

DRAFT CHAPTER 4: ECONOMIC DEVELOPMENT



Planning for economic development is an ongoing process in which a community organizes for the creation and maintenance of an environment that will foster both the retention and expansion of existing businesses and the attraction of new businesses and a talented workforce. As such, it is important to understand the existing resources that serve as assets for economic development efforts.

The state’s “Smart Growth” legislation requires that the Economic Development element of a comprehensive plan contain objectives, policies, goals, maps and programs to promote the stabilization, retention or expansion of the economic base and quality employment opportunities in the jurisdiction including an analysis of the labor force and economic base of the community. The element must also address strengths and weaknesses for economic development in the City and identify key types of industry or business that the residents of the City would like to see within it. This chapter addresses these requirements.

SUMMARY OF ECONOMIC DEVELOPMENT

EXISTING ECONOMIC DEVELOPMENT FRAMEWORK

This section details labor force trends, educational attainment, employment forecasts, income data, and other economic development characteristics of the City. While this data is presented in earlier chapters, it delves into more detail in this chapter for the purposes of understanding key trends as they pertain to economic development for the City.

Labor Force Trends

The City’s labor force is the portion of the population that is employed or available for work. The labor force includes people who are in the armed forces, employed, unemployed, or actively seeking employment and only considers residents over the age of 16. According to 2014-2018 ACS data, 4,222 City residents were in the labor force (59.3 percent of the population over age 16). Of these, 4,138 were employed; the City’s unemployment rate is 1.2 percent. Detailed information regarding County labor force trends is included in the Issues and Opportunities

chapter.

Educational Attainment and Income

According to the 2018 ACS 5-Year estimates, 92 percent of the City’s population age 25 and older had attained a high school level education or higher. Approximately 18 percent of this same population had attained a college level education (bachelor’s degree or higher). With the exception of the Town of Waukechon, the City has the highest percentage of people without a high school degree in the County. However, except for the Town of Richmond and Town of Belle Plaine, the City also has the highest percentage of people with a college degree.

According to ACS 2018 5-Year estimates, median household income in the City of Shawano was \$42,940. Almost twenty-two percent of households reported an income between \$50,000 and \$74,999, with the next highest percentage of City residents (13.8 percent) earning between \$15,000 to \$24,999. Figure 4.x compares the City’s median household income and per capita income with neighboring communities.

Table x.x.: Median Household Incomes

	Median Household Income	Per capita Income
City of Shawano	\$42,940	
Town of Waukechon	\$68,750	\$30,312
Town of Belle Plaine	\$70,368	\$33,189
Town of Richmond	\$66,313	\$32,358
Town of Wescott	\$53,811	\$36,776
Village of Cecil	\$55,833	\$33,291
Shawano County	\$54,143	\$28,051
Wisconsin	\$59,209	\$32,018

Source: 2018 ACS 5-Year Estimates Table S1901

Workforce Data

As discussed in **Table x.x** of the Issues and Opportunities chapter, the top three occupations for City residents aged 16 years and older are as follows: management, business, science, and arts (32.3%); production, transportation, and material moving (23.2%); and sales and office (19.1%).

The top three occupations for median income are as follows: management, business, science, and arts (\$45,296); natural resources, construction, and maintenance (\$42,750); and production, transportation, and material moving (\$33,246).

To take a deeper look into workforce, **Table x.x** displays employment by industry. The top three industries providing employment for City of Shawano residents are as follows: educational, health, and social services; manufacturing; and retail trade. The industries providing the highest

median income are as follows: public administration (\$52,552); transportation and warehousing, and utilities (\$50,882); manufacturing (\$41,705).

	Shawano		
	Estimate	%	Median Income
Civilian employed population 16 years and over	4,138	100%	\$ 30,483
Agriculture, forestry, fishing and hunting, and mining	154	3.7%	\$ 26,765
Construction	153	3.7%	\$ 22,375
Manufacturing	838	20.3%	\$ 41,705
Wholesale trade	109	2.6%	\$ 26,435
Retail trade	631	15.2%	\$ 19,354
Transportation and warehousing, and utilities	88	2.1%	\$ 50,882
Information	53	1.3%	\$ 21,750
Finance, insurance, real estate, and rental and leasing	125	3.0%	\$ 32,426
Professional, scientific, management, administrative, and waste management services	215	5.2%	\$ 40,685
Educational, health and social services	1,033	25.0%	\$ 28,125
Arts, entertainment, recreation, accommodation and food services	484	11.7%	\$ 29,732
Other services (except public administration)	97	2.3%	\$ 23,708
Public administration	158	3.8%	\$ 52,552

Source: Sources: ACS 2014-2018 C24030, B24031

Table x.x displays the top employers for the City of Shawano. This shows there is a diverse mix of industry for the top 10 employers.

