



2010
State of the Madison Region Report



thrive

Thrive is the economic development enterprise for the eight-county Madison Region, created to grow the region's economy in ways that preserve and enhance the quality of life. We see the value in initiatives that focus on long-term, sustainable results, aimed at building the region's competitive advantage.

For more information on Thrive, visit our website at www.thrivehere.org or contact us at (608) 443-1962 or by e-mail at info@thrivehere.org.

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2010 State of the Madison Region

Executive Summary

Each year Thrive presents the State of the Madison Region Report, an objective analysis of the economic performance of the Madison Region. The report reflects Thrive's holistic approach to economic development and includes metrics related to innovation, quality of life, and health; as well measures more often associated with the economy such as employment rates, business growth, and income. The report evaluates the Madison Region's performance over time and compares it with the performance of the United States, Wisconsin, and five Peer Regions: Lincoln, Nebraska; Columbus, Ohio; Salem, Oregon; Columbia, South Carolina; and Richmond, Virginia.

Madison Region Snapshot

The Madison Region, which includes the Wisconsin Counties of Iowa, Green, Rock, Jefferson, Dodge, Columbia, Sauk, and Dane, is a diverse region that includes 81 villages, 167 towns, and 40 cities. Eighty-eight percent of these communities have fewer than 5,000 residents. Overall, the Region's population is approaching 1 million at an annual growth rate of 1%. A workforce of 500,000 produces a diverse array of goods and services worth almost \$40 billion a year. Fifty-seven percent of the region's employment is concentrated in education and health services, manufacturing, and trade, transportation, and utilities.

The Region in Recession

In 2008 and 2009 the United States suffered one of the most severe recessions in its history. It is no surprise that this recession has had a tremendous impact on the Madison Region's economy. The 2010 State of the Madison Report examines unemployment, establishment growth, incomes, bankruptcies, and building permits to understand the recession's impact on the region. The report also examines the region's performance over the past decade.

Jobs

Between 2007 and 2009, the Madison Region suffered a net loss of 25,000 jobs, representing 5% of total employment. While this 5% loss was mirrored in the Peer Regions, it is perhaps more disturbing that over a longer period of time, between 2001 and 2009, the Madison Region was outpaced in employment growth by four of five peers. Nevertheless, the region maintains

a lower unemployment rate than four of the five Peer Regions, the State of Wisconsin, and the United States.

Business Growth

The number of businesses in the Madison Region fell by 2.2% between 2008 and 2009, representing a larger loss than four of five peers. Likewise, between 2001 and 2009, the number of businesses in the Madison Region did not rise as rapidly as four of the five Peer Regions or the United States as a whole.

Incomes

Incomes in the region, which tend to be higher than those in the United States, Wisconsin, and the majority of Peer Regions, fell during the recession. The Median Household Income for the region's four largest counties fell by almost 6%.

The Innovation Economy

The impact of the recession in the Madison Region creates a sense of urgency related to economic development and the future of the region's economy. In large part, the future of the region's economy hinges on its ability to educate and innovate. The State of the Madison Region Report examines the following metrics to determine how well the region is positioning itself for the future: academic research and development, Small Business Innovation Research/Small Business Technology Transfer Funds, 3rd grade reading, K-12 math proficiency, and adult educational attainment.

Federal Research Funds

Nearly \$1 billion in federal research funds came into the University of Wisconsin-Madison in 2008, making UW the third largest research university in the nation. UW's \$882 million in federal research money represents an increase of 46% since 2001. In 2008, UW research continued to dwarf that of universities in Peer Regions, though Ohio State University in Columbus has gained significant ground during the decade.

Education

The State of the Madison Region Report examines 3rd grade reading scores, K-12 math scores, and adult educational attainment to evaluate the region's educational success in positioning the region for a prosperous economic future. In 2009 and 2010, the region outperformed four of five Peer Regions in 3rd grade reading proficiency, which is a critical benchmark in elementary education. In math, the region has made improvements with five of the region's eight counties testing above 80% proficiency.

Nearly one-third of Madison Region adults hold a bachelor's degree or higher, ranking the region third among Peer Regions.

Quality of Life

The region's quality of life is an important factor in attracting and retaining talented people, the human capital driving the regional economy. The report examines the following quality of life measures: cost of home ownership, cost of living, crime, poverty, commuting times, modes of transportation, and health.

Cost of Home Ownership and Cost of Living

The average home-owning household in the Madison Region spends 25.2% of income on a home mortgage, which is just above the national average, and higher than four of five Peer Regions. When considering the overall cost of living in peer capital cities—a measure that includes housing, food, transportation, utilities, health care, and personal expenses—Madison ranks in the middle of the group.

Crime

The Madison Region enjoys a lower crime rate than the statewide average, with 27.7 crimes per thousand residents in 2009. Property crime in the region declined from 2008 to 2009, while the violent crime rate showed little change.

Poverty

The region's poverty rate is lower than peers, the state or the nation. However, since 2000, the region has experienced greater increases in poverty than the state or national averages.

Commuting Time and Modes of Transportation

The average Madison Region worker spends 23.4 minutes commuting to work, ranking the region third among the six Peer Regions. Just over a quarter of workers in the region have a commute longer than 30 minutes. 7.8% of the region's workers use alternative modes of transportation to get to work, including biking, walking, and mass transit—ranking the region second among the Peer Regions.

Healthy People

The Madison Region continues to lead its peers in health insurance coverage. This year's report includes data on key health trends and behaviors, revealing that the region has better access to healthy foods and lower rates of adult obesity than most of the Peer Regions. However, the region's binge drinking rate is the highest of the peer group.

Conclusion

As the population of the Madison Region approaches 1 million, the 2010 State of the Madison Region Report highlights regional successes as well as economic challenges. The region's quality of life continues to be a bright spot with high levels of health insurance coverage, a competitive education system, and lower overall crime rates and levels of poverty. However, the region trails its peers in two important categories: job growth and establishment growth. In each, the Madison Region is ranked second to last in its peer group despite tremendous strength attracting research and development funds through the University of Wisconsin-Madison and its affiliated partners. Job losses and decreased economic activity over the last several years serve as clear reminders that the Madison Region must continue to support efforts to retain existing businesses, use research and innovation to build new businesses, and selectively attract new employers to the region.

The Madison Region: An Overview

The Madison Region, which is comprised of Iowa, Sauk, Columbia, Dodge, Jefferson, Rock, Green, and Dane Counties is a diverse region anchored by the state capital and the University of Wisconsin.

The region's diverse economy includes a strong distribution and manufacturing base in Rock County, some of the best agricultural land in the world in Green, Iowa, Jefferson and Dodge counties; major tourist attractions in Sauk and Columbia counties, and a robust entrepreneurial climate fostered in Dane County and the greater Madison area. The region's base sector strengths in financial services, insurance, government, light manufacturing and healthcare provide strong support for emerging sectors like biotechnology.

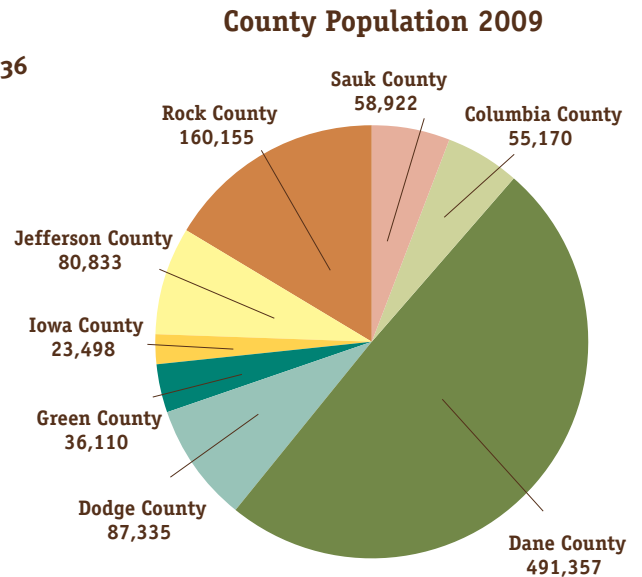
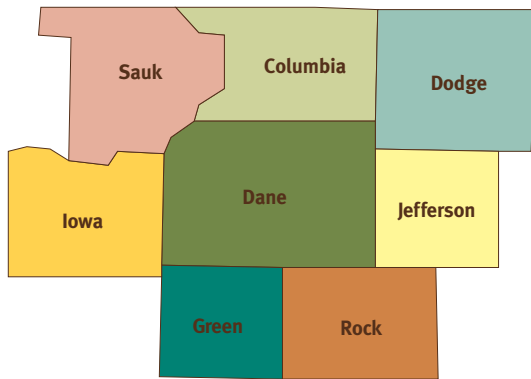
Wisconsin's capital city, Madison, lies at the heart of the region. Madison is the seat of state government and home to the University of Wisconsin-Madison,

both serving as anchors to a stable economic base. The UW-Madison is a primary economic driver for the region and continues to be one of the top recipients of federal funding for its world-class high-tech and bio-tech research. The region's educational continuum includes a robust technical college system and one of the nation's top-ranked K-12 systems. The educational system results in a vital and dynamic workforce.

The Madison Region's natural assets also contribute to its success. The region is located at the apex of some of the nation's most important natural resources. It is surrounded by rich agricultural land, near the largest fresh water resource in the world in the Great Lakes and between the Northern Timberlands and the Mississippi River basin. These four forces significantly shape the Region's economy.

2009 Population: 993,380
2000–2009 Annual Population Growth: 1%
2009 Employed Workforce: 499,403
2010 Unemployment Rate: 7.8%

Gross Metro Product:
Janesville, WI (MSA) \$4.9 B
Madison, WI (MSA) \$33 B
2008 per Capita Personal Income: \$39,636



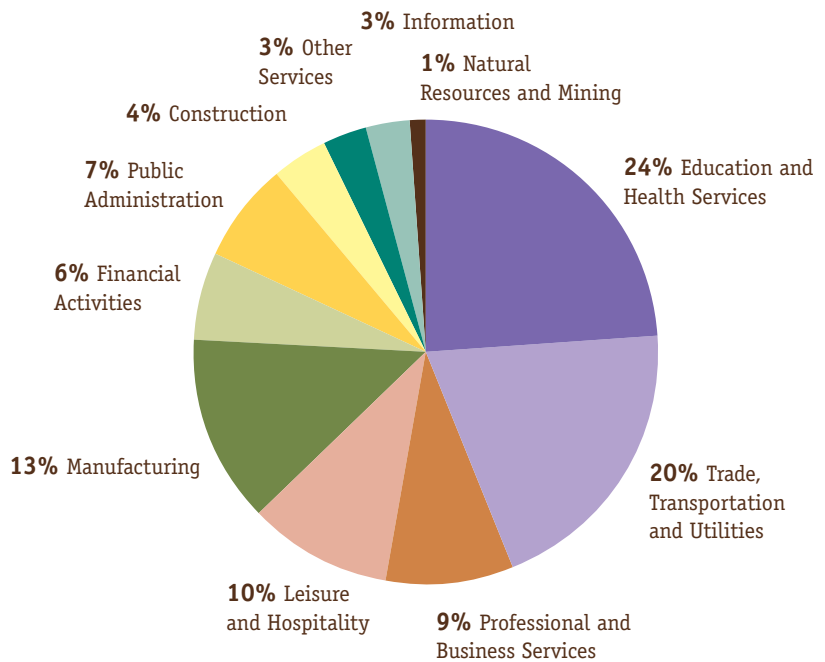
The Madison Region's Economy: Employment by Sector

With total employment approaching 500,000, the Madison Region offers a wide array of employment options. Relative to its peers, the Madison Region has particular strengths in Education and Health Services, Manufacturing, Public Administration, and Leisure and Hospitality.

