Economic Development Inventory and Trends

(draft approved by work group 11/24/08)

Role of planning and Economic Development

Economic development planning is the process by which a community organizes, analyzes, plans, and then applies its energies to the tasks of improving the economic well-being and quality of life for those in the community. This can be done by addressing issues ranging from enhancing community competitiveness, nurturing business growth and investment, establishing industrial policy, encouraging sustainable development, providing infrastructure, enhancing worker training, and improving overall quality of life.

All of these issues affect residents within a community and are addressed directly or indirectly in this comprehensive planning process. In the world of private business, planning is an essential part of a company's ability to sustain profitability, stability, and growth. This principle also applies to the administration and work of Vernon County.

The reason to plan for economic development is straight-forward: economic development helps pay the bills. It requires working together to maintain a strong economy by creating and retaining desirable jobs which provide a good standard of living for individuals. Increased personal income and wealth increase the tax base, so a community, county, or state can provide the level of services residents expect. A balanced, healthy economy is essential for community well-being.

Economic development expenditures are a community investment. They leverage new growth and redevelopment to improve the area. Influencing and investing in the process of economic development allows community members to determine future direction and guide appropriate types of development according to their values.

Successful plans for economic development acknowledge the significance of:

1. Considering community values, quality of life, and the environment in defining prosperity
2. Considering community-wide interests emphasizing self-reliance when approaching decision making, not just the interest of a small elite group
3. Thinking in terms of getting better instead of getting bigger
4. Pursuing the idea of long-term stewardship of the community resources, to ensure that the present actions don't erode the basis of future prosperity
5. Knowing the region's economic function in the global economy
6. Creating a skilled and educated workforce
7. Investing in an infrastructure for innovation

8. Creating a great quality of life that is attractive for business investment and retention
9. Fostering an innovative business climate
10. Reinventing and modernizing government to increase transparency, accessibility and efficiency
11. Taking action toward regional governance and collaboration

For these reasons, it is important in the planning process to identify the county's economic characteristics and resource base. Characteristics include: the labor force, employment/unemployment, income characteristics and employment by sector. Assessment of these characteristics provides insight into the historical and current economic situation in the county, thereby providing direction for planning the future of the economic base.

The resource base includes the economic development infrastructure that can assist in new business development, or support existing businesses to achieve their goals. The resource base also includes the existing job base and growth trends, tax environment and credit climate that can encourage innovation or squelch it.

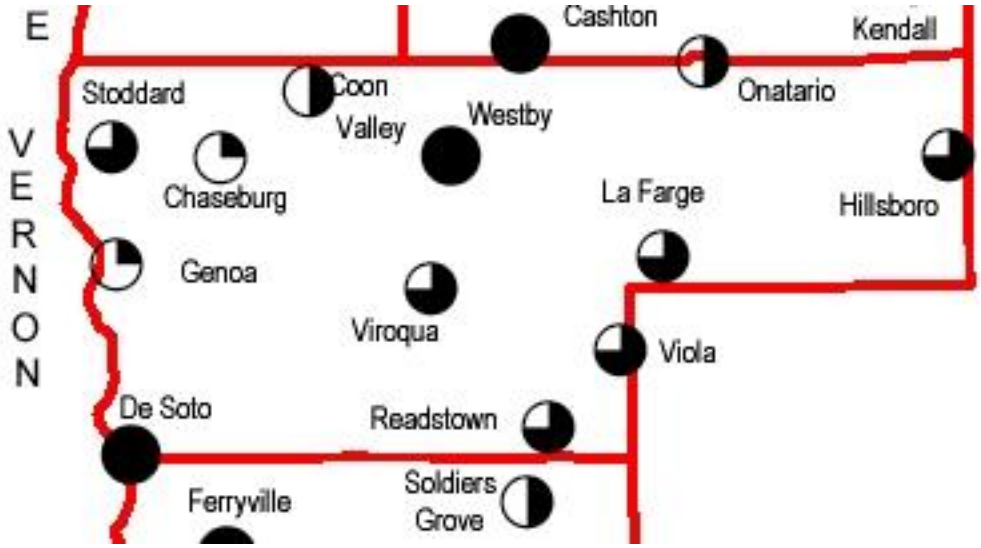
Through the listing of these characteristics and dynamic resources a picture of the economic emerges that will provide insight into what goals and objectives will be desirable and realistic. The work of detailing these goals and an action plan will be presented in the phase II document of the comprehensive plan for Vernon County.

Characteristics of the Labor Force in Vernon County

Population

As of Jan. 1, 2007, the population in Vernon County totaled 29,530, an increase of 1,474 new residents, a 5.3 percent increase, since Census 2000. Vernon County's total population is increasing from both natural causes (births minus deaths) and net-migration (more individuals moving into the county than leaving). The growth in population is unevenly distributed across the county as the following figure illustrates (from: MRRPC, 2006.)

POPULATION CHANGES, 2000-2006

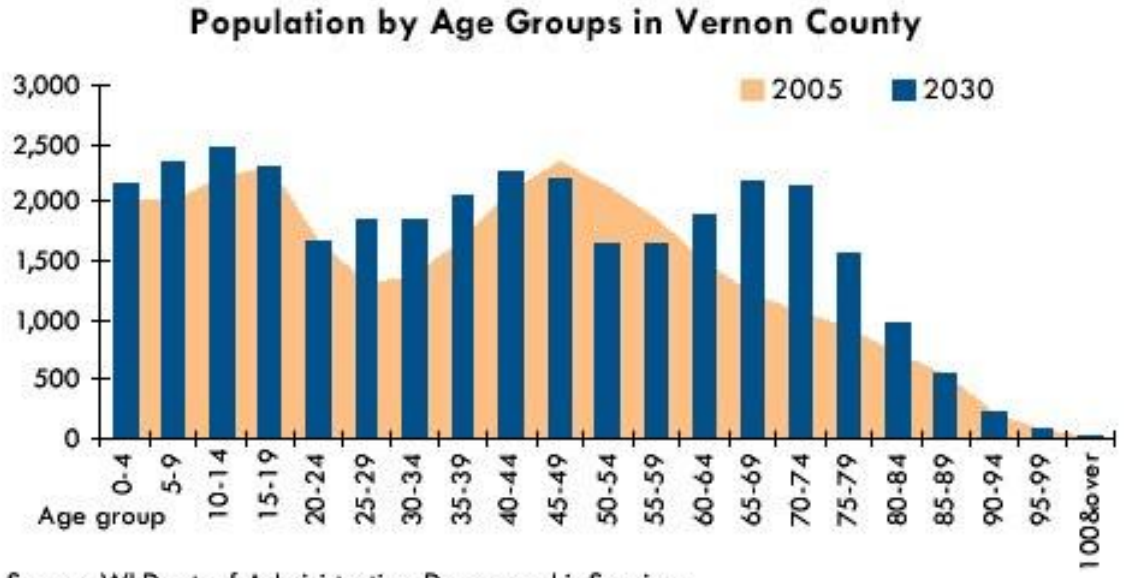


CITY & VILLAGE POPULATION CHANGE

Percent Change 2000 - 2006

- -7.9% to -4.0%
- -3.9% to 0%
- 0.1% to 5%
- 5.1% or greater

Adding new residents from natural causes is helping to keep the median age in the county in check, but at 39.7 years it is still higher than the state median age of 37.6 years. There is still a noticeable dip in the 20-40 age group that reflects the locally reported (2008 Neighborhood Listening sessions) out-migration of the county's youth and resulting "brain drain" from the county workforce. The median age is poised to increase further, as a large share of the county's population advances toward the older age groups. By 2030 roughly 28% of Vernon County's population will have celebrated their 60th birthday. In 2005, slightly more than 21% of the population was aged 60 years or older.



Source: WI Dept. of Administration, Demographic Services

Note: Data included in all tables and charts in this profile are subject to revision.

(from p.1 Vernon County Profile, 2007)

Labor force

In April 2008, the total Vernon County civilian labor force was 15,384, of which 14,687 were employed. The unemployment rate in June 2008 was 4.6%. In June 2007 it was 5% unemployment. (from p. 2 Vernon County Profile, 2007)

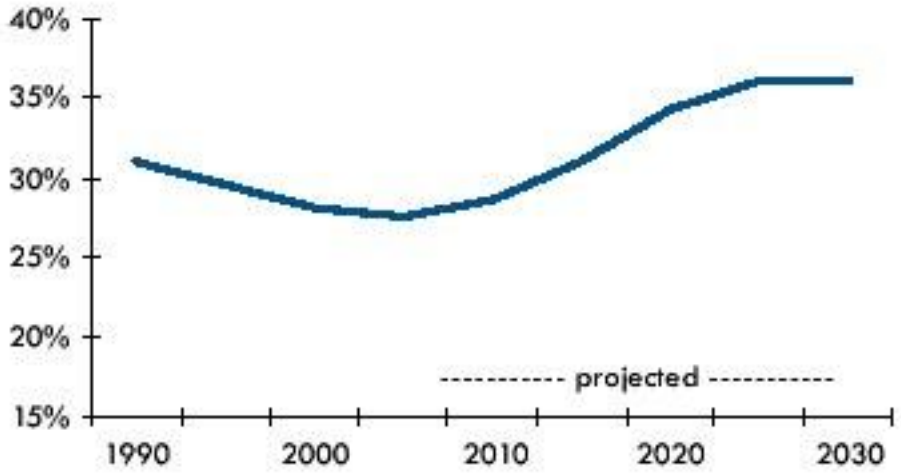
Vernon County Civilian Labor Force Data

	2002	2003	2004	2005	2006
Labor Force	14,843	15,248	14,708	14,293	14,560
Employed	14,058	14,449	14,008	13,637	13,865
Unemployed	785	799	700	656	695
Unemployment Rate	5.3%	5.2%	4.8%	4.6%	4.8%

