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DRAFT

SEWRPC Community Assistance Planning Report No. CA-737-280

City of Waukesha Comprehensive Plan

Chapter 4

ECONOMIC DEVELOPMENT

This chapter describes the economic characteristics of the City of Waukesha and presents related goals and policies as required by State law.³⁹ It contains data on workforce characteristics, describes existing businesses and industries within the City, and presents information on sites for potential future commercial and industrial development, including environmentally contaminated sites that may be remediated and redeveloped.⁴⁰

This element contains similar topics as the City's 2009 comprehensive plan but with a greater emphasis on City-level data. Additional differences are inherent in the new conditions and trends identified in this report, including input from business leaders gathered during the plan update process to reflect changes in economic development-related issues and opportunities since 2009. To the extent possible, this report considers the short- and potential long-term economic impacts of the COVID-19 pandemic upon the City's economy and contains an emphasis on economic resiliency.

Call Out: It is essential to understand existing economic conditions to plan for economic growth and development, which is vital to ensuring that a community can maintain and expand residents' quality of life.

³⁹ Section 66.1001(2)(f) of the Wisconsin Statutes establishes requirements for the economic development element of a comprehensive plan.

⁴⁰ This chapter contains data from the U.S. Bureau of Labor Statistics and references to the Comprehensive Economic Development Strategy for Southeastern Wisconsin: 2021-2025 (CEDS).

INVENTORY

Labor Force

The labor force is the segment of the resident population most directly related to the economy. Labor force data is enumerated based on the residence of individuals in the labor force. The labor force includes individuals who live in the City of Waukesha that are currently employed or are unemployed while actively seeking employment.⁴¹

Labor Availability and Employment Status

The City had a total civilian labor force of approximately 42,800 residents aged 25 years and older in 2020, which accounted for about 71 percent of the City's population aged 25 and older. Thus, about 29 percent of City residents 25 years old and older are unemployed and not actively seeking employment. The City's unemployment rate was roughly equal to that of the County and was less than that of the Region.

⁴¹ *The labor force of an area includes residents of that area that are 25 years of age and older who are not in the military.*

Employment Status of the Civilian Labor Force of the City, County, and Region: 2010, 2015, and 2020

City of Waukesha						
Employment Status	2010		2015		2020	
	Number of People	Percent of Total	Number of People	Percent of Total	Number of People	Percent of Total
In Civilian Labor Force	40,567	73.7	40,902	72.0	42,738	71.3
Employed	38,403	69.8	38,812	68.3	41,432	69.1
Unemployed	2,164	3.9	2,090	3.7	1,306	2.2
Unemployment Rate	5.3	--	5.1	--	3.1	--
Not in Labor Force	14,475	26.3	15,870	28.0	17,224	28.7
Total	55,042	100.0	56,772	100.0	59,962	100.0

Waukesha County						
Employment Status	2010		2015		2020	
	Number of People	Percent of Total	Number of People	Percent of Total	Number of People	Percent of Total
In Civilian Labor Force	216,029	71.1	218,670	69.2	222,484	67.9
Employed	205,653	67.7	209,461	66.3	215,753	65.8
Unemployed	10,376	3.4	9,209	2.9	6,731	2.1
Unemployment Rate	4.8	--	4.2	--	3.0	--
Not in Labor Force	87,935	28.9	97,132	30.8	105,147	32.1
Total	303,964	100.0	315,802	100.0	327,631	100.0

Southeastern Wisconsin Region						
Employment Status	2010		2015		2020	
	Number of People	Percent of Total	Number of People	Percent of Total	Number of People	Percent of Total
In Civilian Labor Force	1,070,576	68.6	1,077,607	67.2	1,076,726	66.0
Employed	989,383	63.4	996,119	62.1	1,030,000	63.2
Unemployed	81,193	5.2	81,488	5.1	46,726	2.8
Unemployment Rate	7.58	--	7.56	--	4.3	--
Not in Labor Force	490,126	31.4	526,804	32.8	553,607	34.0
Total	1,560,702	100.0	1,604,411	100.0	1,630,333	100.0

Note: Labor force data in this table includes area residents 25 years of age and older who are either employed or are unemployed and actively seeking employment. Data are based on the 2006-2010, 2011-2015, and 2016-2020 American Community Survey.

Source: U.S. Census Bureau and SEWRPC

Call Out: Unemployment rates in April 2020 more than tripled from their 2019 annual averages for every County as result of the COVID-19 pandemic. Unemployment rates in the Region have decreased since that peak but the long-term economic impacts of the pandemic remain unknown.

The City's civilian labor force increased approximately 5 percent overall from 2010 to 2020. This growth, however, occurred at a slower rate than the proportional increases of residents not in the labor force. This trend cannot be attributed solely to workforce challenges associated with impacts of the COVID-19 pandemic given that the City, County, and Region each experienced increases in the proportion of the population leaving the labor force between 2010 and 2015. These changes are part of a longer-term, nationwide trend in declining labor force participation rates, due, in part, to the aging of the population.

Businesses have become less reliant on the local community to provide their workforce. This is due, in part, to decades-long increases in the general population's willingness to travel greater distances between their place of employment and place of residence. As a result of economic shifts due to the COVID-19 pandemic,

it is likely that some business will continue to grow their workforce from outside of their community due to the increasing acceptance of and preference for remote work among employers and employees.

