherst Junction'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.

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 Village identify potential opportunities that could be used to pursue appropriate economic development activities.

### **Section 6.2 Economic Base Characteristics**

#### **A. Labor Force Analysis**

##### **1. Educational attainment**

Table 1.5 of the Issues and Opportunities chapter of this Comprehensive Plan compares the attainment information from the Village of Amherst Junction, the Rural Village Average and Portage County as a whole. The Village of Amherst Junction decreased the number of residents that are high school graduates 10.5% while raising the number of residents that who completed some college, or completed a college degree program by 17%. This percentage was larger than that of the Rural Village Average or Portage County as whole.

##### **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 sources of income received regularly such as Veterans' (VA) payments, unemployment compensation, child support, or alimony. According to the 2000 Census (Summary File 3

Tables P58, P60, P62-66), 90 (90%) of 100 Amherst Junction households sampled were classified as households with earnings; 21 (21%) were households with social security income; 12 (12%) were households that received retirement income; 0 households received public assistance and 14 households (14%) had other types of income.

In order to better understand the existing wage-earning realities within the Village of Amherst Junction, “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 mean (average) earnings, and mean household and per capita income, for households and individuals in communities within the Amherst Junction area and Portage County overall. The Village of Amherst Junction has increased earnings and income at a slower rate than the Villages of Amherst and Nelsonville and Town of Amherst, and the County overall; their actual household earnings and income, however, are stronger than Portage County overall and similar to other communities in the Amherst area.

**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 |
| Amherst Junction       | \$34,756                    | \$52,631 | 51%    | \$34,590                  | \$60,498 | 75%    | \$12,546          | \$19,261 | 54%    |
| Village of Amherst     | \$29,578                    | \$46,680 | 58%    | \$27,007                  | \$57,083 | 111%   | \$10,961          | \$18,514 | 69%    |
| Village of Nelsonville | \$24,613                    | \$55,066 | 124%   | \$27,285                  | \$64,303 | 136%   | \$9,665           | \$19,708 | 104%   |
| 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

Table 1.7 of the Issues and Opportunities Chapter details changes in household income over the last 20 years, as reported in the U.S. Census. The 2000 Village of Amherst Junction median household income (\$44,500) is higher than that of the Rural Village average (\$39,271) and similar to that of Portage County (\$43,487). Within the greater Amherst area, Amherst Junction’s median household income is greater than the Villages of Amherst (\$40,125) and Nelsonville (\$41,875), and lower than Town of Amherst (\$50,435).

### 3. Percent in Labor Force and Unemployment

Table 6.2 below shows the number of residents 16 years and above living in the Village of Amherst Junction, Rural Village Average, Portage County and Wisconsin. Age sixteen is considered to be the lower threshold for being eligible for employment. According to the 2000 Census information, the Village of Amherst Junction has a slightly higher percentage of residents in the labor force (75.8%) as compared to the average rural village, Portage County and State of Wisconsin. Amherst Junction also had a slightly higher unemployment rate.

**Table 6.2: Employment Status by Percentage of Population 16 Years and Above (2000 Census)**

|                                       | Village of Amherst Junction | Rural Village Average       | Portage County                 | Wisconsin                         |
|---------------------------------------|-----------------------------|-----------------------------|--------------------------------|-----------------------------------|
| <b>Population 16 Years and Over</b>   | <b>198</b>                  | <b>385</b>                  | <b>53,135</b>                  | <b>4,157,030</b>                  |
| <b>Not in Labor Force</b>             | <b>48</b><br><i>24.24%</i>  | <b>110</b><br><i>28.52%</i> | <b>15,191</b><br><i>28.59%</i> | <b>1,284,926</b><br><i>30.91%</i> |
| <b>In Labor Force</b>                 | <b>150</b>                  | <b>275</b>                  | <b>37,944</b>                  | <b>2,872,104</b>                  |
| <i>Labor Force participation rate</i> | <i>75.76%</i>               | <i>71.48%</i>               | <i>71.41%</i>                  | <i>69.09%</i>                     |
| <b>Labor Force Components</b>         |                             |                             |                                |                                   |
| Armed Forces                          | 0                           | 0                           | 12                             | 2,868                             |
| <i>Percentage in Armed Forces</i>     | <i>0.00%</i>                | <i>0.00%</i>                | <i>0.03%</i>                   | <i>0.10%</i>                      |
| Civilian Labor Force                  | 150                         | 275                         | 37,932                         | 2,869,236                         |
| <i>Percentage in Civilian Forces</i>  | <i>100.00%</i>              | <i>100.00%</i>              | <i>99.97%</i>                  | <i>99.90%</i>                     |
| Employed                              | 141                         | 261                         | 35,677                         | 2,734,925                         |
| <i>% of Civilian Labor Force</i>      | <i>94.00%</i>               | <i>94.84%</i>               | <i>94.06%</i>                  | <i>95.32%</i>                     |
| Unemployed                            | 9                           | 14                          | 2,255                          | 134,311                           |
| <i>% of Civilian Labor Force</i>      | <i>6.00%</i>                | <i>5.16%</i>                | <i>5.94%</i>                   | <i>4.68%</i>                      |

