

# ECONOMIC DEVELOPMENT Chapter 4

# INTRODUCTION

Economic development is the process by which a community organizes and then applies its energies to the task of creating the business climate that will foster the retention and expansion of existing businesses, attract new businesses, and develop new business ventures. One key to a municipal economic development strategy is having a quality product/community to market. The Town of New Denmark Comprehensive Plan is geared toward promoting future development in New Denmark that supports a high-quality community that is attractive to existing and new businesses and their employees.

Because of the rural nature of the town, much of the economic development in the town centers on agriculture. There are also a number of small businesses and industries scattered throughout the town that are used by residents of the town.

This section will analyze current town economic conditions, and compile goals, objectives, programs, and recommendations to promote the stabilization, retention, or expansion of New Denmark's economic base and quality employment opportunities.

#### **Existing Economic Development Framework and Conditions**

#### Labor Force Analysis

Figure 4-1 identifies the estimated labor force status of town residents 16 years of age and older. The New Denmark estimated labor force participation rate is higher than the county and state, while the estimated unemployment rate is slightly lower than the county or state.

#### Comprehensive Plan Goal #4 – Economic Development Goal

New Denmark will broaden the tax base and strengthen the town's economy and employment base through appropriate agricultural, commercial, and industrial development activity.

Economic Development-Related Community Goals (numbers correspond with top ten community goals)

- 2. Maintain the town's rural atmosphere.
- Provide better highspeed internet or fiber optic connection.

Table 4-1: Estimated Employment Status by Percentage of Population 16 Years and Older						
Status	Wisconsin	% of Total	Brown County	% of Total	Town of New Denmark	% of Total
Population 16 and over	4,618,274		202,425		1,248	
In Labor Force	3,087,719	66.9%	140,290	69.3%	890	71.3%
Civilian Labor Force	3,085,151	66.8%	140,246	69.3%	890	71.3%
Employed	2,939,880	63.7%	134,015	66.2%	866	69.4%
Unemployed	145,271	3.1%	6,231	3.1%	24	1.9%
Armed Forces	2,568	0.1%	44	0.0%		0.0%
Not in the Labor Force	1,530,555	33.1%	62,135	30.7%	358	28.7%

Source: U.S. Census 2018 ACS 5-year estimates.

The Town of New Denmark's occupation profile compared to the State of Wisconsin and Brown County, is generally similar except for a comparatively lower percentage of management, business, science, and arts occupations, and sales and office occupations. The town also has a higher percentage of production, transportation, and material moving occupations compared to the state and county.

Table 4-2: Employed Civilian Population Occupation as a Percentage of People 16 Years and Above						
Occupation	Wisconsin	% of Total Civilian Employed Population	Brown County	% of Total Civilian Employed Population	Town of New Denmark	% of Total Civilian Employed Population
Civilian employed population 16 years and over	2,964,540		136,550		866	
Management, business, science, and arts occupations	1,068,930	36.1%	48,171	35.3%	266	30.7%
Sales and office occupations	622,193	21.0%	30,944	22.7%	155	17.9%
Production, transportation, and material moving occupations	525,336	17.7%	24,493	17.9%	183	21.1%
Natural resources, construction, and maintenance occupations	253,223	8.5%	11,188	8.2%	130	15.0%
Service occupations	494,858	16.7%	21,754		132	15.2%

Source: U.S. Census 2018 ACS 5-year estimates.

#### **Economic Base Analysis**

The economic base of the Town of New Denmark, although largely independent in terms of agricultural production, is intricately tied to the Village of Denmark as well as the Green Bay Metropolitan Area because of its location. Key industry groups in the Green Bay Metropolitan Area are well-diversified and include healthcare; paper and related product manufacturing; insurance, financial services, government offices; hospitality; food processing; and logistics (trucking, warehousing, and related services). Due to the town's dependencies on the Green Bay Metropolitan Area, a Location Quotient Analysis to determine basic and non-basic sector employment was performed utilizing Brown County as the local level for analysis as compared to the United States.

Basic sector employment typically produces goods or services that are exported out of the local economy and into the larger national economy. These goods and services and, therefore, employment are thus less likely to be affected by a downturn in the local economy. Non-basic sector employment includes those industries that produce goods or services that are consumed at the local level or are not produced at a sufficient level to be exported out of the local market.

The Location Quotient Analysis compares the local economy in Brown County to the United States. This allows for identifying basic and non-basic sectors of the local economy. If the location quotient (LQ) is less than 1.0, employment is considered non-basic, meaning that local industry is potentially not meeting local demand for certain goods or services and may be more subject to downturns in the local economy. An LQ equal to 1.0 suggests that the local economy is exactly sufficient to meet the potential local demand for given goods or services. However, the employment is still considered to be non-basic. An LQ of greater than 1.0 suggests that the local employment industry produces more goods and services than the local economy can consume, and therefore, these goods and services are exported to non-local areas and are considered to be basic sector employment. The Location Quotient Analysis for Brown County is displayed in Table 4-3 on the following page.

