



DIRECTOR'S REPORT

December 5, 2018 – March 22, 2019

RECENTLY ANNOUNCED PROJECTS

ABC Supply Expansion: At the GBEDC Annual Meeting, ABC Supply's Director of Real Estate, Mark Singer, announced the Company's plans to construct a new 4-story office building to be located at the corner of White Avenue and Prince Hall Drive. This new 132,000 square foot building will be home to 270 to 300 employees initially and could house up to 600 employees when completely built out and fully occupied. This \$30.5 million dollar project is expected to be completed in early 2020. Office functions that will take place in the building include administrative, accounting, finance, and credit units.

Seal-Rite Door: Seal-Rite Door, which designs and fabricates high-performance, residential doors, has relocated its operations from Illinois to Beloit, where it will open a state-of-the-art facility in February to accommodate its growing business.

The company, a subsidiary of Palmer-Donovan Co., will open a 105,000 square foot facility in HCP spec building II, located in the 28 acre Wisconsin Stateline Industrial Park. The company has invested \$16 million into the expansion project and will create 84 new jobs when fully operational. The City of Beloit provided the site to HCP for \$1.00 and WEDC has awarded Seal-Rite \$250,000 in state tax credits over the next three years.

Clinkenbeard: Last year this manufacturer of complex metal castings relocated from Rockford to 810 Progressive Lane in South Beloit. This allowed the company to double in size by occupying 40,000 square feet for its engineering, machining, and shop operations. The company has 30 employees and has invested \$1.5 million into its expansion.

Casino Project: A significant milestone was reached this past November when the Department of the Interior's Bureau of Indian Affairs announced that it had published a notice of the availability of a Draft Environmental Impact Statement (EIS) for the Ho-Chunk Nation's proposal to develop a Casino Project in Beloit. That notice was followed up with a public hearing on the merits of the EIS that was held on December 11th at Aldrich Middle School. The hearing was attended by over 90 individuals many commenting in favor of the project including GBEDC staff. Both of these steps are indication of significant progress towards the Nation's efforts to gain final approval of the Project. The proposed Project will include a casino-hotel resort that will include a convention center, waterpark, retail and restaurant facilities. The proposed casino-resort would be built on 33 acre site adjacent to I-39/90 that is owned by the Ho-Chunk Nation. The Project is expected to create thousands of construction jobs and 1,500 full-time jobs. In June 2018 the GBEDC Board of Directors approved a Resolution supporting the Project.

INDUSTRIAL DEVELOPMENT PROJECTS

PBC Linear: PBC Linear, a Pacific Bearing Company has been manufacturing linear motion solution at their South Beloit facility since 1983. The company is eighty percent through the process of constructing a new state-of-the-art 66,000 square foot building that will house manufacturing, support offices, and a cafeteria. Expenditures for the new building will reach \$6.25 million when completed by the end of the year. This will be leveraged by an additional \$3.75 million in machinery and equipment in the new and existing buildings.

NorthStar Medical Radioisotopes LLC: In February NorthStar announced that it had gained approval from the USDA to produce radioisotopes in their RadioGenix System. This is a significant step forward in the company's ultimate plans to develop a production facility in

Beloit to produce USP Technetium-99m that are used in medical imaging procedures. NorthStar completed construction on its initial 50,000 SF facility in 2016 and with this USDA approval announced their plans to build a 20,000 square foot building addition. The company expects to have 165 employees on-site by the end of the year with more jobs being added as the company grows. Along with research and engineering, the Beloit facility will serve as a hub for processing, distribution, and recycling of radioisotopes. Construction is over fifty percent complete on this \$9 million project.

