



CITY OF MUSKEGO:

Sustainable Economic Development Strategic Plan 2003

DRAFT



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ABSTRACT AND KEY RECOMMENDATIONS

The Mayor's Task Force on Economic Development presents this plan as a strategy to balance Muskego's economic development objectives with the equally important goals of promoting sound environmental practice and protecting community aesthetics. The central theme of the plan is "sustainability." In other words, how do we allow economic development to happen without despoiling the pastoral atmosphere that is Muskego, or foreclosing on long term economic and social vitality? Sustainability criteria, as defined in this plan, include development that is fiscally pragmatic, market feasible, environmentally benign, and targeted toward emerging economic sectors within the region.

Another theme, and one that is part and parcel of the first is regionalism. That is, how do we portray our community to others, and what role can we play in the regional economy? The plan offers a strategy to capitalize on regional economic trends while helping to advance the collective economy of southeastern Wisconsin.

Events that took place during the course of this plan revealed that the goal of broadening and diversifying the City's tax base was of paramount concern to many City residents. Without some amount of economic development, it was felt that local households would be left to shoulder the rising costs of local services by themselves (in the form of increased property taxes).

Strongly expressed, was the desire to see the community improve and expand its retail and service base—the types of goods and services that many residents now have to travel outside of the City for. Simple convenience, and the desire to keep local dollars circulating locally, were frequently cited reasons. Despite their desire to see the City expand its tax-base and retail economy, very few individuals expressed a desire to see the City pursue a highly aggressive brand of economic development resulting in numerous new development projects and a drastic change in community character.

Through this and previous planning efforts, the community has repeatedly expressed its desire to pursue economic development in a measured way; encouraging sensible amounts of new growth while preserving its natural features and open spaces. Preventing the community from being blanketed by standard suburban development was a sentiment shared by the majority who participated in the planning process.

1. Economic Development Goals

- A.** Diversify the tax base to relieve property tax burdens, and to provide more local shopping and employment opportunities.
- B.** Establish a memorable community image that builds on the City's small town atmosphere and natural amenities.
- C.** Improve the overall 'climate' for economic development through public outreach, business development programming, and through the actions and behaviors of city representatives.
- D.** Protect and improve the quality of life by balancing sound fiscal and environmental management.

2. Major Policy Recommendations:

- Pursue new commercial development catering to local consumers.
- Create a genuine downtown, and encourage distinctive neighborhood design.
- Encourage compact housing that pays more in property taxes than the revenues needed to support it with public services.

- Target industries that are growing regionally; and jobs that are matched to local levels of education, skills, and housing costs.
- Demand distinctive development projects that improve community identity and marketability.
- Redevelop existing brownfield and grayfield areas before developing 'virgin' land.
- Economically position the City within the region's emerging economic 'clusters'.
- Pursue economic development in a proactive, but patient and judicious manner.
- Guard the City's existing physical assets.
- Work to retain, improve, and expand locally grown businesses.
- Continue to pursue public-private partnerships.
- Use tax abatements sparingly or not at all.

3. Economic Opportunities and Constraints

The economic and market analysis' part of the plan reached the following conclusions and observation regarding Muskego's economic development prospects.

- The City should view and position itself as the premier residential community in the eastern I-43 corridor. Its lakes and rolling countryside strongly distinguish it from other communities in the southwestern suburbs of Milwaukee. It should think of itself more 'in league' with other regional lake communities like Oconomowoc and Lake Geneva than its less endowed neighbors.
- The City has good access to several employment, activity, and transportation hubs in the Milwaukee Metro area. Opportunities exist to capture growing regional employment especially in the areas of business, education, medical, and financial services; technology; printing and publishing; light manufacturing; distribution; and value-added agriculture.
- The City is severely underserved with commercial development relative to other Waukesha County communities. There is a sharp mismatch between the purchasing power of local households and opportunities to spend in the City.
- Muskego is projected to be among the top four cities in southeastern Wisconsin in attracting new residents who are employed as executives, managers, salespersons, and clerical workers.
- The City is not a logical (or desirable) location for major regional retail development. New retailing should be geared primarily to local consumers.
- The City and county are hampered in their economic development efforts by a lack of: community image; public transportation; and affordable (workforce) housing.
- Educational levels in Muskego are comparable to the metropolitan region as a whole, but are not as high as other Waukesha County communities.
- There is a lack of local employment opportunities in Muskego. When compared to fifty-two other cities in southeastern Wisconsin, Muskego ranks 44th in total business payrolls.
- The City's commercial and industrial tax base is less than half of the typical Waukesha County community.

Recommendation: Broaden the community's tax and employment base by focusing its business recruitment and land- planning toward growing professional service sectors:

- Advertising
- Engineering
- Architectural
- Accounting and auditing
- Management consulting

- Environmental consulting
- Business consulting
- Computer and data processing
- Medical services
- Financial services

Recommendation: Actively recruit new retailers in market segments that are currently underserved and that complement the above employment sectors; primarily restaurants, entertainment, apparel, recreation, and a variety of other essential and non-essential consumer goods for higher income households.

4. Business Park

There is a sizeable market for both office and light manufacturing development in Muskego; however, a single-location, one-size-fits-all business park would be less than optimal:

- The regional economy continues to move away from traditional manufacturing toward professional services; however, the City has a dearth of good locations for high-quality regional office development.
- The City has an immediate need for additional (and better quality) light manufacturing space.
- Combining production activities and corporate office space at a single location may underutilize valuable property that should be saved *exclusively* for high quality office/research development; supporting retail and residential uses; and preserved open space. Transportation, site planning, and community design considerations also support this conclusion.
- Light, clean, production-based activities (i.e. a conventional business park) should be located near one of the City's landfill sites where much land disturbance has already occurred, and where transportation access is good, but visibility and land impacts would be fewer.
- Office and/or business parks should be required to meet exacting guidelines for architecture, site design, and the preservation of natural features.

Recommendation: Reserve principal community gateways for regional service/information-economy uses and high profile buildings.

- Preserve a strong visual contrast along the New Berlin – Muskego border through “statement” architecture, lower impact land uses, and the preservation of natural features.
- Plan areas around reclaimed landfills for larger footprint commercial/light industrial buildings and those generating moderate amounts of truck traffic.
- Enter discussions with property owners, neighboring communities, WE Energies/Wispark and developers to plan long-term eco-industrial development near one or both landfill sites.
- Land bank key parcels on Moorland Road for future office /mixed-use development.

5. Downtown Redevelopment

The ability of the City to fully participate in the ‘New Economy’ will require the protection/creation of community assets that are attractive to the New Economy workforce. These include natural areas, distinctive neighborhoods, a real downtown, and other image and quality of life enhancing features.

Recommendation: Adopt a detailed downtown redevelopment master plan centered on Janesville Road between Bay Lane and Pioneer Drive. The plan should reflect land uses

that are more compact and mixed, and that are interconnected with adjacent land uses including the library.

- Adopt plan as addendum to the comprehensive plan.
- Amend Zoning Ordinance to allow for more mixed land uses; shared and/or reduced parking standards; and higher residential densities in the downtown area.
- Proactively pursue the redevelopment of the Parkland Mall site.
- Encourage the longer-term redevelopment of the Pick & Save property in a manner that complements the redevelopment of the Parkland Mall property.
- Beef up downtown design standards.

6. Strategic Plan Implementation

The following recommendations provide the necessary framework in which to carry out this plan as well as future economic development activities.

Recommendations:

- Staff and fund economic development activities.
- Amend the City comprehensive plan and zoning ordinance to reflect land use recommendations of this plan.
- Plan a low intensity, mixed-use office development with supporting residential and retail on Moorland Road.
- Plan a new light industrial business park near or adjacent to one of the City's landfill sites.
- Network with other economic development organizations and agencies in the region.
- Develop highly professional marketing materials targeted toward new economy and professional business service industries.
- Explore the possibility of forming a Business Development Corporation.
- Capitalize a revolving loan fund specifically for clean and green industries.

7. Organizing for Economic Development

The following agents and actions will help support the work of City staff and the CDA in carrying out the major recommendations of the plan.

Recommendation: 'Officialize' the function of economic development by creating the staff position of Economic Development Planner/Coordinator

- Consolidate economic development and physical planning functions under a single Community Development Department.
- Sponsor the creation of a Downtown Improvement/Management District.
- Explore the creation of a Business Development Corporation to spearhead a new business park.
- Create a retail recruitment committee.
- Network with other economic development organizations and agencies in the region.

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I. INTRODUCTION

This plan offers Muskego a strategy to balance its economic development objectives with the equally important goals of promoting sound environmental practice and protecting community aesthetics. Although the goals of economics and environment frequently collide, they should not, as a rule, be considered mutually exclusive. In fact, local economic development efforts can have a positive affect on the environment when they help reduce auto trips, recycle waste products, and when resource consumptive land uses and buildings are replaced with those that better manage stormwater runoff, consume less energy, and more discreetly blend into the local landscape. This plan therefore provides a vision for achieving and managing *sustainable* levels of economic development in the various meanings of the term—in other words, development that is fiscally pragmatic, market feasible, environmentally benign, and targeted at growing economic sectors within the region.

A. PAYING FOR “SUCCESS”

Like many other maturing “bedroom” communities, the City of Muskego, along with other areas of Waukesha County, is facing mounting growth pressures from within the region. Newcomers are generally attracted by the community’s attractive natural setting as well as its recreational opportunities, available land, and close proximity to regional employment centers. Residents of growing communities (like Muskego) often resist continued development in an effort to preserve the very features that attracted them to the community in the first place: this while driving up demands for public services and the property taxes needed to fund them. The resistance is especially stiff toward new commercial and manufacturing—uses that are perceived to be largely incongruous with suburban settings and lifestyles. However, without these uses to help offset the increasing costs of these services local taxpayers are increasingly squeezed to shoulder their entire cost.

As new residential development continues to expand the boundary of the metropolitan area, residents are increasingly forced to drive longer distances, and through heavier traffic, to get to the places where they work and shop.

As new residential development continues to expand the boundary of the metropolitan area, residents are increasingly forced to drive longer distances, and through heavier traffic, to get to the places where they shop and work. This situation is made dramatically worse when there is a regional imbalance between the cost of housing and prevailing incomes as is currently the case of the Milwaukee Metro area. What started out as a simple lifestyle choice soon loses luster in the face of growing personal inconvenience, rising taxes, congestion, pollution, and social and economic dislocation. The community at large tends to suffer from fiscal distress and a substantial leakage from the local economy.

B. “SUSTAINABILITY”: WHAT DOES IT MEAN?

A frequently used definition of sustainability says that we should “[m]eet the needs of the present without compromising the ability of future generations to meet their own needs.” Protecting environmental features and natural systems are common goals of sustainable planning and design. At a basic level, this means the preservation of open space features, sensitive habitats, endangered species, and prime agricultural lands. New development is typically deemed sustainable if it protects these things or impacts them only to a minimal degree.

Common features of sustainable design include such things as: mixing uses to increase personal convenience and reduce auto use, on-site stormwater retention, energy efficient building,

redundant/reliable power, natural landscaping, coving and clustering of buildings, protection of tree lines and natural land forms, minimizing paved surfaces, and other features of *green* architecture and design.

At another level, sustainability relates to a community's ability to maintain high levels of public services without overtaxing individual homeowners. This directly relates to a community's ability to realize efficiencies in providing these services or to spread the costs to other users such as businesses or other residential users who have comparatively fewer public service needs. Economic sustainability also pertains to the relative costs and benefits associated with hosting local businesses. Public costs may include infrastructure, services, subsidies, opportunity costs, and 'externalities' such as traffic and pollution. If the public-costs associated with a given business are more than the financial benefit they provide in terms of tax revenues, jobs, and spin-off businesses, the business could be considered fiscally *unsustainable*.

Another measure of economic sustainability is the long run viability of a business or a development in the marketplace. In other words, will the project or business be viable three or five years from now? This may be a function of several factors including management, building quality, and workforce issues. The latter is usually related to educational levels and workforce housing options. Finally, sustainability also relates to how new development uses and accesses sources of power and information. Given the current strains on local power grids development that is more efficient (and self-sufficient) with respect to energy consumption and production, is generally viewed as more sustainable than conventional 'grid-dependant' development.

At another level, sustainability relates to a community's ability to maintain high levels of public services without overtaxing individual homeowners.

As the economy continues to transition to information and technology intensive industries including advanced and precision manufacturing, access to fiber-optic networks and institutions of higher learning will continue to loom large in business location decisions and the viability of local commercial and industrial developments. Taken together, multiple elements of sound planning provide a comprehensive picture of 'sustainability' in its many dimensions. The purpose of this plan is to explore the various aspects of sustainability at the local level and offer specific strategies that will help the City pursue them simultaneously.

C. RELATIONSHIP TO OTHER PLANS

This plan references and/or expands on several already published economic development plans and studies including the following:

1. City of Muskego CDA Redevelopment Plan for Redevelopment District No. 2

The City of Muskego CDA Redevelopment Plan for Redevelopment District No. 2 was completed during the course of this plan. The project area encompasses a key stretch of Janesville Road from approximately Bay Lane Drive to Pioneer Drive—an area that includes the downtown. Many of the planning concepts set forth in the redevelopment plan were explored and presented for public comment during the planning process culminating in this plan.

2. City of Muskego CDA Redevelopment District No. 1

Completed in early 2003, the City of Muskego CDA Redevelopment District No. 1 serves as the statutory vehicle for the CDA to carry out many of its redevelopment activities. The plan comprises an extended area along Janesville Road from roughly Moorland Road to Muskego's

northeastern City limits at College Avenue—generally the Tess Corners district and areas to the west. The plan documents incidents of blight and conflicting land uses along the Janesville Road corridor, and notes that the county’s widening of Janesville Road will result in the further loss of buildings and present new opportunities for redevelopment.

3. City of Muskego Conservation Plan—2001

The City of Muskego Conservation Plan identifies key public acquisition and environmental management priority areas based a survey of the community’s natural features, viewsheds, and other sensitive landscapes. These include major ridgelines, land contours, wetlands, and sensitive wildlife habitats. Many of the most environmentally sensitive areas are targeted for public acquisition (either through outright purchase or conservation easements), while many others were singled out for high levels of environmental oversight while remaining entirely under private control. A composite map showing the ratings (high, medium and low) of different acquisition and management priority areas is reproduced on the following page. As a general rule, the shaded areas are places where development should either be avoided altogether or required to be both unobtrusive and non-invasive. The unshaded areas are places where adherence to sound planning and environmental best practices would allow some development to occur without directly impacting the community’s most notable ecological features and land-forms.

