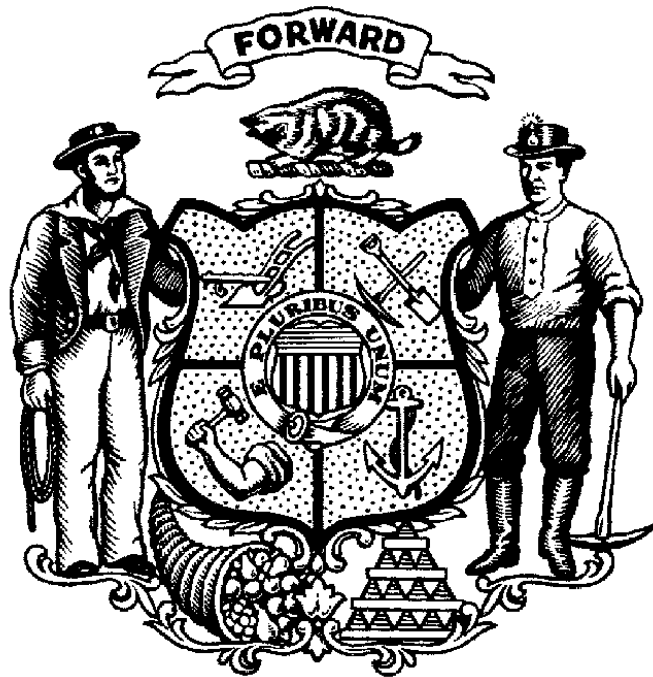


# State of Wisconsin

## Wisconsin Economic Development Corporation



Agency Budget Request

2015 – 2017 Biennium

September 15, 2014

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September 15, 2014

The Honorable Scott Walker  
Governor, State of Wisconsin  
Room 115 East, State Capitol  
Madison, WI 53702

Dear Governor Walker:

I am pleased to present the Wisconsin Economic Development Corporation's proposed budget for fiscal years 2016 and 2017. This budget is a cost-to-continue submittal and adheres to the guidelines regarding new funding requests. We are not requesting any additional funds and have maintained WEDC's overall budget at the fiscal year 2015 adjusted base.

Wisconsin continues to move forward as a great place to do business due to the proactive policies and priorities of your administration. As the pro-growth, pro-business climate that has been built over the last few years continues to expand, we are seeing more and more opportunities to help businesses and communities thrive in the new economy.

In addition to traditional business development and attraction activities, WEDC is also actively engaged in supporting key economic development needs throughout the state. Whether it is making strategic investments in growing industry sectors or helping businesses access the global marketplace through export development, this budget will allow WEDC to maintain the investments that have been made to support key aspects of the economic growth in Wisconsin.

The block grant funding that is allocated to WEDC lets us be responsive to the emerging, and sometimes emergent, needs of Wisconsin. For example, the winter of 2013 saw an extreme shortage of propane availability for many state residents. WEDC, with approval of our Board of Directors, was able to rapidly develop and implement an "Emergency Loan Guarantee" program for certified propane dealers. This short-term program made assistance immediately available in a matter of days.

This funding mechanism also allows WEDC to continue to develop and deploy innovative programs to meet the needs of our stakeholders. New programs launched in the last biennium are already showing a tremendous impact, particularly for community development projects and entrepreneurial development. The Idle Industrial Sites program has helped a number of communities throughout Wisconsin redeveloped vacated industrial sites and the Community Development Investment grant program has supported new opportunities for business growth and community engagement. Likewise, the Seed Accelerator and Capital Catalyst programs have filled a significant gap for early stage business development.



201 W. Washington Avenue  
Madison, WI 53703

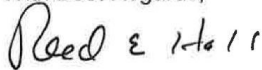
P.O. Box 1687  
Madison, WI 53701

608.210.6700  
855-INWIBIZ  
inwisconsin.com

The last biennium also brought a dramatic increase in marketing Wisconsin as a state to do business. WEDC launched the In Wisconsin® brand in the fall of 2012 and has made significant investments to promote Wisconsin's business-friendly assets since. Through targeted advertising and earned media strategies, we are reaching business leaders whose business goals align with Wisconsin's unique assets. Our marketing strategy is designed to accelerate our ability to create broad awareness, reach the business and site selector target audiences more often and in more engaging ways, and more rapidly change the negative perceptions that still exist about doing business in the state of Wisconsin.

