

Economic Development Vision

By 2035, St. Croix County has innovative, productive, well-paying jobs in our municipalities and rural areas. St. Croix County has worked with cities, villages, and towns to guide commercial uses to areas where services are available. This discussion has happened with municipal cooperation. The County Economic Development Corporation and local communities have developed strong ties and an understanding of the costs and benefits of economic development. That county-wide effort has resulted in identification of core businesses, key new food production and emerging industry clusters. The County has achieved high-end, value-added product processing that includes production, processing, packing and distribution that supports our strong fabrication, and agricultural sectors. Local businesses and our education facilities have worked together to supply knowledge workers to meet local skill demands. These activities have created a strong local economy.

Introduction

Economic development as part of comprehensive planning is the process by which the St. Croix County community initiates and generates solutions to local economic problems. The primary purpose of economic development initiatives is to promote the stabilization, retention, or expansion of the economic base and to provide quality employment opportunities in the region. This includes assisting existing businesses, encouraging business expansion, and recruiting new businesses. Economic development can also include building a culture of trust and entrepreneurship, and strategically planning important capital improvements and related infrastructure expenditures. Such endeavors should be guided by the vision and goals in county plans to encourage efficiency and ensure a positive impact on the community.

These efforts collectively build long-term economic capacity so the local economy is more self-sufficient and resilient. Successful economic development strengthens and diversifies local economies. In addition, local businesses may locate in close proximity to the primary industry that they support. These secondary or support businesses take advantage of economic spillovers of the primary industry. A local example of this is the close relationship between the existing agriculture and food processing industries.

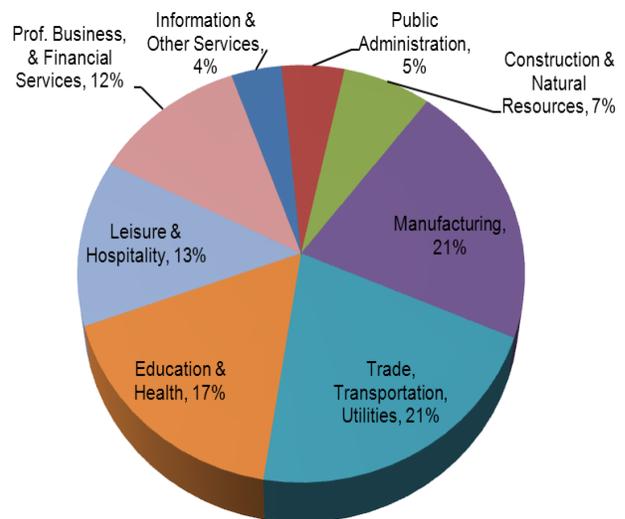
This information should also be considered in the context of the economic development programs, plans, and tools at work in St. Croix County and its communities which are identified in the *Addendum: Inventory of Programs, Plans, and Land Use Policies in West Central Wisconsin* compiled by WCWRPC as part of the regional plan.

Conditions, Trends & Issue Prioritization

Conditions & Trends

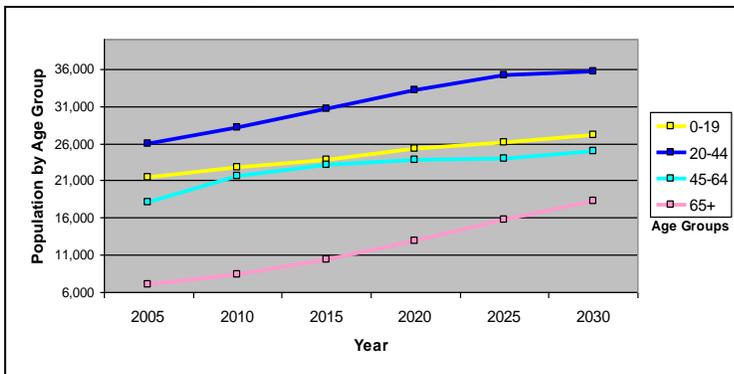
- Only 18.7 percent of the County's resident labor force works within the community in which they live. 45.3 percent of the County's resident labor force works in Minnesota, according to the American Community Survey.
- St. Croix County's unemployment has most often been below the State average during the past twenty years.
- Tourism in St. Croix County ranks 34th in the State for traveler spending.
- Agriculture provides 3,600 jobs and accounts for \$532 million in business sales. It contributes \$158 million to County income.
- The education and health services industry is expected to have the largest increase in jobs (+22 percent) from 2004 to 2014.

St. Croix County Employment by Industry (2006)



Source: Wisconsin Department of Workforce Development -- Office of Economic Advisors

St. Croix County Age/Labor Force Projection (2005-2030)



Source: Wisconsin Department of Administration

Top Issues

- The County's aging population is a concern for future resource allocation.
- The foreclosure crisis starting in 2006 has had a negative impact on St. Croix County. The housing market will take multiple years to recover.
- There is increasing demand for skilled workers in the region.
- The average commuting time is increasing for County residents.

