

Chapter 7 – Economic Development

Per State of Wisconsin Statute 66.1001, *Comprehensive Planning*, (2) (b), the Economic Development Element of a community's comprehensive plan is to provide:

"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."

This Chapter provides information on economic development in the Town. Section 7.1 introduces the concept of economic development planning. Section 7.2 identifies existing economic development conditions in the Town, as well as historic economic development trends. Section 7.3 identifies Town economic development issues and opportunities.

7.1 Introduction

Economic development is defined as the act of creating and/or retaining jobs in a community, increasing both the community's tax base and its resident's incomes, ultimately maintaining and improving that community's quality of life.

Planning for economic development is vitally important in assuring a community remains vibrant. In simplest terms, economic development, in the form of jobs and commercial, industrial, and working (agriculture and natural resource extraction) land uses, pays the bills. Various studies have shown that commercial, industrial, and working land uses often generate more tax revenue for a community than they cost the community to provide services. An increased tax base ensures a community is able to provide vital, high-quality services to its residents.

A community's residents desire quality goods, services, and jobs in close proximity to where they live, as provided by business, industry and working lands. A community needs to recognize those elements that attract business/industry and utilization of working lands, including location, existing and potential facilities, operating costs, climate, work force characteristics, resources, and quality of life, as well as those that offer opportunities to retain and expand business/industry and utilization of working lands, including operating costs, climate, markets, and clustering of similar business/industrial sectors.

In planning for the future, a rural community is essentially tasked with preserving its agricultural lands, while concurrently allowing for responsible, appropriate business/industrial growth and development. This is the task facing the Town that this Chapter addresses. Projected Town growth through 2035, as presented in *Table 1-5* of this *Plan*, will require thoughtful and comprehensive economic development planning to ensure continued community vibrancy.

7.2 Economic Development Existing Conditions and Trends

A community's existing economic development conditions and historic trends have vast implications for its planning and development. Inventory and analysis of these elements provide for a more accurate assessment regarding a community's future resource and service needs. The following section examines existing economic development conditions in the Town, as well as historic economic development trends.

Existing Conditions

Inventorizing a community's existing economic development conditions is a vital first step in planning for its future economic development. Existing economic development aspects examined include employment status, income, occupation, industry, and commuting method of the Town's work force, business and industry located in the Town, and County programs and services.

Work Force

A community's work force provides the foundation for existing and potential economic development opportunities. For the purposes of this *Plan*, work force shall be defined as those members of the Town's population aged 16 years or older, employed or seeking employment. *Figure 7.1* displays the employment status of the Town's population aged 16 years and older in 2000.

**Figure 7.1:
Employment Status of Work Force: 2000**

Employment Status	Population Aged 16 Years and Older	
	Number	Percent
Civilian Work Force	445	72.0%
Employed	427	69.1%
Unemployed	18	2.9%
Armed Forces	0	0.0%
Not In Work Force	173	28.0%
TOWN TOTAL	618	100.0%

Source: United States Bureau of the Census – 2000

Figure 7.1 indicates 72% of the Town's population, aged 16 years or older in 2000, was in the *Civilian Work Force*, with 69.1% *Employed*. *Figure 7.1* also indicates the Town's unemployment rate in 2000 was 2.9%.

Categorization of a community's household income, and comparison of its median household income to other relevant communities, provides a sound indication of a community's quality of life. *Figure 7.2* categorizes household income in the Town in 2000, as well as displaying the Town's median household income in comparison to other relevant communities in 2000.