Snapshot of Regional Employment:

- Education and Health Services:** 116,687
- Trade, Transportation, and Utilities:** 97,736
- Manufacturing:** 63,252
- Leisure and Hospitality:** 50,670
- Professional and Business Services:** 46,544
- Public Administration:** 36,204
- Financial Activities:** 31,631
- Construction:** 20,115
- Other Services:** 16,306
- Information:** 13,341
- Natural Resources and Mining:** 4,706
- Total, all industries:** 499,403

Employment by Sector



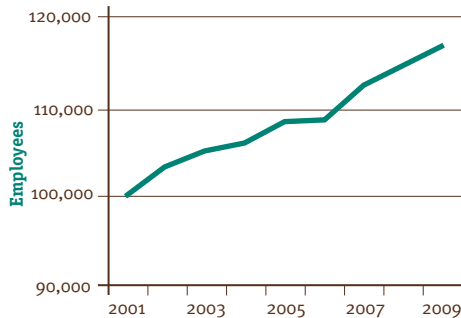
The **Madison Region** includes **81** villages, **167** towns, and **40** cities. 88% of these communities have fewer than **5,000** residents.

Madison Region Employment Dynamics: 2001 to 2009

Sectors with Growing Employment

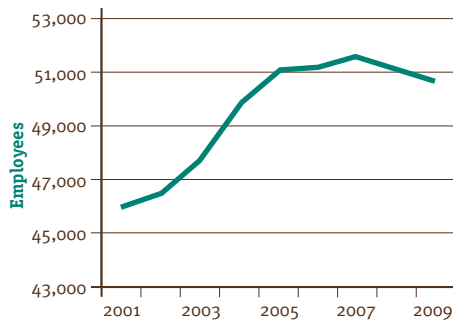
Education and Health Services:

The Educational Services sector includes public and private schools, colleges, universities, and training centers. The Madison Region benefits from the presence of many high quality educational institutions throughout the region. The healthcare sector comprises establishments providing healthcare and social assistance for individuals. There are over 1,000 direct providers of healthcare in the Madison Region. **Combined, the health and education sectors have increased from approximately 100,000 to 117,000.**



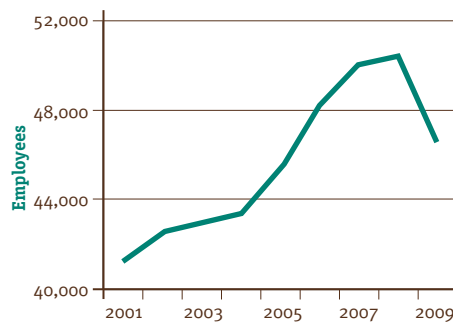
Arts, Entertainment, Recreation and Hospitality:

This sector includes a wide range of businesses that operate facilities or provide services to meet varied cultural, entertainment, and recreational interests. **Arts, entertainment, recreation and hospitality represents 10% of regional employment. The sector grew steadily from 2001 to 2007 and has experienced modest decreases in employment over the past several years.**



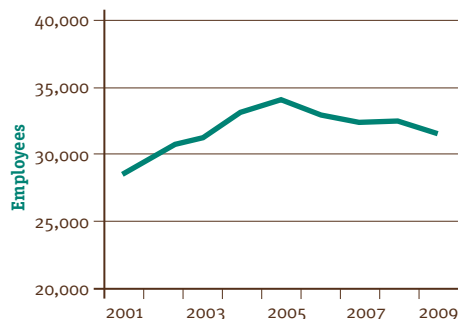
Professional and Business Services:

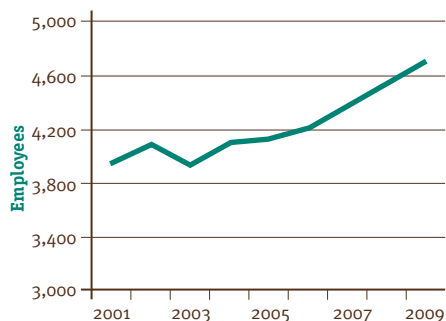
This sector includes establishments that specialize in performing professional, scientific, and technical activities for others. Services include legal, accounting, bookkeeping, payroll, architectural, and engineering. **While professional and business services industries added close to 10,000 jobs between 2001 and 2008, the sector is not as robust in the Madison Region as it is in the Peer Regions.** In 2009, the sector accounted for 9% of employment in the Madison Region while it accounted for 14% of employment in the Peer Regions.



Financial Services:

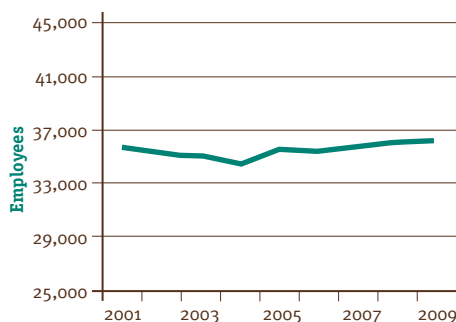
Finance, insurance, and real estate are major drivers of the regional economy, particularly in Dane County. Global corporations with headquarters in the region include American Family Insurance and CUNA Mutual. **Financial services represented 6% of total regional employment in 2009.**





Natural Resources and Mining:

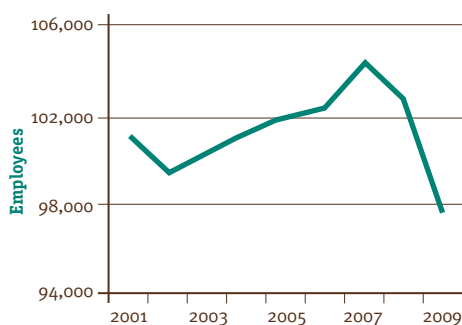
These industries include establishments primarily engaged in growing crops, raising animals, harvesting timber, and harvesting fish and other animals from a farm, ranch, or their natural habitats. **The natural resources and mining industries accounted for 1% of employment in 2009.**



Sectors with Stable Employment

Public Administration:

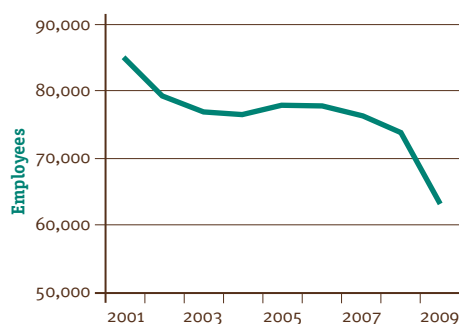
At 7% of total regional employment, public administration employment has remained consistent since 2001. Public administration represents a similar percentage of total employment in Peer Regions.



Sectors with Decreasing Employment

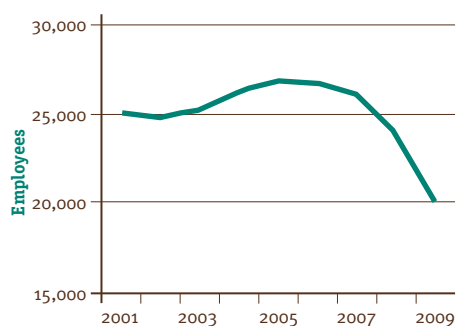
Trade, Transportation, and Utilities:

This sector includes wholesale trade, retail trade, transportation and warehousing, and utilities. **Combined, these sectors represent 20% of total employment. After reaching a high of over 104,000 employees in 2007, employment fell below 98,000 in 2009.**



Manufacturing:

The Madison Region boasts a wide portfolio of vital manufacturers. The region has a particular strength in food processing, metal manufacturing, and plastics. **While the region has lost more than 20,000 manufacturing jobs since 2001, the sector still accounts for 13% of regional employment. It accounted for 17% of regional employment in 2001.**



Construction:

The construction sector comprises establishments primarily engaged in the construction of buildings or engineering projects (e.g., highways and utility systems). **In 2009, construction accounted for 4% of total employment after losing almost 7,000 jobs since 2006.**

