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## CHAPTER SEVEN: ECONOMIC DEVELOPMENT

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This chapter contains a compilation of background information that will inform goals, policies, and programs to promote the retention, stabilization, and expansion of the economic base in the City of Janesville. This chapter includes an assessment of new businesses and industries that are desired in the City, an assessment of the City's strengths and weaknesses with respect to attracting and retaining businesses and industries, and an inventory of environmentally contaminated sites.

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### EXISTING ECONOMIC DEVELOPMENT FRAMEWORK

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This section details labor force trends, educational attainment, employment forecasts, income data and other economic development characteristics of the City. The City has a strong manufacturing base; however, it is diversifying to include a wider variety of industries and services. As the County seat, the City is also a hub of governmental activities in Rock County.

#### History of Economic Development Efforts in Janesville

The City of Janesville has a strong history of economic development. Because the limited ability of municipalities to purchase land for industrial purposes prior to the 1960s, some of the earliest organized economic development efforts in the City were initiated by the private sector – primarily through the Janesville Industrial Development Corporation focused on the purchase and resale of land for industrial parks.

The 1966 enactment of §66.52 that allowed municipalities to purchase and develop industrial parks allowed the City to become more proactive in its economic development approach. In 1972, the City created the Development Coordinator position which created the staffing and partnerships that helped develop the Kennedy Road Industrial Park.

Through the 1980s, the City, Janesville Industrial Development Corporation, and Chamber of Commerce worked cooperatively on business attraction efforts and commissioned a target marketing report to help guide the City's marketing strategy. One of the outcomes of this strategy was a reorganization to create a coordinating organization - the Janesville Economic Development Coordinating Organization (JEDCO). JEDCO supported the creation of a new City Department of Economic Development. In 1988 the City Council began taking the steps to use Tax Increment Financing (TIF) as an economic development tool in the City, and continued to emphasize business retention and expansion. Marketing the Kennedy Road Industrial Park and developing the City slogan "Janesville: Wisconsin's Park Place" were key among activities during the time period of the late 1980s.

In 1998, an Economic Development Task Force comprised of representatives from Forward Janesville, the Janesville City Council, and leaders from business and labor assembled to develop the Janesville Economic Development Strategy – which included a mission, goals, objectives, and metrics of success for the economic development of the City.

After the closure of the General Motors plant in 2008, the City of Janesville responded with a series of strategy and visioning documents to trigger revitalization efforts which ultimately led to the *ARISE Plan* (discussed later in this chapter). A partnership between the City, businesses, and downtown organizations has led to the recommendations of the plan being enacted at a remarkable speed, transforming downtown Janesville, centered around the new "Town Square."

#### Workforce Flow

The City of Janesville is a net importer of jobs, meaning that more people commute to the City for work (20,496), rather than leave the City for work (19,024). According to 2018 U.S. Census

Economic data, of the 19,024 Janesville workers that commuted to places outside the city, 17 percent (5,427) workers commuted to other locations in Rock County. Another 14 percent (4,587 workers) commuted to Dane County to the northwest. Walworth and Milwaukee Counties are the third and fourth most common workplace destinations that drew four and three percent of the commuting workforce respectively (1,354 and 1,036 workers). In total, 13,243 Janesville residents commuted to jobs within the City limits.

In contrast, 20,496 workers commuted into Janesville for employment. Substantial numbers drove in from other parts of Rock County (5,181 workers), Dane County (1,994 workers), Walworth County (1,438 workers), and Winnebago County IL (1,246 workers).

According to the 2019 ACS, 83.8 percent of workers in the City of Janesville commute to work alone in a personal vehicle. About 11 percent carpool to work, and 2.9 percent use public transportation or other forms of multimodal travel. The average travel time to work was about 21.2 minutes.

## Labor Force Trends

The City's labor force is the portion of the population employed or available for work and includes people who are in the armed forces, employed, unemployed, or actively seeking employment. In Janesville, according to the 2019 ACS, this included 34,017 people, or 66 percent of Janesville's population age 16 or older. Of this population, 1,565, or 4.6 percent, were unemployed. The percentage of unemployed workforce in Janesville was higher than the state (3.6 percent), but lower than that of Rock County (5.1 percent).

