

ENROLLED RESOLUTION 176-3

ACCEPTANCE OF THE COMPREHENSIVE ECONOMIC DEVELOPMENT
STRATEGY (CEDS) FOR SOUTHEASTERN WISCONSIN: 2021 - 2025

WHEREAS, the Southeastern Wisconsin Regional Planning Commission (SEWRPC) worked with economic development organizations and businesses within the region to update the Comprehensive Economic Development Strategy (CEDS) for the Southeastern Wisconsin Region, which includes the Counties of Kenosha, Milwaukee, Ozaukee, Racine, Walworth, Washington, and Waukesha; and

WHEREAS, the U.S. Economic Development Administration (EDA) requires regions to update the CEDS every five years to identify economically distressed areas and enable governments to be eligible to apply for grants under the EDA's Public Works and Economic Adjustment programs; and

WHEREAS, the CEDS recommends that economic development efforts focus on strengthening the Region's economy through business exports, workforce development, innovation and entrepreneurship, economic place-making, infrastructure improvements, and enhanced public-private and interagency cooperation; identifies key cluster industries believed to have the best potential for economic growth, expansion, and attraction in Southeastern Wisconsin; and includes an action plan and proposed economic development projects in the Region; and

WHEREAS, in addition to setting forth a strategy for economic growth in the Region, the CEDS is intended to meet the requirements of the U.S. Department of Commerce - Economic Development Administration (EDA) for such work, strengthening efforts to secure Federal funding for projects in the seven-county Region that have a particular focus and impact on economic development, particularly projects that will benefit economically distressed areas; and

WHEREAS, following adoption of the CEDS by the seven County Boards in the Region, SEWRPC would request designation of the Region as an Economic Development District by the U.S. Department of Commerce – Economic Development Administration; and

WHEREAS, adoption of the CEDS by Waukesha County would make Waukesha County and local governments within Waukesha County eligible to apply for EDA grants.

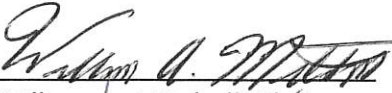
THE COUNTY BOARD OF SUPERVISORS OF THE COUNTY OF WAUKESHA RESOLVES support of the regional economic development strategy set forth in the CEDS and hereby accepts the Comprehensive Economic Development Strategy for Southeastern Wisconsin for the period 2021 through 2025.


BE IT FURTHER RESOLVED that the key action elements of the CEDS be incorporated into the economic development chapter of the Comprehensive Development Plan for Waukesha County for implementation consistent with the requirements of s.66.1001 Wisconsin Statutes.

BE IT FURTHER RESOLVED that the County Clerk shall transmit a certified copy of this resolution to the Southeastern Wisconsin Regional Planning Commission.

ACCEPTANCE OF THE COMPREHENSIVE ECONOMIC DEVELOPMENT
STRATEGY (CEDs) FOR SOUTHEASTERN WISCONSIN: 2021 - 2025


Presented by:
Land Use, Parks, and Environment Committee


William A. Mitchell, Chair


Keith Hammitt


Thomas A. Michalski


Chris Mommaerts



Richard Morris


Thomas J. Schellinger

Absent

Steve Whittow

The foregoing legislation adopted by the County Board of Supervisors of Waukesha County, Wisconsin, was presented to the County Executive on:

Date: July 30 2021, 
Margaret Wartman, County Clerk

The foregoing legislation adopted by the County Board of Supervisors of Waukesha County, Wisconsin, is hereby:

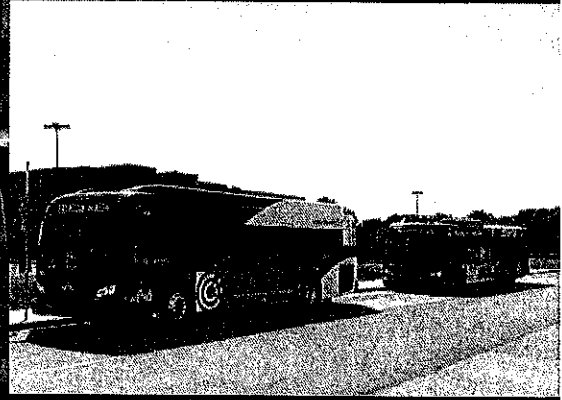
Approved: X

Vetoed: _____

Date: 7/30/2021
PH


Paul Farrow, County Executive

comprehensive economic development strategy
for southeastern wisconsin: 2021-2025



draft summary

CEDS
comprehensive economic development strategy

- 1** introduction
- 2** summary background
- 6** swot analysis
- 7** strategic framework/action plan
- 13** implementation

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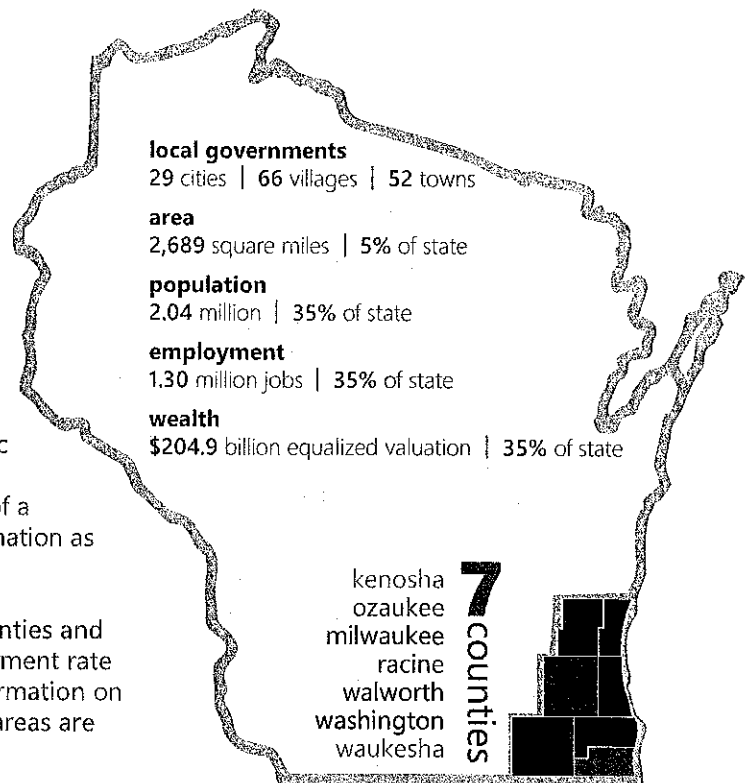
What is the CEDS?

