

April 15, 2004 Recommended Plan

Introduction -- Appendix 1

One purpose of this economic development inventory and analysis is to assess the current state of La Crosse's economy and to project a future state, focusing on population and housing conditions, income characteristics, employment and the labor force, the geographic distribution of employment, and future land use needs. The results obtained from the inventory and analysis was used to develop and support the goals and actions which make up the City's Economic Development Strategic Plan.

In most of the following examples, the City is compared to either La Crosse County or the remainder of the County, which is defined as everywhere within the County excluding the City of La Crosse. The remainder is presented because it provides a clearer picture of what is happening in the County regarding population, housing and job growth and how the City compares to communities around it. The City is also compared to the State of Wisconsin and the United States.



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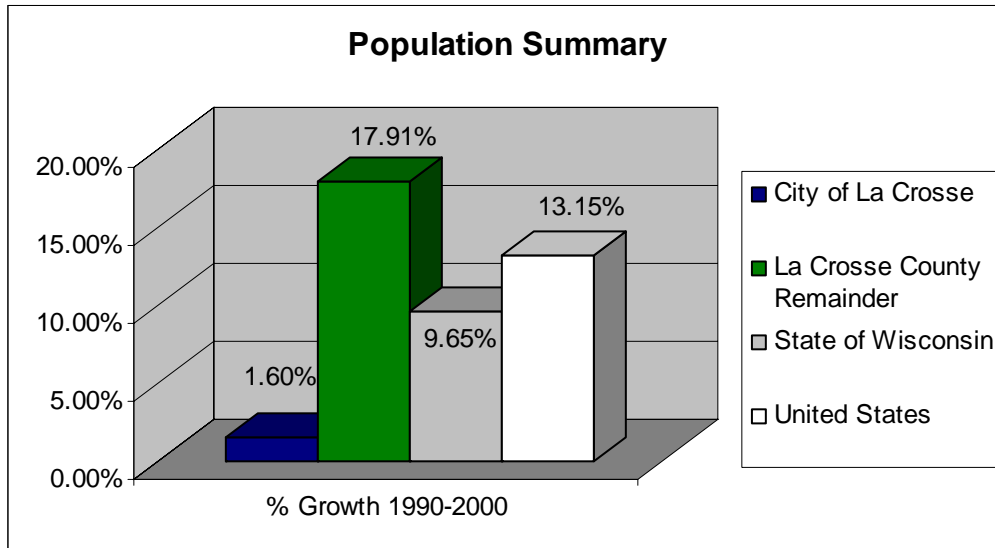
1. Population & Housing

Population Summary

	1990	2000	% Change
City of La Crosse	51,003	51,818	1.60%
Remainder of La Crosse County	46,901	55,302	17.91%
State of Wisconsin	4,891,769	5,363,675	9.65%
United States	248,709,873	281,421,906	13.15%

Source: U.S. Census, 1990-2000.

The City's population growth of 1.60% from 1990 to 2000 lagged the remainder of La Crosse County, which grew at 17.91% during this time period; the State of Wisconsin, which grew at almost 10% during that time period; and the United States, which grew at over 13% from 1990 to 2000. The remainder of the County's population in actual numbers surpassed the City's from 1990 to 2000.



Source: U.S. Census, 1990-2000.

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Housing Summary

City of La Crosse

	1990	2000	% Change
Total Housing Units	20,897	22,233	6.39%
Occupied Units	19,970	21,110	5.71%
Owner Occupied Units	9,897	10,746	8.58%
Average Household Size	2.34	2.23	-4.70%
Median Value	\$53,500	\$85,100	59.07%
Median Rent	\$344	\$449	30.52%

La Crosse County & Remainder Of

	1990	2000	% Change
Total Housing Units	Co = 38,239 Re = 17,342	43,479 21,346	13.70% 23.09%
Occupied Units	36,662 16,692	41,599 20,489	13.47% 22.75%
Owner Occupied Units	23,043 13,146	27,067 16,321	17.46% 24.15%
Average Household Size	2.54	2.45	-3.54%
Median Value	\$58,400	\$96,900	65.92%
Median Rent	\$290	\$323	11.38%

State of Wisconsin

	1990	2000	% Change
Total Housing Units	2,055,774	2,321,144	12.91%
Occupied Units	1,822,118	2,084,544	14.40%
Owner Occupied Units	1,215,350	1,426,361	17.36%
Average Household Size	2.61	2.50	-4.21%
Median Value	\$62,500	\$112,200	79.52%
Median Rent	\$331	\$540	63.14%

United States

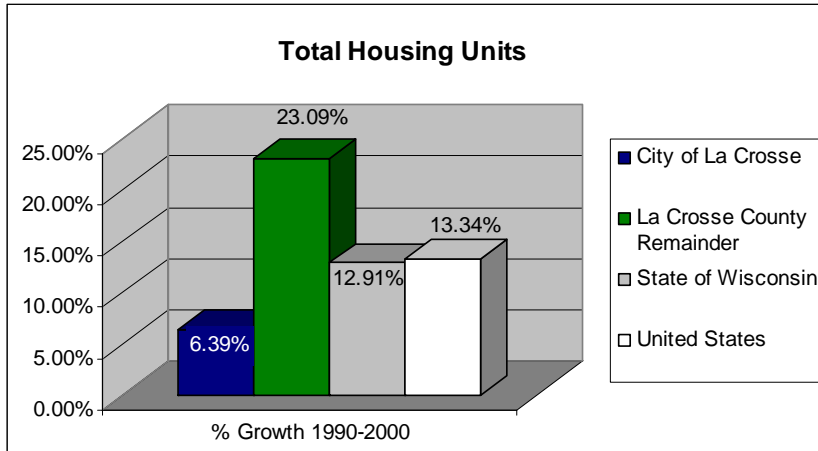
	1990	2000	% Change
Total Housing Units	102,263,678	115,904,641	13.34%
Occupied Units	91,947,410	105,480,101	14.72%
Owner Occupied Units	59,024,811	69,815,753	18.28%
Average Household Size	2.63	2.59	-1.52%
Median Value	\$79,100	\$119,600	51.20%
Median Rent	\$374	\$602	60.96%

Source: U.S. Census, 1990-2000.

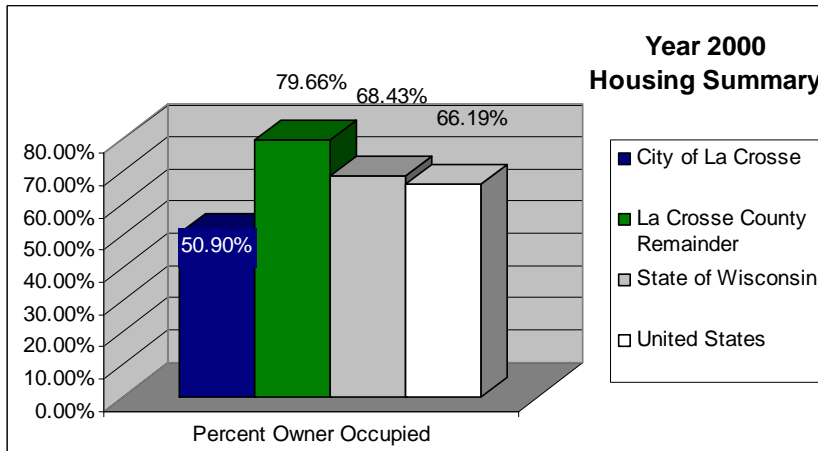
The rate of the City's total housing growth lagged La Crosse County, the remainder of La Crosse County, the State of Wisconsin and the Nation. The City's growth rate (6.39%) in the number of new housing units was modest compared to the change for the remainder of La Crosse County (a 23.09% increase), the State (a 12.91% increase) and the United States (a 13.34% increase).