As the state's lead economic development organization, WEDC is committed to the responsible stewardship of the state resources allocated to it. Our programs are designed to fuel startups, support industry development, maximize global opportunities, enhance economic development responsiveness, create thriving communities and drive new businesses. I look forward to speaking with you about WEDC's budget request.

With Best Regards,



Reed E. Hall  
Secretary and Chief Executive Officer

CC: Mike Huebsch, Secretary, Department of Administration  
Michael Heifetz, Administrator, Division of Executive Budget and Finance

## **AGENCY DESCRIPTION**

The Wisconsin Economic Development Corporation was created by 2011 Wisconsin Act 7. The corporation is a body both corporate and politic and headed by a secretary/chief executive officer who is appointed by the Governor with the advice and consent of the Senate. The corporation is governed by a 13-member board of directors. The Governor serves as chairman of the board of directors, and appoints six members with the advice and consent of the Senate. The speaker of the Assembly and the Senate majority leader each appoints three members consisting of one majority and one minority party representative in their respective houses, and one person employed in the private sector. The secretaries of the Department of Administration and Department of Revenue also serve on the board as nonvoting members.

The corporation is the lead economic development organization in the state. The corporation is responsible for developing and implementing economic programs to provide business support, expertise and financial assistance to companies that are investing and creating jobs in the state; supporting new business start-ups and business expansion and growth; and developing and implementing any other programs related to economic development in Wisconsin.

## **MISSION**

The corporation's mission is to lead economic development in the state by providing a positive business climate, world-class support services and economic development tools to accelerate the growth of family-supporting jobs and business start-up, attraction and growth.

## **PROGRAMS, GOALS, OBJECTIVES AND ACTIVITIES**

### **Program 1: Promotion of Economic Development**

Goal: Provide business assistance services to drive start-up, expansion or relocation to Wisconsin.

Objective/Activity: Deliver technical and financial business assistance services directly to Wisconsin businesses with in-house staff or through contracted partners.

Objective/Activity: Provide technical and financial services to help communities drive economic development by assisting communities with downtown development, public infrastructure projects and other assistance to help advance Wisconsin communities.

Objective/Activity: Provide technical support or financial investment for projects that advance target sectors or improve the state's economic development capabilities.

