



Remote Workers Plan

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Background

When the COVID-19 pandemic forced a shutdown of most office buildings in the spring of 2020, many companies temporarily switched to virtual/remote work, with employees working from home if they were able to do so.

Initially, many thought that this was a temporary situation, but as the COVID-19 pandemic continued through the remainder of 2020, 2021 and now into 2022, companies and employees adapted to the new reality and began to consider what the future of the workplace would look like.

While opinions vary greatly on the pros and cons of virtual/remote work, it is clear that post-pandemic, more employees will be requesting greater flexibility regarding work from home options from their employers, and many employers believe providing that flexibility is a way for them to attract and retain the talent that they need:

- In a survey conducted by *Dice* (a tech employment site), 58 % of tech workers want to work remote full-time, and only 17 % want to be in the office full-time ⁽¹⁾.
- In a survey conducted by *Breeze* (a disability insurance company), 65 % of employees would take a 5 % pay cut to work from home and if asked to return to full in person work, 36 % would look for a new job ⁽²⁾.
- In a survey conducted by *The Conference Board* (a non-partisan, non-profit research group), 38 % of workers still want to work remotely post-pandemic ⁽³⁾.
- According to *Ladders Inc.*, 15 % of all job postings above \$80,000 are for remote jobs ⁽⁴⁾.
- In a survey conducted by the *Milwaukee Department of City Development* (DCD), 52.9 % would consider relocating if they secured a remote work opportunity, creating both a threat and an opportunity for Milwaukee.

As a result of these changes, cities, regions, and states have begun to look at how they can retain current remote workers and also attract them moving forward. A remote worker brings spending power, talent, and income/sales/property taxes, as well as that of their potential spouse/children, to the city, region, and state where they reside, among many additional benefits.

Under that premise, Acting Major Johnson (then Common Council President Johnson) introduced Common Council File No. 210236, a "Resolution directing the Department of City

Development to collaborate on a report outlining strategies and partnerships to encourage remote workers to relocate to Milwaukee” ⁽⁵⁾.

The following pages that make up this report go into detail on the information that the Department of City Development (DCD) has gathered on this topic and proposed recommendations for retaining and attracting remote workers in the City of Milwaukee. However, it is important to state that just because the City is looking at this relatively new topic in the economic development realm, it does not mean that the City is not also focused on other important economic development efforts.

Milwaukee needs more overall jobs. Existing workers need training for available positions. Companies need on-site workers. For instance, in May 2021, the Milwaukee Business Journal reported that IT postings in Milwaukee are up 20 % ⁽⁶⁾. The issue of brain drain, worker shortages and talent retention/attraction is something that is brought up often by CEOs and community leaders alike.

It is not easy to attract a true, 100 % remote worker, who could live anywhere on the planet. Any efforts to do so should be done with the understanding that retaining and attracting remote workers to Milwaukee also increases the talent pool for local employers. In addition, a lot of the things that will help attract or retain remote workers are the same things that will also attract or retain all workers, such as affordability and quality of life issues. Like all workers, remote workers want to be in cities that are investing in what they care about, have amenities they desire and provide an overall positive value proposition.

Below is a list of the potential recommendations, which are explained in more detail at the end of this document:

- Become a Destination Region
- Lead by Example
- Statewide Programs
- Create a Sense of Community
- Provide Affordable Coworking Spaces
- Targeted Advertising
- Target Companies for Satellite Offices
- Provide Direct Incentives

Information Gathering

In preparing this report, DCD reviewed statements and articles regarding the remote work topic, conducted an online survey, and interviewed a number of community groups and stakeholders for input.

➤ *What are other cities doing?*

Some cities are offering direct cash benefits or gifts to remote workers who relocate and commit to stay for a specified period of time. Typically, cash payments are made over the course of a year or are used to assist with a down payment to purchase a new home.

Cities are also offering incentives such as free tickets to local events and free bikes. These are generally provided by local foundations or regional economic development groups. The website www.makemymove.com tracks many of the incentives that are available.

