



Town of

River Falls

*Economic Development
Element*



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Town of River Falls



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**Economic Development Element
Town of River Falls**

s. 66.1001(2)(f) Wis. Stats

The *Economic Development Element* is defined as a compilation of objectives, policies, goals, maps and programs to promote the stabilization, retention or expansion, of the economic base and quality employment opportunities in the local governmental unit, including an analysis of the labor force and economic base of the local governmental unit. The element shall assess categories or particular types of new businesses and industries that are desired by the local governmental unit. The element shall assess the local governmental unit's strengths and weaknesses with respect to attracting and retaining businesses and industries, and shall designate an adequate number of sites for such businesses and industries. The element shall also evaluate and promote the use of environmentally contaminated sites for commercial or industrial uses. The element shall also identify county, regional and state economic development programs that apply to the local governmental unit.

Introduction

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Introduction

By including economic development within the framework of the Comprehensive Plan, the Town will have a long-term plan to address economic growth over the next 20 years. This plan will also assist the Town to plan for other community functions including elements such as housing needed to accommodate growth and transportation facilities and infrastructure to enable orderly growth. Establishing goals, objectives and provisions for economic vitality and quality of life will help the Town ensure the availability of jobs and the retention and expansion of business and industry. Effective planning sets the stage for sustainable economic development to support the Town of River Falls in the years ahead. As the Town prepares to manage growth, it must also consider its economic base so that the desired quality of life is realized and people and businesses continue to invest in the community.

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- “By including economic development within the framework of the Comprehensive Plan, the Town will have a long-term plan to address economic growth over the next 20 years.”

This Element of the Comprehensive Plan summarizes existing economic activity and conditions in the Town and considers the Town’s economic ties to the Twin Cities Metropolitan Area. An historical perspective is provided along with the number and type of jobs and the mix of existing industries and retail uses in the community. Also highlighted are the industries and occupations employing residents and workforce migration patterns. The availability of sites for redevelopment and new commercial and industrial development and expansion are also reviewed together with ongoing local economic development efforts.

Background

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Background

The increased utilization of the auto facilitated by the development of the interstate highway system in the 1950's correlates with a growth spurt in the Town of River Falls and an increase in the number of people commuting to the Twin Cities Metro Area. The primary jobs originally supporting the commute to the Twin Cities were in manufacturing at companies such as Anderson Windows. This has changed over the years with a growing number of commuters working in technical and professional positions in the Twin Cities. The Town relies on the Twin Cities as a major source of employment. Proximity to the Twin Cities has been and will continue to be important to the Town's economy.

Although it employs only a small percentage of Town residents, agriculture continues to be the major economic stimulus within the Town as most workers commute to outlying areas for work. Dairying, and livestock and crop production are vital to the economy of the area and are the source of many other agriculture-related businesses and services. Dairy products are the leading source of farm income, but field crops (notably corn and soybeans) are also important.

Within the County, three major agricultural trends have been recognized. The constant shift from farm to non-farm uses, fewer and larger farms, and more row-cropping of production acreage. However, with the implementation of use value assessment, agricultural properties are now taxed based on their agricultural productivity, rather than market value. This is expected to reduce the pressure for small acreage farmers, particularly those in urbanizing areas, to shift their land into non-farm uses.

Within Pierce County, services, manufacturing, and retail trade appear to be the primary industries for employment. Full-time farming (9 percent of the county workforce in 1996, according to the Pierce County Land Management Plan) has been steadily decreasing.

Economic Base

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Economic Base

Employment and Income Profile

The construction of housing units and other types of space generates employment and income, contributing to not only the Town's prosperity but also regional prosperity. New and redeveloped properties added to the tax base increases the Town's ability to raise funds through property taxes, and thereby support public services.

