

CREATING OPPORTUNITY WITH RELIABLE TRANSPORTATION

Workforce Innovation Grants remove barriers to employment for workers







TABLE OF CONTENTS



SOLVING THE WORKFORCE TRANSPORTATION DILEMMA



August 2025

Like many other states, Wisconsin in recent years has faced a workforce shortage driven primarily by an aging population and slowing birthrates. Given our already high labor participation rate—consistently higher than the national average—in Wisconsin we've chosen to focus our efforts on helping communities and workers overcome the remaining barriers to full employment.

In 2021, Governor Tony Evers created the Workforce Innovation Grant (WIG) Program to encourage communities to identify local workforce needs and develop and implement solutions that could be replicated elsewhere. Jointly administered by the Department of Workforce Development (DWD) and the Wisconsin Economic Development Corporation (WEDC), the program used funding from the American Rescue Plan Act to award \$128 million to 27 projects across the state.

One of the most common needs identified by community leaders was access to dependable, convenient transportation for workers. Transportation is the lifeblood that connects people to opportunity. Access to transportation expands job and training opportunities, stabilizes families, and lifts local economies. Transportation is crucial to building an Economy for All and keeping Wisconsin businesses and families moving forward.

This report details the successes of two WIG-funded transportation programs: one urban, the other rural. It also highlights lessons learned along the way that might serve as a model for other communities facing similar challenges.

Sincerely,

Melissa L. Hughes Secretary and CEO

Wisconsin Economic Development Corporation

REMOVING TRANSPORTATION BARRIERS FOR WISCONSIN WORKERS



August 2025

We are proud to support the WIG-funded projects in this report, which are creatively working to bolster the workforce pipeline for many in-demand occupational sectors faced with pervasive worker shortages in Wisconsin.

In rural and urban areas across our state, lack of transportation can be a significant barrier to getting and keeping a job. Supporting transportation solutions for Wisconsinites eager to join or rejoin the workforce will help to improve economic outcomes for these workers—and for the entire state.

Governor Evers invested a groundbreaking \$158 million from the American Rescue Plan Act to not only support innovative pandemic recovery efforts, but to address the state's ongoing workforce needs. The projects highlighted in this report are examples of some of the creative, local solutions to these regional workforce challenges.

The Workforce Solutions Initiative is composed of three programs, including WIG, that have delivered workforce training and supportive services to 18,000 Wisconsin residents since they began and continue to yield results today.

Sincerely,

Amy Pechacek Secretary

Wisconsin Department of Workforce Development





LACK OF TRANSPORTATION ACCESS CAN STYMIE WORK OPTIONS

The lack of access to a car or public transportation is a major barrier to work for thousands of Wisconsinites. Even those who want to work and whose skills are needed in the workforce might be unable to get or keep a job if they lack a reliable means to get to work.

According to a 2022 study by the U.S. Department of Health and Human Services National Center for Health Statistics, 5.7% of Americans lacked reliable transportation for daily living. In the five-state region including Wisconsin, the figure was 6%. Among those earning less than the federal poverty level nationwide the number rose to 15.7%. Lack of access to transportation is particularly prevalent in low-income populations and those in rural areas.

Although remote work has become more common this decade, a 2023 report by the Federal Reserve Bank of Richmond indicates that the option to work remotely is primarily reserved for professional and white-collar workers, and less available to workers in lower-wage occupations. Lower-skilled and lower-paid jobs tend to remain largely in-person and thus require transportation access.

Employers suffer if workers cannot find dependable transportation. Transportation affects employee retention and productivity—key ingredients in our post-pandemic labor market. Giving employees the ability to arrive at work on time and without transportation disruptions also contributes to productivity and produces cost savings for businesses.

Additionally, solving transportation challenges helps employers draw from a broader pool of workers, providing access to meaningful, life-enhancing work to everyone—including low-income and rural individuals whose homes may be distant from potential employers.









CONNECTING WORKERS WITH DEPENDABLE TRANSPORTATION OPTIONS BENEFITS EVERYONE

As part of its work to develop an Economy for All, Wisconsin had the vision to tackle targeted workforce needs in a variety of areas, including transportation, education, health care, and housing, among others. A total of \$128 million was awarded to 27 projects during the course of the program.