Upon adoption, the Strategic Economic Development Plan will serve as the economic development component of the City’s Comprehensive Plan.

4. City of Muskego 2010 Comprehensive Plan—2000

The City of Muskego Comprehensive Plan outlines several economic development objectives including: bringing new life and identity to the downtown by expanding its mix of land uses and activities and supporting high quality convenience retail development in underserved parts of the community. The plan also calls for the development of a 50-acre business park in the Moorland Road corridor to act as a transition from the City of New Berlin. The plan noted that there was little support for traditional industrial development in the community, nor the designation of an official economic development office or staff within City government. Upon adoption, the Strategic Economic Development Plan will serve as the economic development component of the City’s comprehensive plan. It was developed in accordance with the state’s smart growth statute.

5. City of Muskego Economic Development Strategic Plan—1994

Modeled after the county-wide OEDP plan discussed above, the City of Muskego Economic Development Strategic Plan was funded through a Waukesha County Blue Chip Economic Development Grant. The plan chronicles economic development activities in the community as of the early 1990s. The plan cited the lack of planned and zoned land for new commercial and industrial development in the City and the lack of a permanent local business development commission or committee as major obstacles to local business retention and recruitment efforts. Other impediments noted were a general ambivalence toward economic development efforts among the local citizenry, and the lack of affordable housing to various segments of the workforce.

The plan also highlighted the need for strict adherence to design guidelines in any new business park developments as a means to assure the market success of such a park, and to attract high-quality/high-wage businesses. Finally, the plan called for more systematic programming of capital improvements and better coordination of such improvements with planned economic development initiatives. A major recommendation of the plan was the creation of a standing committee, now manifest in the form of the Mayor's Task Force on Economic Development, to spearhead future economic development efforts. The Task Force has served as the steering committee for this plan.

6. Waukesha County Overall Economic Development Plan-1985 (SWRPC)

At present, there is no unified economic development plan for Waukesha County or the southeastern Wisconsin region. An Overall Economic Development Plan (OEDP) was last developed for the county in 1985 as a requirement for Federal Economic Development Administration (EDA) funding. The plan noted the county's general lack of image, fragmented local governments, lack of venture capital, high tax reputation, and lack of affiliation with major research institutions, as potential drawbacks for attracting new business from outside the region. In-as-much-as this plan has been rendered obsolete by both age and by modified EDA requirements under the agency's new Comprehensive Economic Development Strategy (CEDs) program, it has limited relevance to the City of Muskego's own economic development efforts.

Responsibility for county-wide economic development activities currently resides in the Waukesha County Economic Development Corporation (WCEDC) which operates its own business loan programs and serves as an information clearinghouse for prospective and expanding businesses. The Southeastern Wisconsin Regional Planning Commission (SWRPC) is also engaged in economic development work in collaboration with local client governments.

D. AREA ECONOMIC DEVELOPMENT PROGRAMS & ORGANIZATIONS

1. City of Muskego

The City of Muskego does not currently maintain a formal economic development office, nor does it assign a particular staff person to handle such activities. Historically, the Mayor has served as an economic development liaison between the business community, elected officials, and City staff. City planning staff have assisted from time to time with economic development activities on an ad hoc basis. The City established a Community Development Authority (CDA) with condemnation and bonding authority in 2002. The bylaws of the CDA stipulate that CDA activities are subject to the review and approval by the Muskego Common Council. The City's complement of economic development incentives include Industrial Development Revenue Bonds (IRBs), revolving loan funds, and tax increment financing. The City currently has several active tax increment finance (TIF) districts.

2. Muskego Area Chamber of Commerce

The Muskego Area Chamber of Commerce actively promotes business and community development efforts in the area. It provides a range of support and informational services for its members, and carries out various other activities intended to showcase the community. The Chamber also provides a range of networking opportunities for local businesspersons through special events and programs conducted throughout the year.

Map 1: Conservation Plan Map

3. Waukesha County Economic Development Corporation (WCEDC)

The Waukesha County Economic Development Corporation serves as the main economic development organization for Waukesha County. The organization offers a limited number of business services including revolving loans and tax credit certification for the State's Technology Zone program. The WCEDC also performs economic and demographic studies, offers business consulting and mentoring services, and manages a website that profiles individual communities and their commercial and industrial properties. One of the WCEDC's main functions is to serve as an information clearing house for area business prospects. To date, the City of Muskego has had little involvement with the WCEDC, and hence little exposure to its programs and contacts network.

4. Regional Economic Partnership (REP)

The Regional Economic Partnership is a consortium of the economic development departments of the region's seven counties (Kenosha, Milwaukee, Ozaukee, Racine, Walworth, Washington, Waukesha), WE Energies, the City of Milwaukee, the Southeastern Wisconsin Regional Planning Commission, and the Metropolitan Milwaukee Association of Commerce. The REP provides information, counseling, and local area contacts for companies considering locating within the southeastern Wisconsin region.

5. Southeastern Wisconsin Regional Planning Commission (SWRPC)

The Southwestern Wisconsin Regional Planning Commission is the regional planning organization for the southeastern Wisconsin region. As part of their general planning services, they provide staff-level economic development assistance to client communities on a fee basis.

E. PUBLIC PARTICIPATION RESULTS

Public input for this plan was provided mainly through a public vision forum held in November 2002 and two public open houses.

The vision session was attended by approximately forty people. Participants were engaged in a series of nominal group exercises designed to prompt discussion of major community opportunities, challenges, and goals. The session also involved attendees scoring a series of images depicting various development types and architectural styles. This information was used to help formulate the design standards included as Appendix A.



A series of one-on-one interviews was also held with community business leaders and area economic development professionals to gain their perspectives on the current and future directions of the area's economy, and to offer insights for effective public sector actions.

The goals and objectives listed below were distilled from the Vision Forum and interviews. A complete summary of the Vision Forum is included as Appendix B.

GOAL 1: Diversify the tax base to relieve property tax burdens, and to provide more local shopping and employment opportunities.**Objectives:**

- Plan and develop a new 'upscale' business park,
- Provide the supporting infrastructure for economic development in appropriate locations,
- Target high-quality/high-wage businesses that utilize new technologies,
- Capture more local disposable income—re-circulate local wealth, and
- Create synergies between local businesses through effective site planning and targeted business recruitment.

GOAL 2: Establish a memorable community image that builds on the City's small town atmosphere and natural amenities.**Objectives:**

- Create a stronger visual image for downtown and expand its range of activities,
- Develop and enforce quality design standards for all new development,
- Preserve natural features and rural character—integrate new development in a sensitive manner,
- Create and implement corridor and special district plans/guidelines,
- Clean up unkempt areas through direct public intervention, and
- Concentrate commercial development in a few well-defined nodes or districts—prevent 'strip' development.

GOAL 3: Improve the overall 'climate' for economic development through public outreach, business development programming, and the actions and behaviors of city representatives.**Objectives:**

- Develop incentive and promotional programs tailored to desired types of business,
- Improve business retention efforts, and
- Encourage public involvement and education on economic development issues.

GOAL 4: Protect and improve the quality of life by balancing sound fiscal and environmental management.**Objectives:**

- Protect natural features and scenic beauty,
- Develop a new business park that reflects high design and environmental standards,
- Maximize return on public investment by locating new businesses in areas already well served with public services, and
- Promote quality of life as a businesses attraction strategy.

The various recommendations presented in the following sections of this plan are intended to help the City of Muskego realize the above-listed goals and objectives. It should be stressed that that a successful planning effort requires public actions that are concerted, appropriately timed, and comprehensive in scope.

Because many of the planning objectives are interrelated and self-reinforcing, commitment to only a few choice objectives will likely limit the success of the overall program. For instance, without a simultaneous commitment to diversifying housing choice, protecting natural resources, and creating an identifiable center for commerce and public life, the ability of the City to attract the 'new economy' workforce, and the companies that follow them, will be undermined. Similarly, a singular focus on the traditional ways and means of economic development (such as land assembly and development incentives), without a broader community development vision is not a viable strategy for protecting community character and long-term economic growth. Finally, a strategy geared mainly toward drawing jobs away from neighboring communities instead of focusing on new regional growth sectors that complement the skills of the local workforce will only increase the numbers of commuters and commercial/industrial vacancies within the region. Both outcomes violate some of the basic tenets of sustainability.

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II. THE ECONOMIC LANDSCAPE

A. ECONOMIC TRENDS: THE POSTINDUSTRIAL PARADIGM

Nationally, traditional manufacturing continues to decline as the economy continues to transition to service and information-based industries. The large, monolithic industries that once dominated the industrial landscapes of the northeast and Midwest are facing extinction at the hands of many smaller, leaner firms who specialize in precision or advanced manufacturing under ‘just-in-time’ management regimes. These firms utilize technology-assisted production processes that operate on tight production schedules and produce high value-added products. Many of these industries group together within a region to form economic ‘clusters’ based on regional specialization. These clusters usually center around a handful of major suppliers or end users, and are strengthened by proximity to shared labor pools, ancillary industries, and support services.

The application of new technologies throughout the economy (including even traditional manufacturing), has demanded higher skill levels among the laborforce, and has necessitated closer alliances between local industries and institutions of higher learning. The Milwaukee Metro area is home to several economic clusters including: printing and publishing, health and medical services, financial services, business and education services, and manufacturing.

With human talent emerging as the most critical factor affecting ‘New Economy’ industries, a greater responsiveness to workforce issues has begun to influence business location decisions. Since they are generally less land and capital intensive, technology based industries,—along with their employees—tend to be fairly mobile. With high skilled labor

being their most important “input to production,” they tend to gravitate to areas where qualified workers and support services are in ample supply. Places near colleges and universities, where recreation and urban amenities are close at hand, have been popular choices. Traditional industry continues to be bound to low cost environments that offer low taxes, lenient attitudes toward community aesthetics and environmental protection and low land and labor costs.

This new dichotomy between the old and new economy has many high-wage industries migrating to areas with ample talent pools and high quality of life amenities; while low-wage industries stay in (or relocate to) areas with low labor and land costs. As a group, the latter tend to be more motivated by

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traditional, ‘Old Economy’ incentives such as tax abatements, low wages, and forgiving land use regulations; whereas the former are much more sensitive to the skill levels of the local laborforce and other factors affecting worker retention including quality of life both within and outside of the workplace. This includes quality housing that is affordable to workers at various stages in their lives and careers. Such firms often welcome tighter land use and design controls as a barrier to entry for the types of low-wage/low-quality industrial developments that tend to strain local services and undermine community aesthetics—things that ultimately affect quality of life, worker contentment, and their own considerable investment in the community.

Nationally, traditional manufacturing continues to decline as the economy continues to transition to more service and information-based industries.

1. The County and Region

Despite the inroads being made by technology-based businesses within the region and the structural economic shifts to service industries throughout the nation, southeastern Wisconsin continues to be dominated by traditional manufacturing. This, despite the fact that manufacturing is losing ground to other economic sectors as a percentage of regional economic activity. Most new jobs created within the region—an area that includes Milwaukee, Waukesha, Racine, and Kenosha counties—are the result of Milwaukee and Chicago firms relocating or establishing satellite operations within the I-94 corridor. Comparatively few have resulted from new business startups or relocations from outside the region.

Despite rapid job growth and population gains during the 1990s (mostly at the expense of Milwaukee County), the county continues to face many issues that will likely hamper future economic development efforts. These include: mounting transportation problems, workforce training issues, strains on the supply and quality of power, and a lack of a marketable county image. Other deficiencies exist in the areas of affordable housing, regional economic planning and positioning, and new product development and innovation. The lack of a major university presence in the community is a major factor affecting the latter. The entire region also continues to suffer from a serious mismatch, in both locations and skills, of available jobs and available workers. This is largely due to a lack of affordable housing near new job centers, a dearth of properly trained workers, and the lack of an integrated regional transit system.

Growth industries within the region include: business, social, and educational services; air transportation; wholesale trade; printing and publishing; and engineering and management services.

According to a report issued in August of 2000 by the Wisconsin Policy Research Institute, (“*The Roaring Nineties: Wisconsin’s Regional Employment Growth*”) growth industries within the region include: business, social, and educational services; air transportation; wholesale trade; printing and publishing; and engineering and management services. With the exception of the manufacture of fabricated metal products and some durable goods production, traditional manufacturing is largely unrepresented among the area’s growth sectors (Wisconsin Policy Research Institute).

2. The Local Economy

Currently, Muskego is positioned as a bedroom community serving larger employment centers within the region and, to a large extent, within Waukesha County. Nonetheless, projected growth in Muskego’s labor force over the next five years will present the City with an opportunity to integrate an active business sector with its residential core. Assessing Muskego against regional municipal competition (fifty-two cities in all) uncovered strong anticipated rates of employment growth in several key industries. In fact, of the seventeen industries for which employment data is available none were projected to decrease over the next five years. Specifically, Muskego is well positioned to absorb new growth in:

- Wholesale trade
- Manufacturing
- Services

Although the growth prospects appear enticing, it is important to point out that two of the three industries listed above are sectors in which residents exhibit a general tendency to commute elsewhere during the day. Therefore, unless employment opportunities are cultivated locally these workers will continue to leave the City for work and return at night (except wholesale trade). Short to medium-term growth in local employment opportunities should be targeted to those industries in which Muskego already has a competitive workforce; retaining these workers is paramount.

The service, manufacturing, wholesale trade and construction industries account for approximately 68 percent of the City of Muskego's payroll base, or \$150 million. Although these four industries comprise a large segment of the community's job base, two important indicators stand out.

- Finance, insurance, and real estate sector payrolls are approximately 50 percent less than the county, region, and state norms. It is unlikely that this low figure is a result of lower wages but rather Muskego's position as an exporter of these jobs. Because the employment count for this industry is consistent with the county, region, and state, we would expect the payroll distribution to be similar as well. When individuals do not work where they live, however, the outcome is reversed. As a result, an opportunity to capture these individuals by offering local space to match their needs may exist.
- Second, the proportion of payroll dollars attributable to the construction industry is nearly twice the rate of the county, region, and state. The number of employees in this industry when compared to other regions is consistent suggesting that the additional payroll is likely a result of businesses bringing in employees from outside Muskego. As a result, efforts should be mobilized to continue to support and foster businesses of this nature because of their ability to bring outside dollars into the community.