According to the LQ analysis, there are seven basic employment sectors in Brown County:

- Management of companies and enterprises (2.33)
- Manufacturing (1.97)
- Finance and insurance (1.56)
- Transportation and warehousing (1.27)
- Wholesale trade (1.21)
- Arts, entertainment, and recreation (1.18)
- Health care and social assistance (1.05)

Most generally, a cluster is a regional concentration of related industries in a location<sup>4-1</sup>. Clusters greatly enhance an industry's competitiveness in several ways. First, clusters help improve productivity by providing ready access to specialized suppliers, skills, information, training, and technology. Second, clusters help to foster innovation by increasing opportunities for new products, new processes, and meeting new needs with a full range of local suppliers and research institutions.

Lastly, clusters can facilitate the commercialization of innovation through the creation of new firms via startups, spin-offs, and new business lines with needed inputs, such as banks and venture capital.

Table 4-3: 2018 Annual Av Bro	verages Percente wn County Loc			dustry Group;
Industry	State of Wisconsin	U.S.	Brown County	Brown County Location Quotient
Agriculture, forestry, fishing and hunting	1.1%	1.0%	0.7%	0.68
Mining, quarrying, and oil and gas extraction	0.2%	0.5%	0.1%	0.1
Utilities	0.4%	0.4%	0.4%	0.96
Construction	4.9%	5.8%	5.2%	0.93
Manufacturing	19.0%	10.2%	19.1%	1.97
Wholesale trade	5.1%	4.7%	5.5%	1.21
Retail trade	12.2%	12.7%	11.1%	0.92
Transportation and warehousing	4.0%	4.2%	5.1%	1.27
Information	1.9%	2.3%	1.1%	0.50
Finance and insurance	4.9%	4.8%	7.1%	1.56
Real estate and rental and leasing	1.1%	1.8%	1.0%	0.56
Professional and technical services	4.5%	7.5%	4.4%	0.62
Management of companies and enterprises	2.7%	1.9%	4.2%	2.33
Administrative and waste services	5.9%	7.4%	4.5%	0.63
Educational services	1.5%	2.3%	0.9%	0.43
Health care and social assistance	15.9%	15.8%	16.0%	1.05
Arts, entertainment, and recreation	1.7%	1.9%	2.1%	1.18
Accommodation and food services	9.6%	11.1%	8.6%	0.81
Other services, except public administration	3.4%	3.6%	3.0%	0.87
Total	<b>99.9</b> %	<b>99.9</b> %	100.0%	

\*Does not equal 100% due to rounding.

Source: U.S. Bureau of Labor Statistics, 2018 Annual Averages

Clusters are similar to basic and non-basic employment with "traded" and "local" clusters. Traded clusters fall under basic employment and are groups of related industries that serve markets beyond their local region. They are located where they are because of a geographically competitive advantage and/or because of existing synergies. Traded clusters drive a region's economy and tend to bring in higher wages and higher levels of innovation. Brown County's top traded clusters in 2016 (most recent data available) were business services (with corporate headquarters), transportation and logistics (trucking), distribution and electronic commerce (such as wholesale of industrial machinery, equipment, and supplies), and paper and packaging<sup>4-2</sup>.

<sup>4-1</sup>U.S. Cluster Mapping. 2019. Clusters 101. U.S. Economic Development Administration and Harvard Business School. https://clustermapping.us/content/clusters-101.

<sup>4-2</sup> U.S. Cluster Mapping. 2019. Brown County, WI. <u>https://www.clustermapping.us/region/county/brown\_county\_wi/cluster-portfolio#employment</u>

Local clusters are non-basic employment, and mostly serve the local market, driven by the local demand. They also tend to make up a majority of the region's employment and employment growth.

The town should be supportive of local clustering efforts. Clusters greatly enhance a particular industry's competitiveness in several ways. First, clusters help improve productivity by providing ready access to

specialized suppliers, skills, information, training, and technology. Second, clusters help to foster innovation by increasing opportunities for new products, new processes, and meeting new needs with a full range of local suppliers and research institutions. Clusters can also facilitate the commercialization of innovation through the creation of new firms via startups, spin-offs, and new business lines with needed inputs, such as banks and venture capital. Industries that are looking to expand in the town, and can access existing local/regional clusters, will provide the town with the stability of an established industry and positively contribute to the regional economy.

