



Improving the quality of life for all Northside residents by increasing citizen participation and voice in issues and decision-making processes affecting the community, and building community by linking people and organizations

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NORTHSIDE PLANNING COUNCIL & NORTHSIDE NEWS

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City of Madison Economic Development Commission
c/o Matthew Mikolajewski, Office of Business Resources
215 Martin Luther King Jr. Blvd., Rm. LL-100
Madison, WI 53701

RE: City's Draft Economic Development Plan

Dear Commissioners:

The Northside Planning Council— the coalition of 28 Northside neighborhood, faith, business, & community organizations— has been following the City of Madison's increased focus on economic development with great interest, including the Economic Development Commission's work on a Strategic Economic Development Implementation Plan.

NPC sponsored a community forum on the draft plan on March 10, with the assistance of Office of Business Resources Manager Matthew Mikolajewski. NPC members and staff also attended the City's plan review sessions on March 25. In addition to numerous internal discussions, NPC has subsequently had conversations about the City's draft plan in relation to Northside economic development opportunities with a variety of Northside community and business leaders as well as the Mayor's office, Northside alders, and City staff in several departments.

In the memorandum following this letter, we attempt to summarize the most critical points of those discussions and present some conclusions we have reached in two regards:

- **The Case for Economic Development on the Northside**
- **Does the City's Plan Address Northside Needs and Opportunities?**

We hope that our input will be of value to Commission members and City staff as you collectively work to refine the plan and begin using it to guide many of the City's economic development efforts.

We further hope that our input will initiate a specific discussion and subsequent working relationship between the Commission, relevant City staff, and our organization to pursue some of the economic development opportunities we see on the Northside, to the greater benefit of both the Northside and the City as a whole.

On behalf of the Northside Planning Council, we commend the Economic Development Commission for leading our community's discussion of the City's role in Madison's economic future. We would welcome further dialogue with the Commission and City staff regarding the Northside's place in that economic future.

Sincerely,

Helen Marks Dicks
NPC Co-Chair

Lisa Wiese
NPC Co-Chair

Tim Carlisle
NPC Lead Organizer

cc: Mayor Dave Cieslewicz, Ald. Satya Rhodes-Conway, District 12; Ald. Michael Schumacher, District 18; Matthew Mikolajewski, Office of Business Resources

MEMORANDUM

The Case for Economic Development on the Northside

The City's draft economic development plan explicitly focuses on stimulating quality job creation in the City's basic sector economy. To the extent that the plan implementation is successful in achieving this goal, the Northside will benefit along with the rest of the City.

NPC's mission as an organization is to pursue opportunities that improve the quality of life for all Northside residents. Increasing economic opportunities for Northsiders fulfils a critical part of that mission. *NPC thus supports growing Madison's economic pie.*

However, another key part of NPC's mission is to be concerned with the distribution of the economic pie – i.e., to ensure that Northside residents, businesses, and community receive a fair share of the City's economic growth, along with its related benefits and costs.

Because Madison's Northside is one of the most economically and culturally diverse communities within the City, our neighborhoods and residents face some specific challenges in regard to economic growth. One of those challenges is to help public and private decision-makers to recognize the economic potential that NPC sees on the Northside. Another challenge is to ensure that economic growth on the Northside benefits not only investors and business owners, but also the Northside community as a whole, including lower income and minority residents who are often excluded from economic opportunity.

As NPC members and staff have reviewed various drafts of the City's economic development plan, many of us initially felt that the Northside economy and community could be essentially left out of the primary thrust of the plan, at least as we understand it. In the second section of this memorandum we've outlined some of the reasons for this perception.

But first let us briefly make the case for why the Northside represents one of the best opportunities for the City to pursue and attain successful economic development that truly improves the quality of life in our community.

Packers Avenue is the real "Gateway to the City". If you want to talk in an economic development context about the real "gateway to the city", it isn't East Washington Avenue as traditionally stated, unless you are driving in from the interstate. Many of the economic development partners Madison and its business community will try to attract and retain are *flying* into the Dane County Regional Airport and then driving down Packers Avenue. It's not the most attractive introduction to the Madison, but we believe it could be.

