

ELEMENT 6: ECONOMIC DEVELOPMENT

6.1 INTRODUCTION

The ability for a community to attract new and innovative businesses, industries and workers is a key element for the community’s economic survival and prosperity. Providing a good climate for business development enhances the community’s overall well being both in financial terms as well as in morale and civic pride. By providing for its businesses, and the residents who comprise its workforce, the community insures its future success.

This chapter of the plan contains a compilation of background information, goals, objectives, and programs to promote the retention and stabilization of the economic base in the Town of Frog Creek. As required by §66.1001, Wisconsin Statutes, this chapter includes an assessment of new business and industries that are desired in the town, an assessment of the town’s strengths and weaknesses with respect to attracting and retaining businesses and industries, and includes an inventory of environmentally contaminated sites. It also identifies applicable county, state and regional economic development programs that apply to the Town of Frog Creek.

6.2 LABOR FORCE

According to the 2000 Census, of the 160 inhabitants in the Town of Frog Creek, 127 are 16 years or over. Of those 127, 80.3 percent, or 102, comprise the civilian labor force. At that time, 96 of the 102 were identified as employed and 6 as unemployed, or 5.9 percent.

Between the 1990 Census and the 2000 Census, the percentage of the population over the age of 25 that have attained some education past high school has increased from 37 percent to 43 percent. Of the 116 people over 25 years old, 50 have some higher level of education, with 26 percent achieving an associate degree or higher.

In the Town of Frog Creek, the age groups with the largest increase in population were 25-34, 45-54, and 55-64 and the largest decrease was in the 15-24 years age group. These trends are somewhat consistent with the rest of Washburn County and the northwest region of Wisconsin. If these demographic changes continue, the town may have difficulty replenishing its workforce as younger members seek educational and employment opportunities elsewhere, and many older persons seek retirement.

6.3 ECONOMIC BASE

In 2000, the average annual wage for Washburn County was \$21,410. The highest paying industry in the county is Government at \$28,442, followed closely by finance, insurance, & real estate at \$27,774 and then manufacturing at \$24,698. The lowest paying industry was retail trade at \$13,200, but it provided 27 percent of the jobs in the town in 2000. Educational, health, and social services (15%), manufacturing (13%), agriculture, forestry, fishing & hunting, and mining

(12%), and construction (12%) were the next largest industry employers for town residents. In 1990, the industries employing the most people were manufacturing (32%), retail trade (26%), transportation, communications, and other public utilities (15%), and agriculture, forestry, fishing & hunting, and mining (9%). Manufacturing, which is a higher wage industry, is currently playing a virtually nonexistent role for the residents of Frog Creek.

6.4 CURRENT BUSINESS INVENTORY

The Town of Frog Creek is a rural community with very little public land. The town has relatively easy access to Hayward and cities along USH 53 including Duluth/Superior, Spooner, and Rice Lake. There are a small number businesses located in the Town of Frog Creek, though many residents of the town generally travel to the cities mentioned above for work and to purchase needed and desired goods and services. Specifically the town is home to approximately five businesses. It should be noted that on or before March 3, 2005, the Wisconsin Department of Revenue reported in its Statement of Assessments that there were only 2 commercial parcels in Frog Creek, totaling 12 acres. Currently, there is approximately 23 acres of land zoned for commercial use in the town (see Map 8.2, Town of Frog Creek Zoning).

Current businesses include:

- Quicks Lumber
- Bog Farms, Inc.
- Wilcox Woodworks
- Steve Wagner Auto Sales
- Northwoods Property Management

6.5 ATTRACTING AND RETAINING BUSINESS AND INDUSTRY

The Town of Frog Creek has several attributes that would make it an excellent place to locate a potential business. Specifically the town has:

- Rural lifestyle
- Adequate space
- Recreational opportunities
- Scenic atmosphere

While the town enjoys its share of advantages, there are several disadvantages or weaknesses that the town must address when seeking to attract new business and industry. In particular:

- Road system and accessibility
- Much of town owned by county forestry department
- Small workforce

6.6 BUSINESS OPPORTUNITIES

While the town would like to welcome additional business development to support the local tax base, it is important that any new development exist in harmony with the local environment. Therefore, new business and industry development should be “clean” and not produce waste, which would be a hazard to the natural resources of the Town of Frog Creek (i.e.-lakes, rivers, streams, wetlands, forests, and agricultural lands). Likewise, new development should blend into the rural landscape and not represent a nuisance to other residents. Also, in helping to determine where new businesses should be located, 53.7 percent of survey respondents said new businesses generally should be located near other businesses.

6.7 FROG CREEK’S TARGETED BUSINESS AND INDUSTRY

New business and industry in the town must not require municipal water or sewer service unless the town wishes to begin providing these services through the creation of sanitary district. This is a highly unlikely scenario for years to come. Also, the town wants to be sure that new developments do not jeopardize the rural character and quality of life.