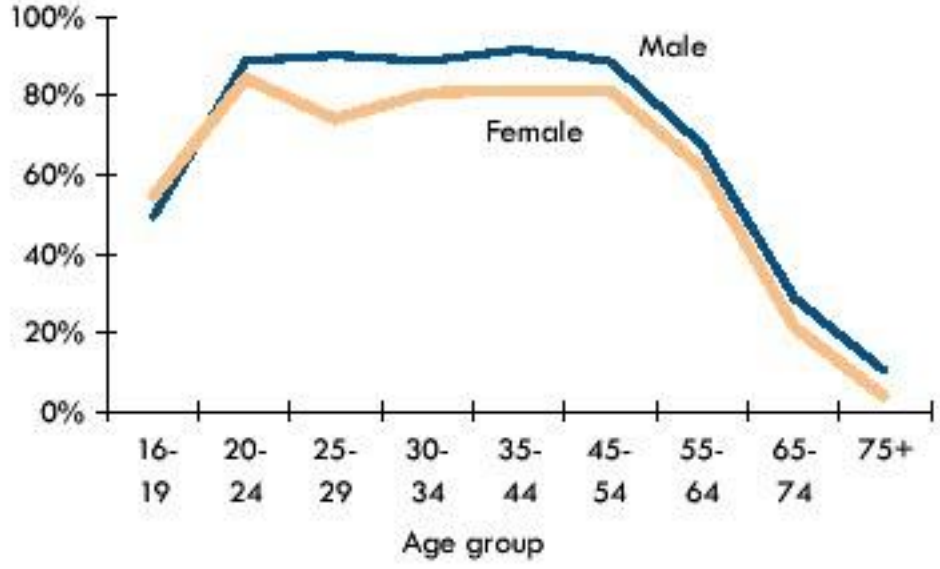
Source: WI DWD, Bur. of Workforce Training, Local Area Unemployment Statistics, 2007

By 2020, roughly 6,460 baby boomers currently in the labor force will reduce the number of hours they work, leave their current job for self-employment or change of scenery, and eventually retire. Not only will boomers leave the workforce, but the population to replace them is diminishing. (from p. 2 Vernon County Profile, 2007)

Vernon County population aged 60 years and older as a share of population aged 16 years and older



Labor force participation rates of men and women by age in 2000



Source: Wisconsin Dept. of Administration, Demographic Services Population estimates & projections, and Census 2000, SF3

Commuting Patterns of Workers

Workers aged16 and over in Vernon Co.	12,930
Resided and worked in County	8,174
% who reside and work in Vernon Co.	63.22
Number resided in Vernon and worked elsewhere	4,756
Aged 16 and over working in Vernon Co.	9,881
Resided and worked in County	8,174
Workers residing elsewhere, but working in Vernon Co.	1,707
Net Flow	-3,049 (4,756 minus 1,707)

From County-to-County Worker Flow in Wisconsin, Census 2000

Source: County to County Workflow files, U.S. Census Bureau of the Census(Prepared by Demographic Services Center, Wisconsin Department of Administration)

Travel time to work

Travel time to work refers to the total number of minutes that it usually took the person to get from home to work each day during the reference week. The elapsed time includes time spent waiting for public transportation, picking up passengers in carpools, and time spent in other activities related to getting to work.

Data were tabulated for workers 16 years old and over--that is, members of the Armed Forces and civilians who were at work during the reference week--who reported that they worked outside their home.

Mean travel time to work is obtained by dividing the total number of minutes by the number of workers 16 years old and over who did not work at home. Mean travel time to work is rounded to the nearest tenth of a minute.

Vernon County is 23.7 minutes and the State average is 20.8 minutes.

Unemployment rates

The table below (*from the Vernon County Profile, 2007, page 3)* shows a smaller labor force in 2006 than in 2002. The number of employed in the county in 2006, while a bit greater than in 2005, is down over 580 since 2003. Since 2002, the number of unemployed also dropped from 785 to 695; and, the county's unemployment rate declined to 4.8 percent from 5.3 percent in 2003.

The average annual unemployment rate in 2006 included a high rate of 6.7 percent in February and a low of 3.8 percent in October. The range in unemployment rates reflects seasonal changes where workers completely lose their job, especially during the winter months, but workers whose hours are reduced are still included among the employed residents. Even though these workers are still counted as employed, their annual earnings have been diminished because they work fewer hours.

Vernon County Civilian Labor Force Data

	2001	2002	2003	2004	2005
Labor Force	14,701	14,910	15,328	14,787	14,406
Employed	14,037	14,131	14,534	14,092	13,762
Unemployed	664	779	794	695	644
Unemployment Rate	4.5%	5.2%	5.2%	4.7%	4.5%

Source: WI DWD, Bur. of Workforce Information, Local Area Unemployment Statistics, 2006

Poverty Rates and Dynamics

In 1989 the number of people in poverty was 3,970 (15.8%.) In 1999 the number was 3,918 and (14.2%.) State rank is 69th out of 72 counties. Per capita income in 2004 was $22,479 which is about 10,000 below the state per capita. Poverty rates as of 2005 are reported in the figure below (4 counties and the State of WI from the US Census Bureau, 2005 Estimates.) Children, in all units of government, stand out as those disproportionately affected by poverty and the conditions of working poor families. Vernon County 1 in 4 of its children living in poverty.

Poverty ages	Crawford	La Crosse Co	Monroe	Vernon	State of WI
All Ages (%)	1,866 (11.4)	13,026 (12.6)	4,582 (11.0)	4,494 (15.8)	547,648 (10.2)
Children under 18 (%)	614 (16.2)	2,897 (12.8)	1,838 (17.3)	1,818 (25.5)	177,768 (14.0)

Employment and Income by Industry

Non-Farm

Jobs in highest abundance in Vernon County often don't require advanced training or post-secondary/vocational education. Only three of the occupations most common in the county—teachers, teacher assistants, and registered nurses—require an Associate's Degree or higher.

Common Occupations in Vernon County

Occupation	Education/training
Bookkeeping/Accounting/Auditing Clerks	1-12 mos. on-the-job trng.
Bus Drivers, School	1 month or less training
Cashiers	1 month or less training
Elem. School Teachers, not Spec. Ed.	Bachelor's degree
Farmworkers, Farm & Ranch Animals	1 month or less training
Janitors/Cleaners, not Maids-Hskpg.	1 month or less training
Maintenance & Repair Workers, General	12-mos. plus on-the-job trng.
Nursing Aides, Orderlies, & Attendants	Postsecondary voc. trng
Office Clerks, General	1 month or less training
Personal & Home Care Aides	1 month or less training
Police & Sheriff's Patrol Officers	12-mos. plus on-the-job trng.
Registered Nurses	Associate or Bachelor's degr.
Retail Salespersons	1 month or less training
Secretaries, not Legal/Med./Executive	1-12 mos. on-the-job trng.
Teacher Assistants	Associate degree

Source: DWD, Bureau of Workforce Training, special request, July 2007

from p. 3 Vernon County Profile, 2007

According to June 2007 statistics, employers in education and health services, both public and privately owned, provide the greatest share of county jobs (34%) and payroll (35%).

Of the county's largest employers, three are related to health care and two are school districts. Employment in education and health care in the county increased 1.6 percent, or 44 jobs, during 2006 which is slightly better than the increase of 1.4 percent in Wisconsin. Average annual wages for the industry super-sector increased 4.1 percent but remained well below the super-sector average in the state.

Prominent Industries in Vernon County						
Industry Sub-sectors (3-digit NAICS)	2006 Ann. Average Employment	Change in average employment 1-year	5-year	2006 Annual Average Wage	Percent change in wages 1-year	5-year
Educational Services	980	-7	7	$ 27,089	1.5%	7.0%
Nursing and Residential Care Facilities	590	-6	123	$ 20,922	8.1%	16.5%
Hospitals	*	not avail.	not avail.	*	not avail.	not avail.
Food Services and Drinking Places	549	-6	-54	$ 8,077	4.5%	21.3%
Executive, Legislative, & Gen.Government	520	45	-41	$ 21,705	0.9%	27.9%
Ambulatory Health Care Services	329	18	not avail.	$ 37,294	4.9%	not avail.
Social Assistance	*	not avail.	not avail.	*	not avail.	not avail.
Machinery Manufacturing	*	not avail.	not avail.	*	not avail.	not avail.
Credit Intermediation & Related Activity	258	5	10	$ 30,932	4.6%	26.1%
Merchant Wholesalers, Nondurable Goods	240	-4	31	$ 28,733	6.4%	9.7%