► **Recommendation: Commuter Flow Analysis**

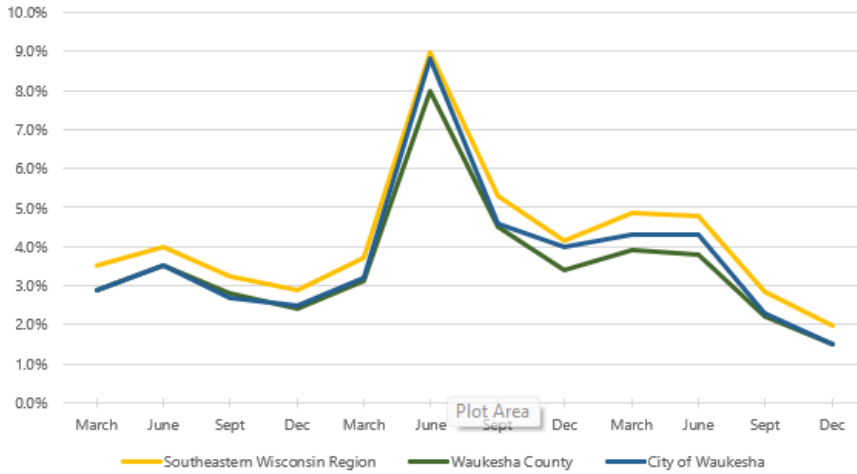
This plan recommends that the City conduct an analysis of commuter flow data to understand where residents are commuting for work and where workers are traveling to the City from. This analysis can help to inform a wide range of investments and policy decisions related to housing, transportation, and economic development.

Call Out: Changes in the size, composition, and distribution of an area's labor force can reflect a variety of changes in that area, including changes to the area's economy and changes in population levels, especially in the working-age groups. Changes in an area's labor force may also be indicative of changes in the personal decision-making patterns of area residents regarding whether to seek work, continue working, or retire.

Unemployment rates for the City, County, and Region have fluctuated extensively since 2019, primarily as a result of impacts attributable to the COVID-19 pandemic. Unemployment rates for the City, County, Region, State, and Nation were highest in mid-2020. Rates declined and plateaued somewhat over the next year before beginning another decline in the second half of 2021. As of December 2021, the City's unemployment rate was 3.7 percent. It should be noted that some economists suggest an unemployment rate below 5 percent represents an economy nearing capacity—that more workers will be needed to fill jobs— and the long-term impact of the pandemic on employment levels is unknown.

Call Out: The COVID-19 pandemic has had disparate impacts on the workforce, particularly on women, people of color, and low-income populations.

Figure 4.1: Unemployment Rates for the City, County, and Region: 2019-2021



Source: Wisconsin Department of Workforce Development and SEWRPC

The City's labor force and labor force participation rate have increased over time while the proportion of City residents in the labor force has declined. This trend may be attributed to many factors, including workers taking earlier retirements and declines in two-parent working households due challenges associated with finding childcare. A primary factor contributing to this trend is the population's age distribution, as a continually increasing proportion of baby boomers age out of the workforce. The City (and County) will need to recruit and retain a younger workforce to fill positions left vacant by retiring baby boomers. This strategy is best accomplished by working at a regional level in southeastern Wisconsin to market the economic strengths and quality of life that the area offers.

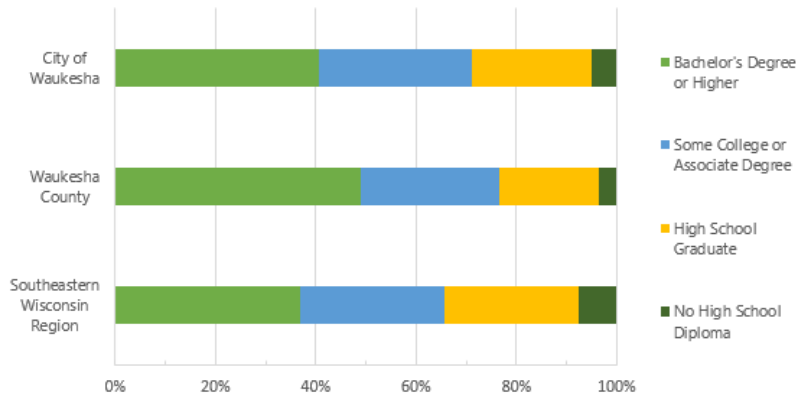
Changes in the City's demographics over time will affect the makeup of the City's labor force. Anticipated increases in the population 65 years of age and older will create a considerable need for replacement workers.

Educational Attainment

Educational attainment is an indicator of the type of occupations the City's workforce is best suited to fill. Information on the population's educational attainment is useful for formulating strategies to retain and expand existing businesses in the City and to attract new businesses to the City over the planning period.

The educational attainment of City residents aged 25 years and older indicates that about 70 percent of residents have attended some college or earned a college degree. These educational attainment levels are slightly lower than those of the County but slightly higher than those of the Region.

Figure 4.2: Educational Attainment of Residents Aged 25 and Older in the City, County, and Region: 2019



Note: Data are based on the 2015-2019 American Community Survey.
 Source: U.S. Census Bureau and SEWRPC

Call Out: Most businesses are increasingly requiring potential employees to have some job-related skills, as well as a primary and secondary education. Employers that do not require staff to have specialized skills or advanced training are exceptions to this trend.

