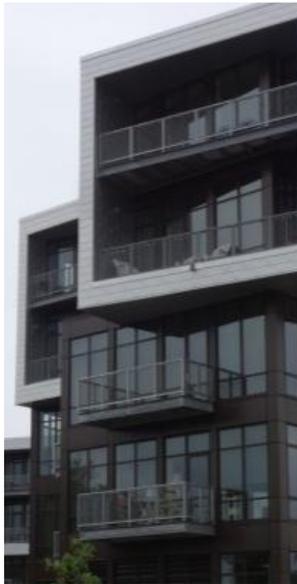


CONNECT MADISON

Economic Development Strategy

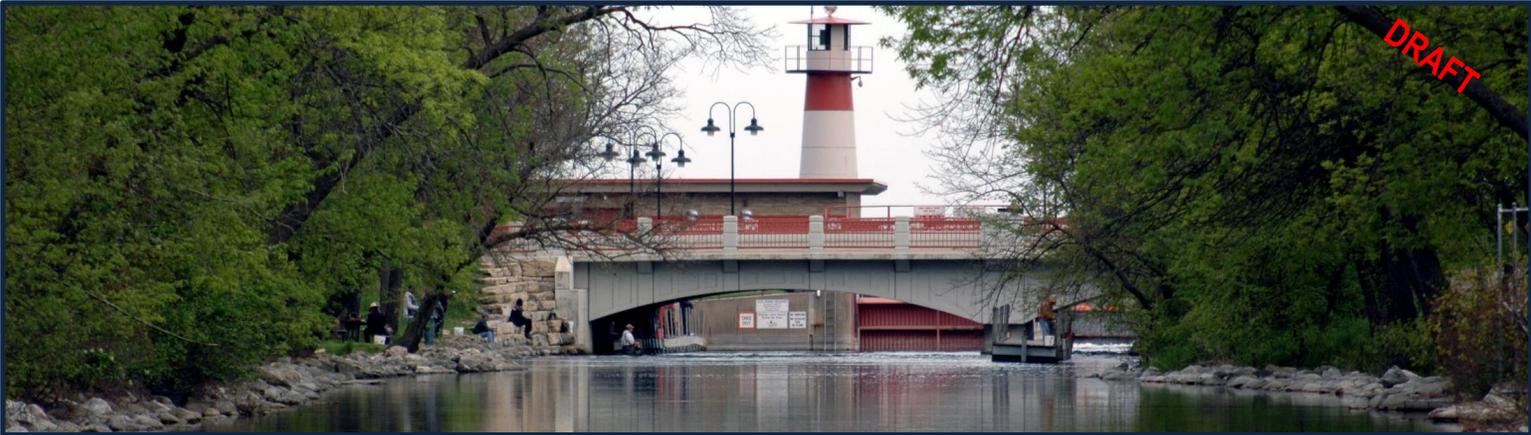


**Making Connections to Build a
Resilient, Prosperous, and Equitable Economy**



City of Madison
Economic Development Division
DRAFT FOR EDC REVIEW: APRIL 15 2016

DRAFT



INTRODUCTION

Madison’s economy is changing.

The data analysis reveals a city that is becoming larger, more complex, more innovative, and more private-sector oriented. Madison’s historic economic foundation of reliable government jobs and a few stalwart companies is giving way to a new economic structure. This new structure is driven by small businesses, nimble startups, and fast-growing companies in key high-growth industries. Madison’s workforce is becoming larger, younger, and much more diverse. As we continue to recover from the Great Recession, issues of racial economic disparities and unequal access to economic opportunity are becoming more pronounced.

The *Connect Madison Economic Development Strategy* (**Connect Madison**) is focused on moving Madison’s economy forward in this era of new challenges and opportunities.

The overarching philosophy of **Connect Madison** is that a stronger economy is also a more inclusive economy. For Madison’s economy to prosper, the City needs to CONNECT the goals economic growth and economic equity.



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COMPONENTS AND INPUTS

Data

The foundation of the Connect Madison Strategy is a detailed analysis of economic data. This data reveals emerging trends and important structural shifts in our workforce, mix of businesses, growth patterns, demographics, and housing preferences. A summary of data is provided in this document and a complete analysis is available in an appendix.

Community Input

The content of the Connect Madison was shaped by a robust process of community input. The City hosted several rounds of public input and engaged hundreds of community members, public officials, business leaders, and representatives from the education community. This input process directly led to the specific strategies and process that are the focus of Connect Madison.

Strategies and Projects

Connect Madison identifies five broad strategies to guide economic development actions and policies. Within each of the five strategies is a set of projects and initiatives. Each strategy includes one “Priority 1 Project” (identified as high-value yet feasible initiatives to undertake within the next three years) as well as one or more “Priority 2 Project” intended to be implemented on a longer timeframe or if additional capacity is created.

Equity Lens

Each of the five strategies are evaluated through an “equity lens” to ensure consideration is given to how they contribute to the City’s goals of expanding economic opportunity to low income populations and communities of color. The selected strategies and project prioritize efforts with positive equity impacts.

Implementation

The *Connect Madison* Strategy is designed to guide citywide programs, projects, and policies. It will serve as a cross-agency plan that guides City decision making. The Strategy will also form the basis of the work plan for the City’s Economic Development Division (EDD). EDD will be responsible for leading implementation of the Strategies and Projects identified. It is important to note that EDD already has a full plate of projects and responsibilities. The work plan will outline how the project identified within Connect Madison align with and fit with EDD’s ongoing work.

Data Summary

Note about Scales and Sources:

The City evaluated data at several different scales including the Madison Metropolitan Statistical Areas (MSA – federally defined multi-county region), Dane County, and the City of Madison itself. The scale used for any particular indicator was largely a function of the data's availability. Most of the data in this summary comes from publically-available state and federal sources. A more detailed analysis is available as an appendix.