Source: U.S. Census Bureau, 2000 Census. Rural Village Average= Almond, Amherst, Junction City, Nelsonville, Rosholt.

#### 4. Type of Employment for Village Residents

Table 6.3 below provides information regarding the type of occupation that Village of Amherst Junction residents are employed in. The Production, Transportation, and Material Moving category continues to contain the largest number of employed residents, but the Management/Professional category has gained within the last decade. This shift could correspond with the Village's increasing educational attainment and income data previously discussed. There was also a shift away from Service to 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 Village were employed in, and is not a listing of the employment opportunities currently located in the Village.

**Table 6.3: Amherst Junction Employment by Occupation**

| Occupation  | 1990       |             | 2000       |             |
|---|------------|-------------|------------|-------------|
|   | Number     | Percent     | Number     | Percent     |
| Management, Professional, and related occupations           | 22         | 15.9%       | 38         | 27.0%       |
| Service occupations   | 38         | 27.5%       | 16         | 11.3%       |
| Sales and Office occupations                                | 13         | 9.4%        | 27         | 19.1%       |
| Farming, Fishing, and Forestry occupations                  | 0          | 0%          | 3          | 2.1%        |
| Construction, Extraction, and Maintenance occupations       | 6          | 4.3%        | 16         | 11.3%       |
| Production, Transportation, and Material Moving occupations | 59         | 42.8%       | 41         | 29.1%       |
| <b>Total Employed</b>                                       | <b>138</b> | <b>100%</b> | <b>141</b> | <b>100%</b> |

Source: U.S. Census Bureau, 2000 Census

## 5. Commuting

According to the 2001 Portage County Comprehensive Planning Survey, 21% of Amherst Junction respondents stated that they worked in the Portage County Urban Area, followed by the Waupaca area (21%), and outside of central Wisconsin (21%). Other destinations listed were other areas of Portage County, Wausau/Mosinee, Wisconsin Rapids, and Marshfield area. The fact that the majority of the Amherst Junction labor force works in a number of places is further supported by Census 2000 data, which indicates that only 12% of employed Village residents live and work in Amherst Junction, and lists the mean travel time to work for Village residents at 19.3 minutes.

### B. Economic Base Analysis

Table 6.4 below lists the businesses located in the Village of Amherst Junction, along with the type of business.

**Table 6.4: Local Businesses within the Village of Amherst Junction**

| Local Businesses               | Local Businesses           |
|--------------------------------|----------------------------|
| Heartland Farms Inc            | Lake Emily Inn             |
| Magic Products Inc             | Junction's Hair Salon      |
| U.S. Post Office               | Karen's Teddybear Day Care |
| Ranger Cranberry Co. LLC       | Amherst Industrial SVC     |
| Junction Bar                   | Camp Bandy Pet Resort      |
| Re-Rod Inc                     | Ernie's Body Shop          |
| AJ Storage                     | Ken Konkol Construction    |
| Harlan Mrochinski Construction | Kraze Trucking             |
| Alliant Energy (WPS)           | FS Co-op                   |

Source: University of Wisconsin-Extension, and Village of Amherst Junction

### **Section 6.3 Community Assessment: Strengths and Weaknesses Analysis**

It is necessary for Amherst Junction to look at the factors that influence their economy now, and may influence the economy in the future. In 2004, the built-up portion of the Village is predominately comprised of single family, low-density residential uses and limited commercial/industrial development.