Income

The median household income in the Town of River Falls is \$65,721. This compares to \$52,723 in the Minneapolis-St. Paul MN-WI MSA (WI part) and \$49,551 in Pierce County. Town income figures are broken down as follows:

Town of River Falls – Household Income		
Income	Number	Percent
Less than \$10,000	7	0.9%
\$10,000 to \$14,999	26	3.2%
\$15,000 to \$24,999	30	3.7%
\$25,000 to \$34,999	52	6.4%
\$35,000 to \$49,999	107	13.3%
\$50,000 to \$74,999	265	32.8%
\$75,000 to \$99,999	160	19.8%
\$100,000 to \$149,999	109	13.5%
\$150,000 to \$199,999	22	2.7%
\$200,000 or more	29	3.6%
TOTAL HOUSEHOLDS	807	100%

Source: U.S. Census. Table DP-3. Profile of Selected Economic Characteristics: 2000

Poverty Status

The percentage of families below poverty status in the Town is comparable to the Wisconsin portion of the Minneapolis-St. Paul MSA, and slightly lower than Pierce County.

Poverty Status		
Locale	# Families Below Poverty Level	Percent Below Poverty Level
River Falls, Town	17	2.7%
Pierce County	280	3.1%
Minneapolis-St. Paul MSA (WI Part)	687	2.6%



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Source: U.S. Census Bureau. Table DP-3. Profile of Selected Economic Characteristics

Economic Base

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Town of River Falls Business and Industry Composition – Employment

Industries located in the Town of River Falls are listed in the table below. This represents a relatively small economic base, but most residents of the Town commute to adjacent counties, or Minnesota.

Town of River Falls – Employers			
Company Name	Number of Employees	Location	Product Type
A & B Storage	1-4	N8180 945 th St	Storage
Al’s Custom Cycle	1-4	N8110 Hwy 65	Motorcycle
Bret Van Blaircom	1-4	W8134 Hwy 29	Electric Signs
C M Electric Motors	1-4	N7830 Hwy 65	Motor Repair
Cedar Hill Greenhouse	1-4	W10041 Hwy 29	Greenhouse
Cemstone Ready Mix	10-19	Hwy 65	Concrete
Chicken Coop Antiques	1-4	N7086 820 th St	Antiques
David’s Studio	1-4	N7667 910 th St	Photography
Don Overbye	1-4	N7453 910 th St	Bed & Breakfast
Godden Excavating	1-4	N8036 900 th St	Earth Moving
Halverson Construction	10-19	N8226 945 th St	Concrete Const.
Have-A-Heart	5-9	W10356 Hwy 29	Day Care
Heartland Montessori	1-4	N8226 945 th St	School
Hilltop Groomer	1-4	N7454 910 th St	Pet Grooming
Lisa’s Hair Quest	1-4	W10430 Hwy 29	Beauty Shop
Iehl Chiropractic	1-4	W9330 Hwy 29	Chiropractic
Jack & the Green Sprouts	10-19	N8477 770 th St	Food Crops
Jerry’s Inc	1-4	W9880 710 th Ave	Auto Salvage
Julie Sponsler	1-4	N 7649 950 th St	Hair Salon
Knollwood House	1-4	N8257 950 th St	Bed and Breakfast
Larson Glass	1-4	W8476 Hwy 29	Glass Cutting
Mark Anderle	1-4	N6504 Cty O	Photography
Picture Perfect Photo	1-4	W9880 795 th Ave	Photography
Reading Your Dog	1-4	N7789 Hwy 65	Dog Training
Riemenschneider	1-4	W9093 Hwy 29	Landscaping
River Falls Kennel	1-4	N7614 950 th St	Dog Kennel
Schaar Pump Repair	1-4	W9463 690 th Ave	Well Pumps
Scott Jensen	1-4	W9613 770 th Ave	Gunsmith
Sheila Calvert	1-4	N8465 1015 th St	Photography
Splash Zone	1-4	N8170 Hwy 65	Swimming Pools
Steiner Plumbing	10-19	N8230 945 th St	Plumbing
Stern Piano	1-4	W8378 760 th Ave	Piano Lessons
Stone Prairie	1-4	W8170 945 th St	Landscaping
Town of River Falls	10-19	Hwy 65	Government

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Wang Excavating	1-4	W9672 770 th Ave	Excavating
Wireless Broadband	1-4	910 th St	Telephone

Source: Town of River Falls

Population and Labor Force

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Population and Labor Force

The relationship between population and labor supply is an important one. The number of people in the Town and their socio-economic characteristics (age, household composition, income, education level, etc.) affect employment characteristics and population affects the demand for workers. The tastes and preferences of residents are major determinants of the kinds of products demanded from business and government. While manufacturing is the predominant industry in Wisconsin and Pierce County, in River Falls Town, it is second behind Educational, Health and Social Services. Service industries are growing in importance.