Growing Population:

- Madison grew from 172,000 in 1970 to 233,000 in 2010 (*62,000 new residents in 40 years*).
- Madison will grow to 281,000 by 2040 (*43,000 new residents over the next 25 years*).
- Dane County will add 100,000 residents between now and 2040
- In 1970, Madison accounted for 59% of Dane County's population and is now less than half.

Growing Economy:

- The GDP of the Madison MSA grew from \$23 billion in 2001 to \$39 billion in 2012 (*6.5% annual growth*).
- The Madison MSA has 390,000 jobs, up from 360,000 in 2010 (*30,000 new jobs in five years*).
- There have been approximately 1,100 new businesses formed in Dane County from 2000 to 2012

Growing Taxbase:

- From 2003 to 2014, the total value of all taxable real estate in Madison was grew by \$6 billion from \$15.3 billion to \$21.3 billion (average growth of 3.5% per year including during the recession)
- The average value of a single family home in Madison grew from \$135,366 in 1999 to \$237,678 in 2014
- Over 75% of all the taxable real estate value of the City is residential buildings and over 50% of all of the value in the City is single family homes.
- In recent years, the highest growth in Madison's tax base has been in large multi-unit apartment buildings. The total value of 50-unit+ apartment buildings in Madison has grown by over \$250 million from 2011 to 2014

Changing Workforce:

- The occupations with the highest projected job growth in Dane County are service sectors like food service, food preparation, health aides, nurses, and high-skilled technology sectors like computer specialists, software engineers.
- Within the greater Madison area, 76% of the workforce works in the private sector and the total workforce classified as "Public Administrations" has declined by 20% since 2000.



Data Summary Cont.

Increasing Diversity:

- Between 2000 and 2012, Madison's total annual population growth rate was 1.1%. The growth rate for African American's was 3.3%, the growth rate for Hispanic/Latinos was 5.6%, and the growth rate for Asians was 3.6%.
- In Madison, 20% of the white/non-Hispanic population is under the age of 20 compared to 41% of African Americans, 27% of Asians, and 38% of Hispanic/Latinos.

Economic Disparities

- The median household income for an African American household in Madison is approximately \$30,000 less than the median income for a white household and the median income of a Hispanic/Latino Household in Madison is approximately \$22,000 less than a white/non-Hispanic household
- The poverty rate for Madison households is 15% for whites, 38% for African American's, 27% for Asians, and 22% for Hispanic/Latinos

Changing Housing Preferences:

- 52% of Madison residents are now renters and the City is adding \$140 million in value of new apartments per year.
- Demographic and household growth trends suggest continued high growth in demand for rental housing over for the foreseeable future.

Emerging Industries and Competitive Advantages

- Madison has strong competitive advantages in industries related to Knowledge Creation (i.e. research and teaching), Biotechnology, Information Technology, Agri-Business/Food, and Financial Services
- At a finer grained level Madison is particularly strong in Software Publishing, Insurance, Data processing, and Food Manufacturing.

Innovation

- the University of Wisconsin-Madison is the nation's third leading institution and now attracts nearly \$1.2 billion in annual federal research money.
- In terms of technology licensing, UW-Madison is the tenth leading institution nationally with \$54 million in annual licensing income.
- Between 2000 and 2011, there were 3,244 patents issued to inventors in Dane County.

Exports

- The total value of all goods and services exported from Madison in 2012 was approximately \$2.2 billion. This is up from about \$1.2 billion in 2005 (12% annual growth)



Key “Takeaways” from the Data

1. The local and regional economy is increasingly private-sector driven. Job growth in the Madison area economy is driven by small businesses, fast-growing companies in key high-growth industries.
2. Madison’s growing economic strength is increasingly vital to the statewide economy and Madison is out-pacing the rest of the state in most economic indicators including job creation, business growth, and construction activity. Madison and the Madison region is a vital economic engine for Wisconsin.
3. The industries most likely to drive growth and innovation in Madison for the foreseeable future include biotechnology, information technology, health technology, agribusiness/food, and precision manufacturing.
4. The growth in our workforce is occurring at the opposite ends of the economic spectrum – high-wage, high-skill specialized jobs in technology-based sectors and low-wage, low-skill jobs in service sectors. There are fewer and fewer job opportunities in the middle.
5. From a demographic perspective, Madison is on the cusp of a massive realignment in the composition of the City’s population as the “baby-boom” generation heads toward retirement and the “millennial” generation continues to fill the ranks of new jobs.
6. Madison continues to face deep racial disparities in economic opportunities and outcomes, reflected by large income differences among racial and ethnic populations and very high rates of poverty in certain categories.
7. Changing demographics are driving changing housing preferences and development patterns. Madison now has more renters than single family home owners and most of Madison’s new residents are choosing to rent rather than own. Most of the growth in housing units is occurring in large, multi-unit complexes in the central city.
8. **Overall, Madison’s economy is changing and the City’s economic development policies, programs, priorities, and projects need to align with and respond to this change.**



Community Input

First Round of Input

In September of 2014, the City launched this strategy with an “Economic Development Symposium” and a series of community meetings to get early input. These events consisted of small group “mind mapping” exercises designed to encourage broad thinking about economic development.

Second Round of Input

In May of 2015, the city hosted a “Priorities & Partners Summit” and a second series of community meetings. The purpose of these forums was to vet an initial draft set of goals and projects. Participants engaged in a series of interactive exercises and were issued “Connect Madison Priority Cash” to “spend” among an initial set of potential goals to help identify top priorities.

Community Advisory Papers

Mayor Soglin enlisted community members to prepare brief Community Advisory Papers. The initial draft of the Connect Madison Strategy identified eight broad goals and the Advisory papers are focused on each of these eight topics. The full text of the Advisory Papers is provided is available as an appendix

Economic Development Committee (EDC) Leadership

The City of Madison Economic Development Committee is officially charged with overseeing the City’s Economic Development Plan. The EDC provided periodic feedback during the process and an EDC Strategy Subcommittee played a key role in developing the framework for **CONNECT MADISON**.

