

CHAPTER 6: Economic Development

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 Junction City's existing economic activity and conditions, as well as future economic desires. 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. While the Village of Junction City is able to expand its borders, their economic development or redevelopment is limited. Maintaining the current economy and level of business activity is a priority for the Village.

Section 6.2 Economic Base Characteristics

A. Labor Force Analysis

1. Educational Attainment

The Village of Junction City raised its overall educational attainment during the 1990's. Both the number and percentage of residents who had less than a 9th grade education decreased between 1990 and 2000 by 12.6% (see Issues and Opportunities Table 1.5). The percentage of residents 25 years and older completing some college increased by 5.5%, and the percentage of residents 25 and older receiving bachelor or graduate degrees increased by 3.2%, to reach 9.6% over the same period. However, this percentage increase was not as great as the rural Village average (5.5% increase, to 15.2%) and Portage County (4.5% increase, to 23.3%).

2. Income and Earnings

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 business, 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), 43 (26.1%) Junction City households received social security income; 15 (9.1%) received retirement income, 0 households received public assistance and 25 households (15.2%) had other types of income.

In order to better understand the existing wage-earning realities within the Village of Junction City, “earnings” data was considered to be more informative. “Earnings” are defined by the U.S. Census Bureau as the algebraic sum of wage or salary income and net income from self-employed, 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 Junction City area and Portage County overall. The Village of Junction City had the second highest percentage increase in earnings over the 10 year period, but still lags in actual dollars earned.

Table 6.1: Mean Earnings, Median 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
Junction City	\$29,100	\$47,427	63%	\$29,998	\$42,149	41%	\$10,801	\$17,648	63%
Town of Carson	\$37,274	\$49,190	32%	\$37,123	\$57,979	57%	\$12,342	\$21,576	75%
Village of Almond	\$28,287	\$43,572	54%	\$29,294	\$43,433	48%	\$11,944	\$18,104	52%
Village of Nelsonville	\$24,613	\$55,066	124%	\$27,285	\$64,303	136%	\$9,665	\$19,708	104%
Portage County	\$33,230	\$50,373	52%	\$33,184	\$52,102	57%	\$11,730	\$19,854	69%

Source: U.S. Census Bureau, 1990 and 2000 Census,
Portage County Planning & Zoning

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 Junction City median income (\$33,750) is substantially lower than both the rural Village average (\$40,143) and Portage County (\$43,487).

3. Percent in Labor Force and Unemployment

Table 6.2 below shows the percentage of residents 16 years old and older for the Village of Junction City, Portage County and the State of Wisconsin. The Junction City has a slightly lower percentage of residents in the labor force as compared to the rural Village average, county, and state.

According to 2000 Census information, the Village of Junction City had a lower unemployment rate (2.4%) than the County (4.2%) and State (3.2%), but percentage of Village residents not in the labor force was greater (32.6%), as compared with Portage County (28.6%) and State of Wisconsin (30.9%).

Table 6.2: Comparison of Employment Status (16 yrs +)

	V. Junction City	Rural Village Average	Portage County	Wisconsin
Population 16 Years and Over	294	366.4	53,135	4,157,030
Not in Labor Force <i>Percentage not in Labor Force</i>	95 32.30%	100.4 27.40%	15,191 28.60%	1,284,926 30.90%
In Labor Force <i>Percentage In Labor Force</i>	196 66.70%	266 72.60%	37,944 71.40%	2,872,104 69.10%
Labor Force Components				
Armed Forces <i>Percentage in Armed Forces</i>	0 0.00%	0 0.00%	12 0.00%	2,868 0.10%
Civilian Labor Force <i>Percentage</i>	196 100.00%	266 100.00%	37,932 100.00%	2,869,236 99.90%
Employed <i>Percentage</i>	189 96.40%	251.4 94.50%	35,677 94.00%	2,734,925 95.20%
Unemployed <i>Percentage</i>	7 3.60%	14.6 5.50%	2,255 5.90%	134,311 4.70%

Source: U.S. Census Bureau, 2000 Census. Rural Villages = Almond, Amherst, Amherst Jct., Nelsonville, Rosholt.

4. Type of Employment for Village Residents

Table 6.3 below provides information regarding the type of occupations that Village of Junction City residents are employed in.

Table 6.3: Village of Junction City Resident Employment by Occupation

Occupation	1990		2000	
	Number	%	Number	%
Management, Professional, and Related occupations	16	8.2%	41	21.7%
Service occupations	25	12.8%	34	18.0%
Sales and Office occupations	57	29.2%	42	22.2%
Farming, Fishing and Forestry occupations	22	11.3%	5	2.7%
Construction, Extraction, and Maintenance occupations	14	7.2%	22	11.6%
Production, Transportation, and Material Moving occupations	61	31.3%	45	23.8%
Total	195		189	

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

Management, Professional, and Related occupations have recorded the largest increase between 1990 and 2000. The Service and Construction categories also showed gains. Sales and Office, and Production, Transportation occupations recorded a decrease, but still remain the top two employment categories. The shift in Village resident employment may have two reasons: the decreasing population of Junction City and current residents are commuting to larger communities, such as Stevens Point, Wisconsin Rapids, and Marshfield, to work in more health, recreation, and professional fields. Employment opportunities are not real abundant within the Village; businesses currently located within the Village employ just a few people. Table 1.10 in 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.

