



ANNUAL REPORT

ADVANCING
ECONOMIC
DEVELOPMENT,
GROWTH, AND
PROSPERITY
IN WISCONSIN



2020



EDUCATION

ADVOCACY

BEST PRACTICES

NETWORKING

BOARD CHAIR'S MESSAGE

We have finally turned the page on 2020, and I am sure I speak for everyone when I say I look forward to a better 2021. But despite the unprecedented challenges we all faced last year, what stood out the most to me is the strength and resiliency of WEDA and our membership. We overcame the many obstacles presented by the pandemic and ultimately had a successful 2020.

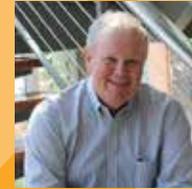
Like all organizations across Wisconsin, throughout the country, and around the globe, WEDA was forced to pivot and adapt to the realities of the pandemic. Fortunately, through the strong leadership of the WEDA Board and highly engaged members, we were not only able to maintain our traditional services, programs, and events, we were also able to connect our members with vital information and resources that were so important at the outset of the pandemic.

We started 2020 with another successful Governor's Conference in Madison, expanded educational offerings through the WEDA Academy, and had several legislative successes in the State Capitol. And even when the world shifted as the pandemic unfolded, WEDA was able to move forward in a virtual environment, holding a successful Community and Economic Development Awards ceremony and an exciting, well-attended fall conference in October. The ability for us to hold these wonderful events in the face of a pandemic also allowed WEDA to finish 2020 in a solid financial position.

If the challenges posed by COVID-19 was not enough, 2020 threw another curveball when our Executive Director Brian Doudna announced he would pursue an exciting opportunity to lead the Sheboygan County Economic Development Corporation. We knew it would be difficult to

replace Brian's strong leadership and record of success, but thanks to the hard work of the talented members who served on the search committee, we were able to quickly identify and hire Mary Perry to lead WEDA into the future as our President and CEO.

It was an honor to serve as your board chair over the last 12 months, and I look forward to sitting on the WEDA Board in 2021 and working with my successor Jason Monnett to continue moving WEDA in the right direction.



Bob Dennik
WEDA Board Chair

2020 YEAR IN REVIEW

This time last year, WEDA was gathered in Madison, WI for the 2020 Governor's Conference on Economic Development. Turnout for the event exceeded expectations and the vibe resonating throughout the conference was one of confidence in the bustling economy and optimism in new opportunities for growth.

In fact, WEDA came out of the gate running in 2020, experiencing early legislative advocacy success, well attended events and tremendous educational opportunities focusing on the most pressing economic development challenges facing our state. Then... as we all know firsthand, the world literally came to a standstill. The COVID-19 pandemic that swept the globe did not leave WEDA unscathed.

The challenges presented by the public health crisis were numerous. From rescheduling and reimagining WEDA events and programming to the potential loss of membership and revenue streams, the future was far from certain. But if there is one thing economic development professionals – and by default WEDA members – have in common, it is perseverance.

Our collective efforts to improve our industry and add value to our members in the face of a pandemic illustrates the strength of our organization and the hard work and innovation of our board, staff, corporate sponsors, and general membership. Those characteristics helped us not only to survive these unprecedented times, but to thrive.

Despite the obstacles we faced over the past year, we were able to accomplish our goals as an organization, increase our member communication and outreach efforts and deliver on the programs and services members have come to expect from WEDA:

MESSAGING AND OUTREACH:

- COVID-19 webinars and Information on business assistance programs
- COVID-19 webinars with key state and federal policymakers
- Educational programming on COVID-19 recovery
- Continuation of WEDA's traditional member newsletters and updates

ADVOCACY:

- Successful and well attended 2020 Legislative Day
- Passage of key economic development legislative proposals
- Presentation of WEDA's "Champion of Economic Development Award" to state lawmakers
- Development of WEDA's 2021-22 Legislative Agenda

EDUCATION AND NETWORKING:

- Exciting and profitable 2020 Governor's Conference
- First ever virtual Community and Economic Development Awards ceremony
- Well attended and engaging virtual 2020 WEDA Fall Conference
- Valuable WEDA Academy virtual training and continuing education opportunities
- Continued CRA Network outreach and project recruitment

As we look back on the passage of another year for WEDA, we can be proud of what we accomplished and where we are going as an organization. Fortunately, this unexpected and highly challenging year has positioned WEDA well for what should be an even better 2021.