Youth Intern Interviews and Video

During Summer 2015, the Economic Development Division’s Wanda Fullmore Intern, Lee’Angelo Lane, interviewed his peers and created a brief video sharing feedback on how high school age Madison residents see their future in the city and their priorities for economic development. Video available at www.cityofmadison.com/economicstrategy.

SUMMARY OF INPUT FEEDBACK:

Over 300 people participated in this process. What clearly emerged from these conversations is that the community’s highest economic development priority is addressing racial disparities and expanding economic opportunity to populations that have historically not shared in Madison’s successes. In particular, community members emphasized the importance of addressing equity issues at a young age by focusing on career pathways and work experience opportunities for Madison’s youth. Other topics that were often identified as key priorities include building a modern regional transit system, strengthening the food system, supporting small businesses, and encouraging cooperative business models. The five strategies that became the focus were in part selected based on this feedback.

Action Plan

STRATEGIES AND PRIORITY 1 PROJECTS

STRATEGIES

PRIORITY 1 PROJECTS

STRATEGY 1:

Support small businesses, Promote new business models, and cultivate diverse business startups



Business Assistance Team (BAT):

Create a multi-agency city staff team to help existing and potential businesses navigate municipal licensing and regulatory requirements, and connect them to outside business support resources

STRATEGY 2:

Grow tax base and encourage targeted redevelopment in priority areas



Madison Development District Program

Identify areas of the city and specific sites to prioritize for redevelopment (based on existing plans). In some cases, combine a robust land banking program, leveraged with private funding, to purchase and reposition these sites. Then recruit developers to implement projects that fulfill the City's vision

STRATEGY 3:

Create Good Jobs by Building on Competitive Strengths in Key Economic Sectors



Targeted Business Retention and Expansion (BRE)

Target the City's BRE program to support growth and opportunities in five key high-opportunity sectors (Information Technology, Biotechnology, Food Systems, and Precision Manufacturing)

STRATEGY 4:

Make the Economic Case for Investing in Modern and Efficient Transportation Solutions



Business Coalition for Transportation

Organize and convene the business community to create a private sector driven coalition to research and advocate for investment in a modern urban transportation system

STRATEGY 5:

Strengthen the long term workforce by supporting career pathways for young people



Work-Based Learning Opportunities for Youth

Work with community partners (particularly the education community) to coordinate, align, and build on programs focused on creating work-based learning opportunities for young people

STRATEGY #1: Support Small Businesses, Cultivate Diverse Entrepreneurship, Champion New Business Models

STRATEGY OVERVIEW:

The data shows that Madison's economy is increasingly driven by small business growth and entrepreneurship. It is critical that Madison supports a healthy business environment that encourages and supports the cultivation and success of small businesses. Strategy 1 is focused on creating a positive climate for small business development in the City. This includes work the city is doing to support technology based entrepreneurship through efforts like the Women's Technology Business Fund and supporting StartingBlock Madison. This also includes work to support business development in other industries like food processing and retail through projects like the Madison Public Market and State Street retail support program. Further, efforts like the City's Cooperative Enterprise program are focused on supporting new models for business development. Overall, the thrust of Strategy 1 is doing more to ensure that Madison is a place where small businesses can start and can thrive.



How Strategy #1 Connects to Equity Goals

The complexity of regulatory, permitting, financing, and licensing has the unintended consequence of disproportionately creating barriers to business ownership for communities of color, low-income populations, and immigrants. These systems favor business owners that may already know how to navigate these processes, have networks with attorneys, bankers, and other experts that can help them, speak English as a first language, and feel comfortable interacting with government officials. By improving business assistance services and focusing on breaking down these barriers, Strategy 1 will improve opportunities for people of color and low income populations to start businesses in Madison.

Enhancing opportunities for people to start successful businesses is a powerful force for upward mobility and financial independence for communities of color, immigrant communities, and low income populations. Creating more stable and successful businesses in Madison that are owned by people of color can propel families into the middle class and create businesses that are statistically more likely to hire other people of color.



STRATEGY #1: Support Small Businesses, Cultivate Diverse Entrepreneurship, Champion New Business Models

PRIORITY 1 PROJECT:

Create the Business Assistance Team (BAT)

The Madison Business Assistance Team (BAT) will help businesses sort through regulatory challenges and connect with resources. It will create a single point-of-entry into the city government and a staff team that includes all city agencies that interact with businesses. The BAT would help businesses navigate municipal licensing and regulations, while also pointing businesses toward other resources and programs in the community (including the City-sponsored programs that help finance small businesses). Built on the successful model of Madison's Development Assistance Team (DAT), The Business Assistance Team (BAT) would establish a process of regularly-scheduled opportunities for small businesses to meet with a multi-agency staff team. The BAT would be managed by the City's Office of Business Resources (OBR).

First Few Steps:

1. Convene a staff workgroup with representatives from every city department that interacts with businesses
2. Meet with representatives of the business community to gather input
3. Develop a process within the Office of Business Resources for how the BAT would be coordinated
4. Coordinate with community partners that provide business services (WWBIC, SBDC, MDC, The Latino Chamber, the Black Chamber, etc.) to make BAT a connection point to these resources

PRIORITY 2 PROJECTS:

- **Become a Kiva City** - KIVA is a non-profit organization that provides micro-lending to entrepreneurs and small businesses by using crowd funding techniques. Working in Partnership with the Wisconsin Women's Business Initiative Corporation (WWBIC), the City should explore establishing Madison as a KIVA city. This would require an upfront investment to establish the program and ongoing work to promote and manage the process.
- **Minority Contractor Pipeline Development** – Madison has very few minority-owned businesses in a position to compete for city projects (as demonstrated by the City's Disparity Study completed in 2014/15). Madison should develop a program focused on creating a pipeline of businesses that can be ready to take on this type of work.
- **Increase Coordination with UW Madison Commercialization Efforts** – The University is Madison's most powerful potential engine for startup activity, particularly in science and technology-based fields. The City should make a stronger effort to partner with the University on projects and initiatives focused on creating and keeping startup businesses in Madison.

