

JEFFERSON COUNTY ECONOMIC DEVELOPMENT CONSORTIUM

2012 Annual Report

2012 Board of Directors

City of Fort Atkinson.....	John Wilmet
City of Jefferson.....	Tim Freitag
City of Lake Mills.....	Steve Wilke
City of Waterloo.....	Bill Dovi
City of Watertown.....	Ron Krueger
City of Whitewater.....	Open
Village of Johnson Creek.....	Mark Johnsrud
Jefferson County Supervisor.....	James Schroeder
Jefferson County Supervisor.....	Augie Tietz
Jefferson County Supervisor.....	Al C. Counsell

Department Staff

Dennis Heling.....	Executive Director
RoxAnne Witte.....	Administrative Assistant

JEFFERSON COUNTY DEMOGRAPHICS

AND

WORKFORCE PROFILE SUMMARY**

HOUSEHOLDS:

On January 1, 2012, the Wisconsin Department of Administration forecasted the population of Jefferson County at 83,857. Of this population it is estimated, by the United States, Department of Labor, that the 2012 annual workforce participation in Jefferson County was 42,076* persons. This means on average, assuming an annual 2012 unemployment rate of 6.5%, 39,341 people were working while 2735 individuals on average were unemployed during the same period. The number of unemployed has been decreasing and now is at its lowest point since 2008. Further the United States Census Bureau reported in its recent release of household information that there are approximately 35,335 housing units in Jefferson County with an average household size of 2.51, which is slightly lower than 2011 which was at 2.55, but still higher than the 2.42 per household size for the State of Wisconsin. It further found that the household median income for Jefferson County is \$55,615.00, which is almost \$850.00 dollars higher than 2011, and higher than the statewide median household income at \$52,374.00. Both these increase at the County and State levels are probably attributed to the recovery of the economy in 2012.

COMMUTING PATTERNS:

The work commuting patterns have been changing in Jefferson County over the past decade. Currently daily commuting statistics reveal about 19,200 Jefferson County residents work outside of Jefferson County while some 22,450 workers commute within Jefferson County. Of those that commute out of Jefferson County they travel to Waukesha, Dane, Milwaukee, Walworth and Dodge respectively by number of commuters. Over 1/3 of all employees that commute into Jefferson County originate from Dodge County. It is estimated that approximately 1/2 of those who commute out of Jefferson County travel to work in Waukesha County. Additionally, it is estimated that almost 1/4 of those who commute out travel to Dane County. Estimates of commuting and traffic counts still project approximately 25,000 commutes taking place within Jefferson County on a daily basis.

BUSINESS:

In 2012, Jefferson County again experienced a slight reduction in business establishments within Jefferson County. More than half of these businesses reported employing 19 or fewer employees. Jefferson County has approximately 1995 non-farm business establishments operating in its borders according to the US Census Bureau and the Wisconsin Office of Economic Advisors. The top ten employers in Jefferson County are highlighted in Chart A with Fort Healthcare Inc. ranked as the largest employer in Jefferson County. These top ten employers still account for almost 20 percent of the jobs located within Jefferson County.

**Jefferson County Top Ten Employers
Third Quarter 2012
Chart A**

Rank	Employer
1	Fort Healthcare Inc.
2	Generac Power Systems
3	Opportunities Inc. of Jefferson
4	Trek Bicycle
5	Wal-Mart
6	Bethesda Lutheran Home & Services
7	Jefferson County
8	Terra Staffing Inc.
9	Fort Atkinson School District
10	Nasco Division

**This number doesn't include those who reside in Jefferson County, but are in the military, institutionalized or not working and not currently looking for employment.*

*** Source: Unless otherwise noted the data source is the State of Wisconsin Department of Workforce Development*

The United States Department of Agriculture (USDA), National Agricultural Statistics Service 2007 report, identified a total of 1434 farms in Jefferson County at an average size of 170 acres. Also the USDA reported that Jefferson County has over 244,000 acres in farming. Crop sales exceeded 86 million dollars with livestock sales at almost 123 million dollars.

ORGANIZATION

BACKGROUND

June 2003 saw the formation of Jefferson County Economic Development Consortium (JCEDC). It was the combined effort of Jefferson County, the Cities of Fort Atkinson, Jefferson, Lake Mills, Watertown, Whitewater and the Village of Johnson Creek. The City of Waterloo joined the JCEDC as a full voting member effective January 2005 and Whitewater again become a member in 2012. The Board of Directors is comprised of voting members, one vote each for the participating city or village, and three County Board Supervisors representing Jefferson County. Dennis Heling is the department's Director and RoxAnne Witte is the department's part-time Administrative Assistant.