West Riverside Energy Center: Alliant Energy's 730-megawatt, natural gas-fired West Riverside Energy Center in the town of Beloit is more than 80% complete. There are about 550 workers now on site with about 25% of them being pipefitters. The project is fast approaching 2 million hours worked. To date, about 90% of construction waste has been diverted from the landfill. In early February, the Administration Building that is located next to the facility was completed and generating station workers now occupy it. Once everything is up and running later this year, operators will be able to run both the West Riverside Energy Center and the Riverside Energy Center from the control room in the newly-built Administration Building.

Project work continues on:

- Erection of the steam turbine generator
- Above Ground Pipe
- Pipe Supports
- Above Ground Electrical
- Water Treatment Building
- Warehouse Erection
- Powerhouse Siding

The West Riverside Energy Center is expected to go into service by the end of this year. The adjacent solar garden will be built starting in early 2020, with operation by the fall of next year.

The American Transmission Company (ATC) substation and transmission line needed for the generating station is on schedule for a spring 2019 completion.

REDEVELOPMENT PROJECTS

The Powerhouse: The Beloit College has completed its planning and capital campaign for this project and has formally entered the construction phase of this \$38 million renovation.

The College plans to adaptively reuse the former Blackhawk Generating Station into a student union and resource center that will include flexible meeting space, complete fitness/wellness center, food service, and a lecture hall/movie theater. The project will take advantage of state and federal New Market Tax Credits and Historic Tax Credits to support the project and is expected to open in 2019. In November Beloit College announced that the project's architect, Studio Gang Architects, had won top prize at the World Architectural Festival.

Ironworks: The Beloit Ironworks Campus on-going \$38,100,000 renovation to make it a state-of-the-art mixed-use facility continues to make great strides including recent notable projects such as:

- Kerry Connect Program
- Ebates Expansion
- First National Bank Expansion
- Expansion of IronTek

In addition to these, several existing tenants are currently considering expansion projects and new prospects are considering relocating here.

80/100 East Grand Avenue: Hendricks Commercial Properties (HCP) owns this former office building. The company continues to explore potential reuse options for the property but is planning on removing all the existing structures and in-filing with a mixed-use development. Demolition of the existing structures is planned for 2019.

200 West Grand Avenue Apartments: HCP has completed demolition of the former Kerry manufacturing facility located at 200 West Grand Avenue. HCP plans on renovating the entire 133,000 square foot facility into a 72-unit luxury apartment building. One, two, and three bedroom units along with studio units will be offered. Special featured amenities include: Indoor parking, in-apartment laundry, private balconies, unique floor plans with exposed brick, steel, and concrete. Common amenities include: gourmet kitchen, business conference center, dog wash station, patio and grilling area. The facility could see its first tenants move in later in 2019. Total project cost is estimated at \$12 million.

RESIDENTIAL DEVELOPMENT

Town of Beloit Residential Projects:

Blackhawk Run: located just east of Turner High School and contains a mix of duplex and single-family homes. Three units are currently under construction, with approximately 50 units remaining.

Courtney Condos: a duplex condominium development located just east of Turner High School. They have recently completed construction on their 5th building. Construction on building 6 of the 14 total buildings is expected to begin in the spring of 2019.

Glen Hills Plats 6 & 7: has been approved and will begin construction of infrastructure and homes in the spring of 2019. The 36 single-family lots contained in Plats 6 & 7 will complete the Glen Hills development which was started in the mid-90s.

River Bay Estates: located on the Rock River just north of Preservation Park, contains a mix of single-and multi-family lots. The first of the 26 buildings started construction in late last year.

Walnut Grove: WG Condominiums has developed and sold several duplex condo units and has received approval from the City of Beloit to develop an additional 6 additional units with two currently under construction.

Eagles Ridge Subdivision: New Leaf Homes continues to build single-family homes in the Gateway Eagles Ridge subdivision. New Leaf has completed construction on the Raven Drive cul-du-sac and building homes in the subdivision. Furthermore, the developer has had a third subdivision approved that will open up 22 new lots for residential development. Construction on the extension of Eagles Ridge Drive was expected to be completed in spring of 2019. Homes in this area range in value between \$154,000 and \$206,000.

