

BROOKINGS

THE AVENUE / *Rethinking Metropolitan America*

« Previous | Next »

Amy Liu | April 27, 2016 2:41pm

Regional alignment, not competition: How Greater Milwaukee is remaking economic development



Nearly every city and its surrounding counties compete on business location, motivated to maximize their individual tax bases. I have written, along with countless others, about how this prisoner's dilemma for jurisdictions often results in little, if any, creation of new jobs or income in metro areas.

So it was refreshing to spend time recently in a metro area living by a different philosophy. To build trust, this city and its counties adopted a code-of-ethics to not steal each other's jobs and coordinate instead on economic opportunities. They forged a common agenda. The central city then developed its own economic plan explicitly designed to reinforce the region's economic ambitions. Yes, this is possible. This is Greater Milwaukee.

One of Mayor Tom Barrett's top priorities after he was elected mayor of Milwaukee in 2004 was to improve the economic prospects of the historic industrial city. To do that, he recognized he had to think and act regionally. That vision, with other partners, led to the creation of the Milwaukee 7, an economic development organization representing seven counties in southeastern Wisconsin, which the mayor co-chairs. M7 released a new metropolitan business plan for growth in 2014, which serves as a framework for regional action today.

At the core of the region's plan is the understanding that greater Milwaukee region must "grow from within." Rather than react to ad-hoc prospects of outside firms moving in, leaders chose to strengthen their competitive advantages in several globally relevant products and solutions. Three industry clusters stood out: water technology; energy, power, and controls manufacturing; and food and beverage. Milwaukee is smartly positioning itself as the place to provide firms and industries with new technologies to manage the costs, supply, and quality of water and energy use while being environmentally responsible. During my visit, I spoke with the leaders of these three cluster organizations. They had clear strategies to spur innovation through industry centers of excellence and collaboration spaces for firms and start-ups. There was a new regional talent partnership to grow the talent pipeline for each. And during my visit, I helped the region launch a new global trade and investment strategy to ensure that these solutions and others reach international markets and attract relevant firms and capital.

Meanwhile, the city of Milwaukee knew that a regional economy works best if its core city and its residents are also thriving. The city's plan for economic development borrows key ideas from the regional plan and explicitly highlights areas of convergence between city and regional interests.

I saw first-hand how M7 and the city of Milwaukee sought to connect its regional cluster strategies to place-based revitalization efforts. As evidence of de-industrialization's harsh impact, the city is home to more than 500 acres of vacant industrial land and more than 650 vacant and abandoned commercial and industrial buildings. City leaders have invested millions in making the sites commercially viable again. Once-abandoned areas such as the Menomonee Valley are recovering, as firms in the food and beverage cluster expand there. The Global Water Center is a converted former warehouse, and the adjacent former rail yard is drawing water-related businesses. The region's energy research consortium established a lab to support engineering startups in a neighborhood that has struggled ever since manufacturers moved out decades ago. To bring workers closer to new jobs, industrial buildings near downtown, including an old Pabst brewery, have been converted into residential buildings, offices, and workspaces for artists, foreign students, and young professionals.

City officials are also working to extend economic growth to more parts of Milwaukee, a city home to one of the nation's highest concentrations of extreme poverty. Century City, an 80-acre former brownfield site surrounded by low-income neighborhoods, is being restored to house a new Center for Advanced Manufacturing. Revenues generated from private investment downtown are channeled into distressed neighborhoods through new mixed-income housing, transportation improvements,

and support for existing community development organizations such as Walnut Way. Construction projects that receive public support are required to hire locally, partnering with organizations including the Wisconsin Regional Training Partnership to hire and train under- and unemployed Milwaukeeans.

What's encouraging is that Milwaukee's economy is on the mend. According to our Metro Monitor, Milwaukee's industries are becoming more productive, generating more value per worker today than in 2000. Median wages in the region are higher than they are nationally. And the share of Milwaukeeans in jobs is higher than the national average, and increasing, even as the city and metro area continue to gain population.

Some healthy intra-regional competition will persist in greater Milwaukee. But this region is proving that it's possible for jurisdictions, businesses, and nonprofit organizations to join forces and remake economic development—embracing shared assets—to create durable, inclusive growth.

Amy Liu

Vice President and Director, Metropolitan Policy Program

@amy_liuw

Amy Liu, vice president and director of the Metropolitan Policy Program, is a national expert on cities and metropolitan areas adept at translating research and insights into action on the ground. As director of the Metro Program, which Liu co-founded in 1996, she pioneered the program's signature approach to policy and practice, which uses rigorous research to inform strategies for economic growth and opportunity. Liu has worked directly on such strategies with scores of public and private sector leaders in regions around the country, including Chicago, Kansas City, and Phoenix.

[More Posts from Amy >](#) | [View Expert Page >](#)