The CEDS is a strategy-driven plan for regional economic development that brings together members of the public and private sectors. The CEDS is being led by the Milwaukee 7 Regional Economic Development Partnership (M7) in collaboration with the Southeastern Wisconsin Regional Planning Commission (SEWRPC).

Why is the CEDS Important?

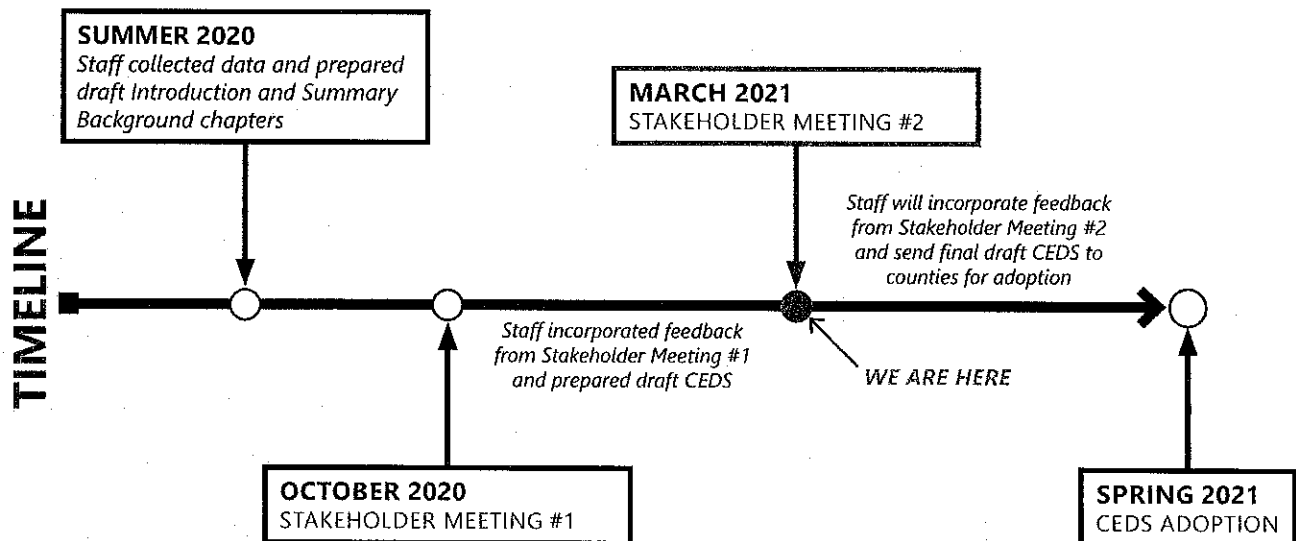
The Region must prepare a new CEDS at least every five years for communities and organizations within the Region to qualify for funding through the U.S. Economic Development Administration's (EDA) Public Works and Economic Adjustment Assistance programs. Adoption of a CEDS is also required for the Region to seek EDA designation as an Economic Development District (EDD).

For purposes of its grant programs, EDA identifies counties and census tracts in economic distress based on unemployment rate and per capita income. See the full draft for more information on economically distressed areas, including where those areas are located within the Region.



Provide Input on the Draft CEDS

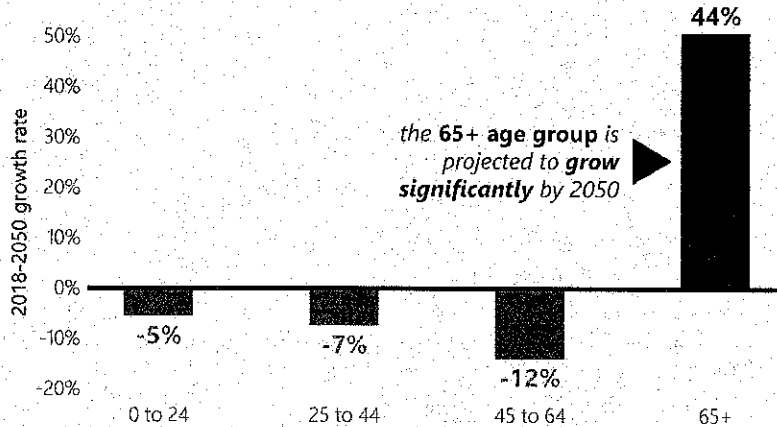
M7 and SEWRPC are seeking input on the draft 2021-2025 CEDS, particularly the Strategic Framework/ Action Plan. The draft CEDS is summarized on the following pages. A virtual stakeholder meeting will be held on March 16, 2021, to discuss the draft CEDS and provide an opportunity to ask questions and provide feedback. To view the full draft CEDS, find out how to provide feedback, and register for the meeting, visit www.sewrpc.org/CEDS. **Public comments will be accepted through March 31, 2021.** M7 and SEWRPC will consider all comments prior to preparing the final CEDS, which will then be considered for adoption by each county and SEWRPC.



The Summary Background provides insights into the historical, existing, and projected conditions impacting the Region's economy and some of the key findings of those insights are summarized here. See the full draft for more information on the following topics and those not covered in this document.

population overview

Historically, the Region has grown slowly but steadily, outpaced by both statewide and national growth. This trend, which can result in a shortage of workers to fill jobs, is largely expected to continue. By the year 2050 the Region's population is projected to increase by 18% from 2.04 to 2.42 million with all counties in the Region projected to grow to varying degrees over the next few decades.



aging population

The number of residents age 65 and older in the Region is projected to increase significantly, reflecting the aging of the Baby Boomer generation. Coupled with the overall population growing at a slower pace than jobs, this means there will not be enough workers to fill additional, new jobs.