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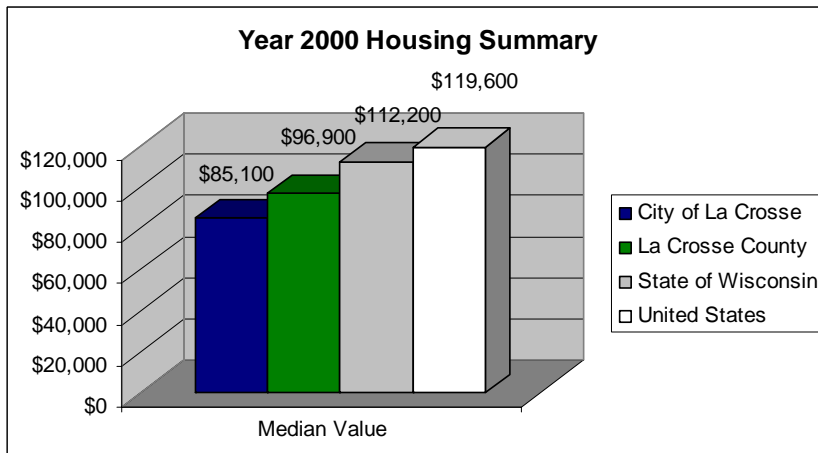
Even though the remainder of La Crosse County surpassed the City in total population, the City still had about 900 more total housing units than the rest of the County in the year 2000. The remainder of La Crosse County had far greater owner occupied units than the City (16,321 versus 10,746) which equates to 79.66% of their occupied housing being owner occupied, while that breakdown in the City was 50.90%. Also in 2000, the median value of housing in the City still lagged the County, the State and the Nation.



Source: U.S. Census, 1990-2000.



Source: U.S. Census, 2000.



Source: U.S. Census, 2000.

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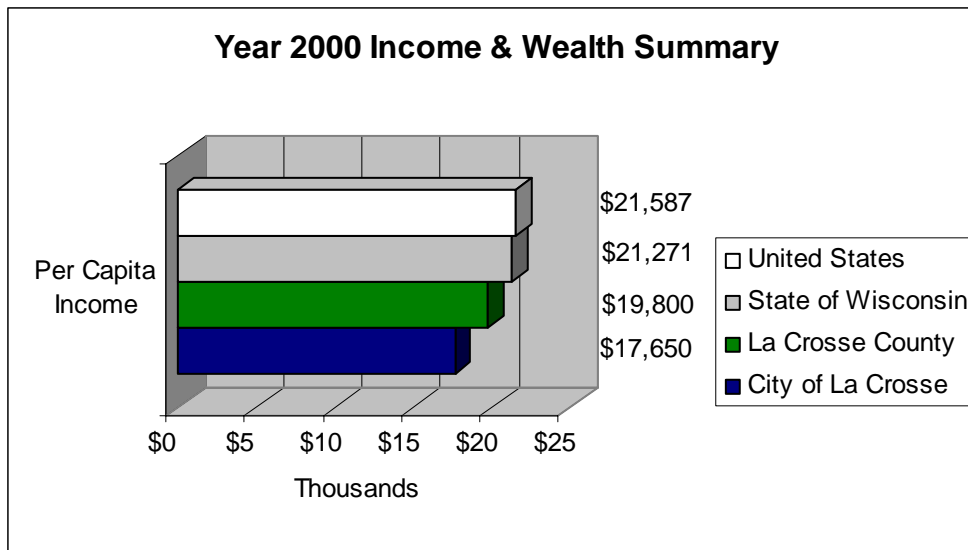
2. Income & Wealth

Per Capita Income

	City of La Crosse	La Crosse County	State of Wisconsin	United States
1990	\$ 10,898	\$ 12,141	\$ 13,276	\$ 14,420
2000	\$ 17,650	\$ 19,800	\$ 21,271	\$ 21,587

Source: U.S. Census, 1990-2000.

The City of La Crosse's per capita income (which measures total income divided by total population within a community) increased by 61.96% since 1990, however it still trailed behind the per capita incomes for La Crosse County, the State of Wisconsin and the United States. The City's rate of increase in per capita income since 1990 was second only to La Crosse County, which saw a 63.08% increase. The State's increase since 1990 was at 60.22% and nationally that increase was 49.70% since 1990.



Source: U.S. Census, 2000.

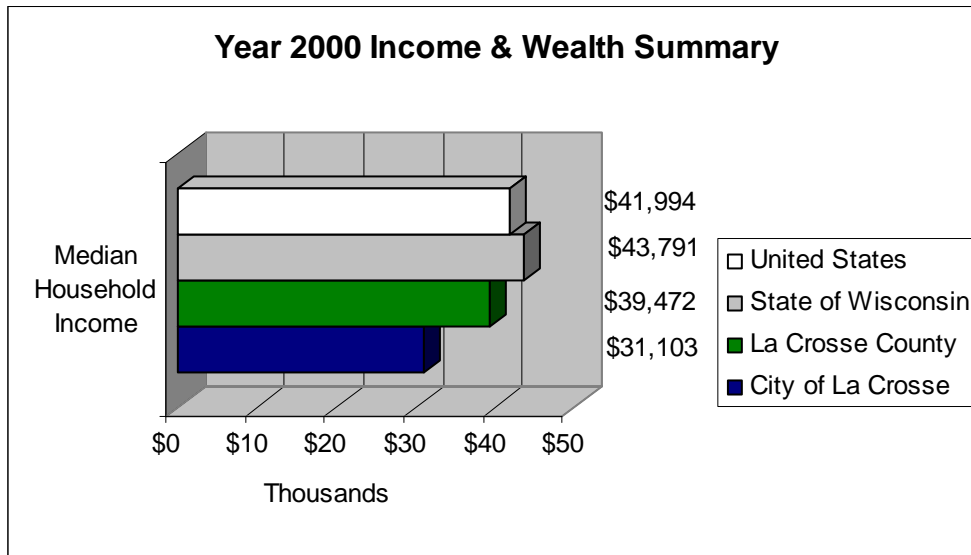
Median Household Income

	City of La Crosse	La Crosse County	State of Wisconsin	United States
1990	\$ 21,947	\$ 26,857	\$ 29,442	\$ 30,056
2000	\$ 31,103	\$ 39,472	\$ 43,791	\$ 41,994

Source: U.S. Census, 1990-2000.