Household Income

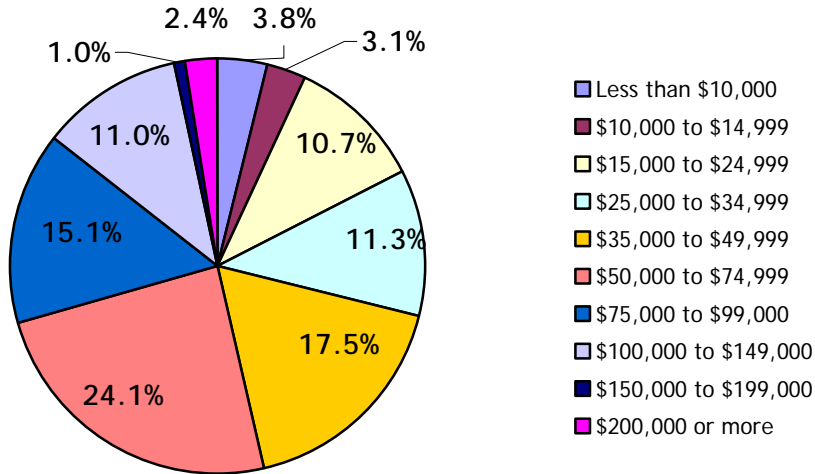


Figure 7.2:
Household Income: 2000

Community	Median Household Income
Town of Johnston	\$55,313
Town of Bradford	\$51,324
Town of Harmony	\$73,173
Town of Lima	\$48,913
Town of Milton	\$60,151
Town of Richmond	\$51,776
Town of La Prairie	\$52,813
City of Whitewater	\$31,600
City of Janesville	\$45,961
City of Milton	\$43,201
Rock County	\$45,517
State of Wisconsin	\$43,791

Figure 7.2 indicates the largest percentage (24.1%) of households in the Town earned \$50,000 to \$74,999 in 2000, whereas slightly less than one-third (28.9%) earned \$34,999 or less. Figure 7.2 also indicates the Town's median household income (\$55,313) in 2000 was in the upper tier in comparison to other relevant communities.

Categorization of a community's employed work force by industry offers a work force profile, again identifying opportunities for future economic development and diversification. Figure 7.3 displays the Town's employed work force by industry in 2000.

Figure 7.3:
Industry of Employed Work Force: 2000

Industry	Employed Work Force	
	Number	Percent
Construction, Mining, and Natural Resources	78	18.3%
Manufacturing	117	27.4%
Transportation and Utilities	13	3.0%
Wholesale and Retail Trade	61	14.7%
Finance, Insurance, and Real Estate	4	0.9%
Services	152	35.6%
TOWN TOTAL	425	100.0%

Source: United States Bureau of the Census – 2000

Figure 7.3 indicates the *Services* industry category employed the largest (35.6%) segment of the Town's employed work force, whereas the *Manufacturing* category employed the second largest (27.4%) segment, in 2000.

The commuting method of a community's workers has implications for local and regional land use. Figure 7.4 displays the commuting method of the Town's employed work force, and mean commuting time, in 2000.

Figure 7.4:
Commuting Method of Employed Work Force: 2000

Commuting Method	Employed Work Force	
	Number	Percent
Car, Truck, or Van - Singularly Occupied	337	81.8%
Car, Truck, or Van - Carpool	29	7.0%
Public Transit (Including Taxi)	0	0.0%
Walk	10	2.4%
Work at Home	36	8.7%
TOWN TOTAL	412	100.0%
MEAN COMMUTING TIME (MINUTES)	23.1	

Source: United States Bureau of the Census - 2000

Figure 7.5 indicates the largest segment (81.8%) of the Town's employed work force utilized a *Car, Truck, or Van – Singularly Occupied* to commute to work in 2000. Figure 7.5 also indicates that the mean commuting time for the Town's employed work force in 2000 was 23.1 minutes.

Existing Agribusinesses and Industries

This community's existing agri-business/industry reflects its rich agricultural tax base. Historically, the economy of the Town of Johnstown, as well as Rock County has been firmly rooted in agriculture. Recently, in the Town, the dairy farm has been replaced by grain and beef producers, none the less still requires grain and feed haulers, suppliers, implement dealers and service providers, the agricultural industry is the foundation of the Township.