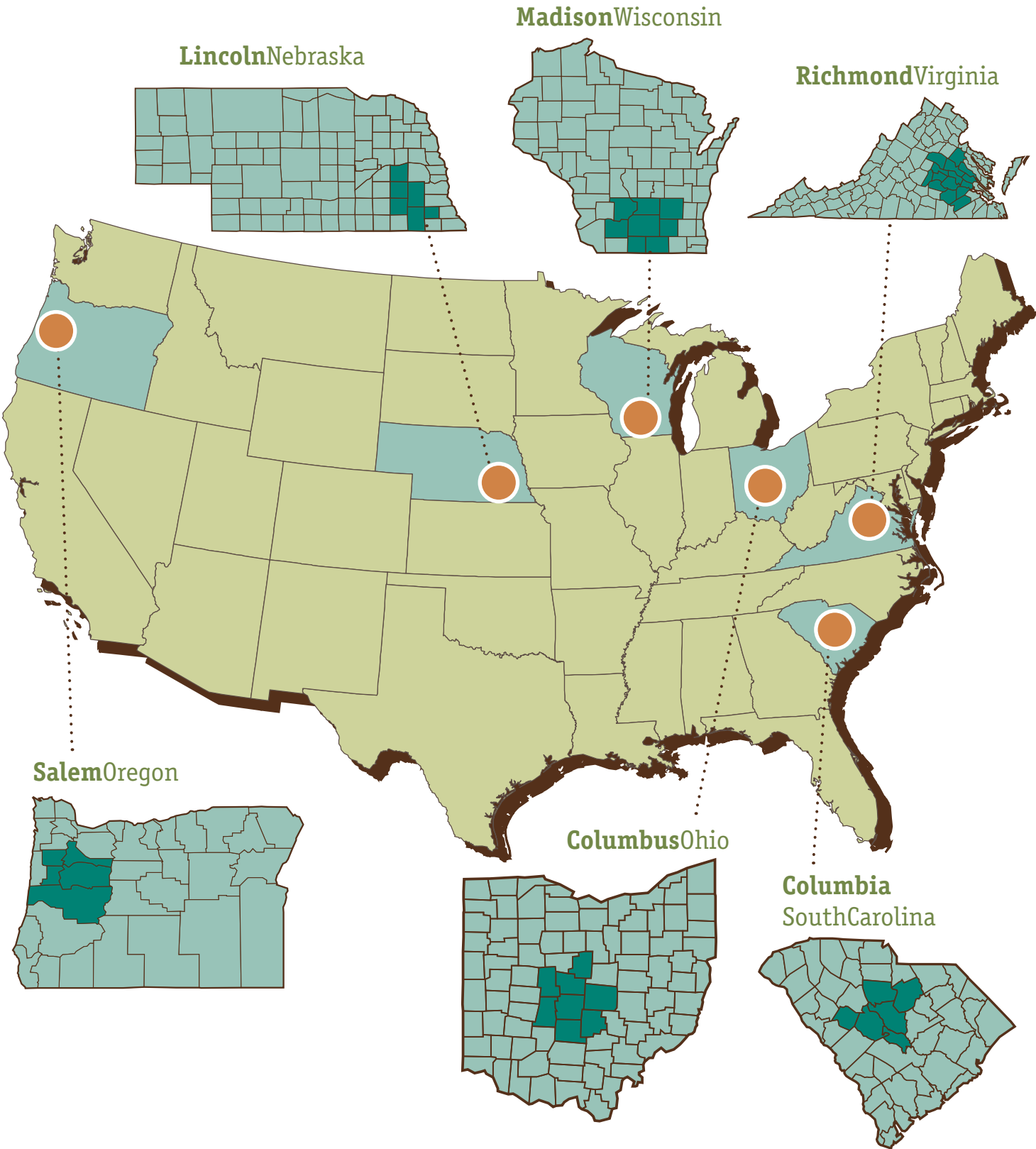
Who are our peers and how were they selected?

This report compares the Madison Region with five Peer Regions: Lincoln, Nebraska; Columbus, Ohio; Salem, Oregon; Columbia, South Carolina; and Richmond, Virginia. These Peer Regions were selected based on their similarity to the Madison Region. Each of the Peer Regions is a state capital and has a major university. Like the Madison Region, most are not the largest metropolitan area in their states, but have enough of their respective state's population to be a vital part of the state's economy. The Peer Regions have research and innovation occurring at their universities, stable economies anchored by state government employment, and other employment opportunities in vibrant private sectors.

Peer Regions	2009 Population	Percent of State's Population	Growth 1990-2000	Growth 2000-2009	Increase 2008-2009
Madison WI	993,380	17.6%	11.0%	9.8%	7,855
Lincoln NE	348,014	19.4%	16.0%	9.8%	2,897
Columbus OH	1,801,848	15.6%	14.8%	11.7%	28,728
Salem OR	946,401	24.7%	15.7%	11.2%	10,954
Columbia SC	744,730	16.3%	18.0%	15.1%	16,667
Richmond VA	1,238,187	15.7%	15.6%	12.9%	12,561



Overview of Peer Regions



Economic Analysis: How has the Madison Region Fared in the Recession?

In 2008 and 2009 the United States suffered one of the most severe recessions in its history. It is no surprise that this recession has had a tremendous impact on the Madison Region's economy. The 2010 State of the Madison Report examines Unemployment, Establishment Growth, Incomes, Bankruptcies, and Building Permits to understand the recession's impact on the region. The report also examines the region's performance over the past decade.

- Unemployment
- Employment levels
- Establishment growth
- Income
- Bankruptcies
- Building permits

Unemployment rose by **66%** in the **Madison Region** between 2008 and 2010. The region still maintains one of the lowest unemployment rates in the country.



Unemployment

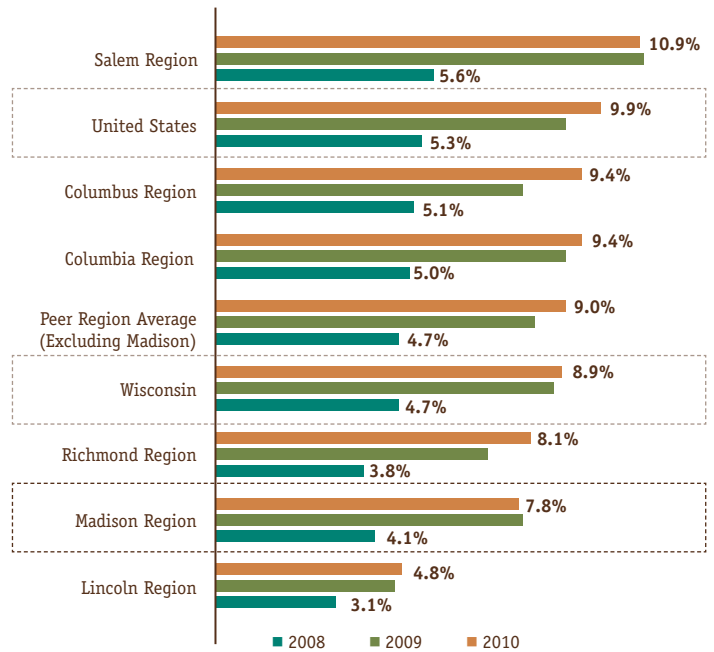
Unemployment in the Madison Region rose from 4.7% in 2008 to 7.8% in 2010. While this 66% increase in unemployment is pronounced, the Madison Region maintains one of the lowest unemployment rates in the country. In 2010 the national unemployment rate is 9.9%, a rate that exceeds the Madison Region by more than 2%.

When judged against Peer Regions, which perform well when compared to the rest of the country, the Madison Region has a lower unemployment rate than all but Lincoln, Nebraska. The Peer Region average unemployment was at 9%, well above the Madison Region's 7.8%.

Unemployment rose dramatically in every county in the Madison Region between 2008 and 2010. While in 2008, all eight counties had unemployment rates below 6%, in 2010 the majority of counties had unemployment rates in excess of 8.7%.

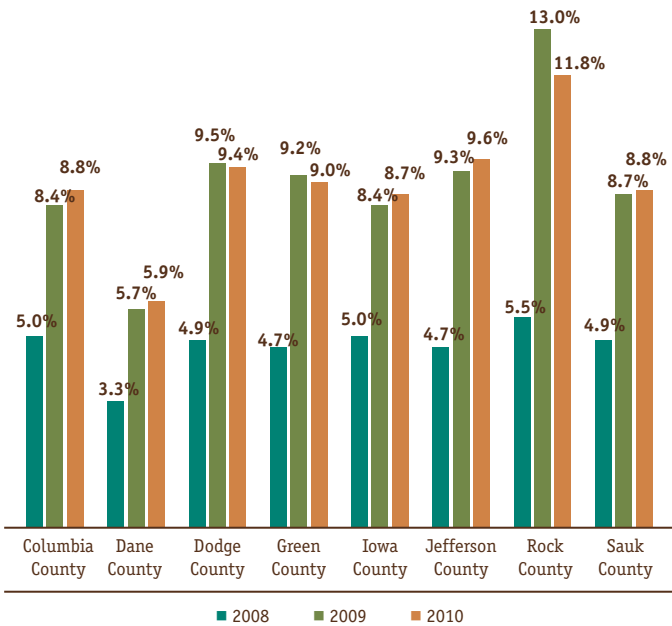
Unemployment Rate, January–June Monthly Average, 2008–2010

Source: U.S. Bureau of Labor Statistics, LAUS Program, not seasonally adjusted data



Madison Region Counties' Unemployment Rates: January–June Averages, 2008–2010

Source: U.S. Bureau of Labor Statistics, LAUS Program, not seasonally adjusted data.



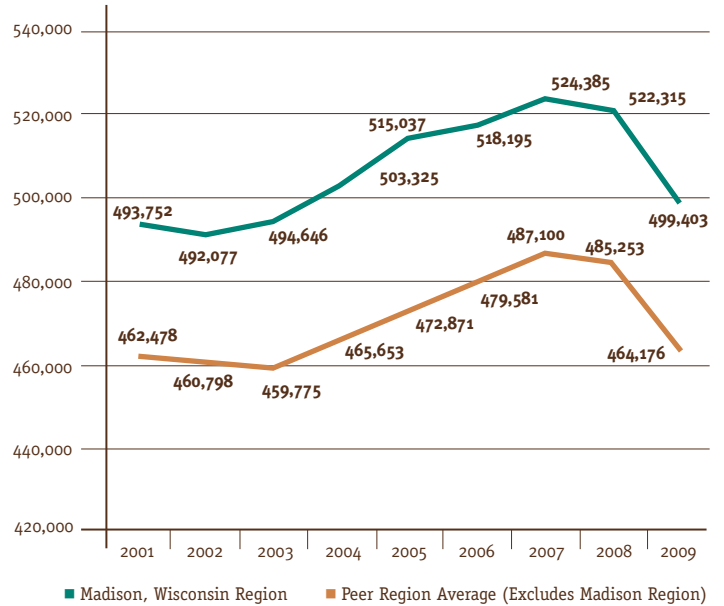
Employment

Between 2007 and 2009 the number of employed workers fell from 524,000 to 499,000, a loss of 25,000 jobs. The loss in the Madison Region was mirrored in the Peer Regions, which on average experienced a 4.8% drop in employment between 2007 and 2009. Nationwide employment fell by 5% between 2007 and 2009.

Between 2001 and 2009 the Madison Region was outpaced by four of five Peer Regions in employment growth.

Annual Employment Levels: 2001–2009

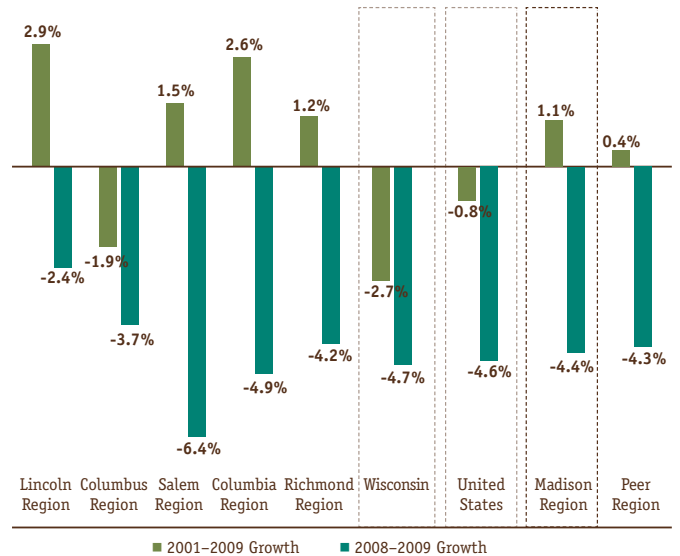
Source: U.S. Bureau of Labor Statistics, QCEW Program



Between 2007 and 2009, the **Madison Region** lost 25,000 jobs, representing a **4.8%** drop in employment.

