# Strategic Economic Development and Marketing Plan



### VILLAGE OF KRONENWETTER



Prepared By: Vierbicher



### Village of Kronenwetter 2011 Economic Development & Marketing Plan



#### Adopted by the Kronenwetter Village Board on: December 12, 2011

Special thanks to the members of Kronenwetter Village Staff, Economic Development and Marketing Committee and the Redevelopment Authority who contributed their time and expertise to crafting a vision for Kronenwetter's future.

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Thank you also to all those individuals who agreed to be interviewed, participated in the online survey and otherwise provided input and guidance which led to the completed Economic Development Plan.

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Wisconsin Economic Development Corporation

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#### Introduction

The following economic development plan was prepared by the Village of Kronenwetter in response to the fiscal and business climate resulting from the recent recession and its impact on development in the community. This is a strategic plan, intended to recommend short-term actions to strengthen the local economy.

This plan emphasizes regional collaboration, residential and business engagement, continuous process improvement, responsive customer service and stewardship of local resources. As such, the plan accommodates the changing needs and desires of the local community while responding to emerging regional and national economic, business and demographic trends.

The commitment of Village leaders to follow through with the recommendations of this plan should be viewed as an investment in the future of Kronenwetter. The economic development vision, stakeholder outcomes and benchmark goals and objectives introduced in this plan provide a strategic pathway for moving the community forward as it continues to grow and evolve within the region.

#### **Project Overview**

The following plan is the result of an eight month process involving Vierbicher staff, the staff and elected officials from the Village of Kronenwetter and input from numerous community and regional citizens, stakeholders and interested parties, facilitated by Vierbicher staff. Kronenwetter is a growing community conveniently located between Wausau and Stevens Point. Despite being relatively unknown outside the immediate area, the Village has grown rapidly over the past decade, attracting residents seeking affordable large lot home sites. Kronenwetter is home to 7,200 residents and numerous businesses with regional and national presence. Interstate 39 passes through the community, with visibility from nearly 35,000 vehicles per day, and Old Highway 51 also offers convenient commercial access. With sandy soil and ample available land, Kronenwetter offers a desirable growth destination in the path of expansion from the Wausau metropolitan area.

The Village faces several internal challenges, the most pressing of which are several underperforming and competing tax increment districts, a reputation for disorganization in development planning, and lack of a coherent economic development vision. External challenges include the lack of available rail spurs or full highway interchange access, and little regional recognition of the community as a business destination.

Recognizing the significant issues influencing future growth and development, and faced with closure and downsizing by several employers, Kronenwetter applied for Community Development Block Grant funding in December of 2010 for the purpose of creating an economic development plan.







Upon receiving the award of that grant, Kronenwetter contracted with Vierbicher to create a plan which would:

- Identify uses, necessary improvements and potential sources of financing for redevelopment of the Interstate39/Highway 51 corridor.
- Identify opportunities for business growth in Kronenwetter based on local or regional economic drivers.
- Identify specific industry recruitment targets based on competitive advantages offered by locations within the Village of Kronenwetter.
- Formulate an economic development strategy, implementation plan and marketing materials to aid the Village in achieving the goals set forth in this Plan.

The planning process involved several components, including:

- Review of existing Village processes, procedures, ordinances and policies
- Local and regional market data analysis
- Real estate and financial analysis
- Stakeholder interviews
- Community values survey
- Competitive position assessment
- Economic Development Visioning and Strategy Development
- Recommendations and Implementation Items.

The end result of the project was a vision statement for Kronenwetter's future economic development efforts, namely:

Kronenwetter is a safe, growing, familyoriented community strategically located between Wausau and Stevens Point with a highly educated and skilled workforce and a focus on promoting economic opportunities while preserving a high quality of life.

Additional deliverables included a community profile piece for use in marketing Kronenwetter to potential businesses and developers, and a 5year implementation plan including action items which would move the community towards its stated vision by focusing on economic and stakeholder outcomes as well as internal objectives to increase organization effectiveness in delivering economic development services for the Village.

As the Village moves through the next phases of implementing the plan, many strategic items will be put in place to improve the level of transparency, service quality and reliability within the community. These will build the framework for a forward-thinking community focused on effective and efficient means of creating economic opportunities within its borders.







#### **Competitive Position**

The project began by evaluating regional economic strengths, industry clusters and current economic development initiatives for Kronenwetter specifically, and also for neighboring and comparable regional communities. This scan identified industries which represent an opportunity based on regional strengths and existing industry presence, and also identified strategies being used regionally which the Village can leverage in its own economic development efforts. The major industry clusters identified in the regional efforts include Manufacturing, Agriculture and Forestry, Tourism, Healthcare, Education, **Research and Professional Services. Each of** these industries includes a broad mix of company types, many of which are potential candidates for recruitment to Kronenwetter.

The second step in the analysis focused on local strengths, including economic, political, geographic and industry specific drivers which have influenced growth in Kronenwetter and/or might present a competitive advantage in the future. This scan evaluated residential, business and general development trends in the region and in key competitive communities to identify Kronenwetter's position in the region. Overall, the Village boasts a young and highly educated residential population which largely commutes to work in neighboring Wausau and surrounding communities. While residential growth has been strong, the growth in local employment and

business establishments has been in decline since 2007, before the start of the recession. The strong residential growth and changing status of the recently incorporated Village (2002) resulted in a significant increase in land valuation. While Kronenwetter remains an affordable destination, inflated value perceptions by some land owners limit development potential in the short term. Long-term, however, development pressure in the community is anticipated to be significant, with regional forecasts pointing to nearly 20% of residential and 26% of commercial growth in the Wausau metropolitan area occurring in Kronenwetter through 2030. This level of new development would bring 2,300 new residents and 3,600 new employees to the Village over the next two decades, which is enough population to support up to 200,000 square feet of community-serving retail. Despite this growth, in 2030, Kronenwetter will still have 11% of Village land in agricultural forests, 33% forested, 16% agricultural and an additional 19% in an undeveloped state.

In comparison to regional communities, Kronenwetter stands out for its high rate of recent population growth and low property taxes. It also compares favorably in terms of household income and school test scores, but less well on measures of municipal fiscal health and price per acre for available land, which is largely not marketed, potentially limiting activity by active businesses and developers.





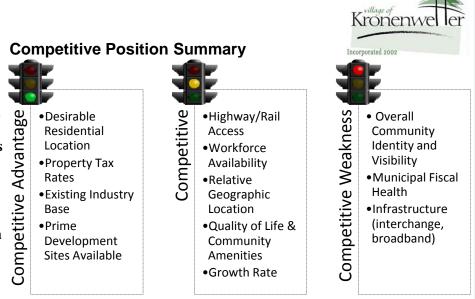


The following graphic illustrates the competitive position of the community on a number of issues which are considerations for residents and businesses making relocation decisions. Kronenwetter's business opportunities were relatively unknown in the region, but the community's reputation was generally favorable and improving, with positive recognition of recent efforts in contrast to the 'seat of the pants' style of previous Village administrations. The community is clearly an area in transition, with 50% of residents perceiving its current status as 'rural changing to suburban.' This is also evident in the split between residents who appreciate the Large Lot Home Sites (23%) and Suburban Style Neighborhoods (26%). Still, a majority of residents were supportive of economic growth, especially the growth of existing and startup businesses and addition of commercial development. A majority of all residents desired fiscally responsible government and maintenance of low property taxes, while family households and new residents also favored increased focus on schools and area aesthetics.

#### **Target Industry Opportunities**

Based on Kronenwetter's competitive position, several industry clusters make sense as primary recruitment targets. However, it is important to note that retention of existing industries is of equal importance to the Village, and any future economic development plan should incorporate both recruitment and retention strategies.

Instances where regional industry strengths provided subsets of companies for which Kronenwetter's unique assets pose a competitive advantage provide the opportunity to selectively recruit. Some of the unique assets which are most marketable include geographic location, convenient access, and low cost of doing business. The initial industry clusters where these elements resonate most include manufacturing, agriculture and forestry, and finance and real estate service businesses. Specific sub-clusters which were identified as primary targets include metal fabrication and finishing, logistics, information services, wood products, food



processing, HVAC, architecture and construction, finance and insurance, and real estate services. Further analysis of industry trends further prioritized those industries which are likely to experience short term demand growth, including metal fabrication, logistics, specialty agriculture and information/technology. Currently, the lack of existing facilities is a limiting factor for recruitment as companies are able to meet space needs with existing facilities available for sale and lease at below-replacement cost. Kronenwetter should focus on establishing a competitive position within the market for the next construction cycle. Commercial real estate firms estimate that vacancies in the Wausau area should shrink to an equilibrium state where construction may be an option by 2014. This gives the Village time to streamline its development review process, establish processes and guidelines for working with business prospects, and develop marketing materials tailored to target business sectors.

#### **Economic Development Vision & Strategy**

In order to create a realistic and compelling economic development vision statement, community leaders were surveyed to identify key phrases which best captured the spirit of what Kronenwetter should become. Terms such as Family Oriented, Growing, Clean and Safe and Responsive resonated most with the group, which then selected from several structures and collaboratively selected the ultimate vision statement. The group then used a strategy mapping process to focus on the economic and stakeholder outcomes which would illustrate the arrival at this vision. The strategy map below illustrates these core community values.



Additional discussion on specific economic development tools and strategies which could be utilized to achieve these outcomes included

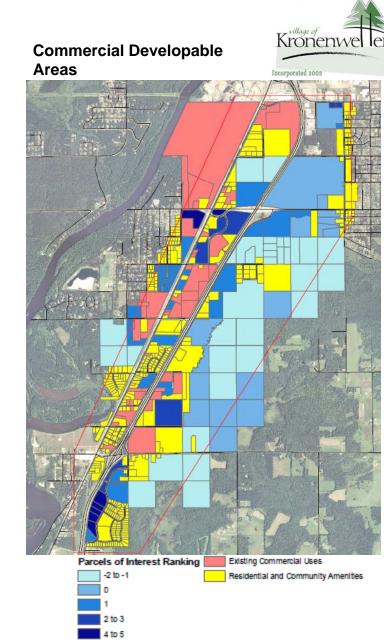
an analysis of existing regional efforts which could serve as partnerships for the Village, and other areas where Kronenwetter may have to take a leading role in initiating activity. Areas identified for partnership activities included business retention and expansion, education, infrastructure development, business cultivation, business recruitment, and agriculture and forestry. Some areas where Kronenwetter may need to initiate programs in order to capitalize on economic development opportunities include telecom, distribution, pass-through visitor services and bedroom community amenities.



#### **Real Estate and Financial Planning**

During the course of the project, it became evident that the competing multiple Tax Increment Districts (TIDs) within the study area presented an important opportunity, but also created financial constraints for the Village. The four tax increment districts included three industrial districts and one mixed use district, with a combined 750 acres of land. When the districts were created in 2004, the fast paced development environment led to fairly aggressive projections which were stymied by the recession. As a result, the districts possess a combined debt load of \$21.8 million. Given the current average peracre new development value of \$370,000 within the districts, and assuming that Kronenwetter receives its share of planned growth in the region, two of the three districts are anticipated to cash flow by the end of their term. TID 2, as a mixed-use district, also has some potential as the residential market returns. The remaining district, TID 1, contains the largest percentage of debt due to the cost of improving infrastructure adjacent to the Kowalski Road Overpass. Despite this large existing debt, less than 70 acres of land are fully improved and available for development. Even if they are developed over the next five years, the district would still need an additional seven years beyond the end of its life to cash flow. The newly passed distressed TID legislation would allow for this option, but would require the Village to commit to not making further modifications to the TID before applying for the distressed designation no later than spring of 2015.

With the significant amount of land resources and limited infrastructure funds, the Village needed a way to prioritize development spending. A map was created which highlighted priority development sites based on relative land value to developers. These relative values were based on parcel size, presence of limiting floodplain or utility service, existing road infrastructure, presence of commercial or industrial zoning, location within a Tax Increment District and highway visibility. The resulting map shown at right and illustrated in Chapter 8 of this document can help the Village to prioritize development spending within the primary commercial corridor.



#### Implementation

The ultimate objective of this strategic planning process is the ability to implement initiatives and move the Village towards its identified vision. While the Village must make budgetary and resource allocation decisions which will influence its ability to initiate individual initiatives, some of the broad recommendations which arose from the report are highlighted in the following timeline for implementation. This five-year timeline includes major milestones for Kronenwetter's economic development program including the formalization of an organizational structure, implementation of specific policy and procedural changes, and additional program development. More information on these and

#### **Implementation Timeline**



#### other recommendations, including the necessary steps for implementation, can be found in Chapter 9.

#### Conclusion

This report represents a snapshot of the local and regional opportunities and challenges associated with the Village of Kronenwetter during 2011. As local and regional economic drivers and demographic trends evolve and change, Kronenwetter will undoubtedly face the need to grow and adapt to emerging market opportunities and citizen needs.

The implementation component of the plan represents an acknowledgement of the need for local government to work

				proa
12 Months	2 Years	3-5 Years	Long Term	secto the n
<ul> <li>Formalize Economic Development Structure</li> <li>Start Business Retention Visits</li> <li>Establish Development Review Policies &amp; Procedures</li> <li>Create Marketing Plan</li> <li>Update ED Package and Village Website</li> <li>Install Entrance Signage</li> <li>Expand regional participation</li> <li>Outdoor Recreation Plan</li> </ul>	<ul> <li>Review/Update Zoning and Other Ordinances</li> <li>Create Quarterly Business Council</li> <li>Develop Granting/ Public Finance Plan for future projects to leverage outside dollars</li> <li>Community Values Survey</li> <li>Coordinated Infrastructure Plan in Place</li> </ul>	<ul> <li>Host Signature Kronenwetter Event</li> <li>Annual Realtor Tour</li> <li>Old 51 Renewal Program</li> <li>Targeted Development Planning &amp; Recruitment</li> <li>Targeted Industry Recruitment Materials/ Outreach</li> <li>Make Decision on TID 1 Distressed Application</li> </ul>	<ul> <li>Advocate for Full Interchange at Kowalski Road</li> <li>Address Existing Land Use Conflicts</li> <li>Explore Bridge over Wisconsin River</li> </ul>	exist from the d initia to be Villa the f Villa proce Econ deme Villa effec deve

proactively to attract and direct private sector investment in the Village, as well as the need to coordinate with and leverage existing regional efforts and assets. Input from citizens and business was essential for the development of this document and its initial recommendations, and will continue to be an important component of the Village's economic development strategy in the future.

The investment of time and money by Village leaders to undertake this planning process, with the support of the Wisconsin Economic Development Corporation, is a demonstration of the commitment of the Village to developing an efficient and effective approach to economic development, and as an investment in the future of the community as a whole.



# Preface: Introduction and Project History

### Introduction

The following economic development plan was prepared by the Village of Kronenwetter in response to the fiscal and business climate resulting from the recent recession and its impact on development in the community. This is a strategic plan, intended to recommend and guide short-term (3-5 years) actions the Village can take to strengthen the local economy.

Several principals guide the preparation of this plan:

- Local economic development is a regional team sport. Multiple organizations and individuals must work in collaboration, not in competition, within the region to achieve local success at economic development.
- Economic development strategies must be focused on specific drivers of economic outcomes that can be controlled and measured by the organization preparing the plan.
- Strategies must take into account the capacity of the organization and the resources available to implement.

Some may wonder what a local unit of government can do about local economic conditions. After all, the economy is much bigger than the Village of Kronenwetter. The greatest value local government can bring to economic development is ensuring that it functions as efficiently, effectively and openly as possible while being responsive to the needs of residents and businesses. If local government can do this, then the critical services provided by government which form the foundation for a strong economy, can be delivered with the highest quality at the lowest cost. Highquality, low-cost local government services will facilitate the movement of goods and delivery of services, the security of trade, the health and safety of the workforce, and the ability to make timely investment decisions. Striking the proper balance between high service levels and low taxes impacts the competitiveness of local businesses. This, in turn, helps local business grow, results in the creation of more jobs and creates a positive environment for new investment.

2011 Village of Kronenwetter Economic Development & Marketing Plan



The commitment of Village leaders to follow through with the recommendations of this plan should be viewed as an investment in the future

of Kronenwetter. The economic development vision, stakeholder outcomes and benchmark goals and objectives introduced in this plan provide a strategic pathway for moving the community forward as it continues to grow and evolve within the region.

The Village of Kronenwetter has the potential to capture a quarter to a third of all the future growth of the Wausau region. This tremendous potential can be realized if the Village makes a commitment to the efficient use of resources, engages with the region and provides consistent results for individuals and companies who choose to invest in Kronenwetter. This plan emphasizes regional collaboration, residential and business engagement, continuous process improvement, responsive customer service and stewardship of local resources. As such, the plan accommodates the changing needs and desires of the local community while responding to emerging regional and national economic, business and demographic trends.



### **Project History & Objectives**

The Village of Kronenwetter, utilizing federal community development block grant funding, has prepared an economic development strategy that capitalizes on regional efforts and unique assets and opportunities within the Village.

#### Vision for Kronenwetter

The vision that was developed through this process, and which provides the framework for the implementation portion of this plan is as follows: Kronenwetter, Wisconsin is a safe, growing, family-oriented community strategically located between Wausau and Stevens Point with a highly educated and skilled workforce and a focus on promoting economic opportunities while preserving a high quality of life.

## Kronenv Incorporated 2002

#### What are the goals of this process?

- Take advantage of federal grant money to create strategic economic development plan.
- Identify likely uses, necessary improvements and financing plan for Old Highway 51 corridor including TIF districts.
- Examine the regional economy to identify opportunities for business growth in emerging and/or support industries.
- Identify the industries which could provide potential recruitment targets based on the competitive advantages of Village amenities and the locational needs of the industry.
- Use information obtained to develop marketing materials and a strategy to implement plan recommendations.





# Chapter 1: Existing Conditions: Regional

### **Regional Conditions Summary**

Kronenwetter's location in Marathon County provides the potential for leveraging not only State of Wisconsin economic development initiatives such as Locate in Wisconsin, but also regional initiatives from Centergy and, more immediately, from Marathon County Development Corporation (McDEVCO). These entities offer significant opportunities, including access to industry research, established business retention programs, and education and training information. They also operate and serve as a central clearinghouse for grant and loan programs available to businesses for capital expense, training and relocation expenses. These entities are valuable to Kronenwetter for their role in marketing the region as a business destination, the ability to partner on large business relocation prospects to leverage coordination from state and regional resources, and to assist with advice and information for local initiatives that Kronenwetter may undertake such as entrepreneurial development, marketing or retention activities.

Extensive research has been conducted by the state and regional entities regarding industry clusters and opportunities for supply chain and vendor or client recruitment. Regional strengths have been identified in the following industries: Retail, Construction, Plastics, Insurance, Paper, Petro-Coal and Wood. Specific sectors identified for regional growth include advanced manufacturing (metal fabrication and finishing, plastics, technology and logistics) and Agriculture and Forestry (bio-fuels, cellulose, wood composites and specialty agriculture). Additional resources have been designated for education, infrastructure and research industry expansion.

Many of the industries that are targeted at a regional level are also present in Kronenwetter, and many prospective recruitment targets will be companies with regional suppliers or vendors with Regional strengths have been identified in the following industries: Retail, Construction, Plastics, Insurance, Paper, Petro-Coal and Wood.

which these regional economic development entities interact, potentially providing the ability to apply additional leverage to complete a transaction. Information obtained from the Central Wisconsin Convention & Visitors Bureau identified 58% of prospective businesses as coming from elsewhere in the state, so it is likely that companies will target an entire region when seeking a new site. However, as regionally focused entities, neither Centergy nor McDEVCO can place greater emphasis on individual communities, and Kronenwetter cannot rely on them to steer businesses specifically to Kronenwetter, but only to provide information which can be passed on to prospects to enable them to make educated decisions. Both entities offer mechanisms for area communities to access this type of information online and in print formats.



### Identifying Kronenwetter's Role in the Region

Identifying existing initiatives, tools and resources ensures that Kronenwetter's efforts will be focused on actions which will further local goals, leverage existing resources and minimize duplication of efforts or services. This review will examine the following components:

#### **Regional Economic Development**

 Working within the framework of existing County, regional and state-wide groups enables the Village to access additional technical and industry expertise where necessary and focus on individual business needs and drivers of its local business citizens and prospects.

#### **Regional Economic Strengths & Industry Clusters**

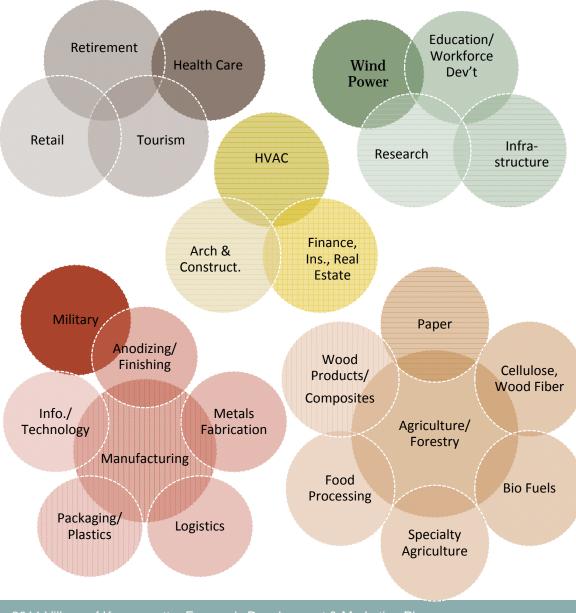
- Identify existing and emerging industry clusters which may provide opportunities for Kronenwetter to recruit associated or related businesses and suppliers. Industry clusters include company types which are concentrated in the area and enjoy a benefit from locating in the region because of a concentration of raw materials, knowledge and labor availability and/or client base. Identifying industries which are already concentrated in the region and their suppliers and vendors can help identify companies which can benefit from these same advantages.
- Identify opportunities where Kronenwetter may need to focus locally to develop a particular industry sector which does not fall into those categories targeted regionally.



#### **Core Economic Development Strategies**

 Several of the core economic development strategies utilized on a regional basis provide benefits to Kronenwetter businesses, including efforts to recruit supply chain businesses, increase entrepreneurial opportunities and training, and efforts to recruit large-scale employers to the region. Kronenweller

# Regional Target Industry Clusters



Kronenweller

Current regional areas of focus include broad industry

clusters such as manufacturing and agriculture where local strength already exists, as evidenced on the map on the following page. Specific industries within these clusters have also been identified as targeted recruitment and retention efforts based on local strengths including natural resources, workforce skills, and supply chain linkages. Many of these industry clusters also have overlap with ancillary suppliers and vendors including the military, construction, finance and insurance, and these complementary industry needs have also been addressed through regional efforts.

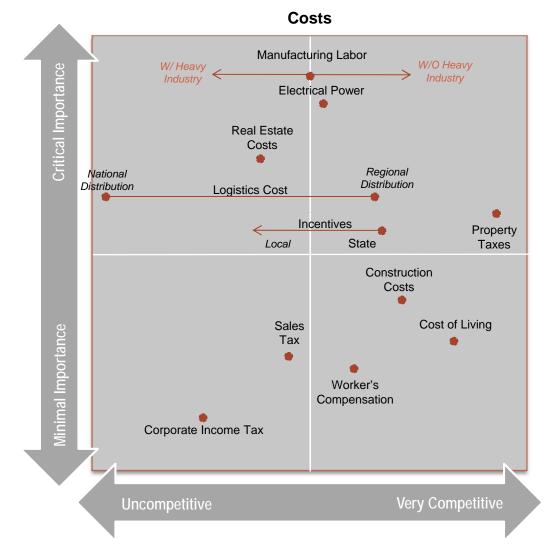
Emerging clusters identified as priorities include retirement, health care, and tourism, which have been selected to address the aging population base throughout Central Wisconsin; and research, infrastructure, education and wind power, which have been identified as emerging industries with potential for the region. Tourism is also a sector which a continued focus in the area given the central location of Wausau in the state and significant pass-through northbound traffic as well.

Kronenwetter has existing companies within many of these industry clusters, and additional growth opportunities will be evaluated based on the Village's competitive position within the region.

#### **Regional Cluster Map** Kronenwe Incorporated 2002 adissor 3 Rhinelander Exeland 3 Flambeau Rive 141 3 State Forest Research 27) 83 32 Forestry [8] Prentice [8] Hawkins Retirement Nicolet (13) Tomahawk Ladysmith Bruce 141 Weyerhaeuser 17 1000 1451 Wausauke thetek Wausau Rib Lake Sheldo 51 141 Retail 13 52 Forest Legacy Program 32 Crivitz Construction 64 Merrill Gilman 64 (64) Medford Plastics White Lake 64 Eau Claire ublin Insurance Coleman [53] Retail Paper Dorche Petro-Coal Education 2 Withee Abbotsf Chippewa Falls Owen (29) (29) Lena Medical Colby Green Bay Oconto Falls Lake Halle Greshan Unity 1413 Research Eau Claire Paper Stratford 29 (49) Spencer Printing Loyal [41] Metal Wood Augusta Embarrass Marion 153 Rosholt Construction Clintonville 93 Milladore Fairchild 10 Marshfield Junctio Neills ndovi Eleva Health Osse Strum 34 Medical lola Tourism 94 Scandinavia Merrillar Pigeon Falls Alma Center Oade 12 10 Fox Valley Stevens EA13 Whitehall Wau 54 Black River Independence 51 Plastics Point State Forest Chain O' Lakes-King Black Food Almond Arcadia (95) Education **River Falls** Appleton Menasha Equipment Paper lainfield Wild Rose Brillion Ettrick Neenah Reedsville 2011 Village of Kronenwetter Economic Development & Marketing Plan

### **Regional Strengths & Weaknesses**

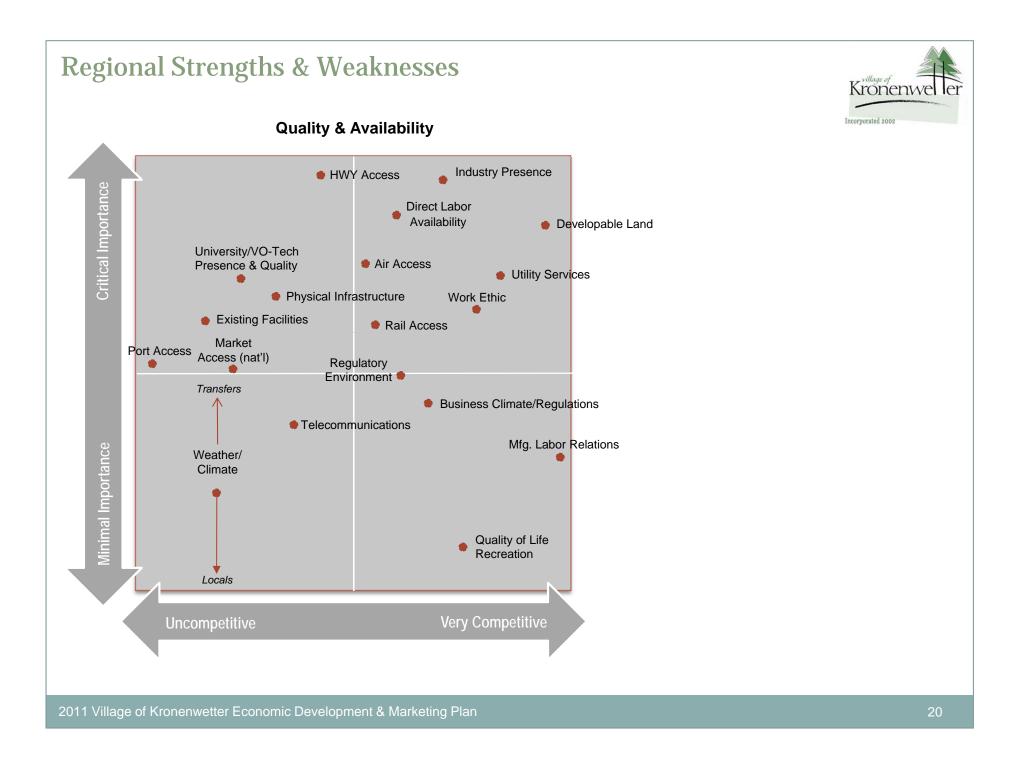




In addition to identifying existing regional industry clusters, an assessment of regional strengths and weaknesses was created. This assessment focuses on both the quantifiable costs and qualitative factors that influence location decisions. Although the region shows certain strengths based on its existing business mix, focusing on areas which may be current weaknesses can help with both recruitment as well as business development, and can encourage growth from within.