Figure 20 displays the rates of unemployment (not seasonally adjusted) in the City of Janesville, Rock County, Wisconsin, and the United States from Spring of 2019 through 2021. In this timeframe, Wisconsin's unemployment rate was typically lower than the US average, while Rock County's rate was slightly higher than the State average. Many of the City's employers have workers from throughout Rock County. Therefore, Janesville's unemployment rates are quite similar to those of Rock County. The economic recession resulting from the Covid-19 Pandemic initially hit the City of Janesville hard, with the local unemployment rate peaking at just under 19 percent in April 2020, surpassing the City's unemployment rate of 16.1 in 2009 upon the closing of the General Motors Assembly Plant. However, the City rebounded quickly. While unemployment rates have not reached pre-pandemic levels, the City's unemployment rate remains consistently lower than that of the national average.

### Figure 20: Unemployment Rates

Date	Janesville Unemployment Rate	Rock County Unemployment Rate	Wisconsin Unemployment Rate	United States Unemployment Rate
June 2021	5.2	5.4	4.5	6.1
May 2021	4.8	4.8	4.0	5.5
April 2021	5.1	5.1	4.4	5.7
March 2021	4.9	5.1	4.8	6.2
February 2021	5.1	5.6	4.9	6.6
January 2021	4.8	5.0	4.5	6.8
December 2020	4.2	4.1	4.0	6.5

November 2020	4.6	4.3	4.1	6.4
October 2020	4.9	4.6	4.3	6.6
September 2020	6.0	5.4	4.9	7.7
August 2020	6.9	6.4	5.8	8.5
July 2020	8.9	8.4	7.3	10.5
June 2020	10.0	9.5	8.6	11.2
May 2020	13.4	12.2	10.7	13.0
April 2020	18.8	17.4	14.9	14.4
March 2020	4.0	4.3	3.8	4.5
February 2020	3.8	4.0	3.5	3.8
January 2020	4.1	4.3	3.5	4.0
December 2019	3.3	3.3	3.0	3.4
November 2019	3.7	3.4	2.9	3.3
October 2019	3.5	3.4	2.9	3.3
September 2019	3.7	3.6	3.0	3.3
August 2019	3.8	4.0	3.4	3.8
July 2019	3.9	3.9	3.5	4.0
June 2019	4.3	4.2	3.8	3.8
May 2019	3.6	3.6	3.1	3.4
April 2019	3.2	3.3	3.1	3.3
March 2019	3.7	3.9	3.6	3.9

*Source: Bureau of Labor Statistics, Local Area Unemployment Statistics*

The percentage of the City's labor force employed by sector in 2010 and 2019 is shown in Figure 21. Even after the closure of the General Motors facility, Manufacturing remains a dominant industry group in the City of Janesville, and has actually grown since 2010. The most prominent industry – Educational, Health, and Social Services – has increased in prominence since 2010, while the third-most prominent industry – Retail Trade – has remained level.

**Figure 21: City of Janesville Industry Groups, 2010 & 2019**

Occupational Group	% of Labor Force (2010)	% of Labor Force (2019)
Educational, health, and social services	21.1	22.4
Manufacturing	19.9	21.0

Retail trade	13.5	13.6
Arts, entertainment, recreation, accommodation, and food services	10.7	8.5
Professional, scientific, administrative, and waste management services	5.6	6.9
Construction	5.5	5.5
Wholesale trade	4.7	4.3
Transportation, warehousing, and utilities	4.9	4.2
Finance, insurance, real estate, rental, and leasing	3.4	3.8
Public Administration	3.2	3.4
Other services (except public administration)	4.3	3.1
Information	2.7	2.7
Agriculture, forestry, fishing, hunting, and mining	0.5	0.8

According to 2019 U.S. Census Bureau data, Rock County's educational, health, and social services sectors account for 22.4% of employment, the manufacturing sector accounts for 21%, retail trade accounts for 13.6%, accommodations and food services accounts for 8.5%, followed by professional, scientific, administrative, and waste management services.

In 2009, thousands of manufacturing jobs were lost due to the closure of the General Motors plant and several supplier companies in Janesville. These closures most certainly impacted the percentage of labor force employed in manufacturing, and the overall labor force participation rates. In 2000, manufacturing made up nearly 30 percent of the labor force compared to around 21 percent today.

## Employment Projections

Even more so than with population and household projections, it is difficult to predict with certainty the future employment prospects for a given area. Perhaps even more than considering past trends, employment trends are more closely related to the overall economic climate – both regionally and nationally, as well as local decision-making and initiatives to help create, grow, and attract businesses.