Employment Growth

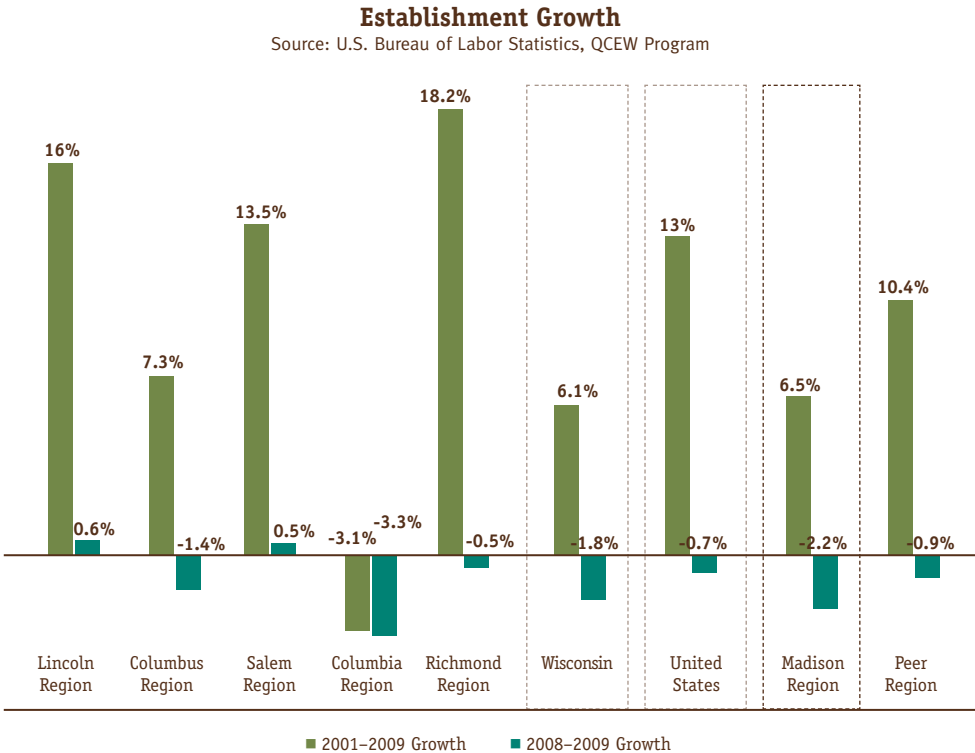
Source: U.S. Bureau of Labor Statistics, QCEW Program



Establishment Growth

The number of businesses in the Madison Region fell by 2.2% between 2008 and 2009 but showed an overall growth of 6.5% between 2001 and 2009. In order to evaluate this information, it is important to recognize that the number of employees per business varies and that the average number of employees per business for a region is closely tied with its industry mix. The U.S. average number of employees per establishment in 2009 was 14.3 workers. Every Peer Region with the exception of Salem, Oregon, had a higher than national average share of workers per establishment. Columbus, Ohio (20.2), and Columbia, South Carolina (19.6), had the highest per unit figures. The Madison Region figure was 19.1 in 2009 and Wisconsin was 16.8. Industry sectors that tend to have larger payroll bases per establishment are education, healthcare, information, manufacturing, and public administration.

Between 2001 and 2009, the number of businesses in the Madison Region did not rise as rapidly as four of the five Peer Regions or the United States as a whole. While the Madison Region has more workers per job than the national average, it does not have more workers per job than many of its peers.



Income

Personal Per Capita Income (PPCI) and Median Household Income were evaluated to gage the region's incomes relative to its Peer Regions as well as to determine the impact of the recession on income.

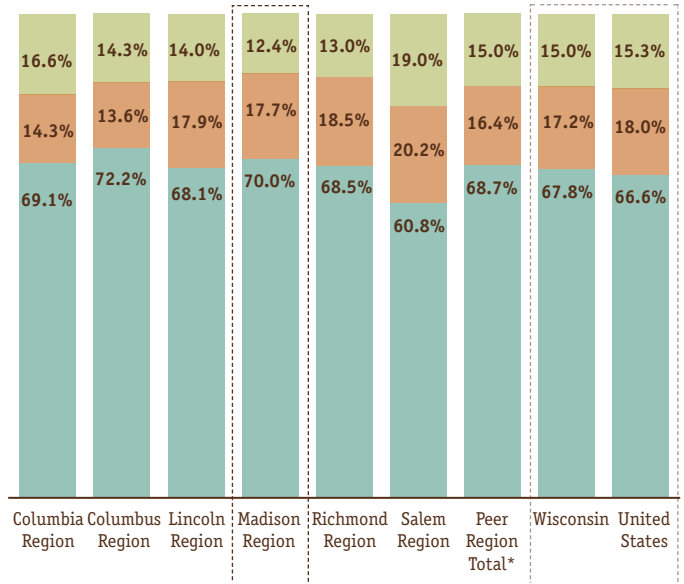
Personal Per Capita Income and Median Household Income both reflect income from three major categories:

1. employment earnings
2. dividends, interest and rental property income, and
3. current transfer receipts which are mainly government monies (e.g., Social Security, Medicare, veterans' benefits, unemployment Insurance, etc.). Personal Per Capita Income is an amount based on total income for an area divided by the total population while Median Household Income covers income for all people living in a household.

The Madison Region PCPI for 2008 was \$39,636, higher than the Peer Region average of \$37,882. Only Richmond, Virginia, had a higher PCPI than the Madison Region in 2007 and 2008. Therefore, relative to its peers, the Madison Region has strong incomes.

Total Personal Income Component Distribution, 2008

Source: U.S. Bureau of Economic Analysis, Local Area Personal Income, Table CA30



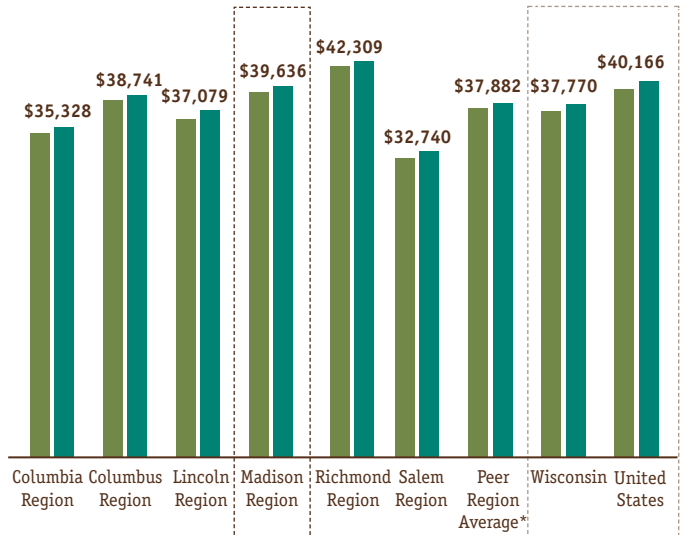
*Excludes Madison Region

■ Net Employment Earnings ■ Dividends, Interest, and Rental Income
 ■ Current Transfer Receipts



Per Capita Personal Income, 2007 and 2008

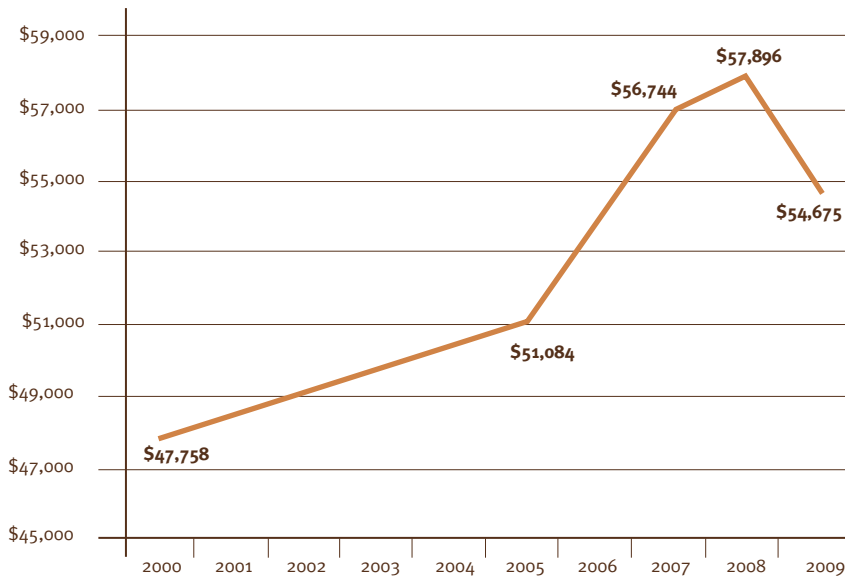
Source: U.S. Bureau of Economic Analysis, Local Area Personal Income, Table CA30



*Excludes Madison Region

■ 2007 ■ 2008

**Median Household Income through 2009
for Four Largest Counties: Dane, Dodge, Jefferson and Rock**



Median Household Income in the Region's four largest counties **fell by 5.6%** between 2008 and 2009.

Bankruptcies

The impact of the recent recession can be seen clearly in the changes in regional personal and business bankruptcy filings over the past few years. Shown are data from the 12-month pre-recession period ending in June 2007, and the recessionary periods ending in June 2009 and 2010. The total filings have more than doubled. The ratio of business filings to non-business filings has remained fairly constant with almost 97% remaining non-business. Other changes from 2007 to 2010 in the region include a slightly lower share of the state's total filings, down from 15.6% to 15.1%.

The United States and Wisconsin filings have also more than doubled from 2007 to 2010 with the Madison Region being slightly less than both the state and the nation.

Regional bankruptcy filings more than **doubled** between 2007 and 2010.