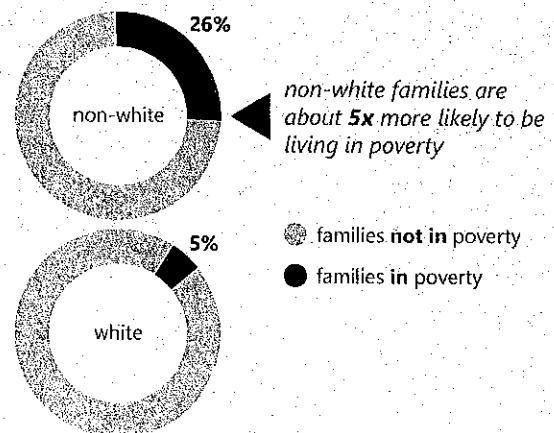
Source: U.S. Census Bureau American Community Survey and SEWRPC

educational attainment

The Region has relatively high educational attainment and has seen an overall improvement in the past decade. However, educational attainment varies greatly by county, and geographic and racial disparities, particularly impacting lower-income students in the Region's central cities, present a major workforce challenge.

racial and ethnic disparities

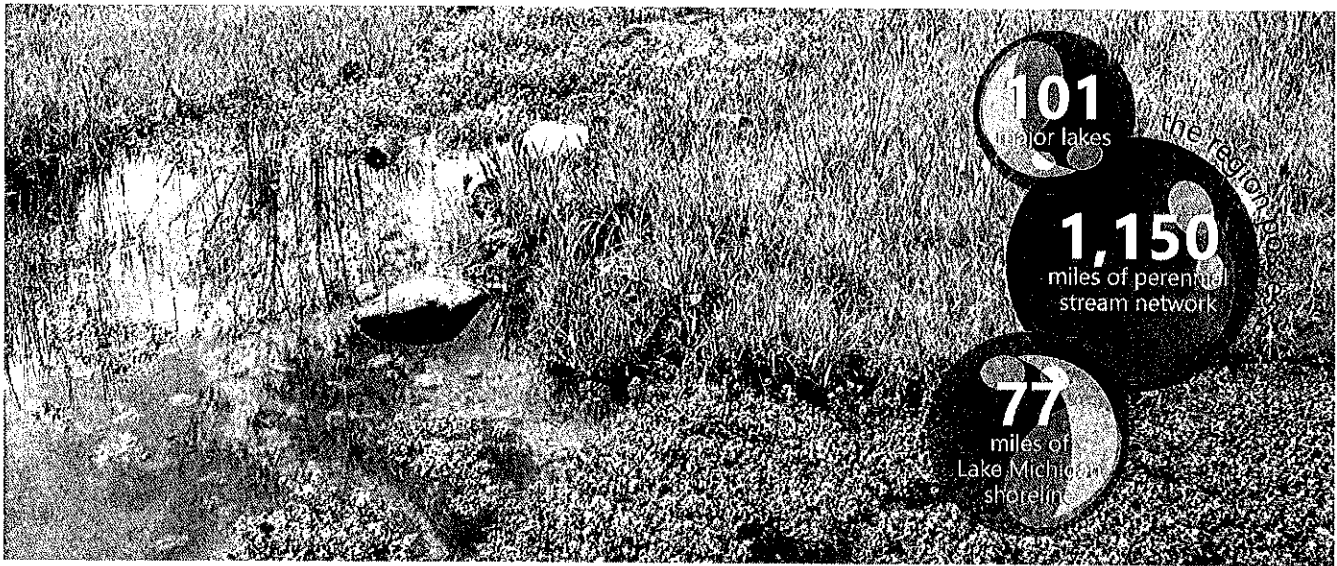
The presence of continued poverty among people of color in Southeastern Wisconsin is well known, particularly in the Region's urban cores. Milwaukee metro area disparities in terms of educational attainment, personal income levels, and poverty rates between whites and people of color are far more pronounced than the disparities in almost all other metro areas in the country.



Source: U.S. Census Bureau American Community Survey and SEWRPC

housing

Housing affordability is a major obstacle faced by many communities within the Region as more than half of renters pay more than 30% of their income for housing compared to less than a quarter of owners. A shortage of affordable housing near job concentrations outside the Region's central cities makes it more difficult for businesses to attract or retain workers, which limits economic productivity.



the region has **633** square miles (about **24%** of the region) of environmental corridors and isolated natural resource areas

natural resources

Surface water resources are integral to the Region's natural resource base. They contribute not only to recreational opportunities and quality of life within the Region but also to economic development opportunities. Lake Michigan is a major water source, in addition to providing numerous recreational and economic development opportunities.

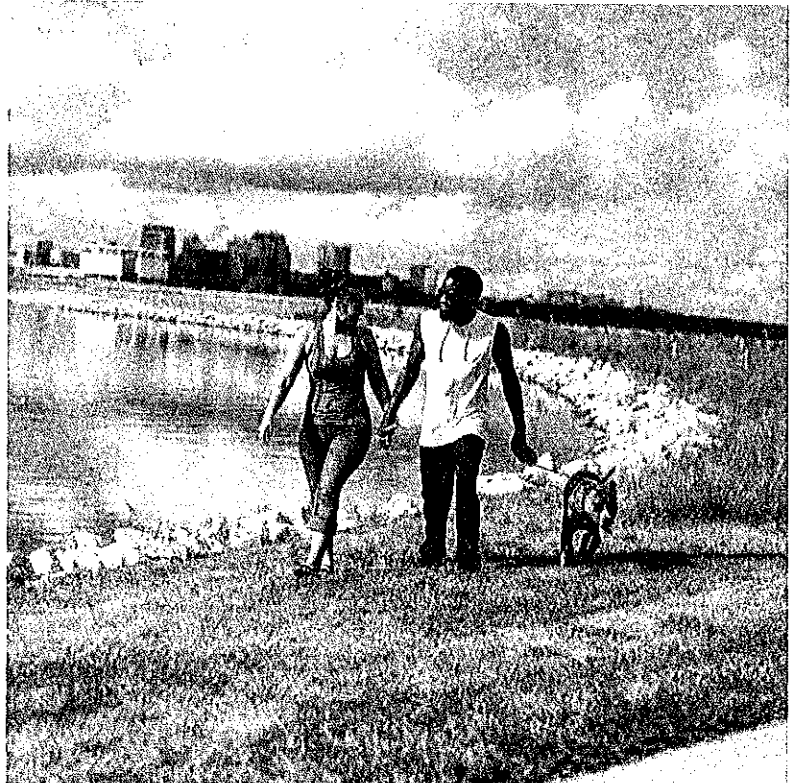
In Southeastern Wisconsin, environmental corridors have been delineated to help preserve the Region's best remaining natural resources, such as wetlands, woodlands, surface water, and wildlife habitat.