Every two years, the Projections Unit of the Office of Economic Advisors in the Wisconsin Department of Workforce Development (DWD) develops 10-year, long-term projections of Wisconsin's industries and occupations. These projects are completed for Wisconsin and for its Workforce Development Areas. The state projections are based on federal economic and demographic data from the following source: U.S. Census Bureau, Current Employment Statistics, Quarterly Census of Employment and Wages, Occupational Employment Statistics, Current Population Survey, and the Bureau of Labor Statistics Employment Projections.

The City of Janesville is located in the Southwest Workforce Development Area, which includes Rock, Green, Lafayette, Iowa, Richland, and Grant Counties. To project employment for key industries out to 2028, the growth/decline percentages derived by DWD are applied to 2018 employment figures for the City of Janesville.

In terms of the raw number of jobs, Health Care & Social Assistance careers are anticipated to experience the highest growth in the next 10 years (606 more jobs in 2028, marking roughly 11 percent growth). In terms of the highest rate of growth, Construction careers are projected to experience a growth rate of over 14 percent out to 2028 (adding 182 jobs). Meanwhile, Retail Trades are

projected to lose the most jobs during this time period (a decline of 352 jobs, or just under eight percent), while Information careers are projected to experience the highest rate of decline (over eight percent decline in jobs, or a loss of 96 jobs). Overall, the City of Janesville is projected to experience a net gain of 1,100 jobs by 2028, marking about a three percent rate of growth.

Industries that demonstrate a higher concentration of local employment as compared to the national average as considered to be “Basic Industries.” Basic industries are those employment sectors which exports products and services from the local area, into the national economy. Basic Industries are identified through Location Quotient Analysis. Location Quotients compare the concentration of an industry locally to the concentration of the industry nationally. If a Location Quotient is equal to “1.00”, then that industry has exactly the same concentration of area employment as it does nationally. Location Quotients exceeding 1.00 indicate basic industries.

In 2028, seven industries are projected to be basic (exporting) industries in the City of Janesville. Four are projected to grow in the City by 2028 (Health Care & Social Assistance; Wholesale Trade; Transportation & Warehousing; and Manufacturing); while three are projected to decline by 2028 (Public Administration; Information; and Retail Trade). Of particular note, Wholesale Trade industries are nearly three times as concentrated in the City of Janesville as they are nation-wide. Of the projected net growth of 1,100 jobs by 2028, basic/exporting industries are expected to provide 770, or 70 percent, of those jobs. Exporting industries are highlighted in grey in [Figure 22](#) below.

**Figure 22: Rock County Projected Employment Gains & Losses by Top 10 Industries**

Industry	2018 Employment	2028 Projected Employment	Numeric Change	Percent Change	2028 Location Quotient
Projected Gain in Employment, 2018-2028					
Health Care & Social Assistance	5,608	6,214	606	10.8%	1.09
Wholesale Trade	3,493	3,794	301	8.6%	2.86
Transportation & Warehousing	1,616	1,821	205	12.7%	1.36
Construction	1,294	1,476	182	14.1%	0.84
Educational Services	1,754	1,869	115	6.5%	0.55
Manufacturing	4,160	4,250	90	2.2%	1.51
Professional, Scientific, & Technical Services	661	716	55	8.3%	0.30
Other Services	744	769	25	3.4%	0.70
Arts, Entertainment, & Recreation	347	372	25	7.3%	0.56
Administration, Support, Waste Management, & Remediation Services	1,756	1,777	21	1.2%	0.81
Agriculture, Forestry, Fishing, Hunting & Mining	98	107	9	9.6%	0.25
Real Estate, Rental, & Leasing	184	191	7	3.8%	0.37

Industry	2018 Employment	2028 Pro- jected Em- ployment	Nu- meric Change	Percent Change	2028 Loca- tion Quo- tient
Management of Companies & Enterprises	309	309	-	-	0.51
Projected Loss in Employment, 2008-2018					
Finance & Insurance	612	611	-1	-0.2%	0.44
Utilities	172	160	-12	-7.2%	0.94
Accommodation & Food Services	3,339	3,301	-38	-1.1%	0.99
Public Administration	1,776	1,732	-44	-2.5%	1.17
Information	1,148	1,052	-96	-8.4%	1.46
Retail Trade	4,668	4,316	-352	-7.5%	1.23
Total	33,739	34,839	1,100	3.3%	-

Source: Longitudinal Employment Household Dynamics (LEHD), U.S. Census Bureau, 2018; Wisconsin Department of Workforce Development

Given the dynamic economy in the region and changes anticipated in the years following the adoption of this *Plan*, these employment forecasts extend through 2028. Additionally, it is important to note that both state and federal projections do not yet account for industry trends that took place during the recession instigated by the Covid-19 Pandemic. These projections will be revisited and expanded as the *Plan* is updated and / or amended.