5. Commuting

According to the 2001 Portage County Comprehensive Planning Survey, 59% of the Village of Junction City respondents worked outside of the Village and 41% said they worked somewhere in Portage County. Residents commute to Auburndale, Stevens Point, Marshfield, and Wisconsin Rapids, among other places. The fact that the majority of Junction City's labor force works outside the Village is further supported by Census 2000 data, indicating that mean travel time to work was 28.9 minutes.

B. Economic Base Analysis

Table 6.3 below lists the name and type of businesses located within Junction City at the end of 2004. There are several manufacturing companies, shipping/hauling companies and taverns, however, there are no health care facilities (i.e. dentist, doctor), or day care facilities located in the Village.

Table 6.4: Junction City Businesses

Local Businesses	Business Type
Central Waters Brewing Company	Brewery/Manufacturer
Fliss Feeds	Animal Feed Manufacturer
Hub City Doors Inc.	Door Manufacturer
Hot Wheels Auto	Auto Dealership
L & J Auto	Auto Dealership
Quality Kitchens	Countertop Manufacturer
Winch LP Gas Inc.	Propane Distributor
Hunter Trucking	Shipping/Hauling
H J Martens Inc.	Shipping/Hauling
J J Transport Inc.	Shipping/Hauling
Tessmer Limited Trucking	Shipping/Hauling
The Store	Gas Station/Convenience Store
Sportsman's	Tavern
Dago Joe's Tap	Tavern
Mike & Betsy's Hiawatha Bar	Tavern/Restaurant
Country Inn	Restaurant
Palmer Bus Company	Bussing Company
1 ST Choice Trees	Tree Maintenance
US Bank	Financial Institution
Martens/Kundinger Funeral Home	Funeral Home
New Hope Community Church	Religious/Institutional
St. Michael's Catholic Church	Religious/Institutional
St. Paul Lutheran Church	Religious/Institutional

Source: Village of Junction City, 2004

Section 6.3 Community Assessment

It is necessary for Junction City to look at the factors that influence its 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

development, located along the edge of the Village boundary. The Village commercial areas are located along Main Street, with very limited new development occurring. The Village has many areas within its current boundary that are vacant, providing opportunities for future development.

The following information is the result of discussions held by the Village Plan Commission. The desired businesses for the Village would provide more employment opportunities for residents, making it less of a need for them to commute to other communities for work.

A. Categories/Types of New Businesses and Industries Desired by the Community

- Laundromat
- Ice Cream Parlor
- Sub sandwich shop
- Daycare facility
- Beauty/Barber shop
- Small to mid-size industry/manufacturing

B. Community Strengths for Attracting/Retaining Business and Industry

- The Village is centrally located between the Cities of Stevens Point, Wisconsin Rapids, Marshfield, and Mosinee. This location offers a relatively short commute to a variety of employment opportunities, higher education institutions (University of Wisconsin Stevens Point and Mid-State Technical College), entertainment, medical facilities, and numerous other urban amenities.
- The Village has municipal water and sewer service, adequate police and fire protection; through the Portage County Sheriffs Department and the Junction City Fire Department, which serves just the Village.
- US Highway 10 will be upgraded and relocated just north of Junction City, bringing the potential for more business to the Village.
- The railroad passes through the Village, good for manufacturing business transportation.
- There are not a lot of physical barriers to prevent business expansion.
- The Village does not discourage new businesses from moving into the Village

C. Community Weaknesses for Attracting/Retaining Business and Industry

- A limited water supply because of difficulty obtaining water from the bedrock aquifer.
- Possible limited highway access with the new USH 10
- The railroad splits the Village into quadrants, east to west, and north to south.
- No active recruitment of new businesses for the community.

Section 6.4 Identification of Developmental Land

- The Village center: infill potential businesses into the existing infrastructure.
- The far eastern / western edges of the Village: develop businesses near existing businesses.

Section 6.5 Environmentally Contaminated Sites

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

There are several sites currently listed for the Village of Junction City with the WI DNR as brownfield sites with open status. Please see Appendix F for a listing. 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 Programs

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

Portage County Business Council

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

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, and Villages of Plover and Rosholt. These loan programs can only fund projects within their municipal boundaries.

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.

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, maximizes the return on public funds, and provides businesses 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.

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.

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.

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

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.

The Wisconsin Department of Commerce

This 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. <http://commerce.wi.gov/MT/MT-COM-4200.html>

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

- A. Lack of basic economic base in the Village such as: daycare, grocery store, restaurants, and employment opportunities.

Section 6.8 Economic Development Goals, Objectives and Policies

Goal 1: Promote the stabilization and expansion of the current economic base in Junction City and the creation of a range of employment opportunities.

Objective 1: Identify and prioritize the needs of the Village’s business community.

Objective 2: Planned development areas are identified and/or established throughout the Village.

Objective 3: Support a central economic organization to actively maintain growth and informational resources across Portage County.

Policy 1: Lobby for adequate resources to be allotted for economic development efforts within the Village of Junction City.

Policy 2: Ensure that an adequate skilled workforce is available through retention and recruitment for our business community.

Policy 3: Coordinate public and private educational efforts to maximize the investment in our workforce.