The City's median household income trailed the other groups reviewed. Of interest to note on median household income (the median household income divides the income distribution into two equal groups, one having incomes above the median, and other having incomes below the median), was that the State of Wisconsin's median household income surpassed the United States by the year 2000, with a growth rate of 48.74%. La Crosse County's rate of increase from 1990 to 2000 was the next highest at 46.97% and the City's rate was 41.72%.

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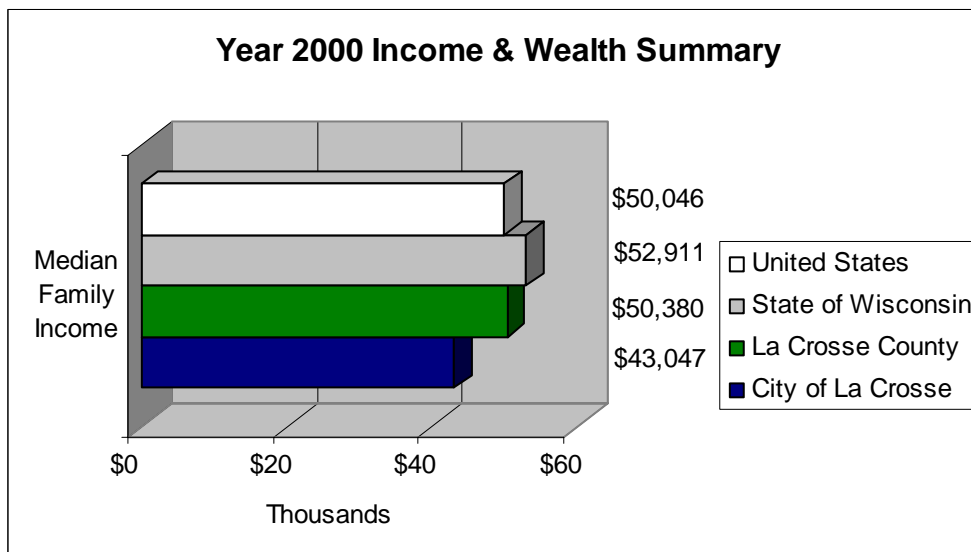
Source: U.S. Census, 2000.

Median Family Income

	City of La Crosse	La Crosse County	State of Wisconsin	United States
1990	\$ 30,067	\$ 33,830	\$ 35,082	\$ 35,225
2000	\$ 43,047	\$ 50,380	\$ 52,911	\$ 50,046

Source: U.S. Census, 1990-2000.

From 1990 to 2000, both La Crosse County's and the State of Wisconsin's median family income surpassed the United States. La Crosse County's growth rate from 1990 to 2000 was 48.92% and the State's was 50.82% during that time period. Again the City lagged the others with a rate of increase from 1990 to 2000 at 43.17%; however this rate was higher than the rate nationally, which was 42.08% during this time period.



Source: U.S. Census, 2000.

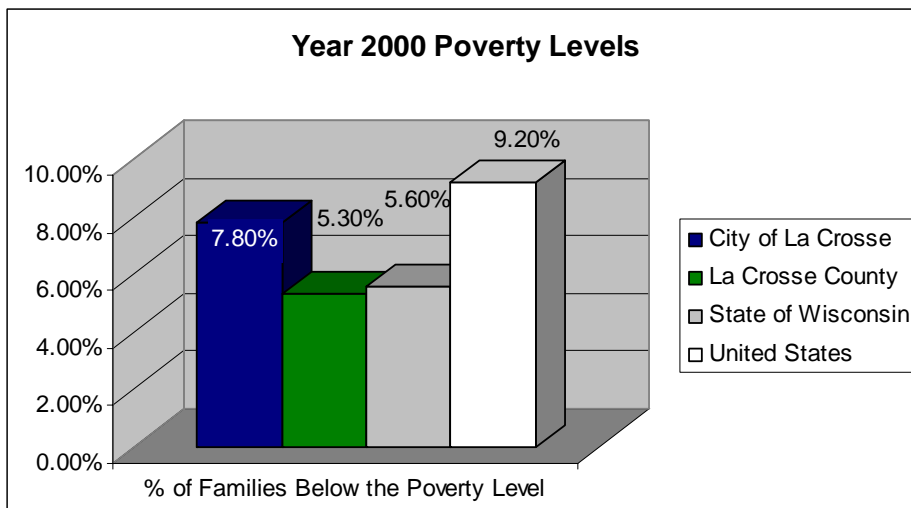
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Poverty Levels

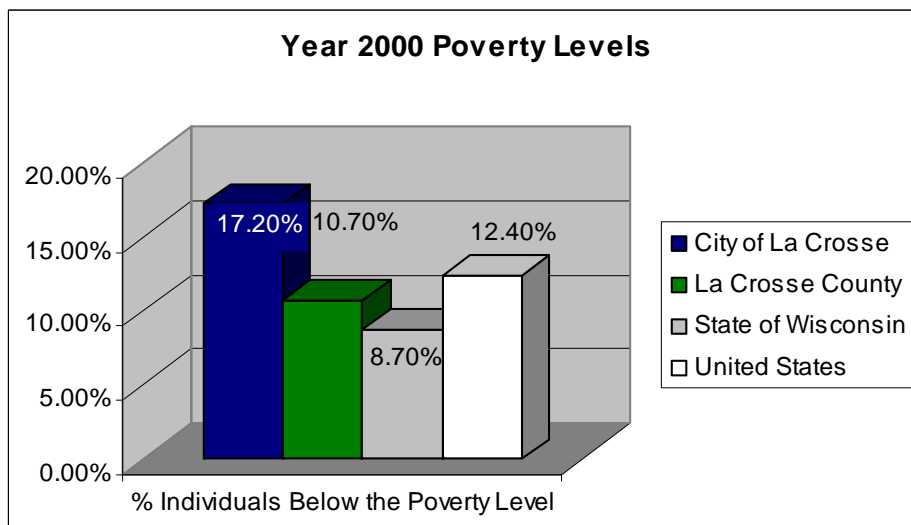
% Below the Poverty Level	City of La Crosse	La Crosse County	State of Wisconsin	United States
1990				
Individuals	21.0%	13.4%	10.7%	13.1%
Families	10.2%	7.0%	7.6%	10.0%
2000				
Individuals	17.2%	10.7%	8.7%	12.4%
Families	7.8%	5.3%	5.6%	9.2%

Source: U.S. Census, 1990-2000.

In comparing the percent of those below the poverty level, the City's rates for both individuals and families below the poverty level decreased from 1990 to 2000, as did those percentages for La Crosse County, the State and the United States. In 2000, the City's percent of individuals below the poverty level was greater than the County's, the State's and the U.S.; and for families below the poverty level, the City's rate was greater than the County's and the State's but lower than the United States' level.



Source: U.S. Census, 2000.



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Educational Attainment

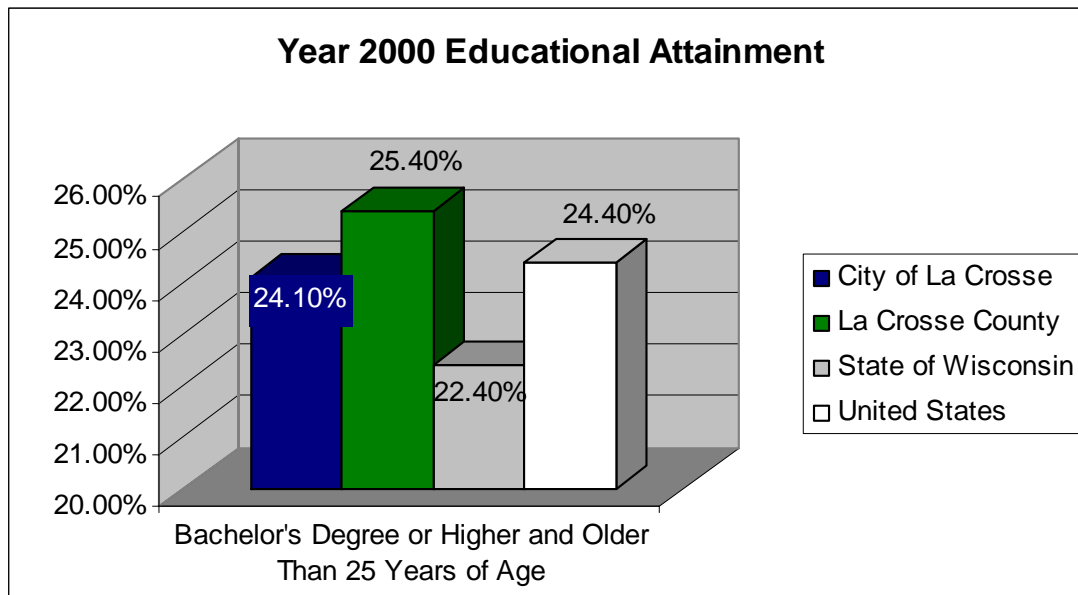
	City of La Crosse	La Crosse County	State of Wisconsin	United States
1990				
*High School	80.7%	82.6%	78.6%	75.2%
#College	21.4%	21.1%	17.7%	20.3%
2000				
*High School	87.8%	89.7%	85.1%	80.4%
#College	24.1%	25.4%	22.4%	24.4%

Source: U.S. Census, 1990-2000.

*High School Graduate or Higher and Older Than 25 Years of Age

#Bachelor's Degree or Higher and Older Than 25 Years of Age

La Crosse County led the other reviewed groups in the educational attainment rate. The City was the next highest in 2000 for high school graduates, however the City dropped behind both the State of Wisconsin and the Nation for the rate of college graduates since 1990, which is a disturbing trend since the City had the highest rate for college graduates in 1990.



Source: U.S. Census, 2000.

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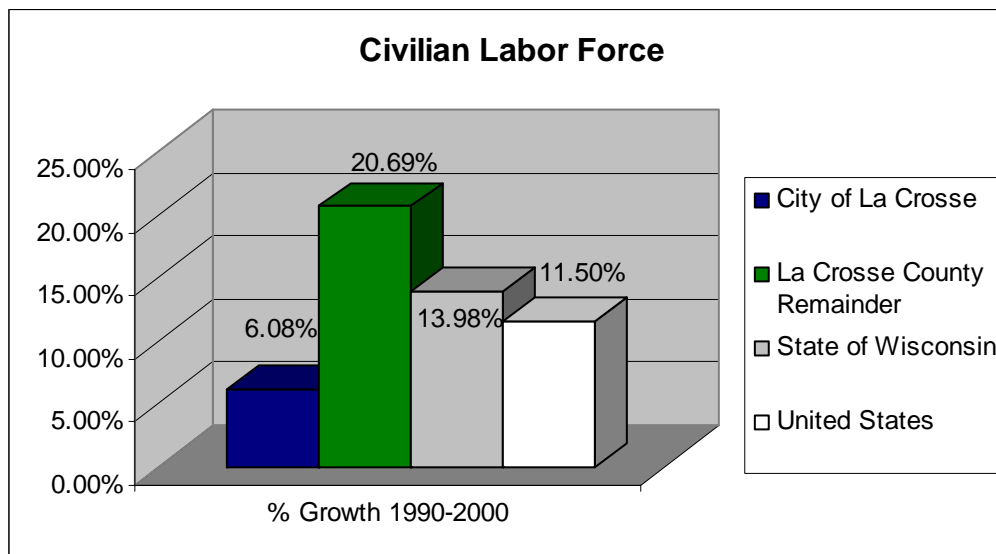
3. Employment & Labor Force

Civilian Labor Force

	1990	2000	% Change
City of La Crosse	26,448	28,056	6.08%
Remainder of La Crosse County	26,067	31,460	20.69%
State of Wisconsin	2,517,238	2,869,236	13.98%
United States	123,473,450	137,668,798	11.50%

Source: U.S. Census, 1990-2000.

As with population, the remainder of La Crosse County surpassed the City of La Crosse in the total number in the civilian labor force, growing at 20.69% from 1990 to 2000. The City's rate of growth during this time was more modest (6.08%) as compared to the remainder of the County, the State of Wisconsin (13.98%) and the U.S. (11.50%).



Source: U.S. Census, 1990-2000.

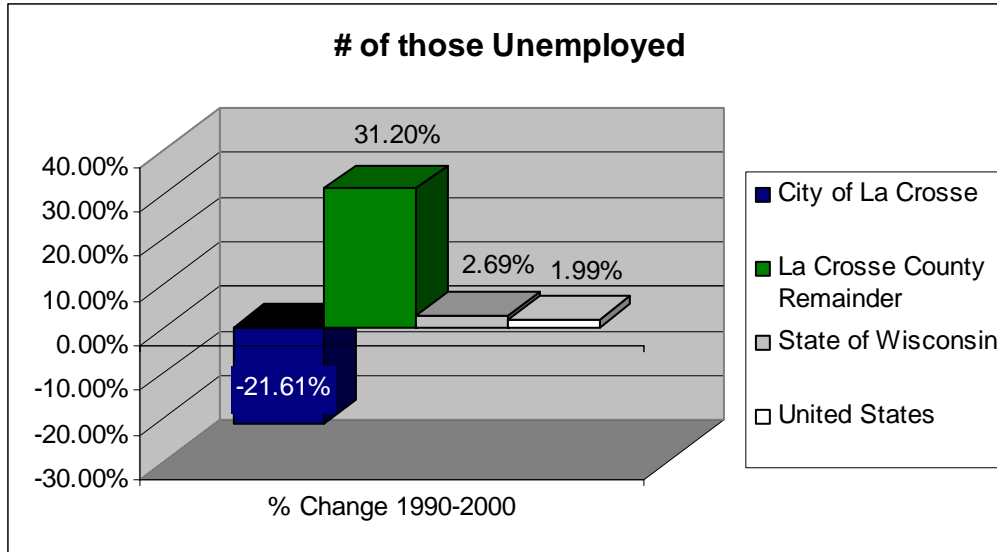
Unemployment Rate

	1990	2000	% Change
City of La Crosse	1,652 6.2%	1,295 4.6%	-21.61%
Remainder of La Crosse County	875 3.4%	1,148 3.6%	31.20%
State of Wisconsin	130,799 5.2%	134,311 4.7%	2.69%
United States	7,792,248 6.3%	7,947,286 5.8%	1.99%

Source: U.S. Census, 1990-2000.

The City's unemployment rate decreased significantly from 1990 to 2000, both for the percentage unemployed and in actual numbers as there were 357 less unemployed people in 2000. The remainder of La Crosse County again did the best in the comparison, with a 3.6% unemployment rate for 2000 (however the number of unemployed increased fairly significantly since 1990). Both the State and the U.S. unemployment rate decreased slightly from 1990 to 2000; however the actual number of those unemployed increased slightly.

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Source: U.S. Census, 1990-2000.

City of La Crosse - Employment by Sector						
Industry	1990	%	2000	%	1990-00 #Change	1990-00 %Change
Ag., Mining, & Construction	908	3.7%	1,374	5.1%	466	51.3%
Manufacturing	4,173	16.8%	3,767	14.1%	-406	-9.7%
Wholesale Trade	1,269	5.1%	942	3.5%	-327	-25.8%
Retail Trade	5,958	24.0%	4,139	15.5%	-1,819	-30.5%
Transportation & Utilities	1,330	5.4%	878	3.3%	-452	-34.0%
Services	4,791	19.3%	8,200	30.6%	3,409	71.2%
Education & Health	5,680	22.9%	6,625	24.8%	945	16.6%
Public Administration	687	2.8%	836	3.1%	149	21.7%
Totals	24,796	100.0%	26,761	100.0%	1,965	7.9%

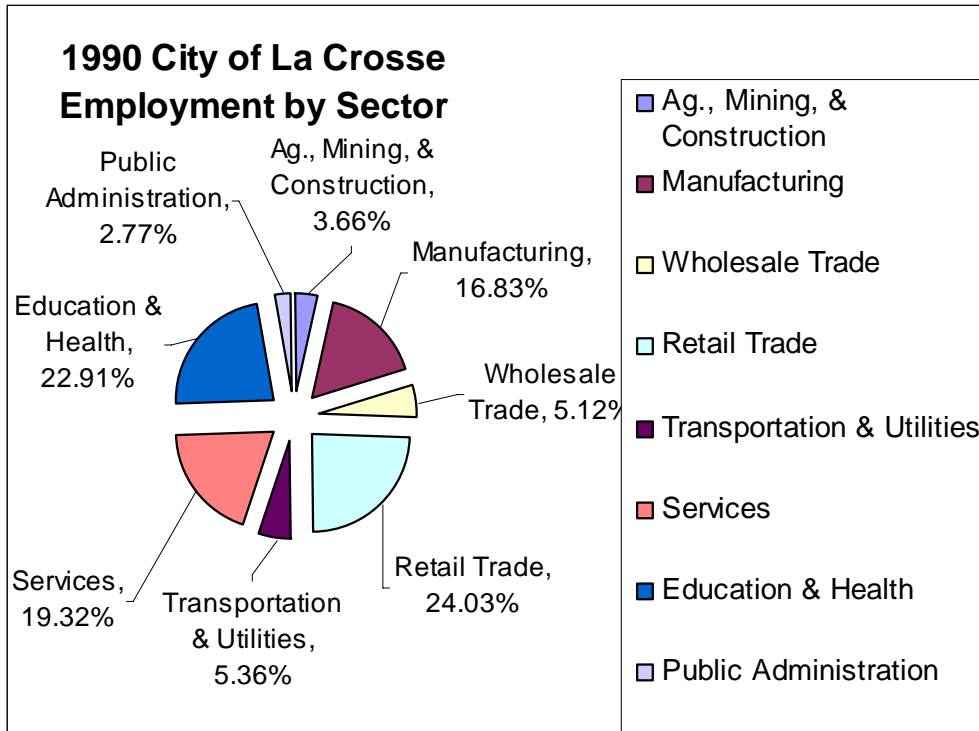
Source: U.S. Census, 1990-2000.

From 1990 to 2000, the City's total number of employed persons increased 7.9% from 24,796 to 26,761. By far the largest increase was in the service sector, where the number employed in that sector increased by 71.2% from 1990 to 2000. Other significant changes from 1990 to 2000 included a 51.3% increase in the agriculture, mining and construction sector (attributed to construction), decrease in the wholesale, retail and transportation & utilities sectors, and a 16.6% increase in the education and health sector. Of note, the manufacturing sector declined by nearly 10% in the City.

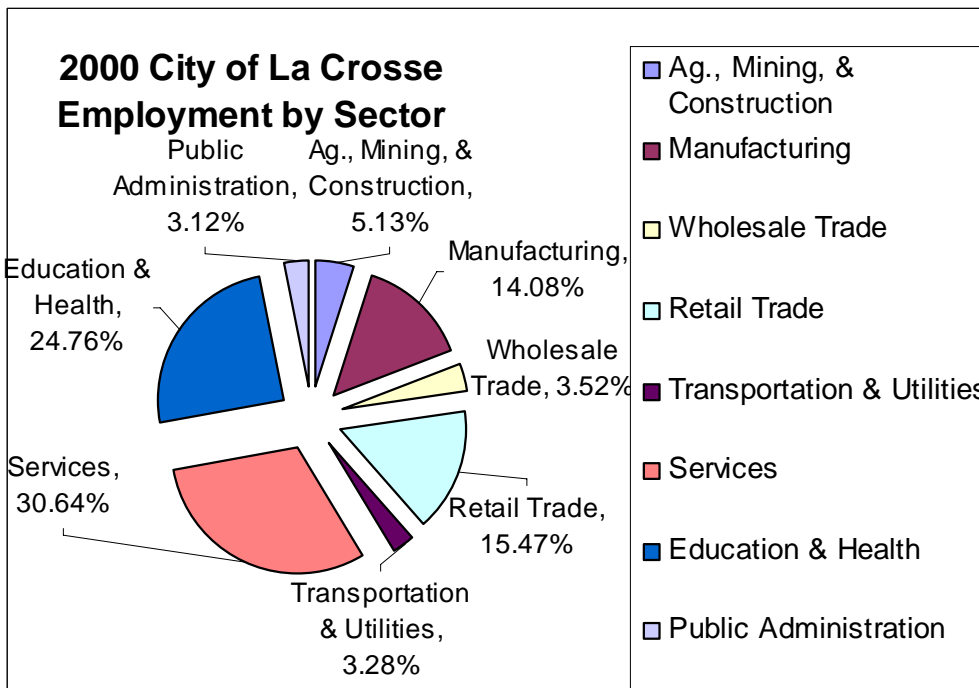
While our labor force continues to grow, there is trouble on the horizon. According to the Western Wisconsin Workforce Development Board's *State of the Workforce Report 2003*, "Labor demand will outstrip supply somewhere around years 2006-2007." This is a quote from the Honorable Steve Gunderson, Senior Partner and Managing Director of The Greystone Group. Steve goes on to state that, "In essence, the labor shortage will be so widespread and so pervasive as to make anyone in the people business a hero. Employers will come begging for help. Anyone who can find, recruit, screen, train or place qualified applicants will be at the forefront of the economy." Of note, according to the 2000 U.S. Census, there were a total number of 45,415 workers located within the City of La Crosse indicating roughly the number of

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jobs that exist within the City. Approximately 45% of those workers were City residents with over half, approximately 55%, commuting from outside of the City.



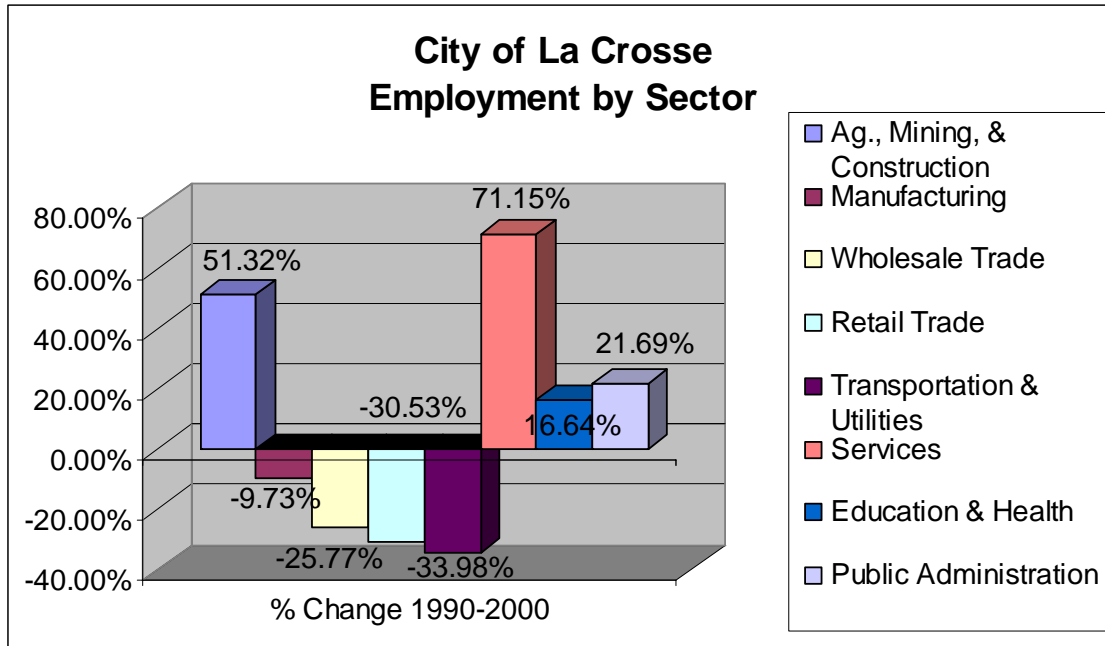
Source: U.S. Census, 1990.



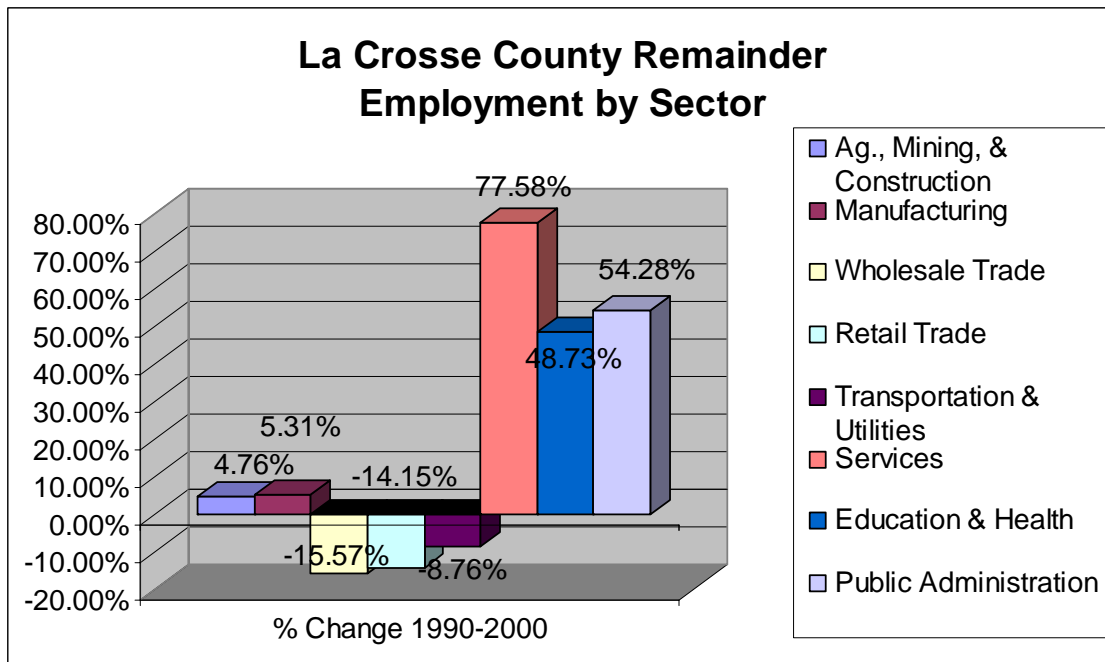
Source: U.S. Census, 2000.

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The growth in the City's labor force does not compare as favorably to the growth in the remainder of La Crosse County's labor force. Besides the overall growth rate, the remainder of the County gained those employed in manufacturing jobs from 1990 to 2000, while the City lost 10% in this sector. The services and the education & health sectors also grew at greater rates in the remainder of the County. The only sector where the City did better than the remainder of the County was in agriculture, mining and construction.



Source: U.S. Census, 1990-2000.



Source: U.S. Census, 1990-2000.

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Remainder of La Crosse County - Employment by Sector						
Industry	1990	%	2000	%	1990-00 #Change	1990-00 %Change
Ag., Mining, & Construction	2,288	9.1%	2,397	7.9%	109	4.8%
Manufacturing	5,163	20.5%	5,437	17.9%	274	5.3%
Wholesale Trade	1,715	6.8%	1,448	4.8%	-267	-15.6%
Retail Trade	4,742	18.8%	4,071	13.4%	-671	-14.2%
Transportation & Utilities	1,679	6.7%	1,532	5.1%	-147	-8.8%
Services	3,832	15.2%	6,805	22.4%	2,973	77.6%
Education & Health	5,130	20.4%	7,630	25.2%	2,500	48.7%
Public Administration	643	2.6%	992	3.3%	349	54.3%
Totals	25,192	100.0%	30,312	100.0%	5,120	20.3%

State of Wisconsin - Employment by Sector						
Industry	1990	%	2000	%	1990-00 #Change	1990-00 %Change
Ag., Mining, & Construction	229,767	9.6%	237,043	8.7%	7,276	3.2%
Manufacturing	584,143	24.5%	606,845	22.2%	22,702	3.9%
Wholesale Trade	96,532	4.0%	87,979	3.2%	-8,553	-8.9%
Retail Trade	408,937	17.1%	317,881	11.6%	-91,056	-22.3%
Transportation & Utilities	137,248	5.8%	123,657	4.5%	-13,591	-9.9%
Services	445,220	18.7%	717,261	26.2%	272,041	61.1%
Education & Health	407,625	17.1%	548,111	20.0%	140,486	34.5%
Public Administration	76,967	3.2%	96,148	3.5%	19,181	24.9%
Totals	2,386,439	100.0%	2,734,925	100.0%	348,486	14.6%

United States - Employment by Sector						
Industry	1990	%	2000	%	1990-00 #Change	1990-00 %Change
Ag., Mining, & Construction	11,053,558	9.6%	11,227,554	8.7%	173,996	1.6%
Manufacturing	20,462,078	17.7%	18,286,005	14.1%	-2,176,073	-10.6%
Wholesale Trade	5,071,026	4.4%	4,666,757	3.6%	-404,269	-8.0%
Retail Trade	19,485,666	16.8%	15,221,716	11.7%	-4,263,950	-21.9%
Transportation & Utilities	8,205,062	7.1%	6,740,102	5.2%	-1,464,960	-17.9%
Services	26,549,548	23.0%	41,524,329	32.0%	14,974,781	56.4%
Education & Health	19,316,187	16.7%	25,843,029	19.9%	6,526,842	33.8%
Public Administration	5,538,077	4.8%	6,212,015	4.8%	673,938	12.2%
Totals	115,681,202	100.0%	129,721,507	100.0%	14,040,305	12.1%

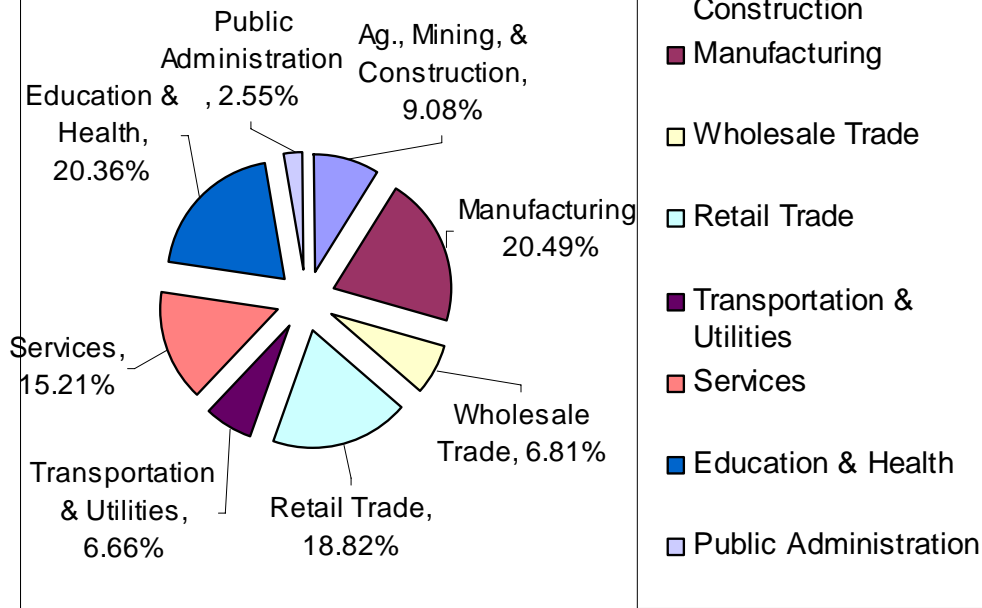
Source: U.S. Census, 1990-2000.

In looking at the rates of growth from 1990 to 2000, it is clear that the remainder of La Crosse County's overall growth rate was greater than the City's, State's and U.S. rates. It is interesting to note that in 1990, nearly the same number of City residents were employed as those living in the remainder of the County, 24,796 versus 25,192. In 2000, those employed in the remainder of the County were 30,312 as compared with City's total of 26,761. In looking at the total increase of 7,085 from 1990 to 2000 in those employed throughout La Crosse County; the

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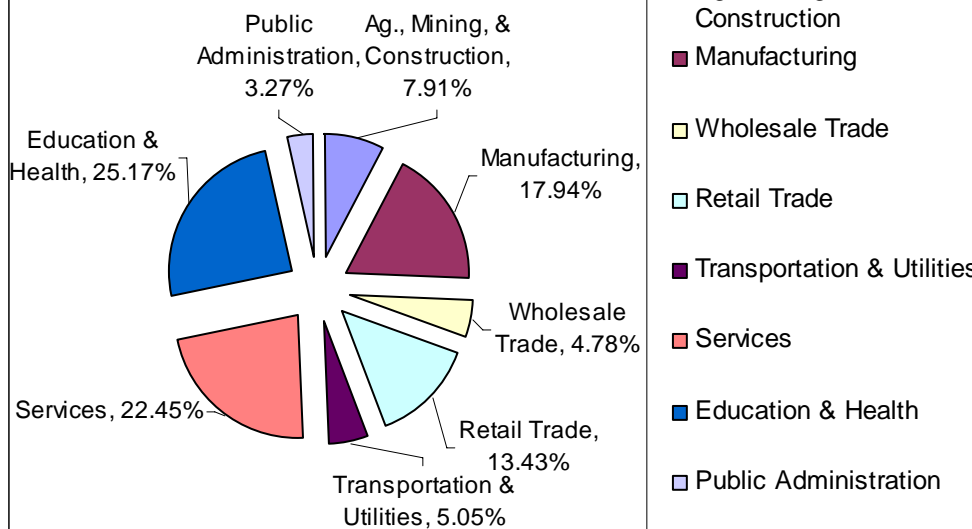
remainder of the County captured 72.27% of this number (5,120) while the City captured 27.73% (1,965) of this growth. These trends reinforce the fact that more and more workers are living outside of La Crosse and commuting to the City for employment.

1990 Remainder of La Crosse County Employment by Sector



Source: U.S. Census, 1990.

2000 Remainder of La Crosse County Employment by Sector



Source: U.S. Census, 2000.

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A shift-share analysis measures and projects the growth of one community or population based upon the rates of growth in other communities or populations. With this analysis, a model of the potential growth of employment in the City is developed based on the rate of growth in the remainder of the County, the State of Wisconsin, and the United States. This shift-share analysis helps us to better understand how the City's employment could have grown based upon the rates of growth in these other communities and the shift-share analysis points out that the City's growth does not compare as favorably to these other populations, especially the rest of La Crosse County.

The following chart shows the City's rate of growth if the City would have grown by the remainder of the County's various employment sectors rates (column 3), the State's sectors rates (column 4), and the U.S. sectors rates (column 5). Column 6 indicates the City's possible rate of growth based on the remainder of the County's overall growth rate, which was 20.3%; Column 7 shows possible City growth based on the State's overall rate of 14.6% and Column 8 shows possible City growth based on the U.S. overall rate of 12.1%. If one uses these various rates of growth, the City could have added anywhere from 668 people with jobs (comparing the growth rate in Column 5 (2,633 v. 1,965)) to 4,001 people with jobs (comparing the growth rate in Column 2 (5,966 v. 1,965)).

Shift Share Analysis = City v. Remainder of County, State of Wisconsin & United States							
Industry (Column 1)	(Column 2) City Actual Growth by sector	(Column 3) Growth by County remainder sector rate	(Col. 4) Growth by State sector rate	(Col. 5) Growth by USA sector rate	(Col. 6) County remainder overall rate (20.3%)	(Col. 7) State overall rate (14.6%)	(Col. 8) USA overall rate (12.1%)
Ag., Mining, & Const.	466	43	29	14	185	133	110
Manufacturing	-406	221	162	-444	848	609	506
Wholesale Trade	-327	-198	-112	-101	258	185	154
Retail Trade	-1,819	-843	-1,327	-1,304	1,211	870	723
Trans. & Utilities	-452	-116	-132	-237	270	194	161
Services	3,409	3,717	2,927	2,702	974	700	581
Education & Health	945	2,768	1,958	1,919	1,154	829	689
Public Administration	149	373	171	84	140	100	83
Totals	1,965	5,966	3,676	2,633	5,040	3,621	3,010

Bold indicates employment growth at a rate less than the City's actual growth rates.

Source: U.S. Census, 1990-2000 & City Planning Department.

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Largest employers

This chart indicates the City's largest employers.

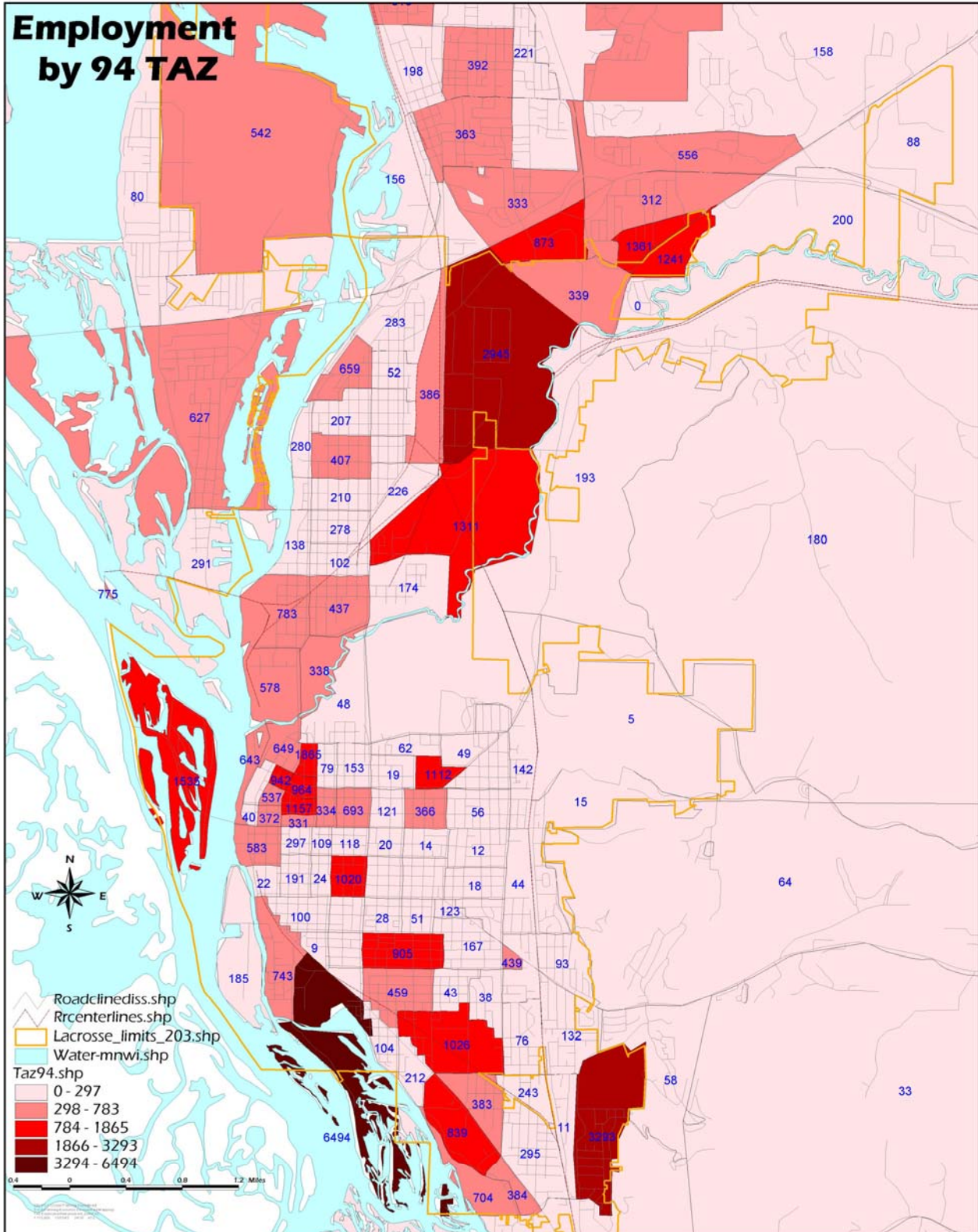
<u>Employer</u>	<u>Description</u>	<u>Number of Employees</u>
Gundersen/Lutheran	Medical Center	5000
Franciscan Skemp Healthcare	Medical Care	3225
Trane Company	Air Cond/Heating Equip.	2900
Reinhart Companies	Grocery Wholesaler	2000
School District of La Crosse	Education	1080
County of La Crosse	Government	1150
UW -La Crosse	Education	1000
Kwik Trip, Inc.	Convenience Stores	900
Century Tel	Telephone Comm.	750
The Company Store	Mail Order Bedding Manu.	750
First Logic	Information Technology	700
Quillin's Inc.	Retail Grocery	630
City of La Crosse	Government	570
Western WI Technical College	Education	420
Dairyland Power Cooperative	Electric Utility	400
Burlington Northern-Santa Fe RR	Rail Transport	400
APAC Customer Service	Telephone Comm.	400
City Brewery, Inc.	Malt Beverage Manu.	250
Viterbo University	Education	240

Source: La Crosse Area Chamber of Commerce, telephone interviews

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4. Geographic Distribution of Employment

The following map indicates employment by Transportation Analysis Zones. The darker shaded areas indicate zones where employment is more densely concentrated.



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5. Future Employment Land Use Needs

As indicated in *Confluence*, the City of La Crosse's Comprehensive Plan, approximately 176 acres of industrial and commercial land will be required for development and redevelopment purposes by the year 2020. This future need assumes that the present trends of land consumption continue on into the future. The breakdown can be explained as follows:

The projected employment for the year 2020 equals 4,242 new jobs. Of this total, 1,697 will be office/service jobs; 1,697 will be industrial jobs; and 848 will be new retail jobs. Based on the assumptions that 1,000 square feet is needed for each 4 office/service jobs; 2 new industrial jobs; and 2 new retail jobs this equates to 33 acres of new office/service space needed, 78 acres of industrial space needed and 65 acres of retail space needed.

Land use type	Employment growth	Acres needed
Office/Service	1,697	32.46
Industrial	1,697	77.92
Retail	848	64.89
Totals	4,242	175.27

Assumptions:	Factor
Office/Service (1,000 square feet/4 jobs)	250
Industrial (1,000 square feet/2 jobs)	500
Retail (1,000 square feet/2 jobs)	500
Office/Service Floor Area Ratio	0.30
Industrial Floor Area Ratio	0.25
Retail Floor Area Ratio	0.15

Source: *Confluence* 2002