STRATEGY #2: Grow tax base and encourage targeted redevelopment in priority areas

STRATEGY OVERVIEW:

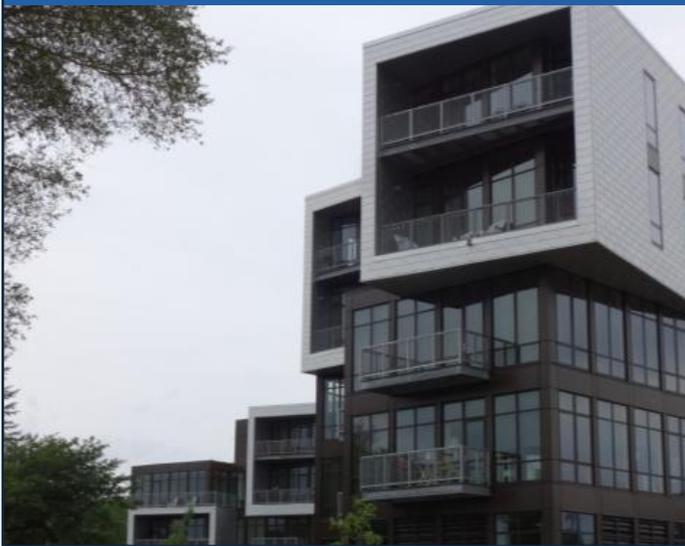
Strategy 2 focuses on driving real estate development and tax base creation into key sites, commercial corridors, and employment areas that can support growth and investment. Maintaining a healthy and growing tax base is critical to staying economically strong. Sustaining a healthy tax base requires having a strong real estate market, encouraging development where appropriate, and maintaining competitive position for development in the greater region. Right now, Madison's real estate development market is robust. The City is seeing low vacancy rents in rental housing, high demand for single family homes, increasing rents, and ample new construction. It is an opportune time to take advantage of strong market demand and use tools and resources to drive investment toward priority areas where development will achieve the greatest benefits for the City.



How Strategy #2 Connects to Equity Goals

For the last several years, development activity in Madison has been concentrated in and near downtown. Meanwhile, many other parts of the City have seen little new investment. By focusing on encouraging development in other areas of the City, this strategy will help bring more investment into more of Madison's neighborhoods, including those neighborhoods with limited job opportunities and concentrated poverty.

Tackling the City's racial disparities and inequitable access to economic opportunity will require financial resources to fund programs and initiative to address these issues. With increasingly restrictive state level policies on municipal revenue generation and the steady decline in state and federal financial support for cities, Madison's only significant way to bring in revenue is by maintaining and growing the amount of taxable real estate in the City. This means building buildings, encouraging density, and taking advantage of the opportunities to grow our tax base is vital to giving the city the financial tools necessary to take action on equity. By focusing on unlocking sites for redevelopment, this strategy will help grow the City's tax base, creating financial resources to support programs and services. It will also encourage job growth and investment in parts of the City where those things are most needed.



STRATEGY #2: Grow tax base and encourage targeted redevelopment in priority areas

PRIORITY 1 PROJECT:

Madison Development Districts

The proposed Madison Development District program is a multi-tiered effort to spark housing, commercial, and business development in designated areas (Development Districts) that will be identified as targeted opportunities to grow our tax base, create jobs, foster commercial development, and create quality housing in locations that are well-suited and planned for development. The program will first designate areas and Development Districts (based largely on previous and ongoing plans). Then, the city will identify high priority properties for redevelopment within these districts. For these sites, the City will concentrate resources including; a robust land-banking fund leveraged with outside financial resources, a proactive Tax Increment Financing Strategy, the City's Affordable Housing Fund, and other tools. When necessary, these tools will be used to acquire property, reposition sites to make them development-ready, and support high-quality development projects. One key to the program will be layering city land banking and TIF resources with other financing. The resulting pool of funds would then be used to acquire and hold key properties, prep sites, and recruit strong developers to implement the City's vision.

First Few Steps:

1. Research models from around the country
2. Identify potential financial partners and begin discussions with them about the framework for the fund and how it will work.
3. Develop an initial structure for the program including a process prioritizing sites to be designated as "Development Zones"
4. Set clear parameters for acquisition targets and outcomes (e.g. require a portion of units be affordable, mixed-use, etc)

PRIORITY 2 PROJECTS:

- **Quarterly and Bi-Annual Data Reviews** – Part one of the **CONNECT MADISON** Strategy involved a detailed analysis of economic data affecting Madison. This data provided valuable insights. Moving forward, the City should conduct periodic data analysis updates to continue monitoring issues that affect development and economic health in the City. This could include a brief, quarterly-report that summarizes a few key variables combined with a more detailed bi-annual report that is updated every other year and includes a much more detailed look at a wide range of economic data. These reports would be shared with the Economic Development Committee, Common Council, and various partners.
- **Real Estate Professionals Roundtable** – As the City's real estate market continues to evolve and the City continues to strive to improve its development services, communication with the development community is important. The City should consider creating a quarterly "Real Estate Roundtable" where members of the real estate community (developers, brokers, financiers, etc.) come together for a casual conversation about development trends and issues in Madison.

STRATEGY #3: Create Good Jobs by Building on Competitive Strengths in Key Economic Sectors

STRATEGY OVERVIEW:

Strategy 3 is about building on Madison's existing economic strengths and taking advantage of emerging opportunities. The strategy is focused on leveraging Madison's assets and competitive advantages in key industry sectors. The City has identified four key economic sectors to target based on Madison's existing strengths, competitive advantages, and growth opportunities.