■ “The relationship between population and labor supply is an important one.”

The total population in the Town grew 18.5 percent from 1990 (1,944) to 2000 (2,304), much greater than statewide (9.6 percent) and countywide (12.3 percent) expansion. In comparison, the City of Hudson grew by 38 percent between 1990 and 2000, and the City of River Falls grew by 42 percent.

Population increase is the result of a combination of people moving into and out of the county and natural causes - births and deaths. Migration from the Twin Cities metro area has spurred much of the growth occurring in the Pierce County area. Immigration from abroad is a more recent factor that is contributing to population growth at the national level and to some degree in the Minneapolis-St. Paul region.

An industry is a distinct group of businesses. Businesses are classified according to the primary type of good or service produced. Industries are typically organized by Standard Industrial Classification (SIC) codes. Industry employment is generally influenced by the following factors though the overall effect by industry on employment varies to some degree.

- Domestic and global demand
- Cost and availability of labor
- Cost and ease of substituting capital for labor
- Technological change
- Other factors such as government subsidies, regulations, public acceptance and taxes.

The Town of River Falls is part of the Minneapolis-St. Paul Metropolitan Statistical Area (MSA). Following is a table showing the industries employing those in the Minneapolis-St. Paul, MN—WI MSA (Wisconsin part) as compared to the Town. Manufacturing employs a quarter of the population followed by education, health and social services. Note that the list below shows industries of employed persons residing in each area not industries located in the area.

Population and Labor Force

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Population and Labor Force

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Employment by Industry				
Industry	River Falls Town	Percent Total	MN-St. Paul MSA (WI Part)	Percent Total
Agriculture, forestry, mining, fishing and hunting	45	3.4%	2,143	3.8%
Construction	101	7.5%	4,001	7.1%
Manufacturing	202	15.1%	12,396	22.1%
Wholesale Trade	36	2.7%	1,274	2.3%
Retail Trade	98	7.3%	6,228	11.1%
Transportation and warehousing, and utilities	64	4.8%	3,181	5.7%
Information	33	2.5%	1,000	1.8%
Finance, insurance, real estate and rental and leasing	82	6.1%	3,465	6.2%
Professional, scientific, management, administrative, and waste management services	109	8.1%	3,546	6.3%
Educational, health and social services	376	28.1%	10,693	19.1%
Arts, entertainment, recreation, accommodation and food service	104	7.8%	4,112	7.3%
Public administration	25	1.9%	1,801	3.2%
Other Services	65	4.9%	2,160	3.9%
TOTAL	1,340	100%	56,000	100%

Source: U.S. Census Bureau, Table DP-3.

Profile of Selected Economic Development Characteristics: 2000.

Commuting Patterns

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Commuting Patterns

Census 2000 data indicates that over 50 percent of Town residents commute to work. This compares to approximately 40 percent of residents commuting to work within the Minneapolis St.-Paul MSA (WI part).

Commuting to Work – Town of River Falls	
Car, truck, van – alone	1,045
Carpool	163
Public transportation (including taxi)	9
Walking	22
Other means	7
Working at home	77
TOTAL COMMUTING	1,323
Total commuting less working at home	1,246
Net % Commuting	54%
Town Population	2,304

Source: U.S. Census Bureau, Table DP-3. Profile of Selected Economic Characteristics: 2000.

The October 2002 Pierce County Workforce Profile published by the Wisconsin Department of Workforce Development indicates that roughly 18 percent of Pierce County residents are commuting to adjacent Wisconsin counties and 41 percent are commuting to Minnesota. Assuming that the Town of River Falls is a microcosm of Pierce County, many people are commuting to jobs in the Twin Cities Metro Area. At the same time, improvements

to the transportation system and a favorable business climate in Wisconsin have brought companies and people to the Town. In addition, professionals working for industry and commuting to the Twin Cities may be seeking lifestyle changes, and are candidates for new business launches including home-based businesses. An example of this is Medtronics, a Minneapolis-based medical technology company that has had some 30 different businesses spin-off, based on a similar scenario. With the recent designation of the I-94 corridor Technology Zone by the state of Wisconsin and the abundance of medical and technology companies based in the Twin Cities area, the creation of satellite facilities is a growing possibility.

