

WINNEBAGO COUNTY INDUSTRIAL DEVELOPMENT BOARD

Report to County Board – January 6, 2015

Background:

- Articles of Incorporation filed in 1966 under state statutes.
- Idle until 1979, when IDB established by County Board. IDB set-up to administer new \$1 million Economic Development Revolving Loan Fund and Local Government Grant Program. IDB Bylaws set-up.
- 11 member Board comprised of :
 - (5) by virtue of position (County Board Chair, County Executive, Chair of Personnel & Finance Committee, Corp. Counsel, County Treasurer)
 - (3) at-large from County Board
 - (3) at-large from General Public

IDB Mission Statement:

“To financially assist communities and economic development organizations in Winnebago County for the purposes of expanding the tax base, creating and retaining jobs, and promoting the County as a good place to do business”

The Board carries out this mission in 3 primary ways:

- 1. Two Revolving Loan Fund Programs.**
- 2. Annual Economic Development Grant Funding Program – supports local economic development efforts (Per Capita Funding Program).**
- 3. Networking and partnering with local, regional and state ED groups and governments.**

1. Revolving Loan Fund (RLF) Programs:

Two types – one is the IDB's Traditional RLF, the other is the Community Development Block Grant - Economic Development (CDBG-ED) RLF.

IDB Traditional RLF Program:

- Low interest Loans issued by IDB directly to local communities for eligible projects.
- \$1 million Fund established by County Board in 1980.
- Another \$1 million added to Fund by Co. Brd. since 2010
- \$685,000 added to fund via interest on loans.
- Total Program Funds (Currently): \$2.685 million
- Funds currently loaned out: \$1.226 million
- Total Funds Loaned out (Since 1980): \$10.026 million
- Total Loans (since 1980): 31 (see list attached)
- Average Loan: \$ 337,000

CDBG-ED RLF Program:

- Low interest loans issued by IDB directly to local businesses.
- Established in year 2000 by County Board. State directly loaned \$\$ to several business in Winnebago County (\$750,000 in total). These businesses paid back the loans directly to the County, allowing the County to reloan for future projects.
- Total Program Funds (currently): \$793,500
- Funds currently loaned out: \$730,000 (4 loans).
- Total Loans issued by IDB: 5 (4 current, 1 repaid)
- Current Outstanding Loans: Outlook Group, T. Menasha (\$400,000), Royer Industries, T. Black Wolf (\$52,492), RLS Machining, C. Omro (\$157,183), G&J Litho, C. Menasha (\$130,219)

Economic Impacts from Loans :

Note: the following are estimates based on best information available.

JOBS, INCOME, TAX BASE

Direct Jobs Created	Direct Annual Income	Equalized Value Created
6,600	\$ 340 million*	\$ 580 million

* based on average annual wages in Winnebago County for the key job classes benefited from loans, i.e. manufacturing, construction, administrative, etc. (from Wis. Workforce Development)

Each \$1 dollar loaned out generated the following economic benefits in Winnebago County:

- Created \$ 58 in new equalized value to tax base.
- Created \$ 34 in new annual Income.

Additional Impacts:

- One (1) new job created for every \$1,500 loaned out (national average for RLF's is \$5,300).
- Job Multiplier effects = 2,930 additional jobs created: for every 100 jobs created, another 45 jobs indirectly created elsewhere in Winnebago Co.
- Income Multiplier effects = \$150 million additional income created: for every \$1 of wages paid for a direct job, another 45 cents was indirectly created elsewhere in Winnebago Co.
- Interest Income from Loans total \$685,000.
Added back into RLF for future loans.

2. Annual Economic Development Grant Program (Per Capita Funding Program)

- Direct Grant Program to support and enhance local economic development efforts in Winnebago County (cities, towns, village, Chambers, Downtown ED groups, tourism groups, etc.)
- IDB has provided over \$2.5 million in local grants since 1980.
- Currently provides grants totaling \$190,000 to local ED efforts in the county.
- Funds allocated to IDB annually at County Board Budget time.
- Currently annual allocation based on a \$1 per capita.
- In addition, provides several other direct grants to local ED entities that provide countywide/regional promotional activities (i.e. East Central ITBEC, Oshkosh CVB, NEWREP).
- Funding eligibility is based on proposals submitted to IDB by local governments and ED groups on an annual basis. Must meet criteria established by IDB.
- Funds have been used in a variety of ways; for example: seed money for local ED financing programs, ED marketing and promotional materials and activities, economic development studies, feasibility studies for business/industrial infrastructure, local ED administrative costs and staffing, ED membership dues, etc.

3. Networking and Partnering: Routinely communicate and interact with many local, regional and state ED groups to enhance and promote economic development in the County.