1. Food Systems
2. Information Technology (with a focus on Health IT & Gaming)
3. Biotechnology
4. Precision Manufacturing (with a focus on custom fabrication and bicycle-related equipment manufacturing)



How Strategy #3 Connects to Equity Goals

A key focus of economic development and workforce development efforts in Madison needs to be identifying the companies and economic sectors that show the greatest potential to create long term high-quality jobs, and then connecting those companies and sectors to the programs and services in the region that focus on preparing young people, displaced workers, and underemployed populations to these sectors. Making progress on expanding economic opportunity requires not only connecting people with jobs, but connecting people with *good jobs* that pay living wages, provide stability, offer benefits, and create opportunities for career advancement. These good jobs tend to be in industries where the region is strong and has competitive advantages. Connecting the sectors of the local economy that show the greatest strength and opportunities for growth to the people in the community with the greatest economic need is a critical piece of the City's long range component of the City's effort to address racial disparities and inequitable access to economic opportunity.



STRATEGY #3: Create Good Jobs by Building on Competitive Strengths in Key Economic Sectors

PRIORITY 1 PROJECT:

Targeted Business Retention and Expansion (BRE) Toward the Identified Industries

The City of Madison's Economic Development Division has an ongoing "Business Retention & Expansion (BRE)" program in which staff meets with individual businesses to learn about their issues and concerns. This project amplifies the City's BRE effort and focuses it on the four target industries. Going beyond simply talking to the businesses, this effort will focus on "getting to know" these industries in depth. The City will strive to work with local companies in these sectors to better understand their supply chains and possibly make direct appeals to recruit their customers and suppliers.

For the next four years, the City will identify one of the four sectors and direct its BRE efforts specifically to that sector for an entire year. This includes not only conducting meetings with these sectors, but developing "state of the industry" reports, evaluating data, identifying potential companies in these sectors to recruit, and attending industry-related conferences, events, trade shows, etc.

First Few Steps:

1. Create a four year schedule with each of the four target industries the focus of a year-long effort
2. Compile a list of all businesses in the target industries and conduct one-on-one outreach to key large employers and
3. Convene focus groups with key businesses, industry groups, and stakeholders in the sector
4. Research the industry, attend industry conferences, read trade publications, etc. and develop reports and summaries
5. Provide feedback to City staff and policy makers on key themes, trends, and shared concerns

PRIORITY 2 PROJECTS:

- **Coordinate Greater Madison Convention and Visitors Bureau On Destination Marketing Linked to Target Clusters** – The City should work with the GMCVB to integrate sector-based economic development strategies with efforts to promote Madison as a destination. This could include focusing on attracting events, conferences, and conventions related to specific target industries. This can not only bring tourism spending to Madison, it can introduce people and companies to the City that might have a business connection to Madison and might consider a long term relocation. The GMCVB should be a partner with Priority 1 Project identified above.
- **Create "Innovation Districts" aligning with geographic concentrations of activity in the four identified clusters** - The Madison local economy exists in a spatial context. The four identified targeted industries are not evenly distributed across the City. Different areas of the City have different economic strengths and assets. The City could create a series of "Innovation Districts" to give a spatial geographic dimension to target, high-growth sectors. The Innovation Districts would become areas where the City will target economic development programs and resources toward cultivating innovation and supporting the growth of businesses in these specific industry clusters based on existing assets and emerging opportunities of the district. This is already happening with the Northside Food Innovation District. Anchored by the FEED Kitchens and future Madison Public Market, Northside leaders have embraced the idea of positioning the north side as Madison's center for food-related economic development. This model should be supported and repeated with other sectors in other parts of the City.

STRATEGY #4 Make the Economic Case for Investing in Modern and Efficient Transportation Solutions

STRATEGY OVERVIEW:

Strategy #4 is focused on the links between transportation and economic development. As Madison continues to grow, moving toward a modern, efficient, and regional transit system will be essential. Without this, Madison's central core will face increasing traffic, investment in the downtown will become increasingly difficult to support, and the city will lose more employers to outlying communities.

The City's Transportation Master Plan will be the definitive source for detailed information on Madison's future investments in transit. From an economic development perspective, having a modern, efficient, multi-modal transportation system is vital to connecting under-employed populations to jobs, supporting continued real estate investment in the core of the City, and attracting the high-skilled and highly-mobile workforce the city needs to compete in the 21st century global economy.



How Strategy #4 Connects to Equity Goals

From an equity standpoint, people need to be able to get to jobs, training programs, educational offerings, social services etc. This includes people who do not own or cannot afford a personal automobile. In Madison, the neighborhoods that have the highest concentrations of people of color, and the highest concentrations of poverty and chronic unemployment tend to be neighborhoods toward the perimeter of the City. This areas are often the most disconnected from employment opportunities. Survey's conducted by Madison Metro show that people of color in Madison face much more complicated and much longer commute times than white residents. Implementing transportation solutions targeted to providing affordable and convenient options to connect Madison's most economically challenged neighborhoods to areas where there are job and educational opportunities is critical to making progress on equity.

Recent research highlights the links between transportation and economic mobility in cities. In particular, cities that had higher average commute times, fewer transportation options, and greater degrees of "spatial mismatch" have been shown to be cities in which poor residents are least likely to find good paying jobs and pathways to economic wellbeing. Transportation is an economic development issue and it is a critical piece of addressing the City's equity challenges.



STRATEGY #4 Make the Economic Case for Investing in Modern and Efficient Transportation Solutions

PRIORITY 1 PROJECT:

Create a Business Coalition Focused on Transportation Needs

To support the implementation of transit investments, this project would launch of a sustained business-driven effort to make the economic development case for why Madison needs a regional transit system. The City will help convene a coalition of business and community leaders to work on this issue, explore options, analyze needs, and lay the groundwork to create a funding mechanism needed to implement long range regional transit improvements.

To the greatest extent possible, this should be a business-led effort steered by a taskforce of Madison's key private-sector leaders. The goal should be to analyze needs and work toward creating a long term funding mechanism that will support a transit system designed to meet those economic needs. The City's role should be to help provide resources, information, coordination, and alignment, but the project should be private-sector led.

