

DIRECTOR'S REPORT

June 3, 2016 – September 28, 2016

NEW DEVELOPMENT PROJECTS

Toledo Molding & Die (TMD): Toledo Molding & Die has entered into an agreement with Hendricks Commercial Properties (HCP) to lease the entire 100,000 SF spec building that HCP is currently constructing. TMD is a manufacturer of interior cockpit and hard trim components. The company will be supplying components for the Jeep Cherokee platform that will be assembled in Belvedere. The company will be investing up to \$14 million in the project and will be creating 118 new jobs with an average wage of \$35,000 a year. Preliminary production is expected to begin in February of 2017 and be at full capacity by May of 2017.

INDUSTRIAL DEVELOPMENT PROJECTS

Stateline Industrial Park: Hendricks Commercial Properties (HCP) recently announced that it has leased the entire 100,000 square foot spec building that it began construction on this spring. With this announcement HCP has determined that it will begin on Phase II of the project early in the spring of 2017. This second new industrial building will be a mirror-image of the first building and will sit further to the west at 375 Willowbrook Road. The development will include a speculative cross-dock building planned to be 100,000 square feet (expandable and/or divisible). The construction will utilize modern precast concrete and decorative brick and glass elements. The building will feature 32' ceiling heights, and ESFR sprinkler system, LED lighting, 8 dock doors, 2 drive-in doors, and 140-foot truck courts. The building will be expandable to up to 300,000 square feet. As with the original building, HCP will partner with CBRE to market the property.

Altra Industrial Motion: Altra Industrial Motion is planning a significant \$4 million renovation to its Gardner Street location in South Beloit. Work began in the spring of 2016 and be completed by 2017. This project is expected to create 30 new jobs and significantly increase its research and development and advanced manufacturing capabilities at its South Beloit facility. The City of South Beloit will construct and own a parking lot that will support the company's expansion.

Riverside Energy Center: Alliant Energy is preparing to build a combined-cycle, natural gas-fueled generating station and the Riverside Energy Center in the Town of Beloit. The 700 megawatt facility, enough to power 500,000 homes, has an estimated project investment of \$750 million. 200 to 300 construction jobs are expected to be created over a two-year period along with additional long-term operational positions upon completion. The project will also include a solar installation component that will allow Alliant to expand its renewable energy portfolio and will be coming on line in May 2017. The PSC recently provide written approval for the project. Demo work on the existing structures (including the candy striped smoke stacks) is well underway and start of formal construction work is expected to begin this fall and be completed in early 2019.

ConAgra Foods: ConAgra Foods is in the midst of a \$15 million expansion project at their South Beloit facility that could result in the creation of 100 – 200 new jobs. The fully renovated facility is scheduled to be completed by this year. The City of South Beloit and School District of South Beloit are providing a 10 year property Tax Abatement to support the project.

Former Cub Foods: Located at 20 Park Avenue the former Cub Foods building was purchased by Jim Athans who is in the process of renovating the building. Jim plans to repurpose the building into a light industrial use. Renovation work began last year and is nearing completion.

DuPont: DuPont is in the midst of a two-year effort to increase production at its Beloit enzyme production facility. This work includes a variety of capital projects that will result in over \$23,000,000 being invested this year alone. The project will result in the creation of 2 new jobs as well.

REDEVELOPMENT PROJECTS

200 West Grand and 80/100 East Grand: Hendricks Commercial Properties (HCP) has purchased the former Kerry manufacturing facility in Downtown Beloit at 200 West Grand Avenue. HCP will begin internal demolition of the facility in the near future on what will be a planned new mixed-use redevelopment project. HCP is also currently exploring potential reuse options for the former Kerry office building located at 80/100 East Grand Avenue.

Ironworks: The Beloit Ironworks is going through a \$38,100,000 renovation to make it a state-of-the-art mixed-use facility. The complex is undergoing a complete renovation of its southern wing including the recently completed Spine Road Project. A portion of the former “Beloit Corp. Headquarters Building” was recently demolished to accommodate an expansion of the private parking lot that serves the campus. The YMCA has begun construction on its new facility which it hopes to occupy in the first quarter of 2017. Mastercraft Exteriors recently located to Suite #310. Gbeta and SCORE recently added additional entrepreneurial development capacity to Irontek. The Hendricks Family Foundation has begun construction on the Hendricks CareerTek Center that will be providing early career awareness opportunities for local students and aid them with identifying viable pathways to viable careers. HCP has begun construction on a new state of the art golf simulation lab that will be located at 625 Third Street just off the new spine road.