The WIG Program harnessed the power of creativity, regional collaboration, and innovative solutions to longtime local workforce needs. The grants encouraged development of leading-edge, long-term solutions enabling businesses and institutions to find ways to connect people to resources that meet communities' needs, support businesses' hiring goals, and help people find family-supporting careers more easily.

WEDC, in collaboration with DWD, oversaw the program and the grant recipients' development of powerful, effective, and transformative solutions.

Two WIG-funded projects are helping to meet workers' transportation needs, boost quality of life, ensure access to opportunity, and build strong communities.





FLEXRIDE MILWAUKEE OFFERS RELIABLE, AFFORDABLE TRANSPORTATION OPTIONS

FlexRide Milwaukee is changing the lives of workers and employers regionally by using a \$4.2 million grant to help Milwaukee employees get their kids to day care and themselves to jobs outside the city in Menomonee Falls, Butler, Germantown, New Berlin, Oak Creek, and Franklin.

HOW THE FLEXRIDE PROGRAM WORKS:

- FlexRiders can travel from designated Neighborhood Zones on Milwaukee's north and south sides to designated Employment Zones with a \$3 one-way fare.
- Using a mobile app similar to Uber, riders enter their pickup and drop-off locations to find out where to meet the FlexRide vehicle, which may be a short walk from their location.
- Fares can be charged to a rider's credit or debit card. Riders who do not have either can obtain cash cards at local stores to pay for trips.

THE SITUATION:

In 2024, the average annual finance charge on a new car was up

6%

from the previous year, due to higher interest rates and higher prices.

Source: AAA, 2024



"Cars cost more than 40% more today than they did in 2017."

Dave Steele, Executive Director, MobiliSE



Lack of access to transportation is a major cause of absenteeism.





Brandon, who left a job in the fast-food industry for a much higher-paying job at the Arandell Corp. in Menomonee Falls, said that FlexRide was a "dream come true."

"It can help me get out to places I've never even thought about working," said Brandon, who plans on continuing to use the service until gas prices go down and he has saved up enough to purchase a vehicle of his own.

So far, FlexRide has served:

500 UNIQUE RIDERS

with affordable rides monthly

6,500

individuals with rides

Having access to the service freed up time for Jeremy to work more hours and further his education. "It allowed me to go to school full-time instead of part-time," he said. For Jeremy, an employee at Froedtert Menomonee Falls Hospital, FlexRide saved his job and a lot of shoe leather.

FlexRide is operated by MobiliSE, a group that unites leaders around shared strategies and actions to address Southeast Wisconsin's transportation challenges. Dave Steele, executive director of MobiliSE, said the group started working on an on-demand, shared-ride workforce transportation service in 2018.

"It's crazy how this sounds, but I was walking to work, three hours there and three hours back. I was actually about to quit. Then somebody told me about FlexRide."

- Jeremy, Froedtert Menomonee Falls Hospital employee



At the height of the pandemic, the University of Wisconsin-Milwaukee, which had been part of MobiliSE's discussions around shared mobility, earned a \$1 million National Science Foundation grant to pilot the project. After the pilot, MobiliSE won the Workforce Innovation Grant.

"It's huge to provide choices so that people can access good job opportunities that don't require you to have your own car," Steele said.

"Your options are pretty limited if you don't have a car to get to a job that pays a decent amount of money."

- Dave Steele, Executive Director, MobiliSE

FlexRiders can travel from designated Neighborhood Zones to designated Employment Zones. The Employment Zones tend to be in business parks, where job opportunities are concentrated. Companies served by FlexRide include FedEx, Harley-Davidson, Arandell Corp., Scan-Pac, and many others.

"We crunched the numbers, and we are providing access to 65,000 job opportunities that people previously would not have been able to access without a car," Steele said. "Cars cost more than 40% more today than they did in 2017."

According to AAA, the average cost of new car ownership in 2023 was more than \$12,000.

Katie Malone, human resources director at New Berlin's Wenthe-Davidson Engineering Co., said FlexRide has changed the lives of some employees at the metal fabrication firm. She recounted that, prior to FlexRide, one employee took an Uber to and from work at a daily cost of \$60.