Region Totals	2007	2009	2010	% Chg 07 To 10
Total Filings	2,178	3,786	4,540	108.4%
Business Filings	67	120	154	129.9%
Personal Filings	2,111	3,666	4,386	107.8%
Region % of State	15.6%	15.3%	15.1%	-0.5%

Total Filings	2007	2009	2010	% Chg 07 to 10
United States	751,056	1,306,315	1,572,597	109.4%
Wisconsin	13,929	24,730	30,036	115.6%
Region	2,178	3,786	4,540	108.4%

Building Permits

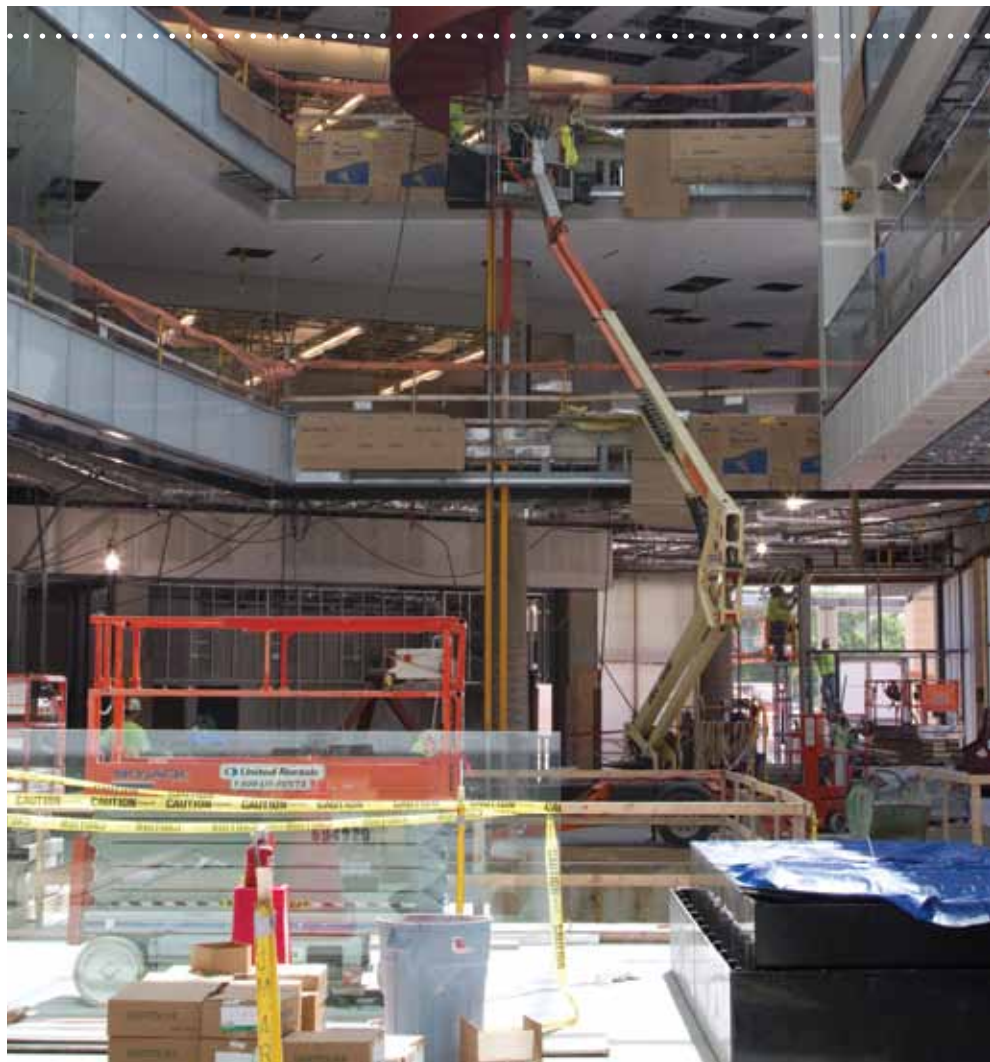
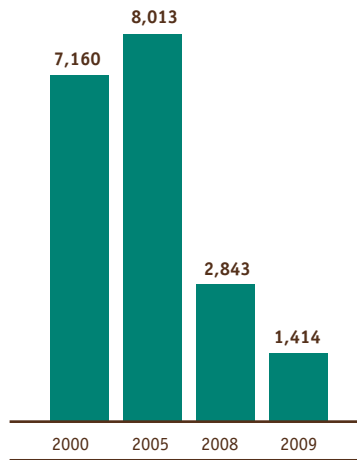
Nowhere is the reality of the current recession and housing crash more evident than in the decrease of housing building permits issued over the past few years. The charts below show a similar pattern for permits issued for the Madison Region and for Wisconsin.

The table provides Madison Region county level detail for the first seven months of 2009 compared to 2010 to see how we're rebounding. Overall the region is up 18%—better than the state's 15% and the nation's 13%. However, this is not consistent across all the region's counties with three counties behind where they were in 2009.

	Jan-July 2009	Jan-July 2010	Percent Change
Columbia	35	75	114%
Dane	351	423	21%
Dodge	21	13	-38%
Green	29	32	10%
Iowa	15	23	53%
Jefferson	59	54	-8%
Rock	54	46	-15%
Sauk	50	61	22%
Region	614	727	18%
Wisconsin	4,375	5,075	16%
United States	254,846	288,258	13%

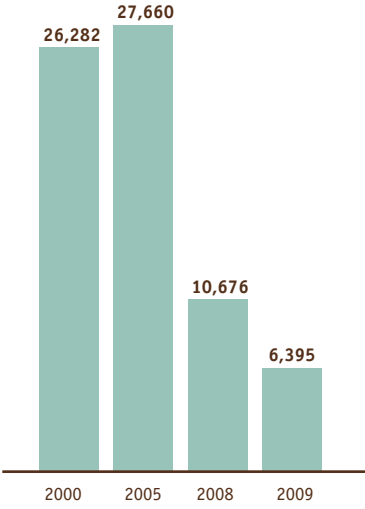
Madison Region Building Permits 1 & 2 Family Units

Source: U.S. Census and WI Builder's Association



Wisconsin Building Permits 1 & 2 Family Units

Source: U.S. Census and WI Builder's Association



Summary

The results presented in the 2010 State of the Madison Region Report demonstrate that the Madison Region is part of a dynamic global economy. Job losses and decreased economic activity over the last several years serve as clear reminders that the Madison Region cannot simply rely only on the industries and technologies that have made it strong in the past. For the region's high quality of life and prosperity to continue, new and existing businesses must continue to innovate in ways that generate in-demand exports, and the region as a whole must develop partnerships, policies and institutions that foster education, innovation, and commerce.




Innovation: How is the Madison Region positioning itself for the future?

Research and Education in the Madison Region

Innovation is the process that translates creativity and knowledge into economic growth and social well-being. Innovation takes place across our regional economy, relying on high-quality workers to discover new knowledge and transfer those discoveries into productivity. In our global reality, innovation is emerging as the key engine of future economic prosperity. How effectively is our region positioning itself for that future? What is the state of research and education in the region?

In this section, we look at the following metrics:

- Academic research & development: federal research funds
- Small Business Innovation Research/Small Business Technology Transfer Funds
- 3rd grade reading
- K-12 math
- Adult education attainment



“Scientific innovation has produced roughly half of all U.S. economic growth in the last 50 years.”

- National Science Foundation, 2004¹

Federal Research Funds

Nearly \$1 billion in federal research funds came into the University of Wisconsin-Madison in 2008, making UW the third-largest research university in the nation. Research grants fuel massive laboratory and field operations, employ skilled workers and train rising scientists. Federally-funded research takes place across campus disciplines, from engineering to agriculture to medicine. UW's \$882 million in 2008 federal research money represents an increase of 46% since 2001. In 2008, UW research continued to dwarf that of universities in our Peer Regions, though Ohio State University in Columbus has gained significant ground during the decade.

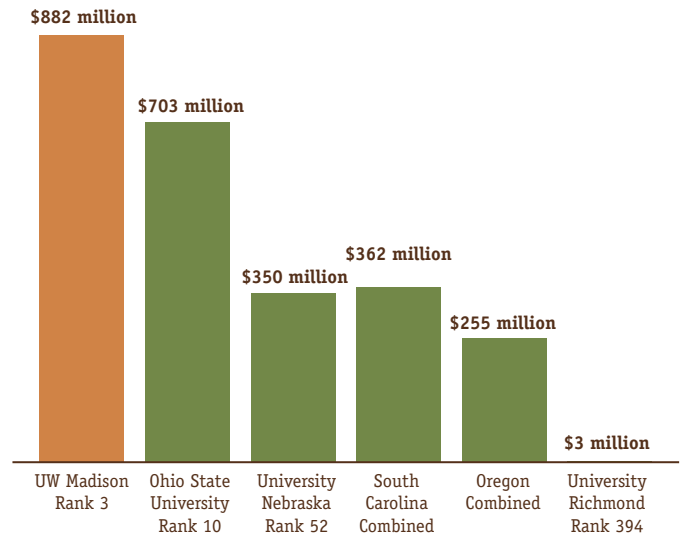
University research transfers to the private sector via the Wisconsin Alumni Research Foundation (WARF), which is recognized globally as a model for university technology transfer organizations. WARF patents inventions arising from university research, licenses the technologies to companies for commercialization, and returns the licensing income to the UW-Madison to support further scientific endeavor. In the 2008–2009 academic year alone, WARF obtained 130 U.S. patents.

Small Business Innovation Research and Small Business Technology Transfer Grants

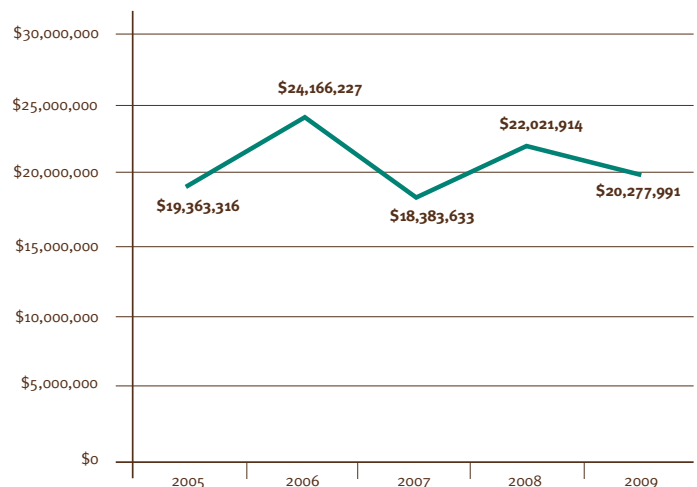
Another typical measure of the innovation economy, Small Business Innovation Research and Small Business Technology Transfer grant awards are designed to stimulate technological innovation in the private sector. **The Madison Region has averaged 56 awards in each year between 2005 and 2009, just over three quarters of Wisconsin's total awards in this program.**

Leveraging Federal Funds for Your Small Business: The Madison Region hosts the National Small Business Innovation Research Conference on April 11–13, 2011, at Monona Terrace in Madison. **See www.wisconsinsbir.org.**

R&D Expenditures 2008



Madison Region SBIR/STTR Total Amount Awarded



Education: How are we preparing students for the future?