## PERFORMANCE MEASURES

### 2013 AND 2014 GOALS AND ACTUALS

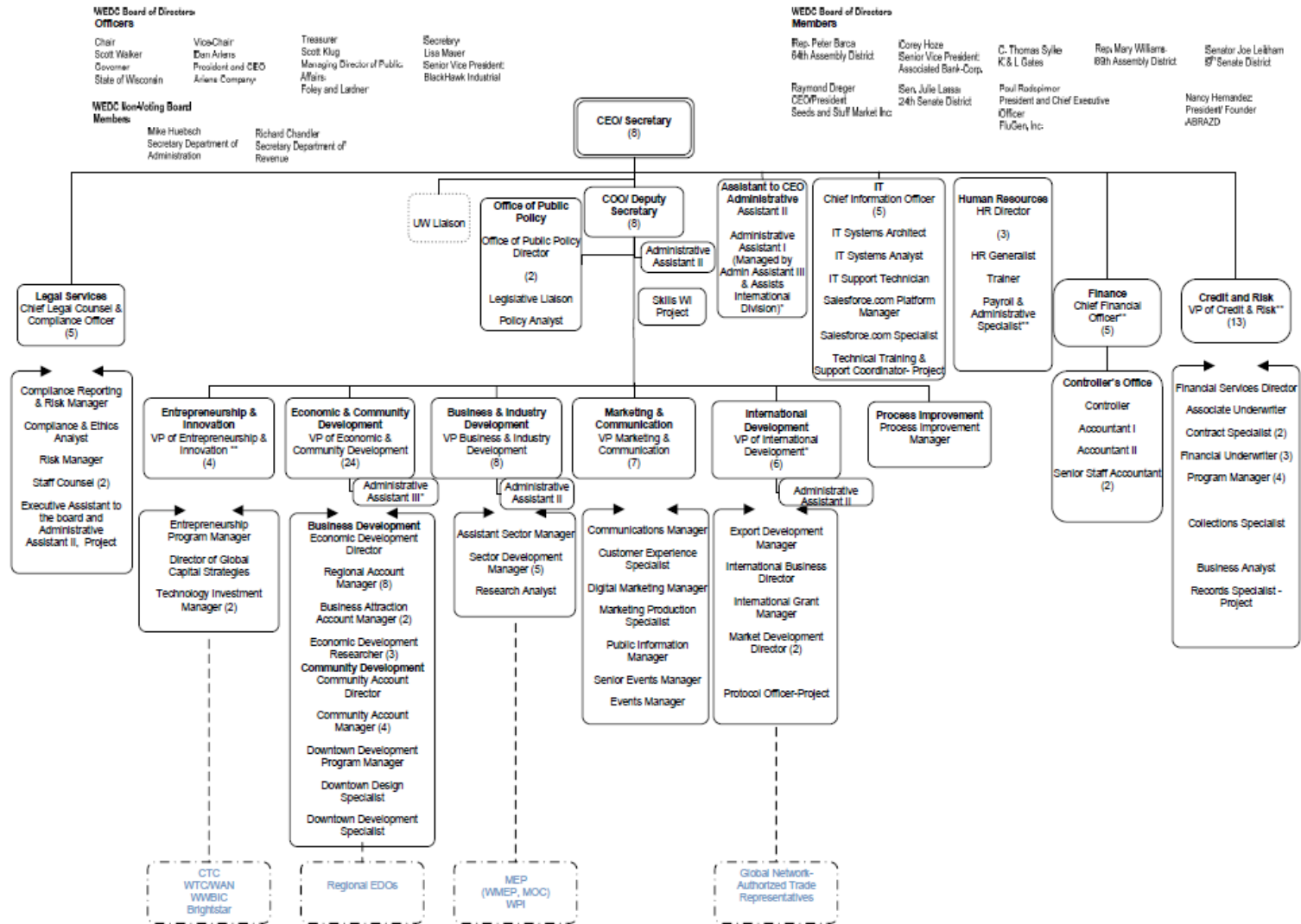
Prog No.	Performance Measure	Goal 2013	Actual 2013	Goal 2014	Actual 2014
1	Businesses Assisted	1,200	2,085	2,140	4,272
1	Communities Assisted	150	69	150	119
1	Anticipated Jobs Impact	50,000	37,313	20,825	32,689
1	Coinvestment Leverage	3:1	10:1	3:1	14:1

### 2015, 2016, AND 2017 GOALS

Prog No.	Performance Measure	Goal 2015	Goal 2016 (Estimated)	Goal 2017 (Estimated)
1	Businesses Assisted	2,230	2,230	2,230
1	Communities Assisted	152	152	152
1	Anticipated Jobs Impact	22,830	22,830	22,830
1	Coinvestment Leverage	3:1	3:1	3:1



# WEDC ORGANIZATIONAL CHART





# Agency Total by Fund Source

Wisconsin Economic Development Corporation

1517 Biennial Budget

		ANNUAL SUMMARY				BIENNIAL SUMMARY					
Source of Funds		Prior Year Total	Adjusted Base	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE	Base Year Doubled (BYD)	Biennial Request	Change From (BYD)	Change From BYD %
GPR	S	\$6,124,400	\$32,774,700	\$32,774,700	\$32,774,700	0.00	0.00	\$65,549,400	\$65,549,400	\$0	0.0%
<b>Total</b>		\$6,124,400	\$32,774,700	\$32,774,700	\$32,774,700	0.00	0.00	\$65,549,400	\$65,549,400	\$0	0.0%
PR Federal	S	\$0	\$0	\$0	\$0	0.00	0.00	\$0	\$0	\$0	
<b>Total</b>		\$0	\$0	\$0	\$0	0.00	0.00	\$0	\$0	\$0	
SEG	L	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	0.00	0.00	\$2,000,000	\$2,000,000	\$0	0.0%
SEG	S	\$33,776,300	\$21,776,000	\$21,776,000	\$21,776,000	0.00	0.00	\$43,552,000	\$43,552,000	\$0	0.0%
<b>Total</b>		\$34,776,300	\$22,776,000	\$22,776,000	\$22,776,000	0.00	0.00	\$45,552,000	\$45,552,000	\$0	0.0%
<b>Grand Total</b>		\$40,900,700	\$55,550,700	\$55,550,700	\$55,550,700	0.00	0.00	\$111,101,400	\$111,101,400	\$0	0.0%