"You can't get ahead. You can't buy a car if you're spending that kind of money on transportation," she said. "Today, a lot of our employees also use FlexRide as a Plan B. Let's say they carpool with another employee to get to work, and they pick up overtime that day and stay late. Then, they can take FlexRide home."





Malone said lack of access to transportation was a major cause of absenteeism at the firm—a challenge for a just-in-time manufacturer like Wenthe-Davidson.

Marquis, a Wenthe-Davidson employee, has used FlexRide since fall 2023, when his pickup truck's transmission failed. By using FlexRide, he was able to save on his car insurance premium and apply the money to supporting his partner and four kids aged 7 to 17.

"FlexRide made me more independent. I don't have to rely on friends to give me a ride to work, and I feel safe riding in a FlexRide vehicle because it's insured."

- Marquis, Wenthe-Davidson employee

Scan-Pac Manufacturing, a Menomonee Falls producer of friction products and phenolic bearings and laminates, has also benefited from the program. Tarajee Rucker, the firm's vice president of human resources, estimated that about five of the firm's 80 employees use the program regularly.

"There are all kinds of challenges in life, and this is a service that enables them to get to work on time and us to attract new employees," Rucker said. "It's a great tool to enhance our recruitment efforts. It's been very good for us."



THE RESULTS: 2022-2025



have been provided to workers since March 2022





1. Develop and lean on longstanding partnerships.

Steele said creating the program depended on partnerships that were forged with local entities well before it was piloted. Relationships with local governments, transportation providers, and economic development and business leaders were crucial to FlexRide's success because they helped build credibility and establish trust. Steele also advised broadening partnerships: "If we had just cooked this up in a lab and popped out one day and said, 'This is FlexRide,' it wouldn't have taken off as quickly, because it was important to have those relationships."

2. Consider all constituent needs and barriers.

Bring knowledge, people, and expertise to the table. "Start early and start broad. Break out of your silo and get into different rooms to talk about things like child care, workforce, folks reentering the workforce from incarceration," Steele said.

3. Go regional.

People's lives don't stop at county or municipal lines. Steele said regional collaboration is critical to creating programs such as FlexRide. "In Wisconsin, we don't have a mechanism for transit agencies to work regionally. We don't have regional transit authorities," he said. "That's a big issue in Southeast Wisconsin, because our metro region spans five counties. But organizations like ours, along with the WIG Program and FlexRide itself, are making up the building blocks for what eventually could be a regional approach."

Waukesha County provided \$450,000 in 2024 and \$500,000 in 2025 to help FlexRide expand services in New Berlin. When the service announced its 100,000th ride in November 2024, Waukesha County Executive Paul Farrow said, "Being able to partner with organizations like FlexRide helps us extend the dollars we have even further for the people and for the businesses in Waukesha County."

Steele added that Waukesha County's support "demonstrates the regional scope of our program and shows a strong commitment to the idea that FlexRide Milwaukee is good for the business climate of Waukesha County."





4. Be adaptable.

Originally, FlexRide was designed around child care centers in Milwaukee as mobility hubs to provide children with rides to child care centers and then take parents to work. Program leaders soon learned many parents preferred having their kids closer to their workplaces. "So, we pivoted and applied for some United Way funding to support our working parents program and are encouraging working parents to use suburban daycare near their workplaces," Steele said.

FlexRide also encountered regulatory and insurance issues because its drivers couldn't install or supply child seats, forcing parents to supply their own child seats. Steele said that element of the program remains a challenge. "The best way to resolve this would be to dedicate a separate van fleet specifically for the working parents program, which would require additional funding beyond what we have now," he said.

5. Get employers involved.

Malone, of Wenthe-Davidson, said it was important for the company to make the program widely known. Wenthe-Davidson held in-person presentations and with the company's temporary staffing agency to make sure the agency was promoting the program to would-be workers.





WAUPACA COUNTY CATCH-A-RIDE CATCHES ON

In rural communities where jobs may be clustered in distant areas, the lack of reliable transportation can pose a huge barrier for workers. Many communities lack public transportation systems and ride-sharing services such as Uber are often costly or unavailable.

Waupaca County, together with other community agencies and businesses, started researching solutions as early as 2018 given the prevalence of workforce transportation challenges in central Wisconsin.

