

Chapter 7: Economic Development

Introduction

“Economic development is about working together to maintain a strong economy by creating and retaining desirable jobs, which provide a good standard of living for individuals.” The economic element details strengths, weaknesses, opportunities, and threats for the economy of the Village of Spring Valley through a SWOT analysis. With this analysis, a plan can start to form how the Village of Spring Valley can plan for its future economic growth.

The Village of Spring is primarily a commuter community currently. If this current trend continues, economic downfalls due to rising fuel costs and people moving away from the community and closer to their place of work could occur in the Village. By considering current trends and marketing the community for tourism or attracting an older permanent population with the diverse types of senior housing, a more stable base economy could be created along with commuters. With this growth, community character should be considered to help maintain the “small town” feel that attracts people to the Village. There are several ways listed in the “goals” section of this document on how this can be maintained.

The economic development section also includes numbers on the existing workforce, along with household income as well as other details of the economy in the Village. In the data provided, analysis of each data set allows for a greater understanding of the base and future economy of the Village of Spring Valley.

Future goals and objectives are also addressed for the economy of Spring Valley. The goals that were addressed are to reinvigorate central business district, capitalize on tourism, enhance infrastructure, maintain quality of life and community character, and attract new businesses. With each of these goals, objectives are listed to help create a detailed plan on how to achieve the goals. These goals address the current plan for the Village of Spring Valley’s growth and may need to be added or readjusted for changes in the future as part of the regular updates to the comprehensive plan.

Survey Results

Some of the survey questions from the Community Survey relate to the Economic Development Chapter and those responses are discussed below:

The Village of Spring Valley should encourage the revitalization of the downtown area...

	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	Total
Number	165	191	24	7	2	389
Percent	42.4%	49.1%	6.2%	1.8%	0.5%	100.0%

Over 90% of the survey respondents feel that the Village should encourage the revitalization of the downtown area.

The Village needs....

Category	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
Commercial development	104	201	75	25	9
Light Industrial development	112	207	62	25	7
Market/Grocery Store	119	163	86	31	7
Specialty Shops	95	185	100	21	5
Other: (Please Specify)					

When asked what the Village needs for new types of businesses, the responses were favorable for all the available categories, but the preferred business was light industrial development.

SWOT Analysis

A SWOT Analysis (Strength, Weaknesses, Opportunities, and Threats) was conducted for the Village of Spring Valley. This helped to determine the already existing allocation of economic sources in the community.

Strengths:

- Spring Valley Golf Course is located within the Village limits.
- Eau Galle Recreation Area located within close proximity to Village.
- Crystal Cave is located within the Village Limits and close to the central business district.
- Spring Valley Nursing Home and development of future assisted living center.
- Village owns their own utilities.
- Village has their own emergency services (police officers, ambulance, and fire fighters).
- Village is within close proximity to multiple four year universities and multiple two year technical colleges to provide an educated work force.
- Village has an industrial park.
- Village is close proximity to a growing trail system, both for equine and bike purposes.
- Village has an excellent 4K-12 school system.
- Village has desirable rural character and “small town” charm.
- Downtown Community Theater.

Weaknesses:

- Large percentage of vacant stores in central business district.
- Few industries in the industrial park; no major employers.
- Poor signage for the Village and the central business district.
- The central business district is not located along State Highway 29.
- Very little shopping available to residents.
- No mass transit.
- No direct link between Eau Galle Recreation Area and central business district.
- No parks near central business district to attract farmers markets, festivals, etc.

Opportunities:

- Revitalize central business district to bring in new businesses.
- Future assisted living complex and new nursing home could bring in more citizens.
- Utilize Crystal Cave, future bike/horse trails, to draw visitors to the Village of Spring Valley by putting a unique restaurant, bed and breakfast, or museum.
- Revitalize old homes.
- Create an area for a park near the central business district to attract markets or festivals to the community.
- Promote quality of life attributes to draw in additional businesses and employers.
- Utilize local food production.