Hawk's Ridge: Hawk's Ridge Apartments, LLC has begun construction last year on 1 new 4 story building that will result in 58 additional multi-family units at their apartment complex in the Gateway Business Park. The estimated Assessed Value of this project is \$11.4 million. The building in expected to be completed in April.

Assisted Living Project: Beloit Elderly, LLC, the same developer that developed Willowick Assisted living project in 2017 is proposing to develop a second 96 unit assisted living complex at 2420 Cranston Road. Construction start is planned for this spring of 2019 with completion expected by the end of the year.

COMMERCIAL DEVELOPMENT

G5 Brewing Co.: Late last year, Lee and Jill Gunderson announced they had broken ground on their new craft brewery which will be located in the Gateway Business Park. Along with a full restaurant and bar the planned 10,005 square foot facility will have the capacity to brew up to 12 regular and season beers and will have the ability to produce up to 10,000 barrels annually. The company plans to hire up to 60 full and part-time employees and will invest \$2.8 million into the project. Construction is expected to be completed by the end of April.

Holiday Inn Express: KDN Hospitality plans on building a 124 room, 6 stories, 84,000 square foot Holiday Inn Express on the former Wickes Lumber Site. Construction is underway with a targeted completion date of early fall.

INFRASTRUCTURE IMPROVEMENTS

South Beloit Public Wastewater Treatment Plant: The City of South Beloit broke ground June 2018 on its new \$34.7 million wastewater treatment plant. Construction has reached the twenty percent completion point and actively will be constant until the new plant is operational which is expected to occur in the summer of 2020.

SDB Welcome Center: One of the outcomes of the Beloit 2020 sponsored 4th Street Corridor Planning Charrette that took place in 2017 was a recommendation that additional design attention should be paid to creating a master plan for Beloit Memorial High School. Therefore, a team of consultants (City of Beloit, GBEDC, Beloit 2020, and School District of Beloit) staff/representatives meet frequently last year to develop the plan. The School District of Beloit is in the midst of constructing a major component of the Plan. This component included the Welcome Center that will provide a centrally-located facility at the corner of 4th Street and Maple Avenue to serve families, staff, and citizens. It will also provide space for staff development and will be used as a center to attract student and academic talent to the district. Construction is on schedule involving on average twenty construction workers per day. This \$5.5 million project expected to be completed summer of 2019.

Oak Grove Avenue: The City of South Beloit is reconstructing Oak Grove Avenue from Blackhawk Boulevard south to the rail road tracks. The project will involve new curb and gutter, sidewalks, street lighting, replacement, and a new lighted traffic control system at the intersection of Blackhawk Boulevard and Oak Grove Avenue. This \$1.9 million project is scheduled to have its second layer of asphalt laid in early spring to complete the project.

I-39/90 Expansion: This year WDOT announced that it was accelerating its construction schedule for the widening of 45 miles of I-39/90 from 4 to 6 lanes from the Stateline to Madison. The project will include the reconfiguration and reconstruction of the I-39/90 and I-43 interchange into a diverging diamond interchange configuration. Construction activity is expected to be continuous now through the projects scheduled completion in 2021. The GBEDC and fellow Vision Beloit Partners will be providing staff resources to aid the business owners in the Milwaukee Road Corridor and Gateway Business Park that will be impacted by the disruption caused by the project.

EDUCATIONAL INITIATIVES

The Committee has been looking for ways to continue to build strong partnerships between the private sector and local educators. The committee has added South Beloit High School and Beloit Turner to the committee and we are seeing great collaboration among the districts. We are continuing our talent pipeline development work and have sent survey's to all Greater Beloit Chamber of Commerce members and local non-profits to verify accuracy of the model as well as identify local needs.