#### **Commuting Patterns**

Table 4-4 shows estimated commuting patterns for the New Denmark. The left column is where people who work in the town are traveling from; the column on the right is where town residents work (including in New Denmark).

Based on these estimates, the town's largest number of workers already live in the town, with the second highest amount coming from Manitowoc County. However, the town has a larger number of people leaving the town to work in other municipalities.

With the amount of potential workers in the region, and the town's location between the Manitowoc and Green Bay areas, the town could draw employees from a broader geographic region, depending on the employment needs. With the location in between Green Bay and Manitowoc, New Denmark residents have two different potential labor markets to work in. By these estimates, more New Denmark residents work outside of the town than in it.

According to the Greater Green Bay Chamber's 2017 Economic Development and Strategic Plan, the most important factor for site selection according to a 2015 survey of corporate executives was the availability of skilled labor<sup>4-3</sup>. At a minimum, the town should recognize that it has a prime location between labor markets and easy access to the Interstate Highway System.

<sup>4-3</sup>Economic Development Strategic Plan. 2017. Greater Green Bay Chamber. https://www.greatergbc.org/media/3045/strategic-plan-booklet-web.pdf.

Table 4-4: Commuting Patterns*					
Municipality/County	Number of Workers Coming to New Denmark	New Denmark Residents going to			
Allouez	0	13			
Ashwaubenon	0	82			
Bellevue	0	41			
Denmark (Village)	13	103			
De Pere	0	65			
Eaton	16	25			
Glenmore	7	3			
C. Green Bay	28	306			
T. Green Bay	3	0			
Hobart	0	3			
Holland	0	0			
Howard	10	58			
Humboldt	3	3			
Lawrence	0	0			
Ledgeview	16	7			
Morrison	2	3			
New Denmark (Town)	42	42			
Pittsfield	4	0			
Scott	0	3			
Suamico	0	0			
V. Wrightstown	4	3			
T. Wrightstown	6	3			
Brown County Total	154	763			
Calumet	4	3			
Marinett	0	0			
Kewaunee	28	30			
Manitowoc	33	47			
Marinett	0	3			
Milwaukee	0	6			
Oconto	15	0			
Sauk	4	0			
Shawano	2	0			
Sheboygan	0	5			
Waupaca	0	0			
Winnebago	0	16			
Other Counties	86	110			
Total minus New Denmark					
Residents	198	831			

\*Figures are estimates, and also have margin for error. Should not be considered exact.

Source: U.S. Census, 2011-2015 5-Year ACS Commuting Flows. Most recent data available.

### ECONOMIC DEVELOPMENT ASSESSMENT AND RECOMMENDATIONS

If the town character remains rural, agricultural activity will most likely continue to be one of the primary economic activities in New Denmark. The town is well-suited in terms of quality soils, large contiguous areas of farmland, quality local, county, and state road access to markets, and a desire by the residents to continue farming. New Denmark should do as much as possible to continue to encourage agricultural production when reviewing development proposals.

While the amount of existing commercial activity in the town is limited, many of the businesses provide goods and services to people residing in and around the town. As the town population increases, additional opportunities will become available for business owners to provide goods and services to residents of the town.

The town has an existing industrial/commercial area at the intersection of Langes Corners Road and CTH R, and future business/industrial uses on the northwestern corner of the intersection. Immediately to the east of the intersection was identified as a future residential development in the town's 2007 comprehensive plan. The 2007 plan also identified the area west of I-43 on both the north and south sides of STH 96 as a future business area.

A recent trend in rural communities has been toward the development of cottage-type industries and at-home businesses that can operate within an owner's home. With advances in digital technology, athome businesses may become more common. At-home businesses serve as a business incubator until the business expands to a point where the owner either has to obtain the appropriate zoning for the business or, more likely, relocate the business to an area that is zoned for that particular use.

#### Opportunities and Potential Issues for Attracting/Retaining Business and Industry

Looking at the factors that influence the economic climate in New Denmark, the town's biggest strengths are its rural character and its proximity to Green Bay. The town offers a good quality of life with good housing stock that has maintained its property values and is located within a good school system. The town has several natural features across its landscape, including blocks of wooded areas, large uninterrupted views of farm fields, and numerous streams and wetlands that help to create the "rural feel" that residents of the town cherish. In addition, New Denmark is located within a quick commuting distance to quality education facilities, entertainment centers, medical facilities, and other urban amenities available in the Green Bay area. It also offers open land for the construction of new business and industry.

New Denmark residents have access to a good quality road network, including County Highways KB, NN, P, R, and T and I-43. The town also has easy access to STH 29 via CTH T and CTH P. Besides providing a quality road network to get to various destinations both in and out of the town, these roads provide a means for businesses and merchants located on these roads to be noticed by passing motorists.