Threats:

- Migratory patterns of people heading towards urban areas rather than rural areas.
- Losing more local businesses in the central business district.
- Fuel prices
- Cost of living.
- Loss of community character with an increase of growth.
- Growth of nearby communities taking businesses.
- People of the Village of Spring Valley shopping at big chain stores located outside the Village.

Analysis of Local Workforce

The data in Table 7-1 describes the population and households in the Village of Spring Valley. The data for the Village is being compared to that of the most up-to-date national standards. Compared to the national standards, the Village of Spring Valley is equal or below population and household percentages and numbers.

Table 7-1 - General Demographics

People	Spring Valley	United States
Population	1,189*	293,655,400
Population Density	35.5	80
Population Change	9.16%	5.88%
Median Age	37.9	37.6
Households	458*	108,954,329
Household Size	2.64	2.6
Male Population	50.79%	48.65%
Female Population	49.12%	51.35%
Married Population	65.6%	58.89%
Single Population	34.4%	41.11%

Data taken from bestplaces.net, * 2000 U.S. Census

Table 7-2 shows population by occupation. Currently, the community is mostly commuters. The occupation table above only portrays what people’s careers are and not what careers are being held within the Village limits. Data for that of the Village for specific occupations was unavailable at this time.

Table 7-2 - Occupation

Population by Occupation	Spring Valley	United States
Management, Business, and Financial Operations	14.49%	13.61%
Professional and Related Occupations	13.65%	20.24%
Service	14.19%	14.75%
Sales and Office	19.75%	26.74%
Farming, Fishing, and Forestry	2.29%	0.74%
Construction, Extraction and Maintenance	10.63%	9.48%
Production, Transportation, and Materials Moving	25.00%	14.44%

Data taken from bestplaces.net

Table 7-3 shows the number of people who commute to work along with the vehicles they drive. Considering 76 percent of the population is commuting, the Village should promote car pooling or alternative modes of transportation. With rising fuel prices, this may become a much larger issue.

Table 7-3 - Commuting to Work 16 Years and Older: Village of Spring Valley

	1990	2000	# Change	% Change
Total	491	554	63	12.8%
Car, truck, or van - drove alone	294	423	129	43.9%
Car, truck, or van - carpooled	88	77	-11	-12.5%
Walked	90	37	-53	-58.9%
Public Transportation	2	0	-2	-
Worked at home	12	13	1	8.3%
Other means	5	4	-1	-20.0%

Source: 2000 U.S. Census

Local Economic Base

The Data in Table 7-4 shows that the unemployment rate is 4.30 percent which is 0.30 percent lower than the national average which is 4.60 percent. The table also includes data that predicts projected future job growth for the next ten years. The future job growth is substantially higher than that of the national average at 17.94 percent. If these trends continue as predicted, the Village will be greatly benefitted.

Table 7-4 - Economy

Economy	Spring Valley	United States
Unemployment Rate	4.30%	4.60%
Recent Job Growth (one year)	0.59%	1.40%
Future Job Growth (next 10 ears)	17.94%	11.90%
Sales Taxes	5.50%	6.00%
Income Taxes	8.00%	5.02%
Income Per Capita	\$23,551	\$24,020
Household Income	\$52,679	\$44,684

Data taken from bestplaces.net

Other possible data that is not available at this time for this element of the Comprehensive Plan is percentage of industrial park occupied, percentage of central business district storefronts that are occupied, and annual number of visitor to nearby tourist attractions.

The Wisconsin Department of Workforce Development has provided a list of the most common occupations in Pierce County and the required education/training for each occupation (see Table 7-5).

Table 7-5 - Common Occupations

Common Occupations in Pierce County	
Occupation	Education/Training
Bartenders	1 month or less training
Bookkeeping/Accounting/Auditing Clerk	1- 12 month on-the-job trng.
Comb. Food Prep.-Servers, Incl. Fast Food	1 month or less training
Construction Laborers	1- 12 month on-the-job trng.
Elem. School Teachers, not Spec. Ed.	Bachelor's degree
Exec. Secretaries & Admin. Assistants	1- 12 month on-the-job trng.
Food Preparation Workers	1 month or less training
Home Health Aides	1 month or less training
Office Clerks, General	1 month or less training
Retail Salesperson	1 month or less training
Sales Reps.-Whls & Mfg, not Tech.-Scien.	
Secondary School Teachers, not Spcl.-Voc. Ed.	Bachelor's degree
Secretaries, not Legal/Med./Executive	1- 12 month on-the-job trng.
Teachers Assistants	Associates degree
Truck Drivers, Heavy & Tractor-Trailer	1- 12 month on-the-job trng.