## Educational Attainment

Educational attainment is another component of a community's labor force. According to the 2019 ACS, more than 92 percent of the City's population age 25 and older had attained a high school level education or higher. Approximately 24 percent of the population had attained a college level education (bachelor's degree or higher). The percentage of High School graduates is higher in comparison with the state and country, but the percentage of those with a Bachelor's Degree or Higher is lower than that of Wisconsin and the United States.

### Figure 23: Education Characteristics, 2019

	High School Graduates (%)	Bachelor's Degree or Higher (%)
<b>City of Janesville</b>	<b>92.4</b>	<b>23.6</b>
Town of La Prairie	93.6	20.6
Town of Rock	85.4	12.2
Town of Janesville	97.4	35.6
Town of Harmony	94.5	36.8
City of Beloit	84.5	16.7
City of Milton	92.1	23.8

	High School Graduates (%)	Bachelor's Degree or Higher (%)
City of Rockford	83.8	22.3
Rock County	90.8	22.1
Wisconsin	92.2	30.1
United States	88.0	32.1

Source: U.S. Census Bureau, American Community Survey, 2015-2019 Five-Year Estimates. Table S1501

## Income Data

Figure 24 presents income characteristics for the City of Janesville and the surrounding communities. According to 2019 ACS data, the City's median household income was \$56,293. Although lower than most surrounding towns, Milton, and Rock County, the median household income in the City of Janesville is higher than the median household income in Beloit and Rockford. The City's per capita income in 2019 was \$29,532 which was fairly comparable to nearby communities, but lower than both the surrounding towns and the State. Per capita income is defined as the total personal income divided by total population. This is used as a measure of the wealth of a population, and indicates that Janesville residents are faring comparatively well to those in neighboring municipalities.

In summary, the City has a healthy household income profile, albeit one that is somewhat lower than the State of Wisconsin or the United States in the aggregate

## Figure 24: Income Characteristics, 2019

	Median Household Income	Per Capita Income
<b>City of Janesville</b>	<b>\$56,293</b>	<b>\$29,532</b>
Town of La Prairie	\$70,417	\$32,431
Town of Rock	\$46,105	\$21,227
Town of Janesville	\$81,690	\$44,356
Town of Harmony	\$86,532	\$41,038
City of Beloit	\$43,651	\$22,285
City of Milton	\$67,523	\$30,936
City of Rockford	\$44,252	\$25,517
Rock County	\$57,875	\$28,945
Wisconsin	\$61,747	\$33,375
United States	\$62,843	\$34,103

Source: U.S. Census Bureau, American Community Survey, 2015-2019 Five-Year Estimates. Tables B19301 & S1901.

## Regional Trends

As it is increasingly recognized that in a global economy, economic development strategies are most effectively executed at a regional level, Janesville and Rock County are part of an regional economic development agency called the Madison Region Economic Partnership (or, ‘MadREP’). The region is comprised of eight counties, roughly comprising South Central Wisconsin. The MadREP region includes Sauk, Columbia, Dodge, Iowa, Dane, Jefferson, Green, and Rock Counties.

Within the MadREP region, the agency concentrates its efforts in key industry sectors bolstering the region. These sectors include: agriculture, food and beverage, advanced manufacturing, healthcare, information communications technology, and bioscience.

## Location of Economic Development Activity

Maps 5 a, b, c shows the location of current economic development activity in the City. These areas are labeled under *Office*, *Commercial*, and *Industrial* land use categories on the map.

### Commercial/Office Development

The City’s commercial development is focused along several commercial corridors and the downtown area. Milton Avenue, Main Street, Center Avenue, Milwaukee Street, Court Street, USH 51, and USH 14/Humes Road are major commercial corridors in the City. Large-scale regional commercial uses, serving a market beyond Janesville are prevalent in the area around the USH 14 and STH 26/Milton Avenue interchanges with I 39/90 and Milton Avenue and Humes Road. Center Avenue and Court Street provide predominantly community-serving commercial uses. At this time, it is important to maximize the development and redevelopment potential of these existing commercial areas. The downtown area supports mainly service-related business, office, and some retailing. Given the vacancy rates and availability of infill and development sites in and around the downtown, there are potential opportunities for residential, retail, office, and mixed-use development. The City’s only true office park is the Midlands Office Park, located just northeast of the Interstate Highway/E. Racine Street Interchange. Other significant business parks include the East Side Business Park along S. Wuthering Hills Drive and the State Highway 11 Business Park immediately southwest of the CTH G/Highway 11 Intersection.