The biggest impediment to commercial or industrial economic development activity in New Denmark is the competition from other municipalities in the Green Bay Metropolitan Area and the Village of Denmark for the same types of businesses and industries. Other impediments may be the lack of local demand for such services and businesses due to the small population of the town and the lack of public sanitary sewer and water service within the town. Many businesses and industries want or need this type of service to operate their business efficiently.

Another opportunity for the town to consider is its zoning map. The town does not currently have any vacant, unused parcels that are zoned for industrial or business. Any new commercial or industrial development would require rezoning for permitted industrial/commercial uses. Any entity interested in opening a business or facility would need to rezone the property as one of the starting steps.

The state and national economy are in the process of transitioning from a goods-based economy to an information-based economy. As this transition and advances in communications technologies continue, businesses will be more influenced to locate in places where their existing employees will be comfortable living, where there is a high-quality potential employee pool, and where there are good transportation connections. The rural character and quality of life will make New Denmark an attractive place for people looking for those features while being relatively close to larger employment centers. For economic development what the town may best offer is its character and find economic growth through additional residential units. The town will have to balance how to accommodate that potential development while still maintaining its character.

Economic development services to assist businesses with location or relocation are provided throughout Brown County by Advance, which is the economic development section of the Green Bay Area Chamber of Commerce. Training services for business are provided by UW-Green Bay, St. Norbert College, the UW-Extension services, and Northeastern Wisconsin Technical College (NWTC). While none of these educational institutions are in the Town of New Denmark, all are within a 30-minute drive.

#### Economic Development Recommendations, Programs, and Policies

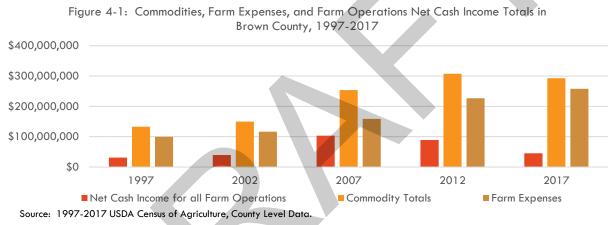
Farming has historically been one of Wisconsin's top industries, however the number of farms continue to decrease every year. In 2017 the University of Wisconsin-Madison Center For Community Economic Development updated its study, *The Contribution of Agriculture to the Wisconsin Economy*, with the findings that even over almost a decade of general growth (2010-2017), farm-related employment and the farming gross state growth index have not increased compared to other industries. The industry in both the state and Brown County has continued to consolidate, meaning fewer farm operators while acres farmed has remained steadier. Brown County has seen the most shrinkage from farms with 50 to 179 acres, while the number of farms operating on over one thousand acres has increased, and the number of small farms (one to 50 acres) have also slightly increased. Given these conditions, the town still has opportunities to support agriculture, especially on a small-scale. This may also provide residents with additional revenue opportunities.

#### Agriculture

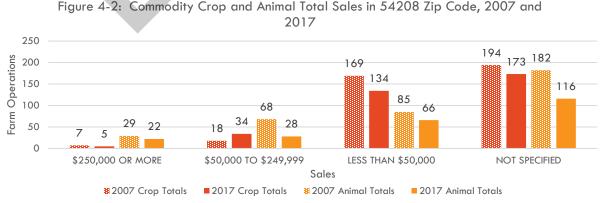
Brown County's agricultural sector has seen steady growth for commodity totals over the last 20 years. Farm expenses have also increased over that time, with less increase seen in the net cash income (see Figure 4-1).

The agricultural sector is a dynamic industry, impacted by frequently changing market conditions, commodity prices, and weather patterns. These factors may all contribute to the fluctuations in farm income. One relationship to note though, is the large increase in farm expenses. As that number changes in relation to the commodity totals, people in Brown County that make their living from farming may face difficult decisions around continuing to do that. Coupled with land prices for new development, communities in Brown County could see more development if selling farmland is the most profitable option.

The agricultural sector has seen some growth in very small farms and very large farms in Brown County. These represent more likely opportunities for change in the sector, beyond just land being converted for development.



For the zip code 54208 (which covers all of New Denmark, plus portions of the Towns of Eaton, Glenmore, Morrison; a portion of the Town of Cooperstown in Manitowoc County; and a portion of the Town of Franklin in Kewaunee County), Figure 4-2 shows both commodity crop and animal sales for 2007 and 2017. While the largest category was unspecified sales data, so the economic impact is unknown, all categories saw decreases except for the \$50,000-\$249,000 crop sale totals in 2017. All other categories saw significant drops, meaning a decrease in number of operations.



Source: 2007-2017 USDA Census of Agriculture, Zip Code-Level Data.