The Jefferson County Economic Development Consortium's mission is to foster and encourage responsible economic development activities that result in job creation, retention, increased tax base and an improved quality of life for the citizens of Jefferson County. This mission is to be achieved through goals adopted by the Board of Directors, as amended from time to time.

In previous years I reported that the JCEDC had five generalized operating principles. These operating principles still are used in our day-to-day operations. Instead of outlining the principles here again please see last year's 2011 Annual Report or visit our web tab on Jefferson County's site at: http://www.jeffersoncountyiwi.gov/jc/public/jchome.php?page_id=1336

2012 ACTIVATES

In 2012, as a continuation of our flood recovery program a major portion of our staff time was devoted to working with businesses and local communities on projects resulting from the 2008 flooding disaster. This included projects of flood recovery as well as workforce related issues. As a refresher our efforts began when the JCEDC created and completed a survey which resulted in our publishing the 2008 Flood Business Assessment. The report which is on our website documented and then reported to various state and federal agencies part of the losses sustained in Jefferson County's business community. At the end of 2008, the JCEDC and Jefferson County worked with the Wisconsin Department of Administration, formerly the Wisconsin Department of Commerce, on creating a flood recovery program. The City of Jefferson, contributed \$115,040.00 to the lending pool, and the State of Wisconsin awarded \$93,960.00 in grant funds for this FRSB program. Eleven business loans were made totaling \$220,000. The 2012 activities for the Flood Recovery Small Business (FRSB) program included filing reports, updates and loan monitoring activities. Monitoring activities included site visits, conferences with the participating businesses and review of financial information. Three of the 11 loans were paid in full with the balance converted to amortized loans before the end of 2011. The loans now in repayment are available for future lending to business projects under Jefferson County's Revolving Loan Fund.

Over the last consecutive five year period the JCEDC prepared and filed applications, amendments, additional requests and modifications to the State of Wisconsin for Community Development Block Grant-Emergency Assistance Program (CDBG-EAP) program for flood recovery funding assistance. These efforts resulted in Jefferson County being awarded approximately \$4,680,000 in grant funds to assist business and communities in flood mitigation activities. In addition, the CDBG-EAP activities for 2012 included budget modifications which allowed us to assist in the relocation of Foremost Buildings Inc. Other activities such as environmental reviews and preparing the required environmental records also saw substantial staff time commitment during the 2012 reporting period. Our involvement in the CDBG-EAP program helps assure job retention through business stabilization and long term flood recovery. We have assisted such business organizations as: Foremost Builders Inc. of Jefferson a metal building fabricator and Rivers Edge Meat Market in its relocation from the flood plain to its downtown Jefferson location. Also the former Chickens restaurant site has been flood proofed and is now called Heron's Landing with new dining and related amenities. The Jefferson Area Business Center, a small business incubator has completed over \$2 million dollars of renovation due to the flooding and should finalize its mitigation activities by the end of 2013. Additionally we assisted in relocating A1 Cable Co. to a new facility in Waterloo so that it may continue its wire harness manufacturing activities. The Town of Sullivan saw the repairs to the Rome Mill Pond as a great enhancement to the hydroelectric business operations that had begun just prior to the 2008 flooding and is now back on track to begin operations. There also were several public facility projects completed in Jefferson County which included sewer repairs in Fort Atkinson and road and culvert repairs for the Town of Milford.

The JCEDC is the administrator of a program known as the Community Development Block Grants-Economic Development (CDBG-ED) for Jefferson County. We continue to market the program and provide assistance for local business on potential lending assistance. The loan funds came from repayments from grants initially released to assist businesses located in Jefferson County. The repayments act as a funding source for the Jefferson County revolving loan fund which is then available to businesses with their job creation activities for such activities as start-up or expansion projects. As each loan is repaid, the Jefferson County Revolving Loan Fund (RLF) program balance replenishes and is then available to lend to other businesses in Jefferson County. The revolving loan fund balance as of December 31, 2012 was \$201,104.20 which reflects interest and principal payments received during the calendar year, less loans made in 2012, which was a \$60,000.00 equipment loan to Jim's Cheese, LLC for its purchasing \$149,000.00 dollar equipment expansion project. Jim's Cheese has committed to create 6 jobs over the next five years. We are required to report quarterly to the State of Wisconsin Department of Administration on the Jefferson County Revolving Loan Fund.