### Industrial Development

The City’s economy grew up around manufacturing, and as such, industrial development is prevalent in the City. Rail-oriented industrial land uses are clustered near USH 51 in the south central and north central portions of the City and in the Kennedy Road Industrial Park. More modern industrial development has been located in a large industrial park east of the interstate and north of Racine Street (STH 11). Another emerging area of new industrial development focusing on the emerging logistics sector is located at the southeast corner of the City, near the intersection of Beloit Avenue and STH 11. The City’s industrial land demand suggests a need to identify industrial expansion areas as part of this planning effort.

### Primary Employers

As of 2021, the private companies employing the largest numbers of workers in the City included: SSM Health, Grainger Industrial Supply, Parts Unlimited (Lemans Corporation), Prent Thermoforming, SSI Technologies, Mercyhealth System, Seneca Foods, the Walmart Supercenter, Woodman’s Food Market, Serta Simmons Bedding, Menards, Marling Lumber and Homeworks, Monterey Mills, Target, United Alloy, Bliss Communications, and Blain Supply.

In addition to these private sector employers, Janesville Public Schools, Rock County, the City of Janesville, and Blackhawk Technical College are key public sector employers within the City.



**Figure 25: City of Janesville Major Employers**

Employer	Business Description	Number of Jobs
SSM Health St. Mary's Hospital - Janesville	Physicians & Surgeons	1,000-4,999 employees
Grainger Industrial Supply	Industrial Machinery and Equipment Wholesaler	1,000-4,999 employees
Lemans Corporation	Outdoor Sports Distribution	500-999 employees
Prent Corporation	Packaging and Labeling Service	500-999 employees
SSI Technologies, LLC.	Medical Measuring and Controlling Device Manufacturing	500-999 employees
Mercyhealth System	Insurance	250-499 employees
Seneca Foods Corporation	Food Packaging and Manufacturing	250-499 employees
Walmart Supercenter	Department Store	250-499 employees
Woodman's Food Market	Supermarket	250-499 employees
Simmons Manufacturing Company	Mattress Manufacturing	250-499 employees
Menards	Home Center	250-499 employees
Marling Lumber Company	Building Materials	100-249 employees
Janesville Medical Center	Freestanding Ambulatory Surgical and Emergency Centers	100-249 employees
Monterey Mills	Nonwoven Fabric Mill	100-249 employees
Target	Department Store	100-249 employees
United Alloy	Fabricated Structural Metal Manufacturing	100-249 employees
Bliss Communications, Inc.	Newspaper Publisher	100-249 employees
Rock County Jail	Correctional Institution	100-249 employees
Blain Supply, Inc.	Warehousing and Storage	100-249 employees

Source: Wisconsin Department of Workforce Development

## Environmentally Contaminated Sites

Environmentally contaminated sites are discussed in the Economic Development component of the City's *Comprehensive Plan* because these areas present opportunities for redevelopment and revitalization. The Wisconsin DNR's Environmental Remediation and Redevelopment Program maintains a list of contaminated sites, or "brownfields," in the State. The WDNR defines brownfields as "abandoned or under-utilized commercial or industrial properties where expansion or redevelopment is hindered by real or perceived contamination." Examples of brownfields might include a large abandoned industrial site or a small corner gas station. Properties listed in the WDNR database are self-reported, and do not necessarily represent a comprehensive listing of possible brownfields in a community. As of November 2021, there were 14 open sites in the City listed in WDNR's system. Thirteen sites in the Janesville area are classified as environmental repair, or ERP. These sites are often times older and have been releasing contaminants to the soil, groundwater, or air over a long period of time. One site is classified as LUST, or leaking underground storage tanks. These tanks are, or were known in the past to be, contaminating the soil and/or groundwater with petroleum. [Figure 26](#) lists the location and classification of documented brownfield sites in Janesville.