First Few Steps:

1. Develop and distribute transportation needs survey for the Madison business community
2. Coordinate with partners to strategize ways to work together on this issue
3. Consider working with partners to create and distribute an online survey of business with questions about transportation needs
4. Begin building a coalition of business leaders who will lend leadership to an effort to create a modern regional transportation system

PRIORITY 2 PROJECTS:

- **Create a staff team and committee focused on integrating emerging transportation technologies and services** – Technology is changing the way people move through urban environments. This includes things like point-to-point car sharing networks, driverless cars, smart traffic signaling, real time parking information, variable pricing for tolls and parking, and more advanced transit systems. The City should consider creating a staff team and/or committee of experts to focus on how Madison can lead in integrating these new technologies into our transportation systems. Madison should strive to position itself as a leader in redefining urban mobility for the twenty-first century.
- **Airport Improvements** – The Dane County Airport is a key piece of economic infrastructure in Madison and is increasingly busy. It was one of the few airports nationwide that saw growth in annual passenger boardings during the recession and continues to see growth now. Between 2001 and 2013, the airport's total number of passenger boardings increased by over 150,000 per year. This represented 22% growth in use of the airport during a period when most mid-sized airports saw a decline. With a growing airport, the City should explore opportunities to partner with Dane County, the State, and the regional business community on potential long range airport improvements. This could include exploring opportunities for improved access into the airport, as well as looking for ways to leverage the airport – and related assets like the nearby Foreign Trade Zones – as catalysts for commercial development activity.

STRATEGY #5: Strengthen the long term workforce by supporting efforts to create career pathways

STRATEGY OVERVIEW:

Strategy 1 is focused on supporting efforts to help Madison residents find pathways to jobs and careers. In an evolving 21st century economy, maintaining a strong workforce requires developing and deploying all of the City's human capital. Further, addressing racial disparities and increasing economic mobility for populations historically excluded from Madison's growth is an inter-generational challenge that will take decades. A key focus must be placed on ensuring that young people, particularly young people of color, have opportunities to develop their talents and pursue rewarding and productive careers.



How Strategy #5 Connects to Equity Goals

Meaningful progress on racial equity is a decades-long undertaking and need to focus on fostering inter-generational economic mobility for young people of color. Madison's young population is much more diverse than its elder population and the future of Madison's workforce is far more diverse than its past. Improving career prospects, educational outcomes, workforce readiness and overall economic conditions for Madison's young people of color is critical to Madison's future economy. Finding ways to inspire young people to explore a variety of career options is vital to ensuring that Madison has a strong workforce over the long term.



STRATEGY #5: Strengthen the long term workforce by supporting efforts to create career pathways

PRIORITY 1 PROJECT:

Support Work-Based Learning Opportunities for Youth

This project would focus on connecting with the Madison Metropolitan School District (MMSD) and other community partners to build on existing and future efforts to create internships, apprenticeships, mentorships, etc for Madison's youth. MMSD is in the process of a multi-year strategic effort focused on creating individual "pathways" for each student to align their educational experience with particular career interests. Creating and supporting work-based learning opportunities is part of this initiative. The City can be a useful partner by coordinating and building upon work-based learning opportunities in Madison. Many organizations ranging from the Greater Madison Chamber of Commerce, to Operation Fresh Start, to Centro Hispano, to Dane Buy Local have or are considering programs focused on work-based learning opportunities for young people. The City's role could be forging partnerships, aligning resources, and filling gaps in these programs. The City itself can be a useful laboratory and source of work-based learning opportunities by building on internship and mentorship programs within the City government and the City's many wide-ranging agencies and departments.

First few steps:

1. Establish regular meetings with the Madison Metropolitan School District
2. Conduct an inventory of organizations in the City with work-based learning programs, meet with all of these providers to learn more, identify which programs currently receive city funding.
3. Based on this analysis and ongoing conversations with MMSD and other partners, determine what gaps need to be filled, what programs are working and should be expanded, where there is overlap or gaps, and how the City can help.

PRIORITY 2 PROJECTS:

- **Workforce Training Program Alignment and Assessment** – There are dozens of organizations in the Madison area that provide services, training, and programming focused on workforce development with an emphasis on helping disadvantaged populations achieve jobs. These efforts include non-profit organizations and government agencies. Some of these programs are directly led and/or funded by the City. These organizations and programs are doing important work in the community. However, these programs are not always communicating and coordinating with one another. The result can be overlap, inefficiencies, and confusion for the users. The City should lead an effort to assess, coordinate, and align these various workforce and business development programs and services.

Neighborhood-Based hiring program – In many cities, the residential neighborhoods that have the highest concentrations of poverty, chronic unemployment, and disinvestment are also areas that are "jobs deserts" with few employment opportunities nearby. In Madison, this is not the case. Many of the City's most economically disadvantaged neighborhoods also happen to be located within a mile or two of the City's highest growing and most successful companies. The City could lead a partnership effort with local companies to encourage more neighborhood-based hiring among companies in the City. With City support and coordination, a neighborhood-based hiring program could help local companies find and develop talent while connecting with the community.

IMPLEMENTATION – PROJECT MATRIX

Strategies		Project Categories	Projects
1	Support small businesses, Promote new business models, and cultivate diverse business startups	Priority 1 Project	Create the Business Assistance Team (BAT)
		Related EDD projects already underway	Cooperative business development program
			Technology business fund
		Priority 2 Projects	Become a Kiva City
			Minority Contractor Pipeline Development
Increase Coordination with UW Madison Commercialization Efforts			
2	Grow tax base and encourage targeted redevelopment in priority areas	Priority 1 Project	Madison Development Districts
		Related EDD projects already underway	Capitol East District
			Judge Doyle Square
		Priority 2 Projects	Quarterly Data Review
Real Estate Roundtable			
3	Create Good Jobs by Building on Competitive Strengths in Key Economic Sectors	Priority 1 Project	Targeted Business Retention and Expansion (BRE) Toward the Identified Industries
		Related EDD projects already underway	Madison Public Market and Market District
			Coordination with MadREP cluster work
		Priority 2 Projects	Coordinate Convention and Visitors Bureau On Destination Marketing Linked to Target Clusters
			Create “Innovation Districts” aligning with geographic concentrations of activity in the four identified clusters
4	Make the Economic Case for Investing in Modern and Efficient Transportation Solutions	Priority 1 Project	Create a Business Coalition Focused on Transportation Needs
		Related EDD projects already underway	None
		Priority 2 Projects	Create a staff team and committee focused on integrating emerging transportation technologies and services
			Airport Improvements
5	Strengthen the long term workforce by supporting career pathways for young people	Priority 1 Project	Support Work-Based Learning Opportunities for Youth
		Related EDD projects already underway	None
		Priority 2 Projects	Workforce Training Program Alignment and Assessment
			Neighborhood-Based hiring program