3. Summary of Economic Trends Affecting Muskego

The City of Muskego is affected by a number of important market trends that impact the development of sustainable economic strategies and space construction. Although not exhaustive, the following three items are fundamental trends that the City should build upon to position itself for a sustainable market environment:

- **Growth in Service-Sector Employment:** Over the last decade, metropolitan Milwaukee employment and earnings growth has been lead by service-sector jobs. A large part of this growth has been the result of the business and health service sectors. In fact, the Wisconsin Policy Research Institute estimates that over 40 percent of the new service jobs created during the 1990s was in one of these two industries (approximately 26,000).
- **Importance of Small-Business:** One out of every two new jobs created during the 1990s was a result of small to medium sized business (under 100 employees). Although the location of larger corporate sites still remains an important economic development activity, the infrequency with which it occurs and the competition involved in their attraction makes the procurement of start-up businesses increasingly important. As a result, economic development efforts targeted at both smaller firms and new ventures is an important tool for the City of Muskego to utilize in diversifying and broadening its economic base.
- **Job-Commuting of Muskego Residents:** Based on an analysis of local business payrolls and employment activities of the workforce, it is clear that a large number of Muskego residents are employed elsewhere. These job-commuters tend to be in finance, insurance,

real estate, services, and manufacturing. Immediate efforts aimed at enhancing Muskego's economic base should focus on retaining these workers locally. As the number of executives and managers residing in the City continues to increase over the next five years, Muskego's economic development strategy will have the opportunity to attract these types of firms from the surrounding Cities with which it is currently competing. Muskego generally competes with Wauwatosa, Waukesha, and Brookfield.

4. Target Industries for Recruitment

Given southeastern Wisconsin's dependence on service-sector employment as a primary source of job growth and the streamlining of manufacturing production, Muskego is positioned to take advantage of its concentration and expected growth in this employment pool. Generally, business service activity presents an opportunity for Muskego to plausibly expand its job base beyond the wholesale trade and construction sectors. Specifically, the following sub-sectors have been targeted for a combination of reasons, most of which include Muskego's workforce strengths and opportunities:

- Advertising
- Engineering
- Architectural
- Accounting and Auditing
- Management Consulting
- Environmental Consulting
- Business Consulting
- Computer and Data Processing

It is important to note that these specific sub-sectors are not an exhaustive list of businesses that Muskego should target, but rather a sampling of those that are expected to experience strong growth in the coming years and with which Muskego's workforce may fit. Business services is a broad category that includes a wide-range of particular industries that may be as applicable to Muskego's sustainable economic development strategy.

Business services support primary sectors and, therefore, depend on a healthy production economy. Muskego's location as a gateway between the metropolitan complex and rural southeastern Wisconsin may present the City with a number of specific business service opportunities to support manufacturing and agricultural operations in the region. The plastics, production machinery, and forest product industries all require a broad range of business support services that may make Muskego an attractive location for firms serving these segments. Combining its location with its quality workforce, Muskego could position itself as a strong employment competitor to other communities in Waukesha County and the region.

B. LOCAL MARKET ANALYSIS OVERVIEW

The City of Muskego's lack of retail base is reflected in a number of ways. Approximately 10 percent of Muskego's tax-base is comprised of commercial real estate, far behind other regional communities who exhibit

Business service activity presents an opportunity for Muskego to plausibly expand its job base beyond the wholesale trade and construction sectors.

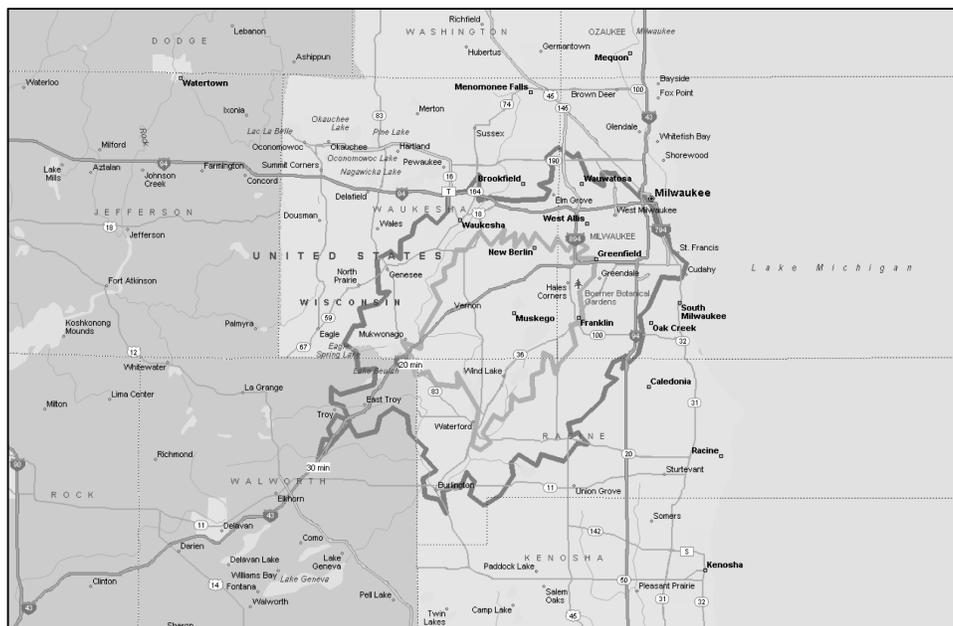
Approximately 10% of Muskego's tax base is comprised of commercial real estate, far behind other regional communities who exhibit an average commercial base of 22%.

an average commercial base of 22 percent. In addition, of the thirty retail activities analyzed for retail spending per establishment, twenty-five were below expectations in Waukesha County and throughout southeastern Wisconsin; this is not a result of a lack of spending potential but local shopping alternatives. In fact, a model created by The Taurean Group uncovers a shopping center capture potential of \$20 million per year for eleven different tenant categories. The annual revenue-capture leaders include:

- Supermarket: \$5.5 to \$13.5 million
- Appliances and Electronics: \$2.1 million
- Apparel: \$2.1 million
- Sporting Goods: \$620,000 to \$1.1 million
- Liquor Store: \$565,000 to \$1 million
- Shoe Store: \$1.1 to \$1.7 million
- Restaurant: \$1.5 million (depending on fast-food versus family)
- Bookstore: \$1.1 million

These dollar figures are meant to serve as general guidelines as to the relative importance of each retail category. For example, a superior management team operating a new sporting goods store in downtown Muskego may draw from a larger trade area and, as a result, realize large annual revenue. The figures outlined above are adjusted for an *average* business and are not intended to provide precise targets that reflect all styles of business management operations. Of greater importance is the lack of shopping alternatives in these categories for local patrons and the capture potential of a new store based on local spending patterns of households. (Note: The complete market analysis is included as Appendix C)

Map 2: Commuting Patterns



Muskego Employee Commuting Patterns

According to Census 2000, the average household in Muskego is commuting between 20 and 30 minutes to work each day, depending upon the block group from which one begins (see that area between the orange and red boundaries. This puts the larger regional centers of Waukesha, West Allis, and Wauwatosa directly in the middle of this range. When combined with the knowledge that Muskego has a majority of workers in service, finance, insurance, and real estate related activities are leaving the City, it is clear that these cities are an important competitive pressure.

III. ECONOMIC POSITIONING AND SITE SELECTION

A. REGIONAL OPPORTUNITY ANALYSIS

1. Regional Corridors

As shown on the following page, the City of Muskego is centrally located within a regional economy framed by Interstates 90, 94, and 43. The regional termini of these economic corridors include the cities of Milwaukee, Chicago, Rockford-Beloit-Janesville, and Madison. All of these cities and the communities in between may influence Muskego's economy and therefore should be considered part of the City's potential market area for employment and trade. Many firms otherwise attracted to these communities may also consider locating in Muskego because of its convenient location and its proximity to skilled labor, urban amenities, and sub-rural/lake-oriented lifestyles.

2. The Metropolitan Region

Located at the far southwestern edge the Milwaukee Metropolitan region, the City of Muskego presents a unique set of opportunities as well as obstacles for economic development. As mentioned earlier, the obstacles are mostly related to countywide and regional shortcomings such as the lack of public transit, the lack of a comprehensive economic strategy and marketing program, a weak community image, and a shortage of affordable housing. At the local level the latter two are particularly acute. Although the City does not have direct interstate frontage, access to the system as well as the network of state and county highways is quite good.

The extension of Moorland Road has helped facilitate north-south movements to the I-94 corridor. The City also has fairly good access to Mitchell International Airport and the Port of Milwaukee via Highway 36 and College Avenue.

Without immediate interstate access the City is not a logical location for regional shopping. As highlighted in the market study, however, there is considerable opportunity for local area shopping as well as destination employment and recreation. The fact that the City has two large lakes and miles of rolling countryside allows it to position itself as the premier lake oriented community in the eastern I-43 corridor—a role not unlike Oconomowoc's along I-94. Regional offices, conference/retreat/resort facilities, and niche retail are the types of businesses that could be drawn to the Muskego area.



Muskego has numerous examples of unique rural architecture. Saving these symbols of community history will help advance the City's community development efforts.

There is considerable opportunity for local area shopping as well as destination employment and recreation. The fact that the City has three large lakes and miles of rolling countryside allows it to position itself as the premier lake oriented community in the eastern I-43 corridor—a role not unlike Oconomowoc's along I-94.

Notwithstanding its professional class housing costs, the City's relative proximity to the agricultural interior of the state, and the major production economies of Beloit/Rockford/Janesville and Milwaukee, also makes it a potentially good location for logistics firms, distribution facilities, and value-added agriculture. Reasonably good access to the County Medical Center as well as downtown Milwaukee, Mitchell Field, the Mayfair area, and all of south-suburban Milwaukee also makes it a competitive location for professional business and medical services.

Muskego's primary points of entry are Moorland Road, Racine Avenue, and the east end of Janesville Road. The City must continue to protect its main gateways, and preserve the contrast between Muskego and its neighboring communities if it wishes to distinguish itself as a professional class community—a community that is an integral part of the region, yet physically set apart from the 'suburban desert' that has enveloped much of southern Waukesha County. This sense of contrast can be achieved through the preservation of open space and statement architecture at its main portals, creation of a recognizable and functional downtown, preservation of major landscape features, and protecting much of the surviving agrarian scenery.

Extensive quarrying and land filling in the City has resulted in a significant amount of landscape scarring and unnatural landforms. These areas present brownfield redevelopment opportunities that can potentially rehabilitate these areas and forestall development of undisturbed greenfield sites. These areas have excellent redevelopment potential for clean and quiet light industrial activities such as advanced manufacturing that can be obtrusive in natural and undeveloped areas, and for whom visibility is unnecessary and perhaps even undesirable. The ability to tap into redundant power supplies also makes these areas prime redevelopment sites for eco-friendly and power sensitive industries.

Key to accentuating the City's image is protecting much of the surviving agrarian scenery.

New Models for Business Park Development

Premium Power Park: What is it?

The rise of the Information Age has created new demands in the quality and reliability of the nation's power supplies. As conventional power sources have become stretched to capacity, brownouts and other interruptions in power flows increasingly pose a threat to economic productivity and even national security. In response, more and more power sensitive businesses have sought alternatives to the vagaries of the conventional electric grid. Many of these firms (often on the cutting edge of their respective industries), along with a handful of forward thinking utility companies are exploring ways to become less dependent on conventional, centralized power supplies through innovative applications of emerging energy technologies including micro-turbines and fuel cells. These technologies have presented a host of benefits that include a measure of insurance against periodic power outages, a source of 'clean energy', and opportunities to sell unused power back to the grid during periods of peak demand. Rather than unplugging from the grid, "distributive energy" allows many mini power producers to be net suppliers of backup energy while enjoying the benefits of a virtually uninterrupted flow of power. Functioning like "power islands," power security at such parks may approach "9-nines" reliability (or rather, a one in a billion chance of experiencing a power outage).

As the New Economy continues to mature, and as competing users vie for the nation's lagging supply of conventional power, developments that can offer high power reliability are likely to become magnets for highly power sensitive activities; especially those that employ significant amounts of computerized or other high-tech equipment. Many of these firms are on the cutting edge of their respective industries, and may increasingly base their location decisions on the availability of a redundant power supply. Additional incentives in the form of drastically reduced premiums for business interruption insurance, increased conventional energy costs, and further terrorist activity may ultimately fuel a "rush to reliability."

Power Parks are defined as:

- Business parks with distributed on-site power generation and a robust communications infrastructure.
- Collections of optimized distributed energy resource technologies and processes joined by a mini-grid, often by a district energy loop and advanced telecommunications technologies. They are generally grid-connected but are intended to

Map 3: Regional Context

Map 4: Metro Movement and Employment Clusters

B. NEW BUSINESS SITE SELECTION

Effective planning requires equal consideration of the type, fiscal impacts, and physical locations of new businesses. In other words, does the business fit with its proposed location, and what will be the impacts of that business on surrounding properties, the community's image, and the local transportation network? The siting of

The siting of new businesses must balance the needs of individual businesses for access, visibility, and proximity to markets; with the greater good of minimizing public service costs, avoiding land use conflicts, mitigating traffic impacts, and preserving community image and character.

new businesses must therefore balance the needs of individual businesses for access, visibility, and proximity to markets; with the greater good of minimizing public service costs, avoiding land use conflicts, mitigating traffic impacts, and preserving community image and character.

A fundamental tenet of *sustainability* holds that new business development should occur in areas already served by existing utilities

and in areas in easy reach of support services and/or markets. This ethic is biased toward the reuse of underutilized brownfield and grayfield sites, and infill projects in thinly developed areas, as opposed to new development on lands that are largely open and undisturbed.

Where development is allowed on previously undeveloped lands, it should be part of a master plan that prescribes complementary, interrelated, and interconnected land uses on surrounding properties. The mixing of certain retail and office uses with compact residential development provides opportunities to walk to work; and, in the case of retail development, a built-in market of potential customers. When combined with interconnected road networks, the mixing of land uses also helps alleviate the familiar problem of traffic overloading on suburban arterials.