The Northside's "Golden Triangle" offers a prime redevelopment opportunity. We believe that this key corridor – including the land surrounding the Dane County airport and in the triangle between N. Sherman Avenue, Packers Avenue and First Street -- represents one of the highest concentrations of prime economic development and redevelopment opportunities in the City. We were pleased to see Pennsylvania Avenue/Northport Drive and Truax Airpark identified as key development opportunities in a later draft of the City's plan. Envisioning the multiple opportunities that await, we have begun referring to this corridor as "the Golden Triangle" of the Northside.

The majority of the properties in this corridor has historically and is currently used for industrial and commercial purposes. It is also largely separated from residential neighborhoods by major thoroughfares or other buffers. Furthermore, a number of key properties in this corridor are either for sale, vacant or largely vacant, and/or have aging manufacturing, office, and other commercial buildings.

The proximity of these parcels to the airport, rail lines, and State Routes 30, Route 51, and 151 with easy Interstate access, as well as Metro's North Transfer Point make these parcels especially ripe prospects for concentrated basic sector and/or other complementary commercial development and redevelopment.

The Northside has a relatively unique workforce and proximate workforce resources.

Economic growth requires more than land and facilities available for development/redevelopment. The City's draft plan correctly identifies a quality workforce as another essential component, and it is in this area that we feel the Northside's potential really becomes clear.

The Northside's workforce has many educated professionals and highly skilled workers, but almost 80% of Northsiders do not have a bachelor's degree, a much higher percentage than the rest of Madison. Our workforce is historically more blue collar than the rest of Madison. Oscar Mayer, the Truax military base, and Mendota Mental Health Institute (formerly the State Asylum) were among the major employers that stimulated early Northside development.

Historically and currently, many Northsiders work in jobs that more educated Madisonians are less willing to take – the kinds of jobs that many basic sector businesses require. Furthermore, we believe many Northsiders would be more highly motivated to take advantage of additional education and training opportunities to take advantage of more quality basic sector jobs.

Fortunately, the "Golden Triangle" corridor includes the Madison Area Technical College (MATC), the region's primary technical education and retraining institution, as well as the Dane County Job Center, and several smaller technical training institutes. We believe the presence of these invaluable resource institutions, combined with the characteristics of the Northside workforce, represent tremendous assets for Northside economic development.

Northsiders are entrepreneurial. The City's draft plan identifies entrepreneurship, including small business development, as a key component of healthy economic growth. The Northside has more home-based businesses than almost any other part of Madison, and a number of these businesses are operated and owned by women, minorities, and/or lower income individuals. This demonstrated interest in entrepreneurship, combined with many of the physical and training assets listed above, make the Northside an excellent potential location for business start-ups and/or for one or more business incubators.

The Northside has workforce housing. Employers well know that an affordable housing stock is necessary to support a diverse workforce and their families. The Northside has a range of housing choices from large subsidized apartment complexes and small starter homes to a variety of condominium complexes and suburban style single-family developments. The Northside even boasts higher end homes such as those in Maple Bluff and Cherokee neighborhoods.

Finally, the Northside has many of the other key *quality of life* components that attract and retain a diverse workforce – good schools, many community facilities, and Madison's highest concentration of neighborhood associations, parkland and open space. These qualities were recognized a decade ago when the Northside was named "national neighborhood of the year".

So why are companies like Epic or American Family expanding and building out in the cornfields when we've got great opportunities right here on the Northside?

Maybe because we – the City, business owners and investors, and Madison and Northside residents -- are not effectively recognizing, promoting, and investing in those opportunities that are present right here in our own backyard.

We think that if the City, NPC, and the Northside community are willing to work together in new ways, we have an excellent opportunity to break new ground for how Madison can expand our tax base or “grow the economic pie” and at the same time, ensure that a fair share of the pie is distributed to local business owners, investors, and residents.

Does the City's Plan Address Northside Needs & Opportunities?