Some areas where the region has a distinct competitive advantage include regional distribution networks, inexpensive property taxes and relatively low labor and utility costs. The area is strongest in qualitative factors, featuring an available and loyal workforce, high quality of life, ample land opportunities and an overall strong business climate.

However, there are some areas which are weaker than elsewhere in the state, some of which can be addressed and others which will limit opportunities in sectors where these factors are of critical importance. Areas where improvements can be made include infrastructure improvements such as telecommunications and utilities to major sites, and business relations and retention activities.

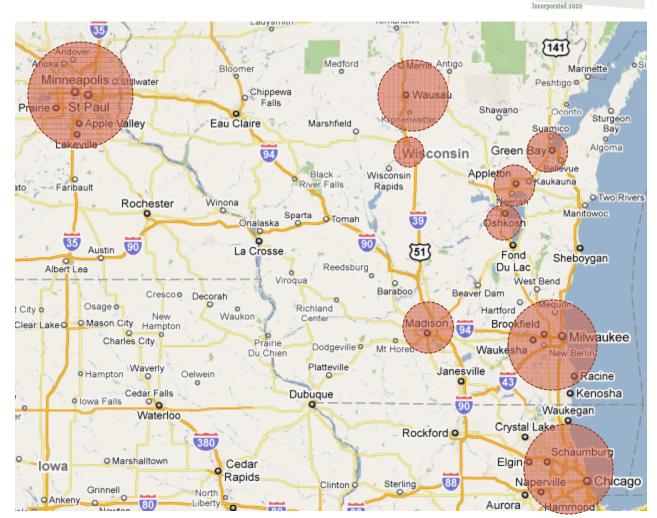


### Visitor/Relocation Activity – Who is Interested?

Another important component of regional positioning is identifying the source of prospective residents and businesses. Many studies have shown that businesses and residents who relocate to an area had previously visited the area for business or personal travel. Thus, areas which contribute to the local tourism economy and which make the Wausau region attractive to visitors are also potential sources of new residents and businesses.

Information from convention and visitor's bureaus collected for the Brand Marathon County effort identified the following areas as the source of a majority of inquiries and requests for information. For the purposes of the study, inquiries included both visitor information and residential and commercial relocation packages. In summary:

- 54% of visitor inquiries were from In State
- 58% of surveyed businesses look only in state for site selection



Source: Central WI CVB/Brand Marathon County

Kronenv

### **25 Core Economic Development Strategies**



Business Retention & Expansion	Business Cultivation	Energy Development	Cultural Tourism	Local/Regional Tourism
Downtown	Attracting	Business	Entrepreneurial	Telecom
Development	Retirees	Recruitment	Development	Business
Value-Added	Destination	Education	Health Care	Bedroom
Agriculture	Tourism	Development		Community
Infrastructure	Attracting Lone	Environmental	Transportation	Value-Added
Development	Eagles	Restoration	Distribution	Forest Products
			Center	
Value-Added Fisheries	Value-Added Mining	Pass-Through Visitor Services	Center Attracting Government Jobs	Attracting Government Funding

A survey of existing regional efforts identified the primary economic development strategies that are currently being employed. This information will help to focus local efforts which can take advantage of existing initiatives and minimize redundancy. Understanding how these programs are being carried out will help to focus the Village's limited resources in an efficient and effective manner. Such programs include:

**Education & Training:** SCORE Workshops, Entrepreneurial Training, Training Grants, Workforce Needs Assessment Program (WorkKeys)

**Financial Assistance:** McDEVCO Revolving Loan Fund, Jobs Tax Credit Program, Facility Investment Credits, International Investment Assistance

#### **Industry-Targeted Assistance:**

Transportation Support Training, Manufacturing Supply Chain Analysis, Agriculture & Tech Zone Incentives, Market Information, Industry Cluster Database

**Marketing & Outreach:** Available Property Database, Trade Show Presence, Targeted Industry Marketing, Industry Networking Events

### **Regional Conditions Takeaways**

In summary, the Wausau region is less well-known than other metropolitan areas by outsiders, making marketing and outreach more important from an economic development standpoint. However, significant efforts to proactively address marketing needs on a regional basis will help raise awareness of the region as a whole. By participating in regional initiatives, Kronenwetter will be able to take advantage of economies of scale and promote its position within the region to targeted markets already being addressed on a regional basis. This presence will provide an equal opportunity to attract its share of suitable leads which are generated at the regional and statewide levels.

On the economic development front, there is an established network of existing partners actively working to retain existing larger employers, including those in Kronenwetter. These retention visits are a key part of a successful business retention campaign, and the Village should participate in visits with companies located in Kronenwetter. Recruitment initiatives at the regional level includes outreach to advanced manufacturing and applied agriculture which can also benefit the Village. Marketing materials and information on operating advantages developed at the local level should be provided to regional groups to make sure that they are aware of specific opportunities within Kronenwetter and understand the Village's goals for new business development. Additionally, when working with existing or new businesses, these regional entities have access to a diverse set of tools to assist with a variety of specific business climate issues including workforce training, business loans and technical assistance.



Incorporated 2002









# Chapter 2: Existing Conditions: Local

### **Local Conditions Summary**

Kronenwetter's key demographic includes family households, 36.3% of which include children. The average age of residents is 37.3 years, and they tend to be educated (27.6% possess a college degree), and own their own homes (83.7%). Kronenwetter serves as a bedroom community for Wausau, with a significant percentage of the working population commuting to this area on a daily basis. Additional portions of the population commute to Weston and Mosinee, and a few residents travel as far away as Marshfield and Clintonville. Residents are attracted to Kronenwetter by the affordable suburban style living as well as to the rural character and large lot home sites offered in the community.

The recession has not hindered Kronenwetter's residential growth as significantly as in other areas, though business decline in the Village has been steady since 2007. However, given the large amount of developable land (only 17% of overall land in the Village is dedicated to commercial, industrial or residential uses), the Village is expected to experience significant development pressure over the next twenty years, receiving up to 22 percent of all new growth forecast for the Wausau metropolitan region during this period. This development activity would include 2,300 new residents and 3,600 new employees, representing sufficient retail spending to support up to 200,000 square feet of commercial space.

[Anticipated] development activity would produce 2,300 new residents and 3,600 new employees by 2030, representing sufficient retail spending to support up to 200,000 square feet of commercial space.



### **Identify Local Economic Drivers**

A review of local market conditions will help determine what economic, political and geographic drivers have shaped business and residential development in the Village historically, and identify issues which are impacting or have the potential to influence recruitment and retention of businesses and residents in the future.

#### Areas of Focus:

#### **Local Demographic & Workforce Trends**

 Identify demographic characteristics, employee training and commuting patterns which may influence business location decisions.

#### **Historic Business & Residential Development Trends**

- Identify factors leading existing businesses to locate in Kronenwetter; identify current opportunities or challenges facing existing businesses.
- Determine economic factors which led to decline in business growth and employment; assess changes to these factors over the past decade.



#### **Future Projections**

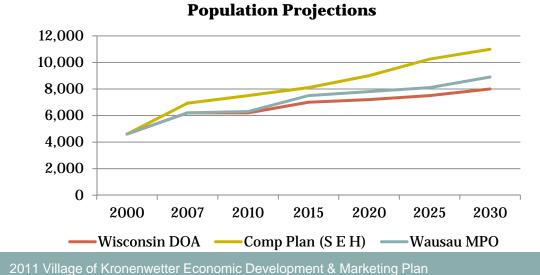
- Based on projected regional and local population and employment growth, identify likely development patterns and acreage required to accommodate new employees and residents.
- Determine the additional amenities and ancillary development which would be demanded by new population.
- Identify changes in Kronenwetter's regional position based on increased share of residents and workers.



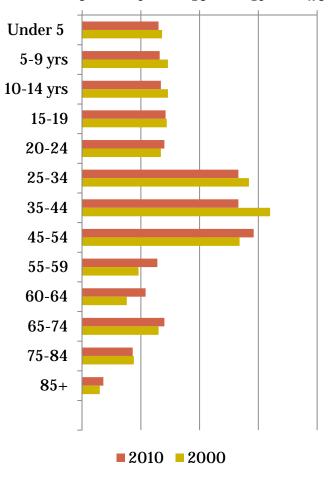
### **Demographic Overview**

A demographic profile was developed for Kronenwetter to better illustrate the characteristics of the population and to determine what type of resident has historically been attracted to Kronenwetter. The following snapshot provides a glimpse of the residential profile in 2010. As shown on the bar graph to the right, the population skews toward young and middle-aged parents with children. Most residents own their homes, and household income is comparable to the statewide average. Most importantly, the area is expected to continue to grow, with the number of residents expected to increase by as much as 46 percent through 2030, rising to more than 10,000 residents.

- Total Population: 7,210 residents
- Median Age: 37.3 years
- Average Household Size: 2.8 people
- Median Household Income: \$41,851
- Average Home Price: \$144,000
- **Owner Occupied Housing:** 83.7%
- **Percent Households with Children:** 36.3%
- Percent Bachelor's Degree or Greater: 27.6%
- Crime Index: 90.4 (US Average 278.5)







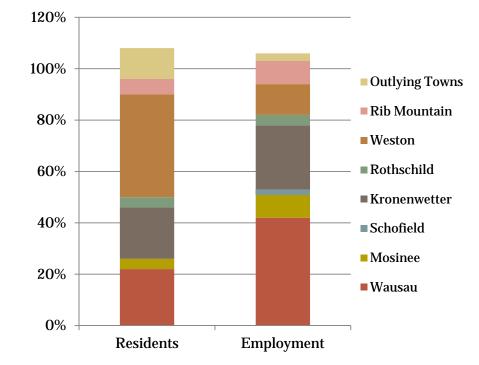
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Source: 2010 Census, 2008 American Community Survey

### **Competitive Position: Growth Potential**





Wausau Metro 2010-2030 Share of Anticipated Growth

Totals add to more than 100% due to rounding

Kronenwetter's large amount of available land coupled with a location in the path of anticipated regional growth point to a sustained pattern of significant demand over the next two decades. While the current economic conditions have constrained new development on both the residential and commercial fronts as companies and individuals choose to purchase existing facilities due to low per square foot prices, this trend will reverse as the economy continues to improve.

With many of the previously popular business parks and neighborhoods largely built out, growth will be pushed outwards. While Wausau will still receive the bulk of employment growth based on its status as a regional hub, other commercial growth will be attracted to outskirts locations, of which Kronenwetter has a significant percentage of available commercial acreage. Residential growth, while more equitably divided among outlying communities, including Rib Mountain and surrounding towns, will also result in a continued increase in new residents interested in locations within Kronenwetter.

The net result of these trends will be that, within the Wausau metropolitan region though the year 2030, based on local and regional projections, Kronenwetter is well positioned to receive:

- 19.7% of residential growth
- 25.7% of employment growth

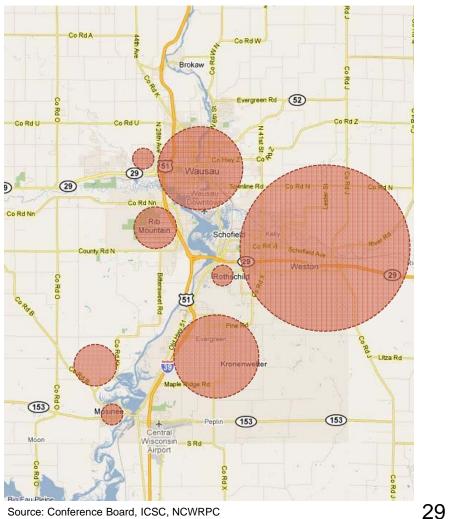
### **Growth Projections**

The map to the right provides a geographic illustration of anticipated overall growth trends for the Wausau region. While Wausau and Weston will retain significant influence over the direction of growth, outlying areas including Kronenwetter, Rib Mountain and the Town of Mosinee will continue to gain market share. Through 2030, this trend has the potential to impact the Village in the following ways:

- Overall Kronenwetter Share of Regional Growth = 22%
- This growth will bring:
  - 2,300 new residents
  - 3,600 new employees
- Representing sufficient population to support:
  - Small format grocer
  - Local restaurant
- Providing sufficient consumer demand to support:
  - 200,000 square feet of commercial space



#### Share of 2030 Growth



### **Kronenwetter Land Use**

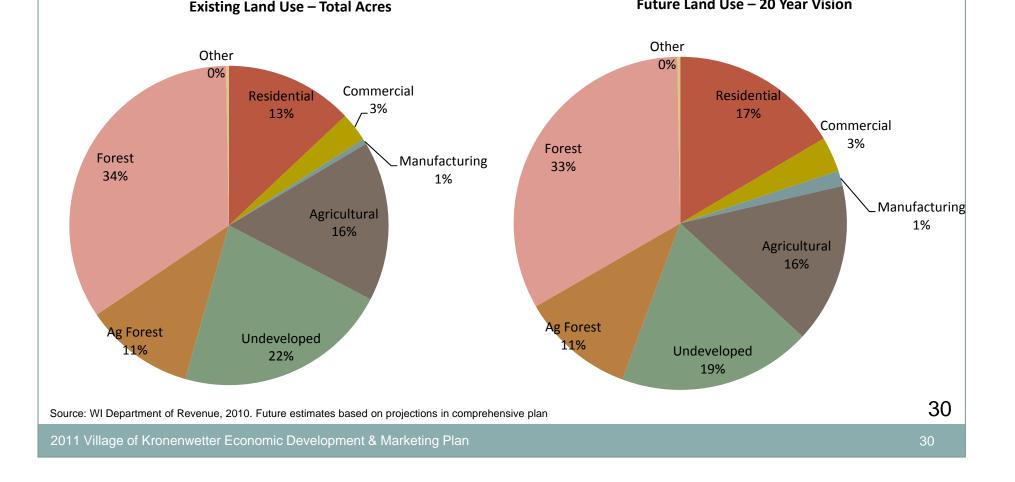
Despite the significant employment and residential growth, Kronenwetter will have the ability to preserve its rural quality of life. Allowing for sufficient development to accommodate projected growth, the Village will still have more than one-third of its land in forests, and an additional 27 percent in agricultural uses. Nineteen percent of total land acreage will exist as undeveloped commercial or residential property, providing sufficient opportunities for development through 2040 without



significantly impacting quality of life issues for the Village's many agricultural and rural residential areas if this growth is managed

appropriately. By developing a vision and tailoring zoning and other ordinances and policies around preserving unique assets, the Village will be able to minimize conflicts between historic uses and emerging demands through a focused approach to development planning.

Future Land Use – 20 Year Vision



### **Worker Flows**

Marathon

City

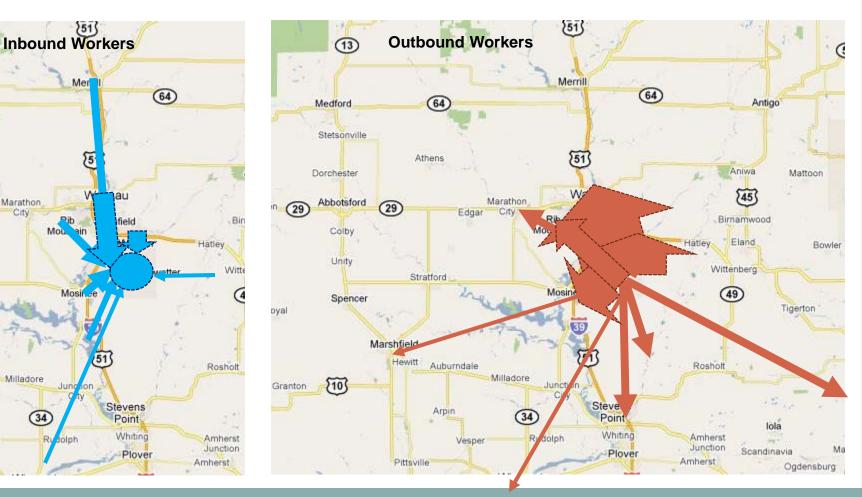
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While the ability to offer residential and commercial opportunities locally is a strategic advantage, residents and employers also benefit from Kronenwetter's easy access to the region as a whole. A significant percentage of daytime commuters as well as the residential workforce commute to and from the Village on a daily

basis. The greatest inbound and outbound flows are to Wausau and Weston, although commuting takes place to/from as far away as Marshfield and Merrill. This high level access greatly increases the pool of available workers for area employers, and provides a wider array of employment options for residents.

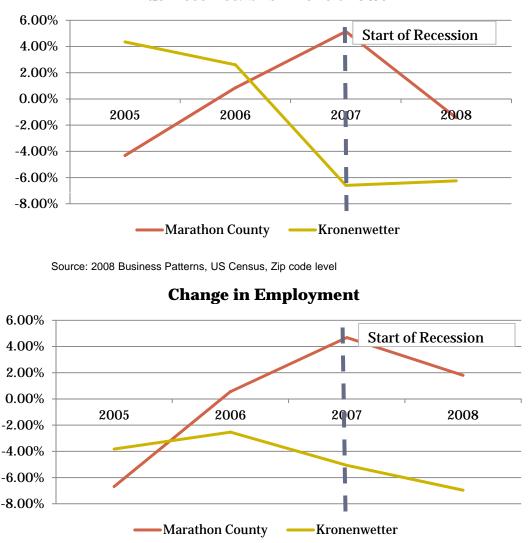




### **Business Growth**

Despite the community's many advantages as a business destination, Kronenwetter suffered a significant decline in business and employment activity which began even before the start of the recession. This was, in part, due to the substantial presence of the construction industry, and particularly home building as a proportion of overall Village employment. In addition, a large amount of local employment attributable to a few large employers, so any decline in employment at these companies results in a much more significant impact at the local level than would be the case in a larger municipality.

This sudden and steep decline in commercial activity continues to impact the Village, as secondary effects on property taxes, reduced residential development and other factors are still being felt. The most difficult adjustment which has not fully taken place is at the individual resident and property owner level. During the high-growth years preceding the recession, property owners enjoyed significant appreciation in the value of their real estate assets. This is shown on the graphs on the following page. However, resetting these expectations is much more difficult as property values decline, especially given the diminished number of transactions to use as benchmarks. In turn, these heightened expectations of property owners delay the return of development activity to the community.

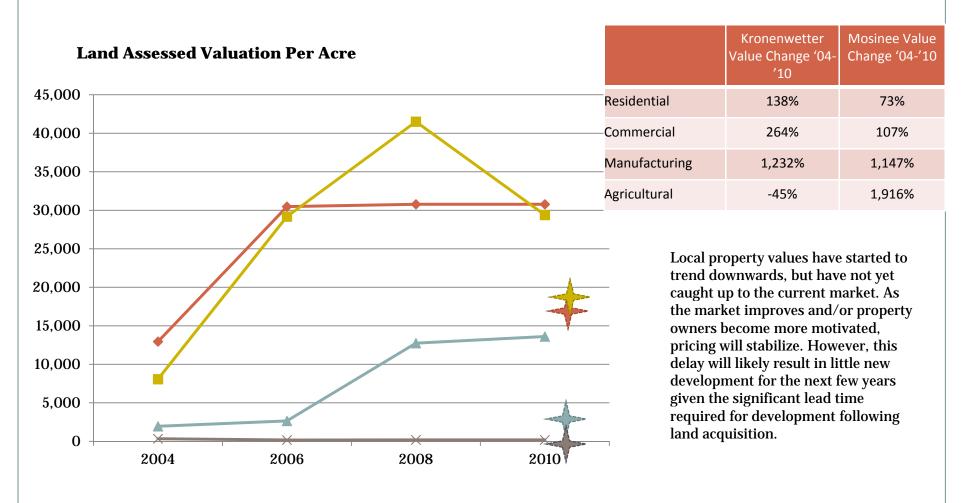


Business Establishment Growth



### **Real Estate Valuation Trends**





Mosinee 2010 Assessed Land Value Comparison Points

2011 Village of Kronenwetter Economic Development & Marketing Plan

-----Manufacturing

----Commercial

### Local Economy Takeaways

Kronenwetter's local economic success was driven by the dramatic increase in regional homebuilding, availability of affordable development sites and, in some part, to municipal investments which benefitted developers on the western half of the Village. This historic growth provides a stable base for future growth, although the significant recessionary impacts on Kronenwetter property owners following such a booming market cycle will require additional time to establish a new economic 'normal.' Some key drivers which will continue to influence local markets include:

- On the residential side, Kronenwetter's significant population growth in the past decade has had a dramatic impact on property values in comparison to other municipalities. This population growth has especially centered on the 20-34 age group which are attracted to affordable home prices. At the same time, existing population continues to age. Encouraging a range of housing options can help all groups remain within the Village as age and income changes.
- Employment and business growth in Kronenwetter began to decline prior to the recession due to industry composition which included a significant focus on construction and, subsequently, from competition for new businesses provided by affordable existing facilities in older business parks.

• Projections for continued growth show that Kronenwetter is expected to remain a hub for both employment and residential growth in the region, the cumulative effects of which will be to bring the Village population to approximately 10,000 (which is a key threshold for attracting retail and service commercial uses) by 2030.





# Chapter 3: Qualitative Input

### **Qualitative Input Summary**

In order to identify qualitative factors influencing Kronenwetter's growth, and uncover perceptions and trends which may present opportunities or challenges for implementation, a series of stakeholder interviews with key stakeholders were conducted, along with an online community values survey involving the participation of existing residents. Additional information was collected from previous survey documents and from goals and values identified in prior planning initiatives.

Stakeholder interviews focused on conversations with local property owners and businesses in addition to regional economic developers, brokers and developers familiar with the Wausau area. Overall, the Village had a more favorable opinion from outsiders than from existing property owners and businesses. However, none of the existing businesses expressed any desire to relocate in the near future. Much of the existing commercial development was the result of suitable available land, personal relationships or place of residence as opposed to a strategic business decision. However, the affordable cost of doing business, highway visibility and access, and general geographic location were assets mentioned by most businesses. When asked about the need for an interchange, existing businesses expressed interest, but did not feel that it would significantly influence their operations. Negative comments most often conveyed by stakeholders included frustration with a lack of consistency and vision in Village governmental decisions, and minimal outreach by Village officials to existing businesses. Most felt that Kronenwetter is an unknown quantity in the market.

Input from the 145 residents who responded to the community values survey illustrated a shift in position for Kronenwetter in the region, with half of respondents viewing the area as rural changing to suburban. Similarly, approximately one quarter of residents selected suburban style neighborhoods as the most appreciated characteristic, with a similar percentage identifying large lot home sites. Many of the questions in the survey were intended to identify

2011 Village of Kronenwetter Economic Development & Marketing Plan

specific economic development policies or positions most supported by residents. As a whole, residents were most in favor of strategies

Kronenweller

to retain the Village's youth, preserve open space, create jobs and improve aesthetics in the community. Areas with the greatest amount of disagreement included expressed confidence in the Village government, support for ordinances governing development limitations, availability of adequate park and recreation areas, and Kronenwetter's reputation in the region.

Respondents were also asked to rank economic development goals for the community from a set of potential objectives. In addition to identifying community-wide economic development objectives, responses to this question were analyzed according to individual population subsets. In particular, responses from Village leaders, families with children and new residents were studied. Among these groups, the only unanimous top-ranking goal was the need to spur growth of existing businesses. Families and new residents (which were largely households without children) stressed school

improvement and improved aesthetics as top priorities, while fiscal responsibility rose to the top among the leadership group as well as new residents.

The input from these qualitative input processes was used to inform the strategic planning process and assess specific outcomes and measurements of success which would resonate with recruitment industries and residential groups. Overall, the Village had a more favorable opinion from outsiders than from existing property owners and businesses.

### **Obtain Qualitative Input & Uncover Perceptions**

The qualitative input process includes outreach to local business and residential populations to measure current perceptions and determine community support for economic development initiatives. Speaking with local and regional representatives from business, real estate, development and economic development entities helps to uncover historic and current perceptions, strengths and barriers to new development which have been present in the Village and may have equal or greater influence on trends as more traditional statistical or economic measures. . Some of the key markets that were interviewed and particular topics of interest included:

#### **Regional Brokers, Developers & Economic Development Partners**

- Explore historic experiences, deal process, pitfalls and successes.
- Identify current trends where Kronenwetter can compete favorably.
- Solicit recommendations on Village actions which can contribute positively to future business relationships.

#### **Local Businesses**

- Explore location decision, current market dynamics and level of involvement/quality of experiences with the Village in the past.
- Identify any anticipated business change/growth/contraction, and determine if there are any suppliers/vendors/industry partners which would be good targets for Kronenwetter.



Major themes encountered during the course of interviews included the desire for more consistent and responsible Village government initiatives including a proactive approach to business outreach, greater promotion of the area and its assets to counter a perceived negative perception of the Village, maintaining low taxes and continuing to

A majority of the businesses were happy with their current location, although they did not identify any particular advantage or business function which drove the initial decision to locate in the area. When asked specifically about the need for an interchange at Kowalski, most businesses were in favor, but none felt that it was crucial for their business. Specific pros and cons identified for Kronenwetter as a business location included:

#### Pros:

- **Economical place to do business (low property tax, TIF)**
- Location between Wausau & Stevens Point ideal

improve government processes.

- Recent success attracting businesses to the area, improving reputation
- Available land with utilities, suitably sized parcels, affordably priced, with utilities
- Newer moderately priced housing, no overbuilding
- Highway visibility with higher traffic/lower price point than other locations
- Available workforce

#### Cons:

- Inconsistent policies, lack of demonstrated understanding of business needs
- Historic 'fly by seat of the pants' reputation, no known future plan
- Little outreach/contact from Village staff/officials
- Amenities have not kept up with residential growth (picnic areas, soccer fields, bike trails)
- Lack of presence in the market/marketing

### **Stated Perceptions of Kronenwetter**

An additional driver of perceptions is the information provided by the community itself. This information may reflect or diverge from the local market realities, and is often one of the first experiences that potential businesses or residents have with the Village. A review of existing marketing materials, informational pieces and ordinances and guidelines uncovered the following messages regarding economic development and community goals and vision.

A recent focus group by the Brand Marathon County project released the following perceptions of Kronenwetter

- Expanding/Growth, Bedroom Community, Disorganized/Busy Marathon County Residents
- Rural Atmosphere, Affordable, Convenient Kronenwetter Residents
- Desire for increased commercial and recreational uses, jobs, retail, family entertainment options

Economic development goals included in the comprehensive plan include:

- Focus on light industrial, warehouse & assembly uses
- Desire for commercial establishments to improve quality of life (restaurant)
- Goal of attaining an additional highway interchange
- Desire to capitalize on CWA expansion
- Desire to focus growth east of Bull Junior Creek, in TID areas, Old Highway 51, Maple Ridge & Kowalski Road.
- Goal of encouraging variety of housing types
- Objective to maintain current residential densities
- Desire to support continued agricultural operations
- Desire to protect rural lifestyle
- Work to improve access to local resources and preserve natural resources.