Workers can advance their economic prospects at various locations within the City through post-secondary education and additional workforce training opportunities, including associate, bachelor, and graduate degree programs and other life-long learning opportunities.⁴² Numerous additional higher education opportunities, including major colleges and universities and technical college campuses, also exist elsewhere in the County and the Region.

Call Out: As individuals with a higher education often have increased geographic mobility, it is important to consider how to retain educated residents despite inevitable shifts in the local economy, including the availability of and preference for remote work opportunities.

Occupation

Based on educational attainment, the City’s workforce may be well-suited for skilled employment such as management, professional, business, and financial occupations and skilled and high-tech production positions.

⁴² Information on educational facilities is set forth in Chapter 6 of this report.

The majority of City residents are employed in sales and office; management, business, and financial; production, transportation, and material moving; and education, legal, community service, arts, and media occupations.

The proportion of residents employed in computer, engineering, and science occupations and management, business, and financial occupations, which are among the occupations with the highest average annual wages, is greater for the City (24 percent) than for the Region (22 percent).⁴³

Occupation of Residents of the City, County, and Region: 2020

Occupation	City of Waukesha		Waukesha County		Southeastern Wisconsin Region	
	Number	Percent of Total	Number	Percent of Total	Number	Percent of Total
Management, Business, and Financial	6,368	15.4	44,318	20.5	162,474	15.8
Computer, Engineering, and Science	3,407	8.2	17,374	8.1	62,865	6.1
Education, Legal, Community Service, Arts, and Media	4,428	10.7	23,017	10.7	108,443	10.5
Healthcare Practitioners and Technical	2,664	6.4	17,879	8.3	67,672	6.6
Healthcare Support	1,351	3.3	4,874	2.3	40,913	4.0
Protective Service	535	1.3	2,775	1.3	18,033	1.8
Food Preparation and Serving Related	2,720	6.6	10,153	4.7	56,003	5.4
Building and Grounds Cleaning and Maintenance	1,287	3.1	4,724	2.2	32,760	3.2
Personal Care and Service	997	2.4	4,489	2.1	25,308	2.5
Sales and Office	9,554	23.1	49,086	22.8	219,393	21.3
Farming, Fishing, and Forestry	69	0.2	301	0.1	3,099	0.3
Construction and Extraction	1,230	3.0	7,589	3.5	39,468	3.8
Installation, Maintenance, and Repair	1,204	2.9	5,356	2.5	27,341	2.7
Production, Transportation, and Material Moving	5,618	13.6	23,818	11.0	166,228	16.1
Total	41,432	100.0	215,753	100.0	1,030,000	100.0

Note: Data are based on the 2016–2020 American Community Survey (ACS).

Source: U.S. Bureau of the Census and SEWRPC

Income

Median Household Income

The median household income of an area is an important measure of an area’s overall economic well-being. Determining the median household income of a geographic area provides an income level to which all households in the area can be compared. The median household income for an area divides all of the households in that area into two equal groups, where one group earns more than half of the households in

⁴³ ACS data for average annual wages are based on Waukesha County workers.

that area and one group earns less. Median household income varies from one geographic area to another due to a number of factors, including the educational attainment of an area’s residents, employment levels within the area, and the types of jobs available in that area.

In 2019, the median household income for City was approximately \$72,400 while the median household income for residents of the County and Region were approximately \$90,500 and \$65,900, respectively.

Per Capita Personal Income

Per capita personal income is defined as an area’s total personal income divided by its total resident population. This measure is among the most widely used indicators of a location’s economic health.⁴⁴

In 2020, per capita personal income in Waukesha County was approximately \$76,000 and was ranked as the second highest of the 72 counties in Wisconsin—just below Ozaukee County. These counties and Washington County, which ranked fifth in the State, each had a higher per capita personal income than that of the Nation. The per capita personal incomes for the remaining counties within the Region were each lower than the State’s per capita personal income.

Per Capita Personal Income for Counties Within the Southeastern Wisconsin Region and for the State and Nation: 2018-2020

Geography	Per Capita Personal Income (dollars)			Rank in State
	2018	2019	2020	2020
Kenosha	46,964	48,550	51,229	30
Milwaukee	46,792	48,107	51,002	31
Ozaukee	82,753	85,526	87,395	1
Racine	49,191	50,729	53,094	25
Walworth	49,623	51,156	53,546	21
Washington	58,412	59,878	62,506	5
Waukesha	71,918	73,883	75,958	2
Wisconsin	51,250	52,918	55,593	--
United States	54,098	56,047	59,510	--

Source: U.S. Bureau of Economic Analysis and SEWRPC

⁴⁴ The U.S. Bureau of Economic Analysis makes per capita personal income data available on a County level.

Jobs

Information regarding the number and type of employment opportunities, or jobs, in an area is an important measure of the size and structure of that area's economy.⁴⁵ The total number of jobs in an area is a means of measuring the demand for labor in that area. Alongside labor force and employment status data, the total number of jobs can be used to describe the strength of an area's labor market.

The concentration of jobs in the Region has shifted; as result, some counties in the Region have experienced notable employment growth while others have not.