The Powerhouse: Beloit College is getting closer to its goal to raise \$38 million to adaptively reuse the former Blackhawk Generating Station into a campus activity and recreation center that will include flexible meeting space, complete fitness/wellness center, food service, and a lecture hall/movie theater.

RESIDENTIAL DEVELOPMENT

Town of Beloit: The Town of Beloit is taking a more aggressive approach to marketing and providing incentive pricing to encourage residential development in Town owned subdivisions including: Blackhawk Run, Cora Court, and Heron Bay. The potential combined impact if all sites are fully developed include: 137 new homes, \$22.5 million in new tax base, and up to 600 new residents.

Beloit Senior Housing: Beloit Senior Living, LLC recently completed construction on a new assisted living complex at 2250 West Hart Road. The 44 unit residential care apartment complex includes administration, commons, and kitchen/dining area. The 5 acre site could accommodate up to 100 units as part of a phased development. Initial investment is estimated at \$5,000,000 and will create up to 24 jobs.

Cranston Elderly Care: Scheduled to begin construction in the spring of 2017 this recently announced project will create 20 new assisted living units at 1971 Cranston Road.

Hawk's Ridge: Hawk's Ridge Apartments, LLC plans on constructing 3 new 4 story buildings that will result in 400 additional multi-family units at their apartment complex in the Gateway Business Park.

Walnut Grove: WG Condominiums is in the process of developing 6 duplex condo units some of which are pre-sold.

Eagles Ridge Subdivision: New Leaf Homes continues to build single-family homes in the Gateway Eagles Ridge subdivision including 13 of the last 14 homes built since 2012. New Leaf is also in the process of platting the new Raven Drive Subdivision that will add 6 new home sites. Home values in this area range in value between \$154,000 and \$206,000.

COMMERCIAL DEVELOPMENT

Beloit Health Systems (BHS): BHS has begun construction on its new Hendricks Family Heart Hospital & Packard Cardiology Clinic. This \$13.8 million dollar project will include a hybrid operating room and 2 new cardiac cauterization labs. This 3 phase project is expected to be completed in 2017.

INFRASTRUCTURE IMPROVEMENTS

The widening of a 45 mile stretch of I-39/90 from 2 to 3 lanes from the Stateline to Madison continues. The project will include the reconfiguration and reconstruction of the I-39/90 and I-43 interchange and adding a third lane from the Stateline to Madison. Recently the state announced that it had committed funding for the project that should keep it on schedule. The reconstruction of the Beloit I-39/90 and I-43 Interchange is currently scheduled to begin in 2019 and be substantially completed in 2021.

The Milwaukee Road Improvement Project Phase 1 is scheduled to take place in 2017. The project will include new sidewalks, new crosswalks, updated pedestrian signal crossings, and some minor landscaping. Currently, the process has started to acquire the needed lands for the sidewalks. If everything goes smoothly with the land acquisition, construction of Phase 1 is expected to begin next spring.

Other notable Infrastructure projects planned, underway, or recently completed:

Branigan Frontage Road Realignment
Wisconsin Avenue Reconstruction (Woodward Ave. to White Avenue)
Colley Road Reconstruction (Gateway Blvd. to City Limits)

EDUCATIONAL INITIATIVES

The Mock Interview Program Spring Session just concluded and was very successful with over 210 students interviewed and over 140 hours of volunteer time committed to the program. A weekly tutoring program led by the Greater Beloit Chamber's Young Rising Professionals Group continues; A Job Shadow Program with over 80 Business Professionals and 40 Students involved; Career Cruising (Inspire Rock County) is being utilized by students and mentors; Career Panels held with over 300+ students; Irontek being used as a Tech Incubator for high school students in business/marketing classes. All of these Initiatives are geared to preparing students for the next step in their careers whether it be in the workforce or further educational opportunities. Career & Tech Ed Fair will be held on Wednesday, Sept. 21st @ Beloit Memorial High School.

STRATEGIC INITIATIVE

The Town of Beloit is has decided to adopted a more aggressive incentive pricing strategy for its Walters/Townline Industrial Park. This 85 acre Town owned park is located immediately adjacent to the Riverside Energy facility. Sites may be subdivided and will be offered for as little at \$1.00 depending on a projects overall economic impact.