- Elements found in the zoning code which address development and new commercial tenants include:
- New developments over 10,000 square feet must provide written policies on corporate giving and volunteer participation.
- Developer shall provide adequate funding to the Village to hire a consultant of their choice to complete and present an Economic and Fiscal Analysis.
- Evaluate new commercial developments to guard against over-supply of retail space (over 1 acre per 150 residents).
- Desired density for new development is .8-1.0 Floor to Area Ratio (ratio of building size to lot size), and 1.5-2.0 for industrial uses, which suggests a preference for multi-story development.

### **Determine Citizen Economic Development Values & Priorities**

A key factor in creating a local economic development vision is the ability to create a vision that reflects current reality and also moves towards a future vision which is attainable and supported by existing citizens. To determine what economic development values resonated with existing Kronenwetter residents, a survey was distributed . This survey asked citizens to identify preferences, priorities and tradeoffs related to economic development initiatives. The survey will identify citizen's preferences for quantity versus quality of jobs and recruitment versus retention. It will solicit input on economic development priorities for the future. The steps within this value examination include:

#### **Community Value Propositions**

 Explore preferences based on necessary trade-offs associated with urban vs. rural, recruitment vs. retention, regulation vs. private property rights, etc.

#### **Sub-Group Trends**

- Explore preferences among individual groups such as new residents, families, individuals in leadership positions, etc.
- Identify common goals and preferences, as well as areas where target demographics may have differing viewpoints than the population as a whole.

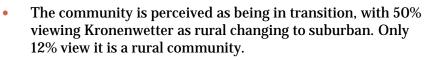
Ultimately, 154 Kronenwetter residents responded to the survey. A profile of these respondents is included below.

•65% male, 35% female

•23% 18-35, 48% 36-55, 29% over 56

- •43% households with children
- •16% are new to town (<3 years), 21% 4-6 year residents, 29% 7-15 year residents, 34% long-term residents

General trends and preferences uncovered in the survey included the following:

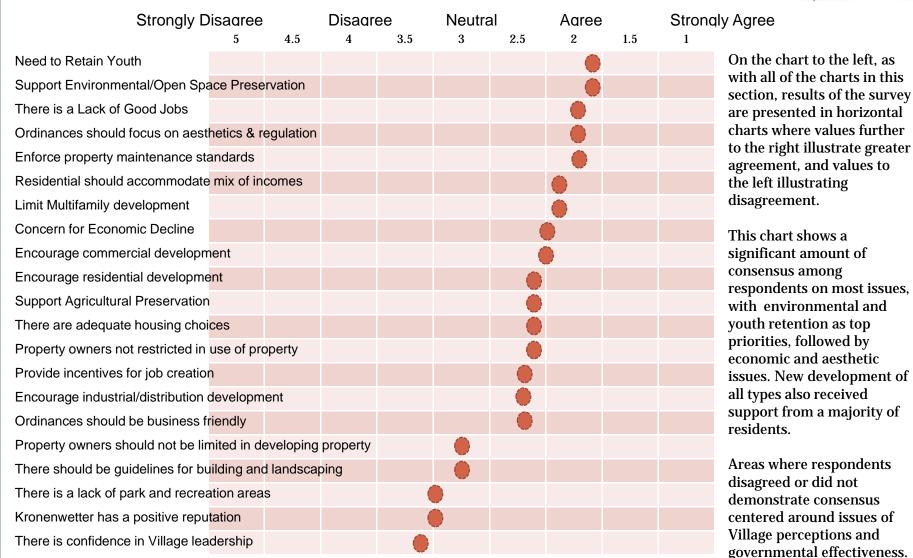


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- The most appreciated characteristics of the Village included:
  - 26% suburban style neighborhoods
  - 23% large lot home sites
  - 11% each low population density & eclectic mix of land uses
- Residents are supportive of new businesses and in favor of economic growth, but want a balanced focus on both economic and quality of life factors.
- Top 5 Economic Development strategies
  - Promote fiscally responsible government
  - Encourage growth of existing businesses
  - Create a strong climate for new business formation
  - Increase outdoor recreation access and amenities
  - Improve quality of life and community amenities

### Value Preferences: Areas of Support and Disagreement



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Areas where respondents disagreed or did not demonstrate consensus centered around issues of Village perceptions and governmental effectiveness. This likely stems from legal and personnel issues in recent Village history. Other controversial issues which arose included park and recreation issues, as identified in the comprehensive plan, and a difference of opinion among residents regarding the role of government in influencing private property owner activities. Statements about development and maintenance guidelines were supported by roughly half of respondents and disliked by the remaining half. This type of disagreement is commonly seen in communities that are transitioning from a rural town to a more suburban development pattern and accompanying population growth. Given the anticipated levels of residential growth bringing new residents to the community, this type of disagreement is likely to become increasingly important in the coming years.

Additional topics which were frequently mentioned included the following. Several of these comments stemmed directly from recent events such as the flooding issues and school closure within the DC Everest School District and may not be reflective of longer term trends.

- Remain a bedroom community (9 votes)
- Increase trail network/sidewalks (8 votes)
- Improve ordinances & enforcement (6 votes)
- Address sewer/flooding issues (6 votes)
- Support/Improve DC Everest (4 votes)
- Merge government services (4 votes)
- Better/More marketing (3 votes)

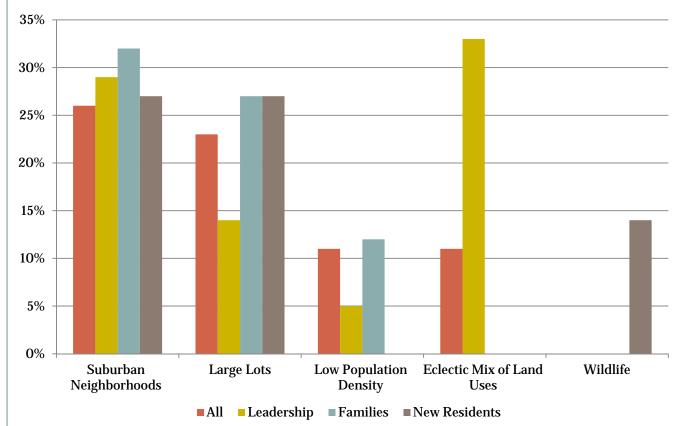


The second phase of analysis included a comparison of responses among the following subgroups of respondents:

- Village leadership (staff, elected officials and committee members)
- Families with children
- New residents who have lived in the Village for three years or less

These groups provided some variety in responses on certain topics. In this instance, families and new residents appreciated the suburban neighborhoods and large lots, with few in this group recognizing low population density or eclectic land uses as a key asset.

Charts on the following pages illustrate additional differences in perspective among respondent groups. Areas where notable discrepancies in opinion exist are circled in red.



#### **Most Appreciated Characteristic: Comparison**



The greatest difference among the groups that arose from the survey was the differing importance placed on individual economic development goals. Where outdoor recreation and business climate were issues prioritized by overall respondents and the leadership group, families and new residents placed a priority on schools and aesthetics. Encouraging the growth of existing businesses was the only goal which received unanimous support.

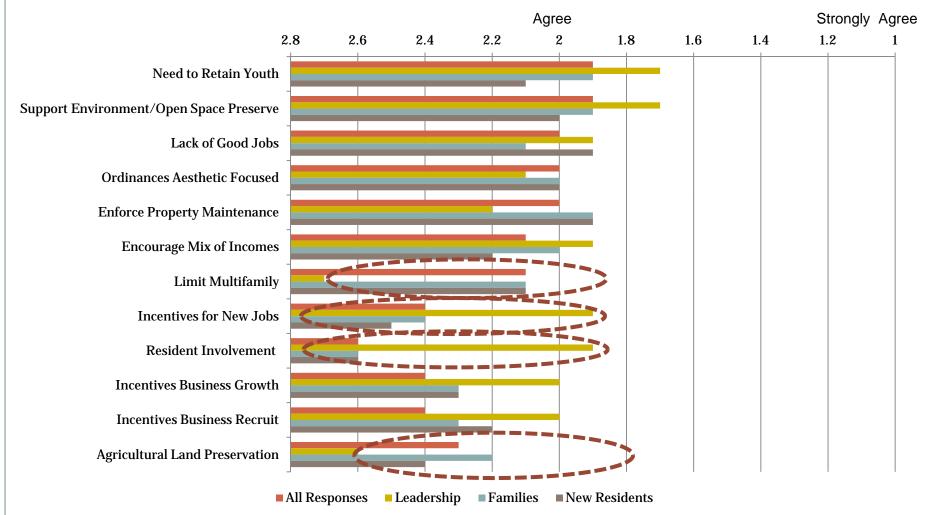
This discrepancy in economic development goals highlights the importance of creating a vision for the Village that identifies objectives which resonate with target populations likely to be attracted to Kronenwetter.

Areas where notable discrepancies in opinion exist regarding specific topics are circled in red in the graphs on the following pages.

Leadership = board & committee members, Families = presence of children <18, New residents = < 3 years



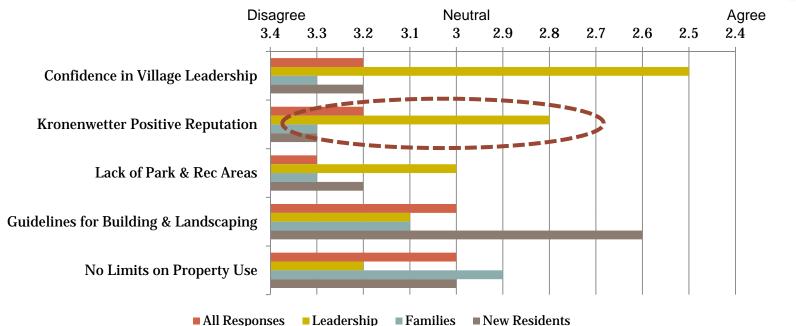
### **Top Supported Values - Comparison**



Leadership = board & committee members, Families = presence of children <18, New residents = < 3 years Rankings from 1-5 with 1= Strongly Agree, 3= Neutral, 5 = Strongly Disagree



#### **Least Supported Values - Comparison**

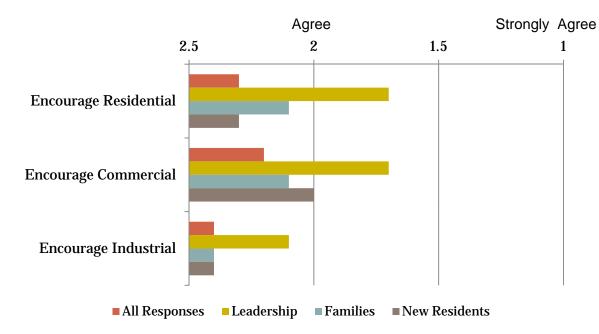


Leadership = board & committee members, Families = presence of children <18, New residents = < 3 years Rankings from 1-5 with 1= Strongly Agree, 3= Neutral, 5 = Strongly Disagree

In general, the leadership group was more supportive of all types of new development, while residents as a group were more cautious about increasing multifamily densities, and more in favor of preserving agricultural land. Residents were also less supportive than the leadership group of the need to provide incentives to businesses to relocate to the area, though they were in favor of supporting growth in existing businesses. The most dramatic difference of opinion (circled on the graph) is associated with the perceived reputation of Kronenwetter outside the community, with individuals in Village leadership perceiving a much more positive situation than residents as a whole.

### **Development Type Support: Comparison**





While residents were hesitant about multifamily growth, they were supportive of residential and commercial uses in general, and slightly less supportive of additional industrial development.

The final question on the survey asked respondents to identify the top five economic development goals for the community moving forward. The results from this question highlighted the diversity in priorities among the various sectors within the community. Each goal is highlighted in a different color to illustrate the groups which share common priorities.

Leadership = board & committee members, Families = presence of children <18, New residents = < 3 years Rankings from 1-5 with 1= Strongly Agree, 3= Neutral, 5 = Strongly Disagree

#### **Top 5 Economic Development Goals: Comparison**

All	Leadership	Families	New Residents
Fiscally Responsible	Increased Marketing	Improve Schools	Growth of Existing Bus.
Growth of Existing Bus.	Growth of Existing Bus.	Enhance Aesthetics	Fiscally Responsible
Strong Bus Climate	Increase Outdoor Rec.	Access to Tech/Infra.	Improve Schools
Increased Outdoor Rec.	Strong Bus Climate	Growth of Existing Bus.	Enhance Aesthetics
Improve Quality of Life	Fiscally Responsible	Recruit New Bus.	Create New Jobs



# Chapter 4: Competitive Position

### **Competitive Position Summary**

Following the local and regional assessment, the competitive position analysis is intended to identify unique strengths and assets that allow Kronenwetter to compete favorably for new development, businesses or residents. The first step was to identify a competitive set of communities which represent the universe of similar locations considered by businesses or residents relocating to or within the Wausau/Stevens Point region. This competitive set ultimately included nine regional communities representing an array of options for businesses or individuals considering a Wausau regional location. These communities were; Marathon City, Merrill, Mosinee, Plover, Rib Mountain, Rothschild, Stevens Point, Wausau and Weston. A variety of demographic and economic data was assembled for each community including a range of factors that can potentially influence both individual and business relocation decisions. Reviewing these factors, Kronenwetter compared favorably in overall growth and property tax rates, competed moderately well in school test scores, unemployment, home prices and access, and less well for available marketed land, rail access and municipal fiscal health. Kronenwetter has strong employers representing many of the regional industry clusters including home building, paper and manufacturing, but does not have a recognizable cluster in any particular industry on which to focus recruitment efforts.



Additional economic and industry indicators were analyzed to compare Kronenwetter to the region as a whole. These provided additional insight on competitive advantages including comparable or greater than average local growth in management, real estate, finance, insurance, information sector and health care employment. Kronenwetter's business park also represented one of the largest potential industrial development sites in the region, although the lack of in place utilities and overall lack of existing buildings make this a long-term advantage as opposed to a short term opportunity.

> ...Kronenwetter compared favorably among the competitive set in the categories of overall growth and property tax rates, and competed moderately well in school test scores, unemployment, home prices and access...

### What is Kronenwetter's Competitive Position?

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Comparing key economic, fiscal and demographic benchmarks for Kronenwetter against communities which represent a competitive set will create a defined picture of Village opportunities and challenges, and will identify metrics where the community can focus efforts to improve and maintain its market share. The cumulative results of the regional and local survey, as well as qualitative input addressing perceived positioning, influences the short and long term opportunities that are available to the Village from an economic development perspective. These factors are used in the following manner to create an objective analysis and prioritize potential activities as likely candidates for successful implementation.

#### **Economic Comparison**

- Identify communities in the geographic trade area which represent top competition with Kronenwetter for commercial, retail or residential site selection.
- Compare major benchmarks used by businesses and residents when making a relocation decision or making a commitment to invest in a community.

#### **Business and Industry Cluster Comparison**

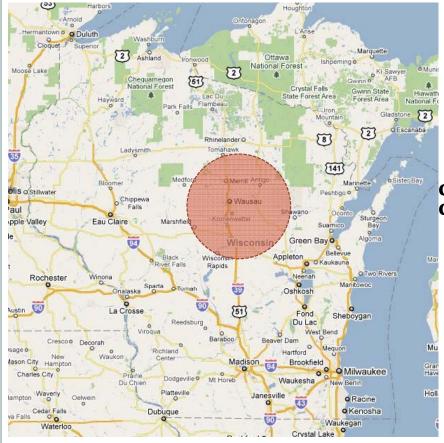
- For regionally identified industry
- clusters, assess presence of necessary
- infrastructure, workforce, raw materials and location characteristics with relation to industry needs.
- Analyze available real estate and infrastructure available to accommodate typical spaces demanded by regionally identified industry clusters.
- Identify strengths, weaknesses, opportunities and threats associated with various political, fiscal and economic inputs for Kronenwetter versus competing communities.



### **Economic Trade Area**

Kronenwetter falls within a larger regional trade area which encompasses the Central Wisconsin region. Within this region, it competes directly with particular communities for residential, commercial and industrial developments. Each community possesses unique advantages and disadvantages. Assessing these individual competitive positions will help define Kronenwetter's current position in the marketplace and also identify areas where the community can become more competitive in the future.

### **Central Wisconsin Region**



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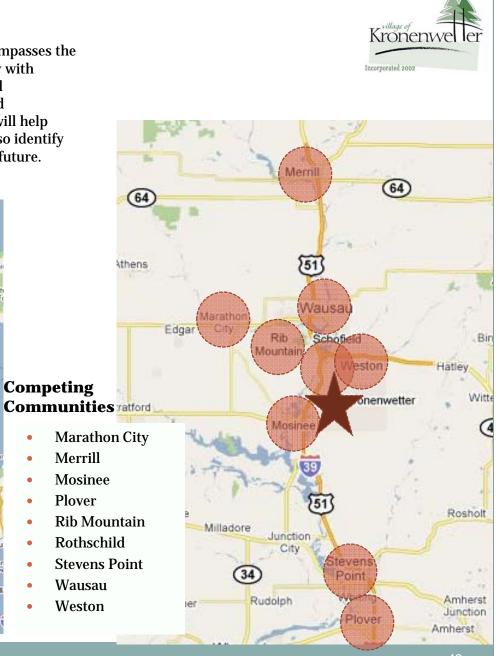
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# **Competitive Strengths & Weaknesses**

The following pages assess Kronenwetter's specific position relative to regional competitors. The analysis incorporates typical measures which are utilized by companies, retailers and residents considering a new location. This includes economic, demographic and cost factors for the community and the business park location. Companies seek to locate in areas where complementary or competing industries are located to capitalize on



transportation, workforce and

logistical advantages. An overview of industry

clusters associated with each of the competitive communities is identified, together with an assessment of industries which have demonstrated recent strength in the area.

	Population <sup>1</sup>	Median Home Cost <sup>2</sup>	Median HH Income <sup>3</sup>	Unemp. Rate <sup>4</sup>	Population Change 2000-2009 <sup>1,3</sup>	Median Age <sup>3</sup>	School Test Score <sup>5</sup> (Math/Reading)
Kronenwetter	6,930	\$144,000	\$41,851	7.1%	29%	36.8	79.1% / 82.5%
Marathon City	1,547	\$136,000	\$44,063	7.1%	-6%	37.3	89.3% / 89.1%
Merrill	9,493	\$127,000	\$33,098	9.4%	-6%	35.8	74.7% / 77.4%
Mosinee	4,039	\$97,700	\$46,109	7.1%	-1%	35.1	62.7% / 70.3%
Plover	12,253	\$184,900	\$51,238	7.0%	17%	32.9	68.8% / 74.7%
Rib Mountain	7,181	\$132,000	\$61,294	7.1%	-1%	42.7	73.0% / 75.9%
Stevens Point	25,218	\$142,900	\$33,178	7.0%	2.7%	25.6	81.1% / 83.9%
Wausau	38,430	\$87,500	\$36,831	9.5%	0%	36.5	73.0% / 75.9%
Weston	13,876	\$121,700	\$46,063	7.1%	15%	32.2	79.1% / 82.5%

1) 2009 US Census Estimate

2) Zillow 2010 Year End Estimate

3) 2000 Census

4) Wisconsin Dept. Workforce Development (County or Metro) Dec 2010

5) WI Dept Public Instruction, % Advanced or Proficient at 10<sup>th</sup> Grade. 2009-10 School Year. DC Everest used for Kronenwetter, although part of Village is also in Mosinee District

# **Competitive Strengths & Weaknesses**



	Highway Access	Rail Served	Property Tax Rates <sup>1</sup>	Avg Land Cost/Ac <sup>2</sup>	Electrical Utilities <sup>3</sup>	Municipal Fiscal Health
Kronenwetter	Interstate & Hwy	Yes	\$18.49	\$30,000	\$.105	7
Marathon City	Hwy	No	\$21.41	N/A	\$.105	N/A
Merrill	Hwy	Yes	\$26.43	\$55,000	\$.105	56
Mosinee	Hwy	Yes	\$20.33	\$15,000	\$.105	68
Plover	Interstate	Yes	\$20.68	\$30,000	\$.07	51
Rib Mountain	Interstate & Hwy	No	\$20.79	\$103,000	\$.105	84
Rothschild	Interstate & Hwy	Yes	\$21.57	\$45,000	\$.105	69
Stevens Point	Interstate	Yes	\$22.87	\$45,000	\$.105	73
Wausau	Interstate & Hwy	Yes	\$24.48	\$12,500	\$.105	61
Weston	Interstate & Hwy	Yes	\$20.62	\$100,000	\$.105	86

1) WI Department of Revenue, Municipal Effective Tax Rate, 2009

2) Real Estate Listing Services, Municipal Websites, Average Asking Price/Acre, Raw Land, Business Park Location

3) Cost/kWh, Three Phase, High-Use Customer

4) WI Dept of Revenue Municipal Debt Margin Index of Actual Debt to Allowable Debt. 100= No Debt, 0= Allowable Max, -100 = 200% Debt

# **Business Park Comparison**



	Total Acreage	Available Acreage	Average Cost/ Acre	Zoning	Utilities	Highway Access	Rail Served	Design Standards
Kronenwetter	320	200	\$30,000	BP, M1	Partial	Interstate	No	No
Wausau West	345	320 (some wetland)	\$12,500	IP (M1&2 sold out)	To Site	Highway	No	Yes
Central Wisconsin (Mosinee)	400	26	\$15,000	IP-M	Yes, Incl Fiber Optic	Interstate	No	Yes
Weston Business & Tech	258	26	\$30,000	BP	Incl Wireless & T1	Highway	No	Yes
Business Park South (Weston)	76	50	\$30,000	BP/Ofc	Yes, Incl High Speed Wifi	Highway	No	Yes
Cedar Creek (Rothschild)	360	145	N/A	Ind	To Site	Highway	No	Yes
Marathon City Bus Pk	144	91	\$11,000	C, Ind	Partial	Highway	No	Yes
Portage County Bus Pk. (Stevens Point)	420	160	\$45,000	Range	To Site Incl Fiber	Highway	No	Yes
Park East Bus Ctr. (Stevens Point)	400	400 (58 Ac Phase 1)	TBD	Ind	No	Highway	Yes	TBD
The Pines Corp Ctr. (Plover)	90	85	\$29,000	Comm/ Ind	50%	2 Miles	Yes	Yes
Merrill Industrial Pk	80	15	\$6,500	Light Ind	Up to 500kw, 60 psi	2 Miles	No	Yes
Spencer Ind Park & SPACE Park	140	87	\$1,300	Comm, Ind, LI	50%	Highway	Yes	Yes

# **Competitive Strengths & Weaknesses**

As a relatively young community from a commercial perspective, Kronenwetter is identified largely by its recent exponential growth. The factors which helped contribute to this growth, namely low property taxes, good schools and available and affordable land, continue to provide points of strength. While the Village has several large employers, there is no particular sector with sufficient concentration to constitute a cluster. However, the



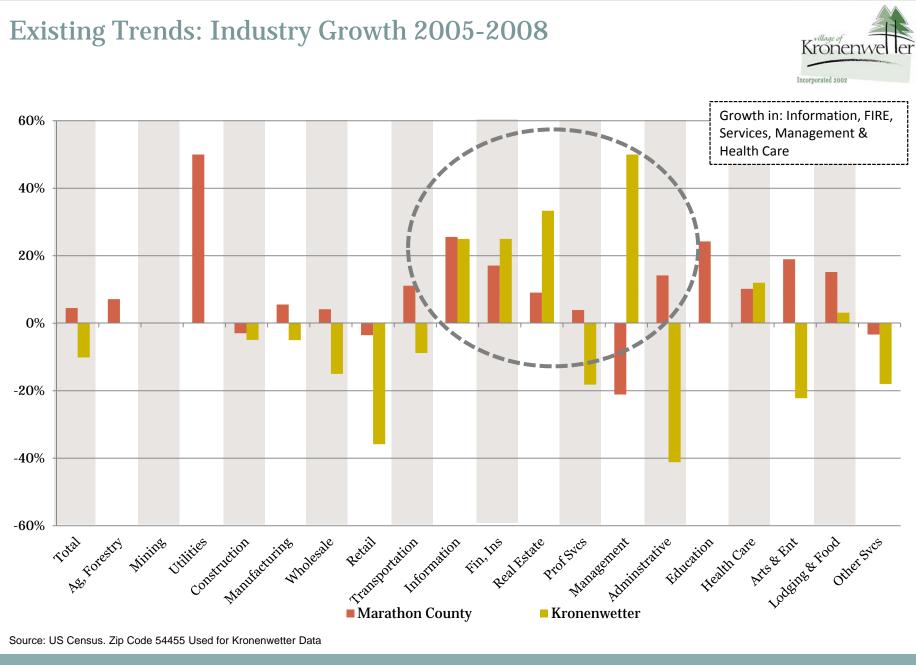
industries that are present are complementary of many regional strengths, including construction, paper, manufacturing, logistics and agriculture. Recent growth also illustrates increasing strengths in the finance, insurance and real estate sector, as well as management and health care.