Having outlined why we feel the Northside represents one of Madison's key economic development opportunities, we now summarize some of the Northside Planning Council's most critical concerns about the City's draft plan and call for some fine-tuning, as detailed below, that will more adequately address Northside's economic needs and opportunities.

- **Engage community-based organizations and leadership.** The draft plan clearly states that “economic development is a collaborative process”– a principle with which we strongly agree. The plan also calls for the City to form stronger partnerships with private sector and key civic leaders to facilitate economic development. However, while the plan's recommendations provide a great deal of emphasis on improving the City's ability to work with external partners and to shepherd projects through city processes, the plan does not call for a comparable infrastructure to work with communities like the Northside to “build their own.” Leadership for economic development does not exist solely within the large public and private institutions appropriately referenced the plan, but also within Madison's neighborhoods and community organizations– the nationally-recognized Northside Planning Council being a leading example.
- **Recognize the value of the non-basic sector.** The Madison Economic Development Map, as outlined in the plan, does not include any reference to non-basic sector economic development, or to community development and neighborhood revitalization. We understand that this plan's stated focus is on basic sector development. However, the overall map of Madison's economic development's must include and further outline efforts in these areas to ensure that basic sector development is not the only strategy and priority for the City's economic development role and resources.
- **Increase Northside access to the Economic Development Toolkit.** The plan calls for expanding and revising the City's Economic Development Toolkit, such as TIF policies, CDBG job generation funds, and Business Improvement Districts for neighborhood commercial development. Expanded access to these tools could provide significant resources for Northside economic development. Past Northside efforts to access some of these City “Toolkit” resources, however, have not been successful, as most of these resources have been directed toward downtown residential and commercial development.

The draft plan calls for those “Toolkit” resources to be directed primarily toward basic sector projects, and we believe the Northside presents ample opportunity for basic sector development. However, a change in focus toward basic sector investment should not preclude City investment in non-basic sector needs and opportunities on the Northside and elsewhere, which we believe are a necessary complement to basic sector development (workforce housing and services, for example, or entrepreneurship opportunities in the non-basic sector, where many new entrepreneurs get their start).

- **Detail recruitment and retention strategies.** The plan states that one of Madison’s best economic development opportunities is retaining and growing basic sector employers already in Madison. Yet the plan does not identify any specific efforts or strategies to retain or expand existing Northside basic sector businesses, such as Northside manufacturers Oscar Mayer and Webcrafters, which are significant employers that have cut many jobs in recent years. These employers and strategies should be clearly identified in the plan.
- **Advocate for workforce transit.** If economic development efforts succeed in creating jobs at key locations elsewhere in the City, Northsiders will have to commute to them. If large segments of the workforce are expected to commute to other parts of the city, a thorough plan should highlight support for a fully funded, affordable workforce transit system, especially given continuously rising gas prices.

Finally, beyond our concerns about whether the needs and opportunities on the Northside are adequately addressed in the plan, we have some overarching concerns about the various types of economic development that Madison could choose to pursue, and their potential impact on the community – positive and negative.

Not all growth is equally desirable: We believe that not all economic development (basic sector or other) is equally desirable, both in terms of its direct benefit to the local/regional economy and in terms of its secondary impact to the local community (environment, workforce, transportation, housing, land use, energy use, utilities and public infrastructure, etc)– whether positive or negative. Other than referencing “quality jobs”, the draft plan does not specify criteria the City (and community) might use to evaluate and prioritize various economic development opportunities.

Economic growth, whether measured by jobs or investment return or buying power, inevitably benefits some economic players more than others. Likewise, the costs of economic growth are also not always borne in equal proportion. Taxpayers fund the costs of infrastructure necessary to support economic development– including public utilities and services such as public transportation; investment of public resources in attracting and stimulating private investment; and costs of workforce (population) growth which economic development often requires and/or stimulates.

Specify criteria for growth: We believe the plan needs to explicitly identify criteria for economic growth and strategies for ensuring that jobs and growth stimulated through the investment of City resources give significant benefit to the local economy and to the broadest set of beneficiaries possible, while ensuring that the costs of economic growth are also shared as equitably as possible.