- South Beloit High School has expanded the **Craftspeople with Character** program into a high school course in the spring of 2019. Hendricks CareerTek and Blackhawk Technical College, in collaboration with local high schools, conducted the first CwC program in the summer of 2018. While the plan is to continue the program in the summer of 2019, SBHS is conducting a 15 week program (5 weeks per business). The rising junior and senior students complete job shadows at three businesses and include soft skill development. In addition to career exposure, the students complete OSHA 10 training.
- Over 60 area rising senior high school students will be participating in the 2019 Summer **Rock Internship Program**. This is an increase over the two dozen students last year. During this six week, structured, earn-and-learn program the interns will report to their assigned worksites Monday through Thursday for meaningful career pathway experiences. Then on Friday, the interns will be at Blackhawk Technical College for topic-specific seminars, as well as individual and group activities.
- Several committee members have been participating on a guiding team with Blackhawk Technical College in the **Blackhawk Makers and Scholars programs**. A pilot program was developed in spring 2018 and a guiding team has been meeting to finalize the structure. The purpose of this program is to introduce students to technical education and jobs while being embedded in a company prior to graduation. This program is in development and pilot businesses are finalizing the plans for summer 2019.
- Mitch Briesemeister, BMHS CTE Director, introduced community leaders to the **PENCIL** (Public Education Needs Community Involvement and Leadership) in the summer of 2018. A sub-committee has been meeting to discuss the potential for the Beloit community.
- The **Practice Interview Program** will be taking place at Beloit Memorial High School throughout April, 2019. This program is for all Juniors at BMHS regarding interview preparation, resume building, and a practice interview with a local professional. If you are interested in supporting this event by investing 90 minutes of your time to interview students please contact Stephanie Bailey. We looking forward to another great year with this program.
- We have begun planning discussions for a **2019 Business and Education Summit**. We will update the group on date, time, and topics soon.

STRATEGIC INITIATIVES

STRATEGIC PLANNING: Earlier in the year the GBEDC's Strategic Planning Committee issued an RFP to solicit proposals from consulting firms to assist the GBEDC to prepare its next three to five year Strategic Plan. In March the committee selected Redevelopment Resources to fulfill this role. The process to develop the plan will begin in April with the goal to have the GBEDC Board approve the final plan at its September Board Meeting.

Website Refresh and SEO Re-Engagement: The GBEDC engaged the services of Hagadone Digital to develop a refresh of the Corporation's website: www.greaterbeloitworks.com that was launched in September. Staff continues to work with Hagadone to develop a new SEO strategy to improve the sites rankings and functionality.

Quality Of Life Video Project: In support of the website refresh project staff is working to develop a series of videos that when added to the site will drive traffic, rankings, and add

more animation. The first video will be a brief four seasons "Quality of Life" video that will be shared by all the Vision Beloit Partners. This project is being led by Visit Beloit who will be providing extensive "B Roll" video footage that they have assembled over the last two years. A rough cut has been completed and a final version is expected by summer.

Multi-Family Housing Initiative: The GBEDC Executive Committee hired R.H. Batterman and Associates to develop a multi-family housing master plan for a 15 acre City of Beloit owned site in the Gateway Business Park. The GBEDC Business Development Committee included this concept plan in a request for proposal that was issued this past summer to qualified developers. One proposal was submitted by Forward Construction Group. Currently Forward Construction is finalizing its design concepts, cost estimates, and project schedule which they intend to present to the City in the early fall.

Vision Beloit: The Vision Beloit Partners who still occupied offices at 500 Public Avenue (GBEDC, Visit Beloit and DBA) made a tough decision this past summer to willingly agree to terminate their lease with HCP. This allowed HCP to utilize our former suite to accommodate additional space requirements needed by the Hotel Goodwin project that was caused by the determination that the basement area could not be used as originally planned. Instead of moving into newly renovated offices as planned in September we remained in temporary and separate locations. We are currently exploring several promising options for locating into a new office suite in downtown and hope to be back together in our new location by the end of next year.