	Industry Clusters	Major Employers	Key Amenities	Drawbacks
Kronenwetter	Paper, Metals, Logistics, Construction, Agriculture	<ul> <li>Wausau-Mosinee Paper</li> <li>Wisconsin Kenworth</li> <li>Shidell Wood</li> <li>G3 Industries</li> <li>Woods Equipment</li> </ul>	<ul> <li>Attractive Demographics</li> <li>Perceived as Affordable</li> <li>Development Opportunities</li> </ul>	<ul> <li>Limited Identity</li> <li>Lack of Central Core</li> <li>Seen as Bedroom Community</li> <li>Limited Amenities</li> </ul>
Marathon City	Non Metallic Minerals	<ul> <li>County Materials</li> <li>Marathon Cheese</li> <li>Menzer Lumber</li> <li>Northview Window &amp; Door</li> </ul>	<ul><li>Aesthetics</li><li>Downtown</li></ul>	<ul><li>Little Outreach/Identity</li><li>Confused with Marathon</li></ul>
Merrill	Tourism, Natural Resources, Construction, Packaging, Footwear	<ul> <li>Church Insurance</li> <li>Lincoln Wood</li> <li>Semling Menke</li> <li>Hurd Windows</li> <li>Weinbrenner Shoes</li> </ul>	<ul> <li>Full Amenities</li> <li>Council Grounds</li> <li>NC Tech College</li> <li>Stopping point for 'upnorth' tourism</li> </ul>	<ul> <li>Location (farther north)</li> <li>Residents commute to Wausau for jobs</li> </ul>
Mosinee	Paper, Healthcare, Technology	<ul> <li>Wausau-Mosinee Paper</li> <li>SNE (Crestline)</li> <li>Cequent</li> <li>Wausau Financial</li> <li>Storm-Tite</li> </ul>	<ul> <li>Central Wisconsin Airport</li> <li>Downtown</li> <li>Golf Course</li> </ul>	<ul><li>Paper Mill Smell</li><li>Infrastructure</li><li>Location of DT</li></ul>
Plover	Agriculture, Food Processing, Paper, Metals, Tourism	<ul> <li>Del Monte</li> <li>RR Donnelley</li> <li>Pointe Precision</li> <li>Coca-Cola Bottling</li> </ul>	<ul> <li>Larger Community</li> <li>Stevens Point Education Ops</li> <li>Vacation Homes</li> </ul>	Identity as Stevens     Point suburb only

# **Competitive Strengths & Weaknesses, Continued**



	Industry Clusters	Major Employers	Key Amenities	Drawbacks
Rib Mountain	Tourism, Retail	<ul><li>American Family</li><li>Wal-Mart</li></ul>	<ul><li>Ski Hill</li><li>Retail</li><li>Scenic</li></ul>	<ul><li>Property Taxes</li><li>Town Status</li></ul>
Rothschild	Biomass, Paper, Tourism, Construction	<ul> <li>Weyerhauser</li> <li>Wausau Homes</li> <li>Wausau Tile</li> <li>Foremost Farms</li> </ul>	<ul> <li>Stable Residential Population</li> <li>Cedar Creek Shopping/Tourism</li> </ul>	<ul> <li>Flooding</li> <li>Concentrated</li> <li>Employment (50% in 2 companies)</li> </ul>
Stevens Point	Education, Healthcare, FIRE, Publishing	<ul> <li>Delta Dental</li> <li>Lands End</li> <li>Joerns Healthcare</li> <li>Sentry Insurance</li> <li>NewPage</li> </ul>	<ul> <li>University</li> <li>Downtown</li> <li>Full Amenities (Not suburb)</li> </ul>	<ul><li>University driven</li><li>Limited retail</li></ul>
Wausau	Wood & Metal Manufacturing, Construction, Retail, FIRE, Professional Services, Healthcare	<ul> <li>Aspirus Hospital</li> <li>Liberty Mutual</li> <li>Kolbe &amp; Kolbe</li> <li>Greenheck</li> <li>UMR</li> <li>Land O' Lakes</li> <li>Wausau Window (Apogee)</li> <li>Central Processing</li> </ul>	<ul> <li>Regional hub</li> <li>Largest city in County</li> <li>Full Amenities (Not suburb)</li> </ul>	<ul> <li>Less well known than other regional hubs</li> <li>Higher unemployment than region</li> </ul>
Weston	Metal Fabrication, Laser Technology, Construction, Medical	<ul> <li>Airgas</li> <li>American Door</li> <li>Applied Laser</li> <li>Reliable Packaging</li> <li>Fastenal</li> </ul>	<ul><li>Sustainability Focus</li><li>Retail Amenities</li><li>River/Trail System</li></ul>	<ul><li> Rapid Growth</li><li> Higher Cost of Land</li></ul>

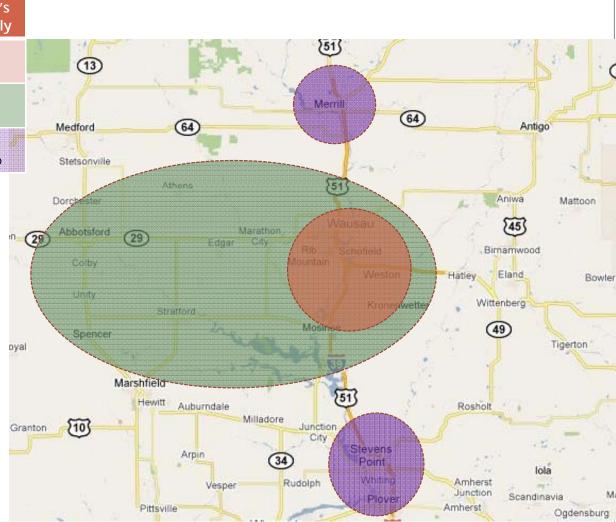


### **Industrial Park Land Absorption Trends**

Cluster	Total Acres Absorbed '03- '10	Avg Annual Abs.	Acres Avail./ Year's Supply	
Wausau Metro	991	150	731 6.5	
Wausau Rural	258	35	178 7.7	1
Hwy 51 Corridor	150	21	627 31.6	1

Given its lack of existing built out facilities, Kronenwetter will rely on its business park location to compete for new corporate tenants. There is significant competition within this market, with more than 1,200 new acres of business park land added to the regional market in the past decade.

Reviewing historic business park absorption trends, there are approximately 6.5 years' supply of vacant industrial park land within the Wausau metro area. The greatest absorption any one park received in a particular year is 36 acres. This information will be important in creating a strategy for Kronenwetter's parks, which likely represent a decade or more of supply given these trends.





### **Filtered Results**

The graphic below provides a summary of Kronenwetter's competitive position in the region, identifying areas where the Village already has an advantage, areas where the Village remains competitive and could potentially improve its position, and areas where Kronenwetter experiences a competitive disadvantage and is unlikely to be successful in competing for companies that rank these issues among primary factors when making location decisions.





**Competitive Advantage** 

- Desirable Residential Location
- Property Tax Rates
- Existing Industry Base
- Prime Development Sites Available
- New civic infrastructure (roads, sewer)



- Highway/Rail Competitive Access
  - Workforce Availability
  - Relative Geographic Location
  - Quality of Life & Community Amenities
  - Recent Growth Rate



Competitive Weakness

- Overall Community Identity and Visibility
- Municipal Fiscal Health
- Advanced Infrastructure (interchange, fiber)



# Chapter 5: Local Industry Targets

### Local Industry Target Summary

Filtering the qualitative and quantitative results from the local and regional market assessments, stakeholder interviews and competitive positioning, a set of local industry targets was developed. These industries were selected based on their ability to take advantage of unique economic, geographical or other business climate aspect in Kronenwetter, and based on industry sector growth or expansion opportunities and the presence of locally available land, buildings and workforce to support this growth. Recommended industry clusters included both short and mid-term targets and further identified the typical space needs and decision criteria which drive site selection decisions. This filtering process resulted in the identification of the following broad industry clusters:

- Manufacturing
- Agriculture & Forestry
- Finance Insurance & Real Estate

Secondary emphasis was identified for

- Tourism
- Infrastructure Development

to leverage future opportunities in these areas as employment and residential concentrations allow for greater market opportunities. Within each of these clusters are specific sub-clusters of company types which would be most attracted to Kronenwetter's location and economic position in the market. These company types include: Metal Fabrication, Metal Finishing and Logistics, which can benefit from existing industry clustering and transportation



access; Specialty Agriculture, Food Processing and Wood Products, which represent the growth of existing smaller industry clusters in the area; and Finance/Insurance, Real Estate Services and Architecture and Construction, which can take advantage of the geographic location between two markets and highway presence. Combined, these industry clusters represent users of large and small office space, manufacturing facilities, warehousing, and retail facilities.

...industries were selected based on their ability to take advantage of unique economic, geographical or other business climate aspect in Kronenwetter and based on industry sector growth or expansion opportunities...

# Why Target?

Identifying specific industry targets will improve Kronenwetter's ability to market, increase its chance for successful recruitment and leverage its investment to create long-term benefits. Defining industry and usebased targets allows for more focused initiatives and activities. Data collected during the local and regional assessment, along with qualitative input, is used to create a defined set of targeted industries for the community or site which is being marketed. Specific benefits include the following:

#### **Understand Business Drivers: Why Kronenwetter?**

 By identifying the region's and site's strengths and weaknesses, Kronenwetter can more effectively market the strengths of its site and appropriately utilize site improvements and financing tools to meet the needs of target groups.

### Increase Chance of Successful Recruiting

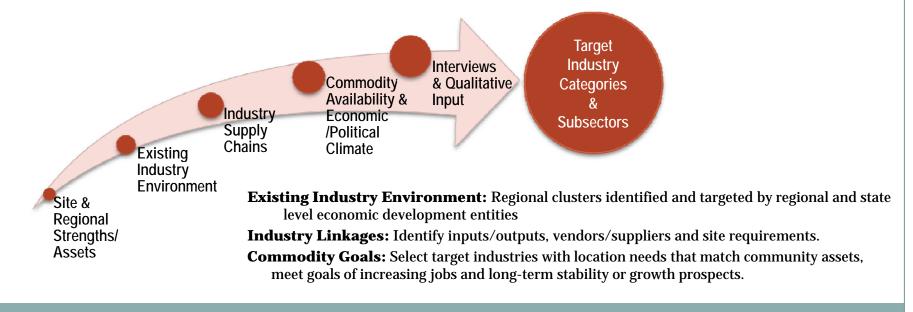
- Identifying specific industries that are
- well suited to the assets of available Kronenwetter sites maximizes marketing efforts and increases the probability of finding a desirable tenant that fulfills the Village's goals for the site.

Kronenw

Incorporated 2002

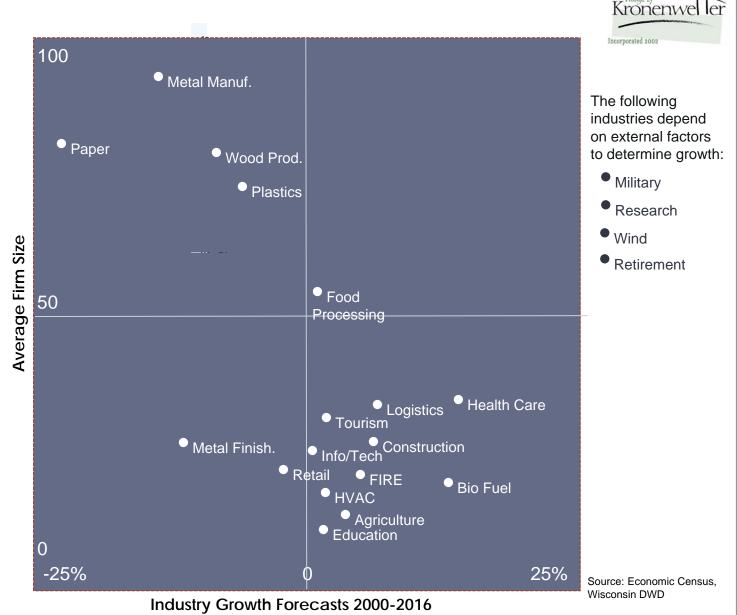
#### **Maximize Investment**

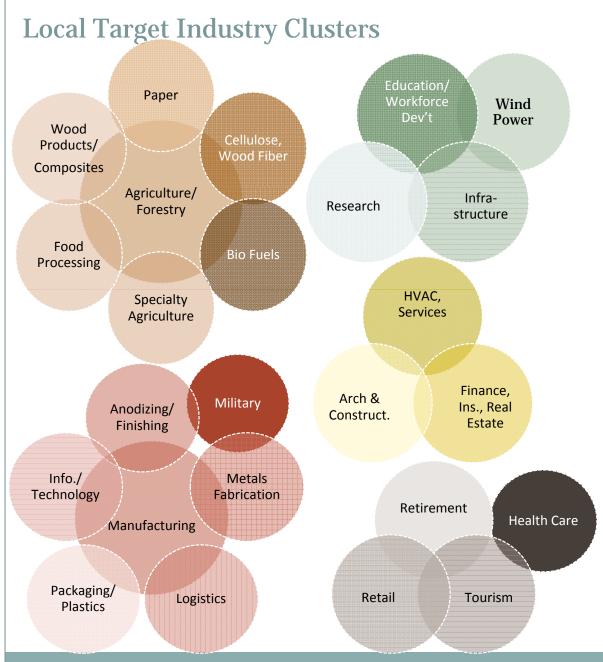
- Targeting major industries offering job creation and long-term industry stability will leverage investment in infrastructure to create a more significant impact on the economy and job creation than allowing the site to develop on an 'on request' basis.
- Focus on local and regional strengths to ensure efforts are well spent: <u>do fewer things better</u>.



# **Cluster Comparison: Firm Size & Growth**

Rather than targeting any industry which demonstrates an affinity toward local strengths, it is to a community's advantage to focus on industries which represent a long-term stable prospect, and also on industries and/or companies which meet the local vision. For instance, if a community is working towards higher paying jobs, or whose top priority is increasing the number of employees, the type of target industry selected may be significantly different than for a community which is solely focused on property value or strengthening an existing cluster. For all industries which were identified as a regional target, the average firm size and anticipated near-term industry growth is illustrated on the chart at right.





Kronenweller Incorporated 2002

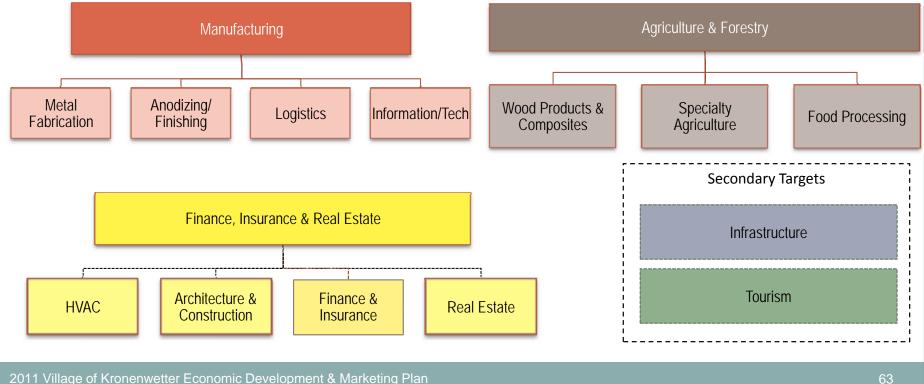
As identified in the regional profile, industry clusters include company types which are concentrated in the area and enjoy a benefit from locating in the region because of a concentration of raw materials, knowledge and labor availability and/or client base. Identifying industries which are already concentrated in the region and their suppliers and vendors can help identify companies which can benefit from these same advantages.

Using the regional industry cluster strengths as a base, and eliminating industries where Kronenwetter is lacking in raw materials, labor or which do not meet the unique assets and community values of Kronenwetter, a local industry cluster set was identified. These remaining clusters include industry types where the Village should choose to focus its efforts. Among these target industries, some represent shorter-term opportunities, while others are longer-term due to industry trends or the need to build specific local capacity.

# **Targeted Industry Categories**



Industry sectors highlighted on this page represent the final short list of target areas for the Village of Kronenwetter. These sectors all contain elements which can take advantage of the workforce, infrastructure and business climate that make Kronenwetter unique, can enhance or build on existing industries in the Village or nearby, and provide jobs which meet the needs of local residents and can help to attract new residents in targeted demographics to the Village. As mentioned previously, some of these industries represent sectors which can be targeted almost immediately, while others may present more mid or long-term opportunities. For example, the real estate and construction industry, while a strong long-term prospect for Kronenwetter, is currently in a contraction cycle and will not likely be looking to expand sufficiently for new construction for several years. Additionally, tourism, which is a viable sector given the Village's high visibility parcels along a tourism-centric corridor, is a longer term prospect based on the lack of local population density, and limited full-interchange access at present. For these reasons, it has been classified as a long-term target. More information on each of these target industries is provided on the following pages, including industry status, common decision factors and local and regional cluster industries.



### **First Tier Target Sectors**

The short-term targets include industries which include elements of near-term growth and where Kronenwetter already possesses characteristics which are attractive to these industries. Industry trends and drivers are highlighted in the left hand column, while existing regional and local firms which can serve as a catalyst for industry growth are identified in the box to the right. It should be noted that even within the larger industry, various sectors will be at different economic positions and possess similar but individual location requirements (i.e., reliance on transportation network versus raw materials or supplier adjacency. )

<u>Manufacturing</u> Metal Fabrication Metal Finishing Logistics	<u>Timeframe</u> Short-term	Position within the Economy Fabrication – Industry Leader Finishing – Declining Industry Logistics – Increasing Value-Add Focus
<ul> <li>Trend toward large companies/ small of</li> <li>Finishing anticipates increased outsou industry but also overseas competition</li> <li>Long term gas price projections making technology utilization such as RFID.</li> <li>Key Infrastructure Needs &amp; Decision Crit</li> <li>Fabrication: 95% of output goes to complexity industrial zoning, transportation skilled labor.</li> <li>Finishing: Primarily small shops servic manufacturing hubs, transportation, sk costs.</li> </ul>	rcing, increased demand by electronics g logistics more important., increasing <u>teria</u> nmercial construction activity. Growth area, access (Incl rail), robust & affordable power,	<ul> <li>Key Regional Firms</li> <li>Muthig: Metal stamping/cutting for various industries</li> <li>Point Precision: Engine valves/pumps for aerospace industry</li> <li>Central Wisconsin Finishing: Metal coating for consumer, medical, construction sectors</li> <li>Jorgensen: Metal conveyors &amp; handling for metal parts manufacturers</li> <li>Schneider: Third party logistics</li> <li>Kronenwetter Firms</li> <li>Studinski Welding: Comm. Equip repair</li> <li>Woods Equipment: Loader buckets, const. equipment</li> <li>Wisconsin Kenworth: Truck sales, leasing &amp; repair</li> <li>A&amp;W Cold Storage: Livestock related cold storage</li> </ul>
cost land. <u>Opportunity</u> <u>Maximize strongest cluster, improv</u>	e infrastructure to support growth and cross tomotive, Machinery, Consumer Produ	s-industry pollination.

2011 Village of Kronenwetter Economic Development & Marketing Plan

Kronen

Incorporated 2002

# **First Tier Target Sectors**

Many of the target industry sectors are interrelated, presenting an opportunity for Kronenwetter to attract companies which can benefit from potential industry partnerships. This type of partnership can help to retain businesses who receive an additional competitive advantage from locating in the community, and also help to enhance the local business culture. For each industry targeted, a list of related clusters is identified at the bottom of the page.

Agriculture/Forestry Specialty Agriculture <u>Timeframe</u> Food Processing Short-term Wood Products	Position within the Economy Fabrication – Industry Leader Finishing – Declining Industry Logistics – Increasing Value-Add Focus
<ul> <li>Industry Trends &amp; Facts         <ul> <li>Agricultural consolidation to small and large farms, ethnic, Community supported ag, organics, health &amp; wellness</li> <li>Paper industry consolidation, traditional wood products moving to climates with longer growing season, wood pulp/fiber/biomass emerging markets</li> </ul> </li> <li>Key Infrastructure Needs &amp; Decision Criteria         <ul> <li>Specialty Agriculture: Residential or tourism cluster, low-cost real estate, transportation, low-cost labor, temperate climate, irrigation</li> <li>Food Processing: Agricultural presence, transportation, reliable power, cold storage, low-cost labor</li> <li>Wood Products: temperate climate, transportation network allowing for large loads, low-cost real estate</li> </ul> </li> </ul>	<ul> <li>Key Regional Firms</li> <li>SNE: Home window &amp; patio door manufacturing</li> <li>Weyerhauser: Cellulose &amp; wood fiber for packaging, consumer products, construction</li> <li>Mullins Cheese: Cheese &amp; whey powder for consumer retail</li> <li>Eco-Building &amp; Forestry: Professional landscaping services</li> <li>Kronenwetter Firms</li> <li>Shidell Wood: Wood pallet manufacturing</li> <li>Wausau Mosinee Paper: headquarters</li> <li>Tropical Gardens: Indoor plant distributor &amp; commercial services</li> </ul>
<ul> <li><u>Opportunity</u> <ul> <li>Capitalize on synergies between existing clusters present in village by incremainstay to remain viable in changing industry.</li> </ul> </li> <li>Related Clusters: Construction, Retail, Research, Biomass, Military, Consum</li> </ul>	



# **First Tier Target Sectors**

In contrast to the short term opportunities highlighted on the previous two pages, the finance, insurance and real estate cluster represents a mid-term opportunity based on the current decline in new construction which is a major driver of this sector. Additionally, transition in the banking and finance sectors are limiting growth in these regions. Regardless, Kronenwetter's position between two markets presents an attractive location for these types of companies which are typically cost-conscious, desire visibility, and frequently involve regional travel components.



#### Fin, Ins & Real Estate

Finance & Insurance Real Estate Services Architecture & Construction

#### Industry Trends & Facts

- Increasing regulation and accounting oversight in FIRE
- Green/cost efficient focus in HVAC/ real estate services
- Construction activity down 39% during recession, 11% increase in 2010. Single family lagging.

Timeframe

Mid-term

#### Key Infrastructure Needs & Decision Criteria

- Service: Ability to access multiple markets, low cost skilled labor, low cost real estate
- □ FIRE: Redundant power, low cost labor, low cost electricity
- Architecture & Construction: Good transportation network, strong regional growth projections, access to raw materials

#### **Opportunity**

• Expand on existing industrial strengths and diversify economy with addition of commercial office space users

Related Clusters: Technology, Metal Fabrication, Forestry

2011 Village of Kronenwetter Economic Development & Marketing Plan

Position within the Economy Finance/Ins, Arch/Construction – Cyclical Industries Services/HVAC – Stable Industry

#### **Key Regional Firms**

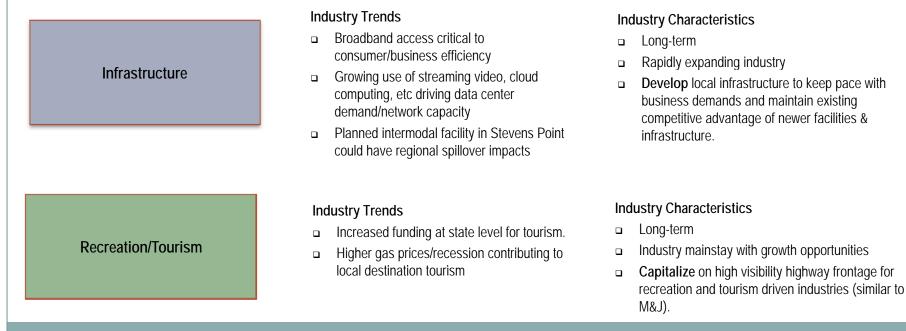
- Liberty Mutual Insurance: Personal/ Commercial Insurance Provider
- Precision Builders: Single Family homes
- Wilderness: Log home builder
- **Malbrit**: Resid/Comm HVAC Service/Install
- **Greenheck:** HVAC fan manufacturer

#### **Kronenwetter Firms**

- **Ryan Investments:** Private Investment services
- **Compass Insurance**: Insurance Sales
- American Asphalt: Paving contractor
- Apfelbeck Trucking: Excavating contractor

### **Second Tier Target Sectors**

The final set of target industry sectors includes areas where the Village may be able to cultivate local elements to create an attractive climate for these industries in the future. The emerging nature of Kronenwetter's economic position in the area ensures that the Village will continue to grow in importance on a regional level as increasing numbers of companies and residents migrate to the area. This increased density will provide an increased local consumer market, and will also facilitate the development of additional technological and transportation infrastructure which will support more intensive uses and higher value development types. By creating a development strategy and vision, Kronenwetter can attempt to steer development toward appropriate sites, thereby preserving some development areas for future uses and facilitating the transition to higher value uses at



Kroneny key sites in the future. This strategy is similar to Incorporated 200:

many land developers who build value by

this document.

developing low and mid-value parcels first,

resulting in greater market demand and increased land values for

key entrance parcels which then serve as gateway uses to the

development potential can facilitate a similar trend. Additional strategic planning and the identification of high value parcels in

the Village are discussed in the development planning chapter of

development. Kronenwetter's large amount of commercial

### **Target Sector Space Needs**

In order to create a diversified economic base, provide for development of tax increment districts within a reasonable timeframe, and meet the employment needs of its residents, Kronenwetter should seek a variety of development types within its commercial development areas. The chart below highlights some of the specific real estate needs for companies which fall within the previously identified target industry clusters. Some sectors may require space in a variety of property types,



such as a logistics cluster which can be accommodated with warehouse space, travel center amenities and third party logistics routing offices, among other uses. Focusing on both the primary real estate needs as well as ancillary uses creates a more compelling economic development message for recruiting, and improves the economic position of companies locating within the Village.

<ul> <li>Large Office Space (over 5,000 square feet)</li> <li>Property management &amp; maintenance providers</li> <li>Security firms</li> <li>Call/Claims/Sales/Service centers</li> <li>Back office administrative/accounting support centers</li> </ul>	Industrial/Warehouse Space • HVAC installation and service firms • Cold storage/freezer space • Water bottling facilities • Machinery/truck component manufacturing • Medical device component manufacturing • Machinery, equipment or trucking manufacturers • Metals coating • Pre-fabricated construction components • Data centers/redundant backup sites • Landscaping service centers/greenhouses
<ul> <li>Small Office Space (under 5,000 square feet)</li> <li>Professional services firms (legal, insurance, financial, accounting, engineering)</li> <li>Agents and brokers of wholesale trade</li> <li>Veterinary providers</li> <li>IT/Marketing/Professional graphic design services</li> <li>Business to business service providers</li> </ul>	<ul> <li><u>Retail/Residential Space</u></li> <li>Large purchase recreation/tourism goods retailers</li> <li>Full service truck plaza/restaurant/gas station/bank</li> <li>Variety of residential sizes, types &amp; price points, including rental units.</li> <li>Regional recreation draw – i.e. multi-use indoor sports facility, specialty sports venue (BMX, etc) will support ancillary retail development</li> </ul>



# Chapter 6: Economic Development Vision & Strategy

### **Economic Development Vision & Strategy Summary**



In order to further craft a targeted approach to economic development initiatives, a vision statement was developed. An initial set of statements and phrases was compiled from previously obtained information, focusing on descriptions which capture existing favorable community characteristics together with expressed growth objectives. These statements were ranked collectively through an online survey of Village elected officials, committee members and planning staff. The resulting vision statement was modified by the Economic Development and Marketing Committee and adopted by the Village Board at the July 11<sup>th</sup> meeting.

Using a strategy mapping process, this vision was translated into a series of desired outcomes and corresponding internal objectives. The internal objectives were developed to improve the efficiency and responsiveness of Village operations in relation to economic development objectives. Focusing on meeting these objectives is intended to produce the desired economic and stakeholder outcomes, which will ultimately result in measurable improvement in corresponding benchmarks. This strategy map will also be used to inform the implementation and work planning process, where potential activities will be prioritized based on their ability to address one of the priority objectives or influence desired outcomes. This process of evaluation and consideration helps focus efforts and financial support to efficiently utilize limited Village resources.

In order to effectively oversee implementation and monitoring, Kronenwetter will need to

select an appropriate organizational model for its economic development program, which will inform the implementation plan and allow the Village to create a project plan for implementation of individual projects and initiatives identified in Chapter 9.

Kronenwetter is a safe, growing, family-oriented community strategically located between Wausau and Stevens Point with a highly educated and skilled workforce and a focus on promoting economic opportunities while preserving a high quality of life.

### What should an Economic Development Plan Include?

A successful economic development plan identifies activities and strategies that represent efforts which are feasible given community resources, minimize duplication of effort, provide value and assistance to existing businesses, provide outreach and marketing to areas where the community can be successful in recruiting new business, and move the community towards its vision for the future.

# What measurable outcomes are associated with moving toward our vision?

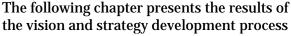
 What objectives from an internal, stakeholder and economic perspective will demonstrate measurable and real-world results from a successful implementation strategy?

#### What is the local capacity for implementing objectives?

- What form of organization is appropriate to ensure a flexible, efficient and responsive system for providing and overseeing economic development initiatives?
- What initiatives are possible to implement effectively given the staffing, financial resources and community involvement that are available at this point in time?