Note: * data suppressed for confidentiality and not available for calculations
Source: WI DWD, Bureau of Workforce Training, QCEW, unpublished-special request, January 2007

from p. 5 Vernon County Profile, 2007

Prominent Public and Private Sector Employers in Vernon County		
Establishment	Service or product	Number of employees (Dec. 2006)
Vernon Memorial Healthcare Inc	General medical & surgical hospitals	250-499 employees
CROPP	Dairy product merchant wholesalers	250-499 employees
Fleet Guard Inc	Miscellaneous general purpose machinery mfg.	250-499 employees
Bethel Home and Services Inc	Nursing care facilities	100-249 employees
Westby Area Schools	Elementary & secondary schools	100-249 employees
Viroqua Area Schools	Elementary & secondary schools	100-249 employees
County of Vernon	Executive & legislative offices, combined	100-249 employees
Wal-Mart Associates Inc	Warehouse clubs & supercenters	100-249 employees
St Joseph's Community Health	General medical & surgical hospitals	100-249 employees
Tri-State Breeders Coop	Support activities for animal production	100-249 employees

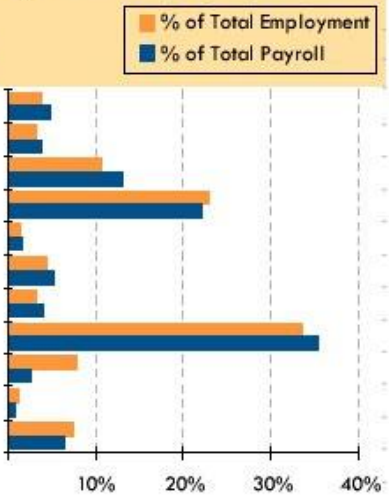
Source: WI DWD, Bureau of Workforce Training, QCEW, unpublished-special request, June 2007

from p. 5 Vernon County Profile, 2007

INCOME CHARACTERISTICS NON-FARM

2006 Employment and Wage Distribution by Industry in Vernon County

	Employment		
	Annual average	1-year change	Total Payroll
Natural Resources	315	-1	$ 9,589,706
Construction	273	22	$ 7,924,379
Manufacturing	859	22	$ 26,607,087
Trade, Transportation, Utilities	1,846	77	$ 45,438,880
Information	116	-3	$ 3,756,280
Financial Activities	362	-6	$ 10,917,181
Professional & Business Services	270	38	$ 8,576,756
Education & Health	2,719	44	$ 72,124,897
Leisure & Hospitality	634	-4	$ 5,272,357
Other services	113	1	$ 1,624,555
Public Administration	600	47	$ 13,308,207
Not assigned	0	0	$ 0
All industries	8,107	236	$205,140,285



Source: WI DWD, Bureau of Workforce Training, Quarterly Census Employment and Wages, June 2007

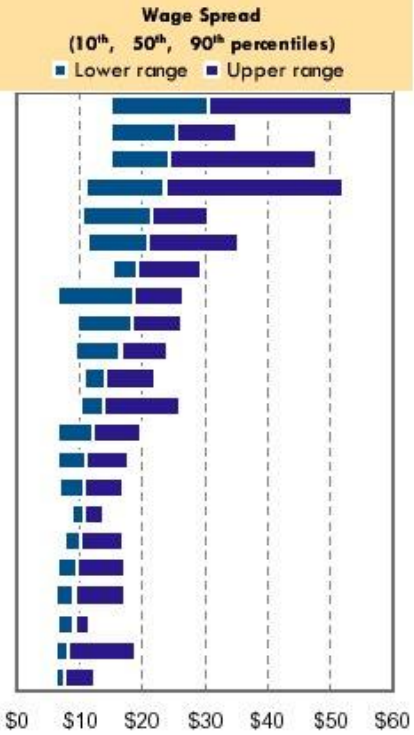
from p. 4, Vernon County Profile, 2007

In 2006, the most jobs were added by employers in the trade, transportation, and utilities super sector. The addition of 77 jobs in 2006 produced a percent increase of 4.4 percent, exceeding the increase statewide of 0.6 percent. Employers in this large super-sector provide 23 percent of the jobs in Vernon County and 22 percent of the total payroll from all county employers. The annual average wage of $24,615 is only 77.1 percent of the industry's average in the state.

The highest annual average wage in the county of $30,444 was paid to workers in natural resources. With only 315 jobs, however, it has little effect on the overall average wage in the county of $25,304, the tenth lowest in the state. In 2006, the wage increased 3.0 percent compared to an increase in Wisconsin's average annual wage of 3.7 percent.

Wages in Vernon County by Occupation Group

Occupation Group	County Employment Distribution	Median Wage
Management	3%	$30.77
Architecture & Engineering	< 2%	$25.65
Legal	< 2%	$24.25
Healthcare Practitioners & Technical	5%	$23.59
Life, Physical, & Social Science	< 2%	$21.40
Computer & Mathematical	< 2%	$21.00
Community & Social Services	2%	$19.51
Business & Financial Operations	3%	$18.87
Education, Training, & Library	11%	$18.42
Protective Service	8%	$16.72
Installation, Maintenance, & Repair	4%	$14.03
Construction & Extraction	6%	$13.79
Production	6%	$12.17
Office & Administrative Support	16%	$11.03
Building & Grounds Cleaning & Maintenance	3%	$10.84
Healthcare Support	4%	$10.62
Farming, Fishing, & Forestry	2%	$10.28
Transportation & Material Moving	6%	$9.59
Arts, Design, Entertainment, Sports, & Media	< 2%	$9.38
Personal Care & Service	3%	$9.18
Sales & Related	10%	$8.44
Food Preparation & Serving-Related	5%	$7.75



Source: DWD, Bureau of Workforce Training, special tabulation of 2006 Occupational Employment Statistics using North Carolina's Electronic Delivery System (EDS)

from p. 4, Vernon County Profile, 2007

With roughly 20% of the population living on fixed, and presumably reduced, income, and average annual wages well below state wages, per capita personal income (PCPI) in Vernon County in 2005 was $23,108, only 70 percent of Wisconsin's PCPI of $33,278 and 67 percent of $34,471 for the nation.

Personal Income in Vernon County

	Total Personal Income (TPI) (in thousands)			Per Capita Personal Income (PCPI)		
	2000	2004	2005	2000	2004	2005
Vernon	$539,969	$649,957	$670,210	$19,234	$22,642	$23,108
Wisconsin	$153,547,595	$176,482,330	$183,948,002	$28,568	$32,095	$33,278
United States	$8,422,074,000	$9,716,351,000	$10,220,942,000	$29,843	$33,090	$34,471
Percent Change		1-year	5-year		1-year	5-year
Vernon		3.1%	24.1%		2.1%	20.1%
Wisconsin		4.2%	19.8%		3.7%	16.5%
United States		5.2%	21.4%		4.2%	15.5%

Source: US Dept. of Commerce, Bureau of Economic Analysis, April 2007

from p. 6 Vernon County Profile, 2007

EMPLOYMENT BY INDUSTRY

As a larger share of the county's population advance into their senior years, there will be an increased demand for healthcare and social assistance services, which will generate new employment opportunities for workers. At the same time, there will be fewer qualified workers to fill jobs vacated by retiring baby boomers.

Occupations within ambulatory health care services that will gain the largest number of new jobs within the state are registered nurses, medical assistants, and personal and home care aides. Waiting lists for available spots in training programs for these occupations already exist at Western Technical College-Viroqua, which offers associate degree programs as well as a variety of shorter term credit and non-credit classes.

Industry Projections for the Western Wisconsin Workforce Development Area, 2004-2014
(Buffalo, Crawford, Jackson, Juneau, LaCrosse, Monroe, Trempealeau, and Vernon Counties)

NAICS	Industry Title	2004 Estimated Employment	2014 Projected Employment	2004-2014 Employment Change	2004-2014 Percentage Change
	Total Non-Farm Employment	136,640	152,080	15,440	11.3%
1133, 21, 23	Construction/Mining/Natural Resources	5,230	6,150	920	17.6%
31-33	Manufacturing	23,180	22,880	-300	-1.3%
311	Food Manufacturing	2,760	2,760	0	0.0%
323	Printing and Related Support Activities	1,610	1,600	-10	-0.6%
332	Fabricated Metal Product Mfg	2,250	2,330	80	3.6%
42, 44-45	Trade	21,090	22,670	1,580	7.5%
445	Food and Beverage Stores	2,560	2,670	110	4.3%
48-49, 22	Transportation and Utilities (Including US Postal)	8,380	9,390	1,010	12.1%
52-53	Financial Activities	5,750	6,260	510	8.9%
61-62	Education and Health Services (Including State and Local Gov Educ and Hosp)	29,640	36,260	6,620	22.3%
621	Ambulatory Health Care Services	5,830	7,840	2,010	34.5%
623	Nursing and Residential Care Facilities	3,490	4,140	650	18.6%
71-72	Leisure and Hospitality	12,770	14,740	1,970	15.4%
51, 54-56, 81	Information/Prof Services/Other Services	15,700	18,240	2,540	16.2%
	Government (Excluding US Postal, State and Local Educ and Hosp)	14,910	15,500	590	4.0%

Notes:
1. Employment is a count of jobs rather than people, and includes all part- and full-time nonfarm jobs. Employment is rounded to the nearest ten. Numbers may not add due to rounding.
2. Employment does not include self-employed, unpaid family, or railroad workers.
3. An estimate of non-covered employment is included in NAICS 8131(Religious Organizations), but not in any other industries.
4. Government includes tribal owned operations, which are part of Local Government employment.

Information derived using 2004 CES (3/05 Benchmark) and 2004 QCEW data.