Jefferson County Economic Development Consortium applied for in 2011 and received a \$39,550.00 Joint Effort Marketing (JEM) grant to assist in tourism branding and marketing plan development for Jefferson County. In 2012 these funds were used to retain the Communication Team, a branding and marketing firm, which assisted in completing a branding and marketing plan initiative to promote tourism and destination activities in Jefferson County. The branding and marketing plan was submitted to the Wisconsin Department of Tourism as our path for destination branding for tourism. During 2012 our department spend substantial amount of its time assisting in the branding initiative which included research, brand development and marketing planning. During the market research phase leading up to the brand development eight asset categories were identified. These asset categories included entertainment, rural landscape, recreation, shopping, small communities and downtowns, location, cultural heritage and the arts. The result was to identify "OUTDOOR RECREATION" as our tourism brand. This brand will now be used to guide our marketing efforts and organization development for promoting Jefferson County as a tourism destination.

Our department is involved in tourism marketing activities such as assisting with the development and distribution of the 2012-2013 Jefferson County Official Guide. In addition, we respond to requests for tourism information and may then have to refer to various other organizations for further assistance, such as local municipalities, chambers of commerce, county parks and recreation departments. In addition, Dennis is an ex-officio member on the Jefferson County Tourism Council. The mission of the Tourism Council is to promote tourism in Jefferson County. Dennis attends the Jefferson County Tourism Council's monthly meetings. We also provided information to Wisconsin Department of Tourism for distribution at the State Fair as well as having had information at the 2012 Jefferson County Fair. Our role in tourism is important as tourism is a solid driver of economic development in Jefferson County. In 2012 the JCEDC Board of Directors approved and allocated funds totaling \$9000.00 to participate in the development of a focused video to promote Jefferson County bike trails and biking. The program will appear on television broadcast within the Wisconsin tourism demographic market in 2014.

In previous annual reports I identified that an essential duty and responsibility of the JCEDC Director is that he/she, "Lead the creation and maintenance of Economic Development element of the Jefferson County Comprehensive Plan." In 2012, I continued to work with University of Wisconsin Extension staff on various Economic Development Plan Implementation activities. This included activities such as providing information to such organizations as the Inter-county Coordinating Committee (ICC) as well as attending and participating in selected meetings held by the ICC. Additionally part of this process of community communication included attending numerous community events and meetings and relaying information about the implementation process and actions being taken. This included working with community leaders in Cambridge, Lake Mills,

Waterloo, Watertown, Fort Atkinson and Jefferson on a variety of local economic development issues including such activity as the creation of a local economic development organization.

Our active participation with regional economic development professionals such as Thrive, the Collaboration Council, and the Economic Development Professionals continued during 2012. These regional groups are comprised of the eight counties of Columbia, Dane, Dodge, Rock, Sauk, Jefferson, Green and Iowa. We support the success of our region by collaborating on economic development solutions. We met quarterly in 2012 to work on regional projects and initiatives. We realize and support the need to work together to promote our region and the advantages of economic development cooperation. With our partners we exchange information with participating members to improve our regional growth. The information and initiatives focus on our infrastructures, assets, community contacts and specifically includes detailed information about the composition of the county and our municipalities with such data as our transportation infra-structure, business/industries parks, hospitals and school districts/ higher education and the natural resources. Our participation gives Jefferson County representation in the region and helps us prepare for the future growth of the region.

The JCEDC continues to supply information to the Locate in Wisconsin website which was adopted in 2011. The project was designed to provide community data and information to site selection firms looking to locate in Wisconsin. This site provides community data/information such as community profiles, key businesses, business sites, industrial parks, and buildings available. Wisconsin Economic Development Corporation (formerly Wisconsin Department of Commerce) adopted this digital site and community data base known as Locate-in-Wisconsin. This tool required that JCEDC staff attend training sessions and workshops to learn about the 2012 changes to the information gathering process and how additional data would be uploaded. When a request for site information is received we may provide the information requested or may refer directly to the local communities for more detailed information and follow up. We previously reported that as more site location firms begin to use the internet we are incorporating more internet and electronic information into our department and are linking to regional organizations and their sites and information data-bases.

The JCEDC continues its effort to market the many benefits and advantages of Jefferson County to businesses interested in expanding, to entrepreneurs anticipating a startup of a new business, and to those companies considering whether to locate, expand or relocate to Jefferson County. Our philosophy includes utilizing our website to help “make connections and give direction “for those seeking information. We will continue to upgrade the website which is www.jcedc.net. We routinely provide press information for the local news media. This has included information on programs as well as various workshops and activities that we have hosted, participated in and/or sponsored. Additionally, we utilize the print media in advertising such activities as our Home Consortium rehabilitation program and the down payer’s assistance program.