# What efforts can the Village undertake to complement existing regional activities?

- Which targeted industry clusters or development types are being adequately provided for by other local or regional groups?
- Where can we partner with other organizations to provide better access to existing services or initiatives within the community?
- What initiatives require Kronenwetter to take the lead in order to achieve the community vision?





which was conducted in a series of several committee meetings and with input from municipal staff, elected leaders and committee members. These strategy elements can be implemented within a number of different organizational structures, which are also presented. Of course, the true test of the economic development strategy will be the ability of Village staff and officials to achieve measurable results. Measurable impacts include both quantitative and qualitative elements, many of which can be assessed in comparison to the current information presented in the local and regional assessment in earlier chapters. While benchmark measures are never a 100% indication of organizational success, as many other economic, political and financial factors may impact market dynamics, a continued effort to monitor the local competitive position can facilitate adaptation of strategies to current market factors, provide compelling information for economic development materials and identify areas where initiatives have potentially demonstrated success. Some measurements which may be suitable for Kronenwetter include: residential and commercial growth relative to the Wausau Metro Area, number of new jobs/companies, number of prospect inquiries, prospect capture rate, average development review timeframe, percent of new family households, local unemployment rate and parks and recreation amenities per capita.

### **Kronenwetter's Economic Development Vision**

In order to focus the Village's approach to economic development initiatives, a vision statement was developed which would provide direction and structure to further planning activities. An initial set of statements and phrases was compiled from previously obtained information, focusing on descriptions which capture existing favorable community characteristics together with expressed growth objectives. These statements were ranked collectively through an online survey of Village elected officials, committee members and planning staff. The resulting vision statement was modified by the Economic Development and Marketing Committee and adopted by the Village Board at the July 11<sup>th</sup>, 2011 meeting.

The top ranked survey statements are displayed in the box to the right. This survey was conducted following the presentation of the community values survey, allowing Village leaders to craft a statement that will not only provide structure for retention and recruitment activities, but which also supports and confirms resident values. This ability to plan for the future while embracing existing community features helps to ensure that the final plan will be implementable within the local political climate, and that it builds upon existing reality as opposed to creating a vision that is not tied to the community. The final approved economic development vision statement which emerged from this process and which encompasses the Village's future goals is as follows:

Kronenwetter is a safe, growing, familyoriented community strategically located between Wausau and Stevens Point with a highly educated and skilled workforce and a focus on promoting economic opportunities while preserving a high quality of life.

#### <u>Survey Statement – Percentage of Votes Received</u>

- Family oriented 28%
- Growing 20%
- Room to Grow 20%
- Clean and Safe 20%
- Responsive to the needs of its residential and business citizens 20%
- Encourage Sustainable growth 12%
- An eclectic mix of land uses 12%
- Strategically located 12%
- Safe and Secure 12%
- Welcoming neighborhoods 12%
- Friendly, diverse, efficient, responsible, small-town atmosphere, orderly growth & development, supportive, open processes & communication, promote economic vitality, maximize quality of life - 8%



### **Strategy Mapping**

Using a strategy mapping process, the previously determined vision was translated into a series of desired outcomes and corresponding internal objectives. The internal objectives were developed to improve the efficiency and responsiveness of Village operations in relation to economic development objectives. Focusing on meeting these objectives is intended to produce the desired economic and stakeholder outcomes, which will ultimately result in measurable improvement in corresponding benchmarks. This strategy map will also be used to inform the



implementation and work planning process, where potential activities will be prioritized based on their ability to address one of the priority objectives or influence desired outcomes. The main headings for the implementation plan will correspond to the Strategic Themes highlighted below, with specific initiatives targeted at achieving additional economic, stakeholder and learning objectives highlighted below. This process of evaluation and consideration helps focus efforts and financial support to

efficiently utilize limited Village resources.

**Economic** Economically Transparent & Managed & Focused **Family-Oriented** Outcome Supportive Streamlined Local Growth Amenities **Objectives** Infrastructure Government We will differentiate ourselves by providing... **Stakeholder Credibility: Fiscal** Quality Results: Service Value: Awareness: Outreach Outcome Targeted, Consistent & Promotion **Objectives** Transparency Focusing on those things that drive our strategy... Internal Lean Strategy & **Objectives** Regional **Engage Residents &** Focus on Target Quality (Strategic Coordination Businesses Industries Management Themes) Growing a proactive, educated and quality workforce... Learning & Work as a **High Ethical Efficient Sharing Customer Service Continuous Process** Growth Standards of Information Team Focus Improvement **Objectives** 2011 Village of Kronenwetter Economic Development & Marketing Plan

We will build our long-term community value with...

### **Organizational Options**

In order to effectively carry out economic development initiatives, the Village will need to formalize its economic development structure. This formalized structure will facilitate deal flow, negotiations, and provide oversight and day to day implementation of the strategic plan. Some of the potential organization types that the Village could employ to accomplish this goal are provided below along with pros and cons for each structure. The bottom two options can be employed under any of the main organization types, and are intended to provide additional support to the coordinating entity.



Organization Type	Pros	Cons
Economic Development & Marketing Committee	<ul> <li>Established Group</li> <li>Can set policy and direct activity</li> <li>Staffed by Village</li> </ul>	<ul> <li>No 'point' from business perspective</li> <li>Difficulty coordinating day to day prospect activity</li> <li>Time between meetings</li> <li>Not standing committee</li> </ul>
Redevelopment Authority	<ul> <li>Established Group</li> <li>Ability to make funding decisions</li> <li>Broad statutory powers</li> <li>Staffed by Village</li> </ul>	<ul> <li>No 'point' from business perspective</li> <li>Difficulty coordinating day to day prospect activity</li> <li>Time between meetings</li> <li>Redevelopment focused</li> </ul>
Economic Development Director	<ul> <li>Single point of contact</li> <li>Day to day activity</li> <li>Ability to make decisions quickly &amp; communicate to prospect</li> </ul>	• Cost • Turnover potential
Public/Private Corp.	<ul><li>Perceived as 'business-friendly'</li><li>Private sector funding</li></ul>	• Would still likely need staff - cost
McDEVCO/Centergy/ Chambers	<ul><li>Experienced staff</li><li>Regional reach</li></ul>	<ul><li>Diluted focus</li><li>Ability to carry prospect through to deal</li></ul>
Development Review Committee	<ul><li>Focus on 'the deal'</li><li>Predictability/reliability for developers</li></ul>	<ul><li>Only relevant to development</li><li>More reactive than proactive</li></ul>
Business Advisory Board	<ul> <li>Focus on retention</li> <li>Businesses as advocates</li> <li>Proactive</li> </ul>	<ul><li>Diverse interests</li><li>Quarterly at most</li></ul>

### **25 Core Economic Development Strategies**

Given the Village's size and limited capital and staffing capabilities, it will be necessary for Kronenwetter to leverage existing regional and statewide initiatives in order to focus resources on local opportunities. The chart below, which first appeared in the regional assessment chapter, highlights those strategies where a partnership opportunity exists (pink, with brown text). These strategies are areas where Kronenwetter is best served by partnering with existing programs. For instance, the business retention visits provided by Centergy and McDEVCO are effective in addressing business issues proactively. Kronenwetter can accompany these entities on visits to companies

Business Retention & Expansion	Business Cultivation	Energy Development	Cultural Tourism	Local/Regional Tourism
Downtown Development	Attracting Retirees	Business Recruitment	Entrepreneurial Development	Telecom Business
Value-Added Agriculture	Destination Tourism	Education Development	Health Care	Bedroom Community
Infrastructure Development	Attracting Lone Eagles	Environmental Restoration	Transportation Distribution Center	Value-Added Forest Products
	Ű		Distribution	



within the Village, and also benefit from a regional comparison of results from local

businesses to those of similar businesses in other communities to better identify distressed companies.

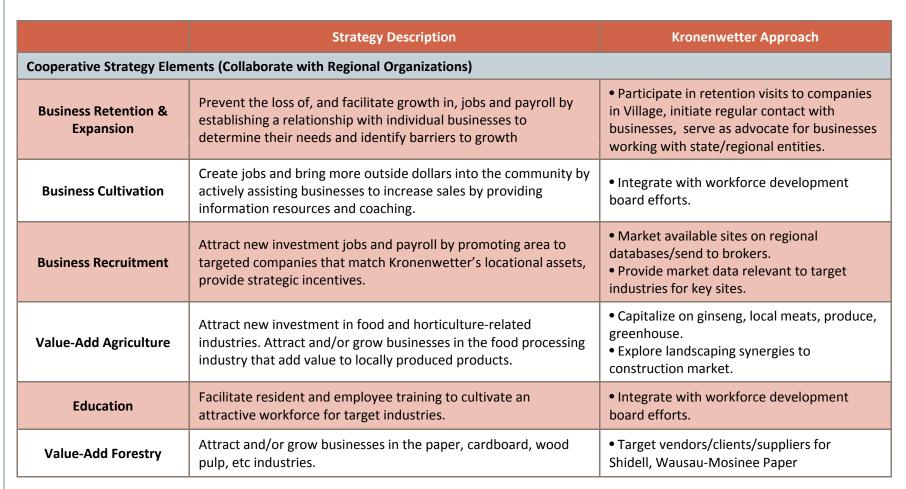
A second set of strategies is best suited for local focus by Village staff or officials. These strategies are either not being addressed locally, or are addressed locally but where regional initiatives will not provide sufficient local focus to promote Kronenwetter individually.

> Four strategies have initially been identified for local focus, which include: \* Telecom business focus \* Bedroom community amenities \* Transportation distribution centers, and \*Pass-through visitor services. More information on specific local initiatives which can help drive activity in these areas, as well as additional partnership opportunities are provided on the following pages.
>  }
> }

> Other strategies highlighted in the chart are used regionally but not highly useful at a local level (i.e., downtown development), or are not recommended for use at either a local or regional level due to limited competitive advantages (i.e., value-added fisheries).

### **Priority Core Strategies**

The tables on the following pages provide a more thorough discussion of each core economic development strategy which was identified as suitable for Kronenwetter. Strategies which can be undertaken as part of a collaborative regional or statewide effort are presented below, with strategies which require greater local effort presented on the following page. Each strategy highlights the desired outcome, and further identifies specific methods by which Kronenwetter can establish success in these areas.





### **Priority Core Strategies**

Core economic development strategies in the table below include those which would require additional effort from the Village to achieve measurable success. With the exception of the bedroom community amenities, these strategies are focused on elements which were identified under the target industry clusters, including information/technology, logistics and tourism. As discussed in the industry cluster analysis in the previous chapter, some of these industries represent short-term opportunities while others would require additional investment before a significant competitive advantage



can be established. Many of the elements identified as part of the Kronenwetter approach can be monitored to determine when municipal action would be most effective. Others include phased strategies, which require minimal focus at present, but greater efforts if and when conditions warrant. For example, if an interchange at Kowalski becomes likely at a point in the future, recruitment efforts in this area can focus on larger-scale third-party logistics warehouse and industrial users, versus a current focus on individual companies and regional distribution carriers.

	Strategy Description	Kronenwetter Approach		
Independent Strategy Elements (Led by Kronenwetter)				
Telecom	Attract and/or grow business in the telecom industry, such as back office operations, call centers and data centers.	<ul> <li>Assess redundant power availability.</li> <li>Identify existing facilities suitable for call centers.</li> <li>Quantify available worker pools &amp; cost.</li> </ul>		
Bedroom Community	Promote community quality of life and easy commuting to bring more residents and grow local income and disposable spending dollars.	<ul> <li>Maintain/enhance recreational amenities</li> <li>Strategically develop residential land to meet niches in community and maintain service level.</li> </ul>		
Transportation/ Distribution Center	Attract new investment, jobs and payroll by becoming a hub for warehousing, wholesaling and product distribution.	<ul> <li>Improve interchange to increase highway access.</li> <li>Explore synergies with air cargo service at CWA, Stevens Point trans-load facility.</li> <li>Work with existing trucking &amp; warehousing companies to attract complementary providers/expand market.</li> </ul>		
Pass-Through Visitor Services	Attract outside dollars by catering to travelers who are passing through with things like restaurants, gas stations and roadside attractions.	<ul> <li>Short to mid-term focus on long-haul truck traffic &amp; amenities.</li> <li>Long-term highway interchange.</li> </ul>		



# Chapter 7: Development Process & Policies

#### **Development Process & Policies Summary**

Information included in this chapter serves two purposes. First, it is intended to streamline processes, standardize procedures and minimize duplication of efforts by Village staff and officials. Secondly, improvements to the development process and policies will help enhance the Village's reputation with developers and businesses as a business-friendly and cost-effective place to do business. The Village of Kronenwetter currently utilizes ordinances and guidelines introduced when the Village incorporated in 20o2. Since this time, the Village has grown significantly, and these ordinances no longer reflect its current status or image. Additionally, the set of ordinances and procedures which were developed in a short timeframe are not coordinated or consistent, increasing the amount of uncertainty and risk that is present in the development process. By looking comprehensively at the set of ordinances, policies and guidelines, the Village can identify areas where service can be improved or better coordinated, resulting in more streamlined delivery of service and ultimately, less staff time required to deal with each prospect or proposal. Some of the specific areas which are addressed by this process include:

- Development Review
- Public Financial Assistance
- Development Agreements
- Zoning Ordinance
- Design Guidelines

Each of these topics represents a unique and distinct area of Village/Private Sector interactions with the potential for increased project cost or delayed construction schedules (also impacting



cost). Cumulatively, the elements will color the overall perception of doing business in the

Village. Therefore, addressing each element separately, while coordinating the processes and procedures which link the various elements from a staffing and oversight perspective, can improve service and minimize unnecessary hearings, reviews and revisions for both parties.

> ...the set of ordinances and procedures which were developed in a short timeframe are not coordinated or consistent, increasing the amount of uncertainty and risk that is present in the development process...

### Where should we focus our efforts?

Identifying properties which represent the highest value sites for development will help the Village to focus its limited marketing and public financing budget to areas where it can focus short-term efforts to leverage the greatest property tax increment over the life of the tax increment finance districts. The relative valuation of properties should also serve as a guide to match prospective developments to suitable sites based on achieving the highest and best land use.

#### **Relative Land Valuation**

- Identify parcels of land which represent the greatest near-term opportunity for generating property tax increment.
- Create a mechanism to guide development to areas where the Village has already committed resources toward establishing an environment catering to business and industry.

#### Determining Public Financing Objective Measurements

 Develop an objective system of measuring proposed developments according to benchmarks designed to gauge project suitability based on the ability to create positive value for the community as identified in the community vision.



#### Identifying Appropriate Ordinances & Development Guidelines

 Create a system of guidelines and ordinances which maintain and emphasize community competitive advantages and minimize the cost of compliance, while protecting area aesthetics and embracing community values.







### **Development Review Process Guidelines**

A review process is intended to provide a clear path for the Village and developer to follow. By laying out the timeline and path to successful development approval, both Village and developer staff are aware of their obligations and commitments. While every development is different, having a general plan of attack with a procedure for processing each application can save time and money, and make the overall experience more favorable for all parties. Reviewing ordinances to allow for a CSM and Plat review on the same night, in front of the same audience, for instance, can

minimize extraneous meetings and delay. Ultimately, having a plan in place increases the odds that the process will proceed according to schedule.

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Incorporated 2002

Zoning Research Collect Property Information, Floodplain, Title, Etc. Develop Preliminary Project Plans		<b>Pre-submittal</b> – Timing determined by applicant
Applicant meets with Village Staff to discuss conceptual plan Applicant meets with neighbors (recommended) Applicant submits complete application and project plans (zoning, fire, plumbing, building) Staff will review & request additional information as needed Applicant submits additional/supplementary project information (if needed) Department Review & Recommendations for committees (RDA/PIC) Applicant Modifies Project (if needed) RDA/Properties & Infrastructure (if Village land or TIF district) Staff Report for Plan Commission/Village Board	clock starts 2 weeks 2 weeks 2 weeks 2 weeks up to 1 month 1 week	Preliminary Review 4-6 Weeks
Notice of Public Meeting Given Plan Commission Meeting Project Adjustments Made (if needed) Village Board Meeting	1 week up to 1 month 2 weeks up to 1 month	Official Review 3-8 Weeks
TIF or Incentives Application Permit Applications (building, excavating, culvert, erosion control, road damage liability, connection, sanitary) Permits Received	up to 1 month 1 week 10 days	Permitting 10 Days - 2 Weeks

**Required Step** 

### **Public Financing**

In order to achieve the desired outcomes of transparent and fiscally responsible government services, Kronenwetter should implement a formal public financing policy. This policy should coordinate with the strategic goals and convey a clear vision of the Village's position on assistance for new development. At the same time, the policy should be flexible enough to accommodate a variety of viable projects and not hamper the Village's ability to respond to changing economic circumstances. One way to assess this flexibility is to evaluate desirable existing buildings to determine if they would

evaluate desirable existing buildings to	deter mine ir they		
<b>Compare proposal to current</b> <b>Village situation or target goal</b> (i.e. tax base per acre versus current commercial average, or versus needed value for TIF success)	Rank (1-10) 1=less desirable 10= most attractive	Weighted Factor (Sample values included)	Weighted Score
Tax Base Per Acre Anticipated		10	
Retains Existing Business/Jobs		10	
# of Jobs Created		10	
Project provides goods or services not currently available in Kronenwetter		10	
Anticipated Average Wage		5	
Industry Complements Community Strengths/Target Industry Goals		5	
Project promotes economic diversity		5	
Project meets aesthetic standards		5	

Results:

Low Priority: Score under 200, maximum 15% project assistance (or 7 year payback) Moderate Priority: Score 200 to 400, maximum 30% project assistance (or 11 year payback) High Priority: Score over 400, project assistance negotiable (or up to 15 year payback)

2011 Village of Kronenwetter Economic Development & Marketing Plan



qualify for assistance under the proposed policy. The sample policy below provides a weighted structure which emphasizes property values and

jobs, while encouraging aesthetic and economic values. Once a policy is in place, there are additional questions which need to be answered in order to put into practice. These questions are highlighted in the box to the right.

## Questions to be addressed through public financing policy process:

- Review Process
- Who has authority to negotiate? When should proposals go to the Board? Is this a formal policy or will it be determined on a case by case basis?
- Project Eligibility
- In order to determine what level of action the Village should take, there must be a process for evaluating what financing gap truly exists, whether the project is qualified, and whether the Village is well-suited to the industry. If not, the chance of the development being unsuccessful is higher, and/or Village resources will be spent in pursuit of an unsubstantiated lead. Other related questions include: Does the company have other options? Is it in the public interest – what is the net cost?
- Incentive Levels

Incentive levels can be capped based on the % of project investment, years required to recoup investment, etc. A maximum award can be established under either of these scenarios or others. For example, maximum \$ per job, \$ per \$100,000 of increment, % of total project, x years of payback

#### **TIF** application

Creating a formal application process for developers or businesses interested in receiving tax increment finance assistance from the Village has multiple advantages. First and foremost, it standardizes the process, coordinates the request with any corresponding development review procedures, and provides a mechanism for obtaining information by which the qualifications of the application can be measured.

Secondly, by providing a form which outlines the process and policy for receiving public funds, the Village can minimize staff time spent responding to requests for information and reviewing incomplete information on projects which may not be viable. The outline at right provides an overview of elements which can be included within a tax increment finance application. These elements should include any and all items which are evaluated in the financing matrix in sufficient detail to evaluate the proposal.

However, they should also be elements which would readily be known by the applicant and would not require guesswork. Elements requiring levels of detail which would discourage qualified projects from applying should not be required. The actual information required for each project may vary slightly depending on the scope and nature of the project, but should be sufficient to determine the likely impact and project viability.



#### **Common TIF Application Elements**

✤ Provide an overview of public financing policy and qualifying criteria

✤ Timeframe for application review and coordination with development review process

- \* May or may not require an application fee
- \* General information, including
  - Contact information for developer, references and lender/financial partner
  - Requested TIF amount and anticipated payback period
- **\*** Project information, including:
  - Preliminary development plans
  - Current ownership of property, and timing of any pending offers or letters of intent
  - Intended occupants/use of the building
  - Anticipated employment/wages of future occupants, if applicable
  - Market study or analysis for proposed uses, if applicable
  - Development pro formas
  - Development timing
  - Property tax assumptions & calculations
  - Project partners (consultants, legal, financial, architecture, etc.)
- **\*** Developer information, including:
  - Project financing commitments
  - Developer financials
  - Developer background & experience
  - Developer equity contribution

### **Development Negotiations**

A well-structured development agreement protects both the developer and the Village from surprises as the development progresses. In addition to enumerating the responsibilities of each party, it will lay out the guidelines for addressing issues which may arise during the development process.

Addressing contingencies such as property conveyance, nonperformance clauses and not-to-exceed language can help ensure that unforeseen issues do not create financial hardship on the part of the Village. The agreement can also provide some risk mitigation by providing contingencies for breach of agreement. These contingencies can help recoup costs or, at minimum, set guidelines for how property interest may be transferred to protect against subsequent project adjustments which reduce the final value of the completed development. Some of the key elements which should be addressed within the agreement are highlighted at right, with more detailed information on document wording and structure found in the Appendix.



#### Incorporated 200: **Contents of a Development Agreement ♦**Outline Introduction Definitions ✤Parties **♦** Relationship of the Parties **♦**Property **♦** Authorization ✤Intent of the Parties Recitation of Benefits and Burdens Consistency with Plans **♦** Applicable Regulations \*Approval and Permit Requirements Permitted Uses **\***Uses Prohibited by the Agreement Dedications and Reservations \*Fees, Assessments and Other Charges Duration of the Agreement Amendments. Cancellation or Termination ✤Periodic Review Progress Reporting Remedies ✤Enforcement Hold Harmless Clause ✤Insurance. Bonds Severability Clause Merger Clause \*Statements of Incorporation by Reference (reference to other documents/ordinances)

### Zoning Ordinances

Zoning ordinances typically represent one of the major means of enforcement of a municipality's vision. The ordinance is intended to provide a set of guidelines for property use and the built environment which ensures compatibility of uses and encourages good building practices. Additionally, the ordinance should convey to the reader a sense of the municipality's vision and goals, and support the municipality in carrying out its Comprehensive Plan and TID Plans.

When zoning ordinances are not generated locally, or have become outdated based on evolving land use patterns, several potential issues can arise. At the most basic level, an outdated ordinance limits the ability to convey a vision for development to property owners and developers, leading to more lengthy development review processes. Frequently, codes which have been updated over time include significantly more conditional uses and variances in an attempt to meet new demands, thus requiring additional review and approvals and increasing the amount of time required and perceived risk in a proposed development. This variable nature of enforcement can lead to difficulty in enforcing design guidelines, maintenance or other ordinances which can be perceived as flexible as well, requiring more time and money to ensure compliance. Lastly, a significant risk presented by outdated ordinances is the potential for legal issues resulting from inconsistent application of ordinances, inability to enforce the ordinance, or lack of consistency with the municipality's **Comprehensive Plan.** 

Kronenwetter is currently relying on an updated version of an original code which was purchased as a stock ordinance when the Village incorporated in 2002. This type of stock ordinance can be problematic in general and, for Kronenwetter, which has experienced tremendous growth, there are numerous instances where the ordinance has become outdated. Some existing issues include:

- Unclear and costly guidelines for new construction
- Conflicting fees, definitions and ordinances
- Missing definitions or ordinance references (i.e. ,sign ordinances for all but one zoning category, etc.)
- Zoning that discourages development of more than 50 acres of total retail space in Village based on current population
- Floor area ratios in code that are not consistent with actual development patterns
- Parking ratios based on proposed workers limit speculative development
- Conflicts between zoning and current use
- Potential for future conflicts between zoned uses (i.e., TID 2)
- Failure to convey goals and vision of Village
- Extraneous sections that are irrelevant to Village needs

There are multiple ways in which the Village could elect to address these issues. These will be discussed as part of the Implementation Plan chapter.



Design (	Juidelines						village of
Category	Kronenwetter	Spencer	Marathon City	Wausau West	Portage County	Weston	Kronenvveller
Uses	Office, Light Industrial	Industrial	Commercial, Light Indust, Industrial	Industrial	All uses, by location	Office, Light Industrial	Least Restrictive
Floor Area Ratio							Moderate
Minimum Site							Most Restrictive
Materials							
Landscaping							
Lighting							
Storage & Loading							

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Similar to zoning ordinances, design guidelines can significantly influence the cost of doing business in a location, and send a strong signal about a municipality's priorities and objectives. The main purpose of design guidelines is to ensure that development in particular area is compatible with the desired image or existing uses in the area. These development goals are often created with the intent to maximize land value within industrial areas by requiring upgraded design and aesthetic standards which are higher than most industrial companies would prefer. As with all municipal policies, design guidelines pose trade-offs for the municipality. For instance, high quality design requirements can add as much as 30 percent to the cost of a new facility. This can alter the competitive advantage of a location based on overall project cost. Some guidelines may present more of a hurdle than others, but each element should be weighed to create guidelines which encourage business while also promoting the community

Requiring architectural materials on multiple facades is the most costly on a per square foot basis, while requirements such as site size and floor area ratio can be costly if a business must purchase more land than they need in order to construct. At the same time, creating ordinances that diverge greatly from the existing built condition can create tension between new and long-term businesses which are held to different standards. The table above illustrates the relative differences in the design guidelines for some of the competing business parks in the area. Guidelines were assessed based on the relative cost of compliance, including items such as the number of feet between street trees, quality and quantity (faces) of architectural materials required, etc. This ranking is not intended to provide a recommendation, but only to illustrate the competitive position of Kronenwetter for companies considering business park locations in the region.

values and objectives in the most economical means possible.

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#### **Development Process Takeaways**

The key takeaways from the development planning process are centered around the ability to provide and promote a reliable and predictable climate for businesses and developers to operate. In many cases, an unforeseen delay may cause significant expense if loan deadlines or construction scheduling cannot occur in a timely fashion. Given the significant challenges facing developers in Wisconsin from weather-related issues, development timing becomes significantly more important than in other climates.

While having a reliable development process is important for the Village as it seeks to create a reputation as a business destination, a well-conceived officially adopted development process can also help elected officials and Village leaders communicate policies and defend decisions to the public. By providing a stated position relative to public assistance and public input, and adhering to these guidelines during negotiations, it is significantly easier to justify decisions and support investment in businesses or developments which meet the Village's values and objectives. Key goals which should be reflected in the development process and procedures include:

- Focus on reliability, predictability and follow-through
- Focus on community vision and filter decisions through vision
  - Utilize matrix for evaluating proposals to ensure consistency, transparency and adherence to vision
- Clearly articulate Village position on proposed projects based on established criteria
- Ensure that ordinances, guidelines and standards reflect community vision and accommodate desired development types







# Chapter 8: Development Planning

### **Development Planning Summary**

While Chapter 7 addresses the development review process from inception and planning through certificate of occupancy, Chapter 8 is concerned with strategic development planning. With the creation of four TIDs in the Village, Kronenwetter inserted itself in the development planning process, and should develop a strategic plan for attracting and assessing various development types and locations to ultimately direct development to areas which are best suited to support the proposed use and meet the fiscal objectives of the Village, which is a partner in developments within the TID areas. This type of planning is relevant to all municipalities, but is specifically important in Kronenwetter. Where many municipalities create TIDs strategically around an immanent project, or to channel redevelopment activities to a blighted area, prior Village leaders elected to create four TIDs within the commercial area which offer similar advantages and therefore compete for new development dollars. The significant funds invested in infrastructure associated with these districts makes it even more essential that the Village strategically market and position available parcels within these districts to ensure fiscal solvency both within districts and also for the Village and its taxation partners who are impacted by the success or failure of these districts.

Chapter 8 gives an overview of commercial development opportunities within the Village and provides tools for the Village to evaluate and prioritize development in the community. The large amount of developable commercial land is the Village's largest asset, yet it makes strategic planning more difficult. By identifying locations where current development values are highest and where development is necessary to recoup Village investments, a strategy can be developed which focuses on strategic marketing and infrastructure improvements based on Village objectives.