**Figure 26: Brownfield Sites, 2021**

Site Location	Classification	Address
General Motors Property	ERP	1000 General Motors Drive
Stateline Recycling	ERP	910 W. Delavan Drive
Monterey Dam Removal & River Restoration Project	ERP	832 Center Ave
Robinson Dry Cleaners	LUST	1838 W. Court Street
Former Rock County Jail	ERP	110 S. Water Street
Court & Water Street Properties	ERP	20 E. Court & 80 S. Water Street
Former Bee Line Alignment	ERP	202 S. Water Street
Water & Main Street Properties (Including Hedberg Library)	ERP	210 & 212 S. Water Street, 316 S. Main Street
Janesville Town Square	ERP	51-55 S. River Street
Accudyne	ERP	340. N Franklin Street
Adams Roofing	ERP	643 N. Main Street
Janesville City Ash Beds	ERP	Black Bridge Road
Janesville Old Landfill	ERP	Black Bridge Road
Janesville Disposal Facility	ERP	Black Bridge Road

Source: Wisconsin DNR's Environmental Remediation and Redevelopment Program

Brownfield redevelopment programs seek to return abandoned or underused industrial and/or commercial sites to active use through cleaning up environmental contamination and encouraging redevelopment of the sites. The Wisconsin Department of Commerce and WDNR work together to administer a grant program that funds brownfields cleanup. This program provides funds for

environmental studies that determine the nature and extent of contamination as well as for the actual remediation of contaminated sites. More information on the requirements a community must meet to receive these grants is available through the Department of Commerce and WDNR.

## ECONOMIC DEVELOPMENT PROGRAMS, AGENCIES, AND PLANS

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The following list provides information on programs designed to stimulate economic development:

### Community Economic Development Agencies

- **City of Janesville Department of Economic Development** focuses on promoting and encouraging Janesville's economy through the attraction and expansion of business, revitalizing downtown, and providing strategic support services to businesses looking to relocate, expand, or open for business. The department implements the City Council's economic development policy and focuses on business development and job creation.
- **Forward Janesville** is an independent economic development organization similar to a chamber of commerce. Major goals of the organization include encouraging the growth of existing businesses and attracting new industries to serve these businesses and the Janesville community. The organization provides business support services to its members, advocates for local business development, and assists community development efforts, largely through leadership and skills development. Forward Janesville plays a significant role in downtown revitalization in partnership with the City.
- **Downtown Janesville, Inc. (DJI)** is a collaboration of downtown business professionals with a mission of promoting and bolstering downtown Janesville. DJI works in conjunction with stakeholders including ARISE Now, Forward Janesville, Inc., and the City of Janesville to promote economic development, encourage the preservation of historic buildings, and increase opportunities for activities in the downtown. DJI committees address the following topical areas: Design, Economic Vitality, Events, Parking, Promotions & Marketing, and Sponsorships.
- **The Janesville Area Convention and Visitors Bureau (JACVB)** is a private non-profit organization that promotes the amenities, attractions, and events of Janesville to convention attendees, motor coach tourists, and other travelers in the area.
- **Rock County Development Alliance** is a group of economic development professionals and related organizations working within Rock County to implement a cooperative marketing and branding campaign. Working cooperatively is an attempt to maximize resources, leverage countywide and regional opportunities. One of the early successes of the Alliance was the preparation of marketing materials – including a flier highlighting the assets and competitive advantages of the Rock County communities. The group also maintains a web-page and will attend trade shows and call trips. The promotional campaign is targeting the following industries: business services, food processing, industrial machinery automation, logistics, plastics, transportation equipment. The Alliance also seeks to establish relationships with Chicago area industrial brokers, site location consultants, and developers.
- **Southwest Wisconsin Workforce Development Board** serves a six-county area in the Southwest corner of Wisconsin. A collaboration of private and public leaders, this group works to promote innovation and quality in local workforce development activities. The group meets quarterly to address work-force development issues and provide oversight to the Southwest Job Center offices located in the area. They provide service to both workers and employers in the region.

- **Rock County 5.0** is a public-private initiative originally formed to advance economic development throughout the County in a unified, holistic fashion. Rock County 5.0 leverages the region in following focus areas: Business Retention & Expansion, Business & Investment Attraction, Small Business & Entrepreneurship, Real Estate Positioning, and Workforce Profiling.

## Existing Economic Development Plans and Studies

Janesville has a strong history of planning for economic development. The following summarizes the key recommendations of plans and studies focused on economic development in Janesville.