Implications

- The education, health, agriculture and tourism industries will continue to be significant to the St. Croix County's economy.
- The County's labor force is expected to tighten considerably as the baby boomer generation retires. Likewise, this group will require goods and services, potentially opening the door to new economic opportunities.
- The County is linked economically to the Twin Cities. The County's location on the Interstate 94 corridor and proximity to the Twin Cities make it well positioned to retain existing businesses and attract new ones to relocate here.

Special Subsections

Local Economic Development Plans and Programs

The County has several local, county, regional, State, and Federal economic development programs identified in *Economic Development Element Volume 2* and the *Inventory of Plans, Programs, and Land Use Policies in West Central Wisconsin*.

New Businesses or Industry Desired

It is envisioned that the County will continue to promote industries that are currently prosperous. The Wisconsin Department of Workforce Development – Office of Economic Advisors compiles existing industry concentrations in the County, though some industries (e.g. self-employed, agricultural) are not reported or are underreported. Manufacturing industries, consisting of companies that produce plastics, refrigeration products, electronic motors, fabricated metals and machining, windows and doors, and packaging materials, remained the largest industry by employment in 2007. The second largest industry was retail and wholesale trade. The third largest employment sector was education and health.

By analyzing the existing employment trends and County's vision, the following additional guidance on desired businesses and industry for St Croix County are identified:

- Agriculture will remain a significant portion of the County's economy. Farmland preservation is important for agriculture's continued growth and development.
- Due to the growth of its aging population, quality health services and senior housing may be potential opportunities for job growth and investment.
- There is a desire to increase agricultural tourism which includes the production, consumption, and customer experience associated with sourcing food and related products locally. This can result in a more diverse and resilient local economy.

Strengths and Weaknesses

The County has a variety of strengths.

- Located in close proximity to the Twin Cities, the County offers advantages by providing access to valuable business resources.
- The County has a strong road transportation network with Interstate 94, several State and Federal highways, and two St. Croix River crossings. The St. Croix River Crossing project will replace the Stillwater Lift Bridge with a new four-lane bridge expected to begin construction in 2014 and completed in 2016.
- The County's economy does not rely on one specific resource or industry sector. The diversity of the landscape, varying community sizes, proximity to large metropolitan areas and assorted economies are strengths for the County.
- Proximity to the number of colleges and universities is another major strength. Wisconsin Indianhead Technical College has a regional campus in New Richmond, and nearby in Pierce County is UW-River Falls and a Chippewa Valley Technical College campus. Moreover, it is very close to various institutions in the Twin Cities metro area.
- The County has strong economic development network and financial programs to help businesses grow and create jobs.
- Agriculture, precision metal fabrication, plastic extrusion and molding, and manufacturing are strong industries for the County's economy.

On the other hand, the county has a number of weaknesses.

- The County lacks large employers or corporate headquarters.
- Due to the growth pressure from the Twin Cities, the County's transportation network and infrastructure will need to improve and expand to meet future needs.
- The County does not have a public transportation system.
- Poor communication between local, county and regional economic development service providers can be a barrier for future economic coordination and cooperation.
- The high cost of living in parts of the County makes it less affordable for people to live and/or relocate here.
- The population growth in the County has placed additional burden upon the environment. Land use conflicts may arise when trying to protect the agricultural, scenic, recreational, cultural, and natural resources of the County while supporting and accommodating new developments.
- The Twin Cities area has high quality-of-life amenities and often is the destination for new graduates and younger professionals. The County is competing against the metropolitan area to attract businesses, highly educated and skilled employees, and the post-high school population.

Opportunities for Brownfield Redevelopment

There are some sites in St. Croix County that are currently underutilized and/or vacant that have contamination issues (e.g., underground storage tanks, areas where dumping has occurred). Many of these areas are conducive to brownfield redevelopment. Local comprehensive planning efforts may need to identify these areas and propose appropriate solutions for redevelopment.

Designation of Sites

The intent of this document is to be advisory. Applicable policies in the Land Use Section state that economic activity should occur in areas that are accessible by multiple modes of transportation. In addition, all development should be located, designed, and developed to benefit the overall tax base.

Proposed economic development projects and sites should be evaluated on a case-by-case basis. Foremost, the proposed projects should be consistent with the respective community's vision and comprehensive plan. The question, "Is it compatible with the rural nature of the community and does it pose a threat to farmland, woodlands, and most importantly surface water and groundwater of the community?" should be asked. Also, impacts of the proposed project on local roads and services and the scale and scope of the proposal in character with the nature of the community should be examined.