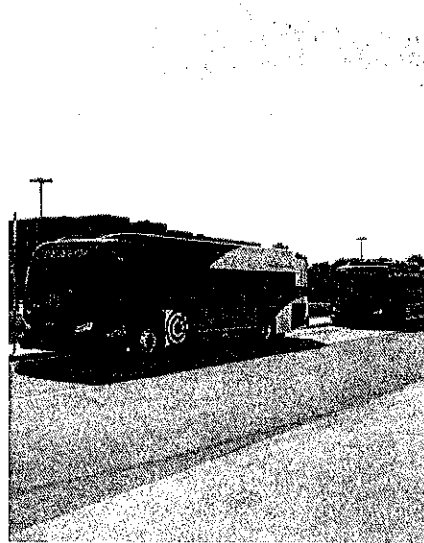
tourism and cultural resources

Tourism and cultural resources are important components of the regional economy as the Leisure and Hospitality sector accounted for 10% of the Region's total employment in 2018. In 2019, the Region saw visitors spend \$4.37 billion, a 4% increase from 2018 and a 39% increase over 2009 spending.

parks

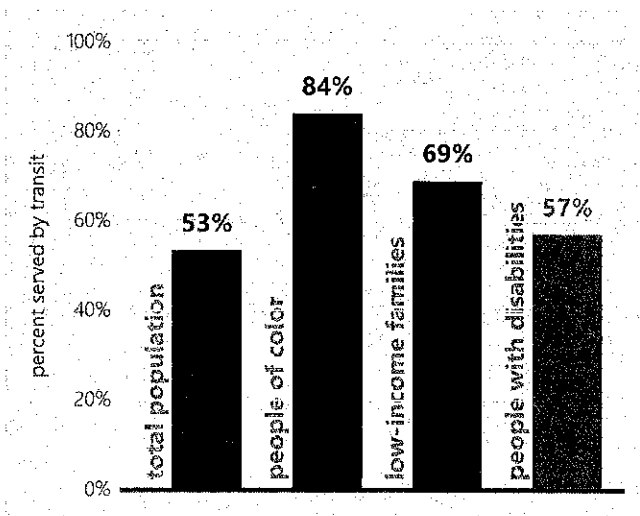
The Region's abundance of parks and natural amenities allow residents and visitors to golf, camp, fish, boat, swim, and explore miles of trails and scenic landscapes, including world class recreational areas such as Lake Michigan and the hills and glacial formations of the Kettle Moraine. The park system helps to ensure that the Region's abundant natural resources are preserved and enjoyed for generations to come.



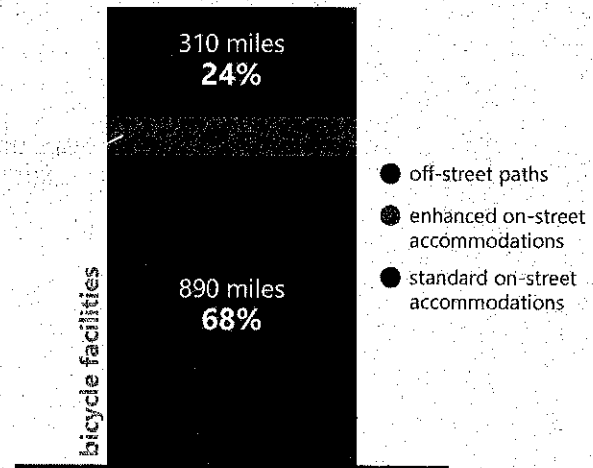


broadband

The availability of high-speed broadband internet is essential to the Region's economic competitiveness and quality of life. A vast majority of the Region has access to broadband internet services exceeding the industry standard, but there is a need to expand speed and availability in rural areas and increase access and affordability in urban areas. In particular, many neighborhoods in the City of Milwaukee have low home broadband internet subscription rates.



Source: U.S. Census Bureau, U.S. Census Bureau American Community Survey, and SEWRPC



Source: SEWRPC

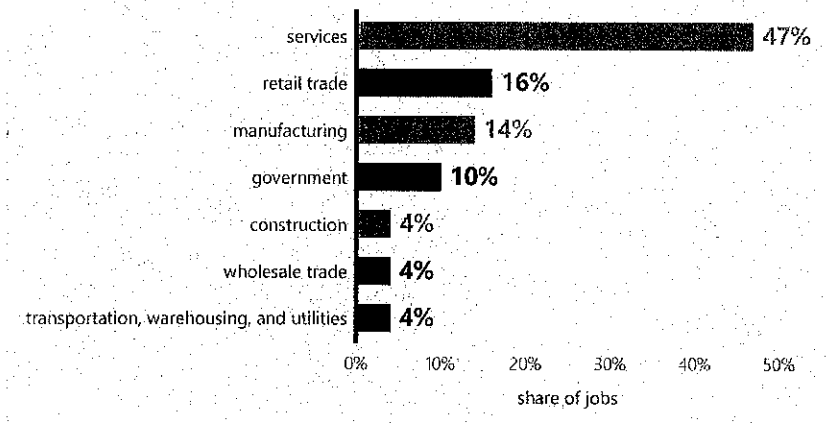
transportation

The street and highway system performs well compared to peer metro areas across the country, but faces a major challenge in identifying adequate funding for new construction, reconstruction, and maintenance projects. Similarly, the Region's transit systems are highly efficient compared to peers, but face a daunting funding shortfall and resulting challenges, including maintaining ongoing operations, connecting residents to jobs in neighboring counties, and declining ridership levels.

The Region boasts over 1,300 miles of bicycle facilities, including paths and on-street facilities, which have been continually expanding. Milwaukee Mitchell International and Chicago O'Hare airports, Port Milwaukee, Amtrak, and the Region's railroads round out a multimodal transportation system that provides valuable inter-regional connections for both passengers and freight.

employment overview

By the year 2050 the Region's employment is projected to increase by 9% from 1.31 to 1.42 million with all counties projected to grow to varying degrees over the next few decades. Employment as a whole has been increasing at a slower rate than in most regions of comparable size in the U.S. Unemployment in the Region is comparable to the State and Nation but there are major disparities in unemployment rate by race and ethnicity. In addition, the COVID-19 pandemic initially more than tripled unemployment rates in every county. Rates have been decreasing but remain higher than in 2019 and the long-term economic impacts of the pandemic remain unknown.