To the extent possible, the projections take into account anticipated changes in Wisconsin's economy between 2004 and 2014. It is important to note that unanticipated events may affect the accuracy of the projections.

Source: Office of Economic Advisors, Wisconsin Department of Workforce Development, August 2006

Over half of the total job openings in the state between 2006 and 2016 will typically require short- or moderate-term on-the-job training. Within this educational category, home health aides, personal and home care aides, and physical therapist aides will be among the fastest growing occupations. Administrative and support services, which include employment agencies, will add the second greatest number of new jobs among industry sub-sectors in Wisconsin.

New and emerging industries include those focused on environmental quality, the so-called green collar jobs. A number of small construction companies in Vernon County have already organized themselves into the Kickapoo Green Builders Guild and offer sustainable, more efficient building options.

More companies, especially manufacturing, are using temporary employment agencies to recruit and hire workers to fill their needs.

Farm Industry

Economic analysis by the UW Extension notes that Vernon is one of Wisconsin's counties with a stronger than state average presence in agricultural activity—estimating that more than 40 percent of all economic activity in the county is directly linked to agriculture. Vernon County appears on a number of top 100 county lists (national rankings) from the U.S. Census of Agriculture, including number of farms in a county. 2002 figures show 2,230 farms in Vernon County and 128 of those in organic production

The list of largest employers in the county includes two firms (CROPP/Organic Valley & Tri-State Breeders/Accelerated Genetics) with clear and present ties to agriculture. Numerous other employers in Vernon County have direct ties to agricultural activity. Vernon County's economy as a whole has benefited from, and capitalized on, the rapid growth in organic farming.

Some reliable data on the economic assets of agriculture in Vernon County are captured in the UW Extension 2004 report, "Vernon County Agriculture: Value and economic impact". The report states:

> "Agriculture is an important force in Vernon County. It includes hundreds of family-owned farms, related businesses and industries that provide equipment, services and other products farmers need to process, market and deliver food and fiber to consumers. The production, sales and processing of Vernon County's farm products generates employment, economic activity, income and tax revenue."

Data from the report include these statistics:

- Vernon County farmers own and manage the resources on 382,218 acres of land – 75 percent of all land in the county.
- Agriculture provides jobs for 3,545 Vernon County residents, or 24% of employed workforce.
- Agriculture accounts for $224.2 million in economic activity in the county
- Agriculture contributes $70.9 million to the county's total annual income
- Agriculture pays $20.7 million in taxes, a figure that does not include all property taxes paid to local schools
- 92.1 percent of all Vernon County farms are owned by individuals or families
- 1.1 percent are owned by family-owned corporations
- 0.7 percent are owned by non-family corporations

As demand for tobacco leaf has declined in today's marketplace, other specialty crops are beginning to play a role in the local agriculture scene, with grape-growing and its natural spin-off, wine-making, emerging in the "new" ag economy of the county.

Farms by North American Industry Classification System: 2002

	Pierce	%	Trempealeau	%	Vernon	%	Region	%	State	%	U.S.	%
Oilseed & grain farming (1111)	243	16.1	297	17.0	312	14.0	1803	14.9	12542	16.3	349023	16.4
Vegtable & melon farming (1112)	13	0.9	5	0.3	28	1.3	91	0.8	1317	1.7	34624	1.6
Fruit & tree nut farming (1113)	21	1.4	14	0.8	18	0.8	201	1.7	1027	1.3	95680	4.5
Greenhse, nursery & floriculture prod. (1114)	27	1.8	14	0.8	35	1.6	192	1.6	2284	3.0	64366	3.0
Other crop farming* (1119)	480	31.8	649	37.2	612	27.4	3651	30.1	21131	27.4	442932	20.8
Beef cattle ranching & farming (112111)	226	15.0	202	11.6	394	17.7	1867	15.4	9852	12.8	664431	31.2
Cattle feedlots (112112)	96	6.4	85	4.9	105	4.7	618	5.1	3749	4.9	55472	2.6
Dairy cattle & milk production (11212)	244	16.2	285	16.3	534	23.9	2448	20.2	16096	20.9	72537	3.4
Hog & pig farming (1122)	15	1.0	12	0.7	4	0.2	77	0.6	759	1.0	33655	1.6
Poultry & egg production (1123)	8	0.5	55	3.2	21	0.9	177	1.5	910	1.2	44219	2.1
Sheet & goat farming (1124)	25	1.7	18	1.0	30	1.3	157	1.3	1117	1.4	43891	2.1
Animal aquaculture & other animal prod. (1125, 1129)	112	7.4	108	6.2	137	6.1	829	6.8	6347	8.2	228152	10.7
TOTAL FARMS in 2002	**1510**	**100**	**1744**	**100**	**2230**	**100**	**12111**	**100**	**77131**	**100**	**2128982**	**100**

Source: 2002 Census of Agriculture - *This industry group comprises establishments primarily engaged in (1) growing crops (except oilseed and/or grain/ vegetable and/or melon; fruit and tree nut; and greenhouse, nursery, and/or floriculture products).

Agriculture also can be analyzed using other categories: conventional, bio-dynamic, organic, aqua-culture, CSA farms, landscaping, greenhouses, flower growers, family farms, corporate farms, vineyards, specialty crops/seasonal (ex: honey, wild mushrooms.) The county comprehensive plan for economic development should emphasize the value of the above aspects and should include specific methods for strengthening the role of this diverse agriculture in economic development at the local level and on a regional basis through inter-governmental cooperation.

Perceived needs to be met:

(A) Regional trucking center(s) so that local products, etc. can be distributed more easily, using energy-efficient smaller vehicles for transport---goal is to reduce the amount/number of large trucks/semis currently providing deliveries, etc. and have a smaller carbon footprint on global climate change.

(B) The lack of regional warehouse facilities for storage of local products prior to delivery.

(C) Lack of local meat processing facilities and locker plant facilities that meet inspection standards.

(D) A food system that is regionalized by:

(1) Create and support a 4-seasons farmers market(s) with locally produced foods (via greenhouses, seasonal crops, etc.)

(2) Create Ag Enterprise Zones (zoning land use for ag would make tracing food sources easier and would hold producers more accountable for food quality, safety, etc.)

(3) Support/develop the concept of local meat inspections and regional slaughter houses

(4) Create incentives for local facilities (hospitals, nursing homes, schools, etc.) to rely extensively on locally/regionally produced foods & products.

Employment and Economic impact of Tourism

TRAVEL EXPENDITURES

As one of Wisconsin's many counties with strong inducements and attractions for traveler expenditures, Vernon County has a stake in the extent to which it is getting its full share of the tourism dollar. There are scores of individual attractions and local communities that appeal to the tourism market, based on their respective attributes, with special emphasis on the county's location in the heart of the Driftless Area, amid the county's beautiful landscape of hidden valleys and many resources for outdoor-oriented enthusiasts.

Total traveler expenditures in Vernon County in 2005 were approximately $41.7 million, with the vast majority of expenditures for goods and services and the businesses that provide them. By comparison, Crawford County's total traveler expenditures in 2005 were approximately $50.4 million, ranking Vernon and Crawford 58th and 53rd, respectively, among all Wisconsin counties. By way of further comparison, the top ten counties in the state in terms of traveler expenditures in 2005 were Milwaukee ($1.5 billion), Sauk ($1.1 billion), Dane ($1.0 billion), Waukesha ($620 million), Brown ($476 million), Walworth ($409 million), Door ($399 million), Outegamie ($321.6. million), Sheboygan ($283.5 million), and Rock ($257.1 million). LaCrosse County ranked 17th with approximately $205.2 million.

Tourism spending in Vernon County, while far behind spending in other areas of the state, has roughly doubled in the last 10 years. If this growth trend continues, Vernon County may reasonably expect to see travel expenditures reach the $80-million mark in the year 2014, with no additional efforts or expenditures to market the county's tourism appeal beyond current activities.

This would suggest that virtually any additional effort may be expected to speed up the rate of growth in traveler expenditures. Given the fact that tourism in Vernon County is now largely marketed in a highly diverse manner with little coordination of all elements of the sector and their respective resources, this data would further suggest that some measure of an over-all, coordinated marketing program could pay increased dividends to the companies serving the

tourism sector, as well as to the county as a whole in terms of jobs and incremental growth in overall income.

The figure below presents some basic data from the same Wisconsin Department of Tourism Economic Impact Report in 2005. This focused on two areas of the economy that benefit from tourism: jobs and local revenues.

(All $$ in Millions)

Economic Impact of Traveler Expenditures: 2004 and 2005

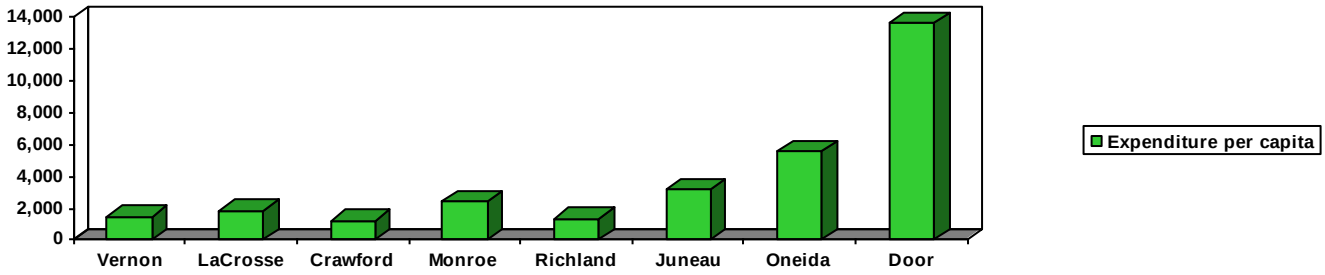
	Expenditures		FTE Jobs		Local Revenues	
Counties	2004	2005	2004	2005	2004	2005
Vernon	$41.6	$41.7	1,097	1,067	$1.8	$1.8
Crawford	$49.9	$50.4	1,316	1,290	$2.2	$2.2

As an area of significant growth opportunity, tourism income is well known as a source of employment, albeit jobs that trend toward minimum wage and tip-dependent service positions. Another way to evaluate the importance of tourism spending to the county is to relate total annual travel expenditures to the total population and project what effect tourism has on a per capita basis.