Most importantly, both livestock and crop operations have decreased over time. The town may still be largely agricultural, but if there are fewer people farming while the population remains the same or increases, there could be more competition between residential and agricultural uses for land. For some, selling agricultural land may make the most economic sense. The town should be aware of this dynamic and keep tabs on farmland sales and the general areas where they are happening.

#### **Entrepreneurial Agriculture**

While operating a larger farm may not be feasible for many people, there are still traditional agricultural opportunities, and numerous untapped and underutilized opportunities, some of which may not even exist yet. Entrepreneurial agriculture, for instance, is a new way of thinking of farms as innovative small businesses. The Michigan Land Use Institute states that entrepreneurial agriculture does not seek to replace current large-scale mass-market agriculture but to complement it to find new opportunities, new markets, and to recognize the importance of local agriculture not only to the local economy but also to local lives and landscapes. Entrepreneurial agriculture is about adding value to products by providing local friendly service, by special processing, or by finding niches and new ways to market goods to consumers. It can be as simple as new ways of selling, labeling, processing, packaging, or creating a new perspective about raising crops.

Examples of entrepreneurial agriculture include:

- Direct marketing of agricultural products to consumers, such as local schools, farmers markets, and custom production for local restaurants.
- Niche marketing, such as ethnic foods, organic foods, and specialty farm products.
- Value added approaches to farming, such as fruit drying, jellies and jams, wine making, and agritourism.
- New grazing systems.
- Cooperatives marketing local free-range poultry, beef, or pork.
- Community supported agricultural operations where local consumers pay local farmers for a share of the following year's crops.
- Local marketing and/or direct delivery of all-natural products, such as grass-fed all-natural milk to local grocers and health food stores.

Potential benefits associated with entrepreneurial agriculture and the flexibility behind the idea include:

- Opportunities to create net returns greater than what occurs in conventional agriculture.
- Thinking and acting as a small business can keep small farms viable and provide another option to competing with the large-scale mass-market approach more typical of conventional agriculture.
- Small viable farms on the outskirts of communities can contribute more greenspace, fresh food, and local commerce to the community and the region.
- Creating a viable mix of large and small agricultural operations can contribute to the local community and region's farmland protection strategies.

Entrepreneurial agriculture is more appropriate now than ever before because of continuing shifts in consumer awareness and demands. Nationally, farm operations with direct-to-consumer (DTC) sales from 116,733 to 144,530 between 2002 and 2012. Farmers markets have increased nationwide by 180 percent from 2006 to 2014 with 8,268 markets. Beyond these channels, regional food hub enterprises have formed to aggregate local food to meet wholesale, retail, and institutional demand. Farm to school programs have also increased in that time. Farm to school and regional food hubs can help producers through reducing marketing and transportation costs and provide a way to wholesale produce<sup>4-4</sup>. A food hub would most likely need a warehouse/light-industrial space to receive, store, sort, and ship. The referenced USDA report states that a U.S. Grocery Shopper Trends Survey shows that over 80 percent of surveyed grocery store shoppers reported purchasing local foods occasionally, and that their top reason for buying locally grown food was freshness.

Consumers spend a significant amount of money on groceries and at restaurants, and most of this food comes from distant locations. A study by the University of Iowa noted that the typical tomato, can of corn, and loaf of bread travels 1,500 miles from field to plate. Coupled with changes in consumer awareness and demands, opportunities abound for local farmers to provide greater amounts of produce to local consumers. Additionally, the middleman processing, packaging, advertising, and distribution often account for 80 percent of the cost of food.

According to the Michigan Land Use Institute, for entrepreneurial agriculture to work, it requires close relationships between economic development professionals and the agricultural sector. It requires the involvement of local leaders to connect the small and mid-sized farms to the local economy and to bring business expertise and market knowledge to those farmers. It also requires state and federal cooperation in terms of working with and helping farmers understand regulations, particularly those pertaining to food inspection. Additionally, it requires the community to understand farmers and vice-versa so that communities can take advantage of the locations of local farms and for farmers to know local consumers' needs.

#### **Future Business and Industrial Development**

Businesses and industries that wish to locate in New Denmark should be of a nature that are environmentally friendly, provide service or goods to the residents, enhance the town's economy, and add to the town's tax base. Businesses that should specifically be encouraged in New Denmark are those that contribute to the success of the farming economy and those that provide retail services to town residents.

Rather than be located as strip development along entire lengths of major roads, new businesses should be in clusters (nodes) near the major intersections, separated from other business nodes by residential, agricultural, or other low-intensity uses. Traffic congestion, driveway access points, and a loss of rural character all become problematic when concentrations of retail sales or service establishments are in strips along major roads instead of concentrated around intersections.