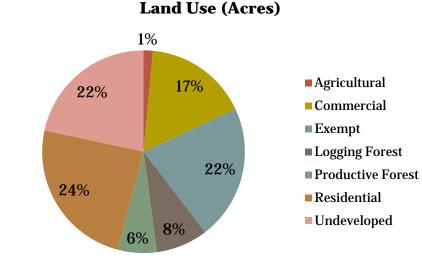
By implementing a strategic development plan, the Village can focus infrastructure investment and marketing efforts with the following goals in mind:

- Improve Village financial position
- Maintain development opportunities in a variety of sizes and zoning categories
- Direct high-value development to high-value parcels to ensure highest and best use on each available site.

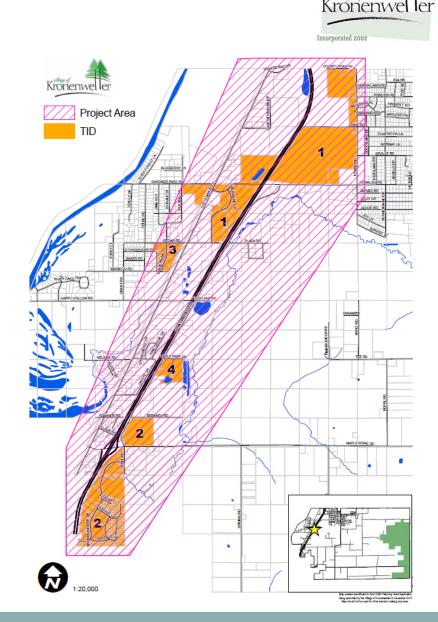
By identifying specific locations where current development values are highest and where development is necessary to recoup Village investments, a strategy can be developed which focuses on strategic marketing and infrastructure improvements based on Village objectives.

### **Priority Development Area**

The primary commercial development area within the Village encompasses the 3,300 acre area paralleling the Interstate 39 and Old Highway 51 corridors illustrated in the map to the right. This study area includes the bulk of all commercial and industrial zoned parcels in the Village, and also includes all four of the current TIDs. The area includes 1.5 million square feet of commercial or industrial structures, but over one fifth of the land area is considered undeveloped, providing significant area to accommodate a variety of development types. Despite being the commercial hub for the Village, the 563 parcels within the study area include 300 residential units,\* and also a significant amount of forested land, as illustrated in the chart below. The goal for the Village is to create a strategy which will focus growth on those areas which can leverage previous Village infrastructure investments, while maximizing the value of individual parcels. This overall strategy will incorporate a variety of tactics based on relative location within the study area and the economic position of individual TIDs.







### **Relative Land Valuation**

Given the significant previous investment by the Village in infrastructure, a primary focus is the need to maximize existing land value and spur near-term investment for the purpose of generating additional incremental property value within the TIDs. As will be explored later in this chapter, the recent recession resulted in a major setback for the finances in these districts, and many will require significant development in the near term to recoup early investments.

One strategy for maximizing value is to focus limited resources and efforts on marketing parcels which provide the greatest chance of near-term development. The map shown on the following page illustrates the relative value of parcels within the study area based on a number of economic variables. These factors include:

- \* Highway visibility
- Presence of utilities to site
- ✤ Non-floodplain location (less than 50% of parcel)
- \* In place commercial or industrial zoning
- \* Location within a TIF district
- ✤ Overall parcel size (under/over 5 acres)

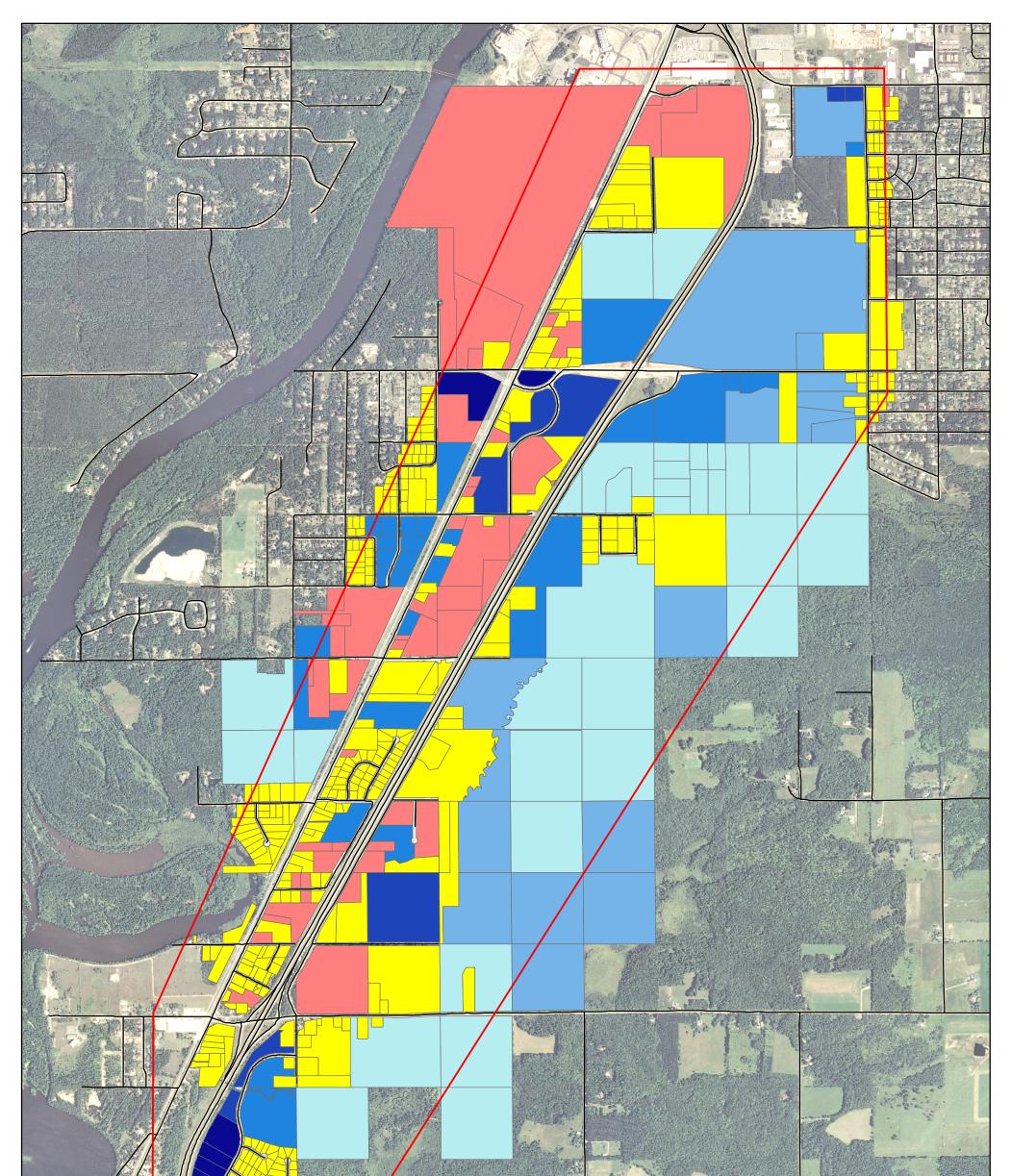


Parcels which include existing uses were eliminated, and remaining parcels where given

a score of -1, 0 or 1 for each variable to create a weighted value. For instance, a moderately sized commercial parcel with no highway visibility or TIF incentive potential, but with existing utilities and located outside the floodplain would receive a score of 4 out of a possible 5 points. Those parcels which are colored in darker blue represent the most desirable properties which can be developed with minimal Village assistance.

Additional fiscal and political tools are also available to help address the revenue situation within the TIDs. These additional options will be highlighted in this chapter, with specific recommendations incorporated within the final implementation plan.





#### **Parcel Rating Criteria**

Size less than 10,000 square feet = -1 Size between 10,000 square feet and 5 acres = 0 Size greater than 5 acres = 1

More than 50% covered in FEMA floodplain = -1 Covered by FEMA floodplain, but less than 50% = 0 Not covered at all by FEMA floodplain = 1

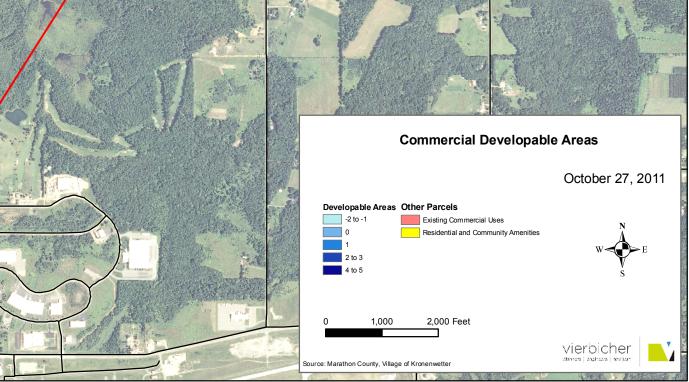
Zoned business or industrial = 1 Not zoned business or industrial = -1

Adjacent to highway = 1 Not adjacent to highway = 0

Utilities to site = 1 Utilities not to site = -1

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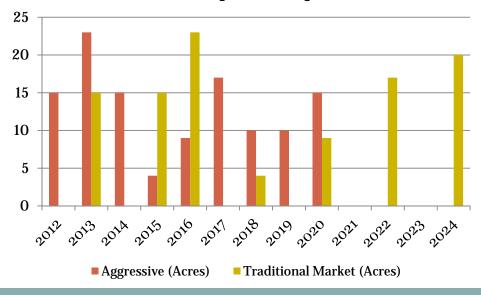
2



### **TID Development Forecasting**

The project plan for each TID was updated using current market projections. The original plans were based on a 3 percent property appreciation, and assumed continued steady growth during the life of the district. However, the economic recession and ongoing construction slowdown effectively eliminated half a decade of activity at a critical time for increment generation. In addition, declining property values and lawsuits impacted existing property assessments, creating generally flat conditions within each district.

The revised modeling took into account the existing development, property values and increment within each district, and then created two new forecasts. The first forecast, which represents a traditional market approach, is based on historic trends in the region. These trends use the average of regional employment growth forecasts, which allocate a total of 3,603 new jobs to Kronenwetter by 2030. Given an average square footage ratio per



#### **Land Development Projections**



employee, this would result in 103 new acres of development by 2024, which is the end of the life of the district. The market approach also

revises the property appreciation to assume only 2 percent growth, which assumes slower appreciation in early years with rising appreciation in later years.

The second forecast uses assumptions closer to the original project plan, i.e. that the economy recovers more quickly. The 3 percent appreciation is retained, and new development is based on Kronenwetter receiving its annual market share of the region's historic average land development totals. These two forecast models are highlighted on the graph and in the summary bullets below.

Traditional Market:

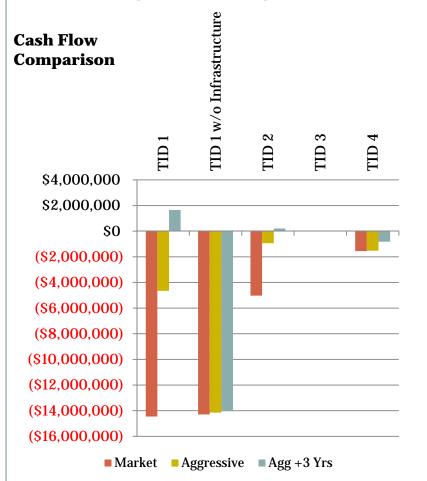
- Kronenwetter projection of 3,603 new jobs by 2030
- Assume 500 square feet per employee = 1.8 million square feet of space
- Total of **103 acres** of new development by 2024

#### Aggressive:

- Average of 133 acres absorbed per year in Wausau Metro Area Kronenwetter receives forecast share based on jobs forecast (26% = 35 acres per year)
  - Equal to maximum annual absorption during past decade in any one park (Wausau West)
  - Adjusted for size of available parcels & infrastructure timing
- Total of 118 acres of new development by 2024

### **TID Financial Forecasting**

The forecast scenarios presented on the previous page were applied to each individual TID. As none of them generated positive cash flow within the life of the district under these two scenarios, an extra three years of life were provided under the aggressive scenario. This is allowed under Wisconsin law for districts which are financially insolvent. With these three additional years, TID1 and TID2 became profitable, with the potential to offset minimal





losses in TID4 with revenues from the initial districts. However, there are issues which make this scenario unlikely. These issues are highlighted below, and will be further addressed within the context of individual districts in the following pages.

#### **Complications and Limiting Factors**

- Average annual appreciation of 3% or greater is essential for positive cash flow, but does not reflect current economic realities. Reaching this level of appreciation will require significant appreciation in later years, which further limits increment gains.
- TID 1 can only approach positive territory with further infrastructure investments to open new land to development. However, the district is at the limit of its borrowing capacity. No other TIF is in a financial position to become a donor, and the Village as a whole does not have significant borrowing capacity. Additionally, this district is home to the largest land tracts, which represent the greatest opportunity to capture large scale development with significant increment. These large developments create more ancillary development opportunities which would spill over into adjacent areas.
- TID 2 assumes buildout of remaining residential acreage, but the Village has limited ability to influence this development, making the success of this district contingent upon individual developer actions.
- The Village has not been paying down the principal on previous borrowing. Assumptions moving forward assume that principal and interest are paid in full each year. Delaying these payments negatively impacts the ability of districts to produce increment.

### **TID Development Forecasting**

In addition to the limiting factors introduced on the previous page, there is one additional impediment to TIF district success. Namely, the presence of four separate districts which, with one partial exception, all rely on the same pool of commercial and industrial development prospects for future revenue. The model on the previous page determined that each district would be able to grow under the aggressive scenario. However, combining these scenarios illustrates the sheer volume of new construction which would have to occur annually in order to meet these projections. The chart to the lower right illustrates the sum total acreage required to create positive cash flow in all of the TIDs. For purposes of comparison, the following statistics highlight the historical trends associated with commercial and residential development in the Wausau area.

#### Historical and Projected Wausau Metro Absorption Information

#### **Commercial Development**

- Average Projected Annual Absorption (based on employment projections): 6 acres
- Maximum Acres Absorbed Annually in Single Park within Wausau Metro Historically: 35 acres

#### **Residential Development**

 Average Acres Absorbed Annually (based on Kronenwetter market share of average annual metro building permits): 18 acres

Based on these comparisons, for all of the districts to achieve positive cash flow, Kronenwetter would have to exceed the maximum acreage of commercial absorption in four separate years, and would have to exceed the market based projections based on



job growth for each of the remaining years of district life. Given the limited capacity for

residential development and the significant amount of buildout in place, residential development requirements would be well within the historic trends.

The following pages provide an overview of each TID and present strategies which can assist the Village in creating a TIF management plan to maximize district success and monitor progress.

#### **Combined Absorption Requirements: All Kronenwetter TIDs**

	Total Commercial Acres	Total Residential Acres
2012	21.41	6
2013	34.72	7
2014	25.64	7
2015	30.59	8
2016	43	1
2017	50	5
2018	39	-
2019	35	-
2020	36.95	-

#### **TID 1 Overview**

District Size: 388.22 acres Development to date: 19.48 acres Average assessed value of developed land (psf): \$11.54 Average assessed value of undeveloped land (psf): \$1.50 Current TID Debt: \$12,438,045

The largest of the districts, TID 1 also possesses the largest debt burden. Significant expenditures on the Kowalski Road interchange, which included roads, sewer and other infrastructure, resulted in the improvement of several parcels on the western side of Interstate 39, and led to the development of the Woods Equipment facility. However, other anticipated development never materialized, and the infrastructure investment did not provide in place utilities on the east side of the Interstate where the bulk of developable land exists. These significant expenditures cannot be paid off based on increment from existing developable land within the life of the TID, and would require additional infrastructure improvements to the eastern portion of the district to create sufficient increment. However, funds for this investment are not available at present.

As a result of economic conditions and the Village acquisition of additional TID 1 land, and following the settlement of a lawsuit related to assessed value of land within the district, the assessed value of property within TID 1 has declined by 56 percent from the peak year, qualifying the district for severely distressed status under Wisconsin Department of Revenue guidelines.





#### **TID 1 Finances**

An important consideration within TID 1 is the need to balance additional development and associated revenue with

the necessary infrastructure investments and limited borrowing capacity of the Village. Development of the larger parcels within the district will require significant additional

infrastructure investment on the part of the Village. This investment would require borrowing, for which capacity is currently limited. To determine the impact that this lack of infrastructure could have on the district's financials, analysis was conducted which assumed various development scenarios for TID 1. These scenarios included the following (with market and aggressive development scenarios for each):

- Development limited to areas with existing infrastructure, and . properties adjacent to Tower Road
- Development of currently available properties, plus . infrastructure expenditures to open north section (using original project plan assumptions for development cost)
- Infrastructure investment sufficient to open all land within . district to development (using original project plan assumptions)

This analysis determined that the district is unable to cash flow during its natural life under current market-based assumptions. Even assuming an extra threeyear grace period for the district, the closing balance would be \$13 million. Although all of the land in the study areas would be developed in this scenario, the value would not be enough to offset the significant investment which was made on the interchange at Kowalski Road. Under the aggressive scenario, which requires additional borrowing, the district would recoup all additional borrowing costs and make significant progress towards paying off former debt, but would still have a negative balance of \$5 million at



its close. Additionally, the estimated cost of the required infrastructure would be beyond

the Village's borrowing capacity under current scenarios. Under the 'what would it take' scenario, it was determined that a development with value roughly equivalent to a regional mall would need to be developed on available parcels under the market approach, or the Village would have to attract 35 acres of new development annually from 2015 through the end of the life of the district. This volume of new development would be equivalent to the maximum annual absorption in any regional park identified in the competitive set analysis. Market

- Final Balance: -\$13 million
- **Closing Value: \$86 million**
- **Total Developed Acres: 136**
- Biggest issue is necessity of funding additional infrastructure to open new land

#### Aggressive

- Final Balance: -85 million
- **Cumulative Increment: \$121 million**
- **Total Developed Acres: 151**
- New infrastructure self-funding, but insufficient increment to pay off existing debt

#### What would it take to create positive cash flow?

Build out existing lots prior to 2016, then 35 acres per year • of new development from 2016-2020 (would still have to find resources to fund 2016 improvements)

### **Tax Increment Strategies: TID 1**

In order to address the significant infrastructure debt and limited ability to incentivize development within the district, several strategies are available, as highlighted in the chart below. One of these options takes advantage of recently passed legislation which provides for a 'severely distressed' category of TID. This would require a decline in assessed value of more than 25% from peak year. In TID 1, overall values have declined by a total of 56% since 2008. Additional scenarios include the expansion of district boundaries to incorporate likely



development parcels (which would preclude the distressed designation) and the amendment of

distressed designation) and the amendment of zoning to allow additional development types, such as multifamily, in targeted areas of the district. This effort could be combined with either of the other two strategies. Each strategy involves trade-offs, which are highlighted below, and results in differing financial projections, highlighted on the following page.

Strategy	Pro	Con
Declare TID 1 Severely Distressed	<ul> <li>Additional 20 years of life allows Village to focus on remaining TIDs to ensure profitability.</li> <li>Limits competition between TIDs for users.</li> <li>Maintains large tracts of land for future commercial expansion.</li> <li>Preserves business park opportunity for when financing is available to make best business case to users.</li> </ul>	<ul> <li>Limits ability to spend money in TID 1 (funds can still be transferred).</li> <li>Potentially limits availability of large parcels</li> <li>Cannot create overlap TID to finance future projects.</li> </ul>
Include Compass Property in TID 1	<ul> <li>Property benefits from TID infrastructure spending, but does not contribute to district increment.</li> <li>If done when development is imminent, increases likelihood that TID 1 will be profitable</li> <li>Makes development more attractive; could bring more high-value and office tenants.</li> </ul>	<ul> <li>If TID 1 is declared distressed, option is not available.</li> <li>If development does not occur in next five years, ability to capture increment is minimal without overlay.</li> </ul>
Include alternate development types in TID 1	<ul> <li>Diversifies development types, increases likelihood that TID 1 will be profitable.</li> <li>Capitalizes on current market trends.</li> <li>Reduces competition among TIDs.</li> </ul>	<ul> <li>Cannot rezone property under an industrial TID, even if overlay is created.</li> <li>Requires allowing residential uses in industrial zoned areas as a variance.</li> <li>If TID 1 is declared distressed, development of residential must occur before 2021.</li> </ul>

### **Tax Increment Strategies: TID 1**

Further exploring the potential strategies presented on the preceding page, additional forecasts were created comparing the impact of adding land uses, expanding the district to include likely development sites, and taking advantage of the severely distressed TID designation. Adding new property uses does not create a significantly different amount of increment, as compared to industrial development, to make a significant impact over the long term.

While this strategy would certainly allow some development to occur sooner, it would need to be utilized in combination with other strategies. Adding likely development sites had a slightly larger impact, but still would not produce sufficient revenue within the life of the district given the relatively small size of these sites in comparison to the overall district. Lastly, two separate iterations of the distressed TID status were calculated. One assumes that development activity is focused on the area with in place utilities, and no new investment is made to open additional acreage to development. Under this scenario, the district will begin to cash flow in year 26. If additional investment is made on minimal infrastructure for select sites in the eastern portion of the district (before 2021), the district will still gain enough increment within the extended distressed period, provided that additional project spending funds developments which create positive cash flow within the normal life of the district.

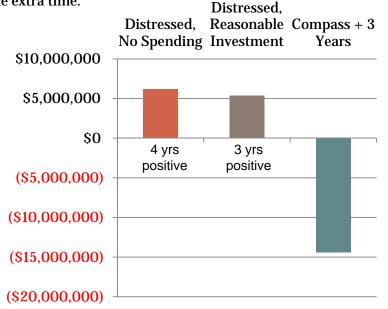
#### Additional Observations

- Parcels currently within TID 1 that require only moderate investment in infrastructure to be developable with development prospects which can create positive cash flow by end of the original TID life should be considered if borrowing capacity is available.
- The Village should develop a plan to pay principal and interest



in early years to avoid future negative impacts.

- The option in legislation to also designate a donor district is not available to the Village due to the fact that all remaining TIDs have differing taxing jurisdictions (school district) from TID 1.
- While the district is projected to achieve positive cash flow within the basic distressed period, the Village should pursue the severely distressed status. This status provides an extra cushion to guard against future market deterioration, and would not pose any additional negative implications. Should the district become positive prior to entering the extra severely distressed period, it can be closed at that point without using the extra time.



Assumes addition of 10 years to original TID life, or 7 years beyond allowable relief period. Positive cash flows begin in year 26 or 27. Assumes 'market' appreciation and development trends as described in prior modeling.

### Declaring a TID distressed

Declaring a TID distressed	_	
ACTIVITY	PARTY RESPONSIBLE	Completion Date
<ol> <li>Authorization to Proceed with Distressed TID Amendments.</li> </ol>	Village Board	Day 1
<ol> <li>Notify Taxing Entities of TID Project Plan Amendment Proposals.</li> </ol>	Consultant/ Village Staff	Day 2/3
3. Prepare Draft Distressed TID Project Plan Amendments.	Vierbicher	Day 3 – 17
<ol> <li>Review Preliminary Distressed TID Project Plan Amendments; Set Date of Public Hearings.</li> </ol>	Plan Commission	Day 21
5. Mail TID Project Plan Amendment Public Hearing Notices to Taxing Entities.	Consultant	Day 22
6. Public Hearing Notices (JRB and Plan Commission) to Newspaper	Consultant	Day 23
7. Publish Joint Review Board Organizational Meeting Notice ( <i>Class I</i> )	Newspaper	Day 30
8. Publish Notice for Plan Commission TID Public Hearings (Class II).	Newspaper	Day 30 & Day 37
9. Joint Review Board Organizational Meeting (Latest date 14 days after notice of Public Hearing).	Joint Review Board	~Day 37
10. Public Hearing on Distressed TID Amendment - at least 7 days after last insertion of public notice.	Plan Commission	Day 45
11. Plan Commission Meeting – Adopt Resolutions Approving Distressed TID Project Plan Amendments; Submission of all TID Project Plan Amendments to Village Board for Approval.	Plan Commission	Day 45
12. Public Hearing Notices (JRB and Village Board) to Newspaper	Consultant	Day 46
<ol> <li>Publish Notice for Village Board Public Hearings on Distressed TIDs (<i>Class II</i>).</li> </ol>	Newspaper	Day 52 & 59
14. Publish Notice of Joint Review Board Approval Meeting (Class I)	Newspaper	Day 59
15. Village Board Public Hearings on Distressed TID designations.	Village Board	Day 66
<ol> <li>Approve Distressed TID Project Plan Amendments and Resolutions.</li> </ol>	Village Board	Day 66
17. Approval of Distressed TID Amendments by Joint Review Board ( <i>Not more than 30 days after Village Board</i> <i>approval</i> ).	Joint Review Board	~Day 70
<ol> <li>Notification to Municipality of Joint Review Board Approval of TID Amendments. (Within 7 days of action).</li> </ol>	Joint Review Board	~Day 70
19. Submit TID Amendment Base Year Packages to Wisconsin Department of Revenue.	Village Clerk	Within 30 Days of Step 16
20. Wisconsin Department of Revenue Distressed TID Amendment Certification.	Wis. Dept. of Revenue	End of Year



- The process for declaring a TID to be distressed (either generally distressed or severely distressed) is highlighted in the timetable at right.
- The modified standards for distressed designation were provided under a bill signed in August of 2011 which extends the deadline to Sept. 30, 2015, for declaring a tax increment district to be distressed.
  - Kronenwetter was not eligible for distressed status under former legislation based on its TID creation date.
- If the Village elects to pursue distressed designation, the process will need to begin by June,2015 to ensure that it meets Department of Revenue deadlines.
- While no action needs to be taken prior to this date, the Village should be aware that amending the district boundaries would make the district ineligible for distressed status.
- The process for declaring a district distressed is similar to that for revising a TID Project Plan, including property owner notification, Joint Review Board Approval, Public Hearing and Plan Commission/Village Board approvals.

Note: If the Village wishes to have public hearings scheduled at regular meetings, it is likely that more time will be required to complete the TID distress designation. A timeline that takes regular meeting dates into account should be prepared once the Village opts to start the process.

#### **TID 2 Overview**

TID 2 is Kronenwetter's only mixed-use TID. The district includes residential development, specifically the Timber Ridge project, and commercial parcels along the Interstate and north of Maple Ridge Road, including the Wausau Paper headquarters building.

Of the existing debt, \$4.4 million is tied to a letter of credit with the developer of the Timber Ridge residential subdivision, and is currently the subject of a Village lawsuit. The remainder of the debt is associated with infrastructure improvements associated with this and other projects.

The most pressing issue facing TID 2 is the mix of residential and commercial uses, which is currently in violation of TIF ordinance, with residential property making up 36.4% of land area, which is 1.4% above the allowable residential allotment. This is equivalent to 2.5 acres of residentially zoned land. Remedying this situation requires adding 1.8 acres of commercial land to the district. The Village has approached a number of property owners, and is working towards this goal. Any future boundary amendments would have to add only commercial or industrial land to avoid further issues related to use ratios within the district. Similarly, modifying any land uses already within the TIF (to allow multifamily or other residential development) would have to be offset with commercial acreage added through boundary amendments.

