

# 2019 Annual Report

Advancing economic development  
in Wisconsin through education,  
advocacy and best practices.



# From the President

While it went by fast, I'm proud to report 2019 has been a very successful year for WEDA. Throughout 2019, WEDA continued to expand the organization's influence over statewide economic development efforts, while providing tools and resources to better serve individual members in their home communities.

Our growth over the year was evident in the many accomplishments we realized as an organization. One highlight was the execution of an MOU with the American Indian Chamber of Commerce and the further expansion of our partnership with the state's lending community through our CRA Network.

For individual members, WEDA's education offerings were expanded in 2019 with Academy sessions on very timely topics including Opportunity Zones and Tax Incremental Financing. Best of all, WEDA became a certified education provider through the National Development Council.

We also remained focused on our advocacy efforts. In fact, at our 2019 Fall Conference, we welcomed an unprecedented six state

agency heads! On numerous occasions throughout the year, we were called upon by legislators and other organizations to share our thoughts on pending legislation, and we now firmly have a seat at the table in the State Capitol.

WEDA once again hosted a successful Governor's Conference in Milwaukee, which provided an excellent venue for continued education and networking with fellow attendees. Our annual Community & Economic Development Award Dinner also provided an opportunity to be inspired by economic development projects and practitioners from across the State.

Through all this great work, WEDA had a successful year financially as well. Under

the leadership of the Board and our Executive Director, WEDA enters 2020 on a stable financial footing.

Economic development is a team sport — and we will only continue to become a better, more impactful organization by adding new, engaged members to the WEDA team. This year was a great step in that direction.

It has been an honor to serve as your WEDA President in 2019, and I look forward to the continued important work of WEDA in 2020 and beyond.



**Matt Mikolajewski,**  
President

## 2019 Year in Review



The sign of a thriving organization is one that has strong leadership, a shared vision tied to effective strategic planning and the ability to adapt to new opportunities. In 2019, WEDA continued to illustrate all those characteristics and many other organizational traits that led to a successful year. Bold leadership from WEDA officers, board members and staff allowed the organization to expand and create new types of products and services for WEDA members and the state's economic development community.

Over the past year, much was accomplished that WEDA can be proud of, including the following highlights:

**Memorandum of Understanding (MOU) signed with the American Indian Chamber of Commerce of Wisconsin/ First American Capital Corporation (AICCW/FACC) and Wisconsin Philanthropy Network**

This past year, as part of WEDA's ongoing commitment to expanding Wisconsin's

economy through effective partnerships, we signed separate MOUs with the AICCW/FACC and the WPN to advance community and economic development efforts across the state.

The agreement builds on the past achievements of each organization, paving the way for WEDA to collaborate on future educational programming, events and other initiatives that support economic development and business success.

### **Economic Development Academy**

The Academy — created to “advance economic development through education” and meet the continuing education needs of industry professionals — continued to grow and provide exciting new programming to help professionals better understand and navigate the rapidly evolving field of economic development.

In addition to, WEDA becoming a certified education provider through the National Development Council, the Academy offered numerous webinars and classroom-style workshops, led by expert professionals in the field, on a myriad of pressing issues. The response has been overwhelming and participation in the workshops have exceeded expectations.

### **CRA Network of Wisconsin**

In the first full year of operations, the CRA Network held 13 different events with 18

projects submitted to financial institutions for various forms of Community Reinvestment Act eligible assistance. Most of the projects were for financing small businesses in redevelopment or low to moderate income census tracts. The CRA Network is sponsored statewide by WBD, Inc.

### **WEDA Advocacy**

WEDA continued to have a significant impact on shaping economic development policy in 2019 through our comprehensive advocacy efforts (see Legislative Update). In addition to direct lobbying from our Government Affairs Team, WEDA's grassroots advocacy strategy further increased WEDA's profile in the State Capitol and has ensured WEDA remains influential in the state policymaking arena.

In 2019, the state of WEDA was strong — from a membership, programming and financial perspective. More importantly, the right vision and leadership is in place for WEDA to continue to grow and thrive in 2020.



# Legislative Update

**WEDA is the primary voice promoting the interests of economic development in Wisconsin. That responsibility includes working with state policymakers to advocate for policies that help drive economic prosperity.**



In 2019, WEDA remained committed to a comprehensive legislative affairs program to shape policies and programs important to our members. Despite a challenging new political landscape that included leadership changes and split government, we were able to make progress on our legislative agenda.

To date, of the 1,500-plus bills that have been introduced in the current legislative session, less than 5% have been signed into law. Despite those odds, WEDA recently saw one of its top legislative priorities enacted into law.

Senate Bill 319, which restores the state's Transportation Economic Assistance Grant program's long history of awarding project funds for both job creation and job retention, was unanimously approved by the Legislature and signed by Governor Tony Evers in November as 2019 WI Act 63.

The program has provided more than \$110 million in grant funding since its inception for transportation improvements critical to economic development. Unfortunately, it was weakened after the Department of Transportation determined it did not possess the statutory authority to provide grant funding for jobs retained – and going forward could only support projects that create new jobs.

Passage of SB 319 ensures the TEA Grant program continues to provide grants for projects that retain jobs in Wisconsin, sustaining the success of a program that has helped fund transportation improvements across the state. We're also hopeful it will serve as a catalyst to encourage policymakers to equally value job retention and job creation in all economic development programs.



WEDA was also pleased with the outcome of the 2019-21 state budget bill. In addition to increased funding for key workforce development programs and rural broadband expansion, several provisions were removed from the bill that would have negatively impacted economic development, including:

- Limiting Tax Incremental Financing (TIF) developer grants to 20% of a TIF district's total project costs;
- Reducing the manufacturing portion of the Manufacturing and Agriculture Tax Credit; and
- Capping the Enterprise Zone Tax Credit program to a total of 35 zones statewide.