Total Jobs Within the City and Region: 2010, 2015, and 2019

Geographic Area	2010		2015		2019	
	Total Jobs	Percent of Jobs in Region	Total Jobs	Percent of Jobs in Region	Total Jobs	Percent of Jobs in Region
Kenosha County	77,060	7.5	82,773	8.2	86,204	8.9
Milwaukee County	429,808	42.1	448,993	44.4	445,487	46.2
Ozaukee County	44,157	4.3	46,393	4.6	47,492	4.9
Racine County	90,325	8.8	93,644	9.3	94,146	9.8
Walworth County	51,392	5.0	54,266	5.4	55,686	5.8
Washington County	69,648	6.8	73,109	7.2	74,867	7.8
Waukesha County	202,455	19.8	212,689	21.0	217,978	22.6
City of Waukesha	37,937	3.7	39,903	3.9	40,299	4.2
Southeastern Wisconsin Region	1,021,860	100.0	1,011,867	100.0	964,845	100.0

Source: Wisconsin Department of Workforce Development and SEWRPC.

The County has historically expanded its economy through new job creation and has accounted for a significant portion of the Region's employment growth over time.⁴⁶

Employers

In 2021, the County had about 12,700 businesses; about 2,700 or 21 percent, of those businesses were located within ZIP code areas that include the City. The largest employers in the City are doing business in

⁴⁵ Total jobs may not be directly equated with labor force data. One reason for this is that at least some jobs in a municipality are likely held by people that are not residents of that municipality. It is also likely that at least some members of a municipality's labor force are employed outside of that municipality, have more than one job, or are unemployed.

⁴⁶ Substantial employment growth in Ozaukee, Walworth, and Washington Counties also resulted in each county accounting for a greater proportion of the Region's total employment.

the health services, medical product innovation, manufacturing, information/utilities, government, education, and business and other services industry sectors.

Call Out: The City has a rich history of entrepreneurship in its economic development, whereas small, local businesses have fostered the growth of larger companies and jobs.

As the County seat, one of the City's major employers is Waukesha County. Educational establishments including Carroll University, University of Wisconsin-Milwaukee at Waukesha, and Waukesha County Technical College are also notable employers within the City. Other major private employers in the City include:

- Eaton/Cooper Power Systems
- GE Healthcare
- GE Power & Water
- Generac Power Systems
- HUSCO International
- Metal Tek International
- Prohealth Waukesha Memorial Hospital
- SPX Transformer Solutions
- Waukesha State Bank
- Weldall Manufacturing

PROJECTIONS

Projecting the probable nature and magnitude of changes in certain factors, including employment levels, is an important and necessary step in preparing or updating a comprehensive plan. Creating projections for these factors, which may be beyond the influence of the planning process, is important to ensure that a comprehensive plan can account for likely and preferred future conditions.

Section 66.1001(2) of the *Wisconsin Statutes* requires that comprehensive plans project employment growth for a twenty-year planning period. This comprehensive plan update therefore utilizes employment projections established for a design year of 2050.⁴⁷ Prepared to support systems-level regional planning,

⁴⁷ *SEWRPC Technical Report No. 10 (5th Edition)*, The Economy of Southeastern Wisconsin (April 2013). *These regional projections were prepared using 2010 Census data; past trends, including past industry trends and future regional, state, and national trends; and on projections from the Wisconsin Department of Workforce Development (DWD) and the Wisconsin Department of Revenue (DOR). The technical report contains low, intermediate, and high projections for total employment created at a regional scale for VISION 2050, the land use and transportation plan for the Southeastern Wisconsin Region.*

projections used in this update are based on economic studies conducted by the Commission as a basis for updating and extending the regional comprehensive land use and transportation plan and are adapted to support local comprehensive planning efforts.

Labor Force Projections

Labor force projections prepared by the Commission were developed based upon future population levels by age and sex for the Region from the Commission's year 2050 population projections, along with reasonable assumptions regarding future labor force participation rates by age and sex. It was assumed that, for most age-sex groups, the labor force participation rate would remain essentially unchanged over the projection period, and it was assumed that the labor force would have a modest increase in those 65 years of age and over. These assumptions reflect several factors: people are living longer; with greater education and investment in their careers, seniors may choose to remain longer in their jobs; and many seniors are facing changing financial prospects for their retirement years.

Labor force projections, available at the County scale, indicate that there will be about 229,000 Waukesha County residents in the labor force in 2050.

Employment Projections

Prepared to support systems-level regional planning, regional employment projections do not align precisely with City boundaries. Thus, projected data have been approximated to the City. The projection chosen as the best estimate of job growth for the purposes of this plan do not reflect significant job losses in 2020 due to the COVID-19 pandemic.

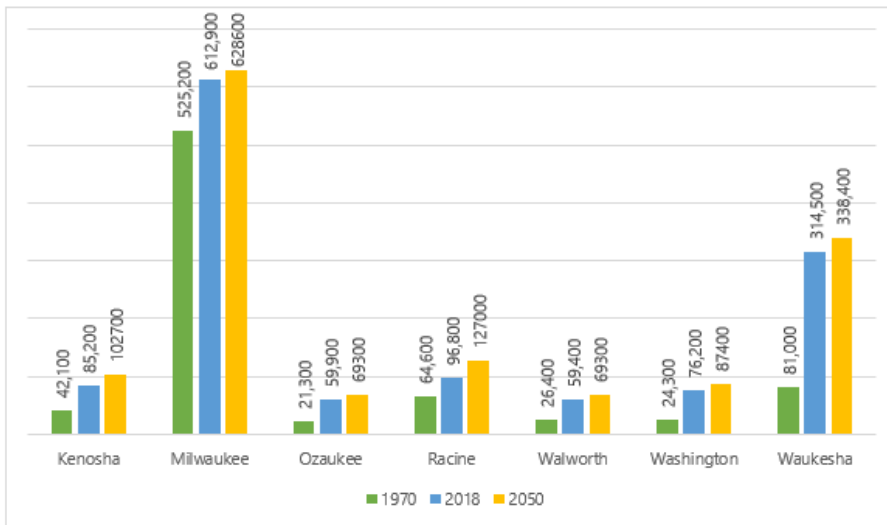
The City is projected to have a total of 60,480 jobs in 2050. This gain of 16,400 jobs amounts to a 37 percent increase in total employment for the City since 2019. Thus, while the number of jobs in the City accounted for approximately 4.3 percent of the Region's total employment in 2019, the total jobs in the City in 2050 will account for approximately 4.4 percent of the Region's total employment in 2050. Projections also show a continuing decline in manufacturing jobs over the next 30 years.

