

**Date:** January 18, 2017  
**To:** Joe Parisi  
Jeff Kostelic  
**From:** Dave Phillips  
**Re:** Overview - Economic Development

**Traditional economic development is thought of as serving the needs of businesses on issues such as business retention, expansion, supporting start-ups and entrepreneurs, and assisting with workforce development. It also involves working with cities, villages, and towns on their economic development and quality of life priorities such as downtown revitalization and business attraction.**

**This calls to mind longstanding practices of building housing, retail centers, investing in industrial parks, attracting new businesses and retaining existing businesses - all efforts to boost municipal tax revenue. These approaches are often costly, zero-sum, and do little to address social gaps in the targeted areas. Furthermore, they don't satisfy the demands of the modern economy, which requires concerted efforts to help firms, workers, and communities adapt effectively to new technologies and global competition.**

**Current thinking defines successful economic development as positioning communities on a path of long-run growth (*growth*) by improving the productivity of individuals and firms in order to raise local standards of living (*prosperity*) for all people (*inclusion*).**

**In Dane County, we have a unique network of organizations involved in economic development. Following is a partial listing:**

- **Wisconsin Economic Development Corporation (WEDC)**
- **UW Office of Corporate Relations**
- **Wisconsin Alumni Research Foundation (WARF)**
- **MadREP**
- **Greater Madison Chamber of Commerce**
- **Municipalities with economic development offices (DeForest, Fitchburg, Mt. Horeb, New Glarus, Stoughton, Sun Prairie) supplemented with Chambers of Commerce in most communities**
- **Utilities (Alliant Energy, Madison Gas & Electric)**
- **Organizations representing ethnic groups**
- **Wisconsin Women's Business Initiative (WWBIC)**
- **Wisconsin Business Development Organization (WBD)**
- **Organizations providing worker training**
  - **UW Small Business Development Center**
  - **Madison College**

- Madison Metropolitan School District
- Workforce Development Board

This is by no means an exhaustive list. There are numerous others working in economic development. The fact that economic statistics show Dane County as leading the state in all those pertinent and positive measures of economic success indicates those organizations are doing a good job.

The existence of these economic development organizations coupled with the lack of available county controlled financial incentives raises the question of what niche Dane County can fill to supplement and add value to the efforts that are already occurring? The answer is that the County should continue to concentrate its efforts on prosperity and inclusion.

Working effectively in these areas, the County's goals are to:

- Ensure that all residents will participate in and benefit from the economic growth and success of the County.
- Identify the labor needs of firms in the targeted industry sectors of the County.
- Insure the labor force is not just available but trained to meet those identified needs.

Achieving these goals, our businesses and industries will be able to grow and compete in the global market place. Concurrently, and equally important, the County will raise local standards of living (*prosperity*) for all people (*inclusion*).

The Office of Economic & Workforce Development is organized and functioning to meet the goals of prosperity and inclusion. Following is a brief overview of that office:

#### Office of Economic & Workforce Development

##### A. Basic Functions

- a. CDBG/HOME/RLF/AHDF
  - i. Identify community needs
  - ii. Publicize
  - iii. Administer
  - iv. Monitor
- b. ED & WD
  - i. Provide Information
  - ii. Facilitate/Convene
  - iii. Monitor

##### B. Activities & Performance Measures

- a. CDBG/HOME/RLF

- i. Act as staff to Commission providing information, performance data and guidance
- ii. In accordance with Citizen Participation Policy, assess market needs and identify priority areas for targeting funding
- iii. Effectively and efficiently manage HUD funds allocated to County
- iv. Monitor grantees to insure stated program goals are met
- v. Work with grantees to insure compliance with federal and State rules and regulations
- vi. Compile and submit federal and state program reports
- vii. Market and administer RLF funds
- viii. Work with borrowers to insure compliance with loan agreements

**b. ED & WD**

- i. Act as staff to Commission providing information, performance data and guidance
- ii. Disseminate economic development information to County municipalities and economic development organizations and individuals within those municipalities
- iii. Maintain web site and respond to all inquiries generated from web site
- iv. Provide data to individuals and/or organizations seeking site location information
- v. Make direct referrals to communities meeting site location needs
- vi. Work with individuals and organizations seeking information on financial assistance available through Dane County and other sources of financial assistance and incentives
- vii. Identify skill and infrastructure needs of businesses
- viii. Work with workforce development organizations to insure needs of targeted business segments for qualified, trained workers are being met
- ix. Improve incomes and living standards of county residents through training and education
- x. Work with existing ED organizations to insure needs of business and workforce are being met

**c. AHDF**

- i. Publicize availability of funds to current and potential housing providers
- ii. Respond to all inquiries regarding the available funding
- iii. Convene Staff Team
- iv. Monitor grantees and compile performance data on funded projects
- v. Report performance results to County Executive and Board

### **C. Possible Mission Statements**

- **Put county on path to higher economic growth by improving the productivity of firms and people in ways that lead to better incomes and higher living standards**
- **Promote growth, prosperity and inclusion that will yield better outcomes for all residents and enable those residents to reach their highest potential and fulfill their life-style aspirations**
- **Help to create opportunity-rich neighborhoods where individual residents can reach their highest potential through education and training**
- **Prioritize innovation, skills training and infrastructure needs of existing firms over the efforts to attract new firms**
- **Plan and implement key strategic initiatives focused on building a stronger, more innovative, and more inclusive local economy**

### **D. Specific Goals – 2017**

- **Add two new RLF loans to portfolio**
- **Promote the availability of Section 108 loans to Urban Consortium members**
- **In the RFP process, generate responses from three first-time applicants for CDBG/HOME funds**
- **Partner with City of Madison to develop a regional AFFH plan**
- **Aggressively market micro-loan/grant program to LMI individuals and agricultural entrepreneurs**
- **Conduct multiple public hearings to identify community needs and priorities**
- **Fill open positions on commissions with individuals representing all sectors of the population**
- **Coordinate HOME, CDBG and AHDF grant award timelines to insure projects have Dane County awards in place for their applications for WHEDA tax credits**