This is apparent in the agri-businesses located in the Town. An implement dealer, and Dairy and Silo manufacturer, along with flower growing all constitute agriculture related businesses reflecting this town's agricultural heritage.

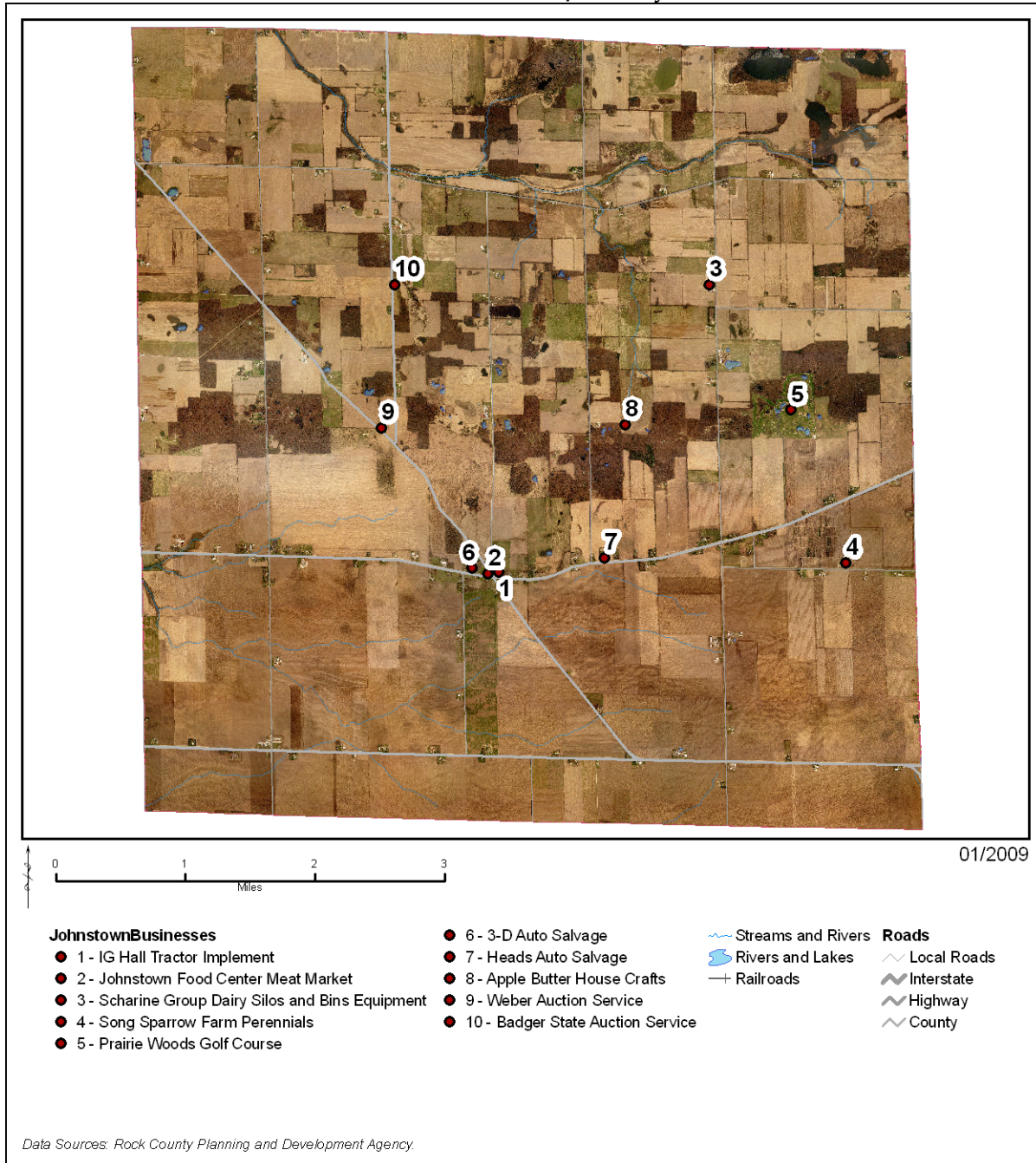
Figure 7.5 lists all the businesses/ industry, with existing infrastructure, operating in the Town in 2008. Additionally, Map 7.1 displays the location of all Town business/industry, with existing infrastructure, in 2008.