■ “Roughly 18 percent of Pierce County residents are commuting to adjacent Wisconsin counties and 41 percent are commuting to Minnesota.”

Economic Assessment

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Economic Assessment

Types of Business and Industry Desired

Business and industry in the Town is currently very limited. As the goals, objectives, and policies below indicate, the Town wishes to continue to have limited business development. Commercial development that does occur should be compatible with the rural character of the Town, and be located in areas that are already developed. Industrial development will be discouraged. The Town also supports efforts of nearby communities to locate industrial development in industrial parks.

On July 24, 2003 a Strengths, Weaknesses, Opportunities, and Threats analysis was conducted with the Town's Smart Growth Advisory Committee. The Committee did not identify any strength with respect to economic development. Weaknesses that the committee identified included the lack of existing businesses in the Town and the south end of the City.

Since the Town does not intend to promote economic development, few sites have been designated for business and industry. (see future land use map)

Environmentally Contaminated Sites: Potential for Industrial and Commercial Use

Wisconsin's Smart Growth legislation requires identification of potential redevelopment sites. There are a number of contaminated sites in the Town, some of these may be appropriate for redevelopment. Properties listed below are identified by the Wisconsin Department of Natural Resources as contaminated sites, including spills, leaking tanks, Superfund sites, or sites with other discharges of hazardous substances.

Activity Type	Activity Name	Location	Comments
LUST	River Falls Shop	N7750 ST, HWY 65	Medium
LUST	Hamilton, Delbert Residence	W8586 HWY 29	High
Spills	CTH W 0.5 Mi E Of Morton Cnr Rd	CTH W .5 mi. E of Morton Cnr Rd	
ERP	River Falls LF	CTH FF	
ERP	Wilkens Salvage Yard	W9880 710th Ave	

Source: Wisconsin Department of Natural Resources

Note: The River Falls Shop LUST site has been remediated

LUST – Leaking Underground Storage Tank

ERP – Emergency Response Program

Economic Development Programs

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Economic Development Programs

While national forces play a part in business location decisions, state, regional, and local factors including tax structure and laws, incentives, regulations, and the presence of infrastructure typically play an even more significant role. Following is an inventory of local, county, regional and state resources available to the Town and/or businesses for economic development projects and programs.

Local and Regional

Pierce County Economic Development Corporation

Pierce County has established an Economic Development Corporation (EDC) to promote job creation, economic growth and community development and planning. Pierce County EDC is a non-profit organization that is governed by a board of directors made of individuals from local businesses and governments. It provides assistance in finding and obtaining financing and technical assistance.

Mississippi River Regional Planning Commission (MRRPC)

The MRRPC serves nine counties (Buffalo, Crawford, Jackson, La Crosse, Monroe, Pepin, Pierce, Trempealeau, and Vernon) located along the Mississippi River in Western Wisconsin. The MRRPC is charged with planning for the physical, social, and economic development of the region. To accomplish this, the Commission conducts area-wide planning and provides technical assistance to local governments. Assistance related to economic development includes grant writing; geographic information system map production; revolving loan fund administration; economic development planning; economic data collection and dissemination and public policy advocacy on issues affecting our Region.

Economic Development Programs

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State of Wisconsin

Wisconsin Department of Commerce

The Department of Commerce has a broad range of technical and financial assistance programs designed to assist businesses to successfully launch or expand operations. Services and programs include business planning, site selection, working capital, permitting, employee training and research and development. Although not comprehensive, the list below outlines available resources and programs. A complete list can be found at www.commerce.state.wi.us.

- *Industrial Revenue Bonds* - the Industrial Revenue Bond (IRB) program allows cities, villages and towns to support industrial development through the sale of tax-exempt bonds. The proceeds from the bond sale are loaned to businesses to finance capital investment projects at, primarily, manufacturing facilities. Even though IRBs are municipal bonds, they are not general obligations of the municipality. The company or business that will use the facilities provides the interest and principal payments on the loan. The local government is in partnership with the business, lending its name, but not its credit, to the bond issue.
- The *Customized Labor Training (CLT) program* assists companies investing in new technologies or manufacturing processes by providing a grant up to 50% of the cost of training employees on the new technologies.
- The *Community Development Block Grant (CDBG)-Economic Development Program* provides grants to communities to loan to businesses for start-up, retention, and expansion projects based on the number of jobs created or retained. Communities can create revolving loan funds from the loan repayments. Eligible project costs include construction and expansion, working capital and acquisition of existing businesses, land, buildings and equipment.