Table x.x: Top Employers in City of Shawano

NAME OF EMPLOYER	NUMBER OF EMPLOYEES
AARROWCAST INC	300
THEDA CARE MEDICAL CTR-SHAWANO	222
WALMART SUPERCENTER	187
WOOD PORT DOORS	150
OWENS FLOORING	150
SHAWANO COUNTY SHERIFF DEPT	144
REINHART FOODSERVICE LLC	135
WOODPORT DOORS LLC	125
SHAWANO HEALTH SVC LLC	116
CHARLIE'S COUNTY MARKET	110

Source: Esri Business Analyst 10.8.1, 2020 data set

Commuting Patterns and Worker Inflow/Outflow

Commuting patterns provide some indication of the distance residents have to travel to find employment. According to ACS 2011-2015 Residence County to Workplace Commuting Flow of Shawano County, just over 58% of Shawano County’s workforce is employed inside the County. Of the 8,380 workers commuting to places outside the County, 35.25 percent (2,954 workers) commute to Brown County. Waupaca County and Marathon County are the second and third most common work- place destinations, drawing 16.77 and 12.59 percent of the commuting workforce, respectively (1,405 and 1,055 workers). The fourth most common workplace destination was Outagamie County with 10.19 percent of commuters, or 854 workers. Nearly 1,700 more Shawano County workers commute to one of the other nearby counties: Menominee, Langlade, Oconto, and Winnebago.

In contrast, 3,350 workers commute *into* Shawano County for employment from locations such as Marathon County (722 workers), Oconto County (653 workers), Waupaca County (646 workers), and Brown County (434 workers). In 2015, Shawano County residents spent an average 23 minutes traveling to work. In contrast, City of Shawano residents spent an average of 19.5 minutes traveling to work¹.

According to 2017 employee workflow data, 4,240 employees living outside of the City commute into the City for work. Within the City’s labor force 68.3% commute outside of the City for their

¹ Source: Source: ACS 2014-2018, B08006, B08012, B08013

primary source of employment. **Tables x.x. and x.x** display characteristics based on work outflow/inflow.

Table x.x Wage of Worker by Outflow/Inflow Characteristic

Outflow	Workers Earning \$1,250 per month or less	596	20.2%
	Workers Earning \$1,251 to \$3,333 per month	1,194	40.4%
	Workers Earning More than \$3,333 per month	1,163	39.4%
Inflow	Workers Earning \$1,250 per month or less	935	22.1%
	Workers Earning \$1,251 to \$3,333 per month	1,707	40.3%
	Workers Earning More than \$3,333 per month	1,598	37.7%
Interior Flow	Workers Earning \$1,250 per month or less	362	26.6%
	Workers Earning \$1,251 to \$3,333 per month	625	45.9%
	Workers Earning More than \$3,333 per month	375	27.5%

Source: <https://onthemap.ces.census.gov/> 2017 Data

Table x.x Age of Worker by Inflow/Outflow

Outflow	Workers Aged 29 or younger	748	25.3%
	Workers Aged 30 to 54	1,553	52.6%
	Workers Aged 55 or older	652	22.1%
Inflow	Workers Aged 29 or younger	987	23.3%
	Workers Aged 30 to 54	2,134	50.3%
	Workers Aged 55 or older	1,119	26.4%
Interior Flow	Workers Aged 29 or younger	329	24.2%
	Workers Aged 30 to 54	697	51.2%
	Workers Aged 55 or older	336	24.7%

Source: <https://onthemap.ces.census.gov/> 2017 Data

To understand where residents travel for work, **Table x.x** shows the top 10 destinations for work for City residents.

Table x.x: Top 10 Places for City of Shawano Residents to Be Employed

	Count	Share
Shawano city, WI	1,362	31.6%
Green Bay city, WI	287	6.7%
Appleton city, WI	154	3.6%
Clintonville city, WI	147	3.4%
Legend Lake CDP, WI	140	3.2%
Ashwaubenon village, WI	111	2.6%
Milwaukee city, WI	93	2.2%
Keshena CDP, WI	90	2.1%
Bonduel village, WI	84	1.9%
Madison city, WI	61	1.4%

Source: <https://onthemap.ces.census.gov/> 2017 Data

In contrast, **Table x.x** displays the top 10 places Shawano employees reside.