The figure below summarizes the relationship of travel expenditures to the per capita personal income of Vernon and several other Wisconsin counties.

Relationship of 2005 Travel Expenditures

To Individual County PCPI



County Populations*

• Vernon:	29,189	Richland:	18,061
• La Crosse:	110,128	Juneau:	26,656
• Crawford:	17,493	Oneida:	38,073
• Monroe:	43,069	Door:	29,299

Source: Demographic Services Center, Wisconsin Department of Administration, October, 2005

Among the interesting data in this chart is the fact that while Vernon and Door counties have roughly the same full-time populations, the success of the Door County tourism marketing efforts over the years has produced an enormous positive effect on that county's per capita personal income. Marketing of a county's assets and attractions to the expanding tourism sector of the economy is clearly a good investment.

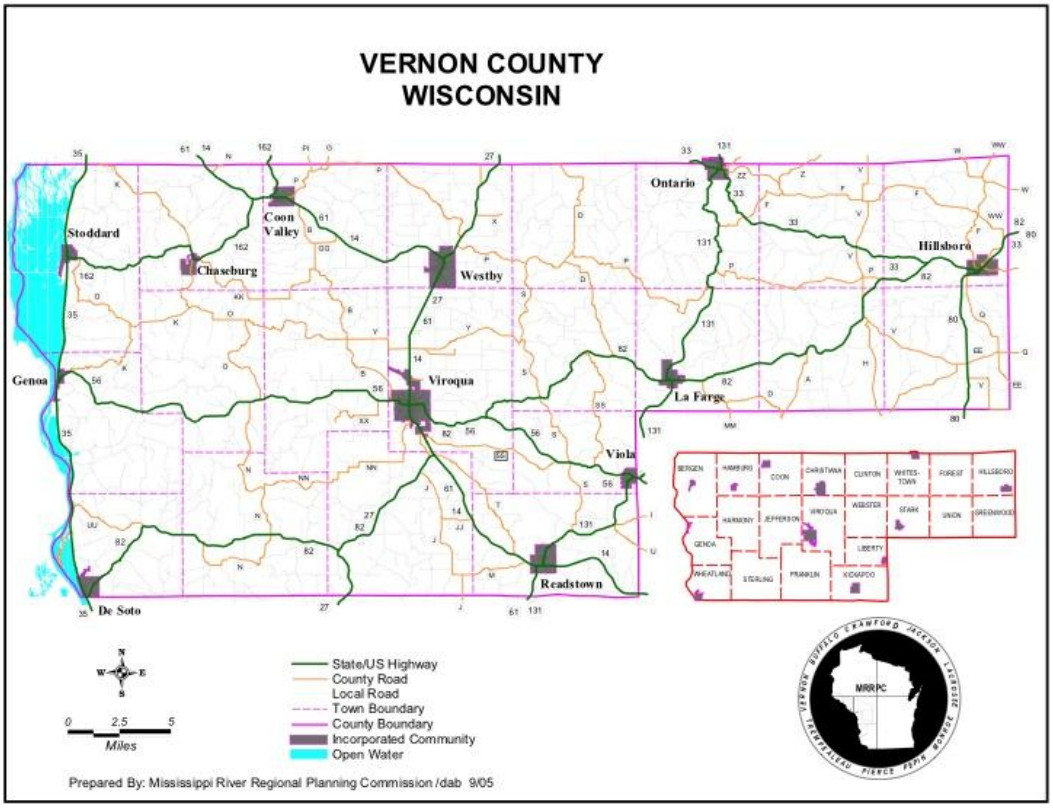
Neighborhood Listening Session participants in the Mississippi River area (held in Genoa, 7/15/08) indicated a need for tourism branding and promotion of the Mississippi River tourism resource. Development of interest in this area of the county is seen as having the potential for rapid growth, given the wealth of under-promoted resources and rich opportunities in fishing, hunting, water recreation.

Economic Development Infrastructure in Vernon County

Economic Development requires adequate support systems in transportation (highway, rail, a irport) communication (telecommunications, data transfer systems) utilities (water and sewer, power) business and community programs (industrial parks, incubator programs, community revitalization and redevelopment) and education opportunities.

Transportation

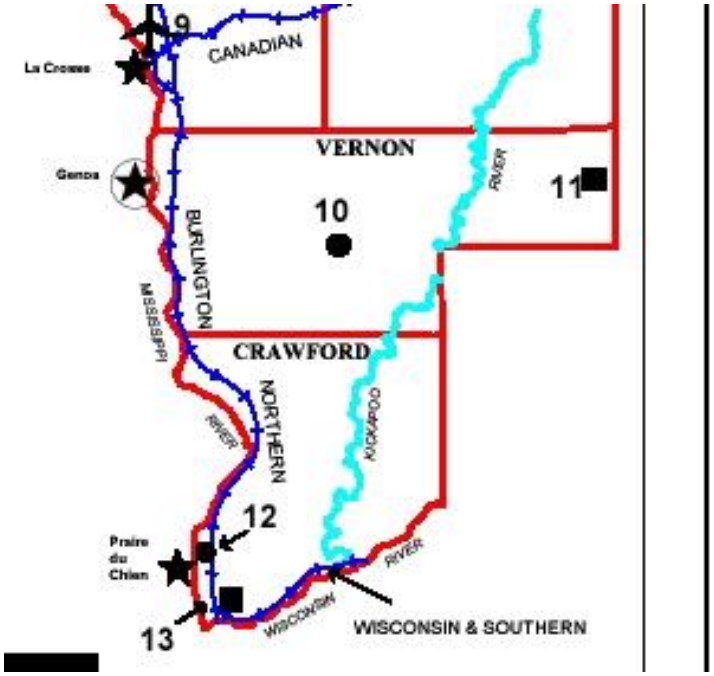
MAP OF MAJOR TRUCK ROUTES

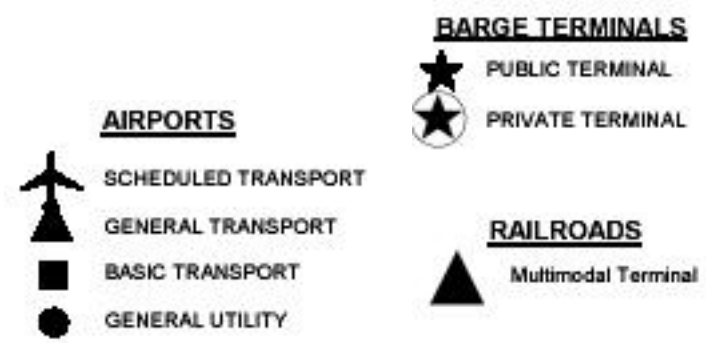


AIRPORTS, RAIL, SHIPPING

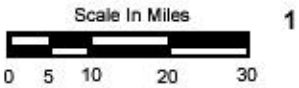
Viroqua Airport

Viroqua has its own airport with a 3,500 ft. runway capable of handling twin-engine aircraft and smaller planes. Regularly scheduled air passenger service is available only 45 minutes away in La Crosse.





9. La Crosse Municipal
10. Viroqua Municipal
11. Joshua Sanford Field (Hillsboro)
12. Sports Unlimited (Prairie Du Chien)
13. Prairie Du Chien Municipal



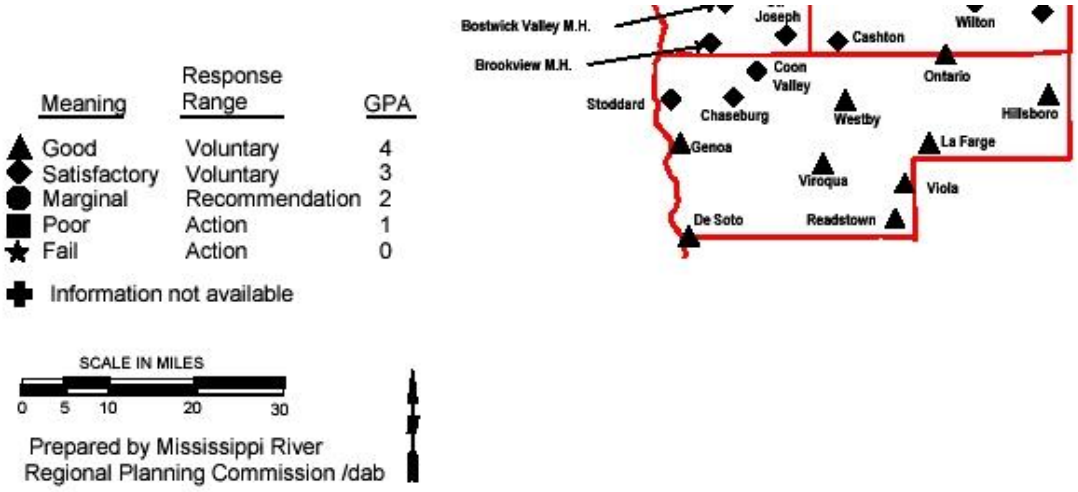
Communications and Utilities

Vernon County has a tower siting ordinance. Cell phone coverage issues include the continuing "dead zones" and no plan for cellular coverage. The technology for cell phone service is not keeping pace with urban area technology that often makes visitor cell phones unusable in Vernon County.