If the town hopes to attract new commercial or industrial activity, it should consider how it can help with marketing future industrial and commercial areas. While rezoning the land may not make sense (if it can continue to be used for other uses until time of sale or lease), the town could work to streamline the permitting process for any proposed development that would go in the specific future commercial/industrial areas.

<sup>&</sup>lt;sup>4-4</sup> Trends in U.S. Local and Regional Food Systems – Report to Congress. 2015. Economic Research Service, United States Department of Agriculture. <u>https://www.ers.usda.gov/webdocs/publications/42805/51173\_ap068.pdf?v=8595.6</u>

New retail or service businesses compatible with the character of the town should be encouraged to locate in Langes Corners. Other potential locations for future business and industrial use are discussed in the Land Use Chapter. Providing locations for new business development should be accomplished through the town's zoning ordinance by rezoning lands in areas of the town that are appropriate for small-scale commercial-type uses compatible with adjoining properties.

While no plans are in order to obtain public sewer and water service, the addition of these services would provide additional attractions to potential business and industry. Additions of environmentally friendly business and industry to the town adds to the town tax base and provides employment opportunities to town residents living within easy commuting distance of the businesses.

#### Industrial and Commercial Design Standards

The Town can promote higher quality development and minimize potential negative visual impact of commercial and industrial development on New Denmark's rural landscape using zoning requirements and design standards. Business site plans should be required for new businesses and industries and should include parking (preferably behind the building) and parking lot landscaping standards, including landscaped islands within large parking lots that break up the expanse of asphalt and building standards.

New Denmark could consider investigating a separate site design standard ordinance for new commercial and industrial development. This would spell out exactly what the town is looking for in terms of building and site designs and create a process in which the developer, town, and neighbors will know what to expect as building and site designs are brought forward. The design standard ordinance should focus on those building and site design characteristics that enhance the town's rural identity, such as natural siding materials, neutral colors, minimal signage, and landscaped parking areas.

#### Sensitivity to Natural and Active Agricultural Areas

Agricultural lands, topography, waterways, woodlands, and wetlands all combine to help create the rural character that the Town of New Denmark residents enjoy and appreciate. Business development should be designed with consideration of the natural features of the town to integrate the businesses and industries into the community while retaining the rural small-town atmosphere. Business and industrial development, when properly integrated into parcels that contain natural areas, can help to retain wildlife corridors, and allow the natural areas to help facilitate stormwater management. Trail linkages utilizing the natural areas within the developed areas can also be created.

Special care should be taken to ensure that commercial and industrial activities are not located within environmentally sensitive areas (ESAs). Natural areas and features should be preserved when located in a developing area and included in the design of business developments as integral amenities.

#### **Brownfield Redevelopment**

For commercial and industrial uses, the town should maintain an inventory of any existing vacant buildings and land identified as potentially contaminated (brownfield) with industrial or petroleumbased pollutants. According to information obtained from the Wisconsin Department of Natural Resources (WDNR), there are no brownfield locations existing within the town. There had been some brownfield sites in the town that were cleaned up. These locations can be accessed via the DNR website. If any brownfields are identified, they should be cleaned and promoted for redevelopment using state and federal brownfield cleansing funds. Several businesses and industries in town still deal with petroleum products, including at Langes Corners Road at CTH R with the Brown County Highway Shop. These would also be potential brownfield sites should their use ever change.

#### **Home Occupations**

Telecommunication advances have allowed for many people to develop home offices or occupations, and their usage has especially increased during the novel coronavirus pandemic. Home occupations can fill several roles for economic development in the town and should be encouraged, so long as they remain consistent with the zoning ordinance requirements. If/when home occupations wish to expand beyond what would be permitted in a residential or agricultural area, they should either request a zoning change to an appropriate zone or move to a site that is properly zoned for more intensive commercial or industrial uses.

#### **Broadband Access**

Comprehensive broadband connectivity provides many benefits to rural communities<sup>4-5</sup>. These include:

- Expanding workforce options and attracting new companies.
- Improving residents' access to health consultation services.
- Helping area farmers and businesses that coordinate with regional markets.
- Enhance equity by providing equal access to digital services and opportunities for civic, cultural and educational participation.

Agricultural operators can especially benefit from the deployment of broadband in accessing markets, overseeing field and livestock operations, and managing farm finances<sup>4-6</sup>. In 2019 the USDA partnered with the Federal Communications Commission (FCC) to create the Precision Ag Connectivity Task Force to assess and advance deployment of broadband internet access service on unserved agricultural land to promote precision agriculture, which was part of the 2018 Farm Bill<sup>4-7</sup>.

The town should get to know local/county broadband providers (discussed further in Chapter 6 - Utilities and Community Facilities). While broadband is generally a private-sector utility, the town can help facilitate expansion through reviewing regulations and amending barriers to broadband deployment. Possible zoning changes could include making it easier to collocate equipment, and to allow increased tower height.