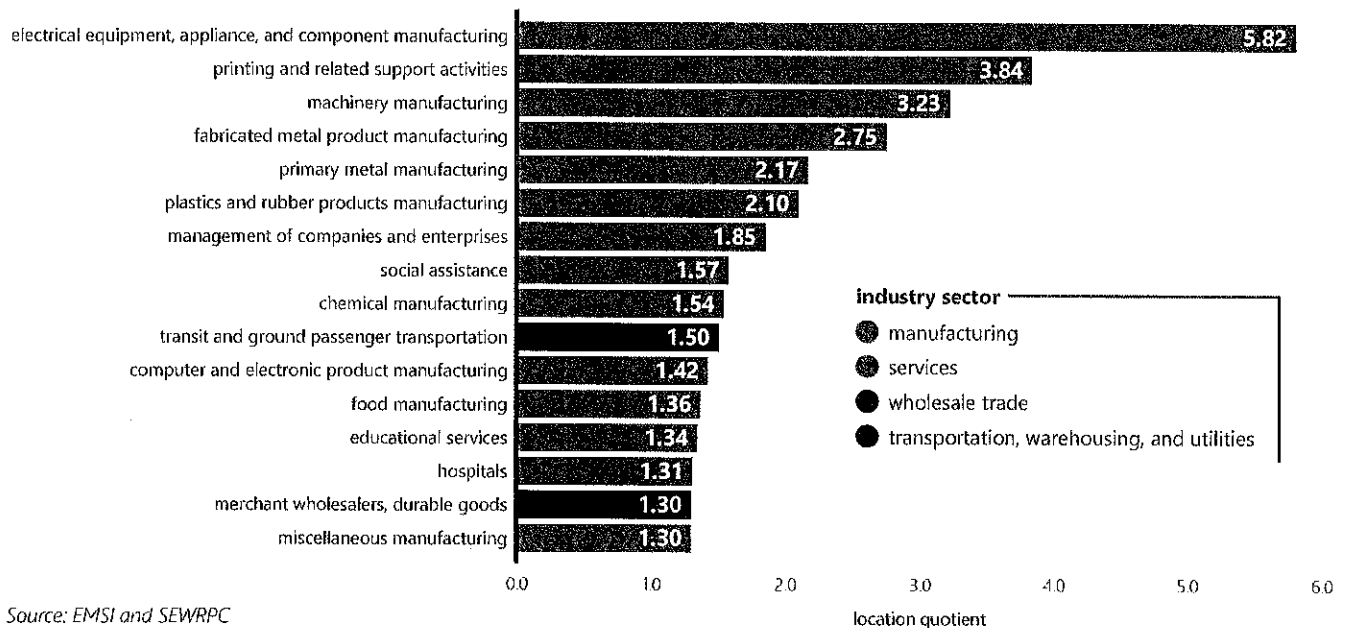
industry breakdown

Though the industry mix of employment in the Region reflects the continuation of a long-term shift from a manufacturing-oriented economy to a service-oriented economy, the manufacturing sector remains a significant source of jobs when compared to peer regions across the country.

Source: EMSI and SEWRPC

location quotients

The Region has a larger share of jobs in many advanced manufacturing sectors compared to the Nation, which demonstrates a significant competitive advantage in these industries and an opportunity to promote growth through aligning education and workforce training efforts with the needs of employers in these sectors.



Source: EMSI and SEWRPC

innovation and entrepreneurship

The Milwaukee metro area's shares of scientists, engineers, and technology-dependent occupations are higher than those of most peer metros and the U.S. average. However, the metro area has performed poorly relative to its peers in measures of entrepreneurship such as small business activity, minority business ownership, venture capital investment per capita, and ratio of business births to deaths.

A Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis is a strategic tool used to ensure that there is a clear objective informed by a comprehensive understanding of a region's capabilities and capacity. The first public and stakeholder involvement opportunity in fall 2020 centered on getting feedback on the SWOTs provided in the 2015-2020 CEDS and identifying other new SWOTs to be added to the 2021-2025 CEDS.

The following are some key SWOTs identified for the 2021-2025 CEDS but do not represent an exhaustive list. More information on the SWOT analysis, with a complete breakdown of each category, can be found in the full draft.



strengths *a region's competitive advantages, often internal in nature*

- ▶ Leading manufacturing region in the U.S. with robust university research and engineering programs, technological advantages, and a high concentration of manufacturing employees across various skill levels
- ▶ Strong clusters in energy, power, and controls; water technology; food and beverage manufacturing; electronics manufacturing; tourism and hospitality; financial and insurance services; headquarters and business services; medical technology, bioscience, health services, and pharmaceuticals; and aerospace and aeronautics



weaknesses *a region's relative competitive disadvantages, often internal in nature*

- ▶ Racial disparities in areas such as employment, income, educational attainment, transportation options, affordable housing options, and affordable access to broadband internet
- ▶ Policy differences that limit cooperation among the various communities in the Region



opportunities *chances or occasions for regional improvement or progress, often external in nature*

- ▶ Enhance the capacity of small- and medium-sized manufacturers to adapt to ongoing rapid technological transformation
- ▶ Improve entrepreneurial climate through the continued growth of startup support organizations, programs, and resources



