

Volume 2: Goals, Policies & Actions

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ISSUES & OPPORTUNITIES



Sun Prairie's economic development activities play a key role in the quality of life in the community and the long term viability of the City.

The City's past and current economic development efforts and landscape, described in Volume 1 of this Plan, generally meet the needs of existing residents and businesses. It is critical to strategically plan Sun Prairie's future economic development efforts to support the growth of the community while continuing to meet the needs of current residents and businesses.

The goals, policies and actions in this chapter are based on input from the public, City staff and various City committees and elected officials. The chapter begins with a summary of critical issues and opportunities. Several of the policies and actions are bolded to signify high priority.

The planning process includes a review of data that describe current conditions related to economic development (See Volume 1) and many forms of input from stakeholders throughout the community. The following issues and opportunities stand out as most relevant to the goals, policies and actions in this chapter.

Tight Labor Market



One of the most prominent economic issues in 2018/2019 is the challenge faced by local employers to find and retain staff. The Wisconsin Department of Workforce Development reported unemployment at a very low rate of 2.4% in 2017, both in the City of Sun Prairie and throughout Dane County. Local employers have reported dozens of unfilled roles, which is anecdotal evidence that the difficulty in hiring is preventing growth. City economic development staff have been cautious about investing effort into attracting new employers offering lower wages, that would compete with existing employers for staff.

Given these conditions, economic development professionals are focused on workforce attraction and workforce development. This focus is consistent with a strong national economic development trend toward attracting people first and businesses second. Sun Prairie stakeholders have described some of the things essential to attract people, including:

- » great schools;
- » great park and recreation amenities;
- » attractive neighborhoods and public spaces; and,
- » a variety of desirable options for shopping and eating out.

Employers have also noted that they believe transportation and housing options are a constraint on workforce attraction. The lack of public transit service to help people get to local jobs, either from within Sun Prairie or from Madison, is likely deterring some otherwise qualified candidates from pursuing work in the City. Likewise, a perceived difficulty finding affordable housing choices in the City is pushing some workers to commute from outlying communities or not consider local jobs. These issues are interrelated and also tied to another important topic: wage rates. Housing and transportation choices expand as income increases, and employers who commit to paying higher wages have shown success in hiring and retaining staff, even in a strong economy and tight labor market. Employers are continually seeking a balance among various costs and risks while competing in a global economy. The tension between the cost of higher pay and the cost of vacancies and higher turnover will be present as long as the economy is strong.

In some cases, staffing challenges reported by employers are less about the availability of applicants and more about skill gaps among those applicants. Employers hiring for technical roles are frustrated by the lack of qualified specialists, a situation that has resulted in the growth of apprenticeship and on-the-job training programs. Employers hiring for lower-skill service jobs are frustrated by high turnover due to job hopping in a strong job market and also due to poor basic employment skills, or “soft skills” such as arriving every day on time and communicating effectively. The Sun Prairie Area School District is aware of these challenges and has a variety of initiatives to introduce students to various trades and new technologies.

Retail Volatility



Sun Prairie has seen a dramatic growth in retail business over the past 10 years, with most of it occurring in the Prairie Lakes development around Grand Ave and USH 151. This local growth obscures a challenge more apparent in other communities: volatility in the commercial market due to the growth of online shopping and ever-faster delivery systems such as Amazon. This volatility is a risk both to large and small retailers. The greatest concern to the City should be the

risk that larger retailers, even those that currently appear strong, could close a local store due to a recession or a change in their market sector, and leave behind a large, empty building.

Room for Growth



Highway access and space to grow gives Sun Prairie an advantage in business growth. The Sun Prairie Business Park along US Highway 151 and North Bristol Street has approximately 70 acres available, currently in two parcels. In addition, Park 151, a private business park along US Highway 151 and Reiner Road, has 68 developable acres.

VOICES FROM THE COMMUNITY

Incentives

The 2018 Community Survey asked people if they believe the City should direct more local tax dollars, through marketing, incentives, etc., to help spur job growth. Approximately half (49%) of respondents said “no”, 29% said “yes” and 22% said “it depends”. For those who responded “it depends”, additional detail showed it generally depends on whether the incentive creates professional jobs with good wages.

A Good Place for Business

Focus group discussions with the Business Improvement District, local CEOs, and Chamber of Commerce members identified Sun Prairie as a good place to be in business because the City:

- Is family-oriented
- Is rapidly growing
- Is in a prime location near a major transportation network
- Has existing chain businesses that draw in consumers

VOICES FROM THE COMMUNITY

Challenges

Focus group discussions with the Business Improvement District, local CEOs, and Chamber of Commerce members identified local conditions that could slow business growth (some are current challenges, some are future concerns):

- Rising property taxes
- Downtown feels like it is struggling
- Rent prices are high
- Lack of public transit
- Labor shortage
- Lack of office space
- Lack of available industrial land

Attracting the Right Jobs



Many stakeholders have noted a desire to attract and grow industries that are growing in the wider economy, especially those with higher-paying jobs. There has been some recent growth in the service industry with local growth in retail, but those jobs are not typically viewed as capable of supporting families due to lower wages and a prevalence of part-time roles. Industries such as information technology, biotechnology, health services and insurance/finance services are both projected to grow and generally pay well.