DSL is available, but not redundant, and this might pose risk for businesses.

Wastewater treatment facilities

Municipal sewage treatment generally has excess capacity, except for Hillsboro, which is upgrading their system to be in compliance in 2009.



Community Facilities and Support

Communities can provide services to support economic development. These business and community programs include industrial parks, incubator programs, community revitalization and redevelopment programs, professional staff to promote and assist businesses, and promotional activities for tourism.

INDUSTRIAL AND BUSINESS PARK DEVELOPMENT

Coon Valley Industrial Park

Coon Valley 's Industrial Park currently has about 20 acres available to be developed out of the original 57 acres. Water and sewer are available and remaining land parcel sizes are negotiable. Current businesses include: Chaseburg Manufacturing, Industrial Heat Transfer, Krause Konstruction, Mt. Borah Designs, Star Storage and Valley Machining,

Hillsboro North Industrial Park

Hillsboro's North Industrial Park currently has about 13 acres remaining to be developed out of the original 60 acres. Convenient access is available to Hwy 80, 33 and 82. This Industrial Park is home to Whitehall Specialties, METCO, Posture Correction Tools, Champion House and Verbsky Properties.

Hillsboro South Industrial Park

Hillsboro's South Industrial Park is currently full, but additional adjacent land may become available in the future. This Industrial Park is home to Kouba Well Drilling, Kouba Financial Services, Hillsboro Cement Products, Syntec, Prairie Ready Mix, and Slama Farms.

Viola Industrial Park

Viola 's Industrial Park has complete infrastructure with paved streets, water, sewer and immediate access to Hwy 131 South. Currently there are 3 acres available to be developed from the original 9, with potential of more parcels from a private land owner. Existing businesses include a wood pellet factory, a furniture carpentry business, storage units and Kickapoo Biofuels.

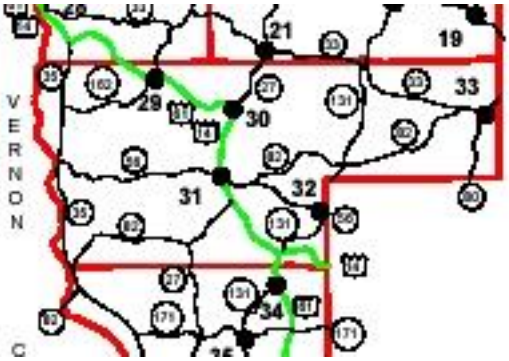
Viroqua Industrial Park

The city-owned industrial park has 24 acres available out of the original 107 for development. Water, sewer, and electric service are installed to the property line and the streets are paved. Businesses in the park include: Animal Tracks, Elegant Stone Products, G&F Distributors, Key Ingredients, NCR, Fleetguard, Olsen Mill, Toman Tool, Sleepy Hollow, Vernon County Humane Society, VARC, Wal-Mart, and the grounds for Wild West Days.

Westby Industrial Park

Westby's Industrial Park of 80 acres has all utilities available to all lots and convenient access to Hwy 14 and 27. It is currently full with the following businesses: Badger Environmental, Christiana/Westby Townships Fire Station, DHIA Milk Testing, Dollar General, George's Auto Shop, GM Rentals, Hanson's IGA, Heartland Co-op Grain Drying, Iverson Woodworking Shop, Leer Wood Industries Sawmill, Mark Tainter Woodworking and Taxidermy, Midwest Fuels, ORC Industries, River City Ready Mix, Taylor Made Rentals, Von-Ruden Flooring, Westby Car Wash and Westby Co-op Credit Union.

Map of Industrial Parks



KEY

1 - Prescott (2 sites)
2 - River Falls (2 sites)
3 - Ellsworth (2 sites)
4 - Elmwood
5 - Spring Valley
6 - T. River Falls
7 - Pepin
8 - Alma
9 - Mondovi
10 - Osseo (3 sites)
11 - Whitehall (2 sites)
12 - Independence
13 - Arcadia
14 - Blair
15 - Galesville
16 - Black River Falls
17 - Taylor
18 - Tomah (3 sites)
19 - Kendall
20 - Wilton (2 sites)
21 - Cashton (3 sites)
22 - Sparta (2 sites)
23 - Bangor
24 - Holland
25 - West Salem (2 sites)
26 - Holmen (4 sites)
27 - Onalaska (2 sites)
28 - La Crosse (5 sites)
29 - Coon Valley
30 - Westby
31 - Viroqua (2 sites)
32 - Viola
33 - Hillsboro
34 - Soldiers Grove
35 - Gays Mills
36 - Wauzeka
37 - Prairie Du Chien (3 sites)

LA CRC

SCALE IN MILES

0 5 10 20 30

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Prepared by Mississippi River Regional Planning Commission /dab

Organizations that assist with Economic/Business Development

Hillsboro Community Development Authority

The Hillsboro Community Development Authority (CDA) is funded to help new business thrive in the City of Hillsboro. The CDA currently owns several properties in the City, including two low-income housing developments, a main street business location that is used as a business incubator, and vacant land where spec building may be erected for promising new businesses that wish to locate in Hillsboro. The CDA is also actively involved with local lending institutions and City Hall to encourage business development in Hillsboro.

Viroqua Partners

The Viroqua Revitalization Association was formed in 1989 to improve the business district and community life. In August of 1989, Viroqua was honorably chosen as a Wisconsin Main Street City. On January 1, 1995, the Viroqua Revitalization Association and the Viroqua Chamber of Commerce joined forces and merged into one organization, The Viroqua Chamber ~ A Main Street City, also known as the Viroqua Partners.

The Viroqua Partners is an organization whose goal is to enhance the quality of life of all citizens. The key to the success of Viroqua's Main Street Program is its integration of four areas into a practical city management strategy known as the "Four-Point Approach." Organization, Promotion, Design, and Economic Restructuring combine to work with both the public and private sectors to upgrade the quality of services and variety of goods offered in the Viroqua area. It also works to encourage further growth and economic development of the entire community by promoting industrial development, tourism, and cooperation with agriculture.

Vernon Economic Development Association

Vernon Economic Development Association is an organization that strives to support businesses and help cultivate the conditions for new businesses to locate here. The director provides technical assistance and educational opportunities to county units of government and businesses. The director networks across organizations toward the common goal of increased economic activity and success.

Programs to Support Business Development

Strategies and Programs that provide Financial Incentives for Business:

- Tax Increment Financing
- Western Wisconsin Technology Zone (Tax Credits)
- Vernon County Revolving Loan Fund

- USDA 2% Loan Pool (Façade Program)
- Beginning Farmer Program
- USDA Farm Loan Program
- Hillsboro City Revolving Loan Fund
- **Viroqua** Main Street Loan Pool (Facade Program)
- Industrial Revenue Bonds

PROGRAMS TO RETAIN AND GROW EXISTING BUSINESSES

- The Inventors and Entrepreneurs Club – Monthly meetings provide opportunities to help creative people explore their ideas and turn them into a product or business through peer networking, access to resources and topical speakers. Within the past decade, economists and development practitioners have recognized the increasing importance of fostering a 'creative culture' to foster job and economic growth. Entrepreneurs thrive in areas that encourage creativity, adaptability, and where they have access to the resources they need to get started or grow their business.

- Entrepreneur educational services (what it takes to start a business) – There are many services to help start or grow a business, but it can be confusing to walk through the maze. Vernon Economic Development Association provides one-to-one counseling and connects entrepreneurs to resources such as: Wisconsin Department of Commerce, Rural Development, Wisconsin Housing and Economic Development, Couleecap Job and Business Program, Small Businesss Administration, Wisconsin Entrepreneurs Network, Mississippi River Regional Planning Commission, Inventors and Entrepreneurs Clubs across Wisconsin,

- Financial and loan assistance programs available –Badgerland Financial, Mississippi River Regional Planning Commission and Couleecap, Tax Increment Financing districts (more details in Tax and Credit section), financial institutions, angel investors and venture capitalists. Vernon Economic Development Association can connect entrepreneurs to these resources.

- Vernon County currently has five Revolving Loan Fund (RLF) programs available to assist businesses with start-ups or expansions. Two RLF programs are administered through the county RLF committee, two are available through Couleecap Community Action and one is through the CMV fund of the Mississippi River Regional Planning Commission. Two of the RLFs are loans specific to flood recovery assistance. The other three are low-interest loans and eligibility is based on the number of jobs created. More information about these programs can be obtained from the Vernon Economic Development Association office.

- The Western Wisconsin Technology Zone was designated by the State of Wisconsin on June 25, 2002 to support the development of high technology businesses. The seven counties that make up the Western Wisconsin Technology Zone are Crawford, Jackson, Juneau, La Crosse, Monroe, Trempealeau and Vernon. The State has granted $5 million in state tax credits to this seven-county zone for use by expanding high technology businesses.