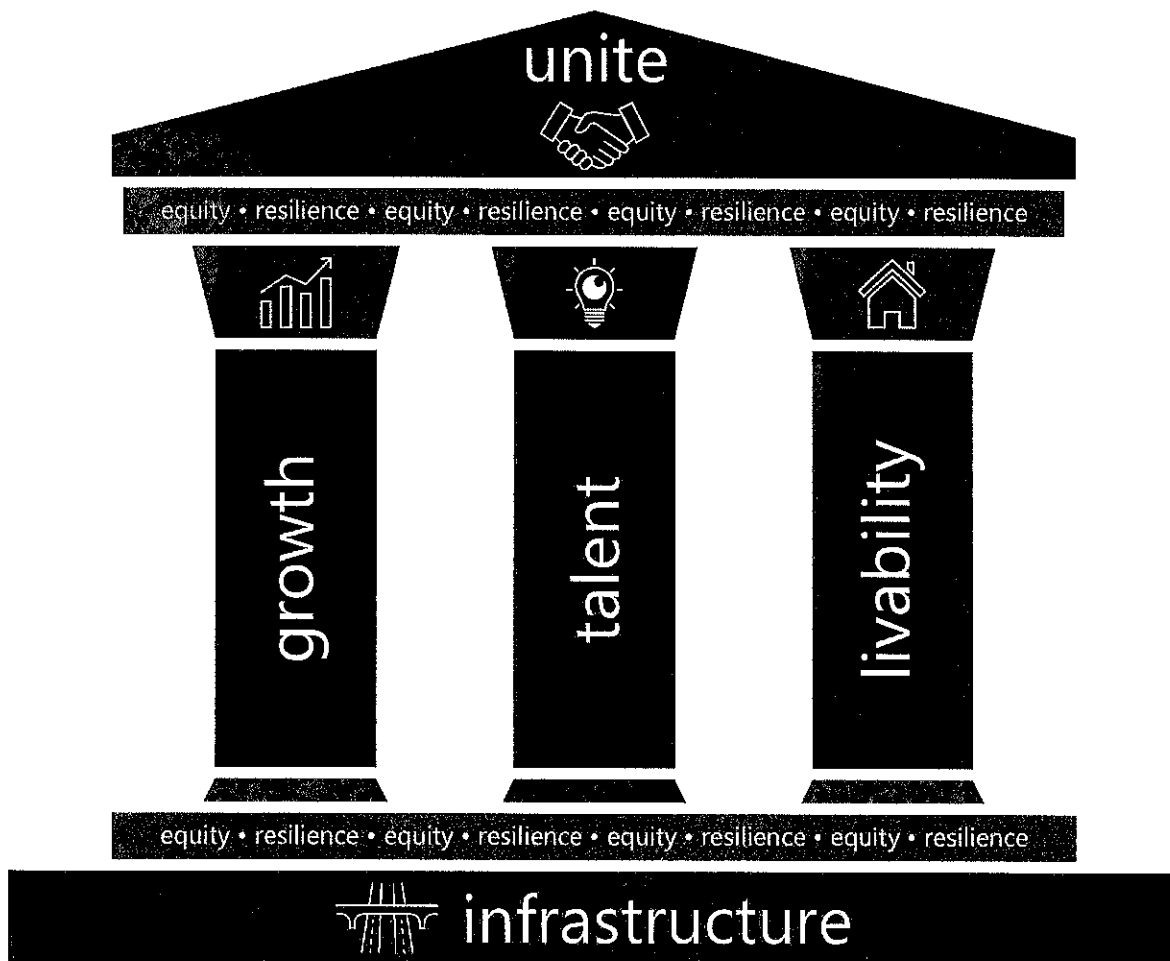
threats *chances or occasions for negative impacts on the region or regional decline, often external in nature*

- ▶ Aging population and workforce
- ▶ Talent shortage and misaligned workforce without the skills to meet the needs of employers, especially in the manufacturing sector

The Strategic Framework/Action Plan for the 2021-2025 CEDS includes the economic development vision, goals, and strategies for the Region, as well as a set of action steps to achieve the vision and goals and implement the strategies. This was informed by the Summary Background information, the results of the SWOT analysis, input from regional stakeholders, *The M7 Framework for Economic Growth*, and M7's *Prosperity 2025* campaign report. These components helped shape the Region's economic development vision to be a globally competitive region that fosters innovation, collaboration, sustainable prosperity, and a high quality of life for all.

goals, strategies, and actions

The Strategic Framework/Action Plan is organized around five goals, each featuring a set of underlying strategies and actions. As depicted in the graphic, the overarching first goal is to unify the Region around a comprehensive approach to economic development based on the three key pillars of Growth, Talent, and Livability, all supported through the provision of a modern, efficient regional infrastructure. The issues of economic resilience and equitable access to jobs and other opportunities are integral to the Region's economy and are incorporated throughout the CEDS goals rather than being addressed individually. Refer to the full draft for more on the importance of economic resilience and equity in crafting the goals, strategies, and actions. The goals presented in this section are broad regional intentions or expectations that build upon the economic development vision, while the strategies lay out the overarching plan or approach to achieve the goals. The actions, which present more specific steps to be undertaken under each strategy, can be found in the full draft.



unite



goal 1

Unite the Region around a comprehensive, equitable, and ongoing economic development agenda built on the pillars of Growth, Talent, and Livability

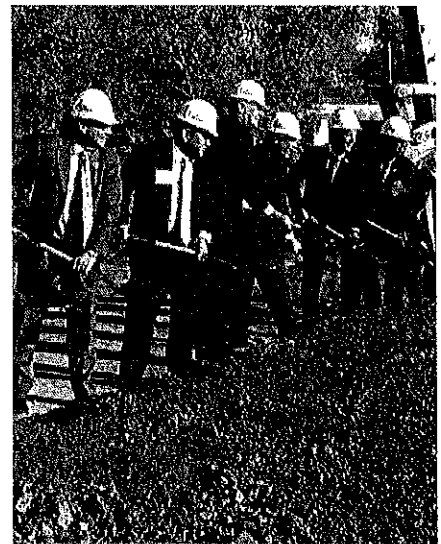
Government fragmentation and disjointed approaches to economic development activities hamper growth potential in the Region. These conditions create a complicated and costly environment in which to do business and encourage intra-regional competition that results in sub-optimal outcomes for the Region. Prevailing economic development agendas must be reimagined and a unified, focused regional approach that is based on sound planning and emphasizes equitable access to economic opportunity is needed to continually enhance the Region's competitiveness.

As the COVID-19 pandemic has shown, economic disruption can come suddenly and regions must be able to quickly adapt to changing economic conditions. To maintain and enhance its competitiveness, the Region must build on its strengths and position itself to attract people, jobs, and investment.