IMPLEMENTATION – PERFORMANCE MEASURES FOR PRIORITY 1 PROJECTS

Progress and performance in implementation of the Connect Madison will be evaluated and monitored with a series of measurable “outputs” and “outcomes” for each Priority 1 project. The outputs will be baseline measures of the work getting done, people being reached, and products and deliverables being completed. The “Outcomes” will attempt to measure the extent to which the projects are ultimately effective in terms of having a positive economic impact.

Project	Measurable “Outputs”	Measurable “Outcomes”
Create the Business Assistance Team (BAT)	<ul style="list-style-type: none"> • # • # • # • # 	
Madison Development Districts		
Targeted Business Retention and Expansion (BRE) Toward the Identified Industries		
Create a Business Coalition Focused on Transportation Needs		
Support Work-Based Learning Opportunities for Youth		

IMPLEMENTATION – QUARTERLY AND ANNUAL ECONOMIC DATA REPORT

The first phase of the Connect Madison process focused on collecting and analyzing a wide range of data on the current state of Madison’s economy. This analysis uncovered emerging trends and shifts in the local economy that were instrumental in developing the strategy. As part of implementation of Connect Madison the City will systematize a process of regularly collecting, analyzing, and reporting economic data. These reports will then be shared with city staff and the community at large.

Topics	Indicators Collected for Quarterly Summaries	Indicators Collected Annually Reports
Business and industry trends	<ul style="list-style-type: none"> • # • # • # • # 	
Jobs and workforce indicators		
Demographics and Diversity		
Housing		
Tax Base		
Schools		
Other		



IMPLEMENTATION – NEXT STEPS

1. Present the Connect Madison Strategy to the community (partnering organizations, neighborhood organizations, education leaders, business groups, etc.)
2. Present and discuss the Connect Madison Strategy with the City's Racial Equity and Social Justice Initiative (RESJI) core team and evaluate Strategy utilizing the City's Equity Tool.
3. Introduce a Common Council Resolution to accept Connect Madison as the City's Economic Development Strategy
4. Present to any interested city Committee/Commissions as directed by the Council
5. Develop a detailed work plan for EDD, identifying specific personnel, timelines, and deliverables for projects
6. Create a "whitepaper" for each Priority 1 Project that lays out how the project would be implemented, who would be involved, timelines, and budget implications
7. Continue to coordinate with inter-departmental City staff on how the Connect Madison Strategy aligns with other City plans and strategies in development, most notably the upcoming Comprehensive Plan
8. Create a system and schedule quarterly and annual data summaries and reports. This work should tie-in to the RESJI initiative and the City's ongoing efforts to develop more robust data-sharing protocols.



Thanks!

DRAFT

MADISON ECONOMIC DEVELOPMENT COMMITTEE

Current and previous members of the Economic Development Committee who contributed to this process

- MARK GREENE, CHAIR
- JOE BOUCHER, FORMER CHAIR
- JULIA STONE
- CRAIG STANLEY
- ALDER DENISE DEMARB
- MEGHAN BLAKE-HORST
- PAT SCHRAMM
- PENG HER
- ALDER REBECCA KEMBLE
- ALDER MARKET CLEAR
- ALDER STEVE KING
- ED CLARK
- ERIC STEEGE
- MEGHAN BLAKE-HORST
- PAT SCHRAMM
- CRAIG STANLEY
- ALDER MARK CLEAR
- ALDER SCOTT RESNICK
- FRANK STANISZEWSKI
- ALDER JOHN STRASSER
- MATT YONKLE

ECONOMIC DEVELOPMENT COMMITTEE STRATEGY SUBCOMMITTEE COMMITTEE

The following members of the City’s Economic Development Committee (EDC) served on the Strategy Subcommittee. The Subcommittee met numerous times early in this process to develop a frameworks for the *CONNECT MADISON* Strategy and an initial set of goals and strategies

- MARK GREENE, EDC CHAIR
- ED CLARK, SUBCOMMITTEE CHAIR
- MEGHAN BLAKE-HORST
- PAT SCHRAMM
- CRAIG STANLEY
- ALDER MARK CLEAR

AUTHORS OF COMMUNITY ADVISORY PAPERS

The following community members volunteered in response to Mayor Soglin’s request for economic development “Advisory Papers” focused on key topics. Full text of the Advisory Papers are available as an appendix.

- PAUL JADIN
- BETSY LUNDGREN
- BILL WHITE
- DR. RUBIN ANTHONY
- JEFF VERCAUTEREN
- ANGIE BLACK
- MICHAEL GAY
- ANNE REYNOLDS
- SUSAN SCHMITZ
- GARY PETERSON
- PEGGY GUNDERSON



Thanks!