Meanwhile, total employment is projected to increase approximately 58 percent for the County and 35 percent for the Region. As result, total employment in the County in proportion to the Region will increase from 21 percent to 24 percent.

► **Recommendation: Secure High-Value Jobs**

In accordance with regional economic development plans, this plan recommends that the City pursue projects that add high-value jobs by expanding existing businesses and attracting new businesses, with a focus on specific industry clusters that offer competitive advantages in the global economy. A concerted effort must be made to ensure an equitable approach to economic growth and that no group suffers disparate impacts from growth-focused initiatives.

Figure 4.3: Employment by County



Source: U.S. Bureau of Economic Analysis (1970), U.S. Census Bureau American Community Survey (2018), and SEWRPC

As job growth in the City is projected to increase at a faster rate than population growth, declines in the proportion of the City’s prime workforce population will need to be supplemented by in-migration in order to fill additional, new jobs. This means that the Region must compete with other parts of the nation and beyond to attract new residents and grow the economy. It is projected that a net in-migration of about 90,000 new residents will be needed to fill new jobs in the Region between 2020 and 2050.

ECONOMIC DEVELOPMENT EFFORTS

The City of Waukesha Community Development Department is responsible for the City’s economic development efforts. The department conducts activities related to planning, including the creation of long-range development plans like this comprehensive plan update, which identify preferred development types and locations to meet the City’s vision, goals, and objectives. The department also manages the implementation of such plans by conducting activities related to zoning. In addition, the department is

involved in building relationships between and among neighborhoods and businesses, which is key to the formation and implementation of City plans.

Key economic development efforts undertaken by the City since adopting the 2009 comprehensive plan include preparing and adopting plans and studies relating to the central city (downtown), Sunset Drive and West Avenue, the St. Paul Avenue Corridor, and housing affordability. These efforts have supported the City's efforts to promote the development of strong and diverse residential, commercial, and industrial areas. Information from these efforts has been incorporated into this update. As this plan is implemented, the City will continue efforts to support its workforce with adequate amounts of affordable, quality housing while attracting employers and expanding the tax base.

Call Out: Attendees of the comprehensive plan update kickoff indicated a need for increasing/maximizing the City's tax base.

Numerous other agencies and programs in the County, Region, and State provide tools that can be used to promote economic development within the City. While changes in funding can affect the availability of economic development programs, economic development agencies that connect residents and businesses with such programs tend to have a capacity for greater longevity. The following economic development agencies serve the City:

- The City's Chamber of Commerce is a Waukesha-focused business organization with the goal of its members growing their businesses through a series of networking and engagement activities.
- The Waukesha County Business Alliance is a private agency that provides advocacy, development, networking, and promotional services for member businesses
- The Waukesha County Center for Growth offers businesses a range of services, including assistance related to local and State regulations, access to financial programs, site selection, and workforce training
- The Waukesha-Ozaukee-Washington (WOW) Workforce Development System provides training and support services for job seekers and supports businesses by matching employers with skilled workers.

- The Milwaukee 7 Regional Economic Partnership (M7) provides a regional, cooperative economic development platform for the seven counties in the Southeastern Wisconsin Region
- The Wisconsin Economic Development Corporation (WEDC) collaborates with economic development organizations throughout the State that work at the local, regional and statewide level
- The Wisconsin Housing and Economic Development Agency (WHEDA) works with lenders, developers, local governments, non-profit organizations, community groups and others to provide low-cost financing programs for affordable housing and small businesses
- The Wisconsin Women's Business Initiative Cooperation (WWBIC) provides educational and financial resources to enable a targeted population, primarily women, people of color, and low-income individuals, to overcome obstacles while starting or growing their business.

Brownfield Redevelopment

Section 66.1001 of the *Wisconsin Statutes* requires that a comprehensive plan economic development element promote redeveloping environmentally contaminated sites for commercial and industrial use. The Wisconsin Department of Natural Resources (WDNR) Bureau for Remediation and Redevelopment identifies and monitors environmentally contaminated, or brownfield, sites in the State.⁴⁸ Contaminated sites include leaking underground storage tank (LUST) sites and environmental repair (ERP) sites. A LUST site has soil and/or groundwater contaminated with petroleum, which includes toxic and cancer-causing substances. Over time, petroleum contamination naturally breaks down in the environment through biodegradation. This may result in some LUST sites emitting potentially explosive vapors. An ERP site is a site other than a LUST site that has contaminated soil and/or groundwater. Examples include industrial spills (or dumping) that require long-term investigation, buried containers of hazardous substances, and closed landfills that have caused contamination. ERP sites also include areas with petroleum contamination from above-ground (but not from underground) storage tanks.