**All this is certainly great news, but the legislative session remains in full swing and WEDA is still working on several legislative initiatives to help attract private investment and encourage workforce housing development, including:**

## **AB 532 / SB 440 – Wisconsin Opportunity Zone Enhancement Act**

This legislation would enhance Wisconsin tax benefits under the federal Opportunity Zones program to help attract additional private investment to the state's most economically challenged communities. The legislation has received a public hearing before two key legislative committees and is now under further consideration by the full Legislature.

## **AB 544 / SB 484 – Workforce Housing Pilot Program**

This bill (as amended) would create a two-year, \$10 million workforce housing

pilot program administered by WHEDA to encourage the development of workforce housing in rural communities. Under the program, WHEDA will award grants, loans other forms of financial assistance to designated rural communities. The bill has been passed by the Assembly and is under further consideration in the Senate.

## **Local Workforce Housing Incentive Bill**

This recently introduced legislation includes numerous provisions to spur workforce housing development at the local level. The bill would increase the amount of residential development permitted in a "mixed-use" TIF district, as well as expand

the length of time a community may extend the life of a TIF district for the purpose of boosting workforce housing.

## **Workforce Housing Sales Tax Exemption Legislation**

This legislation, which was recently introduced, would create a sales tax exemption for building materials, supplies and equipment purchased for the construction of workforce housing.

To sum it up, 2019 was a busy time in the State Capitol for WEDA, with a handful of key successes we hope to build on in 2020 before the Legislature adjourns for the year.

# 2019 Financial Report

The financial performance of the Association's programs and services remained a primary focus of the WEDA Board. The organization continued to build relationships that strengthen and broaden the field of Economic and Community Development. The Board and staff focused efforts on increasing membership, program revenues and expanding services available through the association. Revenues increased, resulting in positive Net Income in both 2018 and 2019.

Revenues		Expenses	
Professional Membership	\$81,065	Administration	\$299,048
Corporate Membership	\$86,010	Advocacy/Committees	\$ 11,111
CRA Network	\$87,875	Academy Programs	\$48,346
Academy Programs	\$90,210	Conferences/Events	\$61,426
Conferences/Events	\$89,820	A/R Write Off	\$1,698
Miscellaneous	\$1,290	<b>TOTAL EXPENSES</b>	<b>\$421,627</b>
<b>TOTAL REVENUES</b>	<b>\$436,270</b>	<b>NET INCOME</b>	<b>\$14,640</b>

## Membership

The lifeblood of the association has consistently been revenue generated by individual and small organization memberships. In 2018, over \$11,000 in new revenue was generated due to higher retention rates and a commitment to expand our reach and the value of membership.

## Corporate Membership

Corporate membership saw a slight increase in 2019 but remains volatile as mergers and shrinking economic development budgets affected a handful of our corporate members. WEDA will renew its efforts to expand our programming to other industry sectors to increase corporate membership.

## CRA-Network

The launch of the CRA-Network is providing a direct member benefit, not only for our traditional members, but also for new financial institution members seeking CRA eligible activities and data. The first year measurements of the MOU with WBD, Inc. were met. In 2019, WEDA had 21 banks as CRA Network members of the association. WEDA is very fortunate to receive statewide sponsorship from WBD, Inc. to support organizational capacity necessary to launch the program. The MOU measurements in 2020 will require increased membership and projects from our traditional economic development partners.

## Economic Development Academy

In its first full year of operation, the Academy brand was used to reformat and expand our educational offerings and provide enhanced value of WEDA membership. The Opportunity Zone workshop had over 130 participants and the Basic Course had 44 participants. Each of these programs far exceeded participation expectations. The MOU's that have been signed with partner organizations to foster relationships with our economic development partners across Wisconsin are producing custom programming, which will be a vital part of future program revenues in this category.

# Board & Staff

## Executive Committee

**President Matthew Mikolajewski**  
City of Madison

**Vice-President Robert Dennik**  
VJS Construction Services

**Treasurer Jason Monnett**  
WBD, Inc.

**Past-President Heather Wessling**  
Kenosha Area Business Alliance

## Board Members

**Courtney Berner**  
UW Center for Cooperatives

**Carolyn Engel**  
Business Lending Partners

**Dawn Follendorf**  
Incredible Bank

**Bryan Gadow**  
Village of New Glarus

**Dawn Gunderson-Schiel**  
Ehlers & Associates, Inc.

**Sheldon Johnson**  
Northwest Regional Planning Commission

**Rob Kleman**  
Oshkosh Chamber of Commerce

**Steve Peterson**  
Top Dog Marketing

**May yer "mine-za" Thao**  
Hmong Wisconsin Chamber of Commerce

**Manny Vasquez**  
Pfefferle Companies, Inc.

**Donna Walker**  
Alliant Energy

**Edward White**  
Sauk County Development Corporation

**Bon Wikenheiser**  
UW System, Business & Entrepreneurship

**Michael Ostrowski**  
City of Stevens Point

**Barb La Mue**  
Wisconsin Economic Development Corporation

## Board Ex-Officio Members

**Mary Gage**  
Wisconsin Economic Development Corporation

**Danielle Williams**  
Wisconsin Department of Workforce Development

## WEDA Staff

**Brian Doudna**  
Executive Director

**Michael Welsh**  
Director of Legislative Affairs and Communications

## WEDA Contracted Staff

**Kristy Herms (Kessler Consulting, LLC)**  
Finance

**Kathy Davies**  
WEDA Conference Planning

**Kathy Heady**  
Academy Programming

**Mike Harrigan**  
CRA Network Project Recruiter