So, when WIG funding became available, the Waupaca County Economic Development Association collaborated with seven community partners to apply for a \$3.2 million grant to create Waupaca County Catch-A-Ride (WCCAR).

HOW WCCAR WORKS:

- The program uses five vehicles, including one accessible minivan.
- It recruits and trains some volunteer drivers (who are reimbursed for mileage) and hires other drivers (who are paid for their time).
- It also partnered with local taxi firms to provide additional rides.

THE SITUATION:

Up to

13.1%

of households in Waupaca County have fewer vehicles than workers More than

1/3 OF EMPLOYEE TERMINATIONS

in the first 3 months were due to transportation insecurity

Source: A major employer in Waupaca County



Rural employers face recruiting challenges because potential workers can't reach them.





In New London, Waupaca, and Clintonville—the county's major employment hubs—the percentage of households with fewer vehicles than workers ranges from 7.9% to 13.1%, while in nearby Winnebago and Outagamie counties, the rate is as low as 1.3%. The only public transit options available in Waupaca County are in Waupaca and Clintonville, which represent just 13% of the county's population.

One of the county's major employers reported that more than one-third of employee terminations that took place in the first three months of employment were not performance-related but instead were linked to a lack of reliable transportation. Adding to the challenge, about 8.8% of Waupaca County's population lives below the poverty line, according to the Federal Reserve Bank of St. Louis.

Waupaca County Economic Development Association and community agencies and businesses partnered with Feonix Mobility Rising, a group dedicated to shaping a practical, affordable ecosystem for people living with transportation insecurity. Feonix operates the 24/7 program, in which workers can use a mobile app or a call center that offers translation services to arrange \$3 one-way rides to work at any time of the day—thus accommodating second- and third-shift workers.

Dylan Goodwin, an employee at Alliance Industries, a powder coating and foundry sand core firm in Waupaca, works weekdays from 11 a.m. to 11 p.m. and is a WCCAR rider and advocate. The initiative "sounds too good to be true, but this time it is just as good as it sounds," he said.

Between late 2022 and June 2025, WCCAR provided more than 20,000 rides for workers at approximately 86 different employers within Waupaca County.

"We've had overarching positive feedback," said Valerie Lefler, founder and executive director of Feonix Mobility Rising. "A lot of folks, from the time they get the service, they're trying to find other arrangements because they want to free up capacity out of respect for the service. One gentleman shared that because of the service, not only was he able to save up for a car, but he was able to buy a house locally."

"I didn't have to worry what the weather was going to be like. I didn't have to worry the night before. I didn't have to worry about missing my shift because of the weather. And once I was at work, I knew I was going to get home safely."

- Theresa, ThedaCare-New London employee



Kellie Diedrick, vice president of ThedaCare Medical Centers in New London and Waupaca, said WCCAR helps attract and retain employees. About five of the health care provider's 80 Waupaca County employees regularly use the service; others use it as a stopgap.

"When you have these openings, they can be difficult to recruit, because they're not in big cities," Diedrick said. "Having employees consistently, reliably coming to work on time means the world to our patients."

At Tyson Foods in New London, WCCAR helped the firm retain employees by giving them transportation options.

Tyson's chaplain, Carrie Kreps Wegenast, said because there isn't an abundance of housing opportunities near the facility, the program helped employees get to work on time, helping reduce absenteeism and boost productivity.

"If someone doesn't have reliable transportation, they can't easily walk or bike to work, because there aren't sidewalks," she said. "The roads are dark for shift workers, and they might have to walk a mile or more. In Wisconsin winters, that isn't an option."

And the program helped provide stopgap support for employees whose cars had broken down. Prior to WCCAR, Wegenast organized a van pool, but it was not financially viable because there weren't enough people going to the same place at the same time.

"Catch-A-Ride was unique in that it picks you up at your door and gets you to the door of your workplace," she said.



THE RESULTS:





Jeff Mikorski, executive director of the Waupaca County Economic Development Corp., said companies have told him that WCCAR has allowed companies to hire, train, and retain workers.

"The problem was that they got these people trained, put them on a third shift—and the employee doesn't have a ride to get there," Mikorski said.