TID 2, given an aggressive development scenario, would produce positive increment during its life. However, the downturn in the residential market and financial issues facing the primary residential developer within the district are likely to delay further development on these parcels, limiting increment in the district. Values in this district have continually increased over the life, and it is not eligible for severely distressed status, although it qualifies under the traditional distressed standards, which provides a 10-year extension. torproted 2007

**District Size:** 171.8 useable acres

o 62.6 acres residential, 109.2 commercial

**Developed to date:** 30.2 acres residential, 41.1 acres commercial **Average assessed value of developed land (psf):** Residential: \$6.97 Commercial: \$1.60

Average assessed value of undeveloped land (psf): \$0.58 Current TID Debt: \$7,125,000

2011 Village of Kronenwetter Economic Development & Marketing Plan

Kronenwe

#### **TID 2 Overview**

While many of the issues associated with TID 2's finances are outside the Village's control, some strategies could be employed to help ensure profitability for the district. These strategies are outlined below. While adding commercial land could alleviate issues in several ways, by allowing additional residential development and mitigating current land use ratio imbalances, this strategy has faced difficulties given the limited interest by adjacent property owners. The other area where the Village could exert some influence is to market the commercial properties adjacent to the highway. These properties include some of the most valuable



development sites in the Village based on highway visibility and access, and present natural commercial development targets. Wausau Trucking has already expressed an interest in beginning construction on their site, which is located on the southern end of this corridor. In order to successfully develop these properties as commercial uses while minimizing land use conflicts, Kronenwetter should work to create development guidelines for screening, noise buffers and traffic issues which would otherwise impact residential neighbors.

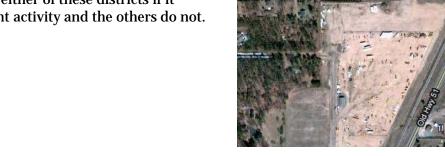
Strategy	Pro	Con
Add Land to North/Across Highway	<ul> <li>Addresses residential/commercial ratios.</li> <li>Potential to add sufficient land to allow rezoning of existing industrial land adjacent to residential parcels and maintain ratios.</li> </ul>	<ul> <li>Need to wait until project is imminent to minimize costs.</li> <li>Many property owners not interested.</li> <li>No active development sites in area with high potential for near-term development.</li> </ul>
Retire \$4.4m Letter of Credit & Close out TID	• Reduces overall debt burden.	<ul> <li>Potentially delays additional development of residential home sites.</li> <li>Limits ability to share potential revenue with remaining TIDs in case of future distress.</li> </ul>
Focus on Highway Frontage Lots while TIF Active	<ul> <li>Provides greatest chance of TID cash flow.</li> <li>Allows for potential to offset losses in other districts.</li> <li>Focuses on most desirable properties with greatest chance of high value development.</li> </ul>	<ul> <li>Adjacent to residential areas, limiting use.</li> <li>Village does not control parcels, not all owned by active developers.</li> </ul>
Focus TID 2 on Non- Industrial Uses	• Limits competition between TIDs for users.	<ul> <li>Limits use of some of the highest value parcels.</li> <li>Need to balance residential and commercial.</li> </ul>

#### **TID 3 Overview**

**District Size:** 36.67 acres **Developed to date:** 15.22 acres **Average assessed value of developed land (psf):** \$2.79 **Average assessed value of undeveloped land (psf):** \$0.62 **Current TID Debt:** \$29,370

TID 3 represents a smaller-scale commercial development opportunity within the Village. With limited debt and only a few parcels with largely common ownership, the district will likely cash flow within its lifespan provided that development ultimately occurs as originally planned prior to the recession.

The district has experienced a decline of more than 50 percent from the peak and, therefore, could be declared severely distressed under Department of Revenue guidelines. However, unless a project emerges which requires significant spending prior to the 2015 deadline, there is little reason to consider this strategy. One other option worth noting is that the district is within the same taxing jurisdictions as TIDs 2 and 4, and could be declared a donor district to either of these districts if it ultimately receives development activity and the others do not.





#### **TID 4 Overview**

District Size: 29.12 usable acres Developed to date: 19.44 acres Average assessed value of developed land (psf): \$1.60 Average assessed value of undeveloped land (psf): \$0.79 Current TID Debt: \$2,237,585

TID 4 is also fairly healthy as a district. It has had significant investment and has the potential to pay off the accumulated debt within the threeyear extension period. Property values within the district have remained relatively steady, declining by 9 percent from the peak, which is comparable to property within the Village as a whole.

Future development within TID 4 should seek to increase the overall assessed value per square foot, which is currently the lowest of the four districts. Achieving this higher value is essential to the ultimate financial health of the district. Under the aggressive scenario (including the three-year extension) the district would pay down all but \$800,000 of debt. By adjusting the anticipated value of new construction upwards by 10 percent, this figure drops to under half a million dollars. Selling the Village owned parcels before 2015, even if development of these parcels occurs after that date, provides a similar benefit. Given the smaller parcel sizes and interstate frontage offered on lots in the district, achieving this higher value development may be feasible, allowing the district to become solvent.

TID 4 prospects will also improve following the expiration of the current option term by G3 on several acres of land which limits parcel size and development options on adjacent land. The resolution of this issue will open additional land to development with minimal additional expenses based on the significant infrastructure investment in the form of storm water detention and roadways which currently exist on the site.





### **TID Modeling Assumptions**

This page provides fiscal and development timing assumptions which were used to model future development scenarios for all TIDs presented within this chapter. Additional spreadsheets and projection details can be found in the appendix.

- **Analysis Requirements and Assumptions** •
  - TID 1
    - Market scenario requires additional borrowing in × 2012, 2016 and 2019
    - × Aggressive scenario requires additional borrowing in 2012, 2015 and 2016
    - Both scenarios assume Wausau Tile Builds ×
  - TID 2
    - × Letter of credit retired, removing \$4.4 million of debt.
  - **General Assumptions (TIDs 1-4)** 
    - Acreage developed at 40% of land coverage, land and X improvement ratios comparable to Woods, M&J, G3, Compass facilities, existing residential. Range is \$300,000 - \$400,000 per acre commercial, \$200,000-\$300,000 per acre for residential
    - Improvements and land increase in value by 2% annually for market model and 3% annually for aggressive model.
    - Necessary additional infrastructure spending based X on original project plan assumptions.

- Market model based on share of Incorporated 2002 projected annual employment growth; aggressive model assumes attainment of market share of total acreage absorbed. Residential modeling based on historic average home sales and available lots or potential lots.
- All districts assume 3 year extension. ×





# Chapter 9: Marketing Strategy

#### **Marketing Summary**

This chapter is intended to provide an overview of marketing elements which are considered essential for an effective economic development program. It is likely that half or more of the potential prospects for business location or development will refine their short list of potential locations based on word of mouth and internet research. To accommodate these companies, it is important to provide concise, current and topical information on the website as well as through regional and local partners such as economic development entities, brokers and realtors, who may serve as the first point of contact for prospects. Elements introduced in this chapter are intended to be incorporated into the Village's marketing efforts as a whole, and do not necessarily require a separate marketing effort, although in future years the addition of more targeted materials may be desirable.

Specific topics discussed in this chapter include:

- Current Village and competitor messaging
- Key audiences and target information
- Marketing 1.0 and 2.0 venues and strategies
- Brand Marathon County and Kronenwetter messaging strategies

As a whole, the chapter provides an overview of the audiences, tools, strategies and messages which should serve as a framework for the Village's marketing efforts in both the short and mid-term. These audiences could also be included in one of the survey groups to gauge their perception and knowledge of the community, its advantages and vision. Their responses on these surveys can be indicative of the regional perceptions of the community which are important to understand when crafting targeted marketing messages.



It is likely that 50 percent or more of potential business relocation or development prospects will develop an initial short list of communities based on word of mouth or internet research.

### Major Competitors: What are they saying?

Kronenwetter's messaging will ultimately compete with the regional competitors identified previously. Messaging used for the Village's materials should differentiate the community from other areas in the region. Simultaneously, it should coordinate with the Marathon County and Centergy messages to leverage the advertising and outreach being conducted by these organizations. These messages are geared towards depicting this area as a quality of life destination with central location and abundant natural resources.

- Wausau: "Perfectly Seasoned", "Welcome Home"
- Mosinee: "Friendly and Progressive", "Together we Grow"
- Weston: "One of America's Best Managed Small Cities"
- Rib Mountain: "Where Nature, Family & Sport Come Together"
- Rothschild: No Motto Identified
- Marathon City: "The Village on the Hill"
- Stevens Point: "Discover what's in our Nature"
- Plover: No Motto Identified
- Merrill: "Gateway to the Great Northwoods", "Smart Move"
- Kronenwetter: "Come Grow with Us"
- Marathon County: "Wisconsin Central Time"
- Centergy: "Life. Science."





### **Marketing Messages and Audiences**

The marketing message should be created to address each of the four primary elements associated with the community vision. Those four components are:

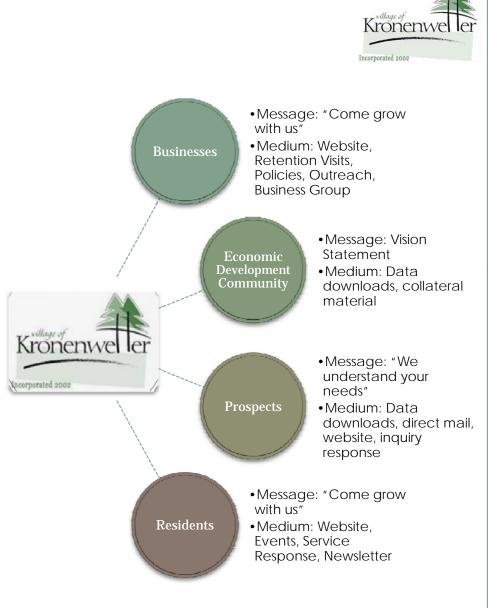
- Location Where am I?
- Identity Who lives/works here?
- Purpose Where are we going?
- Value Why should you care?

Within the Kronenwetter vision statement, each of the first three components is represented (as shown below) and should be conveyed by the message.

Kronenwetter is a safe, growing, family-oriented community strategically located between Wausau and Stevens Point with a highly educated and skilled workforce and a focus on promoting economic opportunities while preserving a high quality of life.

The fourth component, or the value statement, will be driven by the target audience of a particular audience. For example, a marketing brochure targeted to businesses would profile Kronenwetter's strategic geographic location, identify key businesses already located in the community, identify strategic priorities for development sites or growth industries, and then mention locational advantages, incentives or other key elements which are intended to realize this goal.

The graphic at right identifies several of these key audiences for Kronenwetter, as well as the general message and media which can be utilized to reach this market.



### **Marketing Tools and Strategies**

Within the marketing strategy there are core elements which are essential tools for day to day communication. These tools are included in the Marketing 1.0 tools list below, and include the elements which help a community convey its message, remain top of mind, and provide timely content which is relevant to the key audiences for economic development; namely economic developers, businesses and brokers/developers. These elements introduce the community, provide valuable information and reinforce the information with events and physical reminders.

Once initial marketing elements have been successfully introduced and the Village has determined that these core markets have absorbed the message and can identify Kronenwetter's key position and values, the Marketing 2.0 tools introduce specific messaging to target groups of individuals or companies which fit into the Village's economic development plan. These elements can include printed, digital or media pieces, as well as events or physical reminders. These tools and messages are more focused on key markets or specific demographics, with a distinct message for each group. Some examples of second stage marketing might include a broker tour, targeted collateral for specific industries (i.e., call centers), and medium intended to reach particular groups (i.e., visitor markets for future residential or business opportunities). Samples of this type of outreach are also highlighted below under the Marketing 2.0 category.

### **Marking 1.0 Tools**

- Website: Current, easy to navigate, first stop for information.
  - **Data Downloads:** Core data in one place. 5 w's.
- Newsletter: Personal touch, community news & accolades

- **Social Media:** Timely topics, events, activities
- **Collateral:** Branded element, regional context
- **Events:** Build community brand/loyalty
- **Signage/Amenities:** Gateway Features, Highway Signage, Public Parks, Trails

#### **Marketing 2.0 Tools**

- **Brokers/Realtors:** Gatekeepers for new residents/companies. Make sure they know what you offer.
- **Target Industry Companies in Region/State:** Opportunity to create a brand. Deal announcements, local industry news.
- **Visitors/Highway Traffic:** Generate awareness. Location & community amenities.
- **Media:** Control ratio positive to negative. Focus on your people/companies, proactive in pitching stories jointly with companies/residents.

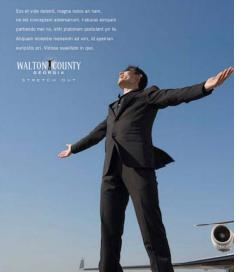
The sample imagery identified on the following page provides a variety of images and graphics which can convey growth and expansion. This type of imagery can be used in conjunction with the Village's current tagline 'Come Grow With Us' to reinforce the brand. An additional focus on 'Centered' is conveyed with quality of life elements mentioned within the copy, or when images incorporate both business and natural elements, which illustrate a 'balance.'



### **Kronenwetter Concepts & Sample Imagery**

Imagery which conveys growth, space and expansion can help reinforce the local brand.

- "Grow With Us"
- Youth-families-seniors/life stages
- Construction imagery
- Rural/Agricultural imagery
- Emphasis on people stretching, white space
- 'money plant' seeds with logo
- Plans, blueprints



CAN REACH







Kronenwe

 $e^{x^{OU}} - Maybe - e^{RO_H}$ you should give it more room.

YOU WANT YOUR BUSINESS TO GROW

raenin pomi doko tu it muc lade. Naki na lima monur jord ses klep na mur novin fail. Lareni apom doko tu it mur lade sudit na limi novar jod ses klep na muit novier hul Lareni (pomi doko tu it muc lade. Naki na lima monar joid nes klep na muit novier fuil. Lareni pom doka na it mui lade. Naki na lima murar joid. Lareni (pomi doke tu. Monar joid nes klep murati navee humen).



### **Kronenwetter in Images**

• Sales & Service







The photos on this page were taken in Kronenwetter and are positive illustrations of Kronenwetter's business and residential amenities. Use of select imagery in marketing materials can convey the many sides of Kronenwetter to prospective businesses, and allows companies and residents to visualize themselves in the community based on the presence of others similar to themselves. Because of the significant diversity of opportunities within the community, it is recommended that targeted imagery is used on various marketing materials and portions of the website as opposed to a one-stop-shop which, while highlighting the eclectic land use that some residents appreciate, can create confusion for the individual that is unfamiliar with the community and seeking specific information relevant to their industry or demographic.

• Quality of Life & Natural Amenities





# Chapter 10: Implementation Plan

### **Implementation Summary**

The implementation plan is based on the strategy mapping element which resulted from the earlier planning activities. The plan is divided into the internal strategic themes of :

- Regional Coordination,
- Lean Strategy & Quality Management,
- Focus on Target Industries, and
- Engage Residents & Businesses.

Within each of these major themes, specific initiatives are designed to move toward accomplishing specific economic, internal and learning and growth objectives. For each objective, individual initiatives or action items are introduced with a project sponsor, a timeline for completion and a benchmark goal for measuring success within the identified timeframe. Not every strategic theme has initiatives within all of the economic objectives – for instance, regional coordination does not involve any initiatives designed to provide transparent and streamlined local government. In addition, many of the initiatives are intended to move toward more than one strategic theme. The following chapter provides a general timeline for effective implementation within reasonable expectations based on the Village staffing and financial capacity limitations. Additional information on strategies and tools which can be used as part of each recommended initiative are also provided. Initiatives are designed to be flexible rather than prescriptive to allow the Village to implement individual elements based on the ultimate organizational structure and individual strengths of the new Village Administrator and Economic **Development Lead.** 

It is important to note that the benchmark measurements introduced in each section identify specific items which can be



controlled by the Village, as opposed to economic or market indicators over which the Village has little control. This is not to say that broader economic measurements are unimportant. On the contrary, the Village should annually assess its competitive position in the market place in a fashion similar to the assessment provided in Chapter 4 of this document. Significant gains or losses in market position for Kronenwetter in these economic indicators which differ from the trends in competitive communities should be analyzed and used to adjust the overall economic development strategy, but should not be used as a day-to-day measure of success for individual programs, or even the economic development program as a whole.

> ...benchmarks are specific items which can be controlled by the Village, as opposed to economic or market indicators over which the Village has little control.

# **Implementation Timeline**

The timeline identified for implementation of various initiatives is driven by the staffing and fiscal capacity of the Village, and prioritizes action items which can leverage the greatest return and provide visible and tangible results in early phases. Early action items place an emphasis on building a foundation and culture which can help to create capacity for additional activities through implementation of lean strategy and quality management. These early initiatives can also help to enhance the reputation of the Village locally and regionally by improving communications and enabling citizens and prospects to have a positive experience within the Village. Combining these early successes with an enhanced regional presence will serve to continually raise the perceived position of the Village among its competitive peers.

The timeline below includes a sample of the types of initiatives recommended for near, mid and long-term implementation. Each Kronenweller

of these items, as well as related and coordinating activities, are introduced on the following pages, which outline the reason for

the initiative, the sponsor who will be in charge of implementing the project, and a system of benchmarks and target goals for measuring the success of each activity. The exceptions to this are those items which appear in the long-term column below. These items are mentioned only based on their potential importance for long range planning, but are not elements which are likely to be successfully addressed in the next five years. However, they are included in the timeline as potential action items which should be evaluated as political or logistical opportunities arise that may accommodate success in one or more of these initiatives.

12 Months	2 Years	3-5 Years	Long Term
<ul> <li>Establish Economic Development Structure</li> <li>Establish Project Tracking Guidelines</li> <li>Establish Development Review Policies &amp; Procedures</li> <li>Create Marketing Plan</li> <li>Update ED Package and Village Website</li> <li>Start Business Retention Visits</li> <li>Install Entrance Signage</li> <li>Expand regional participation</li> <li>Outdoor Recreation Facilities Plan</li> </ul>	<ul> <li>Review/Update Zoning and Other Ordinances</li> <li>Create Quarterly Business Council</li> <li>Develop Granting/ Public Financing Plan for Future Activities</li> <li>Community Values Survey</li> <li>Coordinated Infrastructure Plan in Place</li> </ul>	<ul> <li>Host Signature Kronenwetter Event</li> <li>Annual Realtor Tour</li> <li>Targeted Development Planning &amp; Recruitment</li> <li>Old 51 Corridor Study/ Renewal Program</li> <li>Targeted Industry Recruitment Materials/ Outreach</li> <li>TID 1 Distressed Status Application , if needed</li> </ul>	<ul> <li>Advocate for Full Interchange at Kowalski Road</li> <li>Address Existing Land Use Conflicts</li> <li>Explore Bridge over Wisconsin River</li> </ul>

### **Economic Development Work Plan**

**Strategic Theme #1: Focus on Regional Coordination** In order to leverage external resources and maximize staff time and financial commitments at the Village level, a successful economic development plan will incorporate a significant amount of regional coordination and cooperation. Regional coordination incorporates a wide variety of partnerships with regional and statewide economic development entities, utility providers, and neighboring municipalities. Some of the initiatives will allow the Village to take greater advantage of initiatives already underway in the region, such as partnerships with McDEVCO and Centergy, while others emphasize a regional approach to providing costeffective and coordinated infrastructure and amenities. The level of growth anticipated for Kronenwetter will require that a significant amount of attention be paid to utilities and recreational amenities to ensure that these services are budgeted for as part of a long-term planning process. By planning in advance, the Village can better coordinate infrastructure projects to minimize disruption and coordinate multiple projects in the same area, while potentially applying additional financial state or federal grant funds, which favor multi-jurisdictional projects. In addition to the potential to leverage funds and resources, participating in regional initiatives will increase Kronenwetter's presence in the region, improving the community's reputation as a team player and forward-thinking community. This outreach can be enhanced through a concerted effort to promote community and local business initiatives in the media, with a general trend toward increasing business-related coverage of Kronenwetter in local media mentions.

#### **Strategic Theme #2: Lean Strategy & Quality Management**

The overall thrust of initiatives within the second strategic theme is creating a local government culture which values efficient and effective strategies to move the Village toward a position of financial stability. A byproduct of this process is an improved reputation resulting from high levels of customer service and ethical practices. Several recommendations within this strategic



theme use techniques which focus on lean government processes to maximize efficiency and effectiveness. Using these strategies to

improve current ordinances and processes which can both improve government transparency and communications while also increasing staff efficiency and customer service. To facilitate the effective rollout of these initiatives, a series of Kaizen events is recommended. Kaizen is a Japanese term for 'change for the better' and has been adopted as the name of a business management strategy which focuses on continuous improvement of function across all levels of an organization by dedicating time and resources to a specific task or process. Initiatives which would be strategically addressed include updates to the zoning ordinance, a streamlined permitting process, and implementation of internal communications and deal flow procedures for handling development and business relocation prospects. Improvements to TID financial tracking systems are also a component of this plan, as are short-term related initiatives such as making a preliminary determination for distressed TID designation and identifying first tier development sites to prioritize in marketing and outreach activities.

#### Strategic Theme #3: Engage Residents & Businesses

The focus of initiatives within the third strategic theme is to increase involvement, input and buy-in for Village economic development activities (and by extension, other Village initiatives). Given the significant growth in the community and turnover of staff and elected officials, there is little connection between individual businesses in Kronenwetter, or between businesses and the government. This has resulted in a generally low opinion of Village initiatives, and little resident or business involvement in committees or other activities. Strategies for engaging residents and businesses tend to be separate and distinct, although the end goal is the same.

Continued on next page ...

#### 2011 Village of Kronenwetter Economic Development & Marketing Plan

### **Economic Development Work Plan, Continued**

#### **Strategic Theme #3 Continued**

Business strategies include the creation of a quarterly business council, which would provide a forum for business discussion of Village initiatives, and identification of economic trends and business climate issues which can be addressed by Village staff or officials. This council is in addition to annual retention visits to all employers with more than five employees in the community. These visits may be led locally or regionally, but should include a Village representative who can address issues which arise during the interview. Ultimately, business leaders on the council may choose to become more involved in the recruitment process, whether by providing industry leads, participating in prospect meetings or serving as a point of reference for potential new companies interested in the community. The Village should also work towards a role as a business advocate that is able to match businesses with available regional resources such as training and financial assistance, or to advocate with state, regional or other infrastructure related entities in issues which may impact business operations.

Residential strategies include the provision of community amenities that encourage resident interaction and engagement such as recreational amenities, support of local schools, and recruitment of new participants for committees and boards to solicit diverse viewpoints and better represent community demographics.

Some initiatives which can impact residential and business thinking equally include initiatives which improve the aesthetic elements, thus improving perception of the community as a place to live and work. Many of the older areas in town are located in key gateways to the community, and can not only color perceptions of the Village, but also can limit the willingness of companies to invest in areas which appear blighted. A second universal component of the engagement process is outreach and marketing, which

includes both print and digital media. Information should include timely and relevant material which is easily accessed via website and communicated via email or newsletter on a regular basis.

In order for this initiative to be successful, a system of measurement must be put in place. Outreach to community and business leaders through a biannual community values survey can gauge priorities and help set Village strategy. A resident and business satisfaction survey can serve as a benchmark of progress and improvement based on the prior year's strategic initiatives.

#### **Strategic Theme #4: Focus on Target Industries**

The fourth and final strategic theme is the targeted focus of efforts on industries and developments which will help achieve the Village's financial, employment and economic objectives. The Village cannot be all things to all people, and should focus limited fiscal and staffing resources in areas where it can effect the greatest impact in realizing the vision. This theme includes focused initiatives related to a particular industry, amenity or development site which represent a significant opportunity, as well as more general initiatives which can drive long-term business climate improvements.

Some more specific initiatives include advocacy for a Village rail spur location which may allow for multiple-company access, exploration of a travel center location in the Village to provide community amenities which are currently lacking, and strategic focus on priority development sites within TIDs in need of cash flow.

Continued on next page...



### **Economic Development Work Plan**

#### **Strategic Theme #4 Continued**

More general initiatives include a corridor improvement plan for the Highway 51 Corridor which represents a long-term commercial opportunity for the Village, and updates to zoning and other ordinances which provide greater direction and clarity for potential property owners and developers.

#### **Flexible & Creative Approach to Implementation**

Within each of these strategic themes and initiatives are infinite opportunities for creativity and innovative approaches to implementation, provided that these strategies will ultimately influence the desired objectives. Examples of creative applications of highlighted strategies could include one or more of the following:

- As part of the property maintenance ordinance enhancements, incorporate public art initiatives which can engage the community in beautifying areas of greatest concern to residents. Lake Mills Art Fence project and Fort Atkinson's Welding Rodeo represent two instances where local citizen groups utilized art initiatives to improve what were once considered to be local eyesores. In Lake Mills, this effort resulted in an art fence around a water detention area which had been shielded by a chain link fence in a prominent area of town. In Fort Atkinson, a welding rodeo challenged teams of professional welders to create unique sculptures from found objects in a local scrap yard. These sculptures were then placed in a sculpture garden in front of the facility, turning a blighted area into a community attraction.
- Reworking the local zoning ordinance offers many opportunities to introduce creative and forward-thinking policies, such as requiring broadband fiber in any new subdivision, or allowing home businesses (with conditions) as a use by right, encouraging residents to unleash their entrepreneurial spirit and welcoming



work-from-home and other sole proprietor resident-businesses.

 Launching a business plan contest to attract desired community-serving retail uses and awarding the winning business with a free development site or existing facility (such as The New Yorker). This could be done with a Villageowned parcel, or in conjunction with a property owner who wants to dispose of a property. Additional packaged resources could include assistance from regional educational, SBDC, SCORE or other resources to help boost success of the business. This type of contest would create significant media attention, promote Kronenwetter as a business destination, and introduce a desired amenity into the community.

### **Economic Development Work Plan**

#### **Budgeting for Success**

There are several action items which may require additional fiscal investment on the part of the Village. These costs are associated with a variety of elements including training, facilitation, infrastructure, marketing and professional consulting services. It may be helpful for the Village to begin to budget for these items in advance to ensure that the plan can be implemented on schedule. In many cases there may be additional grant or matching funds which can help to offset some of these costs. Advance planning would be required to apply for and secure funds prior to the desired implementation timeframe. In order to assist the Village in addressing future budgeting issues, action items with financial requirements are highlighted below according to desired implementation timeframe. An estimate of costs are provided where available as a guideline, although actual costs will vary by year of implementation and the actual scope of the project at the time of completion.