- A key strategy for realizing the goal of accelerating the deployment of renewable energy resources and technologies.
- An integrated “system approach” to delivering power when and where it is needed.

Key power park technologies can include:

- Modular renewable and gas-fired generation supported by a properly calibrated natural gas system,
- Electric and thermal energy storage,
- District energy heating and cooling systems,
- Load management, and
- Advanced telecommunications networks.

New energy technology and process benefits of Power Parks include:

- Energy self-sufficiency,
- End-power quality and reliability,
- Power system reliability,
- Integration with infrastructure,
- Predictable energy costs, and
- Environmental benefits.

Eco-Industrial Parks and “Co-Generation”

The most advanced centers of business and industry will seek to combine the benefits of digital power quality with the efficiencies of heat and power co-generation.

The capture of waste heat generated from the production of electric power provides cost savings to energy users and helps stretch limited energy resources. This concept of “cascading” waste products (heat as well as industrial bi-products) is also finding its way into a new generation of eco-industrial parks that seek to group complementary industries such that one producer's waste products serve as the production inputs of neighboring industries. Common supply chains and customer networks also help these grouped industries to reduce their transportation, energy, and waste disposal needs. An emphasis on the use of renewable and biomass energy sources, green building techniques, and the reuse of brownfield sites are also hallmarks of eco-industrial developments. Recent developments in the capture of methane gas and heat generated from landfill sites may have particular relevance for Muskego.

Prior to approving or designing a new industrial park, the City of Muskego should enter into discussions with WE Energy and Wispark to explore the feasibility of introducing premium power and Co-Gen facilities into any new business park. Consultation at the pre-design phase may provide an opportunity to design such facilities into the park at the outset, and allow park users to benefit from economies of scale through joint access and use of facilities. A general understanding of the collective power needs of park users will help the utility speculate expected power needs.

1. The Comprehensive Plan

The City's current comprehensive plan limits most commercial development to sections of Janesville Road, Racine Avenue, and Moorland Road on the City's north side, and at two intersections along the southern edge of Highway 36 straddling Loomis Road. The plan also contemplates neighborhood commercial nodes where Racine Avenue crosses Kelsey and Tans Drives, and at Janesville Road and Hillendale Drive. The most intensive commercial development is planned (and occurs) at the intersections where Janesville Road intersects both Moorland Road and Racine Avenue; and at the intersection of Loomis Drive and North Cape Road. Business park development is planned in the vicinity of Moorland Road and College Avenue. Manufacturing is limited to the City's industrial park in the west-central part of the City south of the Janesville Road, Racine Avenue intersection, and the Tess Corners Industrial Park. (See map 2010 Land Use Plan Map on following page.)

The comprehensive plan notes that there is a general lack of neighborhood commercial development in the northwest and southwest areas of the City.

2. Community Retail

Neighborhood business centers should be located at main intersections near existing utilities and where they support, and are supported by, surrounding residential development (both existing and planned). Although accessible by car, they should have limited parking and be at least equally accessible by pedestrians and bicyclists. Contemplated types of development include neighborhood convenience shopping in smaller sized buildings.

The existing comprehensive plan calls for two new commercial nodes; one at the southern end of Racine Avenue and the other at the western end of Janesville Road. Both locations currently contain a limited amount of commercial development, and are in areas generally thought to be underserved by neighborhood commercial development.

Recommendations:

- Require new commercial development at designated nodes to express neighborhood character (i.e. pedestrian scale, sidewalks, integrated with surrounding residential development, oriented to street with side/rear parking etc).
- Encourage compact residential development patterns and pedestrian facilities near existing and proposed neighborhood commercial nodes.
- Plan commercial nodes near potential employment centers such that the broader (daytime) needs of nearby employees can be served along with those of neighborhood residents. Such uses may include daycares, dry cleaners, restaurants, health clubs, copy shops, and professional offices.
- Locate future neighborhood commercial nodes at key junctions in the local road network; and require that they be compact in overall form and adequately spaced to prevent incipient strip development.

Map 5: Comprehensive Plan Map

3. Business and Office Parks

The type of development known as a business park has emerged as something of a hybrid of office park, and traditional industrial park. It usually contains few if any freestanding office buildings, and the typical tenant is a ‘clean’ manufacturer, assembler, or distributor of component products. Offices are usually ancillary to the operating business and they generally aren’t considered Class A or B (i.e. “corporate”) office space. Typical uses in a business park include:

- Advanced/Precision Manufacturing;
- Product assembly, distribution, and warehousing;
- Commercial—showrooms and large retail;
- Research (wet-labs); and
- Ancillary offices.

The business park format has become generally synonymous with land intensive, production-based businesses that may require significant amounts of shop and/or warehouse space coupled with front office operations.

While detailed planning and zoning can prescribe the desired range of uses, the business park format has become generally synonymous with land intensive, production-based businesses that may require significant amounts of shop and/or warehouse space coupled with front office operations. These ‘under a single roof’ operations typically require floor plates of at least 25,000 square feet arranged horizontally (i.e. single story).

While most production may be light, quiet, and clean, many of these facilities require loading docks and secure and regularly shaped shop/storage areas—in short, large, and rectangular buildings that are not easily concealed or adapted to sensitive landscapes. And while much can be done to dress up these structures aesthetically, most treatments are merely cosmetic; the functional requirements

of these buildings often prohibit major alterations in overall building form. In addition, security and light/climate control concerns often associated with many such operations may preclude the ample provision of windows—a factor that does little to soften the utilitarian aesthetic of these buildings.

For the reasons described above, business parks that include activities such as light manufacturing, distribution, and warehousing are best located in areas that are flat, well drained, highway accessible, and removed from sensitive environmental areas, main community gateways, or view sheds. (This is not to suggest that such developments are incapable of being creatively planned and designed and that they can’t or shouldn’t be held to high standards.) Parks that are more office or lab oriented generally can be designed in multi-story formats, and a manner that is more responsive to natural site constraints and landforms. Their architecture, in other words, can take on freer forms and be molded to fit the landscape rather than the other way around. Although highway accessibility is important to

Business parks that include activities such as light manufacturing, distribution, and warehousing are best located in areas that are flat, well drained, highway accessible, and removed from sensitive environmental areas, main community gateways, or view sheds.

both, office parks are more dependent on high visibility locations whereas standard business parks are generally not. (The latter could be considered antithetical to such locations). For this reason, and because of potential traffic generation and penetration, office development is a much better fit for major community entry points and other high profile locations (see site locator guide and Development Opportunities graphic on the following pages).

Public participation results revealed that Muskego citizens are somewhat ambivalent toward additional manufacturing businesses; however, a limited amount of clean and quiet manufacturing activity was considered generally acceptable. Some have suggested that distribution facilities should also be allowed to locate in the City. The site selection criteria listed below may help narrow the list of candidate sites for these types of activities. Particularly noteworthy are the areas in and around the City's two main landfill sites. Both have good access; have already experienced significant levels of land disturbance; and are major brownfields.



Placing larger, horizontally-oriented structures near these sites would help prevent more natural areas from being disturbed, and would present the opportunity for land contouring to conceal the buildings. Selective grouping of industries and buildings along with the potential tapping of methane gas for heat and power could present opportunities for highly advanced and specialized forms of *eco-industrial* development of a caliber not yet seen in southeastern Wisconsin. The built up (yet unbuildable) portions of these sites can be used as major open space elements providing large areas of greenspace and serving as highly effective land berms. Redevelopment of these sites is the very essence of sustainable planning; however, it will require high levels of intergovernmental cooperation, effective cross-border land and transportation planning, and specially *designed* site reclamation.

The relative scarcity of large sites suited for a “one-size-fits-all” business park suggests that a more use-specific site selection strategy is needed for Muskego.

The relative scarcity of large sites suited for a “one-size-fits-all” business park suggests that a more use-specific site selection strategy is needed for Muskego. Office and research development should be reserved for sites with good exposure and easy access to freeways. They should be held to very high standards of design and be planned in conjunction with nearby housing and supporting commercial development to avoid becoming single-use islands—sites that are cut off from other activities and largely abandoned after office hours. Warehousing, light manufacturing and distribution should also be held to high design standards but located on larger, flatter, and less visible sites also with good access. Where possible, the reuse of already disturbed lands including brownfields should be factored into planning decisions.

Figure 1: Commercial/Industrial Development Location Guide

Map 6: Development Opportunities

Recommendation: Reserve community gateways for regional service/information-economy uses and high profile buildings

- Accent community gateways through exacting land use restrictions and design standards;
- Preserve a strong visual contrast along the New Berlin—Muskego border through “statement” architecture, lower impact land uses, and the preservation of natural features (failure to do so will obscure community identity and cause the City to be perceived as an adjunct of New Berlin);
- Plan areas around reclaimed landfills for larger footprint commercial/industrial buildings and those generating moderate amounts of truck traffic;
- Enter discussions with property owners, neighboring communities, WE Energies/Wispark and developers to plan long-term eco-industrial development near one or both landfill sites;
- Land bank key parcels on Moorland Road for future office/mixed-use development; and
- Amend the comprehensive plan and zoning ordinance to reflect primarily office development at currently designated “Business Park.”

C. DOWNTOWN REDEVELOPMENT

Any downtown revitalization strategy must involve much more than superficial physical improvements to public areas. While these things can be initially important in signaling public commitment to the area, and raising developer interest, by themselves they can rarely support a sustained renewal effort. A comprehensive strategy requires a high level of property/business owner cooperation and buy-in; coordinated district-wide planning and programming; and occasionally, direct public intervention in the real estate market. Such intervention often involves the acquisition of key properties and the implementation of special financing districts. Through the formation of the City’s Community Development Authority (CDA) and TID No.’s 8 and 9, Muskego has completed some of the initial steps to redevelop downtown and the greater Janesville Road area. Planned improvements to Janesville Road—to include a landscaped boulevard—also set the stage for the redevelopment effort.

1. Downtown Today

Founded as a rural resort and farming community, Muskego’s early public life centered on a handful of country cross-roads that provided basic commercial services. Over time, the area now known as downtown evolved from an amalgam of local businesses grouped in small clusters along Janesville Road—originally one of several radial plank roads extending from Milwaukee to the state’s agricultural interior. By the mid 20th Century lake-oriented development, including the original *Muskego Beach* amusement park, provided a market for many of these businesses.

The thin, linear development pattern that evolved along Janesville Road exemplifies mid-20th Century commercial strip development in its purest form. Downtown Muskego includes a hodgepodge of architectural styles; including elements of early roadside architecture, a handful of locally historic buildings, and later generation strip malls and commercial ‘boxes’. Development is thinly strung out, there is little continuity of design, no central organizing feature, and access is oriented specifically to automobiles.

Most functional downtowns in small to medium sized cities have well defined boundaries and are confined to just a few blocks in length. This suggests that ‘downtown Muskego’ will need be compressed or *segmented* into a more compact and walkable format in order for it to look and function as the City’s hub of social and economic life. Given the strung-out pattern of the Janesville Road corridor, this means that a downtown *center* should be distinguished from the rest

of 'Main Street'. This can be achieved mainly through physical planning and design and hierarchical patterns of land use. To visually distinguish this area from the rest of the commercial strip variations in building setbacks, building heights, and use mixture should be encouraged; and exacting design standards required. Pedestrian movement should be accommodated throughout, and a unified streetscape theme should establish a visual continuity across both sides of the street. Special design treatments and variations in street width and configuration could help bridge both sides of the street and moderate traffic through the area. A conceptual vision for the former Parkland Mall site is shown on page 37.

Recommendation: Adopt a detailed downtown redevelopment master plan centered on Janesville Road between Bay Lane and Pioneer Drive. The plan should reflect land uses that are more compact and mixed, and that are interconnected with adjacent land uses including the library.

- Adopt plan as addendum to the comprehensive plan;
- Amend zoning ordinance to allow for more mixed land uses, shared and/or reduced parking standard, and higher residential densities in the downtown area;
- Proactively pursue the redevelopment of the Parkland Mall site (may require direct property acquisition); and
- Encourage the longer-term redevelopment of the Pick & Save property in a manner that complements the redevelopment of the Parkland Mall property.



2. Downtown Design Guidelines

The City's downtown design guidelines set forth a series of architectural rules-of-thumb for the downtown area. These are fairly general in scope. Highlights include requirements for residential roof forms and building typologies, "four-sided" design, and masonry exterior elements.

While these core standards will prevent overly austere design, there is little in the standards to assure *exceptional* design. To assure an enticing and memorable community image (as a key aspect of a community's overall promotional strategy), beefed up design standards for the downtown should be explored. Additional standards for building placement, massing, articulation, percentage of window/door openings, minimum-maximum heights, and requirements (allowances) for mixed-uses could help to enliven the downtown and give it greater physical definition. Incentives such as density bonuses, CDA financed façade improvement loans, and TIF-funded public improvements could be used to encourage compliance with the guidelines. Special focus should be placed on infill development on many of the underutilized properties that front Janesville Road; particularly the oversized parking lots facing the street.



Tess Corners—a model of traditional development in the years prior to incorporation

In trying to create an immediate sense of downtown identity, many local communities have required developers to observe artificial historic or ethnic themes for all new buildings. Although such motifs can help establish identity, they can result in kitschy design especially where dominant styles are not already present. Generally, the most effective design themes are those that memorialize local history and building traditions, and where visual reminders of these histories still exist.

Currently, most buildings along Janesville Road do not exhibit any recognizable theme or continuity of design. And, where once it could have served as something of a visual icon, the elaborate truss-work of the old wooden roller coaster at Dandelion Park no longer is a fixture on the local landscape. A completely new image that takes its cue from the City Library and other traditional building forms is needed. A local model that may serve as inspiration for new development is the development pattern still visible in Tess Corners—a model of traditional development in the years prior to incorporation.

Finally, in order for the downtown to have a strong physical presence and to support economic synergies, it should contain a fairly intricate variety of activities arranged in a fairly compact pattern. A downtown that is spread too thinly over too large an area loses its power to create these synergies.

Recommendation: Augment downtown design guidelines to include standards for massing, building placement, minimum building heights, and maximum number of parking spaces.

