



**CITY OF MADISON  
ECONOMIC DEVELOPMENT DIVISION**

# **Economic Development Strategy Preliminary Approach**

***DRAFT: INTERNAL DISCUSSION MEMO – Nov. 2013***



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**DRAFT FOR DISCUSSION**

# PURPOSE OF THIS MEMO

*This document is intended to start a dialogue among Madison's public and private sector leaders about launching a new Economic Development Strategy for the City.*

The City is due for an updated Economic Development Strategy. Before moving ahead with creating a new strategy, however, we felt it was important to take a step back and start a broader conversation with key stakeholders (internal to the city and external) to discuss Madison's core economic development needs and how to make the Citywide Economic Strategy most impactful.

This brief document is intended to start that conversation by offering a suggestive approach to the Strategy. Please get in touch with your thoughts, ideas, and questions.

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# WHY NOW?

**Madison's most recent economic development strategy was created in 2008. Needless to say, the economy has changed since then. Madison needs an updated Economic Strategy that challenges outdated assumptions about the City, embraces new ideas, and charts a new path to long term economic success, equity, and prosperity**

**As our local and national economies continue to rebuild from a deep recession, Madison's economic foundation is shifting under our feet.** We are no longer simply a mid-sized college and government town with a handful of stable employers. Madison is becoming more private-sector driven, more innovative, more tech-driven, more globally-connected, and more self-reliant when it comes to growing businesses and creating tax base. Madison's population is getting larger, younger, more transient, more diverse, and more economically split between the haves and have nots.

**Within this evolving context, the City needs to think strategically, look forward, and embrace a willingness to change the way we do things.** On one hand, Madison's numerous core assets remain intact (highly-educated workforce, stable employers, and exceptional quality of life). Plus, we are seeing a renewing demand for real estate development, a new level of entrepreneurial energy, emerging opportunities to grow our region's food economy, and numerous technology-led high growth industries. On the other hand, we face gathering challenges and threats including shifting perceptions of our school system, increasing competition from neighboring communities, growing economic inequality, and continued hostility towards Madison among some state policymakers.

**This is a pivotal moment in Madison's evolution as a local economy. We need an Economic Development Strategy that is up to the task at hand and can unite the City's economic leaders and stakeholders behind a common vision and clear priorities.**



Photo Credit: Archie Nicolette



# DRAFT APPROACH

The Economic Development Division staff developed this **project approach** to start a conversation about what Madison can accomplish by updating the City's economic development strategy and how to maximize its value in helping create a more prosperous economy and a more equitable community. This draft approach is built on four overarching "Building Blocks" that we foresee becoming the foundation of a detailed scope of work for the Strategy.

- **BUILDING BLOCK 1: Deep Trends and Data Insights**
- **BUILDING BLOCK 2: Forward-Looking Economic Vision**
- **BUILDING BLOCK 3: Strategic Priorities and Projects**
- **BUILDING BLOCK 4: Clear Work Plan to Implement**



## BUILDING BLOCK 1: DEEP TRENDS & DATA INSIGHTS

The first building block will focus on gaining a deeper understanding of where Madison is as an economy and where it is going.

The “Deep Trends and Data Insights” will go behind the typical “data dump” found in many economic development plans. Rather, it will focus on using a variety of unconventional data sources to gain a deeper understanding of Madison’s evolving economy. The analysis will emphasize using the data to uncover hidden challenges, foresee emerging opportunities, debunk myths, and truly understand what is driving Madison economy.

Among others, some of the questions we’re trying to answer in this process include:

- Where do we have opportunities to build our tax base?
- What industry sectors are poised for growth?
- What neighborhoods are in danger of disinvestment and decline?
- How are schools and crime affecting housing choices and business location decisions in the region?
- How is Madison’s demographic profile changing?
- Where does Madison suffer from poverty and chronic unemployment?
- What is Madison’s contribution to the statewide economy?
- What types of companies are forming in Madison?
- How do we leverage are unique assets including our robust food economy and regional agricultural bounty to grow our economy and create jobs?
- Who is going to live in Madison in 10 years, 20 years, 30 years? What will they do for jobs? What do they want from their community?

*Moving forward, we welcome additional thoughts on core data-driven questions we need to answer to get a better handle on the trends shaping our economy.*

### **Stakeholder Engagement:**

The City will reach out to a variety of businesses and organizations to gather information and share results from this analysis. This includes conducting surveys and focus groups with key stakeholders (e.g. health-tech, students, startups, schools, small biz, realtors, etc.) and sharing data with other economic development related groups such as MadREP and the Chamber.