Appendix

IDB RLF Investments – by Municipality:

City of Menasha:	6 loans totaling	\$ 3,014,000
Town of Menasha:	2 loans totaling	\$ 180,000
City of Neenah:	3 loans totaling	\$ 1,325,000
City of Omro:	6 loans totaling	\$ 1,451,850
City of Oshkosh:	4 loans totaling	\$ 793,000
Village Winneconne:	<u>10 loans totaling</u>	<u>\$ 3,262,260</u>
Total:	31*	\$10,026,110

* 9 of the 31 loans issued were for infrastructure improvements to establish or expand industrial/business parks in the County. This is where the IDB has its largest impact. For example, the 3 loans invested in the City of Neenah totaling \$1.325 million were to provide important cost shares for infrastructure improvements in the City's Southpark Industrial Center. It is now home to over 75 businesses.

The attached provides a list of all loans issued by IDB since the loan program began in 1980.

WINNEBAGO COUNTY IDB REVOLVING LOAN FUND**December 2014**

<u>Year</u>	<u>Community</u>	<u>Loan Amount</u>	<u>Purpose</u>	<u>Status</u>
1980	City of Oshkosh	\$ 253,000	Infrastructure Southwest Ind. Park	Paid
1981	City of Neenah	\$ 500,000	Infrastructure Southpark Ind. Center	Paid
1981	City of Omro	\$ 100,000	Infrastructure Omro Industrial Park	Paid
1981	City of Oshkosh	\$ 190,000	Spec. Bldg North Ind. Park-Crown Cork & Seal	Paid
1981	Village of Winneconne	\$ 70,260	Infrastructure Winneconne Ind. Park	Paid
1983	City of Menasha	\$ 300,000	Land Purchase Marina Redev/Office Bldgs	Paid
1988	City of Neenah	\$ 150,000	Expansion of Southpark Ind. Center	Paid
1988	City of Oshkosh	\$ 100,000	Spec. Bldg SW Ind. Park-Multicircuits	Paid
1988	Village of Winneconne	\$ 100,000	Business Startup Fox Valley Fabricating	Paid
1989	City of Omro	\$ 125,000	Improvements Omro Industrial Park	Paid
1989	Village of Winneconne	\$ 125,000	Business Startup Multi-Conveyor	Paid
1990	City of Omro	\$ 180,000	Spec. Bldg Omro Ind. Park-Baker Paper Co	Paid
1991	Village of Winneconne	\$ 250,000	Bldg Expansion Paid Ingersoll Equipment Co.	Paid
1994	Chamco	\$ 250,000	Spec. Bldg Southwest Ind. Park	Paid
1996	City of Neenah	\$ 675,000	Expansion of Southpark Industrial Ctr	Paid
1997	Village of Winneconne	\$ 69,000	Building Expansion of Historic Floors Oshkosh Design	Paid
1998	City of Menasha	\$ 80,000	Develop Midway Business Park	Paid

IDB Revolving Loan Fund History (December 2014) – Continued

<u>Year</u>	<u>Community</u>	<u>Loan Amount</u>	<u>Purpose</u>	<u>Status</u>
1998	Town of Menasha	\$ 80,000	Develop Gateway Business Park	Paid
1998	Village of Winneconne	\$ 117,000	Building Expansion of Historic Floors	Paid
2002	City of Menasha	\$ 459,000	Business Expansion Gambsky Builders	Paid
2003	Village of Winneconne	\$ 570,000	Business Expansion. Midwest Specialty, Inc	Paid
2003	City of Menasha	\$ 450,000	Business Exp Wis. Prosthetics & Orthotics	Paid
2004	City of Menasha	\$ 425,000 *	Business Exp Health Care Mgmt., Inc	Paid
2005/ 2010	City of Menasha	\$1,300,000 *	Construct Facility Advanced Tool Spec.	Paid
2006	Village of Winneconne	\$ 566,000 *	Construct Facility Critters Wolf River Sports	Paid
2007	City of Omro	\$ 671,850 *	Purchase/Renovation of Facility Oshkosh Tool	Paid
2008	City of Omro	\$ 125,000	Purchase Land & Buildings On-Time Machining	Paid
2009	City of Omro	\$ 250,000	Building Expansion Goodwin Competition Inc	Active/Extended -due Sept '19
2009	Village of Winneconne	\$ 795,000	Building Purchase Switchgear Power Systems	Active/Extended -due Oct. '19
2011	Town of Menasha	\$ 100,000	Improvements to Facility Raven Manufacturing	Active -due May '16
2011	Village of Winneconne	\$ 600,000	Building Expansion Switchgear Power Systems	Active -due Sept '16

Total Number of Loans Issued: 31

Total Dollars Loaned out (All Loans): \$10,026,110

Total interest generated from loans: \$685,010

*Loans were in collaboration with Solid Waste Management Board Funding