While the challenge of workforce availability is currently inhibiting a focus on employer-attraction, economic shifts will likely change this perspective.



Sun Prairie Chamber Visit at Colony Brands

GOALS, POLICIES AND ACTIONS



Prairie Lakes Development (2017)

GOAL #1

Sun Prairie residents will have the skills to achieve personal success in our economy and Sun Prairie employers will have the staff to enable their success.

Policies

1. Residents seeking employment, especially for entry-level positions, should know and practice the basic skills necessary for any type of employment, including timeliness and effective interpersonal communication.
2. Residents seeking employment and professional advancement should have access to a variety of training resources, especially including training in the awareness and use of relevant new technologies and methods.

3. Sun Prairie employers should be actively engaged in workforce development efforts in the City, including internships, apprenticeships and skills training workshops.
4. The City, the Chamber of Commerce, Madison College, the Sun Prairie Area School District, the Workforce Development Board of South Central Wisconsin, and other non-profit entities that provide job skill training should be active partners in efforts to prepare students for careers in Sun Prairie.
5. The City will encourage the development of a post-secondary educational institution in Sun Prairie.
6. Sun Prairie should have housing affordable to all income

levels and access to transit so that employment does not require vehicle ownership.

Actions

1. **Review and update on a semi-annual basis a comprehensive list of available job training programs, resources, and designated contacts on the City's economic development website, in coordination with Madison College, Sun Prairie Area School District, Small Business Development Center, SBA and local employers. Actively promote to local employers any programs that offer support for employer-led job training.**

Policies and actions in bold text indicate high priority

SUN PRAIRIE WORKS INITIATIVE

The City of Sun Prairie Department of Economic Development and the Sun Prairie Media Center are working on a joint initiative called Sun Prairie Works. The purpose of this initiative is to aid our local employers is recruiting employees to come work in our community. This involves using our video production capability as well as our ability to host these videos online as a way to communicate current employment opportunities to interested parties in the area. Local employers who are trying to hire key positions make a short video that introduces the company and provides more information about what they do, what positions they have available and what the compensation range for those positions is here in Sun Prairie.

2. Periodically (at least annually) survey local human resource professionals and small business owners to identify hiring and retention needs, challenges, and trends. Share that information within the Sun Prairie business community and facilitate conversation about solutions to challenges.
3. Host or coordinate one or more job fairs annually in the City to help local employers find staff, as desired and supported by employers. Include resume, interview and basic job skills training as part of these events.
4. Work with the Sun Prairie Area School District to coordinate activities in support of the local economy, including:
 - Ensure that courses in information technology, entrepreneurship and financial literacy are regularly offered at the middle school and/or high school level.
 - Incorporate into the curriculum training on basic behaviors necessary for employment and also skills and information specifically pertinent to the City's target employment sectors.
 - Hold at least two events each year to help facilitate a discussion between teachers and employers about local hiring needs and skill requirements.
 - Work with School District to form student business groups and clubs.
5. Promote and expand the Sun Prairie Works Initiative. See side bar for more information.



QBE

GOAL #2

Existing employers will thrive here and new employers will choose to locate here.

Policies

7. Information sharing and development of connections among businesses and between businesses and support agencies is a core purpose of the City's Economic Development Department.

Staff will sustain a high level of outreach efforts to local employers and prospective employers to show support, understand their needs and connect them with resources that support their success. This includes:

- Maintain and promote a directory of economic development partners and resources.
- Maintain active relationships and communication with executives of major area employers.
- Respond promptly to inquiries from current and prospective employers.

8. The City should have a supply of development and redevelopment sites ready for new business investment. This should include infill sites that have been cleared and cleaned (if necessary) and growth area sites that are already served with public utilities.

9. The City should continue to have unique and locally-owned shops and start-up businesses.

10. The City should be an active partner with regional economic development entities, especially MadREP, with particular focus on workforce training initiatives and efforts to help local employers gain access to new markets.

11. The City's property tax structure should be stable and fair to all property types, providing predictability for business owners.

12. Support entrepreneurship and remote/freelance employment in Sun Prairie by supporting the following:

- Reasonable home-based business regulations
- Entrepreneur training events and programs
- *Co-working* spaces
- Business incubators and accelerators
- *Makerspaces*

13. Encourage development of business incubators to assist with new business start-ups as a means of growing local businesses, which could include, but are not limited to: an office-oriented incubator or co-working space in the Downtown; a technology-oriented incubator in the business park or future Westside office parks; light industrial and/or flex space buildings in other industrial districts; and/or commercial kitchen space.

14. When planning new areas for employment uses, the City will consider the following:

- Development of a campus and/or business incubator focused on technology.