- Require minimum ratio of window/door openings to solid surfaces on all street-fronting facades, and
- Enact stronger requirements for materials, pedestrian appointments, and vehicular access.

The most effective downtown design themes are those that memorialize local history and building traditions, and where visual reminders of these histories still exist.

Parkland Mall Redevelopment Concept “New Town Center” Key Design Elements

Redevelopment Objectives and Guidelines

The redevelopment of the former Parkland Mall site should seek to enhance the image, profile, and use of downtown Muskego. Given its size and central location, the site plays a crucial role in the future viability of the Janesville Road commercial district. Perhaps equally important, the site provides an opportunity to begin to reshape downtown Muskego from a collection of aging commercial structures to a functional and symbolic town center befitting a community of over 20,000.

Design Character

- Traditional town center/modern ‘Main Street’
- Buildings squarely facing the street
- Buildings closer to street, parking behind
- Pedestrian scale—walkable, accented storefronts
- Taller building profiles—downtown center point and landmark—possible lake views
- Variable roof-lines
- Transitional massing blending with surrounding architecture
- Sense of place/downtown identity
- Mix of activities and building materials

Use Mix

- Upper and condos above retail/office (professionals and ‘empty nesters’)
- Destination and convenience retail (no big-boxes)
- Smaller floor plate retail
- Shared parking
- Multiple purpose trips
- Convenience

Density

- Mid-rise
- Built-in consumer market for downtown businesses
- Greater TIF revenues
- More efficient public services/utilities
- Activity center
- Downtown anchor and landmark



3. The Parkland Mall Site

As noted earlier, the Parkland Mall Site plays a critical role in the future of downtown. It occupies roughly the middle-point between Racine Avenue and Moorland Road, and it is large enough to accommodate several different buildings and land uses. It is also close to the City library and other activity generators, is under single ownership, and has the potential to influence the redevelopment of other large sites nearby. In short, the site represents a rare opportunity to recast a major portion of downtown without needing to assemble numerous smaller sites—a factor that often poses major problems and delays for large scale redevelopment.

Recommendation: Acquire and redevelop the Parkland Mall site.

- Adopt a conceptual development plan for the site,
- Issue RFP to qualified developers, and
- Negotiate terms of development agreement with covenants relating to design and tenancy.

4. Role of the CDA

Although a full-scale downtown redevelopment effort is usually the result of many small actions, it sometimes takes one larger action to set the smaller actions into motion. When private sector inertia stands in the way of renewal efforts, public entities such as the CDA can spawn private investment through their powers to acquire and resell key pieces of land. They can either develop property themselves, or convey property to a private developer under a negotiated development agreement.

To realize the maximum impact from this activity, redevelopment should be in as concentrated an area as possible. Besides the Parkland Mall site, other candidates for CDA intervention include other large parcels in prominent locations and smaller underutilized parcels that form gaps in the development pattern.

As one of the largest and most visible pieces of downtown property, this plan recommends that the City or CDA take a direct role in redevelopment. Ideally, the redevelopment of this site would be initiated by the private sector under the guidance of a detailed sub-area plan that specifies appropriate land uses and design. The City's recently completed redevelopment plan for District No.2 provides both the impetus and legal standing for CDA involvement.

Figure 2: Concept Design Plan

D. OTHER RECOMMENDATIONS:

1. Establish a Downtown Merchant's Association

Besides demonstrating little energy and interplay among businesses, there is no organized group that speaks for the downtown area. The fragmented land use pattern seems to be mirrored in an equally fragmented sense of downtown identity. The formation of a downtown business association could potentially forge this common identity, and allow business owners to network and co-market with their neighbors.

Association activities could include: the development of collective advertising; programming marketing events for the downtown area, sponsoring small business workshops to improve business performance and the publication of a quarterly newsletter to disseminate information on important facts and events to the downtown business community. The association, in conjunction with the Chamber of Commerce, could sponsor downtown events such as 5K walk/runs, craft fairs, coordinated sales events, and perhaps even an annual Muskego Beach Fun Fair that harkens back to the days when the City served as the Coney Island of the Milwaukee area. These events could be staged in one of the large parking lots fronting Janesville Road.

2. Create a Business Recruitment and Retention Program

Business outreach and recruitment are important activities for economic developers and their staffs. This type of work can either be done by City staff, or by a committee comprised of political appointees. Any committee should have representation from the proposed Downtown Business Association and the Chamber of Commerce. Members of the ad hoc Mayor's Task Force on Economic Development could potentially step into this role upon the formal adoption of this plan.

The committee should work with local realtors, and planning staff to recruit and place new businesses to achieve synergies with other businesses. A further role of such a committee would be to conduct outreach and ombudsman services to existing businesses to make sure that small problems don't escalate into larger ones (resulting in possible closure or relocation outside the community). Sharing the key findings of the market study and making recommendations on how existing businesses can tap into underserved markets could be other functions of the committee.

Ideally this committee would consist of three to five individuals who are familiar with the local business environment and have some familiarity with actually running a business. Some staff assistance from the Planning Department, CDA, or the Waukesha County Chapter of the Service Corps of Retired Executives (SCORE) should be enlisted as well. The results of the market study, and economic development strategic plan, could help the committee target new businesses appropriate for Muskego. The committee should encourage existing businesses to fill existing gaps in the market through the adjustment or expansion of product lines, or even through the wholesale repositioning of existing businesses. The committee should assume a professional demeanor and have at its disposal, prepared marketing materials to offer to recruitment prospects.

3. Develop a retail grouping program to help promote synergies among businesses within downtown and neighborhood commercial centers

To help promote more one-stop shopping and to reduce predatory competition in concentrated business locations, a detailed retail business grouping plan should be created for key commercial areas in the community. The purpose of the plan is to co-locate complementary businesses so

that they can expand their collective trade area. Examples would include entertainment and family dining, or hair and beauty supply and clothing boutiques.

The grouping plan, which is not a formally adopted plan, but rather an informational service provided to realtors and prospective businesses, is intended to expand the customer base of existing businesses and to suggest locations for new businesses that will enhance their chances for success. The grouping plan should be based on the findings of the market study, the existing business mix and the uses prescribed in existing land use plans. Targeted areas for business grouping include the downtown, Tess Corners, and the intersection of Janesville Road and Racine Avenue. If needed, the zoning ordinance should be updated to advance the goals of the plan.

4. Develop professionally produced print and web-based marketing materials.

The recruitment activities of the CDA and proposed Downtown Merchants Association should be assisted by polished promotional materials, in both print and CD formats, which highlight the offerings and advantages of Muskego as a place to do business. Besides City Hall, these materials should be prominently displayed at Waukesha County tourism venues and government offices. These materials should be crisp in both content and presentation and include contact data, basic community demographics, and references to the City web-site. The primary audience should be prospective business recruits and corporate (re)location decision-makers and managers.

IV. Economic Development Strategy

A. POLICY GUIDELINES

The public participation events and interviews conducted in the development of this plan revealed that the goal of broadening and diversifying the City's tax base was of paramount concern to many City residents. With local households shouldering what is generally thought to be an inordinate (and rising) share of the costs of local services, economic development is seen primarily as a form of tax relief. Job creation by contrast, was rarely mentioned as an important outcome of the strategic planning process. Jobs were usually discussed as something of an incidental benefit—such as providing opportunities for currently employed individuals to work closer to home.

More strongly felt, was the desire to expand retail and commercial services—things that many in the community now have to travel outside the City for. Finally, very few individuals expressed a desire to see the City pursue a highly aggressive economic development campaign challenging the major employment centers in the county and involving numerous new development projects.

These comments provide a rationale for an economic development strategy heavily focused on building and conserving the City's fiscal strength, and somewhat less geared toward significant employment growth. "Sustainability," in this context has decidedly *fiscal* as opposed to broader community development overtones. That stated, many of those involved in the development of the plan were emphatic in stating that Muskego must become more of a self-contained community and that new businesses growth should be compatible with—and not at the expense of—the City's existing character. Through this and previous planning efforts, others in the community have repeatedly expressed their desire to see the community preserve its natural features and open spaces, and to prevent being enveloped by suburban development.

The recommendations outlined below are intended to provide guidance for measured economic growth consistent with City's principle economic objectives, and its economic prospects. The City's strong conservation ethic, and the demands of an increasingly mobile, yet place-oriented economy, demands a broader strategy for community development. Such a strategy recognizes the need to wed economic development with sound physical planning, and environmental practice.

Recommendation: Present a strong physical contrast from neighboring New Berlin and Franklin

Because of their proximity to Muskego, there is a natural tendency to see New Berlin and Franklin as "peer communities," and to try to imitate their successes. However unlike these communities, who have exploited their direct access to the interstate system in their pursuit of economic development, the City of Muskego does not have this singular advantage. What the City does offer are three large inland lakes, a well

The City's strong conservation ethic, and the demands of an increasingly mobile, yet place-oriented economy, demands a broader strategy for community development. Such a strategy recognizes the need to wed economic development with sound physical planning, and environmental practice.

The City should market itself as a premier lake-oriented community similar to other highly successful communities in southeastern Wisconsin such as Oconomowoc and Lake Geneva.

developed trail system, and acres of unspoiled open space—major assets not possessed by its neighbors, and yet highly sought after by many professional service and research firms and their employees.

Because of these advantages, *the City should market itself as a premier lake-oriented community similar to other highly successful communities in southeastern Wisconsin such as Oconomowoc and Lake Geneva.* Such a strategy requires careful selection as to the type, location, and visual profile of those businesses. More importantly it requires that the City work hard to protect and preserve its edges, entryways, and view corridors so that the community’s identity isn’t blurred or encroached upon by “run of the mill” suburban development

Recommendation: Pursue new commercial development catering to local consumers

The City suffers from a serious mismatch between the purchasing power of local households, and the number and quality of local establishments where purchases can be made. This results in a significant leakage of wealth from the community, and unnecessary automobile trips as Muskego residents travel outside the community for much of their shopping. A greater quantity and variety of everyday retail shopping geared specifically toward *local* markets would help re-circulate local wealth while bolstering City tax revenues. More local shopping and employment would also put less strain on regional roads resulting in less auto pollution and greater convenience.

Much of this new retail can be accommodated through the redevelopment and/or re-positioning of existing marginal commercial properties including more compact development patterns in the downtown.

The City suffers from a serious mismatch between the purchasing power of local households, and the number and quality of local establishments where purchases can be made.

Retirement Housing as a Revenue Builder

Economic development programs in most communities are concerned with essentially two core issues—jobs and taxes. In communities where unemployment is low and wages high, economic development objectives are really more about building tax base than advancing broader economic goals. Such broader goals include, increasing jobs, reducing poverty, and rendering the community less susceptible to the vagaries of business cycles through economic diversification. Where the narrower definition applies, communities have the option of pursuing a number of alternative strategies to increase tax revenues without having to rely solely on new office or industrial employment. Two complementary strategies include: increasing the number of retail and service businesses in the community, and increasing the number of households (and housing types) that place comparatively few demands on public services; namely, housing that is both compact in format and caters to relatively affluent, childless households such as empty nesters, retirees, and young professionals. Such a strategy can help broaden the tax base without offsetting the high-service needs that accompanies traditional single-family housing on large lots.

When these two strategies are implemented together mutually supporting synergies can result. For instance, by incorporating retirement housing into a compact mixed-use development that also features retail and services the need for auto trips and parking is reduced (good for senior independence and for the environment) and a built-in, or captive market, to help assure the success of the businesses is created. A more compact and enlivened development pattern—a marker of healthy neighborhoods and functional downtowns—is also established. This type of development strategy could both help the City’s tax picture and help revitalize downtown in the same step.



Recommendation: Encourage compact housing that pays more in property taxes than the revenues needed to support it with public services; target young professionals, empty nesters, and retirees.

Like many communities, the City of Muskego has an aversion to high-density, multi-family housing. This perception is largely based on the belief that such housing strains public resources, depresses property values, and is aesthetically incompatible with suburban settings. It disregards the fact that many affluent householders are aging and would like to downsize their lives without leaving the community, and that traditional single-family homes on large lots actually place the greatest overall strain on public services. Still other households are in the early stages of careers that have high income potential and are postponing parenthood. Such households either can't afford or don't want to be encumbered with maintaining a traditional suburban home and would prefer a high-quality alternative.

A well-balanced and 'sustainable' community requires a greater choice of housing for people at various stages of their careers and lives.

A well-balanced and "sustainable" community requires a greater choice of housing for people at various stages of their careers and lives. Absent this, the incidence of commuting into the City will rise and/or business may choose not to locate in Muskego because of doubts about available local labor supply. This will have adverse

traffic and environmental impacts and dampen the City's economic prospects. Quality, affordable housing along with solid public services and protected natural resources have emerged as primary business attraction factors for new economy industries.

Recommendation: Target industries that are growing regionally; and jobs that are matched to local levels of education, skills, and housing costs.

The communities of southeastern Wisconsin have a weak history of cooperation and have generally pursued a "catch as catch can" brand of economic development. Efforts have largely been focused on attracting fading regional industries instead of embracing new or emerging economic opportunities. Such an approach tends to undercut the regional economy and generally results in zero-sum economic growth. In short, all things *'unsustainable'*.

The City of Muskego should seek to differentiate itself through both the types of businesses it attracts as well as the types of development projects housing these businesses. Professional business, education, and medical services are all regional growth industries whose workforce requirements are well matched with Muskego's (and the county's) labor pool and whose salaries can support the typical local mortgage. They also occupy primarily office and lab space—the types of buildings that can be creatively adapted to Muskego's rolling landscapes.

Professional business, education, and medical services are all regional growth industries whose workforce requirements are well matched with Muskego's (and the county's) labor pool.

Recommendation: Demand distinctive development projects that improve community identity and marketability.

The non-image of the City and county has often been cited as a major impediment to economic development—especially as it relates to attracting start up companies and businesses from outside the region. Innovative and exemplary land use and design can portray the community as vibrant and forward-thinking—the type of image especially important to new economy companies.

The City's two landfill sites present intriguing possibilities for green, eco-industrial development that could possibly take advantage of the unnatural land contours and latent (clean) methane power. Both landfill sites have good transportation access and are near convergences of gas and electric lines—potentially prime locations for alternative energy suppliers and users including co-generation supported facilities. Many of these facilities could be sited in such a manner to be buffered from area neighborhoods and viewsheds. The landfill on the west side is already adjacent to an existing industrial park in the Town of Norway. This is just one example of how the City could build a reputation for creative “green thinking” while attracting the attention of corporate site selectors.