3rd Grade Reading and Math Proficiency

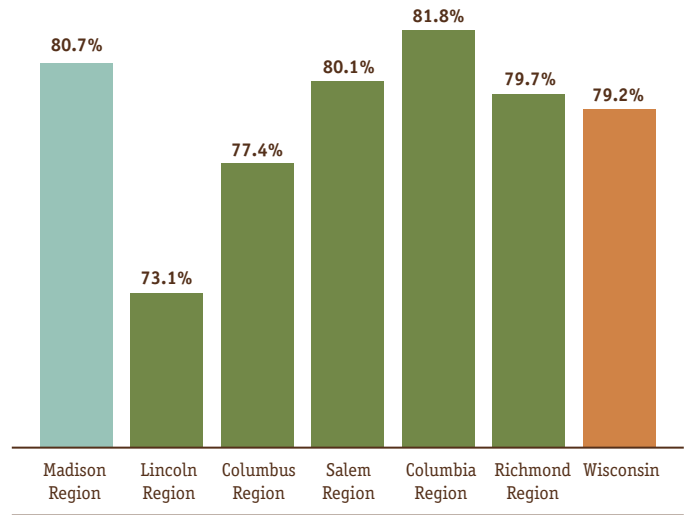
Reading: Many educators view 3rd grade as a make-or-break year for student reading. After 3rd grade, students transition from learning to read to reading to learn, using their reading skills to learn new information and concepts across the curriculum.²

“Academic success, as defined by high school graduation, can be predicted with reasonable accuracy by knowing someone’s reading skill at the end of third grade. A person who is not at least a modestly skilled reader by that time is unlikely to graduate from high school.”

- National Research Council

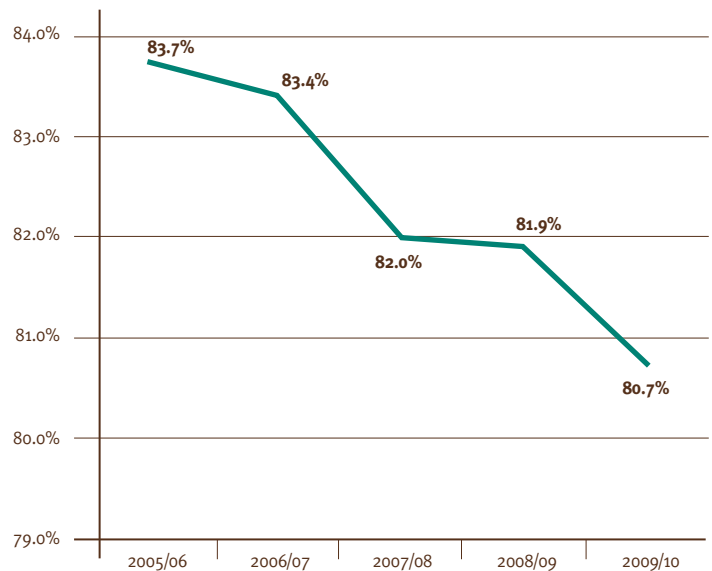


3rd Grade Reading: 2009/10 Meets or Exceeds Standards



The Madison Region compares favorably with Peer Regions and the state average for 3rd grade reading proficiency in the 2009/10 school year. However, the percentage of our region’s 3rd graders demonstrating reading proficiency is dropping each year.

3rd Grade Reading Levels 2005–2010 Advanced and Proficient



Math: The U.S. Department of Labor has emphasized the importance of the educational pipeline leading to jobs in the STEM fields: Science, Technology, Engineering, and Math. STEM fields are widely recognized as central to American economic competitiveness and growth, necessitating a strong mathematics foundation for next generation workers.³

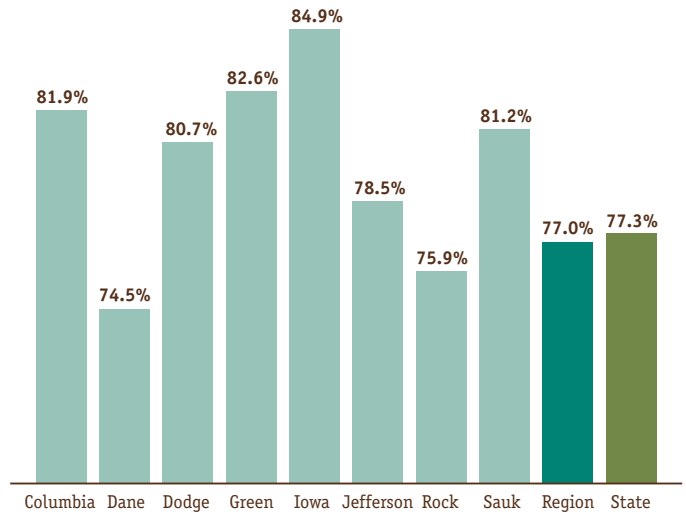
In the Madison Region, mathematics proficiency is on the rise. Five of the eight counties tested above 80% proficiency, with three counties showing a 3% or greater improvement from 2005 to 2009. Rock County has seen the greatest improvement in math scores, having improved 6.9% since 2005.

Adult Educational Attainment in the Region

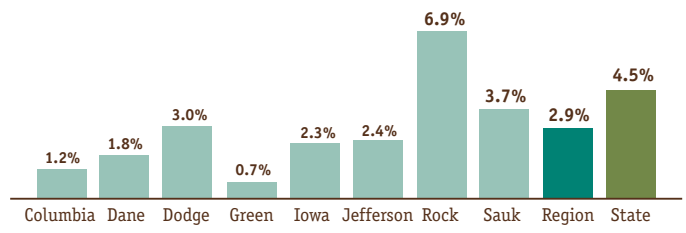
College graduates make up an increasing percentage of the American population. Nearly one-third of Madison Region adults hold a bachelor's or higher degree, ranking us third among peer regions. Educational attainment increases roughly in proximity to the University of Wisconsin and state capital; more than half of the City of Madison adult population has completed a four-year degree.



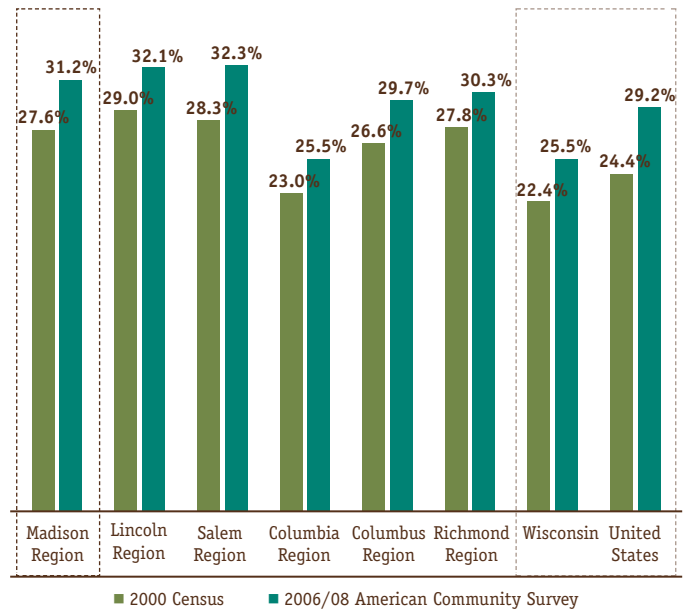
**K-12 Math Scores 2009
Advanced and Proficient
Combined Scores: 3rd-8th & 10th Grades Tested**



Percent Increase from 2005 to 2009



**Bachelor's Degree or Higher
In Adult Population**



Quality of Life in the Madison Region

Regional quality of life is an important factor in attracting and retaining talented workers and entrepreneurs, the human capital fueling our regional economy. Quality of life is both an input to economic prosperity and a product of it, as a portion of economic gains in the public and private sectors are reinvested in quality of life projects.

How are we doing on some of the biggest measures? In this section, we include metrics on:

- Cost of home ownership
- Cost of living
- Crime
- Poverty
- Commuting time
- Modes of transportation

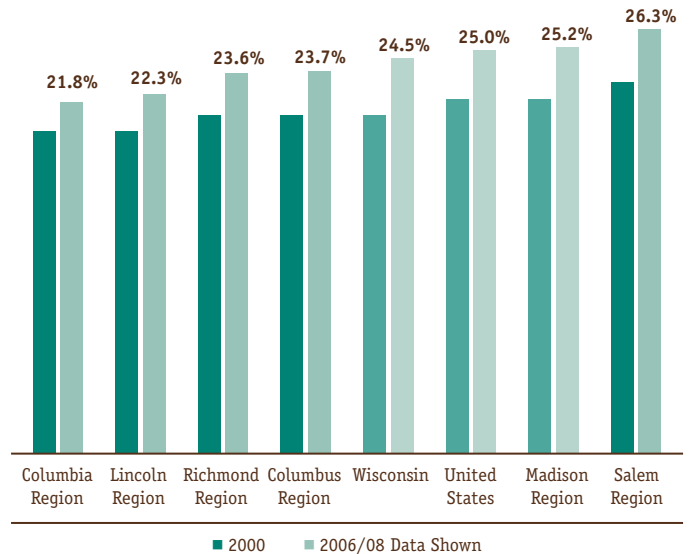


Cost of Home Ownership

The cost of home ownership in the Madison Region is just above the national average; in our region, the average home-owning household spends 25.2% of income on mortgage costs. Though in-line with the national average, home ownership in the Madison Region is less affordable than in Peer Regions.

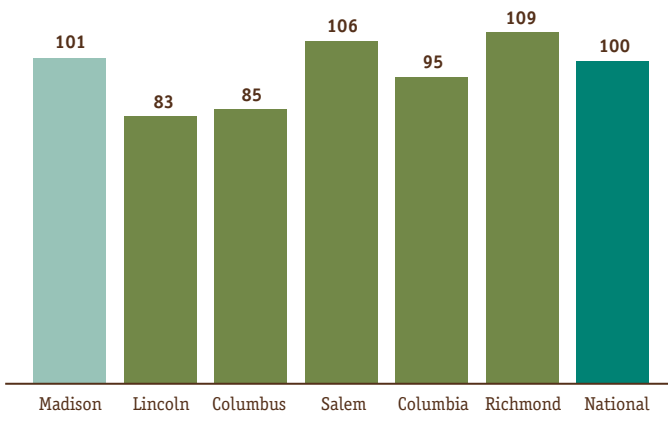
Housing prices are just one input to overall cost of living calculations. Using a broader cost of living index that includes food, transportation, utilities, healthcare, and services, Madison is slightly more expensive than the national average, and near the median of Peer Region capital cities.