- The Rock Renaissance Area Redevelopment & Implementation Strategy (ARISE, 2015). The *Rock Renaissance Area Redevelopment & Implementation Strategy* (i.e., *ARISE*) assesses the issues present on particular sites and builds public awareness of the challenges and opportunities for redevelopment in Janesville Downtown, and along the Rock River. *ARISE* also presents well-articulated redevelopment strategies including action steps needed for the area, such as potential cost implications, funding sources, strategic partnerships, etc. The *ARISE* Plan is a playbook for action that the City uses when working with developers, land owners, elected officials, and downtown businesses to encourage and guide cleanup and redevelopment of declining sites near the river downtown.
- City of Janesville Downtown Vision and Strategy (2007). The *City of Janesville Downtown Vision & Strategy* is a local, foundational plan highlighting the importance of Janesville's downtown and its adjacent neighborhoods as the historic, cultural, geographic center of the community. Many of the *Strategy's* recommendations (i.e., concentration of commercial uses on Milwaukee Street and Main Street, Five Points intersection development, mixed use along the Rock River, bolstering of employment east of Main Street) were foundational principles to the City's 2009 *Comprehensive Plan* and the *ARISE Plan*.
- Janesville WI Supply/Demand and Shared Parking Analysis (2013). The *Supply/Demand and Shared Parking Analysis* for Janesville's Downtown documents findings about both current and future conditions regarding existing and projected parking supply. Additionally, the *Analysis* also examined future (at the time) parking conditions projected upon the removal of the downtown Parking Plaza decking the Rock River. The City of Janesville/Janesville Area MPO conducts a biennial Downtown Parking Study to ensure constant evaluation. This parking study assesses downtown parking needs based on changing market conditions and physical infrastructure.

## City Economic Development Programs

- **Tax Increment Financing (TIF)** is a tool to use future gains in taxes to finance the current improvements that will create those gains. In 2021, the City had 12 active TIF districts. The project plans for most TIF Districts include funds for marketing and attracting of industry. The City uses Tax Increment Financing (TIF) to incentivize industrial development in Janesville by minimizing the costs of acquiring quality industrial sites. Nineteen industrial TIF districts have been created through the program. TIF allows the City to offer loans to businesses for labor and equipment development.
- **Bonding Assistance:** Janesville assists new large-scale industrial enterprises with Industrial Revenue Bonding, securing these businesses with tax-exempt funding rates.
- **Downtown Revolving Loan Fund Program:** The Downtown Revolving Loan Program was authorized by the Janesville City Council in 2014 with an initial investment of \$54,000. The City's investment was made through the appropriation of proceeds from retiring TIF Districts, and is being supplemented by matching \$10,000 commitments from the following local lending institutions: Blackhawk Community Credit Union, BMO Harris Bank,

Blackhawk Bank, Johnson Bank, Old National Bank, and First National Bank and Trust.

The Downtown Janesville Revolving Loan Program is available to eligible applicants seeking to make improvements to buildings they own or operate out of in Downtown Janesville. Eligible activities include façade renovation, creation/improvement of upper story residential units, investments in commercial tenant spaces, and more. Applicants are required to coordinate a pre-application conference with the program officer prior to submitting an application. All completed applications are reviewed by the Revolving Loan Review Committee.

## Regional and State Agencies and Programs

Regional, state, and federal programs and aid include, but are not limited to, the following:

- The **Wisconsin Economic Development Corporation (WEDC)** bolsters job creation and business growth across the State by providing financial assistance and resource to municipalities and companies through a variety of economic and community development programs. Programs include (but are not limited to) the Brownfields Program, Fast Forward Grants, Industrial Revenue Bond, the Manufacturing and Agricultural Credit, and many more.
- The Federal **Opportunity Zone Program** is designed to encourage private investment in high-need areas, defined as census tracts that fall within low-income criteria. Much of the south side of Janesville, as well as the Downtown Area are designated as federal Opportunity Zones.
- The **State Infrastructure Bank Program** is administered through the Wisconsin Department of Transportation to provide revolving loans used by communities for transportation infrastructure improvements to preserve, promote, and encourage economic development and transportation efficiency, safety, and mobility.
- The **Transportation Economic Assistance (TEA)** program is administered through the Wisconsin Department of Transportation to provide matching grants for transportation infrastructure projects that are directly linked to either attracting employers, or encouraging current employers to remain in and expand their operations in Wisconsin.
- The Wisconsin Department of Administration provides federal **Community Development Block Grant (CDBG)** funds to various public facility, housing, and economic development programs and initiatives. Historically, CDBG grants funding economic development projects fund loans for businesses for activities such as remodeling, real estate acquisition, buildings, equipment, construction, expansion, etc.

