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## **We're In It Together Wisconsin 2<sup>nd</sup> Annual League State of the Cities and Villages Report**

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Cities and villages in Wisconsin are investing in the future while they recognize that in order to thrive, they need strong schools and plenty of job opportunities. A recent analysis of 2015 spending patterns revealed that, for the second year in a row, municipal spending for development jumped more than 20% compared to the prior year. At the same time, in response to a question about future growth drivers, city & village leaders cited good schools and plentiful job opportunities as the most important factors necessary to attract citizens in the future.

The findings are taken from the [Second Annual State of Cities and Villages Report](#), prepared for the League of Wisconsin Municipalities by the Wisconsin Taxpayers Alliance (WISTAX). The report combines an analysis of the most-recently-available data on city and village spending (calendar year 2015) and a 2017 survey of city and village leaders. The results are encouraging.

Development spending is typically 5 to 8% of a municipal budget, encompassing the hard and soft public costs of preparing for new residential, commercial or industrial development. Prior to 2014, development spending had declined 16% from 2008-2013. The uptick signals renewed optimism, but more than that, it shows that Wisconsin's economic recovery has taken hold in many parts of the state.

But this harbinger of recovery is not uniform. The state's largest cities (those with 50,000 or more residents) increased spending for new development by a stunning 60% in 2014 and another 20% in 2015. Cities in the next tier (populations between 30,000 and 50,000) increased 31% and 36% in 2014 and 2015 respectively. At the same time, however, development-related spending declined in both years for Wisconsin's smallest cities and villages (those with populations below 2,000). Prosperity hasn't yet reached many of Wisconsin's rural municipalities.

The competition for the future has already begun, and it's on the minds of local leaders. This year's survey asked local officials what they saw as the most important factors for attracting or retaining residents. They were allowed to give their own answers, and proposed almost 650 different items. Two factors were mentioned most often: good schools and good job opportunities. Nearly three out of five, (57.5%) of city and village leaders in Wisconsin recognize they must have a quality school system to have a chance to compete for future growth. More than half (51.7%) said their community needs access to jobs and new business.



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What does it all mean? It means Wisconsin's mayors, village presidents, council members, and trustees are looking forward, not backward. After being shaken hard by the Great Recession and constrained by levy limits and flat state aids, cities and villages are investing in their future, preparing for new development. And, perhaps most encouraging of all, those cities and villages recognize that they're not in the boat alone. They are looking to collaborate with their school system and local business owners to build their community.

As WISTAX President Todd Berry put it in an August column in the League's *the Municipality* magazine, despite the fiscal and regulatory challenges facing municipal officials, the report "reveals a 'keep-calm-and-carry-on' spirit."

The report reinforces what many of us already know: that local governments are being pragmatic and cooperative when it comes to building a 21<sup>st</sup> Century Wisconsin. Local leaders have plenty of ideas, are willing to put their hard-earned local resources to work where it counts, and are looking for both private- and public-sector partners.

We invite you to join the collaboration in your community.

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