

**Vignettes: Draft      June 3, 2008**  
*Changes in Italics*

Public participation frequently mentioned the importance of good jobs—in high tech and manufacturing-- for all Madison residents. It supports good housing and strong neighborhoods. It is important for the quality of students in Madison schools.

*Good jobs include middle skills positions as well as knowledge-based jobs.*

Most economic development organizations find their best projects from existing local companies.

A very rapidly growing home-grown suburban Seattle company frustrated neighbors, city regulators, and city elected officials with their 24/7 operations, insufficient parking, and continuous physical expansion. Overhearing a coffee shop conversation among the City Manager and key Council members citing his company as a major nuisance the company helped to sway the founder's decision to build the new corporate campus next door. In Redmond. The company is Microsoft. It is very important to have good communications with key employers.

Regarding Phoenix, Motorola focused its future expansion in suburban Chandler over frustration with inadequate traffic signals and congestion at shift change at its original Phoenix location. Chandler is now one of the premier technology corporate locations in the Southwest. This is why Madison must work proactively with organizations providing quality jobs to learn their infrastructure needs.

A leading Madison technology company reports that only the conscientious intervention on the part of its business park developer prevented it from moving to a neighbor community.

One highly experienced local developer states that it takes twice as long and requires twice the expense in planning, architectural, and legal fees to gain business permits in Madison as in the neighbor communities. And there is more uncertainty. His firm is now developing more land outside the city than within.

Many other Wisconsin cities utilize tax increment financing for office and industrial park development much more aggressively than Madison does. They do not understand why Madison does not do the same.

Several local economic development officials in other Wisconsin communities reported that they are glad that Madison makes economic development so hard—it gives their communities more opportunity for quality job creation. Others lamented the fact that the major economic engine for the state was not as proactive as it could be.

Interviews report a majority of new UW-Madison faculty now choose to live outside of the city.

*The proportion of students in the Madison Metropolitan School District eligible for subsidized lunch (an indicator of poverty) has risen from 26.8% in 2000-01 to 40.1% in 2006-07.*

Ann Arbor was a major beneficiary of alumni connections to Google, which brought its rapidly growing internet advertising function to the city, potentially employing 1,000. To gain the project, which located between downtown and the University, the City committed \$2,039,000 in parking subsidies. This illustrates that university cities can be very attractive to outside firms, and that incentives help to locate companies within the center city.

*Austin competed nationally to locate a new 900 job Samsung wafer fabrication facility. City officials determined that this \$3.5 billion boost to its property tax base was worth a \$58 million city incentive, part of a \$233 million total city, county and school system incentive package. They considered incentives to be a competitive necessity and a good return on investment.*

A number of local employers indicated that they would participate in a Madison public/private partnership if top City leadership did on a sustained basis. Others were wary that the City would not take public/private economic development seriously.

Communities never fully know the power of public/private economic development organization until they start. In Louisville, close communication with major employers raised strong concern about the public schools and too many new hires without sufficient basic skills. Greater Louisville, Inc., the public/private development corporation, therefore led a major initiative with the goal of every public school student reading at grade level. They have organized more than 1,000 reading mentors. And they have raised more than \$20 million in foundation grants from major local corporations to fund a major student literacy initiative.

Though the UW-Madison Research Park has a very high national and international *reputation*, as is often the case, many local residents are not aware of this.