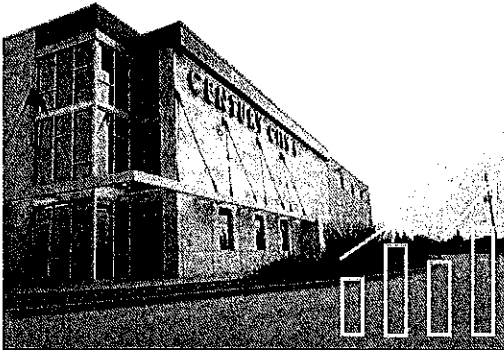
STRATEGY 1.1: Enhance regional cooperation and inter-jurisdictional collaboration for economic growth

STRATEGY 1.2: Develop and implement a structured, regional process to continually analyze the economy and strategically adapt to evolving economic conditions

STRATEGY 1.3: Support public policy and processes that will foster achievement of the regional vision and goals to improve the Region's competitive standing



growth



goal 2

Grow, expand, and attract businesses

Despite experiencing acute challenges in the face of significant global economic change, the Region continues its strong track record of economic stability, led by manufacturing, research, and development. Indeed, metro Milwaukee is one of only a handful of regions to remain a top-25 U.S. metro, defined by per capita income, for more than 40 years. To remain, and climb, in these rankings the Region needs to pursue projects that add high-value jobs by creating and expanding existing businesses and attracting new businesses to the Region, with a focus on specific industry clusters that offer competitive advantages in the global economy.

As the global economy continues to undergo a shift toward more knowledge-intensive products, services, and processes, regional economic growth has become increasingly dependent on the capacity to foster innovation and adapt to pervasive technological transformation. Additionally, the Region needs to continue to bolster its entrepreneurship ecosystem by enriching the array of technical support, funding, and other resources available to startups and minority entrepreneurs.

- STRATEGY 2.1: Create a comprehensive growth strategy, targeting specific areas of investment, based on an economic analysis of the causes, supports, and deterrents of economic growth
- STRATEGY 2.2: Leverage regional and State assets to facilitate corporate retention, expansion, and attraction
- STRATEGY 2.3: Focus on developing the Region's overall crosscutting technology disciplines that are embedded in every sector of the economy and that are critical to our Region's economic success in the new global digital economy
- STRATEGY 2.4: Build on the Region's strength as a leading manufacturing center and an anchor of many international supply chains, growing this critical sector by improving the competitiveness and resilience of individual operations and supporting a vibrant manufacturing ecosystem
- STRATEGY 2.5: Advance specific industry clusters that offer competitive strengths, assets, and supply chain advantages in the global economy and can be positioned for increased investment and growth from within and outside the Region
- STRATEGY 2.6: Foster a dynamic, richly networked innovation and entrepreneurship ecosystem, building on nascent but fragmented activities
- STRATEGY 2.7: Enhance the export capacity and capability of the Region's firms, focusing on small- and medium-sized enterprises

talent



goal 3

Ensure a qualified workforce that meets the future needs of employers

Perhaps the most critical factor for increasing the productivity, and therefore overall growth prospects, of the Region's clusters is to upgrade and better align the skills of the workforce with the occupations that are and will be demanded by employers. Recent efforts by MMAC and M7 to maximize talent supply and skills alignment have focused on developing innovative, collaborative approaches tailored around four distinct talent pools:

- ▶ **Current Workforce:** Reskilling and upskilling those already employed is likely to be a main point differentiating U.S. regions whose fortunes rise and fall in the new economy
- ▶ **Educational Pipeline:** In addition to increasing educational attainment, greater awareness, development, and alignment of the specific skills needed by employers is crucial to ensuring a qualified regional workforce
- ▶ **Untapped Potential:** Enabling employment of those who have typically experienced barriers to workforce participation (e.g., non-high school graduates, formerly incarcerated, and single female household leads), has emerged as a key component of regional workforce development efforts, including MMAC and M7's Region of Choice initiative
- ▶ **Out of Market:** Faced with slow population growth and an aging workforce, the Region needs to attract talent from outside the Region to meet future workforce needs

STRATEGY 3.1: Ensure the skills of the Region's Current Workforce meet the needs of employers

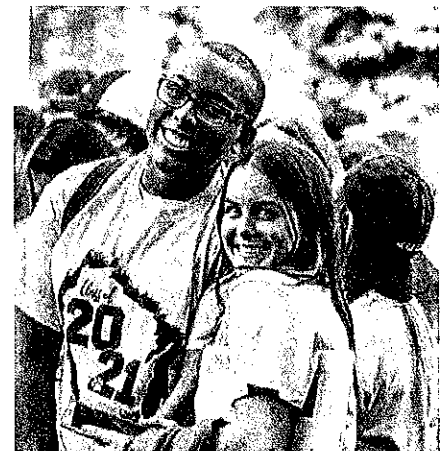
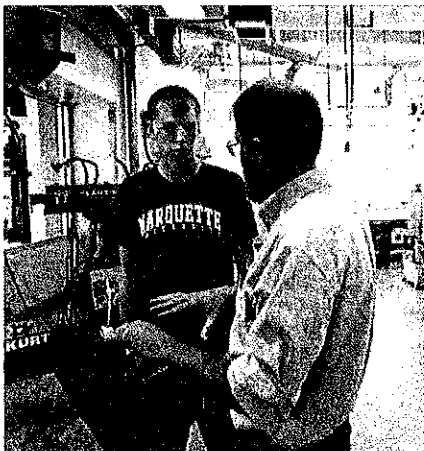
STRATEGY 3.2: Better align the efforts of the Region's Educational Pipeline with the needs of employers

STRATEGY 3.3: Foster greater employment of the Region's nontraditional, or Untapped Potential, talent pool

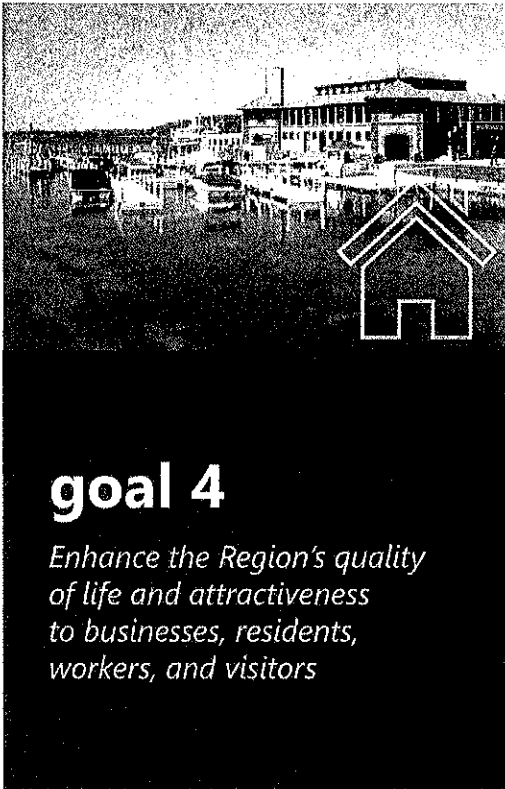
STRATEGY 3.4: Attract Out of Market talent to the Region