Recommendation: Create a genuine downtown, and encourage distinctive neighborhood design

The workforce of the ‘New Economy’ has an affinity for living in or near traditional urban environments and in distinctive neighborhood settings. Many workers who choose to reside in suburban settings are increasingly demanding ‘hometown’ urban amenities as a counterpoint to both the ‘big city’ experience and the sameness of most suburban communities. These ‘creative-class’ workers also tend to have an aversion to living in or near cookie-cutter suburban tracts preferring alternative neighborhood developments with a greater variety of housing choice—both in terms of design and format. The most successful suburbs are those that have encouraged this type of development in tandem with protected or newly developed ‘Main Street’ environments where families can engage in range of shopping, entertainment, and civic activities in a compact and walkable atmosphere.

Recommendation: Redevelop existing brownfield and grayfield areas before developing ‘virgin’ land

Muskego has a significant number of improved but underutilized commercial property, and areas where massive land disturbance has already taken place (i.e. excavating and landfilling). The latter sites in particular have reasonably good access and proximity to full public services. The areas around them could be used for land intensive commercial/light-industrial development that do not require (and should not be placed near) high visibility locations. Well designed warehousing, storage, and light manufacturing all represent the types of development that could be placed in these locations with a minimal amount of visual intrusion as compared to similar development on greenfield sites.

Recommendation: Seek to economically position the City within the region's emerging economic ‘clusters’

Medical services/instruments, printing and publishing, and wholesale trades are all well-defined economic sectors in the Milwaukee Metropolitan area. Many of these businesses have already coalesced in the I-94/I-43 corridors. Because clusters are, by definition, interrelated webs of businesses that utilize common suppliers, labor pools, and support services; they are highly location sensitive, and have a unique ability to spawn other related development. Fledgling clusters in the region include information technology and financial services. Agricultural technology has yet to

make major inroads in southeastern Wisconsin; however, given the City's location at the urban/rural edge and its proximity to regional highways, interstates, major universities, and the Port of Milwaukee, an opportunity exists for Muskego to take the local lead in this rapidly emerging sector.

Muskego should gear its land use planning and economic development programs specifically to the needs of these industries and their employees. Such needs include well-trained workers, an adequate supply of Class A and B office space, supporting commercial services, quality affordable housing, flexible production space, and relationships with area colleges and universities. Key business locations in high profile locations should be 'land banked' until ripe for specialized types of development. The City should showcase its combination of city conveniences and country comforts, its lakes, and semi-rural ambiance, and the skill level of the local (and regional) workforce in its promotional efforts. Land use planning should emphasize the creation of distinctive neighborhoods, and commercial areas catering to the tastes, needs, and habits of a diverse, highly trained, and quality-conscious workforce.

Recommendation: Pursue economic development in a proactive, but patient and judicious manner

Economic development, if it is to be done well, involves much more than zoning lands for commercial or industrial development and letting the market take its course. Business recruitment and retention programs must be developed, properties assembled, requests for proposals written, inquiries answered, developer agreements executed, and incentive programs administered. Such programs therefore must be staffed and funded. At best, zoning can only prevent *bad* development from occurring. It can't actively recruit or hand-select the best business or developer for a given project or site. This can only be done with adequate staff oversight and other resources dedicated to these tasks.

At best, zoning can only prevent bad development from occurring. It can't actively recruit or hand-select the best business or developer for a given project or site.

Thoughtful planning and business selection in the present will allow the City to remain selective in the future. As it becomes recognized that the City's well-managed physical environment is its greatest selling point; quality development will encourage yet more quality development. Developers will better understand a community's expectations for new development at the outset, and be more confident that their investment will be protected by sound planning decisions down the road. Weak planning, by contrast, creates uncertainty in real estate markets and discourages top-notch design. The best developers actually welcome demanding design standards because they see them as a 'barrier to entry' for lesser quality developments that may undermine the performance and value of their own properties.

Recommendation: Guard the City's existing physical assets

As stated earlier, basic quality of life factors such as protected environmental resources, affordable and well-balanced housing markets, good public services, and strong symbols of community identity are the City's most effective business attraction features. The City's lakes, open spaces, views, and original historic settlements are some of its most remarkable features. To the extent they become compromised, so too will the City's ability to vie for the best new developments



and new economy businesses. As stated earlier, the City's lakes and remaining unspoiled open spaces enable it to position itself as the premier community in the eastern I-43 corridor.

Recommendation: Work to retain, improve, and expand locally grown businesses

Locally grown and owned businesses are one of a community's greatest assets. They become identified with a community and impart more local flavor (often in the form of unique goods and services) than the ubiquitous franchises. Since many owners may also live in the community, there is a much greater likelihood that the profits (not just the payrolls) will be spent locally as well.

Local business development and retention should be key aspects of the City's economic development program. Resources that local economic development staff may help to procure include business mentoring services and small business loans.

Recommendation: Play an active role in the local real estate market

The City, through its CDA and/or a Development Corporation, should take the lead in the development of any new office or business park and the downtown. Land assembly and land-banking of key parcels should be the critical first steps. Property control allows greater management of the timing and quality of development and can better guide the local economy by way of the specific types of commercial/industrial properties it develops and markets. Without this direct involvement, property speculators and uncooperative owners can withhold indefinitely, key pieces of land that are critical to the City's vision. They can also develop property that meets the *letter* of the zoning ordinance but without the added attention to exemplary design and public amenities that can come with a hand selected developer and a detailed development agreement.

Recommendation: Continue to pursue public-private partnerships

Most major development projects that promise to enhance the image and economics of a community do not come about without some help from the local municipality. Such help may involve tax increment finance, publicly-funded infrastructure improvements, assistance with land assembly, and land write-downs. The City must stay abreast of important economic news at the regional level, and be poised to package competitive deals when choice development prospects present themselves.

B. IMPLEMENTATION MEASURES

Recommendation: Staff and fund economic development activities

With the creation of the CDA, and the development of this strategic plan, the City of Muskego has taken the first steps in making economic development happen. Ongoing success however will depend on the energies devoted to specific projects. At least one staff-level person should be assigned to carry out the City's economic development programs. This person should serve as the public's planning first point of contact on business development matters. They should work with and for the City's Planning Department, and report to its director.

Basic quality of life factors such as protected environmental resources, affordable and well-balanced housing markets, good public services, and strong symbols of community identity are the City's most effective business attraction features.

Recommendation: Amend the City comprehensive plan and zoning ordinance to reflect land use recommendations of this plan

These documents should be amended to reflect primarily office development along the north Moorland Road corridor and light industrial development and supporting services adjacent to the west side landfill. Downtown should permit a wider mix of uses and higher residential densities.

Depending on the types of uses contemplated in a business park and its location, modifications to the City's Business Park Zoning District (B-P) should be considered. Prohibitions on various outdoor activities and storage, noise, lighting, and odors are typical of the newer generation of business parks that may contain activities as diverse as advanced manufacturing, research, offices, and large commercial showrooms. Some uses that have the potential to create significant externalities such as truck traffic and noise may still be allowed in such a park but only as a conditional use—a process giving the Planning Commission special license to place any number of additional requirements on the development to mitigate potential on- and off-site impacts. Some examples include: restrictions on hours of operation, night lighting, and truck traffic. Muskego's business park zoning district requirements already list several performance criteria intended to mitigate many if the impacts noted above.

As a general rule, business parks that will include or allow large warehouse operations or are oriented more to manufacturing than offices should be discouraged in highly conspicuous or aesthetically sensitive locations such as viewsheds or community entryways. While many 'back-shop' activities can be effectively integrated in these locations, they should utilize relatively small floor plates, have an outward front-office presence, and not result in heavy off-site impacts such as noise, truck traffic, and light spillage. In other words, business parks in these locations should look and act more like office and research parks even though they may host moderate amounts of production activity such as precision assembly and advanced manufacturing—activities that are clean, light, internalized, and adhere to just-in-time production practices.

More land intensive uses requiring expansive production, warehouse, and loading areas are better suited to less conspicuous locations where the environmental and aesthetic impacts are fewer. In Muskego, such uses, and those involving a significant amount of outdoor storage, would be better incorporated into the isolated areas that surround reclaimed landfill and quarry sites and public utility areas. Conversely, a business park near the main approach to the City along Moorland Road should consist predominantly of sensitively designed, low-rise office buildings whose form is dictated not by the functional requirements of large storage areas and truck circulation, but by existing land conditions. As a basic rule of thumb, any building where more than 50 percent of the floor space is dedicated to non-office or laboratory use should probably not be allowed in such locations. Refer to the location guide on page 29 for general location and design criteria for various commercial and industrial land uses.

Land intensive uses requiring expansive production, warehouse, and loading areas are better suited to less conspicuous locations where the environmental and aesthetic impacts are fewer.

Recommendation: Develop a new business park in or adjacent to one of the City's landfill sites.

Despite the relative decline in regional manufacturing, market data suggest that the City could absorb additional space for light industry. The City also has an immediate need to find new quarters for several current occupants of the existing industrial park who have outgrown their current space and have expressed interest in relocating.

A new business park—especially one intended for a significant amount of production, warehousing, and distribution activity—is best located where it will do minimal harm to the aesthetics and workings of the community. Even if carefully planned and designed, such developments are, by nature, land intensive and difficult to camouflage or adapt to sensitive landscapes. Since they typically have a low ratio of employees to floor space and few visitors, they don't generate large amounts of traffic, and don't need high-visibility locations. Since they need to accommodate some truck movements, fronting streets shouldn't have too much traffic, but they do need to be directly connected to the trunk highway and interstate systems.

The City's landfill sites represent two areas that meet many of these criteria. They are areas where the surrounding lands are no longer pristine and where transportation access and alternative power sources are very good. Eco-industrial development at one or both of these locations would help reclaim these sites and possibly help differentiate them in the area's competitive commercial/industrial real estate markets. They could serve as large advertisements for 'green businesses' such as alternative energy suppliers, environmental services firms, bio-processing firms, and producers of composite and recycled materials. Promoting and attracting 'green' businesses could play a key role in establishing a niche economy for Muskego.

The City should take the necessary steps to facilitate additional light industrial and service development in these areas including assisting with site assembly and guiding future landfill/quarry site reclamation with this end in mind.

Recommendation: Reserve prime commercial properties near major community entries and Interstate portals, for future office, conference, and lab space

Economic indicators suggest that professional services and other office users will continue to comprise a larger percentage of the regional economy in coming years. Without direct interstate frontage, Muskego must be very careful to protect and "land bank" its few prime commercial-office sites if it wants to participate in this emerging economy. Prime office and retail sites are generally those that have the best visibility, regional access, higher traffic counts, and proximity to commercial services.

Professional services and other office users will continue to comprise a larger percentage of the regional economy in coming years.

While the standard business park may include some office use, stand-alone office structures in such developments are somewhat rare. Office space in a typical business park is usually limited to the front offices of buildings the greater part of which is used for production and/or warehouse use. Neither the (non-corporate) office nor production/warehouse space associated with this type of development gain any particular advantage from high visibility locations, although access is important. This suggests that a standard business park would be best suited along major roads that tie into the regional freeway system, but away from major community entry-points and primary commercial corridors. *In short, the City should not squander its few prime commercial locations for sites that don't need (and shouldn't have) high visibility, and where standard business park floor plates are not easily adapted to rolling terrain.*



The above images were all highly rated examples of business park development during the public participation process.

Recommendation: Network with other economic development organizations and agencies in the region

To date, most economic development work in Muskego has been improvised and unrelated to happenings at the regional or county-level. Several economic development agencies however are currently active in southeast Wisconsin. The City of Muskego and the area Chamber of Commerce should participate in any future economic development initiatives within the region. The City should consider active involvement in such organizations as WCEDC and the Regional Economic Partnership (REP). At a minimum, Muskego's economic development web-site should be linked to those of the above organizations so that visitors to those sites are made aware of Muskego's business development programs and available commercial properties.

Neighboring communities should be invited to comment on the plan before it is adopted. This basic courtesy can help facilitate coordinating land use and transportation planning, and may lead to joint venturing on one or more development projects.

Recommendation: Develop highly professional marketing materials targeted toward new economy and professional business service industries.

Both written and web-based materials should be highly graphic and highlight the City's special location and quality of life advantages. These materials should be packaged with a simple pro-business slogan such as "The Muskego Advantage", or "Muskego: Your Best Business Address". The City's web-site and economic development contact information, and basic demographic information should be prominently displayed in these materials.

The City's web-site should provide an interactive portal to the City's economic development programs. The site should be easy to access and navigate, and provide more detailed information than printed materials. Users should be able to access various facts about City programs and a database of available commercial properties with links to listing brokers. The site should feature simplified maps highlighting the City's location in relation to both Milwaukee and Chicago, and its proximity to nearby lake districts. At some point in the future the City should consider updating its logo to a more contemporary format.

Recommendation: Explore the possibility of forming a Business Development Corporation

Like many prosperous communities, a cadre of private business leaders probably lives and works in Muskego. Many of these individuals may have deep roots in the community, have significant property holding, access to capital sources, and an unspoken interest in promoting high quality development in their home community. A Business Development Corporation may offer these individuals a vehicle to become involved in community affairs and a platform to exercise their business acumen. As discussed previously, Business Development Corporations generally have greater latitude to promote development in non-redevelopment areas and are not encumbered with statutory protocols that prevent them from moving quickly on sudden opportunities. They also afford a higher degree of confidentiality in pulling together sensitive deals that could potentially wither during a protracted public process.

Attracting new businesses who utilize new clean technologies in both their production processes and buildings should be a major focus of the City's economic development program.

Recommendation: Capitalize a revolving loan fund specifically for clean and green industries

Attracting new businesses who utilize new clean technologies in both their production processes and buildings should be a major focus of the City's economic development program. Qualifying businesses should be required to employ a significant number of local residents, and/or meet LEED (Leadership in Energy and Environmental Design) standards in their buildings. Targeted industries could include most technology-based business and those involved in advanced recycling, the production of bio-degradable and/or recyclable component products, medical instruments manufacturing, or alternative energy using/producing industries. The loan fund should require that applicants receive a majority of their financing through private sources.