<sup>4-5</sup> Equal Access Equals Opportunity. July 2019. Planning Magazine - American Planning Association. <u>https://www.planning.org/planning/2019/jul/equalaccess/</u>

<sup>&</sup>lt;sup>4-6</sup> e-Connectivity for All Rural Americans is a Modern-Day Necessity. Broadband. USDA. <u>https://www.usda.gov/broadband</u>.

<sup>&</sup>lt;sup>4-7</sup> Task Force for Reviewing the Connectivity and Technology Needs of Precision Agriculture in the United States. FCC. https://www.fcc.gov/task-force-reviewing-connectivity-and-technology-needs-precision-agriculture-united-states

#### Town, County, Regional, and State Economic Development Programs

This section contains a brief explanation of local economic development actions and a description of various agencies and programs that could potentially help the town and town's businesses achieve their stated economic development goals and objectives. The Implementation Chapter contains a comprehensive listing and description of programs the town may wish to utilize in achieving its economic development objectives.

New Denmark residents rely on the Green Bay Metropolitan Area and the Village of Denmark for many of their commercial needs. While commercial activity in the town is minimal, it is critically important that residents patronize the existing and future town businesses. Failure to do so will result in a reduction of available commercial services, reduced retail options, and vacant buildings.

Although the town has no established incentive programs for economic development, it can continue to make positive planning and financial management decisions that can result in the community being an attractive place for people and businesses. One of the most important economic activities that New Denmark can continue is to promote an environment that encourages entrepreneurs to engage in business activities.

#### **Tax-Incremental Financing**

One economic development tool now available to towns in the State of Wisconsin (under sec. 60.85, Wis. Stats.) is the utilization of Tax Incremental Financing, commonly called TIF. Until recently, this redevelopment tool was only available to cities and villages. The law allows towns to expend money or incur debt for projects related to agriculture, forestry, manufacturing, or tourism. The law also allows TIFs to be used for retail development that is limited to retail sale of products produced due to agriculture, forestry, or manufacturing project. The State Department of Revenue must approve any proposed TIF project.

Generally, the common activities in a TIF district include acquisition and demolition of blighted properties in commercial areas or industrial areas and extension of sewer, storm sewer, and water mains to serve expected new industrial or commercial development expected to locate there.

Once the TIF district is established, the aggregate equalized value of taxable property within the district is established. This is called the tax incremental base. All the taxing entities of the area (town, school districts, county, technical school) continue to receive their share of the annual taxes generated by the tax incremental base of the district throughout the life of the TIF project. The municipality then installs the improvements to the TIF district. As development occurs, the property values within the district grow. Taxes paid on the increased value or the growth are called tax increments and are used to pay for the public improvements made to the district by the municipality. These moneys are put in a separate TIF fund to finance the public improvements made to the district. Expenditures for the project costs to the district is 27 years with a possible three-year standard extension. If the value increases to the district are not enough to pay off the costs of the project within the life of the district, the municipality must incur the costs that still need to be paid. Taxing jurisdictions do not benefit from value added increase in the district until the district project costs have been paid off and/or the life of the district is over. Once the life of the district has expired, the added value of the district is then apportioned out to all taxing districts like anywhere else in the Town.

Municipalities thinking about utilizing this economic development technique must carefully consider the benefits to the community, the potential pitfalls, and the likelihood of success of the district.

#### County

#### Advance

Advance is the economic development division of the Green Bay Area Chamber of Commerce committed to improving and diversifying the economy of Brown County. Advance provides confidential site selection assistance, in-depth statistical and demographic data, and administers a microloan program geared to small businesses and entrepreneurs. Additionally, Advance manages the Business & Manufacturing Center Incubator on the Northeast Wisconsin Technical College (NWTC) campus which provides support services (clerical, legal, accounting, mentoring, etc.) within a flexible space for business and non-profit start-ups. Information regarding Advance and the business incubator may be found at: http://www.titletown.org/programs/economic-development.



Advance is also part of the Brown County Culinary Kitchen, which is a non-profit collaborative effort among NEW Curative Rehabilitation, The Farm Market Kitchen, and NWTC. The Brown County Culinary Kitchen provides a fully equipped, commercially-licensed, shared use kitchen for food-based business start-ups. Additional assistance includes classes, an on-site manager, technical assistance, business coaching, classroom space, and Internet access. Information regarding the Brown County Culinary Kitchen may be found at: http://bcculinarykitchen.org/.

#### Regional

#### The New North, Inc.

According to the New North website, "New North, Inc. is 501 (c) 3 nonprofit, regional marketing and economic development organization fostering collaboration among private and public sector leaders throughout the 18 counties of Northeast Wisconsin, known as the New North region."