In essence, businesses and industries which might choose to locate in the town should be environmentally friendly, have limited outdoor storage, and require minimal lighting and signage.

Given these constraints, the town would like to target the following types of commercial businesses:

- Home-based businesses
- Artisans and retail craft

6.8 ENVIRONMENTALLY CONTAMINATED SITE REUSE POTENTIAL

The State of Wisconsin and its county governments encourage the effective cleanup, reuse and reclamation of sites damaged through prior usage. Several programs exist to fund or assist in funding the redevelopment of these sites. The Brownfield’s Initiative, which provides grants to individuals, businesses, local development organization and municipalities for environmental remediation activities for Brownfield sites where the owner is unknown, cannot be located or cannot meet clean-up costs. Additionally, the Department of Commerce’s Petroleum Environmental Clean-Up Fund reimburses property owners for eligible clean-up costs related to discharges from petroleum tank systems.

6.9 COUNTY, REGIONAL, & STATE ECONOMIC DEVELOPMENT PROGRAMS THAT APPLY TO THE TOWN OF FROG CREEK

The U.S. Department of Commerce Economic Development Administration offers two programs for assistance with economic development that apply to the Town of Frog Creek and/or Washburn County. One is the Public Works and Economic Development Facilities Assistance Program, which supports the construction or rehabilitation of essential public infrastructure and development facilities necessary to generate private sector jobs and investment, including investments that support technology-led development, redevelopment of brownfield sites, and eco-industrial development. Secondly, the Economic Adjustment Assistance Program is available to: (1) address the immediate needs of businesses and communities presently undergoing transition due to a sudden and severe job loss; and (2) demonstrate new and proactive approaches for economic competitiveness and innovative capacity for threatened regions and communities.

Another program available at the federal level to public entities is the USDA Rural Development Community Facility Loan Program. The purpose of this program is to construct, enlarge, extend, or otherwise improve community facilities providing essential services in rural areas and towns with a population of 50,000 or less.

Three programs are available to local units of government through the Wisconsin Department of Commerce. The first program is the Community Development Block Grant for Economic Development (CDBG-ED). Its purpose is to provide resources to local governments that will enable them to assist economic development projects in their community. The local unit of government is the applicant and recipient of the funds. A specific business, which must be located in a municipality of 50,000 or less, is loaned the funds for eligible business development uses. When the funds are repaid to the local government, they may stay in the community to be used as a revolving loan fund to assist other businesses in the community.

The second program is the Community Development Block Grant Public Facilities for Economic Development (CDBG-PFED). Its purpose is to provide grant funds to local governments that will enable them to provide needed public facilities (i.e., streets, sewer mains, water mains, etc.) to private business enterprises that are going to create full time jobs by starting or expanding their businesses because of the availability of the funded public facilities.

The third program available from the Wisconsin Department of Commerce is the Community-Based Economic Development Program (CBED). Its purpose is to provide financing assistance to local governments and community-based organizations that undertake planning or development projects or that provide technical assistance in support of business (including technology-based businesses) and community development.

Available from the Wisconsin Department of Transportation is a program called the Transportation Facilities Economic Assistance and Development Program (TEA). The intent of the TEA program is to help support new business development in Wisconsin by funding transportation improvements that are needed to secure jobs in the state. A governing body, a business, a consortium group, or any combination thereof can apply for TEA program funding.

There are many programs related to business development available to businesses located in Washburn County. On a regional level, there are revolving loan funds administered by Northwest Wisconsin Business Development Corporation (NWBDC), an affiliate of the Northwest Regional Planning Commission in Spooner. Washburn County also has a CDBG-ED revolving loan fund available to local businesses.

A strategic planning initiative called Build Wisconsin was initiated to produce the first cohesive economic development plan for the State of Wisconsin. As part of Build Wisconsin, six counties in northwest Wisconsin, including Washburn, were designated a technology zone. The Technology Zone program brings \$5 million in income tax incentives for high-tech development to the area. Eligible businesses can receive tax credits based on their ability to create high-wage jobs and investment and support the development of high-tech industries in the region.

There are many more federal, state, and local programs offering assistance to businesses that are too numerous to mention here; however, they are listed in the Economic Development Manual prepared by the Wisconsin Bankers Association and the Wisconsin Financing Alternatives booklet prepared by the Wisconsin Department of Commerce.

6.10 ECONOMIC DEVELOPMENT GOALS, OBJECTIVES, & ACTIONS

A set of recommended goals, objectives, and actions have been developed to aid in the economic development efforts of the town.

GOALS, OBJECTIVES AND ACTION STATEMENTS

ECONOMIC DEVELOPMENT

Goal: Allow for high quality economic development that serves town residents.

- 1. Encourage the development of craft mills.
- 2. Encourage unique style industries or commercial enterprises that fit the town’s natural environment.

- a. Identify areas of the town where such development might be a fit.
3. Develop guidelines for businesses that will benefit and retain a rural-based environment.
 - a. Encourage the growth of home-based businesses within guidelines developed for a rural-based environment.