DRAFT

PARTICIPANTS IN COMMUNITY INPUT PROCESS:

KYLE ADAMS - DAVID AHRENS - JOEL ALLEN - HEATHER ALLEN - GAIL AMBROSIUS - CRYSTEL ANDERS - PAMELA ANDROS - KATHY ANDRUSZ - MARY ANGLIM - DR. RUBEN ANTHONY - JULIA ARATA FRATTA - DEB ARCHER - CHRIS ARMSTRONG - JEFF ARNOLD - ALLEN ARNTSEN - MARK BAKKEN - TURINA BAKKEN, PhD - SAMBA BALDEH - MATT BARBER - SARAH BARBER - KARRI BARTLETT - SCOTT BARTZ - KAREN BASSLER - TERESE BERCEAU - JOHN BERGH - LAUREN BERIONT - COURTNEY BERNER - JORDAN BINGHAM - ANGIE BLACK - MEGHAN BLAKE-HORST - TODD BOEHM - LUKE BONNEY - DAVID BOYD - ZACH BRANDON - DAVE BRANSON - STEVE BREITLOW - TAYLOR BRENGEL - CURT BRINK - MARIE BROWN - DON BRUNS - CHERI BUCKNER - JOANNA BURISH - DAN BURKE - KEETRA BURNETTE - ERIK BURNS - JASON BUSCH - MARY CARBINE - SHERI CARTER - TIM CASPER - MARCIA CATON CAMPBELL - ZI CHONG - PAM CHRISTENSON - MICHAEL CHRISTOPHER - MICHAEL CHRONISTER - EDWARD CLARKE - MARK CLEAR - JOEY CONNAUGHTY - TESSA CONROY - KATHERINE CORNWELL - STEVE COVER - AARON CRANDALL - MARTHA CRANLEY - JEFF CROCKER - KRISTA CRUM - GENE DALHOFF - ABIGAIL DARWIN - JOSEPH L DAVIS - BALTAZAR DEANDA - SANTANA - TED DeDee - CRAIG DEITZ - DENISE DeMARB - TIM DeMINTER - HAROLD DETTINGER - KEITH DICKINSON - CRAIG DIETZ - MIKE DILLIS - DAN DONOVAN - ROBERT DOYLE - LAURA DRESSER - JOHN DRURY - CATHERINE DUARTE - SCOTT DUCKE - MATT DUFFY - SARAH DUNN - CARPENTER - CARRIE EDGAR - GRACE EDQUIST - CHARLIE EGGEN - SARA ESKRICH - THERESA FEINER - LEE FERDERER - JIM FOYE - GREG FRANK - LARRY FRANK - KAY-TEE FRANKE - MARY GAGE - LAURA GALLAGHER - MICHAEL GAY - OTTO GEBHARDT - LORI GIBSON - JANE GILBERTSON - STEVE GILCHRIST - JOYLYNN GILLES - SUE GLEASON - WAYNE GLOWAC - JASON GLOZIER - STEVE GOLDBERG - MELISSA GOMBAR - CHRISTOPHER GOSCH - ROB GOTTSCHALK - JANE GRABOWSKI - MILLER - BRIAN GRADY - VIC GRASSMAN - WILL GREEN - MARK GREENE - BRAD GRZESIAK - PEGGY GUNDERSON - TED GURMAN - DEAN HACKL - AARON HAGAR - GEORGE HAGENAUER - MELANIE HAYWARD - KATHY HEADY - BRYSON HEEZEN - NEIL HEINEN - ALYSSA HELLENBRAND - BEST - RICH HENDERSON - PENG HER - SARAH HOLE - CHARLES HOSLET - ERIC HOVDE - SANDRA HOWLAND - KAREN HUNT - CLAIRE HURLEY - BRAD HUTTER - ASTRA IHEUKUMERE - PAUL JADIN - CYNTHIA JAGGI - MIKE JANKOWSKI - JULIE JARVIS - JULANN JATCZAK - NANCY JENSEN - CHRIS JILLINGS - ANGELA JONES - JAMES KADEMAN - ROBB KAHL - CHUCK KAMP - SCOTT KELLY - REBECCA KEMBLE - DAN KENNELLY - BRUCE KEPNER - AMY KESLING - CRAIG KETTLESON - STEVE KING - GILLEAN KITCHEN - JENNIFER KOLB - CLINTON KRELL - RACHEL KRINSKY - CARLY KUNTZ - SUSAN LABELLE - MARTHA LAUGEN - JULIE LAUNDRIE - JOSH LAVIK - SARAH LAWTON - LAURI LEE - EDWARD LEE - SETH LENTZ - JEFF LENZ - JESSIE LERENR - JESSIE LERNER - RICHARD LEWANDOWSKI - SHARON LEZBERG - GRETCHEN LINS - KEVIN LITTLE - JAMES LLOYD - DAVID LOHRENTZ - DAN LONSDORF - JOE LOTEGELUAKI - JOSEPH LOTEGELUAKI - REGGIE LUEDTKE - BETSY LUNDGREN - RONALD LUSKIN - MATT M. - TRACI MANN - KIM MARSHALL - BARBARA MCKINNEY - GREGG McMANNERS - MAYRA MEDRANO - JEFF MEHRHOFF - TOBY MEICHER - TIM METCALFE - GLORIA MEYER - GREG MICKELLS - MATTHEW MIKOLAJEWSKI - SARAH MILESTONE - JIM MILLER - MICHAEL MILLER - ANNETTE MILLER - KENT MILLER - LAURA MILLER - DANIEL MILSTED - MARIA MILSTED - JOE MINGLE - OSCAR MIRELES - EVERETT MITCHELL - PAUL MOLINARO - ANNE MONKS - LUPE MONTES - DIANE MORGENTHALER - MARIANNE MORTON - MELISSA MULLIKEN - COLIN MURRAY - TERRY NELSON - ERICA NELSON - DEB NEMETH - DANICA NILSESTUEN - DAN O'CALLAGHAN - MICHAEL OLSON - JUDY OLSON - AARON OLVER - OLIVIA PARRY - GARY PETERSON - TORY PETTAWAY - DAVID PHILLIPS - LYNN PITMAN - DAVE PLANK - DOUGLAS POLAND - BOB POPE - DAVE PORTERFIELD - MICHAEL PRAGER - MAX PUCHALSKY - CATE RAHMLow - SCHAUNA RASMUSSEN - DEB RAUPP - STACIE REECE - MARK REIHL - JON RESKE - SCOTT RESNICK - BOB REUSCHLEIN - ANNE REYNOLDS - LINETTE RHODES - SATYA RHODES - CONWAY - DEAN RICHARDS - MARTY RIFKIN - TOM ROEPKE - RUTH ROHLICH - DR. 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QUESTIONS / FEEDBACK

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