### **Deliverables:**

Building Block 1 will result in a summary document and dynamic presentation highlighting key findings, trends, and insights. The emphasis will be placed on insights that are particularly relevant to understanding Madison’s economy and shaping a vision for its future.



## BUILDING BLOCK 2: ECONOMIC VISION

The Economic Vision will create a bold, powerful, and forward-looking declaration of where Madison is going as a local economy and how we will get there.

The vision will be rooted in Madison's existing assets while articulating an aspiration for the city's future. It will be something that public and private sector leaders in the city will stand behind and it will create the foundation for the more detailed strategies and recommendations.

### Stakeholder Engagement:

Not just a vision to guide municipal staff and elected officials, this will be a citywide Economic Vision that business leaders, the non-profit community, and citizens will embrace. The vision may change people's perceptions of the type of city Madison is and help people understand where Madison is going. If it's done well, the Vision will help build a foundation of support for the projects and action plan that are created later in the process.

### Deliverables:

The key deliverables from Building Block 2 will be a concise and illustrative Vision document that can be usable as a stand-alone document as well as integrated with other parts of the Economic Development Strategy. Moreover, a key outcome from this process will be to educate residents and get key stakeholders aligned and rowing in the same direction when it comes to what the City's future economy looks like.



## BUILDING BLOCK 3:

# STRATEGIC PROJECTS & PRIORITIES

**Madison needs to identify a set of key projects and priorities that will lead the City's efforts to reshape our economy to meet 21<sup>st</sup> century challenges**

The Strategic Priorities and Projects will translate the Economic Vision into a specific set of key projects, initiatives, and policies designed to move the city forward. These projects and priorities may cover a range of topics related to economic development.

**For example, some may be:**

- Real estate driven (i.e. target a specific area for redevelopment),
- Industry sector driven (i.e. focus on growing a key industry sector),
- Project driven (i.e. create a public market and food hub to augment the city's food economy), or
- Workforce driven (i.e. launch a new program to help high school grads gain employable skills)
- Policy driven (i.e. continued implementation of development review).

The Projects and Priorities will help organize economic development actions and initiatives into a manageable and clear set of 5 to 10 items. **Then, the City needs to focus its economic development horsepower to aggressively pursue implementation of each project.** These items will be rooted in the vision and broad enough to have an impact while narrow enough to be achievable and clear.

### **Stakeholder Engagement:**

The City will seek the involvement of business leaders, nonprofits, partnering economic development organizations, and key stakeholders in developing the projects/priorities. This will include the UW, MadREP, large companies, CVB, Chamber, DMI, workforce development organizations, etc. The public will have opportunities to respond to ideas and provide input as well.

### **Deliverables:**

The primary deliverable from Building Block 3 will be a set of ~5 to 10 key projects, important priorities, and/or overarching strategies to drive economic development in Madison. Each will be presented in a document and the reasoning and data supporting why each was identified will be clearly articulated.



## BUILDING BLOCK 4:

# ACTION PLAN

**The Action Plan is how things get done. It translates the broader Strategic Projects & Priorities into specific tasks, creates timelines, and assigns staff-level responsibilities.**

With a small set of clear projects and priorities identified, the Action Plan will pinpoint clear, day-to-day tasks that EDD and other City staff will undertake to implement the broader vision. The Action Plan will clearly delineate timelines, assign responsibilities, and prioritize efforts. The Action Plan may involve creating cross-agency and public/private teams that include city staff and partnering organizations focused on individual task items in the Action Plan.

### **Deliverables:**

The Deliverables for the Action Plan will be a straightforward matrix, tables, or charts that clearly layout detailed tasks, establish timelines, and assign responsibilities. It will be clear, flexible, and user-friendly. The Action Plan will be the yard stick that measures the City's success in implementing the City's Economic Development Strategy and moving Madison toward the vision.

### **Stakeholder Engagement:**

Work with other *economic development implementers* to prioritize projects, assign staff responsibility, set timeframes, etc. Establish staff-level implementation teams to lead day-to-day efforts to take action on the priority projects and initiatives.







## **NEXT STEPS:**

- Reach out to key economic development partners
- Refine approach and develop detailed scope of work
- Engage consulting support as needed
- Identify and collect relevant data for Building Block 1
- Launch Strategy (Early 2014)

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