Jefferson County Economic Development Consortium continued its strong working relationship with the Workforce Development Board of South Central Wisconsin (WDBSCW). WDBSCW has authorized JCEDC to access and disseminate information utilizing Strategic Advantage software. Strategic Advantage is economic modeling software which during the past five year period we routinely provided economic modeling information to various communities, businesses, leaders and agencies. The economic profiling and modeling software allows us to compile very specific modeling and profiling information for Jefferson County and the region. We frequently utilize this resource for research, site review and potential projects. During 2012, we received at least six separate requests for which we used this modeling software. JCEDC’ s use of this software helps us provide an economic impact model designed to provide a quantifiable and economically sound method for determining relative impacts of proposed or impending changes to our regional economy. As such, the software is not only an essential tool for guiding economic development, but is also invaluable in justifying the decisions made in respect to a specific project.

Our department collaborates with the University of Wisconsin-Extension, University of Wisconsin Whitewater and Madison College, formerly MATC, in an effort to bring information and programs to residents and the workforce of Jefferson County. In fact we typically have a Madison College representative that attends our monthly board meeting as an ex-official member. This allows our Board to receive current information and trends data to guide the decisions it makes. We inform business on various programs which they can utilize to enhance the skill sets of their workforce. Furthermore, we receive request from businesses about training and options available to assist them in job retention.

Qualified home ownership is a proven strategy toward stabilizing our workforce. As a participating member of the Home Consortium we look to programs which help achieve the goals of workforce stability and quality of life. The JCEDC utilizes the Home Consortium's resources to enhance the stability of the workforce as well as improving the quality of life for the citizens of Jefferson County. Through partnering with and utilization of various sub-programs discussed below we are able to assist more citizens of Jefferson County. The sub-programs and activities include the following:

- As the Administrator of the Jefferson County Home Rehabilitation Program, we assist low to moderate income (LMI 80% of County Medium income) households with homes that are in need of rehabilitation. In calendar year 2012, no program dollars were available to assist home owners as funding was placed on hold. Since the program beginning, late 2004, JCEDC provided over \$293,000.00 for home repairs to 23 separate families in Jefferson County. However during calendar year of 2012 we referred 2 families for rehabilitation loans directly to the Home Consortium rehabilitation program which allow these families to receive over \$30,000.00 to upgrade their primary residences.
- The JCEDC continued to partner with the Home Consortium and the Wisconsin Partnership to provide homebuyer education for down-payment assistance. Since we took over the counseling program we have now counseled 149 families which totaled 408 family members.

All of these activities contribute to workforce stabilization and enhances the property tax base due to these property acquisitions, improvements and rehabilitation. This translated into 40 home purchases with a total sales value of \$4,127,000.00. In 2012 JCEDC counseled 80 families, comprised of 193 family members for home ownership. These families were then able to purchase their first home which had an average price of \$103,175.00 which clearly reflects affordable housing in Jefferson County. These purchases represented \$363,000.00 of state and federal grant funds brought into Jefferson County for these 40 home purchases.

In our role as an information clearinghouse for economic development concerns we provide information to the business community. On a daily basis we answer questions and respond to inquires, which includes telephone, e-mail and in person exchanges, related to a variety of issues, such as; permits, local government issues, financing, educational programs, census and demographic information, and training assistance just to name a few topics. In working with the business community requests for information and assistance on such topics as refinancing, employment related information requests and economic trends continue to dominate the inquiries. The JCEDC remains committed to supporting the business community and maintaining a positive business climate. This includes developing and continuing programs which promote the "entrepreneurial spirit". As relayed in prior annual reports the JCEDC brought the Small Business Development Center's First Step business program to Jefferson County in 2004. The First Step program, utilizing University of Wisconsin Whitewater staff, counsels participants in the fundamentals of business as their "first step" toward starting their own business. By the end of 2012 the program now called "Opportunity to Profit", has assisted over 400 individuals with information and counseling about business and business startups. Staff has taken the on line course to be able to assist potential businesses with their first steps training. The program assists participants with business plan fundamentals and other technical

business development concerns. We routinely work with Whitewater staff to provide direction and resource for both product development and for business planning efforts. This includes working with the Innovation Center at University of Whitewater to assist businesses obtain market research and guidance for product development. In 2012 we met with staff at the Innovation Center to explore ways to assist start up business in the area of technology.

CONCLUDING REMARKS:

This 2012 Annual Report is designed to present examples of the department's activities/projects and outline the role of JCEDC in Jefferson County's economic development community. Our goal in this report is to give a cross section of a variety of our routine activities.

We strive to grow Jefferson County's economy and improve the quality of life for the citizens of Jefferson County. In our role as Jefferson County's lead agency for economic development the Jefferson County Economic Development Consortium welcomes your participation and values your input, all of which will help position the communities and Jefferson County for the future.

Do not hesitate to contact us.

Respectfully submitted this 16th day of March 2013

Dennis L. Heling

Dennis L. Heling
Economic Development Director
Jefferson County Economic Development Consortium