Figure 7.5:
Business/Industry: 2008

Business/Industry	Type
IG Hall Tractor Implement Dealer	Agriculture/Service
Johnstown Food Center Meat Market	Service
Scharine Group Dairy, Silo & Bins Equip.	Manufacturing
Song Sparrow Farm Perennials	Agricultural
Prairie Woods Golf Course	Recreational/Service
3-D Auto Salvage	Service
Heads Auto Salvage	Service
Apple Butter House Crafts	Service
Weber Auction Service	Service
Badger State Auction Service	Service

Source: Rock County Planning and Development Agency and Town of Johnstown Tax Rolls - 2008

**Map 7.1:
Business/Industry: 2008**



Trends

Just as inventorying a community's existing economic development conditions is vital in planning for its future economic development, so to is analysis of its historic economic development trends. Economic development trends examined include employment status, income, occupation, industry, and commuting method of the Town's work force.

Work Force

Figure 7.6 displays the Town's work force by employment status from 1980 to 2000.

Figure 7.6:
Employment Status of Work Force: 1980-2000

Employment Status	Population Aged 16 Years and Older							
	1980		1990		2000		Change: 1980-2000	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Civilian Work Force	385	63.5%	457	73.4%	445	72.0%	60	13.5%
Employed	345	56.9%	431	69.2%	427	69.1%	82	19.2%
Unemployed	40	6.6	26	4.2%	18	2.9%	-22	-81.8%
Armed Forces	0	0	0	0.0%	0	0%	0	0.0%
Not In Work Force	221	36.5%	166	26.6%	173	28.0%	-48	-27.7%
TOWN TOTAL	606	100%	623	100.0%	618	100.0%	12	NA

Source: United States Bureau of the Census – 1980, 1990, and 2000

Figure 7.6 indicates the percent of the Town's population aged 16 and over in the *Civilian Work Force* has increased by 13.5% (60) from 1980 to 2000. Figure 7.6 also indicates the unemployment rate in the Town has decreased dramatically (81.8%), from 1980 to 2000.

Figure 7.7 displays the median household income in the Town, in comparison to other relevant communities, from 1979 to 1999.

Figure 7.7:
Median Household Income: 1979-1999

Community	1979	1989	1999	Change: 1979 - 1999	
				Number	Percent
Town of Johnstown	\$18,050	\$32,212	\$55,313	\$37,263	67.4%
Town of Bradford	\$18,804	\$30,938	\$51,324	\$32,520	63.4%
Town of Harmony	\$25,665	\$44,957	\$73,173	\$47,508	64.9%
Town of Richmond	\$17,775	\$30,848	\$51,776	\$34,001	65.7%
Town of Milton	\$20,133	\$32,348	\$60,151	\$40,018	66.5%
Town of Lima	\$17,917	\$32,000	\$48,913	\$30,996	63.4%
Town of La Prairie	\$21,211	\$38,125	\$52,813	\$31,601	59.8%
City of Beloit	\$16,705	\$25,859	\$36,414	\$19,709	54.1%
City of Janesville	\$19,783	\$31,583	\$45,961	\$26,178	57.0%
City of Milton	\$17,652	\$28,702	\$43,201	\$25,549	59.1%
Rock County	\$19,154	\$30,632	\$45,517	\$26,363	57.9%
State of Wisconsin	\$17,680	\$29,442	\$43,791	\$26,111	59.6%

Source: United States Bureau of the Census – 1980, 1990, and 2000

Figure 7.7 indicates the Town is in the upper tier (\$37,263) and the largest percent (67.4) increase in median household income, in comparison to other relevant communities from 1979 to 1999.