Also under the umbrella of the Wisconsin Department of Commerce is *Forward Wisconsin*, a statewide public-private marketing and business recruitment organization. Its role is marketing outside Wisconsin to bring new businesses, jobs and increased economic activity to the state.

Economic Development Programs

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Wisconsin Department of Transportation (WisDOT)

- The *Freight Railroad Infrastructure Improvement Program* awards loans to businesses or communities to rehabilitate rail lines, advance economic development, connect an industry to the national railroad system, or to make improvements to enhance transportation efficiency, safety, and intermodal freight movement.
- The *Transportation Economic Assistance (TEA) Program* provides matching grants to governing bodies, private businesses for road, rail, harbor and airport projects that help attract employers to Wisconsin, or encourage business and industry to remain and expand in the state.
- The *Transportation Enhancements (TE) Program* promotes activities that enhance a transportation project or area served by a transportation project.

Wisconsin Housing & Economic Development Authority (WHEDA)

WHEDA provides financing to investors and local governments to stimulate housing, small business and agribusiness development.

Tax Increment Financing (TIF)

TIF is used by cities and villages to fund development and redevelopment projects having a public purpose. TIF allows for infrastructure and other types of improvements to occur by earmarking a defined portion of future tax revenues from specified areas as an income stream to pay off costs of making the improvement.

Recent legislative activity has provided towns limited authority to create TIF districts. Under this legislation, towns may create a TIF district beginning on October 1, 2004.

Goals, Objectives and Policies

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Goals, Objectives and Policies

Goal: Insure Orderly, Economical, and Diverse Development in Harmony with the Natural Environment.

Objectives

- 1.1 Provide planned and guided development.
- 1.2 Provide for limited commercial development of goods and services appropriate to the community.
- 1.4 Encourage development adjacent to public services.
- 1.5 Preserve the natural environment as much as possible.
- 1.6 Ensure that the additional development costs of new developments are borne by the development.
- 1.7 Discourage urban sprawl by limiting development.
- 1.8 Encourage the wise management of woodlands for the production of wood products, energy utilization and erosion control.
- 1.11 Habitats of wildlife will be considered in all land use planning including edge habitats and avoiding the dividing of large areas of habitat.

Commercial Area: This designation provides for limited commercial uses.

Policies

- A. Commercial development should locate in our adjacent to existing developed areas.
- B. Commercial development should be compatible with adjacent land uses.
- C. Property screening by the use of plantings, berms, fencing, etc. should be undertaken to eliminate adverse effects on adjacent land uses.
- D. Spot zoning will not be allowed.

Goals, Objectives and Policies

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Light Industrial Area: This designation is reserved for the location of light industrial operations, storage areas or non-metallic mining operations.

Policies

- A. The Town should make only limited use of this designation for bulk storage or non-metallic mining operations.
- B. Any non-metallic mining operations shall comply with applicable state ordinance, including the filing of reclamation and operation plans and financial security for their compliance.
- C. The Town should support quality industrial development in industrial parks consistent with the master plan.
- D. Proper screening by the use of planting, berms, fencing, etc. should be undertaken to eliminate adverse effects on adjacent land uses.

Heavy Industrial Area: This district is established for the purpose of allowing those industrial uses that are more intensive than those uses allowed in the Light Industrial district. The purpose of the district is to accommodate a heavy volume of traffic, the potential need for rail access to parcels and the presence of noise and other factors, which could pose a nuisance in other districts. The intensity and use of land as permitted in this district is intended to facilitate the total range of industrial uses.

Policies

- A. The rural nature of the Town of River Falls is inherently incompatible with heavy industry.
- B. Heavy industry, except as grandfathered or currently existing, will not be allowed in the Town of River Falls.
- C. In an intergovernmental agreement, the Town should support the efforts of the City of River Falls to attract quality industrial development.
- D. Proper screening by the use of planting, berms, fencing, etc. should be undertaken to eliminate adverse effects on adjacent land uses.

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