A few examples include:

- West Virginia (<https://ascendwv.com/>): \$12,000 plus free outdoor recreation passes/rentals.
- Tulsa (<https://tulsaremote.com/>): \$10,000 and free coworking space.
- Northwest Arkansas (<https://findingnwa.com/incentive/>): \$10,000 plus a free bike or annual membership to a cultural institution.
- Topeka (<https://choosetopeka.com/apply/>): \$5,000 if renting or \$10,000 if purchasing a home plus \$1,000 from Jimmy John's if you move near one of their locations.
- Savannah, GA (<https://seda.org/resources-and-data/incentives-database/creative-incentive/>): \$2,000 to help tech workers with moving expenses.

These incentives have certainly been successful in garnering media attention for places not often in the national spotlight or places that feel they have issues of negative perception. Many of the programs have received more applicants than available grants, showing there is certainly interest from remote workers to consider relocating when offered an incentive.

It is unclear how successful these programs will be in keeping a remote worker long-term once they have fulfilled their requirements under the grant. According to an article in The Atlantic ⁽⁷⁾, often, the people utilizing the incentive were considering moving to that location already, but it is possible the incentive helped them finally make the move. Since many of the programs have caps on the number of applicants, the few hundred people that these programs attract generally have a negligible impact on the population and economy of a region, especially in larger regions such as Milwaukee.

However, if designed properly, an incentive program like this could help Milwaukee bring in new workers to our labor pool and the spending power they bring with them.

➤ *Survey results*

Using the online platform Social Pin Point, a survey about remote work was posted on June 28, 2021, and shared on DCD's social media with the goal of reaching Milwaukee residents and/or remote workers. Below is a summary of the key results through August 31, 2021.

- Basic Demographics of Respondents:
 - 144 responses
 - 77.8 % City of Milwaukee residents
 - 47.5 % fully remote, 33.33 % remote several days a week
 - 52.2 % Female
 - 65.3 % White, 14.6 % Black, 4.9 % Hispanic, 3.5 % Asian, 2.1 % multiracial, 0.70 % Middle Eastern or North African.
- Why do you, or why would you, choose to work remotely (check all that apply)?
 - Better work/life balance (85.4%)
 - No commute (79.9%)
 - Saves money (transportation, lunch, clothes, housing) (77.1%)
- What are the negative aspects of working remotely (check all that apply)?
 - Lack of socialization/collaboration with coworkers (72.2 %)
- When considering remote work, what factors are most important in choosing the city/region where you live? Please choose your top 3.
 - Quality of Life (parks, transit, cultural amenities) (73.6%)
 - Housing Affordability (60.4%)
 - Close to Family or Friends (59.0%)
 - Income Taxes (12.5%)
- Which of the following could influence your decision to choose a city to live in while working remotely for a company elsewhere (check all that apply)?
 - Fast and Affordable Internet (74.5 %)
 - Social Opportunities for remote workers or workers in your field (51.80 %)
 - Airport/Train access to other cities (47.5 %)
- When considering your future career opportunities, will you (check all that apply):
 - Consider relocating if I secured a remote opportunity (52.9 %)

- If you work or could work remotely, what incentives would encourage you to consider relocation (check all that apply)?
 - Reduced housing costs (72.0 %)
 - Cash bonus (69.9 %)
 - Reduced or free internet (61.0 %)
- Should the City of Milwaukee offer incentives to new remote workers?
 - **Yes (60.87 %)**
 - No (39.13 %)

➤ Comments: The most common submission in areas where respondents could add their own comments was the issue of crime being a deterrent to attracting remote workers.

➤ *Stakeholder Interviews*

In addition to reviewing what other cities are doing to attract remote workers and conducting the online survey, interviews with community groups and stakeholders were held to gather additional insight and ideas for how to attract more remote workers to Milwaukee.

A partial list of groups who provided input include:

- Milwaukee 7
- Wisconsin Economic Development Corporation
- Newaukee
- Social X
- Hispanic Professionals of Greater Milwaukee
- Avanzando ERG (a City of Milwaukee Employee Resource Group)
- MKE Tech Hub Coalition
- ElevAsian

Recommendations

Milwaukee already has many advantages for attracting remote workers, such as relative affordability, quality of life and being well-positioned for climate change impacts. In fact, Financebuzz recently ranked Milwaukee as the No. 2 place for remote workers who value affordability ⁽⁸⁾. Workers are beginning to take notice, as LinkedIn data shows Milwaukee having the 7th biggest net gain of new residents since the beginning of the pandemic ⁽⁹⁾ and U-Haul data put Milwaukee at No. 13 for net migration in 2020 ⁽¹⁰⁾.