Cost of Home Ownership
Percent of Income for Mortgage Title



Cost of Living: Peer Region Capital Cities
Based on \$50,000 Annual Income

Source: Sperling's Best Places



The Sperling Cost of Living Overall is a total of all categories weighted as follows: housing (30%), food and groceries (15%), transportation (10%), utilities (6%), healthcare (7%), and miscellaneous expenses such as clothing, services, and entertainment (32%). State and local taxes are not included in any category. Based on average annual income of \$50,000.

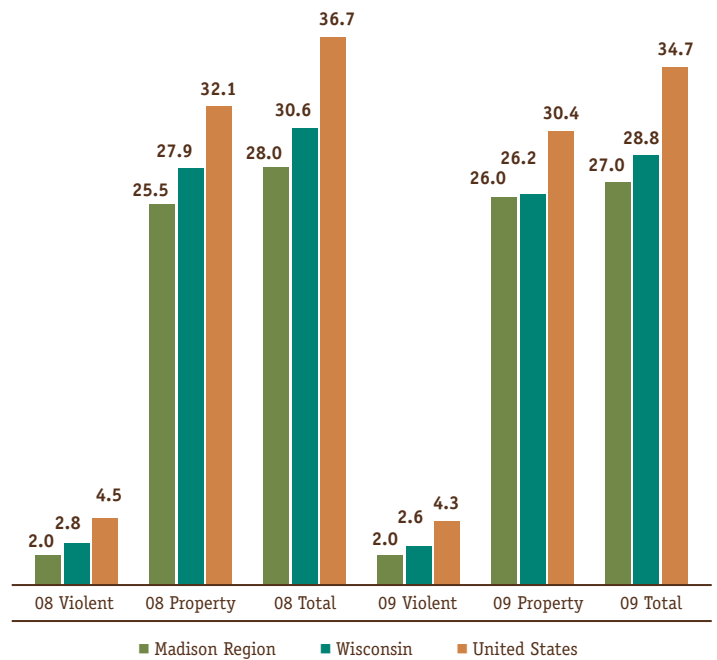


Crime

The Madison Region enjoys a lower crime rate than the statewide average. In 2009, property crime reported to law enforcement declined 5.1% in the Madison Region, compared to a statewide decline of 5.4%. Violent crimes held nearly steady in our region, though statewide violent crimes declined by 5.7%.

2009 Crime Rate per Thousand Residents
 Madison Region: 27.7
 Wisconsin: 28.8

Crime Rates per 1,000

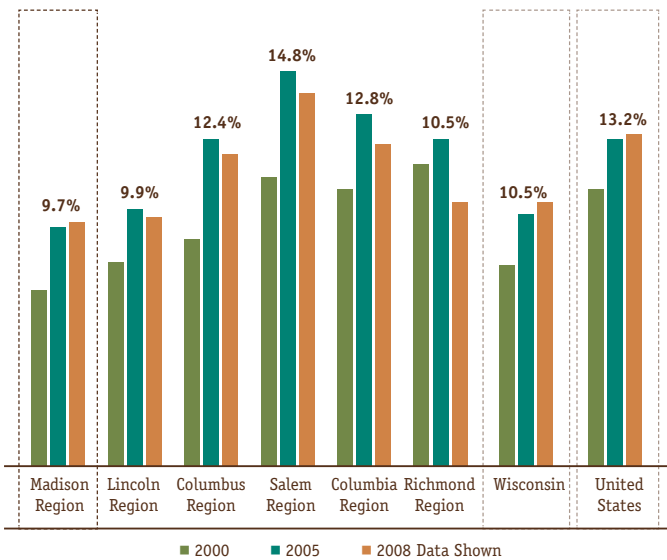


Poverty

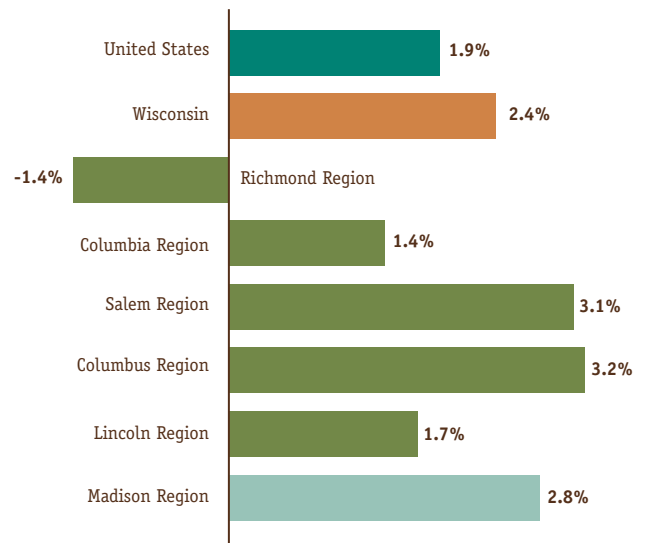
Our region maintains a lower poverty rate than our peers, the state or the nation. However, a growing percentage of people in the Madison Region are living in poverty, having insufficient income to provide the food, shelter and clothing needed to meet basic health standards.

Since 2000, poverty has grown most within our most populous counties, Dane and Rock. Between 2000 and 2008, the Madison Region saw greater increases in population poverty than did our state and nation.

**Poverty Rates: All Ages
2000 - 2005 - 2008**



**Poverty Rate: All Ages
Percent Increase 2000 to 2008**

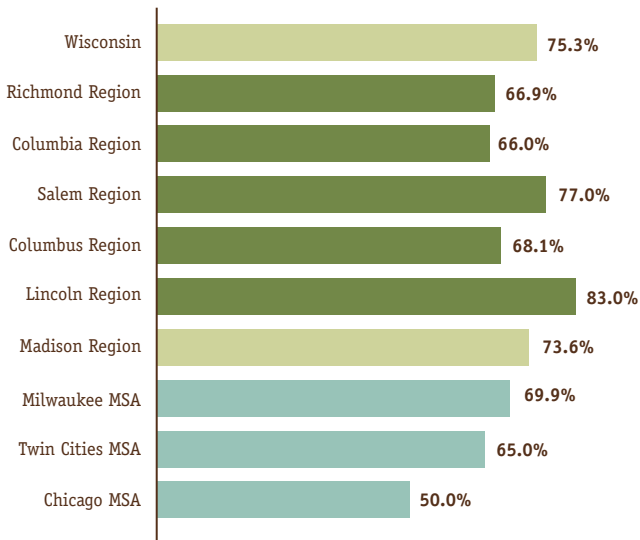


Madison Region residents in poverty, 2000: 61,109
Madison Region residents in poverty, 2008: 95,246

Commuting Trends

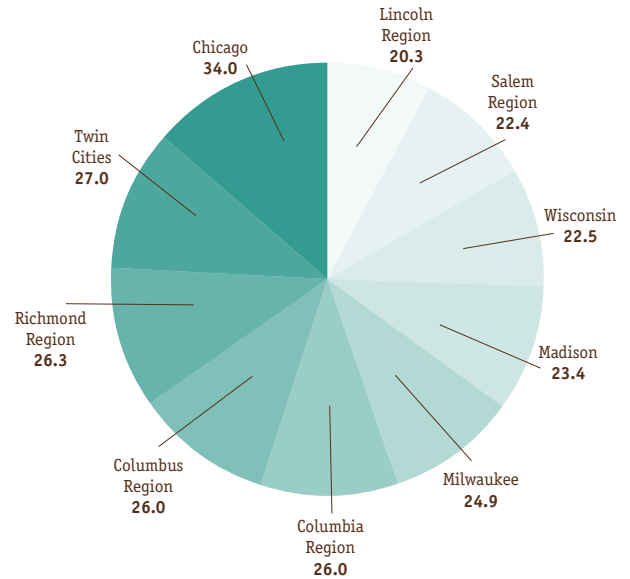
The average Madison Resident spends 23.4 minutes commuting to work, ranking it third among the Peer Regions. A strong majority of our workforce (73.6%) travels less than 30 minutes to work. In addition to the Peer Regions, state, and national averages, we have included additional Midwestern metro areas for comparison.

Commuting Time
Percent of Workers Traveling Less than 30 Minutes



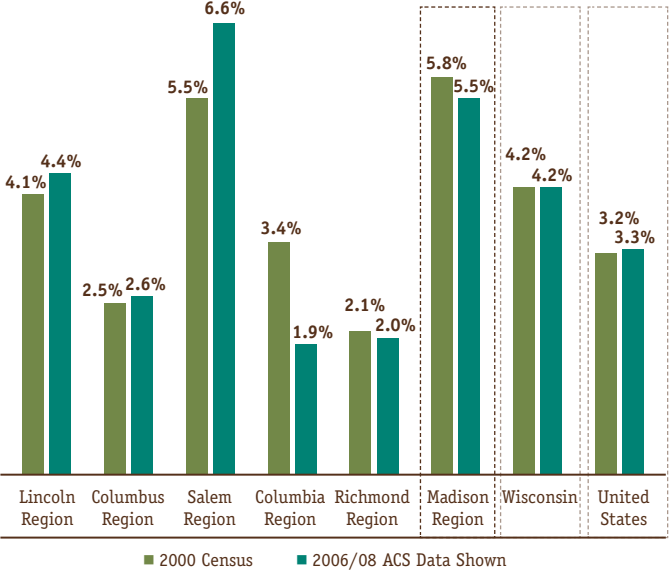
Average Commuting Time per Worker in Minutes

Source: American Community Survey 2006–2008

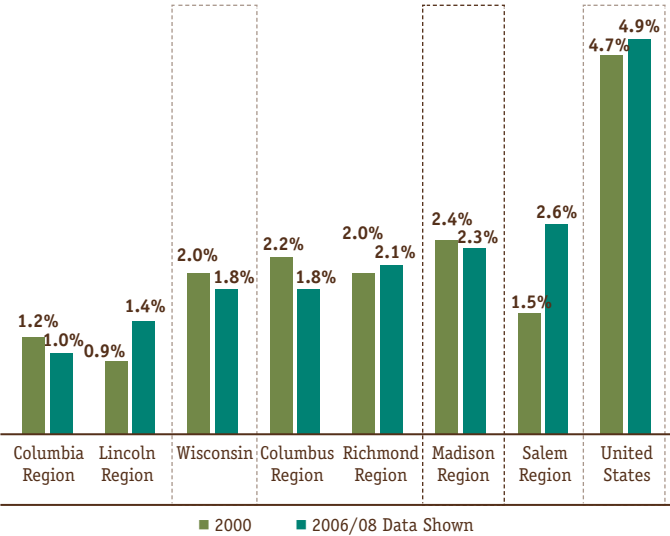


From 2000 to 2008, the percentage of the population using public transit, biking or walking to work has declined in the Madison Region. The Madison Region utilizes alternative modes of transportation at a greater rate than the statewide average. In 2000, our region led the peer group in use of alternative modes, but Salem, Oregon, experienced significant gains during the decade and now leads the peer group in this measure.