St. Paul's on the RiverFront RFP: In March the City of Beloit issued an RFP to solicit proposals from interested parties to redevelop the former Angel Museum building known as St. Paul's on the RiverFront located at 656 Pleasant Street. The City is seeking a developer to transform the site into a new use that is compatible with the surrounding land uses, compliment the existing business mix, and will be economically viable long-term. The City is considering lease and sale options. Proposals are due at the end of March with the goal to select a developer proposal by the end of April.

NEW LEADS AND PROSPECTS

Prospects Overview: As of 3/22/19 staff has responded to 3 new prospects since last quarter.

RETENTION/EXPANSION PROJECTS

Retention Activity Overview: As of 3/22/19 staff is tracking 6 retention/expansion projects.

BUSINESS RETENTION & EXPANSION PROGRAM (BRE)

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

Tru Aseptics
Senz Insurance
St. Thomas Resale Shop
Vongahlen
HB Specialty Foods
Blackhawk Community Credit Union

To date 290 formal BRE interviews have taken place in Rock County.

GBEDC STAFF ACTIVITY

- Attended Visit Beloit Board meetings
- Attended Chamber Board meetings
- Staffed GBEDC Executive Committee meetings
- Staffed GBEDC Business/Education Partnership Committee meetings
- Coordinated Practice Interview Program
- Staffed Business Development Committee meetings
- Prepared quarterly report for RFF
- Attended Ethics Training
- Attended JIC Board meeting
- Participated in Beloit Casino Project Public Hearing
- Conducted WCLO Radio Interview
- Participated in Vision Beloit Partners meeting
- Attended regular and special council meetings
- Presented to Golden K's
- Presented to Ambassadors Club
- Assisted with Quality of Life and Working in Beloit Video Projects
- Staffed efforts to refresh website and restart SEO efforts
- Met with Multi-Family Developer
- Participated in Investment/Recruitment call
- Participated in WEDC Legislative Committee
- Prepared and released RFP Audit
- Attended Opportunity Zone Training Events
- Participated in Disaster Table Top Exercise
- Participated in Site Plan Review Meetings
- Attended PECIL meetings
- Provided Staff Resources to help plan for the reconstruction of I39/90
- Attended WEDA Governor's Conference on Economic Development
- Participated in Forward Janesville Goes to Washington DC Event
- Attended Chamber Annual Dinner
- Prepared and released Audit Services RFP
- Meet to discuss Karis Field Area
- Met with Retail Consultant
- Staffed Strategic Plan Committee
- Prepared and Issued St. Paul's on the RiverFront RFP and prepared building for open house
- Started the process to update the Retail Leakage Report
- Met with School District of Beloit regarding the House Build Project

**SUMMARY OF
ANNOUNCED ECONOMIC DEVELOPMENT ACTIVITY
MARCH 2019**

| <u>COMPANY</u> | <u>JOBS</u> | <u>NEW SQUARE FEET</u> | <u>INVESTMENT</u> |
|------------------------------|-------------|----------------------------|----------------------|
| NorthStar Phase II | TBD | 20,000 | \$9,000,000 |
| 100 East Grand | TBD | Renovation | TBD |
| 200 West Grand | NA | Renovation | \$12,000,000 |
| West Riverside Energy Center | 20 | NA | \$700,000,000 |
| G5 Brewing Co. | 60 | 10,005 | \$2,800,000 |
| Holiday Inn Express | TBD | 84,816 | TBD |
| Powerhouse | TBD | Renovation | \$38,000,000 |
| Hawk's Ridge Apartments | NA | 67,583 | \$11,413,400 |
| PBC Linear | TBD | 66,000 | \$10,000,000 |
| ABC Supply Expansion | 270 | 132,000 | \$3,500,000 |
| Clinkenbeard | 30 | Renovation | \$1,500,000 |
| Total | 380 | 380,404 | \$788,213,400 |