Figure 7.8 displays the Town's employed work force by industry from 1980 to 2000.

Figure 7.8:
Industry of Employed Work Force: 1980-2000

Industry	Employed Work Force							
	1980		1990		2000		Change: 1980-2000	
	Number	Percent	Number	Pct	Number	Percent	Number	Percent
Construction, Mining, and Natural Resources	113	32.7%	124	28.7%	78	18.3%	-35	-30.9%
Manufacturing	87	25.2%	110	25.5%	117	27.4%	30	34.4%
Transportation and Utilities	18	5.2%	25	5.8%	13	3.0%	-5	-27.7%
Wholesale and Retail Trade	60	17.3%	77	17.8%	61	14.3%	1	1.6%
Finance, Insurance, and Real Estate	13	3.7%	15	3.4%	4	0.9%	-9	-30.7%
Services	54	15.6%	80	18.5%	152	35.6%	98	55.0%
TOWN TOTAL	345	100.0%	431	100.0%	425	100.0%	80	N/A

Source: United States Bureau of the Census – 1980, 1990, and 2000

Figure 7.8 indicates those Town workers employed in the *Construction, Mining and Natural Resources* industries experienced the largest percent decrease (30.9%) with *Finance, Insurance, and Real Estate* (30.7%) right behind. Figure 7.8 also indicates the *Services* industry experienced the largest number (98) and percent (55%) increase in workers of all industry categories during this same time period.

Figure 7.9 displays the commuting method of the Town's employed work force from 1980 to 2000.

Figure 7.9:
Commuting Method of Employed Work Force: 1980-2000

Commuting Method	Employed Work Force							
	1980		1990		2000		Change: 1980-2000	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Car, Truck, or Van – Singularly Occupied	191	56.7%	303	70.5%	337	81.8%	146	76.4%
Car, Truck, or Van - Carpool	49	14.5%	37	8.6%	29	7.0%	-20	-40.8%
Public Transit (including Taxi)	0	0.0%	2	0.5%	0	0.0%	2	100%
Walk	19	5.6%	40	9.3%	10	2.4%	-9	-47.4%
Work at Home	69	20.5%	45	10.5%	36	8.7%	-33	-47.8%
Unknown	9	2.7%	3	0.7%	0	0.0%	-9	-100%
TOWN TOTAL	337	100.0%	430	100.0%	412	100.0%	77	N/A

Source: United States Bureau of the Census – 1980, 1990, and 2000

Figure 7.9 indicates that segment of the Town's employed work force that drives to work alone experienced the largest increase in percent (76.4%), from 1980 to 2000. Figure 7.9 also indicates those workers in the Town who work at home experienced the largest percent decrease (47.8%) during this same time period.

Brownfields

Brownfields are abandoned, idle or underused commercial or industrial properties, where the expansion or redevelopment is hindered by real or perceived contamination. Brownfields vary in size, location, age, and past use. They can be anything from a five hundred acre automobile assembly plant to a small, abandoned corner gas station.

Because these properties present public health, economic, environmental and social challenges to the rural and urban communities in which they are located, both federal, state and local governments have an interest in cleaning up and returning brownfields to productive use. In Wisconsin, there are an estimated 10,000 brownfields of which 1,500 are believed to be tax delinquent.

The Town of Johnstown has no current active brownfield sites.

State and Federal Economic Development Programs

Following is a short inventory of state and federal resources available to the town and/or businesses for economic development projects and programs.

The Wisconsin Housing & Economic Development Authority (WHEDA) provides financing to investors and local governments to stimulate housing, small business and agribusiness development. Contact info: www.wheda.com, (608) 266-7884.

Rural Business Opportunity Grants CFDA: 10.773, Agency: RBS

Grant funds may be used to assist in the economic development of rural areas by providing technical assistance, training, and planning for agribusiness and economic development.