Amherst Junction is located between the Stevens Point urban area and the Waupaca urban area. This location offers a quick commute to a variety of employment opportunities, higher education institutions (University of Wisconsin Stevens Point and Mid-State Technical College), entertainment, medical facilities (St. Michael's Hospital in Stevens Point, and Riverside Medical Center in Waupaca), and numerous other urban amenities.

The Village does not have municipal sewer service, and the residents of Amherst Junction maintain their own wells. The Village also has adequate police and fire protection, through the Portage County Sheriffs Department and Amherst Fire Department, respectively. The Amherst Fire Department has an agreement with surrounding fire departments to efficiently and effectively serve the area.

The following information is based on discussions held by the Village Plan Commission and Village Board. The list of types of desired businesses indicates a desire to maintain the mix of commercial/office activity currently existing within the Village.

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

- Grocery store
- Small service-oriented businesses
- Convenience- store/gas station
- Auto repair garage
- Small construction company

B. Community strengths for attracting/retaining business and industry

- Businesses are locally owned, and have been their for a long time
- Support for local business
- The Villages relationship to the Amherst and Urban area
- Proximity to new US Highway 10
- Plentiful amount of developable land

C. Community weaknesses for attracting/retaining business and industry

- The Village does not have sewer and water
- The Village has a small economic base and does not foresee any substantial economic development coming to the area. (Too small to attract a larger company)
- Access to USH 10 if ½ diamond interchange is not installed as scheduled
- Static job growth in the area. Most new residents would likely have to be commuters.

#### **Section 6.4 Identification of Developable Land**

- Development along new US Highway 10

#### **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 a number of sites currently listed by the WI DNR within the Village of Amherst Junction as a contaminated site with open status, some or all may be in need of clean-up. Please see attachments 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](http://www.dnr.state.wi.us/org/aw/rr/brrts/index.htm).

## **Section 6.6 Economic Development Programs**

This section contains a brief description of the Village of Amherst Junction development actions and various programs that could potentially assist the Village's businesses with loans and grants.

### **A. Village of Amherst Junction**

Residents in the Village of Amherst Junction rely heavily on surrounding Urban Area (City of Stevens Point, Village of Plover, Village of Whiting), and Amherst area communities for their commercial and service needs along with employment opportunities. The Village currently has no established incentive programs to assist local economic needs. However, the Village should continue making positive planning decisions that will result in the continuation of the Village as an attractive place for business.

### **B. Portage County**

#### **1. Portage County Business Council**

The Portage County Business Council provides confidential development services to businesses considering expansion or a location in Portage County. The Businesses Council provides a variety of services including but not limited to: site selection, labor market analysis, financial packaging services, liaison between governments / businesses, researching federal and state programs to leverage private dollars on economic development projects.

#### **2. 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.

#### **3. 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.

#### 4. 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.

#### 5. Wisconsin Rural Economic Development Program

*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.

### 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

D. State

1. 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.

2. 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 (CDBG-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>

3. 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.

**Section 6.7 Economic Development Issues/Conclusions**

- A. Economic conditions in the Amherst Junction area reflect primarily the economy of the region and county. The local economy is generally healthy and stable. Most shopping is done in the Stevens Point urban area, Village of Amherst, City of Waupaca, and in the Appleton area.
- B. Many local residents are commuters who support themselves by jobs located beyond the Village. This situation will increase as more commuter housing is built in the area. These conditions can be expected to result in the need for more service businesses in the Village of Amherst Junction or in the Village of Amherst area.
- C. Sound village planning and development ordinances are advisable to guide new commercial/industrial development.

## **Section 6.8 Economic Development Goals, Objectives and Policies**

A. Goal: Promote the stabilization and expansion of the current economic base.

B. Objectives

1. Encourage cooperation with area business associations for resources and promotion of growth in the Village.
2. Be receptive to the needs of the business community, including but not limited to: small service-oriented businesses and convenience store/gas station, which are desirable for the Village.
3. Establish sound Village planning and development ordinances to guide new commercial/industrial development.

C. Policies

1. Encourage commercial development along US Highway 10, near Cty Rd B.
2. Encourage commercial and industrial development in areas of compatible land uses.