► Recommendation: Brownfield Redevelopment Program

The City should evaluate the creation of a brownfield redevelopment program to assist property owners in accessing the resources available to support remediation and reuse of brownfield sites in Waukesha.

⁴⁸ *Brownfields are defined as abandoned, idle, or underused industrial or commercial properties where redevelopment is hindered by known or suspected environmental contamination.*

The City contained 419 environmentally contaminated sites as of 2023, including 5 LUST and 35 ERP sites that had not been remediated. Federal and State resources are available to support communities undertaking the remediation and reuse of brownfield sites, including the Environmental Protection Agency (EPA) Brownfields Program, which offers grants for site assessment, planning efforts, and clean-up. Additional financial resources are identified by the WNDR's Remediation and Redevelopment Program, which manages efforts to clean and redevelop contaminated sites.

Call Out: Economic development-related public input gathered during the plan update process called for encouraging more intensive development in appropriate areas, maximizing tax density in each development/redevelopment, and minimizing single story commercial development.

Business Owner Survey

Feedback from the City's online survey of business owners conducted during this plan update process may also be a useful economic development tool. Survey questions related to business spaces and locations, inviting business owners to identify important factors in their choice to locate within the City, to indicate their satisfaction with their space/location, and to share information regarding their tenure and potential future plans. Additional survey questions related to other considerations and challenges facing businesses. Respondents were invited to identify desirable complimentary businesses, indicate their interest in sustainable business practices, rate factors relating to workforce recruitment/retention, and share information regarding impacts their business experienced as result of the COVID-19 pandemic.

Overall, notable takeaways follow:⁴⁹

- More than three-quarters of all respondents indicated that they would recommend the City to another business owner for relocation.

⁴⁹ A large proportion of respondents owned businesses downtown, or within the City's central business district, and classified their business as retail/service, office/professional, or manufacturing. As survey responses likely reflects the values of the various types of businesses, survey results may be analyzed as a whole and to isolate responses from downtown business owners.

- In regard to choosing to locate within the City, more respondents identified proximity to customer base as an extremely important factor.
- The majority of respondents indicated that City staff have been readily available and supportive when their business needs assistance and that they are satisfied with services that the City provides their business.
- Fewer than half of the survey respondents indicated that the City's efforts to retain existing businesses are appropriate/sufficient.

► **Recommendation: Broadband Accessibility**

Economic development efforts to attract remote workers may include providing excellent broadband, addressing broadband speed, availability, access, affordability, and reliability.

ECONOMIC RESILIENCE

The impacts of the COVID-19 pandemic upon global, national, and local economies has exemplified the importance of economic resilience, which can enable an economy to prevent, withstand, recover from, and adapt after major disruptions to its economic base. Such disruptions could include general downturns that impact demand for locally produced goods and consumer spending; downturns in particular industries critical to the Region's economic activity; and/or other external shocks such as a natural or man-made disaster, exit of a major employer, or other significant impacts. Impacts experienced as result of the COVID-19 pandemic offer an opportunity to evaluate and improve the City's economic resilience. While having a resilience plan is not guaranteed to grow the economy, economic resilience is important as the City, County, and Region address the challenges of facilitating economic recovery and adapting to an altered economic environment.

Call Out: COVID-19 pandemic-related impacts, including restrictions on public contact, have been particularly harmful to certain businesses and industries. Other businesses and industries have drastically changed others as telecommuting, remote learning, online shopping and home delivery, and other virtual methods of communication and commerce have increasingly become part of everyday life. Addressing the impacts of the pandemic and ensuring that businesses are connected to local, State, and Federal assistance programs has been a top economic development priority in the Region and will likely continue to be so over a portion of this planning period.

Sustainability Considerations

Economic development efforts that incorporate sustainability considerations allow a local government to manage changes to its economic health and to initiate sustainable urban development and redevelopment that foster business growth and reliance on local assets. Sustainability considerations related to economic development are multi-faceted and may include the following:

- Recognizing the commercial/industrial land supply and the community's economic growth capacity
- Retaining and supporting existing and local businesses
- Promoting growth in competitive and living-wage jobs
- Attracting green businesses
- Promoting innovation and entrepreneurship
- Supporting the redevelopment of environmentally contaminated sites for commercial uses, industrial uses, and, in some cases, residential uses
- Promoting workplace diversity
- Ensuring access to jobs
- Encouraging educational partnerships and community-based economic development.

Additional considerations to incorporate sustainability into a comprehensive plan include promoting development proposals that account for, integrate with, and support plans of adjacent municipalities and the surrounding Region. A local government may account for such considerations by recognizing regional plans, coordinating with regional land use, open space, and mobility programs, integrating local economic development initiatives with those of the County and Region, acknowledging population and economic development projections, and by considering the potential to share fiscal resources.