**Agency Total by Program**

**192 Wisconsin Economic Development Corporation**

**1517 Biennial Budget**

Source of Funds	ANNUAL SUMMARY						BIENNIAL SUMMARY			
	Prior Year Actual	Adjusted Base	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE	Base Year Doubled (BYD)	Biennial Request	Change From (BYD)	Change From BYD %
<b>01 PROMOTION OF ECONOMIC DEVELOPMENT</b>										
<b>Non Federal</b>										
<b>GPR</b>	<b>\$6,124,400</b>	<b>\$32,774,700</b>	<b>\$32,774,700</b>	<b>\$32,774,700</b>	<b>0.00</b>	<b>0.00</b>	<b>\$65,549,400</b>	<b>\$65,549,400</b>	<b>\$0</b>	<b>0.00%</b>
S	\$6,124,400	\$32,774,700	\$32,774,700	\$32,774,700	0.00	0.00	\$65,549,400	\$65,549,400	\$0	0.00%
<b>SEG</b>	<b>\$34,776,300</b>	<b>\$22,776,000</b>	<b>\$22,776,000</b>	<b>\$22,776,000</b>	<b>0.00</b>	<b>0.00</b>	<b>\$45,552,000</b>	<b>\$45,552,000</b>	<b>\$0</b>	<b>0.00%</b>
L	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	0.00	0.00	\$2,000,000	\$2,000,000	\$0	0.00%
S	\$33,776,300	\$21,776,000	\$21,776,000	\$21,776,000	0.00	0.00	\$43,552,000	\$43,552,000	\$0	0.00%
<b>Total - Non Federal</b>	<b>\$40,900,700</b>	<b>\$55,550,700</b>	<b>\$55,550,700</b>	<b>\$55,550,700</b>	<b>0.00</b>	<b>0.00</b>	<b>\$111,101,400</b>	<b>\$111,101,400</b>	<b>\$0</b>	<b>0.00%</b>
L	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	0.00	0.00	\$2,000,000	\$2,000,000	\$0	0.00%
S	\$39,900,700	\$54,550,700	\$54,550,700	\$54,550,700	0.00	0.00	\$109,101,400	\$109,101,400	\$0	0.00%
<b>PGM 01 Total</b>	<b>\$40,900,700</b>	<b>\$55,550,700</b>	<b>\$55,550,700</b>	<b>\$55,550,700</b>	<b>0.00</b>	<b>0.00</b>	<b>\$111,101,400</b>	<b>\$111,101,400</b>	<b>\$0</b>	<b>0.00%</b>

## Agency Total by Program

### 192 Wisconsin Economic Development Corporation

### 1517 Biennial Budget

<b>GPR</b>	<b>\$6,124,400</b>	<b>\$32,774,700</b>	<b>\$32,774,700</b>	<b>\$32,774,700</b>	<b>0.00</b>	<b>0.00</b>	<b>\$65,549,400</b>	<b>\$65,549,400</b>	<b>\$0</b>	<b>0.00%</b>
S	\$6,124,400	\$32,774,700	\$32,774,700	\$32,774,700	0.00	0.00	\$65,549,400	\$65,549,400	\$0	0.00%
<b>SEG</b>	<b>\$34,776,300</b>	<b>\$22,776,000</b>	<b>\$22,776,000</b>	<b>\$22,776,000</b>	<b>0.00</b>	<b>0.00</b>	<b>\$45,552,000</b>	<b>\$45,552,000</b>	<b>\$0</b>	<b>0.00%</b>
L	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	0.00	0.00	\$2,000,000	\$2,000,000	\$0	0.00%
S	\$33,776,300	\$21,776,000	\$21,776,000	\$21,776,000	0.00	0.00	\$43,552,000	\$43,552,000	\$0	0.00%
<b>TOTAL 01</b>	<b>\$40,900,700</b>	<b>\$55,550,700</b>	<b>\$55,550,700</b>	<b>\$55,550,700</b>	<b>0.00</b>	<b>0.00</b>	<b>\$111,101,400</b>	<b>\$111,101,400</b>	<b>\$0</b>	<b>0.00%</b>
L	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	0.00	0.00	\$2,000,000	\$2,000,000	\$0	0.00%
S	\$39,900,700	\$54,550,700	\$54,550,700	\$54,550,700	0.00	0.00	\$109,101,400	\$109,101,400	\$0	0.00%
<b>Agency Total</b>	<b>\$40,900,700</b>	<b>\$55,550,700</b>	<b>\$55,550,700</b>	<b>\$55,550,700</b>	<b>0.00</b>	<b>0.00</b>	<b>\$111,101,400</b>	<b>\$111,101,400</b>	<b>\$0</b>	<b>0.00%</b>