STRATEGY 3.5: Continue and expand efforts to engage businesses to position Southeastern Wisconsin as a region of choice for diverse talent

STRATEGY 3.6: Align workforce development with growth opportunities in targeted, high-potential industry clusters and sectors through employer-led sector collaborations



livability



goal 4

Enhance the Region's quality of life and attractiveness to businesses, residents, workers, and visitors

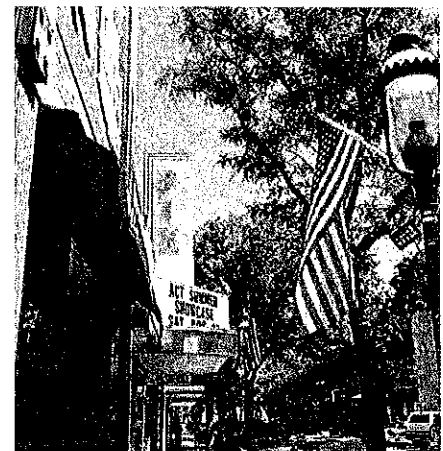
A high quality of life and perception of the Region as an attractive, safe, and healthy place to live, work, and visit are integral components in the Region's prosperity. Southeastern Wisconsin boasts numerous strengths in this regard, including a diverse array of cultural and recreational opportunities, strong educational and health care systems, and other urban amenities along with an attractive balance of rural and natural areas. Along with these strengths are challenges the Region needs to confront to retain and enhance its attractiveness. Chief among these challenges is addressing the significant racial and economic disparities and segregation present in the Region. Supporting policies and practices that promote sustainability, connectivity, and inclusivity will only serve to enhance the overall attractiveness of the Region.

A shift in regional development and redevelopment patterns has begun to take place through major targeted efforts throughout the Region. Catalyzing additional development that follows the next-economy principles of density, mixed uses, and strong physical and virtual connections between residential and commercial activity will further accelerate the Region's growth.

STRATEGY 4.1: Support sustainable development that balances economic growth and quality of life

STRATEGY 4.2: Enhance and promote the attractiveness of the Region to residents, businesses, workers, and visitors

STRATEGY 4.3: Support policies and initiatives that seek to remedy racial and economic segregation and address long-standing disparities between whites and people of color



infrastructure



goal 5

Modernize regional infrastructure to enhance efficiency, cost-effectiveness, and connectivity

High-quality infrastructure, including a mix of transportation, broadband, and reliable energy, contributes to the Region's economic growth and enhances the productivity of private-sector firms. The role of transportation infrastructure – facilitating the efficient movement of people and goods into, out of, and within the Region – is particularly critical. Reliable and cost-effective utilities such as electricity, natural gas, water, and sewer, and providing modern, reliable, and affordable communications infrastructure that ensures the digital connectedness of businesses and residents, are essential to the Region's economic competitiveness.

The Region's streets and highways face a significant funding shortfall, making it difficult to maintain and reconstruct them in a timely manner. Given an expected increase in the frequency of large storm events, ensuring transportation infrastructure is resilient to flooding is also critical. Transit systems face an equally daunting funding shortfall and resulting challenges, including maintaining ongoing operations, connecting residents to jobs in neighboring counties, and declining ridership levels. Additionally, to improve access to jobs for all residents, the Region must provide more diverse and affordable housing near job concentrations for both renters and owners. Addressing these challenges will be crucial to the Region's economic competitiveness.

- STRATEGY 5.1: Improve and maintain a transportation system that meets the needs of residents and businesses, supports economic growth, and is financially sustainable
- STRATEGY 5.2: Ensure the efficient, cost-effective provision of public infrastructure and services throughout the Region
- STRATEGY 5.3: Support efforts to better connect underserved populations to economic and employment opportunities
- STRATEGY 5.4: Support efforts to expand broadband speed, availability, and access to ensure everyone has access to high-speed internet



Performance Measures

An important component of implementing the Action Plan is identifying performance measures to evaluate the progress of the proposed strategies and actions in achieving the Region's economic development goals. While it may not be possible to fully quantify the impacts of the proposed actions, several metrics can be helpful in evaluating their effectiveness.

M7 measures the overall success of its economic development efforts through new and retained jobs, and new investment in the Region. M7 produces an ongoing Performance Scorecard that tracks performance measures, including: total project wins, direct jobs, average wage, direct payroll, and new capital investment.



Economic Development Projects

EDA's grant programs are intended to support local and regional economic development efforts by providing economically distressed communities and regions with resources to address economic needs. EDA programs are designed to lead to the creation and retention of jobs and increased private investment.

Proposed projects must be consistent with the economic development strategic plan adopted by the county or local government applying for funding. Ongoing EDA grant programs include: Public Works Program, Economic Adjustment Program, Technical Assistance Program, Short-term Planning Grants, and CARES Act.

EDA Investment Guidelines

The EDA has identified the following national investment priorities and guidelines to evaluate and compare applications for EDA funding: Recovery and Resilience, Critical Infrastructure, Workforce Development and Manufacturing, Exports and Foreign Direct Investment (FDI), and Opportunity Zones.

Southeastern Wisconsin Economic Development Projects

Ongoing and proposed economic development projects in Southeastern Wisconsin were identified by the Regional Economic Partners (REP) group, with additional assistance from other community economic development departments in the Region. The projects included in the draft CEDS are not exhaustive, but rather they serve to illustrate some of the many ways the goals, strategies, and actions provided in the Strategic Framework/Action Plan are being implemented.

Additional projects that support implementation of the CEDS will likely be identified over the five-year CEDS timeline and should be considered consistent with the CEDS. To demonstrate the connection between the Strategic Framework/Action Plan and the projects, the strategies each project helps to implement are indicated in the third column of each table. See the full draft for a list of the identified economic development projects.

www.sewrpc.org/CEDS



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