Equity

Equitable access to economic opportunity is essential to a prosperous, resilient regional economy. Over many years, the Southeastern Wisconsin Region and communities within the Region have had persistent racial and economic segregation. The Region has performed poorly when compared to other major metro areas to the point that people of color in the Region, particularly African American and Hispanic populations, experience the greatest economic disparities in the Nation. Thus, the need to address racial disparities and discrimination, which have been caused by both unintended consequences and deliberate actions and policies, is as urgent as ever.⁵⁰

Disparities in portions of the Milwaukee metropolitan area, which includes the City, are far more pronounced than in almost all other metro areas in the country. These disparities include educational attainment, income levels, and poverty rates between whites and people of color. From an economic development standpoint, income disparity for people of color creates a workforce poorly equipped for the modern economy, dampens regional job growth, decreases worker productivity, and diminishes the local and State tax base. Regional economic development efforts acknowledge the importance and urgency of confronting regional equity issues and recognize that, for the Region to succeed, the socioeconomic inequities faced by people of color must be addressed.

Call Out: People of color in the Milwaukee metropolitan area, including the City of Waukesha, on average earn less than half as much as whites; are four times more likely to be living in poverty; and tend to experience poorer health outcomes, lower levels of home and business ownership, and higher rates of crime and incarceration.

⁵⁰ Long-standing disparities faced by people of color have been exacerbated by a multitude of factors that have been intensified by the COVID-19 pandemic.

GOALS AND POLICIES

The primary focus of economic development is to strengthen the community by creating and retaining jobs that improve the standard of living for residents, visitors, and workers. The goals and policies presented in this chapter are intended to provide a framework to guide future economic development in the City. This framework should be used by the City to create and evaluate objectives and standards, ensuring that specific programs and projects are consistent with this comprehensive plan.

GOAL 4.1

Continue to grow employment and the tax base while maintaining and enhancing the City's position as a top location in southeastern Wisconsin for manufacturing and complementary business services.

Policy 4.1.1

Identify market niche or business clusters where Waukesha's manufacturers can support each other, for example in terms of completing a supply chain or developing a workforce with specialized training and skills.

Policy 4.1.2

Encourage build out and infill in Waukesha's existing business parks, including revisions to the zoning code if necessary to increase lot coverage and reduce the level of underutilized land.

Policy 4.1.3

Ensure that Waukesha retains a supply of land planned and zoned for manufacturing and business park development, including through repositioning of unused and/or underutilized properties and vacant buildings.

Policy 4.1.4

Retain appropriately sized tracts of land and potential redevelopment sites that would be attractive for manufacturing and/or business park development to ensure future tax base and job growth. Ensure that such areas have multimodal connections to adjacent development and corridors and to the City's larger multimodal transportation network to ensure workers can safely and easily access amenities using a variety of modes of transportation.

Policy 4.1.5

Work with agency partners and seek grants or other funds to address brownfield sites, clean and remediate contaminated soils, and market sites for appropriate new uses.

Policy 4.1.6

Given the City's water service area, carefully consider value-per-acre ramifications when developing or redeveloping properties.

GOAL 4.2

Continue to promote downtown Waukesha and support downtown business development.

Policy 4.2.1

Support new residential development downtown for people of all ages and income levels to increase the housing supply, address housing needs, and to increase the customer base for downtown businesses. Seek funding sources to convert upper floors to residential or vacant and underutilized buildings to residential uses.

Policy 4.2.2

Seek to increase tax density when approving infill development downtown and seek to increase the value of new and existing development by encouraging high-quality, multiple-story buildings and by limiting the amount of land devoted to surface parking lots.

Policy 4.2.3

Re-establish a downtown business improvement district, Main Street program, or other method to coordinate private and public improvements and to recruit and retain businesses.

Policy 4.2.4

Promote downtown anchors and cultural institutions, such as the Waukesha Civic Theater and the Waukesha County Historical Museum, when recruiting new businesses or promoting residential development.

Policy 4.2.5

Sustain year-round event programming and promotional efforts to bring people downtown as an economic development tool.

Policy 4.2.6

Continue to make grants to businesses for façade, sign, and awning improvements.

GOAL 4.3

Continue to improve and enhance the City's commercial districts, corridors, and nodes.

Policy 4.3.1

Encourage the formation of place-based business groups for commercial districts, corridors, and nodes that offer mutual support for small businesses and coordinated placemaking efforts.

Policy 4.3.2

Identify redevelopment opportunities within commercial districts, corridors, and nodes and consider ways to assist with the redevelopment and re-use of older, underutilized properties.

Policy 4.3.3

Develop sub-area plans for commercial districts, corridors, and nodes that include redevelopment concepts, mixed-use considerations, multimodal connectivity, and streetscape and wayfinding enhancements. Consider establishing overlay zoning for these areas.

Policy 4.3.4

Utilize and promote the Mindiola Park soccer and recreation complex as a catalyst for redevelopment of the area in the vicinity of Sunset Drive and West Avenue and seek out complimentary uses, including hospitality-oriented uses.

GOAL 4.4

Collaborate with local educational institutions, business groups, and economic development organizations, including the Waukesha County Center for Growth, Waukesha County Business Alliance, City of Waukesha Chamber of Commerce, Waukesha County Technical College, and UW-Extension, to enhance the position of the City as an economic engine and a major employment center in the County as well as a great place to do business.

Policy 4.4.1

Collaborate with Milwaukee 7 (M7), the Waukesha County Center for Growth, Waukesha County Business Alliance, City of Waukesha Chamber of Commerce, Waukesha County Technical College, and UW-Extension to conduct a labor market analysis for the City, County, and Region that assesses the existing and anticipated supply and demand for labor as well as employer and employee training needs.

Call Out: Educational attainment is an important economic development consideration as employers require access to qualified workers. A community may recruit employers that are a good match for the skills of the workforce and may consider establishing programs and partnerships to promote the upward mobility of their workforce.