LEGISLATIVE UPDATE

ADVANCING ECONOMIC DEVELOPMENT THROUGH EFFECTIVE ADVOCACY

WEDA remained committed to a strong government affairs program in 2020, advocating for our industry and our members, and working with state lawmakers to help shape public policies that advance economic growth and prosperity across Wisconsin.



While 2020 was almost entirely defined by the COVID-19 pandemic, the 2019-20 legislative session was only minimally impacted, with lawmakers ending regular legislative activity only a handful of days earlier than originally planned. That allowed WEDA to finish the session on a high note with the passage of the Wisconsin Opportunity Zones Enhancement Act.

The legislation, which was signed into law by Governor Tony Evers in March 2020, enhances Wisconsin tax incentives for investments made in federal Opportunity Zones located in the state. The Opportunity Zones program was established by Congress in 2017 to encourage long-term investments in low-income urban and rural communities across the country. It offers capital gains tax reductions to encourage investors to re-invest their unrealized capital gains into Opportunity Zone projects, including residential development and business expansion.

The Wisconsin Opportunity Zones Enhancement Act, developed and championed by WEDA, doubled the Opportunity Zone tax exclusion at the state level for individuals who invest in Wisconsin Opportunity Zone projects. The increased tax benefits aim to encourage Wisconsin investors to keep their money in Wisconsin, driving much-needed private capital to economically challenged communities

throughout the state.

Several other proposals supported by WEDA were passed and signed into law at the end of the legislative session, including legislation to encourage rural broadband expansion by repealing the telephone company tax on infrastructure used to provide internet service in rural and underserved areas, as well as an initiative to enhance the state's Youth Apprenticeship program.

In addition to our efforts to advance bills through the legislative process, the WEDA Government Affairs Team worked closely with our partners



to successfully block legislation that would have significantly diminished the value of Tax Incremental Financing (TIF) in Wisconsin. The failed bill would have capped developer grants to 20% of a TIF district's project cost, which would have thwarted local control over project deal structure, prevented key redevelopment projects, and put Wisconsin at a competitive disadvantage.

Once the session ended, WEDA turned our focus to thanking lawmakers who supported our legislative priorities by safely presenting (with social distancing, etc.) the WEDA "Champion of Economic Development Award" to 21 legislators – from both sides of the aisle.

The award program recognizes lawmakers who exemplify WEDA's mission of promoting economic development and are committed to making Wisconsin a better place to live, work and do business through effective public policies.

With proactive advocacy a cornerstone of WEDA's mission and member services, we also spent a majority of 2020 developing and finalizing our 2021-22 Legislative Agenda, which includes a comprehensive list of key economic development initiatives, including efforts to boost workforce housing, increase broadband access, improve state business attraction and retention efforts, and ensure local communities are properly equipped with effective tools to spur growth.

As we move into 2021, WEDA will continue to work with the Legislature and Evers Administration to promote programs and policies that spark economic activity and position the state for stability, growth, and prosperity.

In summary, 2020 was a successful year for WEDA under the Capitol dome, and we are certainly prepared to build on our past achievements in the 2021-22 legislative session.