Goals & Objectives

Goal 1: *Develop and maintain a sound and diverse economy.*

Objectives:

- 1.1 Promote the retention and expansion of existing businesses in the County.
- 1.2 Foster the recruitment and incorporation of new businesses in the County.
- 1.3 Provide and promote a variety of information resources regarding business advantages and opportunities in the County.
- 1.4 Promote county-wide economic development identity and marketing.
- 1.5 Advocate and monitor regulatory activities that impact the local economies and businesses.
- 1.6 Support the St. Croix Economic Development Corporation's funding, resources and activities.
- 1.7 Foster coordination and collaboration between local, regional and state economic development entities.
- 1.8 Promote and maintain downtowns and neighborhood commercial areas.
- 1.9 Promote the county as a tourism destination.
- 1.10 Support renewable energy sources as a form of economic development.

***St. Croix County Comprehensive Planning
Public Opinion Survey Report Results, 2008:***

- More than 4 out of 5 St. Croix County residents feel the county should support and coordinate efforts with the St. Croix Economic Development Corporation.

Goal 2: *Maintain the predominately agricultural-based economy within rural areas of the county.*

Objectives:

- 2.1 Support agricultural-based businesses that encourage the viability and diversity of agriculture in the County.
- 2.2 Maintain balance between agricultural businesses, natural resources and rural character of the County.
- 2.3 Recognize the increasing industrialization of agriculture and its related activities and impacts.

Goal 3: *Minimize land use conflicts between business and non-business uses.*

Objectives:

- 3.1 Limit commercial or industrial business development interference with surrounding existing uses.
- 3.2 Limit rural development that can not be supported with the existing road system, infrastructure and available services.
- 3.3 Ensure that new businesses do not detract from the predominately rural character of the County.
- 3.4 Maintain standards and limitations for home occupations to minimize noise, traffic and other disturbances to adjacent land uses.

Goal 4: Maintain a high-quality workforce supported by quality employment and educational opportunities.

Objectives:

- 4.1 Support the area's strong educational institutions and the retention of, and connection to, its graduates.
- 4.2 Encourage training programs to promote a well-educated and skilled workforce.

Policies

Business Retention and New Businesses

- 1.1 The County encourages the expansion and addition of agricultural businesses, tourism businesses, light industrial and high-technology manufacturing businesses that provide high wage employment opportunities for area residents.
- 1.2 At the county level, continue to support economic development and monitor the success of businesses utilizing economic development programs. The County encourages the St. Croix Economic Development Corporation to do the same.
- 1.3 Support St. Croix Economic Development Corporation's development of a promotional strategy for the County economic development identity and marketing brand.

St. Croix County Comprehensive Planning Public Opinion Survey Report Results, 2008:

- St. Croix County residents are willing to spend tax dollars to attract or retain jobs. Nearly two-thirds (63 percent) agree that tax dollars should be used to recruit or retain jobs in the County.

Regional & Cooperative Economic Development Activities

- 2.1 Acknowledge the importance of the Twin Cities metro area to the County economy by developing county and local initiatives which capitalize on the opportunities presented by this strong adjacent market.
- 2.2 Encourage the utilization of the Regional Business Fund, Inc. to assist with business start-up, retention, expansion, attraction, and downtown redevelopment.
- 2.3 Encourage collaboration at the county and regional level when examining the need for local infrastructure improvements.
- 2.4 Consider a study that identifies key industries and/or sectors that are drivers of the County and surrounding economies. Specific programs and/or activities should be developed from the study to further grow these industries and the clusters which they are part of. Attention should be paid to the interaction of these industries within the global market. These efforts should augment initiatives already taking place at the local level.
- 2.5 Advocate for the consideration of west central Wisconsin's broadband and telecommunication issues and goals into local, State, and Federal programs, plans,

St. Croix County Comprehensive Planning Public Opinion Survey Report Results, 2008:

- Survey respondents favored recruiting businesses in:
 - Agricultural/Farms (75 percent)
 - High-tech Industry (75 percent)
 - Light Industry (73 percent)
 - Manufacturing (68 percent)
 - Service Industry (65 percent)
 - Retail Industry (61 percent)
 - Tourism (49 percent)

policies, such as in local comprehensive plans and the Wisconsin Broadband Data and Development Plan.

- 2.6 Assist local units of government in accessing the necessary tools and resources to preserve and maintain their downtowns and neighborhood commercial areas.
- 2.7 Encourage the reuse of brownfield and underutilized sites for new industrial and commercial development.
- 2.8 Promote the County as a tourism destination through cooperative efforts with the State Department of Tourism and regional and local organizations.
- 2.9 Ensure state-of-the-art electrical, technological and telecommunication infrastructure necessary to sustain a diverse economy through collaboration in provision of services in local and area economic development strategies. .

Energy

- 3.1 Explore programs that help create economic development opportunities from renewable energy sources.
- 3.2 Encourage renewable energy resources on a small-scale basis to serve individual businesses.