Farm Operating Loans CFDA: 10.406, Agency: FSA

These loans enable operators of not larger than family farms through the extension of credit and supervisory assistance, to make efficient use of their land, labor, and other resources, and to establish and maintain financially viable farming and ranching operations.

Interest Assistance Program CFDA: 10.437, Agency: FSA

This program provides a 4 per cent subsidy to farmers and ranchers, who do not qualify for standard commercial credit. Guaranteed loans are serviced by a lender who has entered into a Lenders Agreement with the agency.

Farm Ownership Loans CFDA: 10.407, Agency: FSA

This program assists eligible farmers, ranchers, and aquaculture operators, including farming cooperatives, corporations, partnerships, and joint operations to: Become owner-operators of not larger than family farms; make efficient use of the land, labor, and other resources; carry on sound and successful farming operations; and enable farm families to have a reasonable standard of living.

7.3 Economic Development Issues and Opportunities

This section identifies the Town's economic development issues and opportunities.

- The Town's geography has and will continue to contribute to agricultural economic growth and development, given its proximity to Interstate 90/39. Given its geography, the Town should promote and encourage new economic development opportunities that focus on agri-business/industry type land uses.
- The Town currently has a diverse agricultural base. The Town should continue to explore methods to diversify its agricultural business/industry base.
- The Town's population trends and projections indicate steady, if slight downturn toward 2035. Population trends and projections for neighboring communities such as the Cities of Janesville and Milton exhibit relatively high growth rates. Increasing population in the adjoining communities will similarly increase the size and diversity of the Town's work force.
- Approximately 70% of the Town's population, eligible to be in the work force, has historically been employed, slightly decreasing over the past 20 years. The Town's unemployment rate has dropped over the past 20 years, indicating an increasingly stable work force. However, recent regional trends, including the closing of the General Motors plant in the City of Janesville, and other dependent industries in the area, may have an immediate, short-term effect of increasing the Town's unemployment rate.
- The Town's median household income has historically been in the upper tier in comparison to other relevant communities, as has its historical income increase. These trends indicate an increasingly affluent agricultural community; a major factor in attracting and retaining agricultural related businesses.
- The Town's existing distribution of household incomes is fairly balanced, supported by a strong agricultural base indicates a stable work force with adequate employment opportunities.
- The majority of the Town's employed work force has historically been in the *Manufacturing* and/or *Services* industry. However, given recent regional trends, including the recent closing of the General Motors plant in the City of Janesville, and other dependent industries in the area, it is likely that the segment of the Town's employed work force in the *Services* industry will continue to increase, while that segment in the *Manufacturing* industry will decrease.
- The vast majority of the Town's employed work force commutes utilizing a *Car, Truck, or Van - Singularly Occupied*. Being near the City of Janesville, and its numerous employment opportunities this trend is likely to continue, and will have various implications for the location of new agri-business/industry in the Town. The Town will likely influence this trend through its future land use planning.
- The Rock County Economic Development Program provides various services vital in ensuring adequate agricultural economic development opportunities for the Town and its residents. The Town should maintain and expand relationships with the Rock County Program.

7.4 Economic Development Goal, Objectives, and Policies

This section contains the Town's Economic Goal, objectives and policies.

Economic Development Goal

To support and promote agricultural activities that position and prepare the Town of Johnstown for opportunities that both enhances and sustains its agricultural assets.

Protect agricultural economically productive areas, including farmland and woodlands.

Economic Development Objectives

Encourage agriculture and agriculture-related businesses as a major economic development force in the community.

Encourage programs and marketing initiatives that support local products.

Economic Development Policies

The Town shall advocate for the continued preservation of agricultural areas through the strict enforcement of the Town Zoning Ordinance and Development Plan.

The Town shall encourage local policies that would attract agricultural related businesses and industries to further enhance the town's agricultural economic potential.

The Town shall continue to utilize the services and staff of the Rock County Planning and Economic Development Agency in reviewing and analyzing potential future agricultural economic development proposals.