Table x.x: Top 10 Places of Residence for Shawano Employees

	Number	Percentage
Shawano city, WI	1,362	24.3%
Green Bay city, WI	116	2.1%
Clintonville city, WI	103	1.8%
Bonduel village, WI	95	1.7%
Appleton city, WI	62	1.1%
Oshkosh city, WI	42	0.7%
Milwaukee city, WI	38	0.7%
Ashwaubenon village, WI	34	0.6%
Gillett city, WI	33	0.6%
Legend Lake CDP, WI	33	0.6%

Source: <https://onthemap.ces.census.gov/>, 2017 Data

Environmentally-contaminated Sites

The Wisconsin DNR’s Environmental Remediation and Redevelopment Program maintains a list of contaminated sites in the state. As of November 2020, WisDNR’s RR Sites Map (online) documented five (5) contaminated sites in the City of Shawano undergoing investigation and/or cleanup. There are three types of sites listed in the WisDNR database: Spills, Leaking Underground Storage Tanks (LUST), and Environmental Repair Sites (ERP). **Table x.x** contains a list of the contaminated sites included in the WisDNR database:

Table x.x: Contaminated Sites in the City of Shawano

Site Description and Location	Type
Shawano LF #665, Beauprey Road	ERP
Former County HWY Shop, 1 st Street	ERP
Martins One Hr Drycleaners, E. Green Bay Road	ERP
Fairview Strip Mall, E. Green Bay Street	ERP
Former Big Lug Trailers, Beauprey Road	ERP

Source: DNR Database, 2020

The number and location of contaminated sites within the City will change over time as existing sites are remediated and closed and new sites are discovered through environmental site assessments and underground storage tank abandonment.

The WisDNR defines brownfields as “abandoned or underutilized commercial or industrial properties where expansion or redevelopment is hindered by real or perceived contamination.” Examples of brownfields might include a large abandoned industrial site or a small corner gas station. A contaminated site does not usually meet the definition of a brownfield as most business and industries continue to function while investigation and remediation is implemented.

Brownfield redevelopment programs seek to return abandoned or underused industrial and/or commercial sites to active use by cleaning up environmental contamination and encouraging redevelopment of the sites. The Wisconsin Economic Development Corporation (WEDC) and WisDNR administer grant programs that fund brownfields cleanup that will encourage redevelopment. These programs provide funds for environmental studies that are intended to gauge the nature and extent of the contamination and for the cleanup of the contaminated sites. More information on the requirements a community must meet to receive these grants is available through the WEDC and WisDNR.

Reuse of brownfield properties promote efficient land use by building on existing infrastructure and can provide additional economic opportunities within the City. The City will continue to seek funding and promote brownfield redevelopment within its jurisdictional boundaries.

Economic Development Programs

Local, state, and national programs exist to offer support in supporting and enhancing economic development in communities. Below is a list of such programs, with a more extensive listing found in [Appendix x](#).

- **Shawano County Economic Progress, Inc. (SCEPI)** is a non-profit corporation dedicated to promoting economic vitality throughout Shawano County. This organization acts as a technical resource and facilitator for communities and business partners.

SCEPI is dedicated to assisting business partners by providing services that address its top priorities: business start-ups, business expansions, new business development, relocation, technical and financial assistance, planning, research and application preparation, government liaison, and technology zone tax credits. It also manages the **Shawano County Revolving Loan Fund**, which provides low-interest loans to qualifying business ventures in Shawano County.

- **Industrial Development Revenue Bonds** are issued to local industries through the City of Shawano.
- **City of Shawano Economic Development Revolving Loan Fund.** This matching loan fund is available to any business looking to locate or expand within the City of Shawano. At least one full-time job must be retained or created for every \$20,000 loaned to the business.
- The City's **Industrial Park Incentive Program** offers financial credits to new industries or businesses based upon the number of jobs created over a two- year period.
- The City has five active **Tax Increment Financing (TIF) districts**. TIF is used as a funding tool to facilitate desired development that would not happen “but for” the use of TIF. Incremental tax dollars collected from rising property values within a TIF district are used to finance public improvements and/or to narrow an evident funding gap for a private development investment.
- The **Community Development Block Program** has a series of grants programs to boost economic development and revitalization in a community.
- **Venture Capital Investment Program.** The venture capital investment program was created as part of 2013 Wisconsin Act 41. This program will help create jobs and promote economic growth in Wisconsin by identifying new investors for Wisconsin.
- The **Community Development Investment Grant Program** provides support for urban, small city, and rural community redevelopment efforts for shovel-ready projects.