V. Economic Development Organizational Structure

A. PERSONNEL

As alluded to earlier, economic development duties in the City are not currently assigned to any particular person or department, and are handled in a stopgap manner by the Planning Department and Mayor's office.

This type of arrangement can cause a host of problems including the inevitable conflicts arising from individual staff persons who are simultaneously expected to both facilitate and regulate the development process. Such an arrangement confuses and undermines the primary regulatory function of existing staff. A further problem arises from the lack of a dedicated economic development project manager who can help shepherd and/or mediate a project through the entire project review and approval process. Not having a separate staff person principally responsible for these activities suggests a lack of economic development professionalism, and can cause developer frustration and project delays as projects 'bounce' their way through this process.

Selecting the correct institutional supports for economic development should be dictated by the City's economic development goals and its staffing capabilities. To date, the City has had no officially dedicated economic development staff person, instead relying on a loose network of City staff and elected and appointed officials to assume these responsibilities. At present local economic development supporting institutions consist of:

- The CDA (principal body)
- The Mayor's Task Force on Economic Development (ad hoc body)
- City Planning Staff (nominal role)
- Mayor's Office (ex-officio role)
- Chamber of Commerce (private sector)
- The WCEDC (marginal role)

1. The CDA

The power to spearhead publicly driven economic development activities currently rests with the City's newly formed Community Development Authority (CDA). According to its bylaws, this body is a creature of, and is answerable to, the Muskego Common Council. Under Wisconsin statutes, the CDA has broad powers to incur debt, purchase and condemn property, capitalize loan funds, and implement a variety of other economic development programs. At present, the Muskego's CDA has no designated support staff, and has no long term plan for new projects.

Given their powers to issue bonds and assemble land for redevelopment, most CDAs serve as vehicles for blight elimination and redevelopment in older neighborhoods. In most cases their main role is to overcome the factors that stand in the way of privately led redevelopment initiatives. These may include aging or inadequate infrastructure and fragmented property ownership. Redevelopment of portions of the downtown and Tess Corners are two areas in which Muskego's CDA is anticipated to play a major role in the future as implied by Redevelopment District Plans 1 and 2. However, since their primary mandate is to overcome blight, the power of the CDA to promote *new* development in undeveloped or non-blighted areas is usually limited to their ability to issue tax-exempt industrial development revenue bonds.

2. Mayor's Task Force on Economic Development

This ad hoc committee's main charge is to guide the development of this plan, and offer interim recommendations to the Plan Commission and Common Council on matters concerning economic development. It is expected (recommended) that this committee, or a variation thereof, remain in existence beyond the completion of this plan, and actually have a continuing role in its implementation and monitoring. Task force members along with the Chamber of Commerce and City economic development staff could form a retail recruitment committee for the community; or perhaps just for the downtown area. Armed with information from the market study, and working with the local real estate community, they could help identify and prospect for new retail business that would fit well in the community and form a delegation to host potential business recruits. The efforts of the committee would be strengthened by the development of a professionally produced promotional brochure that showcases Muskego and its business development opportunities.

A potential future role for the task force could be to act as a retail recruitment committee.

3. City Planning Staff

To date, City planning staff has played a limited supporting role in local economic development efforts. Besides coordinating the City's revolving loan fund and industrial revenue bonds programs, they serve as a liaison between the business community, the Chamber of Commerce, and the WCEDC. As mentioned earlier, the role of City staff in economic development has been largely unstructured, ad hoc, and piecemeal.

As suggested earlier, a successful and sustained economic development effort will require a broadened and more structured role for City staff.

Two potential models for the reorganization of the City's current planning staff are discussed below. Both models are based on an

integrated Community Development Department responsible for both traditional land use planning, design review, and economic development functions. The Community Development Department model is a fairly common organizational structure for larger sized communities. Many communities have opted to separate certain 'line' functions such as building inspection from other community development functions because of the potential for interdepartmental conflicts of interest between those trying to recruit and retain businesses and those responsible for code enforcement actions.

A successful and sustainable development effort will require a broadened and more structured role for City staff.

4. Muskego Area Chamber of Commerce

The Chamber must continue to play a highly visible role in local business development and network its resources with those of the City. Acting as the voice of the larger business community, the Chamber should work with the City and the WCEDC to jointly communicate, coordinate, and promote the City's economic agenda and programs.

It is recommended that the Chamber be adequately represented on the proposed Downtown Merchants Association and business recruitment committee. The Chamber should work to develop a cadre of local business leaders for a potential business development corporation. It

should also continue to sponsor special events and opportunities for local professionals to become actively involved and ‘invested’ in their community.

5. Waukesha County Economic Development Corporation (WCEDC)

The WCEDC is the main economic development entity for Waukesha County. The WCEDC provides a variety of economic development support services including gap financing for qualified businesses. It also serves as an information clearinghouse as well as an important link between various economic development organizations and business development resources within the region. The WCEDC has an elaborate web-site that showcases several Waukesha County communities with links to lists of available commercial and industrial properties in the county.

Through a series of listening sessions that it held with county business leaders, the WCEDC has identified several key challenges affecting long-term county economic development efforts. These include:

- Lack of a coordinated, countywide economic development strategy;
- Rising health care costs;
- Competition/service overlap between neighboring communities;
- Lack of affordable housing;
- Inadequate transportation systems;
- Poorly trained workers;
- Lack of venture capital;
- Lack of technology presence; and
- Lack of progressive thinking among constituent communities.

B. ORGANIZATIONAL RECOMMENDATIONS

Recommendation: ‘Officialize’ the function of economic development by creating the staff position of Economic Development Planner/Coordinator

Any community that is serious about economic development needs to anticipate the resources required to support these activities including support staff. The level of staffing is generally a function of the degree to which economic development is a priority of the community, and the number and complexity of projects it chooses to undertake. As its mission evolves over time, the CDA will likely require greater professional support to carry out its programs. Sometimes this involves assigning economic development responsibilities to existing City staff, or hiring additional staff to specifically handle economic development duties.

Many CDAs in large cities or those with aggressive economic development agendas are entirely self-supporting and have their own professional directors to handle the day-to-day administration and project coordination. Their salaries, or portions thereof, are funded through the revenue generating activities of the CDA. Revenue sources may include: proceeds from property sales, lease revenues, parking revenues, tax increment financing and the like. This may be either a full or part time position. In some cases it involves part time responsibilities of a full time “generalist” planner housed in the city’s planning department. In communities with an even lighter economic development agenda, this work may be farmed out on a fee basis to a regional planning commission, a county economic development office, or private consultants. A common problem with regional and county staff is divided loyalties among potentially competing units of government.

The duties of an in-house economic development coordinator may involve some or all of the following:

- Prepare (re)development/project plans,
- Implement/project manage CDA programs,
- Field inquires on economic development programs/land availability,
- Conduct/coordinate business outreach & retention services,
- Seek economic development grants and loans,
- Assist with project entitlements process (e.g. zoning, annexation, comprehensive plan amendments),
- Coordinate web-site maintenance and updates,
- Serve as ombudsman between local businesses and City departments,
- Acquire/assemble property for (re)development projects,
- Develop City promotional materials/programs,
- Render business relocation assistance,
- Assist with bond issuance,
- Liaison with WCEDC and Muskego Area Chamber Of Commerce,
- Screen applicants for revolving loans funds/solicit private venture capital,
- Communicate workforce development needs to local technical colleges,
- Prepare requests for proposals for City (CDA) owned properties,
- Coordinate the maintenance and improvement of City (CDA) owned properties,
- Handle tax abatement requests,
- Assist in the formation of TID and BID districts,
- Tract State and Federal Economic Development Initiatives,
- Serve as business recruiter and envoy for the community,
- Prepare quarterly/annual reports to the City Treasurer and Common Council,
- Serve as downtown district manager, and
- Maintain a database of available commercial and industrial properties.

Recommendation: Consolidate economic development and physical planning functions under a single Community Development Department

Two organizational models for a staff-level economic development are presented below. Both involve the creation of a new Community Development Department to coordinate and manage traditional planning functions with those of economic development. Under both alternatives, the work of economic development staff is overseen by a Community Development Director responsible for integrating economic development work within a broader planning regime.

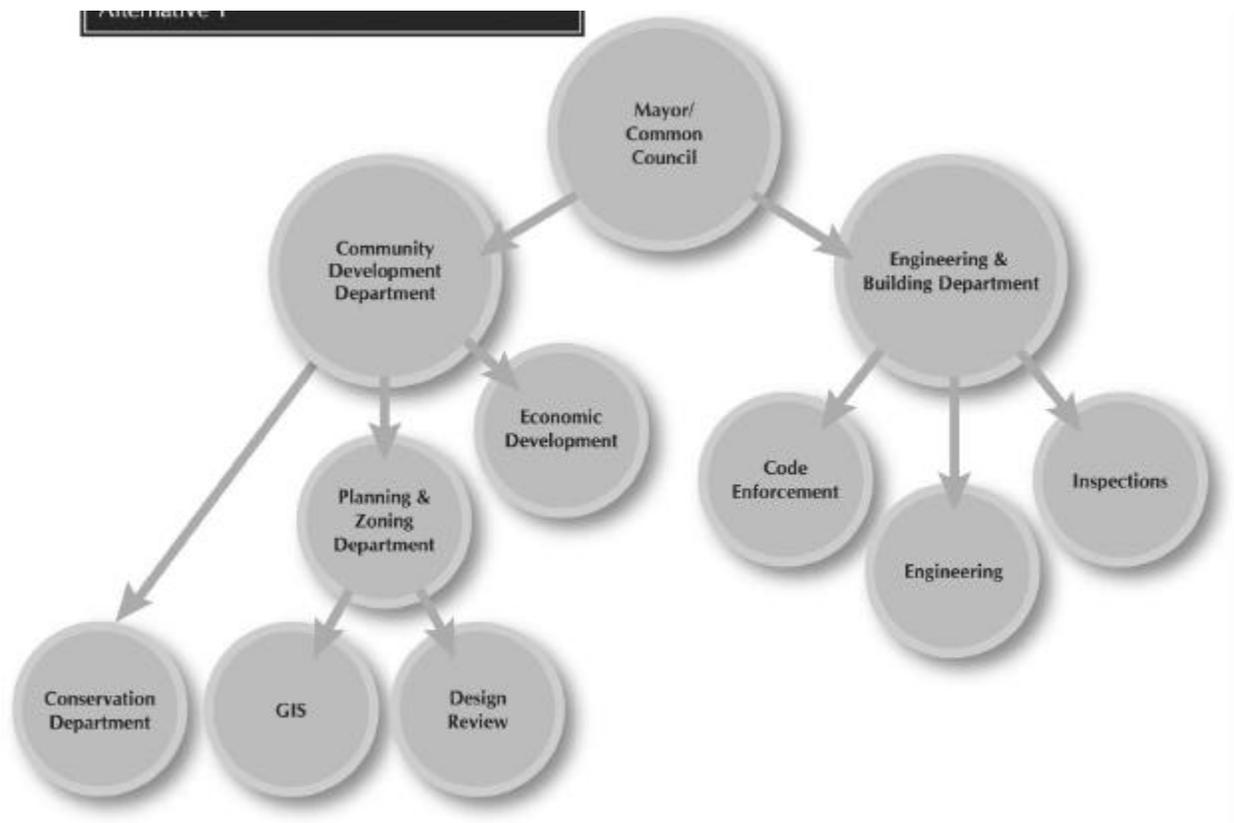
1. Alternative One

Under this alternative a designated economic development coordinator/planner would have equal standing with the City's Planning and Conservation Coordinators. All work among and between these teams would be managed by a Community Development Director with the authority to hire and manage staff, and to arbitrate any internal conflicts. This alternative contemplates separating the Engineering and Building Department from the Community Development Office so that occasional conflicts between them can be mediated by a third party; namely, the Mayor and/or City Council.

The potential problem with this type of organization is that it can pit City departments against one another, and expose otherwise compliant development projects to the vagaries of the

political process. It also places an additional burden on the Mayor and Council to referee internal disputes—something that should be properly handled at the administrative rather than legislative level.

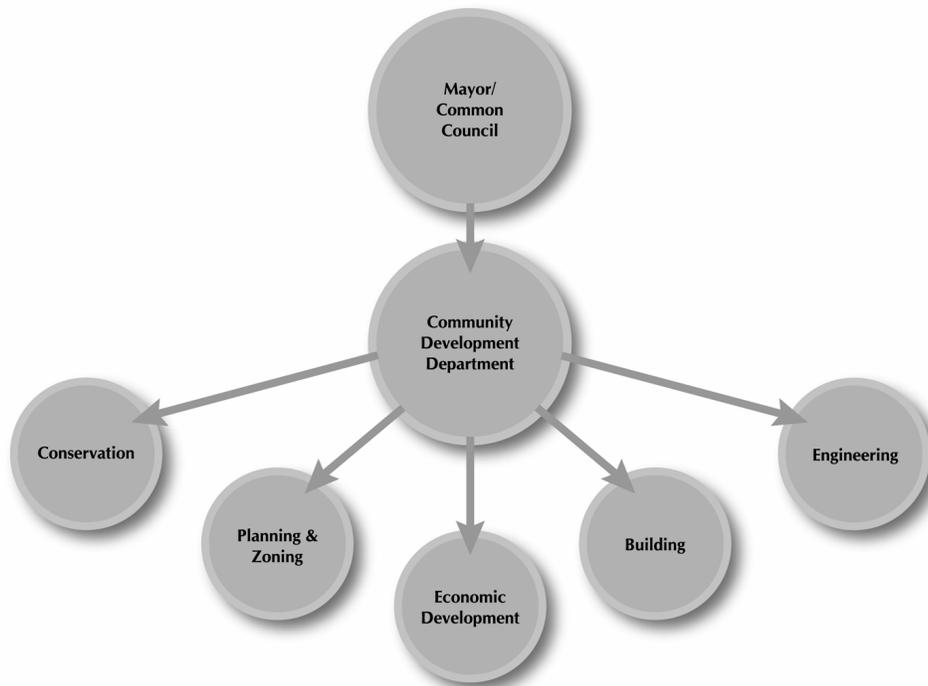
Figure 3: Administrative Support Structure—Alternative One



2. Alternative Two

Under this scenario, the work of all planning and development related departments would be consolidated under a supra-departmental Community Development Director. Each sub-office would have its own coordinator and support staff, with inter-departmental work coordinated and mediated by the Community Development official. The advantage of this type of structure is that elected officials will not be called upon to arbitrate conflicts thus helping to de-politicize administrative decision making. It does involve the creation of an executive level office with a considerable amount of administrative reach and responsibility.