# Agency Total by Decision Item

Wisconsin Economic Development Corporation

1517 Biennial Budget

Decision Item	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
2000 Adjusted Base Funding Level	\$55,550,700	\$55,550,700	0.00	0.00
<b>TOTAL</b>	<b>\$55,550,700</b>	<b>\$55,550,700</b>	<b>0.00</b>	<b>0.00</b>

**Decision Item (DIN) - 2000**

**Decision Item (DIN) Title - Adjusted Base Funding Level**

**NARRATIVE**

Adjusted Base Funding Level

# Decision Item by Line

1517 Biennial Budget

	<b>CODES</b>	<b>TITLES</b>
<b>DEPARTMENT</b>	192	Wisconsin Economic Development Corporation
	<b>CODES</b>	<b>TITLES</b>
<b>DECISION ITEM</b>	2000	Adjusted Base Funding Level

Expenditure items		1st Year Cost	2nd Year Cost
01	Permanent Position Salaries	\$0	\$0
02	Turnover	\$0	\$0
03	Project Position Salaries	\$0	\$0
04	LTE/Misc. Salaries	\$0	\$0
05	Fringe Benefits	\$0	\$0
06	Supplies and Services	\$32,774,700	\$32,774,700
07	Permanent Property	\$0	\$0
08	Unalloted Reserve	\$0	\$0
09	Aids to Individuals Organizations	\$22,776,000	\$22,776,000
10	Local Assistance	\$0	\$0
11	One-time Financing	\$0	\$0
12	Debt Service	\$0	\$0
13		\$0	\$0
14		\$0	\$0
15		\$0	\$0
16		\$0	\$0
<b>17</b>	<b>Total Cost</b>	<b>\$55,550,700</b>	<b>\$55,550,700</b>
18	Project Positions Authorized	0.00	0.00



19	Classified Positions Authorized	0.00	0.00
20	Unclassified Positions Authorized	0.00	0.00

# Decision Item by Numeric

## Wisconsin Economic Development Corporation

Program	Decision Item/Numeric	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
	<b>2000</b>	<b>Adjusted Base Funding Level</b>			
<b>01</b>	<b>Promotion of economic development</b>				
	01 Operations and programs	\$32,774,700	\$32,774,700	0.00	0.00
	40 Federal aids; programs	\$0	\$0	0.00	0.00
	61 Economic development fund; pro	\$21,776,000	\$21,776,000	0.00	0.00
	65 Brownfield site assessment gra	\$1,000,000	\$1,000,000	0.00	0.00
	<b>Promotion of economic development SubTotal</b>	<b>\$55,550,700</b>	<b>\$55,550,700</b>	<b>0.00</b>	<b>0.00</b>
	<b>Adjusted Base Funding Level SubTotal</b>	<b>\$55,550,700</b>	<b>\$55,550,700</b>	<b>0.00</b>	<b>0.00</b>
	<b>Agency Total</b>	<b>\$55,550,700</b>	<b>\$55,550,700</b>	<b>0.00</b>	<b>0.00</b>

# Decision Item by Fund Source

## Wisconsin Economic Development Corporation

	Source of Funds		1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
<b>Decision Item</b>	<b>2000</b>	<b>Adjusted Base Funding Level</b>				
	GPR	S	\$32,774,700	\$32,774,700	0.00	0.00
	PR Federal	S	\$0	\$0	0.00	0.00
	SEG	L	\$1,000,000	\$1,000,000	0.00	0.00
	SEG	S	\$21,776,000	\$21,776,000	0.00	0.00
	<b>Total</b>		<b>\$55,550,700</b>	<b>\$55,550,700</b>	<b>0.00</b>	<b>0.00</b>
<b>Agency Total</b>			<b>\$55,550,700</b>	<b>\$55,550,700</b>	<b>0.00</b>	<b>0.00</b>