Nevertheless, more can be done to attract remote workers to Milwaukee. According to the preliminary data from the 2020 census, Milwaukee is losing population. That means that action is needed to attract and retain more people in Milwaukee.

Below is a list of recommendations to attract more remote workers to Milwaukee, based on the above research and discussions with community groups and stakeholders. These recommendations start with general policies and move to more specific actions, and thus, are not necessarily in order of importance.

➤ *Become a Destination Region*

To attract and retain all workers, including remote workers, we need greater investment in things that make Milwaukee a destination for workers that can choose to live anywhere. By doing so, we will not only help attract remote workers, but these improvements will also create a positive value proposition that will attract all workers and benefit existing residents.

Examples include:

- Quality of life improvements: parks, transit, cultural amenities
 - Affordable and quality housing
 - Fast, affordable, and reliable internet and other utilities
 - Safe streets that are walkable and bikeable for all ages and abilities
 - Enhanced overall public safety
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- ❖ Responsible Parties: City of Milwaukee, Milwaukee County, M7, State of Wisconsin
 - ❖ Estimated Cost: \$10m+
 - ❖ Timeline: Short and Mid Term

➤ *Lead by Example*

If Milwaukee wants to be known as a great place for remote workers, City government can help lead by example:

- City government should offer best in practice remote working options to employees, while requiring remote employees to live in the City. This should also include on-site coworking spaces.

- Work with major local corporations to ensure that their remote work policies encourage or require employees to live nearby.
- ❖ Responsible Parties: City of Milwaukee
- ❖ Estimated Cost: \$0
- ❖ Timeline: Short and Mid Term

➤ *Statewide Programs*

One of the main benefits of a new remote worker is the income that they bring with them. Their spending power will help the local economy, but the other main benefit is income/sales taxes that the State of Wisconsin will generate from remote workers.

By working with the M7, WEDC, MKE Tech Hub Coalition and other groups, the City should:

- Work to create a statewide remote work program that offers an incentive for remote workers to move to Wisconsin, such as the income tax credit that Maine has to assist with student loans: <https://liveandworkinmaine.com/opportunity-maine/>.
- Increase outreach to veterans to make sure they are aware of the unique benefits that the State of Wisconsin offers to veterans: <https://inwisconsin.com/blog/wisconsin-offers-veteran-benefits-state/>.
- ❖ Responsible Parties: M7, WEDC
- ❖ Estimated Cost: \$0 to City, State income tax credit would be offset by additional people moving here and generating new income taxes.
- ❖ Timeline: Short and Mid Term

➤ *Create a Sense of Community*

One of the top concerns of remote workers is creating a sense of community that they may typically have from an in-person work setting. It becomes more difficult to network and meet others in the community with similar interests. In addition, spouses of people relocating also have a difficult time connecting to employment opportunities or their own community.

The City should:

- Create an integration program for new residents that exposes them to all of the assets that Milwaukee has to offer and helps them meet new people. This could be done through a group of dedicated volunteers or in conjunction with groups like Newaukee and Social X, which have already done this successfully.
- Work with local corporations and partners to put a spouse placement program in place to make sure that spouses also find employment opportunities and communities that meet their needs and interests. This could be done by hiring a placement agency or similar firm to provide this service. Groups like Newaukee have already done this successfully for local corporations.

- ❖ Responsible Parties: City of Milwaukee and M7
- ❖ Estimated Cost: \$50,000-\$250,000
- ❖ Timeline: Short and Mid Term

➤ *Provide Affordable Coworking Spaces*

While there are benefits of working from home, many remote workers seek affordable alternatives to working solely out of a home office. Whether it is because they do not have space for an ideal home office or they like the variety and social aspect of getting out of the house, affordable and convenient coworking spaces are essential.

The City could:

- Sponsor free memberships at existing coworking spaces.
- Provide grants, whether through our commercial corridor programs or a new program, for creating new coworking spaces.
- Turn public buildings, such as libraries, into free coworking spaces.
- Collaborate with a company such as WorkAround (<https://joinworkaround.com/>), a local startup that seeks to create coworking spaces in underutilized buildings, whether a completely vacant building or a business that has extra space, such as a restaurant with a party room that is rarely used.