Source: DWD, Bureau of Workforce Training, special request, July 2007

Table 7-6 compares the average wage, by industry, in Pierce County with the State of Wisconsin. All industry wages in Pierce County are below the State average with the only exception being the Professional & Business Services industries wages, which are about 10% higher than the State average.

Table 7-6 - Annual Wage by Industry 2006 – Pierce County

Average Annual Wage by Industry Division in 2006				
	Average Annual Wage		% of Wisconsin	1-year % change
	Wisconsin	Pierce County		
All industries	\$36,830	\$29,351	79.7%	3.5%
Natural Resources	\$28,301	\$25,858	91.4%	-1.4%
Construction	\$44,682	\$34,303	76.8%	-1.5%
Manufacturing	\$45,952	\$39,730	86.5%	3.3%
Trade, Transportation & Utilities	\$31,935	\$25,154	78.8%	-1.9%
Information	\$45,704	suppressed	Not avail.	Not avail.
Financial Activities	\$48,859	\$33,914	69.4%	3.6%
Professional & Business Services	\$42,612	\$47,103	110.5%	15.2%
Education & Health	\$38,492	\$32,587	84.7%	4.5%
Leisure & Hospitality	\$13,058	\$9,438	72.3%	4.3%
Other Services	\$21,228	\$15,256	71.9%	-2.8%
Public Administration	\$38,294	\$31,139	81.3%	4.1%

Source: WI DWD, Workforce Training, QCEW, June 2007

Education Levels

A person’s education attainment can influence their income, expenditures, career choices, and job location. Tables 7-7 and 7-8 show that the number of residents who have attained a high school degree or higher has increased from 551 residents in 1990 to 644 in 2000. Additionally, 26 more residents had attained a bachelor’s degree or higher in 2000 than in 1990. Few residents have not obtained a high school diploma or equivalency. Those residents are likely in the elderly population, when school was only required to the eight grade.

Table 7-7 - Education Attainment Population 25 and Older - Village of Spring Valley

	1990	% Of Total	2000	% Of Total	# Change	% Change
Population 25 Years & Over	716	100.0%	784	100.0%	68	9.5%
Less than 9th Grade	84	11.7%	60	7.7%	-24	-28.6%
9th to 12th Grade (No Diploma)	81	11.3%	80	10.2%	-1	-1.2%
High School Graduation (Includes Equivalency)	282	39.4%	308	39.3%	26	9.2%
Some College, No Degree	113	15.8%	120	15.3%	7	6.2%
Associate Degree	33	4.6%	67	8.5%	34	103.0%
Bachelor’s Degree	85	11.9%	103	13.1%	18	21.2%
Graduate or Professional Degree	38	5.3%	46	5.9%	8	21.1%

Source: 1990 and 2000 U.S. Census

Table 7-8 - High School Graduate or Higher Attainment - Village of Spring Valley

	1990	% Of Total	2000	% Of Total	# Change	% Change
High School Graduate or Higher	551	77.0%	644	82.1%	93	16.9%
Bachelor’s Degree of Higher	123	17.2%	149	19.0%	26	21.1%

Source: 1990 and 2000 U.S. Census

Telecommuting

Telecommuting allows people to live and work in the Village while staying connected to an office in another city, county, or state. To do this the Village needs to have access to reliable cellular phone services and cable or high speed internet services. The available telecommunication facilities in the Village are very limited. Celect Communications LLC provides cable television services to the Village and surrounding areas. Spring Valley Telephone Company Inc. provides all of the Village’s telephone services and also offers internet services. Both providers have limited internet connectivity speeds due to the rural nature of the Village, speeds start at 512k and up to 3 Meg.