- General business assistance and informational support post start up - Vernon Economic Development Association provides one-to-one counseling, SCORE, UW-La Crosse Small Business Development Center. It would be helpful to have a business mentoring service like SCORE available in Vernon County.

- Viroqua Development Association (VDA) is a private, non-profit corporation that works closely with the city and financing institutions to recruit industry to Viroqua. They offer assistance to local businesses in need of expansion and attractive incentives, flexible development plans, and competitive land prices to those looking to relocate to Viroqua's Industrial Park. The VDA, Inc., and the City of Viroqua actively seek new industry and are willing to offer their assistance.

Promotion of Tourism

- Vernon County Tourism Council
- Hidden Valleys Regional Tourism
- Kickapoo Valley Association, Inc.
- Mississippi River Parkway Commission
- Vernon County Board's Tourism Committee.
- Vernon Trails, Inc.
- La Farge Tourist Information
- Kickapoo Reserve
- Viroqua Chamber of Commerce/Main Street/Viroqua Partners
- Westby Chamber of Commerce and Tourism Information Center
- Hill Country Chamber of Commerce
- Hillsboro Economic Revitalization Organization (HERO)

Quality of Life

We have an abundance of attributes that contribute to the quality of life in this region. The goal is to strengthen and support the existing systems and to develop other methods to provide for unmet needs, currently and into the future.

Community Services

In the category of community services we have a variety of health care providers (alternative and traditional), law enforcement services, emergency services (fire/ambulance), education (public/private; pre-k thru college grad degrees), public libraries (including free internet services), county meal sites, temporary emergency shelters.

Education

Vernon County is unique in its diversity of schooling opportunities at the K-12 and technical school level. It is near to 4-year university opportunities offered in La Crosse and a two-year UW campus in Richland Center. A full tabulation and map of schools in the county are presented in the Utilities and Community Facilities section of this plan. Private schooling options are many for a rural setting. The diversity of school options is good, but our K-12 schools are challenged with daunting budget shortfalls and face continued decrease in variety of courses of study offered. These shortfalls are problematic in two ways—one is the decrease in workforce preparedness for the county, and also a reduction of a Quality of Life feature that helps to encourage businesses and talented people to relocate here, or to be retained.

Housing

Housing that meets the basic human need for shelter is an important ingredient for high quality of life. In general, communities need a variety of housing options to meet the housing needs of all of its citizens. Housing options include emergency shelters, transitional housing units, rental units, and home ownership. Every community should include the following:

- Housing that is economically affordable for all economic levels.
- Housing that serves the diverse needs of our population including persons with disabilities and older citizens.
- Maintained in good physical condition (decent, sanitary and safe.)
- A commitment to inclusiveness, appreciation of diversity, and a sense of community.

In general, housing is affordable if the total cost, including rent or mortgage, property taxes, insurance and utilities does not exceed 30% of a family's gross income. Affordability is affected by family size. In addition, housing that is affordable for moderate and low income families is simple, decent physical condition and affordable, meaning it has modest features, and minimal luxuries.

Part of our Quality of Life depends on our working families being able to afford housing. Also, families will be better able to retain their housing if maintenance costs are reasonable, the house is energy efficient, and the family has good financial literacy skills. It is difficult for a business to move to this county or expand their business significantly if their potential employees cannot find adequate, affordable housing options. Housing prices, both rental and home ownership, are out-pacing the wages of working people in our community. It is increasingly difficult for lower wage earners to afford housing. Service workers, nurses, teachers, police officers also find it increasingly difficult to afford housing in the communities they serve.

Natural Resources

Vernon County is unique in its location in the unglaciated (driftless) region of Wisconsin that is characterized by steep topography and spring-fed trout streams in the valleys. We have the Mississippi River to the west that offers a fish and wildlife refuge as well as water sport opportunities. Our area is rich in parks (including city, village, county, state and the Kickapoo Reserve), green spaces , forested areas, productive agricultural lands. Maps of these facilities are in the Utilities and Community Facilities, and Agriculture, Natural and Cultural Resource sections of this plan.

Vernon County maintains a large list of supporting systems: roadways (state, county, city, town) for adequate transportation; taxi services, bus routes, hiking trails, bike trails, snowmobile trails, cross-country ski trails (several on area golf courses), historic trails (ex: Bad Axe) county & state historic sites and historic markers. There is also a network of services that include telecommunication services, local newspapers, local radio stations, delivery routes for goods/services in un-incorporated areas and incorporated areas in the county. Maps of these facilities can be found in the Agriculture, Natural and Cultural Resource section and Utilities and Community Facilities section of this plan.

Cultural Activities

We have a great number of artisans/artists per capita which creates a critical mass to support studios and shops for producers to work and display their creations for sales. We have Amish crafts available locally. There are abundant community events and organizations that focus on cultural activities such as art shows, concerts, theatre productions, educational presentations that inform the public on issues of concern.

Other Unique Resources

Other community resources are unique to the rural setting in the county. This includes numerous cooperatives where members vote on issues affecting the membership and own shares in the cooperative (a list follows), county fairs, community festivals, farmers' markets, sportsmen's clubs, civic and religious organizations that provide community services and assist

in times of natural disasters are many. Local organic production provides the critical amount needed for economic success and this provides county citizens access to locally produced food. A list of Coops in the county follows:

Cooperative Name	Address
Accelerated Genetics	828 South Main Street, Westby, WI 54667
Organic Valley (C.R.O.P.P. Coop Inc)	1 Organic Way, La Farge, WI 54639
Chaseburg Farmers Union Coop	113 Cactus Dr, P.O. Box 46, Chaseburg, WI 54621
Farm Credit Services (FCS)	P.O. Box 111, Viroqua, WI 54665
Hamburg-Stark Mutual Insurance Company	P.O. Box 369, Coon Valley, WI 54623
Heartland Country Coop	405 South Main Street, Westby, WI 54667
Hillsboro Farmers Cooperative	Warehouse, P.O. Box 429, Hillsboro, WI 54634
Vernon Coop Oil	P.O. Box 26, Viroqua, WI 54665
Vernon County Farmers Union	E4756 CTY KK, Chaseburg, WI 54667
Vernon Electric Cooperative	110 North Main Street, Westby, WI 54665
Vernon Telephone Cooperative	103 North Main Street, Westby, WI 54667
Vernon-Crawford Coop DHIA	P.O. Box 130, Westby, WI 54667
Viroqua Food CO-OP	609 North Main Street, Viroqua, WI 54667
Westby Coop Credit Union	P.O. Box 70, Westby, WI 54667
Westby Coop-Creamery	401 South Main Street, Westby , WI 54667
Wisconsin Farmers Union	117 W. Spring Street, Chippewa Falls, WI 54729

Economic Base Analysis

Jobs

The inability of the county to retain young workers and attract young families is in part due to the lack of family-supporting jobs. Wages in the county are lower than other parts of the state for comparable work, and the number of jobs that include benefits lag behind more economically active parts of the state and country. The highest wages are in the areas of management, engineering, health care, education, social services and most of these sectors should see an increase in numbers as the present generation ages and retirees continue to relocate in the county. The need for services will expand and job opportunities should emerge in these sectors.

These jobs typically need some level of higher education post-secondary, and making these opportunities available in a cost-effective way will be key to having a ready workforce to meet the needs of this development and growth. Coordination between high school programs, the Western Technical College and local universities will help in providing citizens with training for a living wage job of the future.

Jobs in farming and tourism are an important part of the economy but provide more seasonal, low-wage work than living wage employment. A UW Extension publication "Vernon County Agriculture: Value and Economic Impact" identifies that the Agriculture sector as a whole (with multiplier effects) provides 27% of the jobs for the workforce, but only accounts for 16% of the income for the county. Since the publication of that pamphlet the Department of Commerce figures (2006) estimate that about 19% of Vernon County workforce in the farming sector. Technical services to the agriculture and tourism sectors and manufacture of value-added products will continue to help make these sectors of the economy more stable, attain higher wages and provide a positive impact on the economy of the county.

The county has abundant wood resources that could be developed into businesses with high paying jobs if there were investment in processing and transportation infrastructure. In 2000 State-wide and regional planning efforts were targeting southwestern Wisconsin for development of a pulp mill industry to fill the need for paper production and use of small diameter forest resources. (pg. 15 "Building The Region's Knowledge Based Industry Clusters" MMRPC, 2001) A UW-Madison study identified the lack of pulp wood processors in Crawford County as the reason small-diameter wood was not used by forest harvesters. (Small-Diameter Timber Utilization in Wisconsin: A Case Study of Four Counties (2006) by Scott A. Bowe, Department of Forest Ecology and Management, University of Wisconsin-Madison, Madison, WI 53706-1598; and Matthew S. Bumgardner, Northeastern Research Station, USDA Forest Service, Princeton, WV) Making use of this underutilized resource with state of the art non-polluting processing and wise forest management could be a boost to the job market and economy.