CO-WORKING

Co-working spaces are designed for remote workers, free-lancers and entrepreneurs who might otherwise be working at home but prefer the social environment and administrative resources of a traditional office space. Users typically pay a monthly membership that includes a desk or private office, high speed internet, and cleaning and maintenance. It can also include printing and reception services, meeting rooms, social events, and more.

MAKERSPACES

A makerspace, sometimes also known as a hackerspace, is a space where people can learn, teach, work-on, build, and create next generation technology; including software, hardware, electronics, art, sewing, metal-work, apps, games, etc. Makerspaces can be in schools (most Sun Prairie schools have one) or they can be independent (typically non-profit) entities. A good example in the region is Sector 67. Makerspaces enable experimentation and innovation.

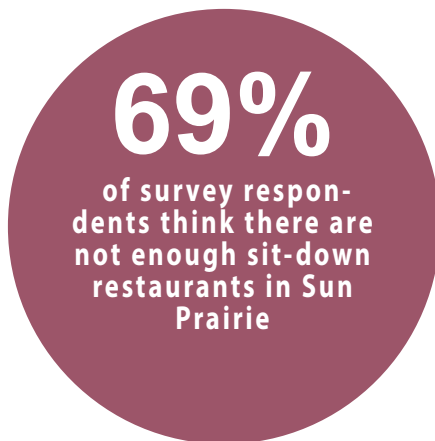
Policies and actions in **bold text** indicate high priority

- Authorize funding to establish a Shovel-Ready Site through the Wisconsin Economic Development Corporation's Certified in Wisconsin program.
 - Reserve space for heavier industrial and manufacturing uses.
 - Explore the option of selling the entire park to one user or developer instead of selling it parcel by parcel.
15. Maintain relationships with neighboring jurisdictions as a means of having timely knowledge of issues and opportunities that may affect the City. Host and attend meetings and events to sustain these relationships.

Actions

6. Collaborate with the business community to support the continued development of transit options and workforce housing options in the City (see also the Housing and Transportation elements).
7. Create and maintain an inventory and promotional materials of sites available for commercial and industrial use in the City, including both new growth areas and redevelopment sites. The Economic Development Department will establish a routine for how often the inventory will be reviewed and updated to keep the information current (e.g., monthly, quarterly, etc.).

8. Develop a program to track the source of economic development-related inquiries received (i.e. City website, partner website, direct call, referral from partner, general web search, etc.) in order to understand and refine outreach and intake methods. Establish a routine of spot-checking: follow up with contacts after responding to inquiries to evaluate satisfaction with the experience.
9. Schedule an annual lunch for local business leaders, hosted by an attending business, to discuss current issues, strategies employed to mitigate current issues, and other information to maintain a healthy business climate in Sun Prairie.
10. Craft and implement a business retention program in collaboration with the Chamber of Commerce.



GOAL #3

Business investment in the City and initiatives to attract that investment will support the health and vitality of the Sun Prairie community.

Policies

16. Financial incentives for business development, if offered, will support projects consistent with this plan. Consider these guidelines when evaluating requests for Tax Incremental Finance (TIF) incentives. To receive funding, projects should meet one or more of these criteria:
- Increases the City's tax base without adding significant service costs.
 - Improves existing neighborhoods through redevelopment and/or expanded jobs or services within the neighborhood.
 - Adds affordable housing units consistent with this plan.
 - Creates new living wage jobs without adversely affecting other existing employers.
 - Improves conditions to attract other quality development, such as a catalytic project in a new redevelopment area.
 - Provides a publicly accessible amenity in a relevant location, such as a pocket park not otherwise required.

17. Marketing and promotional media used by the City to attract business investment will be consistent with the City's vision as identified in this plan.
18. Neighborhoods should have access to retail and restaurant uses, including unique, local offerings. We will work with developers, property owners, and real estate professionals to define and communicate the types of retail and service development that are desired by the City in specific neighborhoods.
19. Continue to update and implement the West Main Street Plan, including a mix of new residential and neighborhood-oriented retail, service and employment uses.
20. The City, through the Community Development Authority, may acquire property in order to control and accelerate redevelopment of key sites.
21. Where necessary to advance redevelopment initiatives, the City may actively facilitate and consider funding assistance to relocate an active business to a more suitable location within the City.
22. The City will actively support festivals and recreational events that attract visitors and spending at local businesses.

Actions

11. Review and update the City's Brand Identity.

12. Modify the TIF guidelines to incorporate the criteria described in Goal 3, Policy 1.
13. Conduct an incubator feasibility study to consider the potential need for such a facility, likely location to establish the facility, and if the facility should cater to a specific industry sector.
14. Develop and update annually a portfolio of marketing materials driven by brand positioning and City assets, and include City demographics, economic data and resource information.
15. Develop a "Buy Local SP" marketing campaign targeted to both residents and businesses, including encouragements to local grocers and restaurants to buy local food products.



Indicates a policy or action that supports community sustainability