WORKFORCE DEVELOPMENT

Earlier in the year Rock County 5.0 announced the launch of a new online, employment website that has been created to connect local companies and job seekers. The site was developed from input from local employers and is being launched at a time when companies are facing challenges to recruit qualified workers. The website includes features job postings that are able to channel through to major national job search websites such as Monster.com and Indeed.com. The site also features a career exploration section, reverse placement section, and a community information and resource section. The new site is located at www.jobsinrockcounty.com

The GBEDC along with the other Vision Beloit Partners have teamed up with several area large employers to form the Talent Retention and Recruitment Task Force. The Task Force is currently in the process of hiring a new part-time position a part of a

Pilot Program. The position, to be called the Community Concierge, will work to connect professional level employees and candidates with the individual, community, environmental, educational, residential, recreational, entertainment, social, volunteer, and other community resources that the community has to offer. The Community Concierge will provide a bridge between employers, employees, prospects, and the community to created opportunities for engagement across the community spectrum. The position is expected to be filled by October.

NEW LEADS AND PROSPECTS

Prospects Overview: As of 9/20/16 staff has responded to 4 new prospects since last quarter.

RETENTION/EXPANSION PROJECTS

Retention Activity Overview: As of 9/20/16 staff is assisted with 2 retention/expansion projects.

BUSINESS RETENTION & EXPANSION PROGRAM (BRE)

GBEDC staff recently conducted the following BRE interviews and/or courtesy calls:

Walmart
ABC Supply
Atlantic Specialty Bag
First National Bank and Trust
Fairbanks Morse Engine
Morse Group
Specialty Tools

To date 259 formal BRE interviews have taken place in Rock County.

Loan Portfolio Update

3 loans active
\$201,000 - lent out

Funds Available

\$326,021.30

GBEDC STAFF ACTIVITY

- Attended Visit Beloit Board Meetings
- Attended Chamber Board Meetings
- Staffed GBEDC Executive Committee Meetings
- Staffed GBEDC Business/Education Partnership Committee
- Staffed GBEDC Business Development Committee
- Participated in DBA ER Committee
- Participated in bi-weekly Rock County 5.0 conference calls
- Attended JIC Board Meeting
- Staffed Loan and Finance Committee
- Conducted WCLO Interview
- Assisted with SLU Presentation
- Participated in 520 East Grand Capital Campaign
- Participated in monthly Strategic Plan Vision Beloit staff meetings
- Presented to City Center Committee
- Staffed GBEDC Strategic Planning meeting
- Attended regular and special council meetings
- Managed Farm/Bill Board Leases
- Participated in South Milwaukee BID Luncheon
- Attended Mock Interview Planning meetings
- Attended Business Accelerator Conference
- Attended Rising Professionals meetings
- Presented to the Visit Beloit Hotel & Attractions Group
- Attended Site Plan Review Meetings
- Participated in BFAI Clean Up Day Event
- Hosted/Participated in MadREP/WEDC Fam Tour
- Met with Siepert's Accounting Firm
- Met with Rockford EDO Executive Director – Mike Nicholas
- Participated in 520 East Grand Capital Campaign
- Attended Pops On The Rocks Meeting
- Coordinated/Participated in DNR/WEDC meeting with HCP
- Coordinated/Participated in Community Concierge Meeting
- Attended Kerry Facilities and Security Meeting
- Participated in City of Beloit Strategic Planning Event
- Presented to Beloit Property Owners Association
- Attended WEDC Roundtable
- Attended Riverside Energy Groundbreaking
- Coordinated and Participated in 501(c)3 Bond Financing Meeting
- Presented at City of Beloit SIU Annual Meeting
- Hosted Rockford Chamber and EDO Executives Meeting
- Updated City TID and Economic Development Policies
- Met with gBETA
- Met with SDB Officials
- Coordinated/Presented to Multi-Bank Loan Pool Participants
- Met with Town of Beloit Administrator – Ian Haas
- Attended diner and Walk with Walker event

**SUMMARY OF
ANNOUNCED ECONOMIC DEVELOPMENT ACTIVITY
SEPTEMBER 2016**

<u>COMPANY</u>	<u>JOBS</u>	<u>NEW SQUARE FEET</u>	<u>INVESTMENT</u>
Ironworks Renovation	TBD	Renovation	\$38,100,000
DuPont	2	0	\$23,000,000
100 East Grand	TBD	Renovation	TBD
200 West Grand	TBD	Renovation	TBD
Former Cub Foods	TBD	Renovation	TBD
Riverside Energy Center	TBD	TBD	\$750,000,000
Altra	30	Renovation	\$4,000,000
ConAgra Foods Expansion	200	TBD	\$15,000,000
Stateline Industrial Park (Spec Bldg)	TBD	100,000	\$6,000,000
Toledo Molding & Die (TMD)	118	NA	\$14,000,000
Beloit Health System	NA	NA	\$13,800,000
Total	350	100,000	\$863,900,000