



September 30, 2020

Governor's Blue Ribbon Commission
on Rural Prosperity
c/o Director Kelliann Blazek
Office of Rural Prosperity
Wisconsin Economic Development Corporation

Dear Commission Members,

Wisconsin Rural Partners has been working to improve rural quality of life and economic vitality in our state for nearly three decades. We are pleased that the Blue Ribbon Commission has been tasked with making recommendations for specific areas of improvement in rural Wisconsin.

The WRP Board of Directors has prioritized the following rural issues in our recent annual rural summits and small community forums: digital equity, housing, healthcare, and childcare.

Wisconsin must assure digital equity in rural areas. Digital equity refers to whether people can access and effectively use the technology necessary to participate in modern society. This includes both 4G cell service through a major provider and access to broadband internet (25/3). Gaps in cellular coverage hamper public safety by limiting access to 911 calls, deter tourists who are unable to navigate effectively, and hamper business operations. Lack of broadband similarly reduces business efficiency and reduces home values in areas without adequate coverage.

The Covid-19 pandemic has further illuminated the digital gap between urban, suburban and rural areas. As children became home-based learners and employers directed large parts of the workforce to work from home, it became apparent that reliable cell phone service and robust internet access was lacking in many rural areas. Many rural school districts provided mobile hotspots for families to simply access the internet where such technology was available. Broadband speed (25/3) was not even a possibility, and in fact is not an option for nearly 12 percent of Wisconsinites. Many communities and businesses opened up hotspots in parking lots and parks to serve local residents temporarily, but a permanent solution is needed. Add in the move to virtual health care while hospitals and clinics suspended most outpatient service, and it is clear that rural citizens do not have digital equity with their urban and suburban counterparts.

Rural housing is stressed in quality, cost, and availability. The new housing supply is limited and there is a lack of moderately priced (<\$200) new homes. Upscale housing (>\$300K) has a higher profit margin for developers and is more likely to be built. Communities are hard pressed to maintain existing infrastructure, with less ability to invest in new infrastructure needed to support new housing. Costs of

installing public infrastructure, including road, sidewalk, watermain, storm sewer and sanitary, have increased from \$184.52 per lineal foot in 1998 to over \$525 in 2018. This equates to additional costs of \$13,125 per 50 foot lot. For many communities Tax Increment Financing is the only method to offset costs of installing public utilities in support of housing. Current Wisconsin law only allows newly platted residential in mixed-use Tax Incremental Districts, where no more than 35% of the total area comprising the district can be housing. This greatly reduces the number of housing units that can be constructed, increasing the cost burden that each lot must carry to offset the infrastructure needed.

Housing shortages have led to increasing costs for rental housing. Worker housing shortages are leading to stretch commuting, with employees often traveling more than 50 miles from housing to work. Rural employee housing shortages can limit business expansion and new economic development. The WHEDA housing tax program continues to be oversubscribed, with requests three times the available credits. Because of the scoring criteria, a large majority of the funding goes to fund projects in urban areas. Without tax credits, workforce housing is significantly less affordable.

Existing rural housing stock is aging. Home maintenance costs are often prohibitive, especially for seniors on fixed incomes. Currently, there are no direct funding assistance programs for rehabs or historic residences to maintain or improve housing quality.

Many rural areas in Wisconsin lack adequate healthcare. The decreasing population in rural areas has led to fewer healthcare providers and pharmacy services. Mental health and substance abuse services are even more difficult to access. Rural hospitals have struggled financially and the pandemic has negatively impacted the long-term viability of many of them. Residents must often travel long distances to obtain basic care, medications, and emergency services. The aging rural population is more severely affected because of mobility issues and greater medical needs. While telemedicine has potential, availability of adequate regional digital infrastructure is lacking.

Healthcare affordability is a serious issue in rural Wisconsin. Health insurance rates are often unaffordable. In addition, job losses related to the pandemic have often resulted in loss of health insurance.

Wisconsin families struggle to access and afford high-quality childcare and education. This is a particular hardship for our rural families where almost eighty percent of children live in childcare deserts where no opportunities exist. Where they do exist, the average cost of infant care is \$1,000-\$1,500 per month, more than college tuition and rent. Even for families who qualify for childcare subsidies through the Wisconsin Department of Children and Families, they may be unable to find or afford available care. Due to Covid-19, hundreds of centers have closed and at least 12,000 Wisconsin childcare professionals have become unemployed. Addressing this crisis will require everyone's help. Some solutions may be employer subsidies for childcare costs, local community investments in care, childcare cooperatives, greater local advocacy for childcare, and greater support for childcare teachers through grants or tax subsidies.

We are happy to discuss the rural issues outlined above in greater detail. We could facilitate a Zoom meeting if you are interested in further conversation.

We are also extremely willing to collaborate with you in promotion of Commission findings and assist in implementation of subsequent programs and projects.

Sincerely,

A handwritten signature in cursive script that reads "Sandra J. Decker". The signature is written in black ink and is positioned above the printed name.

Sandy Decker
Wisconsin Rural Partners Board
of Directors