St. Croix County Comprehensive Planning Public Opinion Survey Report Results, 2008:

- Renewable energy as an economic development strategy was generally supported:
 - Solar Energy (88 percent)
 - Wind Energy (86 percent)
 - Hydro Power (71 percent)
 - Biofuels (53 percent)
 - Methane Digesters (49 percent)

Ag-Related Economic Activity

- 4.1 The primary focus for economic development in rural portions of the county will be the support of agriculture, agricultural-related businesses and cottage industries.
- 4.2 The County will encourage the St. Croix EDC, UW-Extension and the Department of Agriculture, Trade and Consumer Protection to develop a regional marketing strategy for local agricultural products.
- 4.3 The County will collaborate with UW-Extension and other entities to explore ways to diversify and add value to food crops and animal products raised in the county as part of the local economy.
- 4.4 The County supports new and existing businesses that utilize local agricultural products or that provide important agricultural inputs (farm equipment, new farm technologies, etc.)
- 4.5 The County encourages the development of “niche” farm-based businesses focused on food for local and regional markets (small-scale food processing, fresh produce, organics, etc.).
- 4.6 Encourage the creation of programs and projects that utilize the County’s strong natural resource and agricultural assets.

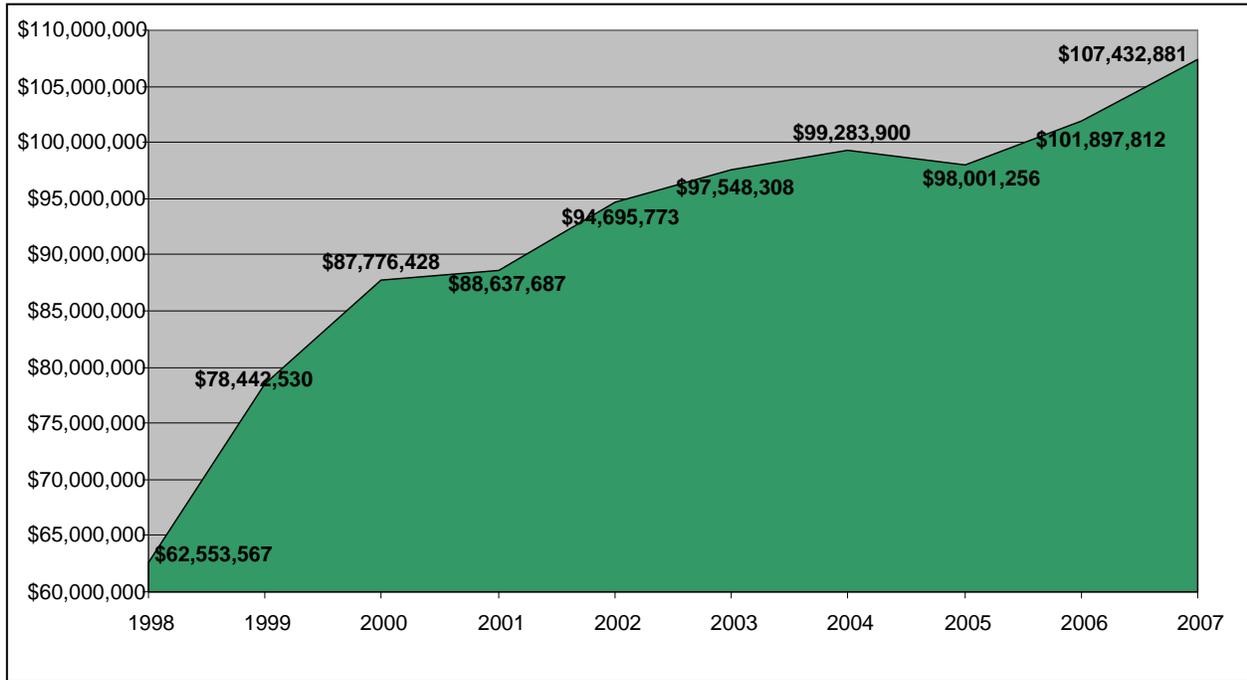
Land Use Conflicts

- 5.1 Maintain design guidelines for businesses that address landscaping, aesthetics, lighting, noise, parking and access in order to assure high value, safe and lasting development.
- 5.2 Commercial and industrial businesses not compatible with the rural character of the county will be encouraged to locate in urban locations or rural hamlets where adequate transportation and utility infrastructure exist to serve more intensive business developments

Workforce Education & Employment

6.1 The County supports strengthened connections between area high schools, colleges, universities and the business community. Skills learned in the county's vocational and professional programs will meet the business community's needs.

Traveler Expenditures in St. Croix County (1998 to 2007)



Source: Davidson-Peterson & Associates. *Economic Impact of Expenditures by Travelers in WI.*