Economic Impact

The Mississippi River Regional Planning Commission (MRRPC) began investigating the industry clusters in its nine-county region in 2001. Its research concluded that the top five economic sectors among the nine counties were: (1) Services—$1.02 billion, (2) Government— $882 million, (3) Manufacturing—$881 million, (4) Retail—$458 million and (5) Transportation- $330 million. The sectors of the economy that were reporting the most jobs were: (1) Services—44,586 jobs, (2) Retail—32,771 jobs, (3) Government– 26,270 jobs, (4) Manufacturing—26,164 jobs, and (5) Farm Employment—14,877 jobs. They determined that annual wages of the top sectors for the whole region in 2000 were: (1) Transportation with an average annual wage per job of $37,011, (2) Government with an average annual wage per job of $31,745, (3) Wholesale with an average annual wage per job of $31,073, (4) Construction with an average annual wage per job of $31,042 and (5) Manufacturing with an average annual wage per employee of $30,405.

Of these sectors Manufacturing (17% of Vernon County jobs in 2000) has been determined to be more likely to attract capital from outside the region, hire knowledge based workers, pay health and retirement benefits, have a stronger ripple (multiplier) effect on the other sectors of the economy and is more likely to make investments in research and development. This makes it a key sector and one they further subdivided for analysis. Specific types of manufacturers in the region were then analyzed using the North American Standard Industry Classification System (NAICS).

The leading Manufacturing industry clusters in the region are:

Wood Product Manufacturing—65 establishments

Food Manufacturing—62 establishments

Fabricated Metal Manufacturing– 51 establishments

Machinery Manufacturing— 45 establishments

Of interest is the presence of Group 33 industries:

331- Primary Metal Manufacturing;

332-Fabricated Metal Product Manufacturing;

333-Machinery Manufacturing;

334-Computer and Electronic Product Manufacturing;

335-Electronic Equipment, Appliance and Component Manufacturing; and

336-Transportation Equipment Manufacturing.

These industries all have a strong attraction and interdependence on one another from which industry cluster/regional economic development initiatives can be based. This cluster of manufacturers also is commonly associated with using high technology in their manufacturing processes through automation and creating high wage-knowledge based jobs that stay in the region and are less likely to move to low-wage labor market areas.

According to the UW Extension pamphlet, Vernon County agriculture generates $224.2 million in economic activity, accounting for 25.2 percent of Vernon County's total economic activity. Newer (2006) Department of Commerce figures estimate that there are about 19% of Vernon County jobs in the farming sector.

Environmental Impact

Growth in the local economy in all sectors that increases the availability of living wage jobs and protection of the environment often seem to be in conflict. The good news in this picture is that the better paying jobs and demographic trends indicate that the growing opportunities will be in economic sectors that do not impact the environment. Medical, Education and Government sectors pay well, usually provide benefits and will be a growing area of our economy. Making use of the Western Wisconsin Technology Zone designation could enhance the county's high tech infrastructure and provide clean industry that will provide high paying jobs.

Many of the jobs in the agricultural sector provide lower wages and less stable work, but the value-added manufacturing of food products and better use of under utilized byproducts could be a driver for higher wages and better working conditions.

Tourism also provides lower wage and seasonal work, but brings in dollars from outside the community that are re-circulated locally in a multiplier effect. Tourism does highlight and support local value added agricultural infrastructure. It also provides the rationale for protecting our natural resources for this use and future generations. The rise of eco-tourism and agro-tourism as a strategy for bringing in greater numbers of people from urban areas also motivates county residents to have a proactive approach to natural resource protection.

Protection of the resource base also provides the quality of life that will attract highly skilled workers from other places, and will motivate the youth of the area to return after completing their higher education.

Trends in growth of important economic sectors

Health, Education, Government, Utilities are the foundation of higher paying jobs and have a bright future for growth. Manufacturing could be very successful if paired with high tech and knowledge-based workforce. Tourism will continue to bring in dollars from other regions and better promotion and "destination identity" could make this an increasing part of the activity in the economy of the county. Agriculture is the major land use and culturally a foundation of the

county's image. Organic agricultural production is increasing and Vernon County has the most organic farms in the State of Wisconsin. This niche as well as the movement to value-added products, and the need for technical assistance on-farm, will keep this a positive in terms of job quality and wages.

All of these developments and trends require a more educated workforce to meet the needs of those with businesses who wish to locate in the county or expand their product base or services.

Tax and Credit Environment at State and Local Levels

Bonds

Municipalities generally offer bonds to creditors as security for loans. Three typical types of bonds are:

1. General Obligation (GO) Bonds
2. Special Assessment Bonds
3. Revenue Bonds

General Obligation Bonds: Wisconsin municipalities can pledge up to 5% of the assessed value of the real estate within their geographic boundaries and secure the loan with GO bonds. The maximum term for GO debt is 20 years. Credit sources can range from individuals to State and/or Federal Agencies to local credit sources to Wall Street bond markets. GO bonds are the most secure bonds a municipality can offer. Loans can be made for any purpose, from vehicles to furniture to buildings.

Special Assessment Bonds: These bonds are secured by the real estate of the owner for improvements made to the property by the municipality. Wisconsin statutes have very specific hearing and notice requirements in order for the assessment to be placed on the owner's property. Loan terms are typically 20 years, but can vary. Owners can pay assessments at any time, but must be paid per the levied assessment. Collateral for the bond is the owner's real estate.

Revenue Bonds: Here the municipality pledges the revenues generated by an entity/utility to pay back the obligation created by the revenue bond. The revenue bonds are tied to a municipality's revenue producing entity. Typically revenue bonds are utilized to finance water and wastewater utilities. The revenues generated via utility bills pay for all operating expenses, fund reserve account requirements, and pay the principle and interest required by the bond.

TIF District impacts/benefits

It is a common assumption and operating procedure that the use of Tax Increment Financing is an upfront expense to the tax base, but will yield long-term benefits from the improvements that are put into place that would not be possible without the incentive. The following table provides a summary of the impact of TIDs within Vernon County.

Municipality	Base Year (BY)	BY EQ Value	Current EQ Val.	Added Val.
Coon Valley 1	1987	607,300	2,462,600	1,855,300
Coon Valley 2	1996	57,700	2,214,900	2,157,200
DeSoto 1	2001	161,700	273,900	112,200
DeSoto	2001	340,200	502,600	162,400
Hillsboro 2	1993	483,600	10,937,600	10,454,000
Hillsboro 3	1993	269,500	778,500	509,000
Hillsboro 4	1998	2,715,800	7,480,000	4,764,200
Ontario 1	1998	486,500	2,201,800	1,715,300
Viola 1	1983	42,600	188,600	146,000
Viola 2	2006	660,900	1,001,500	340,600
Viroqua 2	1994	355,500	1,188,800	833,300
Viroqua 3	1995	1,668,300	10,015,100	8,346,800
Viroqua 4	1999	293,000	3,388,600	3,095,600
Viroqua 5	2007	279,600	256,600	279,600
Westby 1	1990	86,200	6,559,100	6,472,900
Westby 2	2007	6,109,100	7,375,300	1,266,200

Hillsboro City #1 Equalized Value at Termination was 3,986,700 and Base Year Equalized Value was 838,500. Viroqua #1 Equalized Value at Termination was 9,298,200 and Base Year Equalized Value was 2,886,200.

Newest valuation of tax base

There have been wide shifts in the valuation of tax base in Vernon County. Below is a table highlighting some of the largest positive gains and negative losses. The gains generally happened along the Mississippi River or close to La Crosse, and the losses are often in areas struck by the past year's flooding.

Unit of government	Eq Val 2009	Eq Val 2008	% change
Twn Kickapoo	868,748	587,122	47.97%
Village Coon Valley	37.3 mil	32.3 mil	15.5%
Village Stoddard	43.7 mil	38.4 mil	13.4%
Village DeSoto	16.5 mil	14.6 mil	12.9%
Twn Stark	28.9 mil	26.3 mil	9.6%
Twn Coon	58.1 mil	52.2 mil	9.4%

Unit of government	Eq Val 2009	Eq Val 2008	% change
Twn Greenwood	35.5 mil	36.3 mil	-2.4%
Village Chaseburg	12.3 mil	12.6 mil	-2.6%
City Westby	94.3 mil	99.1 mil	-4.9%
City Hillsboro	43.9 mil	47.8 mil	-8.15%
Village LaFarge	21.2 mil	23.1 mil	-8.3%

Credit Environment for Businesses

Given the credit contraction and fiscal uncertainties in the economy at the end of 2008, it is difficult to predict the near-term effects of this disruption. Anecdotal discussions with lenders indicate that our local credit system is robust and loans are available for those with a worthy business plan. In general and historically lender attitudes have been supportive of new and expanding businesses. This plan assumes on a 20 year time-scale this will continue to be the operating procedures of local lending institutions.

Conclusion

Vernon County has many assets to drive regional economic development. As we pursue better and more plentiful jobs, we also realize there are assets to preserve in the process. In our rural circumstance economic development will often be driven by knowledge resources. These intangibles provide the basis behind sustainability--our ability to provide a higher value that will produce more with less. This also provides the pool of entrepreneurs who take on risk to bring innovations to the marketplace. We need the best trained workforce and best schools to support this kind of development in the community.

The county also must establish leadership that stimulates regional cooperation and collaboration. The county needs to position itself to effectively act when resources are available at the state or federal level. The county also can play a role in creating a strong business climate that supports entrepreneurship and increases access to capital. The county needs to continue work to provide appropriate infrastructure and services, increase the number of educated and

professional workers, and maintain a quality of life that enhances the economic well-being of our region.

Phase II of the plan will detail an action plan toward goals for economic development in the county. It will focus on strength in diversity, a need for sustainability and a critical examination of where the logical locus of control needs to be for implementation.