► Recommendation: Establish and Foster Economic Development Partnerships

This plan recommends Establishing partnerships with other communities and various agencies to bolster economic development efforts that foster favorable growth and development for the benefit of each individual community and the larger region.

Policy 4.4.2

Promote entrepreneurial programs to encourage residents to become entrepreneurs, provide basic training for business startups, and foster seed capital. Explore the feasibility of creating a local incubator to assist with the launch of new business endeavors.

Policy 4.4.3

Support initiatives to increase development of the bioscience manufacturing industry, especially in medical equipment, to enhance higher paying jobs.

Call Out: Economic development efforts should promote business growth and the availability of optimum paying jobs because the occupations of members of the workforce affect their ability to afford housing, transportation, and other essentials. Economic development efforts should therefore consider the types of jobs provided by existing businesses alongside the types of jobs potentially provided by new businesses in determining what types of businesses to recruit. Having diversified businesses can help to ensure that the workforce can access jobs that utilize their skills and offer opportunities for advancement.

Policy 4.4.4

Foster industry collaborations and technology transfer.

GOAL 4.5

Advertise the City’s land use policy to businesses and developers with a goal of encouraging economic development by adding to the City’s livability and enhancing an employer’s ability to attract a workforce.

Call Out: The City’s land use plan is designed to meet the City’s existing and anticipated future needs, accounting for employment levels and business growth, which directly influence the demand for land to meet existing and future land uses. It is important to consider how commercial, industrial, and other employment-supporting land uses are distributed in relation to residential areas to ensure that residents can access employment opportunities and other commercial establishments that meet their needs. It is also important for economic development efforts to correspondingly consider how to accommodate existing, expanding, and new businesses within the City’s available land.

Policy 4.5.1

Use and promote the use of this report to guide businesses and developers regarding planning and zoning.

Policy 4.5.2

Promote the production of an adequate supply of new workforce housing of sufficient quantity, quality, size, and density to serve the existing and anticipated workforce within reasonable proximity and multimodal access to new and existing employment centers.

Policy 4.5.3

Utilize Affordable Housing extensions for Tax Incremental Finance (TIF) in accordance with *Wisconsin Statutes* to improve the supply of workforce housing and improve the quality of existing housing stock.

Policy 4.5.4

Work with major employers to create and maintain employer-assisted housing programs where employees can access downpayment assistance, renovation funds, or other incentives to establish residency near their place of employment while also revitalizing existing neighborhoods.

Policy 4.5.5

Identify sites for multiple-unit housing that may be eligible for Low Income Housing Tax Credits (LIHTC) and support applications that utilize this funding source to create additional housing units for the workforce.

GOAL 4.6

Provide incentives and assistance through City programs for business retention and development and to bridge financial gaps or make land ready for redevelopment.

Policy 4.6.1

Use the City's Central City Storefront Revolving Loan Program to incentivize reinvestment in commercial properties located downtown and in the surrounding neighborhoods.

Policy 4.6.2

Utilize Community Development Block Grant (CDBG) funding as an economic development tool in the City's low-to-moderate income Census Block Groups.

Policy 4.6.3

Explore the feasibility of creating a comprehensive brownfields program to plan for and provide financial assistance with redeveloping brownfield sites within the City as they become available.

Policy 4.6.4

Explore all grants and other funding opportunities to grow the City's tax base, redevelop blighted properties, and expand employment.

GOAL 4.7

Utilize the City's TIF powers to encourage the conservation and renewal of viable urban areas.

Policy 4.7.1

Carefully consider the use of TIF to redevelop properties or areas that are blighted or otherwise in need of rehabilitation.

Policy 4.7.2

Utilize mixed-use Tax Incremental Districts (TID) to incentivize redevelopment projects that include the addition of housing units.

Policy 4.7.3

Monitor existing TIDs to identify additional redevelopment and infrastructure improvements that could be undertaken during the statutory expenditure period.

Policy 4.7.4

Carefully consider utilizing the Wisconsin's one-year affordable housing extensions when approaching the termination date of successful TIDs.

Policy 4.7.5

Review and update the City's TIF policies as needed.

GOAL 4.8

Create a comprehensive business retention program that can identify expansion and relocation opportunities within the City.

Policy 4.8.1

Continue downtown business visits to identify any expansion or relocation plans early in the planning stages.

Policy 4.8.2

Consider creating a City-wide business retention program, with a strong focus on the City's industrial and business park tenants. Gather information on exiting or closing businesses to ascertain if and how areas may not be meeting businesses' needs.

Policy 4.8.3

Evaluate and consider updating or amending zoning regulations for business and manufacturing districts to reduce barriers to on-site expansion opportunities as long as the properties comply with the City's land use policy map and remain compatible with surrounding uses, development patterns, and design intentions.

GOAL 4.9

Monitor and adapt to trends in business practices.

Policy 4.9.1

Amend home occupation and home industry zoning regulations to accommodate remote work and uses that are compatible with residential uses while eliminating any non-compatible uses.

Policy 4.9.2

Regularly monitor new and emerging land uses and amend the zoning code accordingly.

Policy 4.9.3

Identify more opportunities for live-work development.

Photo of Brook Street Artisan Village: Brook Street Artisan Village is a downtown redevelopment project comprised of nine live-work condominium units, each with first-floor commercial space and upper-story residential space.