ECONOMIC STRENGTH

POLICOM Corporation, an independent economic research firm specializing in analyzing local and state economies, annually ranks the local economies of the 384 Metropolitan and 542 Micropolitan Statistical Areas in the United States. Metropolitan Statistical Areas have at least one urbanized area of 50,000 or more population, plus any adjacent territory that is economically and socially tied to the urbanized core, as evidenced by workforce commuting patterns. Micropolitan areas must have an urbanized area of at least 10,000 population but less than 50,000 population and must include at least one county. The rankings are based on the area's level of consistent quality growth over an extended period of time, using various data sectors, such as

POLICOM'S Study

The economic strength study measures twenty-three different economic factors over a seventeen-year period. The formulas determine how an economy has behaved over an extended period of time.

the growth of workers' earnings, overall economic stability, and per capita income maintenance.

The City of Shawano is a Micropolitan Area and was ranked 286 out of 542 in 2020. The adjacent Metro areas of Green Bay (ranked 72 in 2020), Oshkosh (107), Appleton (89), and Wausau (171); as well as the Micro areas of Stevens Point (22), and Wisconsin Rapids / Marshfield (108) are represented. These economic health rankings show that all neighboring Metro economies were in the top 1/3 of the national rankings, and all neighboring Micro economies were in the top 1/5. The greater east-central region of the State has a high level of economic health when compared on a national level.

LOCAL ECONOMIC DEVELOPMENT ACTIVITY

Map x, Existing Land Use, shows the location of current economic development activity in City of Shawano. These are the areas categorized as Commercial and Industrial. Commercial development in Shawano is mostly concentrated along East Green Bay Street and in downtown, while Industrial uses are located in the eastern half of the City and southeast of downtown. Additionally, with a major employer relocating its facility in 2019, there is potential for increased commercial development along the County Highway B corridor.

As stated in an earlier section of this chapter, the City has five (5) active TIDs. Tax Incremental Financing (TIF) is a powerful economic development tool municipalities use to promote economic growth. A Tax Incremental Districts (TID) is created by a municipality as a way to promote tax base expansion. It allows a municipality to capture gross property tax revenues from new development within a defined area to pay for improvements within that area. When a TID is created, the existing value of the district is frozen. Any new value generated in the district or the increment is used to support the district for things such as infrastructure, land acquisition, development revenues, etc.

An inventory of vacant sites could create potential for future infill, and the brownfields identified in Table x.x., if property remediated, could provide additional sites for opportunity.

ECONOMIC DEVELOPMENT ASSESSMENT AND FOCUS

The Wisconsin comprehensive planning statute requires that this Plan “assess categories or particular types of new businesses and industries that are desired by the local government unit.” Figure X.X considers strengths and weaknesses for economic development in the City of Shawano. Based on these strengths and weaknesses, the City’s desired economic focus is reflected in the goals, objectives, policies, and recommendations below.

In addition to what is noted below, it was mentioned that Wisconsin Manufacturers and Commerce released a report in 2020 titled *Revitalizing Rural Wisconsin*. The report identified five top challenges facing rural communities:

1. Limited Rural Workforce Availability
2. Rural Gaps in Broadband

3. Stress on Rural Legacy Industries
4. Lack of New Rural Housing
5. Affordability of Rural Healthcare

Overall consensus is that, despite these being listed as five challenges in the report, Shawano has a strength in these areas; however, there may still be limitations and areas of improvement, which are identified below.

Given that economic development is multi-faceted, the strengths and weaknesses were grouped into three main categories: Assets, Overall Business Climate & Availability of Goods and Services, and Quality of Life Factors.

Assets

Strengths	Weaknesses
Highway 29	No business incubator program/lack of entrepreneurial support programs
Green Bay Road Corridor	Lack of skilled labor
Housing program hosted through the City to renovate second floor of buildings on Main Street	Could increase the number of economic development programs
Availability of local lenders	
Geographic position	
Hospital is a draw for business	
Shawano is the County Seat	

Overall Business Climate & Availability of Goods and Services

Strengths	Weaknesses
History of successful companies	Lack of retail
Smaller business districts	Vacant storefronts downtown
Diversity of businesses	Regulations
Downtown provides specialty shops	Need to identify government and business leadership
Concept of remote work may make it possible for people to work remotely while living in Shawano and vice versa	Businesses lacking along Mountain Bay State Trail
Largest economic development district in the County	Employment base needs to grow
Potential for workforce	Need to do more to “sell” the community to potential employers
	Pay scale and lack of high-paying jobs
	Right up against the balance with TIDs
	Not aggressively recruiting businesses to the community
	Vacant, blighted properties (downtown and Green Bay corridor)—there has been a long

	history of this, and this will take time to address
	Second floors of downtown buildings are underutilized
	Size of buildings

Quality of Life Factors

Strengths	Weaknesses
Cost of living is less when compared to other communities	Drugs are an issue
Safe community	Lacking housing
Housing is affordable	
Abundance of natural resources	

GOALS

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