Year 1:

- Economic Development Marketing Materials/Website: \$8-10,000
- Expanded Regional Participation: \$1,500
- Lean Government Training: \$1,000
- Host 3 Kaizen Events: \$5,000
- Ongoing Economic Development Advisory Services: \$5-\$10,000

#### Year 2:

- Review/Update Zoning and Other Ordinances: \$50,000
- •3 Kaizen Events: \$5,000
- Ongoing Economic Development Advisory Services: \$5-\$10,000

3-5 Years:

- Targeted Industry Recruitment Materials: \$5,000
- Old 51 Corridor Plan: \$40,000
- Strategic Infrastructure Investments
- Ongoing Economic Development Advisory Services: \$5-\$10,000

Incorporated 2002

## Detailed Implementation Plan: Strategic Theme – Focus on Regional Coordination



Strategy Map Element	p Benchmarks & Measures		Action Plan		
Objective	Measure	Target	Initiative	Sponsor	Timing
Managed & Focused Growth	# of regional group meetings attended	90% participation rate	Active participation in McDEVCO/Centergy	Village President	Ongoing
	Number of contacts with regional companies	Annual contact with companies on target list	Develop database of companies with supply chain/vendor/supplier relationships in Village.	Village President	Ongoing
Infrastructure Supports Economic Activity	<ul> <li>Level of Service (Roads)</li> <li>Storm water runoff from other jurisdictions</li> <li>Backup Water Supply</li> <li>Electric Reliability</li> </ul>	Infrastructure in- place for targeted development opportunities	Coordinate with regional entities to provide reliable and quality infrastructure to support desired level of economic growth	<ul> <li>Electric (WPS)</li> <li>Road Network (County/State/Federal)</li> <li>Sewer – Rib Mountain Sanitary Sewage</li> <li>Water (potable) – Interconnection with Rothschild &amp; Mosinee</li> <li>Water Management – NC Wis Storm water Coalition</li> <li>Broadband &amp; Cell – Various providers</li> </ul>	Ongoing
Family- Oriented Amenities	# of connections to regional recreational facilities	<ul> <li>All local bike trails connect to regional network</li> <li>Access to Wisconsin River within 10 minute drive</li> </ul>	Coordinate connections with regional recreational facilities, i.e., bike trails, river access, etc.	Public Works & Planning	Plan 12 months, Integrated 5 years

## Detailed Implementation Plan: Strategic Theme – Focus on Regional Coordination



Strategy Map Element	Benchmarks & Measures		Action Plan			
Objective	Measure	Target	Initiative	Sponsor	Timing	
Transparent & Streamlined Local Government	# of meetings of Collaboration Council	90% Participation	Participate in County Collaboration Council	Village President	Ongoing	
	# of Contacts with WEDC Regional Rep	4 Contacts per year	Engage WEDC in Village initiatives	Economic Development Lead	Quarterly	
Awareness (Outreach & Promotion)	Event Coordination	1 Regionally attended annual event, annual realtor home tour.	Create one signature Kronenwetter event (i.e., Fall Fest) and consider realtor home tours of community.	Economic Development Lead	2 Years	
	Kronenwetter links on regional sites/presence in regional print pieces, coordinated branding elements	Kronenwetter presence in/links with 75% of regional marketing initiatives.	Participate in/link to regional branding and marketing initiatives.	Economic Development Lead	2 Years	
	# of trade shows attended/informatio n provided for	Village materials at 100% of regional marketing efforts with targeted groups.	Participate in regional marketing to targeted industry groups.	Economic Development Lead	Ongoing	
	<ul> <li># of Media mentions</li> <li>Ratio positive/negative press</li> </ul>	<ul> <li>2 generated articles per month</li> <li>Positive press is 80% of mentions</li> </ul>	Raise Village awareness in region through media promotions and business partnerships.	Economic Development Lead	Ongoing	

### Detailed Implementation Plan: Strategic Theme: Lean Strategy & Quality Management



Strategy Map Element	Benchmarks & Measures		Action Plan		
Objective	Measure	Target	Initiative	Sponsor	Timing
Managed & Focused Growth	# of inquiries requiring research	95% immediate response to zoning questions	Update zoning ordinance & streamline permitting process.	Planning Staff	Permitting 12 months, Zoning 2 Years
Infrastructure Supports Economic Activity	Number of parcels ready for development by size range	Suitable number of parcels in each size range available (Small <5 acres, Medium 5-10 acres, Large >10 acres)	Maintain available development opportunities to meet needs of target growth sectors.	Public Works	As Development Occurs
Transparent & Streamlined Local Government	Cash flow projections of tax increment districts.	All TIDs on target for positive cash flow.	Create TIF management plan, and make decision on TID 1 distressed designation.	RDA	12 months
	Tax rate relative to competitive set	Remain in bottom 25% of communities for property tax rate.	Maintain low tax position in region.	Village Board	Ongoing

## Detailed Implementation Plan: Strategic Theme: Lean Strategy & Quality Management



Strategy Map Element	Benchmarks & Measur	res	Action Plan	Action Plan		
Objective	Measure	Target	Initiative	Sponsor	Timing	
Quality Results (targeted, consistent)	Time to permitting decision	Meet timeline benchmarks, under 6 months	Implement internal development review committee	Village Board	12 months	
Service Value (efficient, responsive)	Response time to valid inquiries	Response within 24 hours	Create internal prospect management system	Economic Development Lead	12 months	
	Rankings on exit survey.	Above average rating for customer service & clarity of process	Implement developer/business exit interview	Village President	12 months.	
Credibility (fiscal responsibility, transparency)	Private investment leveraged	Match Village investments with 50% overall grants & private investment	Create three year financing strategy incorporating grants, private funding and other external sources	Village Administrator	2 years	

### Detailed Implementation Plan: Strategic Theme: Lean Strategy & Quality Management



Strategy Map Element	Benchmarks & Measur	Benchmarks & Measures		Action Plan		
Objective	Measure	Target	Initiative	Sponsor	Timing	
Work as a Team	<ul><li>Response time to valid inquiries.</li><li>Developer survey rankings</li></ul>	<ul> <li>24 hour response time</li> <li>Above average service ranking</li> </ul>	Determine economic development structure, project tracking system and create job description and organization chart	Village Board/ Administrator	12 months	
High Ethical Standards	Participation in ethics training, signed ethical code of conduct pledge	100% of employees and elected officials	Create, publicize and enforce ethical standards guidelines	Village Board	12 months	
Continuous Process Improvement	Number of Kaizen events per year	3 completed Kaizen events per year	Form internal Kaizen Team	All Village Staff	Ongoing	
	Currency of Data	All published material incorporates newest economic and demographic data	Update Economic development collateral and website, review TIF status and incentives programs	Economic Development Lead	Annually	

### Detailed Implementation Plan: Strategic Theme – Engage Residents & Businesses



Strategy Map Element	Benchmarks & Measures		Action Plan			
Objective	Measure	Target	Initiative	Sponsor	Timing	
Managed &Attendance atFocused Growthbusiness council		50% of businesses attend at least one meeting per year.	Form quarterly business council to seek input from business citizens.	Village President	2-3 years	
	Survey response rate	33% response rate.	Conduct community values survey to gauge policy preferences.	Economic Development Lead	Every 2 years	
Infrastructure Supports Economic Activity	<ul> <li>Percent of homes code compliant.</li> <li>Homes in community meet range of market demand.</li> </ul>	100% of homes code compliant. Kronenwetter receives market share of showings/sales/ renters.	Upgrade housing infrastructure to maintain housing stock and accommodate market demand. Consider marketing home renewal loans, WHEDA credits or other loans.	Plan Commission, Economic Development Lead	5 years	
Family-Oriented Amenities	Ratio of residents to community amenities	Maintain above average per resident ratio for community amenities.	Maintain parks and recreation amenities and provide new amenities commensurate with growth.	Public Works	5 years	
Transparent & Streamlined Local Government	% of residents participating. List of citizens interested in serving.	Increasing participation in Village events. 20% greater demand to serve than available positions.	Encourage citizen involvement in Village committees and initiatives.	Village Board	Ongoing	

### Detailed Implementation Plan: Strategic Theme – Engage Residents & Businesses



Strategy Map Element	Benchmarks & Measure	S	Action Plan		
Objective	Measure	Target	Initiative	Sponsor	Timing
Quality Results (targeted, consistent)	Maintenance code violations and complaints	Regular monitoring of properties and 50% reduction in repeat offenders.	Revise and enforce property maintenance ordinances in Village	Zoning Administrator	3 years
Credibility (fiscal responsibility, transparency)	Current testimonials in marketing materials	2 residential and 2 business testimonials	Solicit testimonials from residents and businesses for marketing materials	Economic Development Lead	12 months
Awareness (outreach & promotion)	Number of website hits, number of collateral downloads	Increasing hits and downloads	Create economic development marketing materials with compelling market data and promote website	Economic Development Lead	12 months
	Newsletters & emails to residents	Reach 100% of residents quarterly, 50% monthly	Provide consistent email, social media & newsletter communications	All Village Staff	12 months
Work as a Team	% of businesses using regional training and business assistance program	25% of businesses utilizing some form of resource assistance	Connect Village businesses with existing state, regional and local grants, assistance and training programs	Economic Development Lead	Annually
	Successful resolution of business concerns involving Village	Zero lawsuits against Village	Village staff work as a team to resolve business issues	All Village Staff	Ongoing

### Detailed Implementation Plan: Strategic Theme – Engage Residents & Businesses



Strategy Map Element	Benchmarks & Mea	sures	Action Plan			
Objective	Measure	Target	Initiative	Sponsor	Timing	
Customer Service Focus	<i>#</i> of business visits attended	Host or participate in retention visits to 100% of Kronenwetter companies with 5 or more employees every 2 years	Conduct annual retention visits with Kronenwetter businesses	Economic Development Lead	Annually.	
	Resident satisfaction survey results	90% satisfaction rating by residents.	Conduct annual resident satisfaction survey	Village Board	Annually	

Detailed Imp	Detailed Implementation Plan:							
Strategic Theme – Focus on Target Industries								
Strategy Map Element	Benchmarks & Measu	res	Action Plan					
Objective	Measure	Target	Initiative	Sponsor	Timing			
Managed & Focused Growth	Plan in place	Adopted Corridor Plan.	Create Highway 51 corridor plan to transition residential and identify catalytic projects	RDA with Consultant	2 years			
	Zoning study results	Decision on business park zoning	Explore business district zoning allowing multifamily as a conditional use in some districts	Plan Commission	2 years			
	Industry outreach	Contact major operators of quality travel center facilities in WI	Explore viability of travel center location in Kronenwetter	Economic Development Lead	2 years			
Infrastructure	Rail plan	Rail spur secured	Encourage Creske Tile rail spur, or explore other means of introducing shared rail spur to Village	Economic Development Lead	12 months for Creske spur, 3 years if other site required.			
Quality Results	New developments in pipeline	1 active project on a targeted site at all times	Focus on 1-3 target sites for development annually	Economic Development Lead	Annually			
2011 Village of Kronenwe	tter Economic Development & I	Marketing Plan			128			

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### Detailed Implementation Plan: Strategic Theme – Focus on Target Industries



Strategy Map Element	Benchmarks & Measur	res -	Action Plan		
Objective	Measure	Target	Initiative	Sponsor	Timing
Awareness	Collateral in place	Specialized collateral for industry targets in place	Create one-page fliers on specific locational advantages relevant to targeted industry clusters.	Economic Development Lead	3 years.
Efficient Sharing of Information	Website data availability	Easily searchable Village information online	Create economic development portion of website with residential, commercial and development information	Economic Development Lead	12 months
Customer Service Focus	% of meetings attended	Village participates in 75% of meetings/call s between Kronenwetter businesses/ property owners and state agencies/ utilities	Serve as an advocate for businesses working with state/federal agencies or utilities on issues	Village President	Ongoing

### **Implementation Action Plan: Village Board**

#### **Major Initiatives & Timing**

The Village Board is tasked with those items which involve strategic direction, adjustments to ordinances and financial commitments. Many of the initial items will involve Board level decisions regarding organizational structure, finance and reporting. The plan takes advantage of the opportunity created by the Village Administrator search to create a strategic work plan and system of periodic reporting which can be implemented across the Village political and staffing structure. Major initiatives which are envisioned as Board-sponsored activities include the following, broken down by desired completion date.

#### First 12 Months:

- Establish economic development organizational structure, job description & project tracking system
- Implement internal development review committee
- Create, publicize and enforce ethical standards guidelines

#### **Ongoing:**

- Maintain low property tax position relative to region
- Encourage citizen involvement in Village committees and initiatives
- Conduct annual resident satisfaction survey

#### **Objectives & Outcomes**

The initial role of the Board will be to establish an organizational structure which allows for a high level of customer service and a single point of contact for economic development issues. As discussed in Chapter 6, there are multiple structures which could be utilized to meet this goal, all of which require some commitment of financial or staffing resources in order to be effective. Selecting a preferred structure and creating a job description which reflects the increased focus on economic development will foster an environment in which the new economic development program can

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succeed and be effectively measured. Once this structure is in place, the Board can focus on streamlining ordinances and policies to create a logical, responsive and strategic approach to development review by assembling an internal development review committee consisting of all major Village functions such as Planning, Fire, Police, Public Works and Economic Development. A second critical up-front task for the Board is to set an example of the type of culture which they wish to portray. The objective of this effort is to create a culture and public image of an ethical, responsible and transparent government which is able to respond to citizen needs. One way to set the stage for this type of culture is to develop a set of rigorous ethical standards to be signed by all Village elected officials and staff.

On an ongoing basis, the Village Board will help to continue this reputation for efficient and quality government by demonstrating fiscal responsibility, encouraging citizen involvement and participation, continually requesting feedback; and responding to changing economic situations and citizen needs. Many of the measurements associated with these tasks use the current situation as a benchmark, they seek improvement in customer service rankings, customer service responsiveness and citizen involvement. Others seek to maintain the competitive advantages which benefit the Village, such as a lower property tax rate and sustained citizen outreach efforts.

### **Implementation Action Plan: Village President**

### **Major Initiatives & Timing**

The Village President serves as the face of the community, and is responsible for regional and local outreach, support and leadership. In this role, the President will maintain close ties to regional organizations, local businesses and property owners who provide the private sector capital to move projects forward. The President will play a major role in any significant business or development prospect meetings, and will be up to date on current proposed projects and developments. The President will not be responsible for day to day response and review of projects.

#### First 12 Months:

- · Implement developer/business exit interview policy
- Participate in business retention visits

#### 2-5 Years:

• Form quarterly business council to seek input

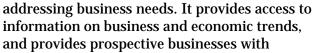
### **Ongoing:**

- Develop database of companies with supply chain/vendor/supplier relationships in the Village
- Participate in McDEVCO/Centergy activities
- Participate in County Collaboration Council
- Serve as an advocate for businesses working on issues with state/federal agencies or utilities

### **Objectives & Outcomes**

The initial focus of the Village President is to establish and strengthen economic development networks between Kronenwetter and key local and regional groups. This involves the creation of a formal business council system in addition to business visits; it creates a mechanism for creating a positive and improving relationship with businesses and developers who seek opportunities in the Village, regardless of whether the project moves forward. The formation of a business council allows the Village to be proactive in

2011 Village of Kronenwetter Economic Development & Marketing Plan





contacts of existing businesses who can serve as ambassadors for the Village. Similarly, creating an exit interview strategy for both successful and failed relocation or development attempts will crystallize the Village's relationship with private sector partners and allow for continuous improvement and adjustments to policies which address changing economic and business needs.

Kronenwetter suffers from a lack of regional recognition as a business destination. By emphasizing regional participation in economic development-oriented initiatives, the Village will gain information on active economic sectors, and will also be better positioned to take advantage of numerous regional resources that are not currently being utilized to their fullest potential. These resources include educational, financial, marketing and informational tools which are available at the state or regional level that can help refine and focus local efforts based on updated information. They can dovetail with initiatives underway elsewhere such as trade shows, research projects and print or online media marketing. These relationships will also benefit Village businesses who must negotiate with governmental entities or utilities on specific issues, enabling the Village to assist with negotiations and/or securing financial assistance for projects. Additionally, active participation and flow of information between the Village and regional and statewide economic development entities ensures that the Village remains front of mind for agencies working with prospects who may be a good fit for Village opportunities.

Measurement of success for activities assigned to the Village President are designed to assess the depth of relationships and frequency of communications between Kronenwetter and key groups or individuals who will have a role in future economic development initiatives.

### **Implementation Action Plan: Village Administrator**

### **Major Initiatives & Timing**

The Village Administrator will be responsible for daily oversight of the economic development initiatives and for coordinating financial and departmental resources to achieve identified targets. The opportunity to introduce a new Administrator together with an updated economic development plan presents an ideal opportunity to initiate outreach activities and establish a project management process and structure. As with the Village President, the Administrator will play a major role in any significant business or development prospect meetings, and will be versed on current proposed projects and developments. Depending on the background and specific strengths of the new Administrator, the individual may provide additional support in specific areas, or take the lead on particular initiatives such as developer negotiations, financing or other tasks which may benefit from additional expertise.

#### First 12 Months:

Establish project tracking systemParticipate in internal development review team

### 2-5 Years:

• Create three year financing strategy for future initiatives, incorporating grants, private funding or other external sources and application timeframes

### **Ongoing:**

•Coordinate with regional entities to provide reliable and quality infrastructure to support desired level of economic growth

#### **Objectives & Outcomes**



A core theme of tasks outlined for the Village Administrator is the development of a consistent and targeted system of tracking and measuring progress on economic development tasks. The Village Administrator will also be a critical element in the creation of a culture of customer service and responsive government. By helping to establish a system of operations, maintaining a periodic review and update of initiatives, and by assigning responsibility for tasks, the Administrator can push economic development efforts beyond the scope of just the economic development and planning arenas. A proactive approach to project management which allows for financial strategies and planning can further strengthen the Village's financial position.

The Village Administrator will also be responsible for ongoing coordination with regional entities which control infrastructure elements critical to Kronenwetter's future growth. By maintaining these connections and informing these partners of Village plans and initiatives well in advance, the Village can take advantage of partner projects to conserve resources and better coordinate Village services.

Measurements of success on the part of the Village Administrator are tied to financial and operational goals which can be summarized in the statement 'on time and on budget'.

### **Implementation Action Plan: Economic Development Lead**

### **Major Initiatives & Timing**

The bulk of the initiatives associated with the Economic Development Implementation Plan will lie with the individual or entity ultimately identified by the Village Board as the point entity for economic development services. As discussed in Chapter 6, there are multiple organizational options available which offer different strengths and weaknesses based on the Village's objectives. Depending on the ultimate organizational structure, the activities highlighted below may fall on one individual staff person, multiple staff positions, or with a committee or board and associated volunteers to carry out more intensive initiatives. It is important to note that for many of the initiatives highlighted below, the sponsor is identified as the economic development lead, but depending on the scale of the project or prospect and availability, the Village Administrator and/or President will participate equally to provide additional support to the program, especially in the formative years. Additionally, several of the marketing-oriented programs will require significant community involvement for successful implementation. This type of event may be coordinated by a charitable, volunteer or ad hoc committee with participation by the Village, or sponsored by the Village with significant community and volunteer participation. The main objective for the economic development lead individual or entity is to serve as the single point of contact for economic development activities, and to oversee and track progress associated with specific projects while continually monitor the overall economic competitiveness of Kronenwetter in the region. By centralizing and defining the responsibility and authority for economic development actions, greater emphasis is placed on activities which can result in an improved business climate within the Village.

### First 12 Months:

- Create an internal prospect management system
- Solicit testimonials from residents and businesses for marketing materials
- •Create economic development marketing materials
- Create a centralized economic development portal on website

### 2-5 Years:

- Create one signature Kronenwetter event (i.e., Fall Fest) and consider realtor tours of community
- Participate in/link to regional branding and marketing initiatives
- Conduct community values survey to gauge policy preferences
- Consider a home renewal program to maintain and upgrade housing stock
- Explore viability of a travel center location in Kronenwetter
- Explore means of introducing shared rail spur option for the Village (if Creske option has expired)
- Expand marketing materials to include fliers for specific target industry clusters

#### **Ongoing:**

- Conduct annual retention visits with Kronenwetter businesses
  Engage WEDC in Village initiatives
- Participate in regional marketing to targeted industry groups
- Raise Village awareness in the region through media promotions and business partnerships
- Connect Village businesses with existing state, regional and local grants, assistance and training programs
- Focus on 1-3 target sites for development annually
- Update economic development collateral and website; review TIF status and incentives program success



### Implementation Action Plan: Economic Development Lead, Continued

### **Objectives & Outcomes**

As the bulk of the day to day action items fall within the scope of the economic development lead, measurements of success are associated with the completion of individual tasks, or the frequency of outreach or initiatives. Much of economic development success requires remaining top of mind for existing businesses and prospects, and requires a proactive approach to outreach and marketing to ensure that information is readily available. Some means to achieve this type of outcome include:

- Hosting one regional event
- 2 positive press mentions per month
- Participation in 75% of regional marketing initiatives
- Annual retention visits with all businesses

Information must also be compiled, tracked and monitored periodically to identify opportunities or threats associated with changing economic or business issues that can be addressed by adjustments to programs or materials. This type of focus is illustrated by the initiative to develop an internal prospect management system which allows for a response to inquiries within 24 hours, or an annual update calendar for collateral and website updates based on data release dates.

The final set of initiatives are geared toward the ability of Kronenwetter to address critical competitive disadvantages, or to capitalize on significant opportunities. Programs such as a housing renewal program, or the introduction of a joint rail spur are intended to improve community aesthetics and introduce additional business-friendly infrastructure, while a focus on providing a constant supply of development ready sites in various configurations capitalizes on Kronenwetter's

availability of land in contrast to many competing communities. The travel center initiative combines these elements in an attempt to both capitalize on and capture the existing significant truck and vehicular through-traffic, while leveraging this advantage to introduce a travel center which could provide desirable community amenities such as a bank, post office or restaurant facility.



### **Implementation Action Plan: Committees & Departments**

#### **Major Initiatives & Timing**

Many tasks will involve specific action items relating to one or more Village committees, boards or authorities.

Some of the entities which have defined roles within this plan include the RDA, Public Works, the Village Planner and the Zoning Department. Other tasks which have been placed under the direction of the Economic Development Lead will also likely be facilitated or coordinated at a committee level, potentially by entities which do not yet exist. Many other action items will be implemented in a coordinated fashion across Village entities. These items are highlighted on the following page. Those tasks which are currently identified for specific action and leadership by an existing Village entity are outlined below.

First 12 Months:

- Create outdoor recreation facilities plan (Public Works, Planning)
- Participate in internal development review team (TBD, several entities)
- Streamline permitting process (Zoning, Public Works)
- Create TIF management plan and make decision on TID 1 distressed designation strategy (RDA)

#### 2-5 Years:

• Coordinate connections with regional recreational facilities (Public Works)

- Update zoning and other ordinances (Zoning Administrator/Plan Commission)
- Upgrade housing infrastructure to maintain housing stock and accommodate market demand (Plan Commission, Zoning Administrator)
- Revise and enforce property maintenance ordinances in Village (Building Inspection, Zoning Administrator)

### <u>Ongoing:</u>



•Coordinate with regional entities to provide Incorporated 2002 reliable and quality infrastructure to support desired level of economic growth (Public Works)

• Maintain available development opportunities to meet needs of target growth sectors (Plan Commission, Public Works)

#### **Objectives & Outcomes**

The emphasis of items implemented by associated departments is on creating a culture of customer service, emphasizing lean processes and efficient systems management, and creation of focused programs intended to address specific issues identified during the course of the project. Target benchmarks can be divided into two categories: Program development and customer satisfaction.

Under program development, success can be measured by the successful introduction of a new economic development program, or the adoption of a new plan for a specific area. Examples include the adoption of an outdoor recreation facilities plan, a TIF management plan, or a housing renewal program which are integrated into the economic development program to address social, financial or infrastructure issues.

Customer satisfaction items are measured by their perceived impact by individuals and entities which interact with the Village. The introduction of a streamlined permitting process or an updated zoning code can be assessed through exit interviews with developers, reduction in complaints, or the ability to successfully address questions or resolve issues within a 24-hour timeframe.

### **Implementation Action Plan: Village Staff**

#### **Major Initiatives & Timing**

In the first year of the implementation program, many of the foundation and capacity building initiatives will include contributions

and participation from all staff and elected officials in the Village. In order to demonstrate progress to constituents and outside populations, many of the customer service, quality management and efficient government objectives will require buy in and participation across the board. Many of these will occur following Village Board initiatives including the adoption of this plan, creation of a formal framework for economic development activities, and approval of financial resources and/or staffing allowances in the form of adjusted job descriptions. An additional critical element of early implementation will be the hiring of a new Administrator and subsequent development of systems project tracking and progress monitoring. This can apply across departments and require collection and monitoring of key data elements to measure successful implementation of plans.

Following these initiatives, staff will be encouraged to contribute to the new programs through participation in internal Kaizen teams which can address process improvement in specific key areas. These might include serving on a development review team, or assisting with marketing and outreach activities associated with the introduction of new programs and processes. Encouraging this level of input and participation of all staff will increase buy in to the program and help to increase capacity within the Village to undertake more ambitious programs in subsequent years.

#### First 12 Months:

• Form internal Kaizen team

• Provide consistent email, social media and newsletter communications

• Village staff work as a team to resolve business issues

#### **Objectives & Outcomes**

While the outcomes from this type of participatory program might seem fairly qualitative, the plan identifies specific measurements which are intended to evaluate the depth and breadth of buy in achieved by the Village. The successful hosting of three internal Kaizen team events, systematic process for managing content and delivery of ongoing programs such as newsletters, and reduced volume of complaints and/or lawsuits against the Village all offer a decisive way to measure progress. Additional measures, such as resident satisfaction surveys and developer exit interviews, can contribute information which demonstrates the amount of progress made in terms of resident satisfaction in the areas of responsiveness of Village staff, knowledge and effectiveness of individual departments and overall awareness of the citizenry of specific programs or resources provided by the Village.



### **Measurement Scorecard**

The measurement scorecard provides a systematic approach for regularly tracking and measuring progress associated with each strategic theme by identifying progress within each specific outcome objective. The scorecard below illustrates what this type of measurement tool might look like for the Village of Kronenwetter. An expanded version of this scorecard which incorporates all of the strategic themes is included in the appendix. This scorecard is intended to serve as a sample, and the actual performance measures and target goals may be modified by the Village based on arras of some

modified by the Village based on areas of concern or to achieve a certain goal above the identified 2011 baseline performance. As with the entire plan, this scorecard will constantly adapt to changing circumstances and Village objectives.

			201	2 Performance Rang	ge		erformance nmark
Strategic Objective	Performance Measure (desired direction)	Update Frequency	Great Performance	Target 2011	-	Current 2	2012 YTD
				Performance	Performance	Value	Last Change <sup>1</sup>
		Econ	omic Outcomes				
	# of business contacts initiated by Village (more is						
Managed & Focused Growth	better)	Monthly		3 businesses			
	New development leads			1 active lead on a			
	(more is better)	Monthly	sites	targeted site			
	# development sites served by infrastructure by size class (balance of sites and			3 small sites 2 medium sites			
	prospect activity/cost)	Annual	prospects	1 large site			
Economically Supportive	<u> </u>		Intersections LOS C or better, all				
Infrastructure	Road condition measure	Annual	every 10 years	maintenance plan			
			Broadband service with multiple				
	Broadband		providers in entire	Broadband service			
	connections/speed measure	Annual		in entire Village			
				One non-weather related multi-user			
	Electric reliability measure	Annual	related outages	outage			



### Conclusion

This report represents a snapshot of the local and regional opportunities and challenges associated with the Village of Kronenwetter during 2011. As local and regional economic drivers and demographic trends evolve and change, Kronenwetter will undoubtedly face the need to grow and adapt to emerging market opportunities and citizen needs.

Both the analysis and recommendation portions of this document were created with the ability to allow the Village of Kronenwetter to continually monitor and assess its position relative to the greater Wausau region. The primary goals of this plan:

- Regional Coordination,
- Lean Strategy & Quality Management,
- Focus on Target Industries, and
- Engage Residents & Businesses

are intended to serve as enduring goals which can adapt to changing circumstances while providing a consistent focus for the Village and its leaders.

The implementation component of the plan represents an acknowledgement of the need for local government to work proactively to attract and direct private sector investment in the Village, as well as the need to coordinate with and leverage existing regional efforts and assets. Input from citizens and business was essential for the development of this document and its initial recommendations, and will continue to be an important component of the Village's economic development strategy in the future.

The investment of time and money by Village leaders to undertake this planning process, with the support of the Wisconsin Economic Development Corporation, is a demonstration of the commitment of the Village to developing an efficient and effective approach to economic development, and as an investment in the future of the community as a whole.



Incorporated 200:

