

## Rock County Leaders Plot 'Road to Future'

By [JIM LEUTE \(Contact\)](#) – April 15, 2010

MADISON — Last year, it was Janesville's message that a group of representatives successfully spread throughout the state Capitol.

On Wednesday, the roster expanded to all of Rock County as nearly 100 business and civic leaders descended on Madison in what was billed as "Rock County Day in Madison."

After a session with area lawmakers, the contingent broke into small groups to knock on the doors of the rest of the state's legislators.

For those in Rock County, the backdrop for Wednesday's event is painfully obvious. Nearly 30 area companies have closed, resulting in severe and sustained unemployment. Rock County's unemployment rate of 12.7 percent is significantly higher than the state average, and Beloit carries the highest rate in the state: 18.3 percent.

Rock County communities are trying to find new uses for nearly 4 million square feet of commercial and industrial space. And that's not even factoring in another 4 million square feet vacated in Janesville by General Motors.

The groups presented lawmakers with a "Roadmap to Rock County's Future."

While the roadmap includes a few bullet points for Beloit, Clinton, Edgerton, Evansville, Milton and Janesville, it highlights three priorities of all Rock County communities.

### **Interstate expansion**

Illinois has completed its six-lane section of the Interstate, which creates a bottleneck in Rock County. That bottleneck, the group contends, blocks the efficient flow of people and products and has led to several well-documented accidents along a stretch that each day handles an estimated \$600 million to \$800 million in commerce.

Assembly Speaker Mike Sheridan, D-Janesville, said it is a top priority to get the Interstate expansion before the state's Transportation Projects Commission, which hasn't met in more than seven years.

## **Business climate**

Two business magazines recently ranked Wisconsin near the bottom in an assessment of tax and regulatory climate.

While those rankings fluctuate, the group said Wisconsin is an expensive place to do business. High cost structures lead to smaller profit margins, less investment and fewer jobs, it said.

Sen. Judy Robson, D-Beloit, said the state has improved its rankings and asked whether the image of Wisconsin as a terrible place to do business is still fair. Groups such as Wisconsin Manufacturers & Commerce—the state's largest business lobby—spend more time using the rankings to tear down the state's image rather than build it up, she said.

"In the world of economic development, perception is reality," said James Otterstein, Rock County's economic development manager.

Rep. Brett Davis, R-Oregon, said the state's tax and regulatory policies are definitely out of whack in a competitive environment.

"Every one of us is all about jobs," said Davis, a candidate for lieutenant governor. "We just have philosophical differences in how to get it done."

## **Economic development**

Otterstein said the state needs programs that are flexible, applicable to existing companies in a variety of industries and relevant to current and future business needs.

"Flexibility and speed to market are key," he said. "Our programs are not well funded. They're pigeonholed to specific businesses in certain geographies, and they lack flexibility.

"That's what we're up against when we compete with other states that have bigger checkbooks, different programs and more flexibility."

ABC Supply's Diane Hendricks said that's what she's facing with one of the companies she and her late husband, Ken, started in Beloit. Hendricks has charged the company's management with growing the company as efficiently as possible, and the result will likely mean a move to Illinois, which offers more appealing incentives.

"Wisconsin just doesn't compete," Hendricks said. "It tears my guts out to see the company move to Illinois, but I have to let it grow."

The Rock County roadmap includes several priorities from last year's event at the Capitol, which focused solely on Janesville.

One, however, was crossed off. That was a request to designate Janesville as a Development Opportunity Zone with \$5 million in tax credits for job creation and capital investment.

The designation was included in the state budget last year. In just the last month, two Janesville companies have been awarded \$720,000 in opportunity zone tax credits.

SSI Technologies is getting \$220,000 from the state for an expansion project that's expected to create up to 40 jobs.

And while it's common knowledge around Janesville, the state is expected to officially announce soon that Grainger will receive a \$500,000 opportunity zone award for the creation of 130 new jobs in the next three years.

Sources have told the Gazette that a third Janesville company is poised to take advantage of the opportunity zone, too.

Rep. Kim Hixson, D-Whitewater, said he was impressed with Wednesday's gathering—both with the size of the crowd and the number of people he didn't recognize.

"You're preaching to the choir," Hixson told the group. "But there are a lot of other people in this building who woke up this morning and haven't had a single thought about Rock County since.

"You can change that."