Tax Incremental Financing

The Village has two active Tax Incremental Finance Districts (TID), TID #2 and #3. TID #2 is an industrial District on the west side of the Village that was created in 1995 and has a 23 year life so it can exist until 2022. The primary purpose of this District was to develop an industrial park for new businesses including necessary infrastructure such as roads, water, and sewer, creating an ideal location for future businesses to have access to State Highway 29. So far, some of the improvements include new businesses, multiple family housing, and an elderly and assisted living facility.

TID #3 is a blighted District that covers most of the downtown businesses and along McKay Avenue. This district was created in 2007 and has a 27 year life, so it can be active until 2034. The primary purpose of this TID was to make funding available to local businesses to improve the building façades of the downtown businesses. The Village has already provided some grant monies to the local theater to improve the building's marquee.

The Village is allowed to put up to 12% of the its total equalized value in the creation of new TIDs plus the increment of all their active TIDs. As of 2008, the Village has 9.65% of their equalized value in their active TIDs. Therefore, the Village would have some room to create more Districts if they needed without dissolving any of the existing TIDs.

Economic Development Programs

Business owners and prospective business owners have a wealth of programs and assistance available to them to help develop their ideas and visions. Below is a comprehensive list of local, county, state, and federal agencies and incentives for economic development.

Industrial Revenue Bond

All Wisconsin municipalities—cities, villages, and towns—are authorized to issue Industrial Revenue Bonds (IRBs). IRBs are municipal bonds whose proceeds are loaned to private persons or to businesses to finance capital investment projects. The Industrial Revenue Bonds are exempt from federal tax and therefore, are at a low interest rate. The entire project including land, buildings and equipment can all be paid for via IRBs. Communities that issue these bonds, either to retain businesses or to encourage the expansion of new businesses, generally do so to build their economic base and add jobs.

Community Development Block Grant-for Economic Development (CDBG-ED) – Department of Commerce

Any city, village or town with a population of less than 50,000 and is located outside Milwaukee or Waukesha Counties, is eligible for this program. These grants are to be used to assist businesses that will invest private funds and create jobs as they expand or relocate into the state.

Revolving Loan Fund (RLF)

Pierce County has a revolving loan fund where monies are obtained by a CDBG program and borrowed by local businesses at a low interest rate. As the loan is being paid back, the fund is built up again and other new or expanding businesses will be able to borrow from the fund.

Tax Incremental Financing (TIF)

Tax Increment Financing (TIF) districts are established to improve and revitalize blighted areas or extend new development for industrial purposes. Taxes on the improved value of the land because of redevelopment pay for the extension of the infrastructure and raise the Village's tax base on an area that would otherwise stay undeveloped.

Business Improvement District (BID)

A Business Improvement District (BID) allows business owners to create a BID, develop an operating plan, and assess fees to businesses within the district to implement this plan. At least 61% of the assessed businesses within the district must agree to be part of the BID. Operating plans can be the creation of promotional materials or making aesthetic improvements. The fees that are collected to implement the operating plan can be assessed per business or as a percentage of assessed value.

Pierce County Economic Development Corporation (PCEDC)

The Pierce County Economic Development Corporation is a non-profit organization formed in 1987 to promote job creation and development, economic growth, community development, and planning throughout Pierce County. PCEDC works to help the retention and expansion of jobs, recruits for new businesses to move into Pierce County, and works as a community liaison for the County.

Economic Development Group

An Economic Development Group (EDG) assists new and existing businesses. It can be comprised of local business owners, bankers, and citizens that have expertise in an area valuable to the economic development of the community. An EDG is often the first point of contact within a community for a prospective business.

UW-Extension Office

UW-Extension Offices provide educational tools in land use and economic matters for residents and businesses. They custom fit their knowledge and provide research to communities with whom they are assisting.