Figure 4: Administrative Support Structure—Alternative Two



3. Alternative Three

A third alternative would involve the least administrative re-structuring and entail detaching the code enforcement function from the Planning/Community Development Department. This would help alleviate the potential for internal conflicts currently existing between the department's promotional role in community development and the more routine matters of code enforcement which can sometimes cloud this role. This alternative, however, still does not address the City's greater need for a dedicated economic development staff person.

Recommendation: Sponsor the creation of a Downtown Improvement/Management District

While direct public intervention can help spur reinvestment in downtown, revitalization efforts require a high level of private sector cooperation and buy-in. An effective way to achieve this is through the formation of a downtown management district sponsored by a local business or merchant's association. With the guidance of a downtown manager, associations can often be mobilized to work toward mutually supportive goals designed to improve the overall business climate within a community or district. Associations can sponsor special events intended to bring activity and shoppers downtown (e.g. fairs and sidewalk sales), and work on joint marketing and district management. They can also act as the collective voice of downtown business interests in dealing with local economic development agencies and City government. Creation of Downtown Merchant's Association was an earlier recommendation of the City's comprehensive plan. The redevelopment of the Parkland Mall site will likely play a pivotal role in building momentum for a management district and merchant's association.

Also recommended as part of the comprehensive plan was the creation of a Downtown Business Improvement District (BID). A BID involves a voluntarily imposed special assessment on local businesses, the proceeds of which are used exclusively for additional improvements and services within the district. BID funds may be used to finance physical improvements such as streetscaping, or they may be used to fund joint marketing materials, or special event programming on a district-wide basis. Operationally, BIDs resemble homeowners associations where additional fees are collected to fund public area improvements beyond those provided by the City.

One of the CDA's biggest challenges will be to work with downtown businesspersons to help economically reposition the downtown.

From an organizational standpoint, the main responsibility for improving Muskego's downtown area resides with the CDA. As stewards of the 'public trust' the CDA should solicit the input of the Merchants Association, and all downtown property owners, and balance their needs with competing economic development needs, and those of the community at large. One of the CDA's biggest challenges will be to work with downtown businesspeople to help economically reposition the downtown in the face of new commercial development both within and outside of the City.

C. ECONOMIC DEVELOPMENT TOOLS AND TECHNIQUES

1. Tax Increment Finance (TIF)

The City has a history of using tax increment financing to facilitate various development projects. TIF is the process of borrowing against future tax revenues to spur new private development and tax generation. This is achieved through the construction of public improvements designed to spur new private development.

The City currently has two active tax increment districts (TID). One of these, TID No. 8, encompasses the former Parkland Mall site and surrounding parcels. A lack of development activity within this district has warranted no new public improvements and therefore no new tax increment has been generated within the district. The City has only a few more years to start spending on the district before it expires. Another active district, TID No. 5, encompasses a portion of the retail area near the intersection of Janesville Road and Racine Avenue.

A new district, TID No. 9, is being proposed for a large area along Janesville Road from roughly Moorland Road to the City limits at Tess Corners. New commercial development benefiting from major roadway improvements is planned for much of this area. The area comprises proposed Redevelopment District No. 1. A plan for this redevelopment district has recently been adopted by the Muskego Common Council.

2. Business Development Corporation (Optional)

The graphic on the next page depicts an economic development organizational structure that includes a quasi-public Business Development Corporation. The need for a development corporation depends on how assertive a stance the City wants to assume in pursuit of a new business park or office campus, and the level of direct public marketing and management that it is likely to require. If it is felt that the local real estate market is strong enough to accomplish the City's goals without the need for a public-private intermediary, and if City Staff in its current or modified form is capable of handling project management tasks including marketing and design review, the City may wish to stay with a CDA only structure. The corporation's main role would be to spearhead the development of a 'high end' business park and other non-downtown based economic development activities.

3. The CDA's Role in Business Park Development

Under any institutional support structure Muskego's existing CDA would be responsible for redevelopment efforts in the downtown and in revitalization areas such as Tess Corners. Since they alone have the ability to issue tax-exempt industrial development revenue bonds, they could have a continued role in business development outside of the downtown. As with most development authorities, the CDA would exercise its powers to assemble land and issue (non-obligation) bonds as its main redevelopment tools. It will also be important that the City establish partnerships with the private sector as well as WCEDC, and that it is 'wired' into the community development resources of the Muskego Area Chamber of

Business Development Corporations

What Are They?

Chartered to advance public economic development initiatives, development corporations typically enter into cooperative agreements with municipalities to help carry out the goals of local economic development plans. Public officials are usually represented on the boards of these corporations but do not dominate them. Unlike development authorities, which are purely public non-profit organizations, development corporations are sometimes for-profit entities that act more like private capital syndicates. They are sanctioned by the City's governing body to advance public economic development initiatives, but they are not directly answerable to City government.

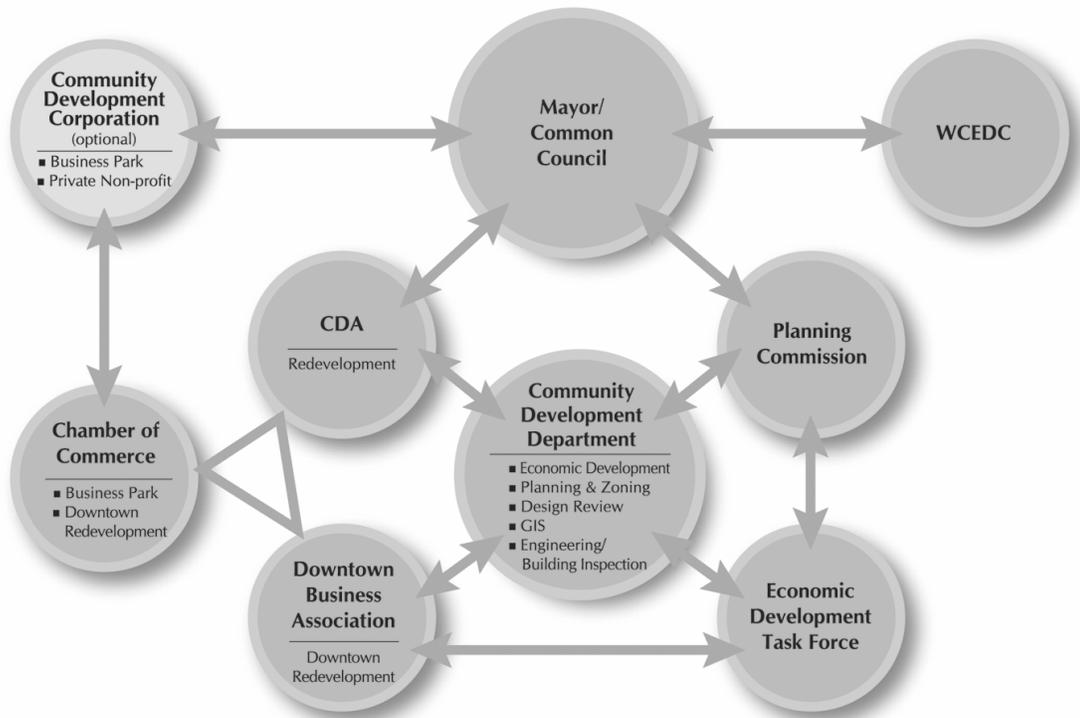
Such corporations are essentially vehicles to funnel tax benefits that normally accrue to non-profit corporations and their benefactors, to private for-profit investors. In exchange, the development corporation pursues projects that further public economic development objectives. Corporations also have the ability to sell stock; although in Wisconsin only CDAs have the authority to issue tax-exempt bonds. In short, corporations are more entrepreneurial than CDAs in their activities, and seek to align the objectives of private business to those of the municipality by inserting itself as an active 'player' in the local development market. By contrast, CDAs are more generally viewed as an arm of the local government using traditional government powers of condemnation and bonding to carry out mostly redevelopment work.

In most cases, a business development corporation's main purpose is to leverage private capital resources to advance community economic development goals. When organized as non-profit corporations, they can solicit tax deductible contributions from private donors and solicit grants from governmental bodies. They can enter into partnerships with for-profit developers, or buy and develop real estate on their own. A common activity of development corporations is to purchase property and resell or lease it to private developers. This arrangement allows the public corporation to retain control the land, and helps the private entity reduce its initial investment outlays. Through its ability to master plan entire tracts of land and to attach restrictive design covenants to subsequent sales, this arrangement is especially useful where strict design and environmental controls are necessary.

In cases where the business development corporation contributes equity to a development project, they can help private development corporations qualify for financing that may otherwise be out of reach, and help share the risks associated with development. Because of their non-governmental status, business development corporations can often act more boldly than municipal economic development staffs who have to balance the competing interests and who, for various reasons may not enjoy the full trust of the business community. By taking on the primary responsibility for new business development, they can also help insulate elected officials from some of the political fallout associated with controversial development projects.

Commerce, WHEDA, and WCEDC. As part of this strategic plan it is recommended that the City web-site be used as an electronic kiosk and virtual guide for economic development and include information on land availability tax structure, demographic and market study highlights, economic development programs, zoning and contact information. The organizations and agencies just mentioned, along with several others, should be linked to the site as part of a multiple resource 'web-ring' for economic development.

Figure 5: Conceptual Economic Development Network



4. Industrial Development Revenue Bonds

The CDA's primary role in bringing new manufacturing-related development into the community is through its power to authorize double tax-exempt revenue bonds. These are not general revenue bonds backed by the full faith and credit of the municipality. Rather, they are the direct obligation of the businesses that take advantage of this source of low cost capital financing. The double tax-exempt status of these bonds allows the bond issuer to offer a much lower interest rate (thus providing a much lower-cost financing option) than what is available in private capital markets. Typically, a municipality develops certain criteria to establish eligibility and allowable debt such as number of jobs created or the amount of overall capital investment.

5. Revolving Loans

The WCEDC currently operates a revolving loan program that provides gap financing to area businesses. Starting such a program at the local level should be done with great care, and should be targeted to specific types of non-retail/employment-based 'new economy' businesses. For Muskego, these may include small, 'clean' professional, medical service, or bio-processing firms.

To ensure solvency of the program, it is recommended that revolving funds be available only to businesses that are otherwise capable of being privately financed, but might be swayed to locate in Muskego if they can get some lower interest funding from the City.

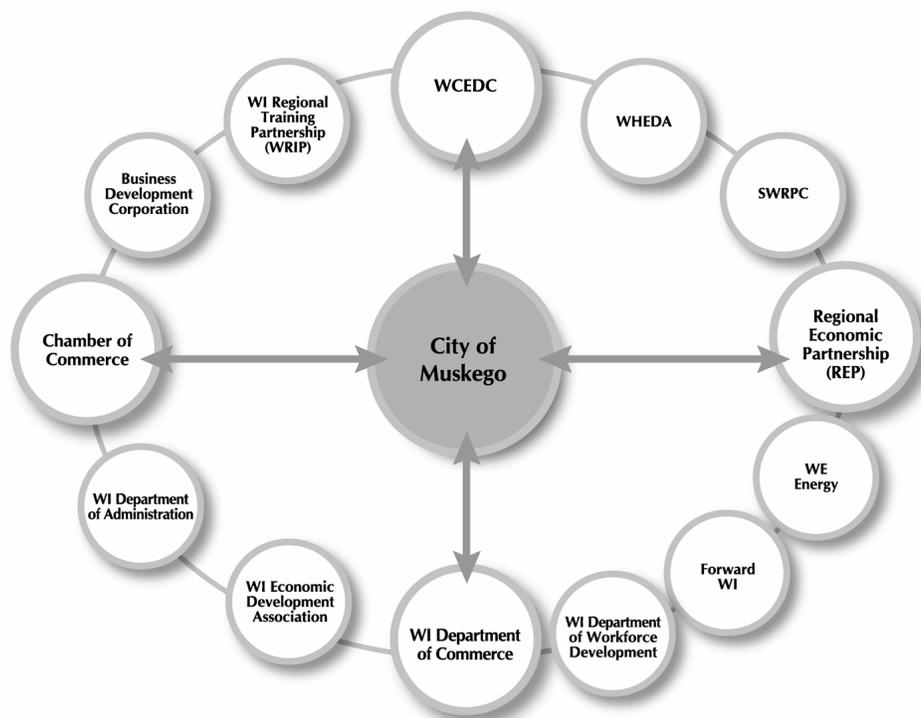
Revolving loan programs serving retail businesses are sometimes effective in growing or retaining locally owned businesses, but tend to be far riskier. Generally, these are the types of businesses that have a difficult time being financed privately. Because of this, interest rates on the revolving funds can be comparable to rates otherwise available in private capital markets. In all cases financial matching requirements should be fairly high. Revolving funds can be capitalized through TIF or general revenues/bonds.

6. Design Review Committee (optional)

The development of a quality business park will require a high degree of design oversight. Historically, the City has resisted the creation of design review committees with City staff assuming the design review function. However, the existence of a design review committee may also help assuage fears within the community that a standard-variety industrial park will be acceptable. It will signal that very high standards of design and environmental sustainability will be required under a multiple public review process.

The committee’s purview could also extend to all other areas of the community where special design criteria are in effect including Tess Corners, the downtown, and the Racine Avenue design district. The committee would act in an advisory capacity to the Plan Commission. The committee should include professionals in the design fields such as architects, landscape architects, land planners, or engineers, as well as real estate professionals or a combination thereof. If volunteer members for the committee prove difficult or impossible to recruit, paid service should be considered. These services should be paid for by the developer on a per project basis.

Figure 6: Economic Development Web-Ring



APPENDIX A: DESIGN STANDARDS

APPENDIX B: MARKET ANALYSIS

APPENDIX C: VISION FORUM RESULTS

APPENDIX D: PRESENTATION ON "SUSTAINABILITY"
(October 2002)