## Strengths, Assets, Weaknesses and Challenges for Economic Development

*Volume 2* of this *Comprehensive Plan* will detail Economic Development Goals, Objectives, Policies, and Programs for the City. The most effective strategies are those that capitalize on the assets and strengths of the City, while accounting for and overcoming the City's weaknesses and challenges. The following considers preliminary strength/assets and weaknesses/challenges for economic development in the City of Janesville.

Assets or strengths that the City can capitalize on in economic development include:

- Existing anchor industries and regional employers e.g. Mercy Health Systems
- Agricultural based industries (Seneca Foods) and location proximate to productive farmland provides inputs for production and processing (bio-based industry)
- Highway I-39/90, USH 14, 51, Milton Avenue diverging diamond, and highway infrastructure expansions

- Rail infrastructure (but limited access)
- Southern Wisconsin Regional Airport
- Public water and sewer capacity and system expansion feasibility
- Regional position – close to Madison, Chicago, Milwaukee, and other areas within a day’s drive
- Post-secondary education opportunities: University of Wisconsin at Rock County, Blackhawk Technical College, and relationships with University of Wisconsin at Whitewater and Madison
- Education partners addressing emerging industry needs
- K-12 Education through Janesville and Milton Public Schools
- Quality of Life – Rock River, parks, services
- Janesville is a safe community
- Competitive cost of living
- Downtown revitalization momentum
- Potential re-use of underutilized buildings in the downtown and other commercial corridors
- Community based organizations provide a strong support network
- Increasing diversity and demographic shifts – age, ethnicity
- Access to regional commuters including northern Illinois and remote workers
- A strong broadband infrastructure to support remote work
- Supportive local government
- Significantly diversified economy since the Great Recession

Weakness/challenges that will need to be considered and addressed include:

- Global economic inflation
- Limited rail access
- High rate of personal income taxes statewide (as compared to Illinois)
- Some perception of business unfriendly environment
- Challenges associated with shortage of available land for industrial expansion
- Retiring “boomer” workforce
- Declining workforce preparation in skilled trades
- Supply chain disruptions
- Ability to compete with Madison, and Milwaukee to retain young professionals
- Lack of true four-year university
- Ongoing pandemic concerns
- The challenge of adapting to a remote workforce
- Uncertain development future for former General Motors site

#### Key Economic Development Issues and Opportunities

The following are some of the key issues and opportunities for the City identified in this Chapter and through public input that will be considered in preparation of recommendations in *Volume 2* of the *Comprehensive Plan*.

- Janesville’s proximity to Chicago, Milwaukee, Madison and Rockford, and its nexus of three Interstate Highways and three active rail lines, will continue to provide a strong impetus for growth.
- The City has strong economic infrastructure on which to capitalize, including the Southern Wisconsin Regional Airport, highway transportation network, and railroad.

- Diversification of the economic and business mix is important to ensure economic stability.
- Identification of new areas for future industrial development is a challenge for the City. There are potential issues associated with several of the logical industrial expansion areas.
- Workforce development, particularly in light of the accelerating retirement of a high percentage of the baby boomer generation is critical in Janesville and the Rock County area. Education and training of the future workforce in technical fields and trades must match employment demand.
- Preparing for economic shifts, and anticipating the needs of anchor corporations in the City is important to the long-term stability of the City's economy.
- Attracting and retaining a talented workforce, including young professionals can be accomplished through maintaining and enhancing quality of life and providing creative class jobs.
- Promoting expansions, spin-offs, and entrepreneurship opportunities can effectively build on existing strengths and clusters in the City – growing the economy from within, rather than relying on a business-attraction strategy.
- Connecting with emerging economies and regional research could position the City as a player in the bio-economy.
- Downtown Janesville has a strong professional services sector, and is developing as an arts and entertainment hub.
- Promoting arts, culture, entertainment, and tourism in the City can be achieved through more effective networking and joint marketing.
- Projecting a business-friendly image and embracing public-private partnership opportunities can help attract and retain businesses.
- Regional collaboration helps facilitate a broader range of economic development opportunities that allow more effective competition in a global economy.

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