<http://www.uwex.edu/ces/cty/stcroix/>

Mississippi River Regional Planning Commission (MRRPC)

The MRRPC provides planning and economic development services to improve the Region's environment, economy and quality of life. www.mrrpc.com/

Wisconsin Small Business Centers

An organization dedicated to assisting businesses in education, training and other initiatives. <http://www.uwex.edu/sbdc>

Forward Wisconsin

The State of Wisconsin offers a wide array of financial resources available to businesses. <http://www.forwardwi.com/assist/>

Department of Workforce Development

The Wisconsin Department of Workforce Development (DWD) is the state agency responsible for building and strengthening Wisconsin's workforce.

<http://www.dwd.state.wi.us>

Wisconsin Department of Commerce

A number of grants and assistance are available through this state agency.
<http://www.commerce.state.wi.us/MT/MT-COM-2000.html>

Wisconsin Department of Transportation

The Disadvantaged Business Enterprise (DBE) Program's goal is to increase participation of firms owned by disadvantaged individuals in all federal aid and state transportation facility contracts.

<http://www.dot.wisconsin.gov/business/engrserv/dbe-main.htm>

Interstate 94 Corridor Technology Zone Program

The State of Wisconsin has designated a tax credit zone along Interstate 94. The counties included in this zone are: Chippewa, Dunn, Eau Claire, Pierce, Polk, and St. Croix. Eligible businesses within the zone must have the ability to create new jobs and be a new or expanding technology firm. The State has allowed \$5 million in tax cuts for these businesses.

Goals, Objectives, Policies, Programs, & Actions

Goal 1: Revitalize the Central Business District

Objectives

1. Improve the look of Downtown.
2. Encourage new businesses to the Central Business District.
3. Attract visitors to the local businesses.

Policies

1. Maintain and enhance attractiveness of facades through building regulations and pursuit of grant money.
2. Encourage residential movement into central business district through zoning, parking, and other regulations.
3. Work with developers to create mixed use buildings.
4. Work with Department of Transportation for better Signage directing traffic toward the Village of Spring Valley.
5. Establish hiking/biking trails between Eau Galle Recreation Area and central business district.
6. Maintain Downtown Tax Incremental District that supports local businesses by providing grant dollars to improve building facades.

Goal 2: Increase tourism to the area

Objectives

1. Enhance the Village's overall image.
2. Attract tourists to the area.
3. Increase the quality of life for local residents.
4. Provide growth to existing area businesses.
5. Improve the local economy.

Policies

1. Develop history museum with emphasis on the flood and the iron ore smelter in the central business district or near the smokestack.
2. Utilize and refurbish historic buildings to attract businesses.
3. Encourage development of restaurants, bed and breakfasts through regulations and loans.
4. Support the local festivals, events, and farmers markets.
5. Develop multi-use park; outdoor amphitheater for concerts and theatrics; and car shows.
6. Continue to support the local theatre to draw in more tourists.
7. Request committee to develop an area tourism map.

Goal 3: Maintain and update local community services and infrastructure

Objectives

1. Provide high quality services.
2. Ensure the Village can adequately serve new businesses.

Policies

1. Improve signage for Village.
2. Improve Village maintenance shop.
3. Enhance aesthetics by adding plantings and decorative accessories to the central business district.

Goal 4: Maintain Quality of Life and Community Character

Objectives

1. Draw people to the area.
2. Make Spring Valley a distinct destination for shopping and conducting business.
3. Attract stores through community growth and needs.

Policies

1. Consider creating ordinances addressing refurbishment of dilapidated homes and/or businesses.
2. Create a central gathering area in the form of a park and promote community activities, such as farmers markets, festivals, etc.
3. Create more public river access through strategic park development.

Goal 5: Attract new businesses

Objectives

1. Provide more working and shopping opportunities in the Village.
2. Increase the local tax base.

Policies

1. Work with the Chamber of Commerce to actively attract new business.
2. Create advertisements for the Village of Spring Valley and an updated community profile.

3. Consider grants for small town revitalization.
4. Work with Pierce County Economic Development Corporation.
5. Utilize the Village's Economic Development Corporation to develop strategies on how to attract new businesses.