



CHAPTER 7

ECONOMIC DEVELOPMENT

CHAPTER 7: ECONOMIC DEVELOPMENT

INTRODUCTION

This section inventories the Town's labor force characteristics, provides an analysis of its existing economic base, and highlights the various assets and opportunities that Algoma has with respect to attracting additional businesses to broaden and diversify its economic base. It is important to note that with the COVID-19 pandemic, there will be economic impacts and those are still unknown at this time. This chapter, along with Appendix C-7 (Economic Development Inventory) addresses the Wisconsin Smart Growth law requirements.

GOAL

Create a growing and sustainable economy for all residents through careful planning and the designation of commercial land that fit within the character of the of Town of Algoma.

SUMMARY OF KEY POINTS

Below are a summary of the key economic development points and a brief narrative describing what they mean:

CURRENT LABOR FORCE

THE FACTS:

- According to the 2014-2018 ACS 5-Year Estimates, 66.5 percent of the Town of Algoma population over 16 years of age was in the civilian labor force. This was higher than Winnebago County's labor participation rate of 65.6% and just lower than the State of Wisconsin's labor participation rate of 66.7%.
- U.S. Census information notes that between 2000 and the 2012-2016 time periods, the Town's labor force grew by 21% as compared to an approximate 20% increase in total population.
- The unemployment rate is at record lows within Winnebago County and the state in 2018 after reaching highs of 7.8% and 8.6% respectively during 2010. The unemployment rate for 2020 may be affected by the COVID-19 pandemic.
- The Town had a significantly higher percentage of residents age 25 or older who received a bachelor's degree (32.0%) or higher (13.9%) in 2014-2018 in comparison to the State and Winnebago County which were each around 19.5%.

WHAT IT MEANS:

Labor force trends are often used as an indicator to determine a community's economic development vitality and performance. Labor force trends can demonstrate the rate of growth of

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the labor force as well as the extent potential workers are able to find jobs. The Town has generally had a large, educated work force. Community members within the Town of Algoma most likely travel to the City of Oshkosh and surrounding communities for work. Additionally, the Town continues to attract young families, including those with high levels of education. Overall, the low unemployment rates are of concern only in the sense that it has been difficult for employers within the Town (and the region and the state) to fill available skilled and unskilled workforce positions. The employment rate in 2020 increased due to the COVID-19 pandemic. The annual unemployment rate is still not known as this plan is being finalized during 2020. Within Winnebago County, the monthly unemployment rate reached its highest point in April 2020 at 13.2 percent, in July 2020 the unemployment rate was at 6%.

COMMUTING PATTERNS

THE FACTS:

- The mean travel time for residents in the Town of Algoma is 18.5 minutes. This is slightly lower than the State average of 22 minutes, and just higher than Winnebago County's average of 18.4 minutes.
- About 25% of Town residents travel 10 to 14 minutes to work and about 15% of residents travel 15 to 19 minutes to work.
- Based on the data provided by the U.S. Census Bureau, there are 127 residents who live and work within the Town; 3,558 residents who live in the Town of Algoma but work elsewhere, and 1,249 people who do not live in the Town but work within the community.
- The top workplace destinations outside of Algoma include the City of Oshkosh (42%), the City of Fond du Lac (4.8%), and the City of Appleton (4.8%).
- Top places for workers that come into the Town of Algoma for employment include the cities of Oshkosh, Appleton, and Fond du Lac.

WHAT IT MEANS:

Based on commuting information, it can be concluded that the majority of the residents are traveling outside of Algoma for work. There are three larger metropolitan areas located on Lake Winnebago: City of Oshkosh, City of Appleton, and City of Fond du Lac. These cities are home to most of the region's larger firms or businesses. The Town of Algoma can be described as a bedroom community with a niche of providing higher end housing options for all segments of the population. Because so many community members are traveling outside of the Town for work, it will be important to keep roadways maintained within the municipality.

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EMPLOYMENT SECTORS

THE FACTS:

- Based on 2020 ESRI Business Analyst NAICS data, the Town's main sectors of employment include Other Services (14.6%), Construction (13.8%), and both Health Care and Social Assistance (10.8%).
- The employees who work within the Town of Algoma live in the City of Oshkosh (21.4% of employees).
- A total of 117 businesses with 926 employees existed within the Town of Algoma in 2020.
- The top 30 companies' sales made up over \$187 million. The total companies' sales in the Town were over \$214 million.
- The top four occupations for Town residents were Educational, Health and Social Services (28.6%); Manufacturing (20.0%); and Retail Trade (12.6%).