- ❖ Responsible Parties: City of Milwaukee and M7
- ❖ Estimated Cost: \$50,000-\$250,000
- ❖ Timeline: Short and Mid Term

➤ *Targeted Advertising*

Milwaukee is already a great place for remote workers but getting that message out there can get lost when spread too broadly. Fortunately, technology and social media make it easier than ever to do targeted advertising.

Working with the M7, MKE Tech Hub Coalition and other groups, the City should create a targeted advertising campaign that:

- Focuses on people with an affinity for Milwaukee, either because they grew up here, went to school here, have lived here in the past or have family that lives here.
- Focuses on sectors where the Milwaukee region has a shortage of workers, to increase the overall talent pool in that sector.
- Focuses on mid-career talent with at least 4-5 years of experience in their field. This is an age group that Milwaukee companies struggle to attract, yet they are young enough that they are still relatively mobile and willing to consider a move.
- Focuses on regions where we are likely to have success (i.e., Chicago).

- Directs traffic and interested parties to www.choosemketech.org, a website dedicated to helping tech workers learn more about life in Milwaukee and explore job opportunities.
 - Increases outreach to veterans to make sure they are aware of the unique benefits that the State of Wisconsin offers to veterans: <https://inwisconsin.com/blog/wisconsin-offers-veteran-benefits-state/>.
 - Asks diverse leaders in Milwaukee to explain why they choose to live here and/or why they came back, their pride in the City and the lifestyle here beyond the beer/cheese stereotypes.
 - Reaches out to alumni groups in other cities to connect with their members.
- ❖ Responsible Parties: City of Milwaukee, M7 and MKE Tech Hub Coalition
 - ❖ Estimated Cost: \$25,000-\$500,000
 - ❖ Timeline: Short and Mid Term

➤ *Target Companies for Satellite Offices*

While we often think of remote working as an individual working from home or at a coworking space, remote working technology has also made it easier for companies to open up branch or satellite offices in other cities, whether they are seeking to draw from a new talent pool, add cheaper talent or find cheaper office space.

Milwaukee is well-positioned to attract companies now open to considering branch or satellite offices. Recently, OpenGov did just that, opening a satellite office in Walker's Point that has hired 50 employees and growing.

Working with the M7, MKE Tech Hub Coalition and other groups, the City should:

- Target large companies with headquarters in high-cost regions to open a satellite office here, likely either from the east coast, west coast, or Chicago (i.e., OpenGov).
 - Target WI companies in smaller cities with challenges attracting talent to open a satellite office here (i.e., Michels).
- ❖ Responsible Parties: City of Milwaukee, M7 and MKE Tech Hub Coalition
 - ❖ Estimated Cost: dependent on any incentives provided to individual companies, if any.
 - ❖ Timeline: Mid Term

➤ *Provide Direct Incentives*

Direct incentives on their own are unlikely to draw enough remote workers to have a major impact, but they can be useful as part of an overall strategy. In our survey, 60.87 % said that the City should provide direct incentives to new remote workers. In addition to bringing new talent to Milwaukee, creating an incentive program can garner significant media coverage and help create a large contact list of people interested in moving to Milwaukee.

Like companies that provide one-time payments to cover moving expenses, working with the M7, MKE Tech Hub Coalition and other groups, the City should:

- Create a pilot program that provides a combination of cash incentives and a welcome package with free or reduced prices to area attractions and restaurants. Workers would need to apply for the grant and the total number of awardees would be capped to limit the overall cost. A volunteer review group would be used to review the applications.
- Consider incentives such as down payment assistance or a reduced price on City-owned houses.
- Potentially focus on certain sectors where the Milwaukee region has a shortage of workers, to increase the overall talent pool in that sector.
- Focus on mid-career talent with at least 4-5 years of experience in their field. This is an age group that Milwaukee companies struggle to attract, yet they are young enough that they are still relatively mobile and willing to consider a move.
- Work with local companies to help recruit and incentivize their remote workers to move to Milwaukee.
- Provide a “finder’s fee” to existing residents who are able to convince their colleagues, friends, or family to move here as a remote worker.

- ❖ Responsible Parties: City of Milwaukee, M7 and MKE Tech Hub Coalition
- ❖ Estimated Cost: \$100,000-\$1,000,000, depending on incentive provided
- ❖ Timeline: Short and Mid Term

Citations

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