Commuting: Percent Bike or Walk to Work



Commuting: Use of Public Transit



Healthy People

At the core of our region's quality of life is life itself: the health of our population. How healthy are we? Do residents have access to health insurance and healthy foods? Do we avoid unhealthy behaviors?

In this section, we review the following measures:

- Health insurance coverage
- Obesity
- Alcohol use
- Tobacco use
- Access to healthy foods



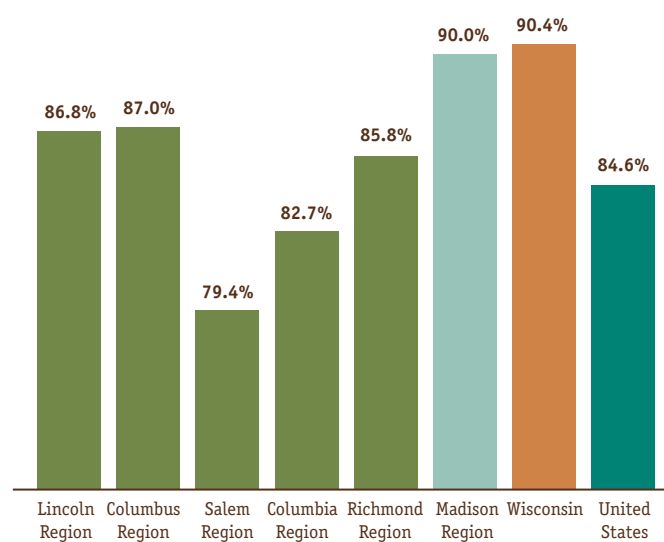
Health Insurance Coverage

The region continues to lead the Peer Regions in insurance coverage though the percentage of those covered has declined in all regions since 2000 and likely even more since 2007 due to the recession. Declines have not been as sharp in Wisconsin and the Madison Region as other regions or the United States. Data for small area estimates of counties is only available for 2007 but recent national data is even more striking.

Though recent data at the county level is not yet available, national data from 2008 to 2009 show that private employer coverage has decreased from 66.7% to 63.9% and government program coverage has increased from 29% in 2008 to 30.6% in 2009. That increase in government program coverage has been in Medicaid and not in Medicare. The total percent of Americans without coverage rose to 16.7% in 2009 from 15.4% in 2008. For the first time since 1987, the actual number vs. percent of people covered by health insurance has declined.

Health Insurance Coverage 2007

Source: Small Area Health Insurance Estimates, 2007



Peer Region	2000 % Insured	2005 % Insured	2007 % Insured	Change 2000 to 2007
Lincoln, NE	90.5%	89.3%	86.8%	-3.7%
Columbus, OH	87.5%	89.7%	87.0%	-0.5%
Salem, OR	85.7%	80.4%	79.4%	-6.3%
Columbia, SC	86.3%	82.6%	82.7%	-3.6%
Richmond, VA	88.7%	97.0%	85.8%	-2.9%
Madison, WI	91.7%	89.0%	90.0%	-1.7%
Wisconsin	91.0%	89.7%	90.4%	-0.6%
United States	89.0%	84.7%	84.6%	-4.4%

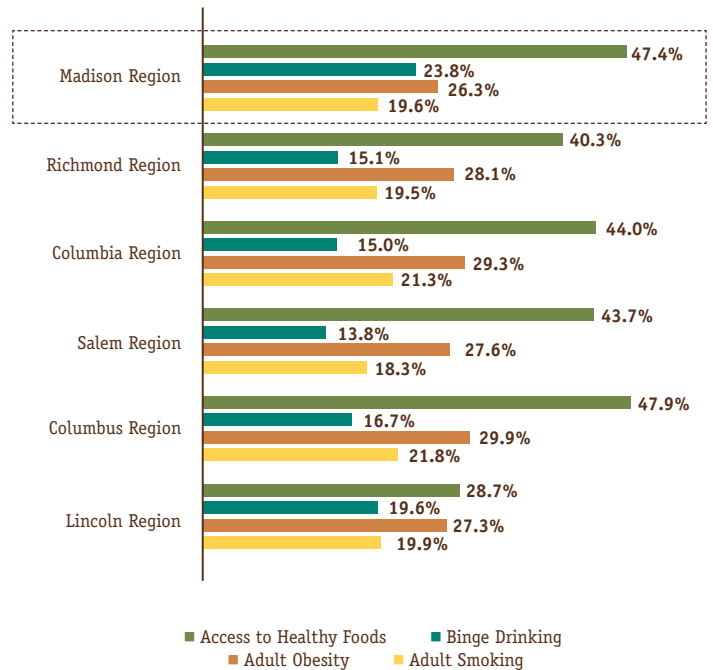


Health Behaviors and Trends

Our region compares well to peers for access to healthy foods and adult obesity rates. Among our peers, the Madison Region reports the highest rate of binge drinking at 23.8%, far exceeding the Salem, Oregon region, with just 13.8%. The rate of adult smoking falls near the median of the Peer Regions, at 19.6%.

Regional Health Trends

Source: County Health Rankings

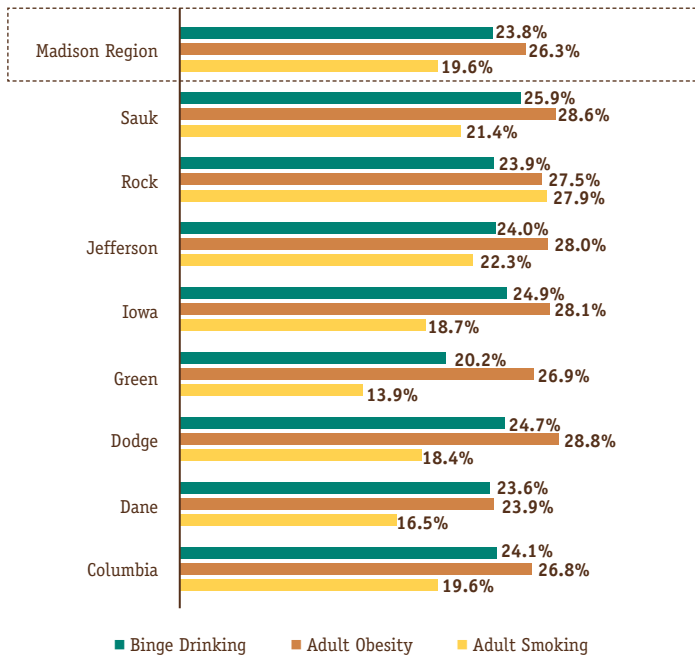


Thrive facilitates the Working for Health initiative in partnership with the Healthcare Leadership Collaborative, a working group of the region’s healthcare organizations. Working for Health seeks to engage the business community in population health improvement, leveraging workplace health and wellness efforts across the region.



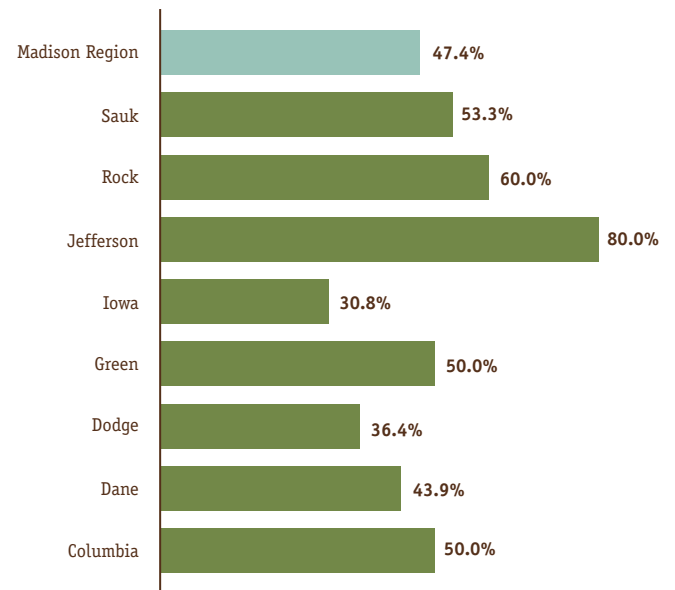
Madison Region Adult Drinking, Obesity & Smoking*

Source: County Health Rankings
Behavioral Risk Factor Surveillance Survey 2007



Access to Healthy Foods

Source: County Health Rankings, 2006 Zip Code Business Patterns



* **Binge Drinking:** Defined as five or more drinks for men and four or more drinks for women on one occasion.

Adult obesity: Adults who have a body mass index (BMI) greater than 30.0 kg/mm² calculated from self-reported weight and height.

Smoking: Adults who report having smoked at least 100 cigarettes in their lifetime and are current smokers on every day or some days.

Access to healthy foods: Measured as the percent of zip codes in a county with a healthy food outlet, defined as a grocery store or produce stand/farmers' market.

Investment in our Region's Future

Thrive thanks everyone for their generous financial contributions.

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FEDERAL GOVERNMENT

U.S. Department of Commerce
Economic Development Administration

STATE OF WISCONSIN

Department of Agriculture, Trade & Consumer Protection
Department of Commerce

LOCAL GOVERNMENT

Dane County
City of Fitchburg
City of Madison
City of Middleton
City of Stoughton
Town of Bristol
Town of Primrose
Town of Vienna
Town of Westport
Village of Brooklyn
Village of Cambridge
Village of DeForest
Village of Marshall
Village of McFarland
Village of Oregon
Village of Waunakee



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WI Department of Workforce Development

Data research, economic analysis, and consultation

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The report can be found at

www.thrivehere.org/regionalmetrics

ADDITIONAL SOURCES:

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2 2010 Kids Count Special Report, Annie E. Casey Foundation.

http://www.aecf.org/~media/Pubs/Initiatives/KIDS%20COUNT/123/2010KCSpecReport/AEC_report_color_highres.pdf

3 The STEM Workforce Challenge and the Role of the U.S. Department of Labor in a National Solution.

Prepared for the U.S. Department of Labor, Employment and Training Administration by Jobs for the Future

http://www.doleta.gov/Youth_services/pdf/STEM_Report_4%2007.pdf

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