



2023 ISSUES

LA CROSSE AREA | WESTERN WISCONSIN

HOUSING

Lack of access to safe, reasonably priced housing continues to grow. As home values increase and the cost of construction rises, hard-working families that would normally be entering the homeownership market are finding themselves priced out. In La Crosse, only 6% of homes were entry-level, down from 34% in 1980. More than 2/3 of homes are more than 75 years old, and new home starts, especially at the entry-level, are almost non-existent.

In addition, rental prices have increased drastically over the past 10 years. According to Rent.com an average studio apartment rent price has increased 25% from October 2022 to October 2023. One in three La Crosse renters are housing cost burdened, paying more than 30% of their gross income on housing. One in six pays more than 50%. And it's not getting better. Today, only 7% of low-income renters in Wisconsin will ever be able to save enough to purchase a home.

As rent and home prices continue to increase, more and more families are struggling to find safe shelter, leading to negative economic, educational, and health impacts. We must work together to find creative and innovative solutions along with partnerships to provide this most basic of needs to families that call Wisconsin home.

Potential Creative Solutions:

- 1) Utilizing tax credits for developers that are developing workforce housing and affordable housing.
- 2) Create more favorable TIF rates for districts that include workforce housing or affordable housing projects.



TRANSPORTATION

There are many important aspects to transportation within the La Crosse Region. Our roads allow for easy access to Minnesota, Iowa, and the rest of the State of Wisconsin for land transportation. The Mississippi River, and our local ports and harbors allow for water transportation of raw materials, outdoor recreation, and tourism. Our bike trails, trail systems, and bikeable roads and paths have allowed our community to grow into one of the most 'bicycle friendly' communities in Wisconsin. All of these are important to the vitality of the La Crosse area, but none have been as negatively impacted in recent years as our Regional Airport.

The recent departure of a major airline, Delta Air Lines, from the La Crosse Regional Airport is having an immeasurable negative impact on our local economy; impacting tourism, business travel, talent attraction and retention, and leisure travel amongst others. The La Crosse Regional Airport is one of the core drivers of economic vitality in this area, but it was dealt a major blow when Delta Air Lines decided to leave the market with little to no warning. The number of total passengers in 2019 was 188,134 (92,829 inbound and 95,305 outbound) and it is estimated that 2023 totals will be 85,000, a more than 50% reduction. In addition, our area had service to Detroit Metropolitan Airport, Minneapolis/St. Paul International Airport, and Chicago O'Hare International Airport in 2019, and in 2024 the only scheduled service will be to Chicago O'Hare International Airport. This leaves local businesses and citizens scrambling to find accessible transportation to areas around the country. Not only did our local businesses and citizens suffer, the loss of air services will also have a lasting impact on the accessibility for visitors to enjoy the La Crosse Region.

Our Ask:

- 1) The Wisconsin Airport Management Association compared Wisconsin to all other States in 2019 on State Air Service Incentive Programs. Wisconsin was among 28 states that have zero incentive programs for air services. As airlines (major, national, and regional airlines) have limited their services across the United States due to a pilot shortage. Because of this, most airlines have moved to a 'pay to play' model which guarantees revenues for the airlines prior to even considering opening new services in an airport. Incentive programs that are supported by the State will be critical for air services across the State of Wisconsin and within the La Crosse Region. We encourage the State to consider incentive programs like other states have adopted.

CHILDCARE

The childcare industry in Western Wisconsin has been in drastic decline for many years. La Crosse County alone has lost more than 350 childcare businesses in the last 20 years. This is not a new problem, but the lingering issue has continued to impact the community and our businesses. When parents lose access to childcare, they can't go to work, jeopardizing the stability of the companies they work for. At the scale we're witnessing, the ripples of lost access to childcare are impacting the economic vitality of our region. Western Wisconsin businesses and the Chamber are in support of the most recent Childcare Bills (AB387 – AB392). We support these bills because of the dire need and urgency that the childcare industry has in the State of Wisconsin and throughout the La Crosse area. However, we recognize these specific bills are not perfect and come with flaws.

Programs like the Partner-Up! Program are essential for childcare growth in our area. Minor tweaks to the Partner-Up Program could help address the workforce issues within the childcare industry. The two recommended expansions with the program are:

- A. expand funding toward Childcare Advocates whole role it is to support employers and businesses participating in the Partner Up! Program.
- B. push for more revenue growth and cost savings to the childcare providers, which will help combat the workforce issue as both would allow for better pay and benefits to the staff.

This type of revenue model for childcare providers is something that is happening right now for a new venture within La Crosse. A recent collaboration in La Crosse between Vernon Area Rehabilitation Corporation (VARC), Gundersen Health System, The Parenting Place, and a childcare provider is an example that would be easily replicable across Wisconsin, especially with State support. We believe this is an innovative model that the Wisconsin State Legislature should consider.

Our Ask:

- 1) Pass the recent childcare bills AB387 – AB392. However, we urge Legislators to consider written testimony from industry expert groups such as The Parenting Place and their suggested modifications. In addition, we encourage research to compare other states' legislatures and its long-term impact. The work on the childcare issues is not done, and bipartisan legislature will be needed in the future to help correct the many Childcare issues within Wisconsin.
- 2) Expand the Partner-Up! Program to allow for more revenue toward the childcare provider so that childcare providers can increase wages and benefits to help retain and attract childcare workforce.
- 3) Because of low wages, many childcare workers are on Badgercare for their health insurance. Providers tell us that many are willing to work more hours but cannot because they will lose their health insurance coverage. Review the rules governing Badgercare and make an exception for childcare workers who would like to work more without losing their insurance.
- 4) Recognizing that childcare is a bipartisan issue, we recommend that the Legislature form a Study Committee to bring together the various stakeholders to develop solutions that will work for everyone.

TOURISM

Nestled between towering bluffs that adorn the Mississippi River, La Crosse is a perfect spot for visitors to have it all – beautiful landscapes, historic monuments and downtown, legendary parks, and unparalleled outdoor recreation. The Tourism industry in the La Crosse area is an important economic driver with nearly 4,000 jobs, \$138.4M in labor dollars, \$34.7M in state and local taxes, and \$489M in total economic impact, a 13% increase year over year.

It is an industry that has drastically improved and increased within the region and shows no signs of slowing down. We encourage the State of Wisconsin to continue to support tourism financially, realize the importance the role transportation and outdoor recreation has on tourism, and support legislature that allows visitors to maximize the summer peak season.

Our Ask:

- 1) Continue to support Travel Wisconsin as they provide many resources to local tourism groups such as Explore La Crosse.
- 2) Support legislation and funding of various transportation projects and services such as roads, regional airports, waterways, bicycle paths, etc.
- 3) Support legislation and projects that increase accessibility to outdoor recreation.
- 4) Oppose LRB 1594/1 relating to the start of the K-12 public school year. This bill would change the current requirement that schools wait until September 1st to commence their school year and would move the start date to the Monday prior to Labor Day. This will negatively impact Tourism in the La Crosse area as it cuts down the peak summer vacation months. In addition, changing the law could put the State's tourism at a competitive disadvantage because Minnesota and Michigan have laws requiring start dates after Labor Day.