New North, Inc. represents a strong collaboration between the 18 counties that have come together behind the common goals of job growth and economic viability for the region. The power of the New North region working together is far greater than one county or one business alone. Players gain more through regional cooperation rather than competing for resources and growth.

The New North's vision is "to be recognized as nationally and globally competitive for personal and economic growth." Its mission is to be a "catalyst for regional prosperity through collaboration" and has six key initiatives to achieve this:

- Attract, develop and retain diverse talent
- Foster targeted industry clusters and new markets
- Supporting an entrepreneurial climate and small business
- Encouraging educational attainment
- Elevate sustainability as an economic driver
- Promote the regional brand

Additional information on the New North can be found at <u>www.thenewnorth.com</u>.



#### **Wisconsin Public Service**

Wisconsin Public Service Corporation (WPS) also contributes several economic development services that the town should be aware of for its businesses, including industrial park assistance and business retention/expansion. The WPS economic development page can be a useful resource for the town and is located at <a href="https://accel.wisconsinpublicservice.com/business/economic/businesses.aspx">https://accel.wisconsinpublicservice.com/businesses</a>.

#### State

#### Wisconsin Department of Administration (DOA) Community Development Programs

The Community Development Block Grant (CDBG) program is a federal formula-allocated grant program under the U.S. Department of Housing and Urban Development (HUD). The DOA administers the state CDBG program and provides funding to units of general local government that do not receive an annual allocation directly from HUD. For more information, please see the DOA's website for additional details:

https://doa.wi.gov/Pages/LocalGovtsGrants/CommunityDevelopmentPrograms.aspx.

#### Wisconsin Economic Development Corporation (WEDC)

The state has programs that the town may consider to meet its stated goals and objectives. The WEDC offers several different programs to help Wisconsin businesses realize their goals through funding, resources, and training. WDEC's community development programs include brownfield grants and site assessment, capacity building grants, idle sites program, minority business development program, the Wisconsin Main Street Program, and the Community Development Investment (CDI) Grant Program. For more information see the WEDC's website at <a href="https://wedc.org/">https://wedc.org/</a>. The WEDC Region 6 Account Manager should be contacted for additional information related to these programs.

#### Wisconsin Housing and Economic Development Authority (WHEDA)

WHEDA offers several programs and services in support of business development within the state, including loan guarantees, participation lending and small business credit initiatives. The WHEDA Business and Community Engagement staff should be contacted for additional information related to these programs.

#### Federal

The federal government has a variety of grant opportunities (including community development) to municipalities. The best source of information on the Internet regarding grants from the federal government is <u>http://www.grants.gov</u>. The USDA offered the Reconnect Loan and Grant Program in 2019 and 2020 for rural broadband development. The town should keep tabs on for possible future projects.

## ECONOMIC DEVELOPMENT POLICIES, PROGRAMS, AND RECOMMENDATIONS SUMMARY

#### **Comprehensive Plan Goal #4 – Economic Development Goal**

New Denmark will broaden the tax base and strengthen the town's economy and employment base through appropriate agricultural, commercial, and industrial development activity.

#### **Objectives**

- 1. Continue to support agriculture as an economic activity.
- a) Encourage farming as an economic activity by discouraging new residential development near active farms.
- b) Support efforts by local farmers in entrepreneurial agricultural through direct farm-to-market sales and farm-based value-added business activities, among others.
- c) Continue to permit home occupations as small business incubators if they are clearly secondary to the residential use and meet the town zoning ordinance requirements and restrictions.
- d) Consider implementing a commercial and industrial site and building design standards ordinance.
- e) Identify future areas for new business and industrial development.
- 2. Promote development that is compatible with a rural environment.
- a) Locate new small-scale local businesses in nodes near intersections rather than in long strips along main roads. New businesses should be encouraged to locate adjacent to existing businesses.
- b) Coordinate with nearby communities in siting businesses that are part of a Green Bay region business cluster or that fulfill employment needs in the area.
- c) Complete and maintain an inventory of existing vacant buildings and land identified as potentially contaminated (brownfield) with industrial or petroleum-based pollutants. Brownfields should be cleaned and promoted for redevelopment using state and federal brownfield cleansing funds.
- d) Business development should be designed considering of the sensitivity of the town's agricultural lands and environmental features.
- e) Business site plans should include parking (preferably behind the building), and parking lot landscaping standards, consistent with the rural character of New Denmark.
- 3. Create conditions to increase and improve broadband access in the town.
- a) Understand the existing local broadband foundation and identify the existing network gaps.
- b) Review the town's zoning regulations for barriers to broadband deployment and identify and implement changes.