"What we're hearing is that a lot of employees are starting to fill second- and third-shift jobs because the transportation barriers have been corrected."

-Jeff Mikorski, Executive Director, Waupaca County Economic Development Corp

Mikorski added that the demand for the WCCAR rides exceeded expectations. "We thought it would take three years to get up to 10,000 riders, and we've cut that in half."

Demand sometimes hindered the service's ability to serve more riders at peak times. Its vehicles often ran at capacity during those commute times because of ongoing challenges in recruiting volunteer drivers. WCCAR is also working with local taxi services to maximize their partnerships and provide more rides.

"We advertise the service to run at maximum capacity," said Lefler. "We want our drivers to be busy as much as possible, so they can help as many people as possible."

For a time, the program had a single volunteer driver, but was able to attract two more volunteers. And Tyson Foods has contributed \$25,000 towards sustaining Catch-A-Ride after WIG funding concludes. Kreps Wegenast said the gift is not tied to specific service hours or to serve Tyson teams members exclusively.

In April 2025, Waupaca County received word that their program would receive rural transportation funding from the Wisconsin Department of Transportation (WisDOT). The WisDOT funding will start in October 2025 and will help ensure the sustainability of the program as a regional service beyond the WIG programmatic period.



1. Build community relationships and trust.

Lefler said finding community partners and winning the support of community leaders committed to solving the challenge is key to getting programs like WCCAR started and keeping them operating. "It's continual investment," she said. "I'm showing up time and time again. I'm on board. I'm investing as much time as I am resources."

She added that being visible in the community is also essential. "We were intentional about using our relationships to build trust and demonstrate collaboration. We were volunteering at parades and having our drivers do community service work."

Feonix also made it a priority to hire drivers and call-center workers locally. Mikorski said Feonix was able to win the community's confidence. "They wove into our community and became a trusted resource very quickly," he said. "Without that approach, it could have gone the other way."

2. Regional options are critical.

WCCAR operates only within Waupaca County, partly because of high demand and the limited availability of drivers. But Waupaca County is part of a multi-county region that offers even more workplace opportunities in larger communities.

The ability to branch out and expand the program's service area across county lines would be helpful to businesses and employees, Lefler said. "It's really tough, as a city council member or a county board member, to fund programs that take workers out of your county. It's got to be a discussion with the cities, counties, and the state on how we break down these barriers."

Other counties have reached out to Feonix, and Lefler said Winnebago and Waupaca counties are exploring a collaboration on an expanded program.

Diedrick, of ThedaCare, said a regional approach makes the most sense. "People tend to travel outside of the county, and that becomes problematic. It's a regional world, especially when you get into rural areas."

3. Recruit volunteers to address demand challenges.

WCCAR has encountered challenges in recruiting volunteer drivers. At the beginning of 2025, it had two drivers but was able to double that number by offering a \$100 incentive for completing training and a first ride, and \$250 after the driver's 10th ride. Lefler said the availability of volunteers has been pinched partly because potential volunteers have other commitments and older workers are continuing to work beyond retirement age.

"If we could get 15 volunteers, it would be transformative," she said. WCCAR also changed its ride-scheduling software to a different platform that focuses on group and shared rides. "While it is a little more inconvenient for the riders—a 10- to 20-minute wait on their end—it helps us make sure we're optimizing every mile on the road," Lefler added.

4. Keep an eye toward growth.

The Catch-A-Ride program focused on employment-centered rides, and as of summer 2025 officials of Feonix Mobility Rising and Thedacare are exploring ways to provide rides to medical appointment in the coming months. "We recognize the value that this program has brought to the workforce side. Having a reliable transportation service with clean vehicles, and that is respectful to people in the community, would mean the world," she said.

THE CONCLUSION:

In rural and urban areas, transportation barriers prevent willing workers from getting to their workplaces in convenient, efficient, and cost-effective ways. Reliable transportation connects people to jobs and ensures economic opportunities.

FlexRide and WCCAR, both made possible by WIG funding, are addressing regional workforce transportation challenges by helping hundreds of Wisconsinites secure and retain employment at a time when businesses were eager to find employees.

Workforce transportation is about more than getting from point A to point B—it is crucial to creating a thriving economy and ensuring that Wisconsin businesses and working families are poised to succeed.