WHAT IT MEANS:

Algoma is positioned to focus on recruiting and establishing smaller retailers, commercial business, and professional services. The primarily residential community has the incomes to support these types of employers and these types of businesses fit the character of the Town. Since the top occupations so diverse, it offers the opportunity to attract similar businesses to Algoma.

INDUSTRIAL AND BUSINESS PARKS AND DEVELOPMENT SITES

THE FACTS:

- There are no business or industrial parks within the Town of Algoma. Several designated business/industrial parks exist nearby in the cities of Oshkosh and Omro to accommodate manufacturing businesses.
- No Tax Increment Finance Districts exist within Algoma at this time; however, the Town is eligible to create such districts under the state's guidelines.
- Algoma is a member of the Greater Oshkosh Economic Development Corporation and the Oshkosh Area Chamber of Commerce. These organizations assist existing and new businesses with financing and technical assistance.
- The Wisconsin Department of Natural Resources Bureau for Remediation and Redevelopment maintains a listing of brownfields and contaminated sites. As of 2018, this website lists 19 entries for the Town of Algoma, of which only 1 site is considered "open."
- There are two 20+ acre properties on and near N. Oakwood Road that are fully serviced by municipal water and sewer and ideal for mixed-use developments.

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- The 60+ acre old quarry on Leonard Point Road is being marketed for mixed-use development that would include recreation, housing, retailers, and hospitality.

WHAT IT MEANS:

Town officials and its residents have not expressed an interest or a need to establish a business or industrial park in Algoma. Larger manufacturers and assembly plants have the opportunity to locate in nearby industrial parks with the necessary support amenities while still providing good jobs to Town residents. With new opportunities for the use of TIF financing, additional opportunities for other types of business growth (office, service, retail) may exist in other parts of the Town that fit its character. Business development is mostly likely to occur along the State Highway 21 corridor and along the western arterial, which is the extension of Clairville Road to the north. Lastly, even though there are 19 properties within the Town impacted with potential contamination (brownfields), all but one has been properly addressed and none pose significant impediments for future development or redevelopment.

FRAMING CONCEPTS AND STRATEGIES

7a: TALENT ATTRACTION AND WORKFORCE DEVELOPMENT

Economic development, job growth, and business retention/attraction were the leading issues raised during the update of the Town of Algoma's Comprehensive Plan. This is especially important given levy caps and the annexation of Town properties to the City of Oshkosh with the next round of annexations occurring in 2023.

Strategy 7a-1: Support infill and redevelopment opportunities which will allow for business growth without the need for providing additional support infrastructure.

Strategy 7a-2: Maintain and improve infrastructure, amenities, and emergency services in order to remain attractive to new businesses.

Strategy 7a-3: Work with area economic development entities to highlight and promote business growth opportunities in the Town of Algoma.

Strategy 7a-4: Enhance the Town of Algoma municipal services by increasing the staff capacity.

7b: OPPORTUNITIES AND INCENTIVES FOR COMMERCIAL AND RETAIL GROWTH

The types and quality of housing options in a community is often a decisive factor for individuals and families in choosing where to live. It is important to continually assess the Town's housing

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market and establish a variety of housing options that meet the diverse needs of its residents and the longer-term demands of the market.

Over the past 10 years, large shifts in the housing market have occurred as the baby-boomer generation retires and as the younger Millennial Generation (and subsequent Generation Z) moves into the home ownership phase. The continued presence of single parent families and the overall issue of housing affordability, it has become apparent that many –communities are struggling to meet the changing demands for both the rental and homeownership markets.

By proactively planning for a more diverse housing stock, the Town of Algoma can not only address the overall need for affordable housing, but also the mismatch between housing and employment within the community.

Strategy 7b-1: Intersperse diverse housing, mixed-use buildings, and recreational facilities and amenities throughout the community within in new proposed developments and areas noted for infill development.

Strategy 7b-2: Monitor the housing market conditions through the Oshkosh Community in order to better accommodate changes and the population’s desires.

Strategy 7b-3: Ensure the future land use map designates mixed-use areas, such as the old quarry, and Remington, Irvine, and Nerenhausen developments.

Strategy 7b-4: Continually assess the need to create economic development tools, such as a TIF District to promote both business and housing development.

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