2020 FINANCIAL REPORT

Although the overall financial health of WEDA and the performance of our individual programs, services, and events remained a top priority for association leadership in 2020, WEDA was not spared the COVID-related economic challenges faced by most non-profit, membership-based organizations. However, we were able to finish the year in a sound financial position, while at the same time continuing to provide value to members and strengthening the economic development profession. The WEDA Board and staff focused efforts on membership retention and recruitment, increasing program revenues, and expanding services across the association. We are pleased to report that despite a year that was anything but routine, WEDA realized increased revenues and a positive net income for 2020:

REVENUES

Professional Membership	\$66,865
Corporate Membership	\$84,715
CRA Network	\$86,500
Academy Programs	\$91,590
Conferences/Events	\$88,908
Miscellaneous	\$2,012

TOTAL REVENUES \$420,590

EXPENSES

Administration	\$279,563
Advocacy/Committees	\$5,832
Academy Programs	\$36,414
Conferences/Events	\$58,300
Special Projects	\$12,723
TOTAL EXPENSES	\$392,832

NET INCOME \$27,758

MEMBERSHIP

WEDA's financial foundation has traditionally been from revenue generated by individual and small organization memberships. Unfortunately, in what is certainly due to the economic fallout related to COVID, individual and small business membership revenue experienced a 20% decrease in 2020. We were able to make up the lost revenue in other areas and we anticipate membership rates will rebound in 2021.

CORPORATE MEMBERSHIP

Corporate membership revenue remained stable in 2020, despite a challenging environment due to industry volatility and shrinking economic development budgets attributed to the pandemic. In 2021, WEDA will increase efforts to grow corporate membership and expand our reach into untraditional industry sectors for new members.

CRA-NETWORK

The CRA Network continued to provide a direct member benefit in 2020, not only for our traditional members, but also for new financial institution members seeking CRA eligible activities and data. WEDA is fortunate to continue its partnership with WBD, Inc., and we remain extremely thankful for their financial support, which is essential to expanding the program. The impact of COVID-19 saw us pivot from quarterly regional meetings to working one-on-one with financial institutions and CRA eligible projects. It will be critical to increase CRA Network membership and projects in 2021 to secure the long-term success of the program.

ECONOMIC DEVELOPMENT ACADEMY

The WEDA Academy continues to expand its educational offerings and provide enhanced training opportunities and value for WEDA members. Despite moving to a completely virtual environment for most of 2020, Academy programming continued to meet attendance and revenue expectations. The MOUs we have in place with our partner organizations were effectively leveraged to foster growth within the Academy program and provide economic development professionals across Wisconsin with custom educational opportunities. The program's success over the last 12 months has positioned the Academy for additional expansion and increased revenues in 2021.

WEDA BOARD OF DIRECTORS AND STAFF

Executive Committee

Bob Dennik, Board Chair

VJS Construction Services

Matthew Mikolajewski, WEDA Past-Board Chair

City of Madison

Jason Monnett, WEDA Board Chair-Elect

WBD, Inc.

Dawn Gunderson-Scheil, WEDA Treasurer

Ehlers, Inc.

Courtney Berner

UW Center for Cooperatives

Carolyn Engel

Business Lending Partners

Dawn Follendorf

IncredibleBank

Bryan Gadow

City of Monona

Sheldon Johnson

Northwest Regional Planning Commission

Rob Kleman

Oshkosh Chamber of Commerce

Jenny Kuderer-Radcliffe

Dairyland Power Cooperative

Steve Peterson

Top Dog Marketing

Fern Orié

Wisconsin Native Loan Fund

Manny Vasquez

Pfefferle Companies, Inc.

Donna Walker

Alliant Energy

Heather Wessling

Kenosha Area Business Alliance

Bon Wikenheiser

UW Institute for Business and Entrepreneurship

Suzanne Zwaska

US Bank

Board Ex-Officio Members

Mary Gage

Wisconsin Economic Development Corporation

Danielle Williams

Wisconsin Department of Workforce Development

Staff

Mary Perry

President and CEO

Michael Welsh

V.P. of Legislative Affairs and Communications

Kathy Heady

Manager, Economic Development Academy

Kathy Davies

Conference Planner

Mike Harrigan

CRA Network Project Recruiter

Whitney Roberts

CRA Network Coordinator