



INVESTOR RELATIONS COUNCIL QUARTERLY UPDATE JULY, 2013

The second quarter of 2013 was marked by the launch of our website, the initiation of our Site Readiness Project, work with several new expansion and attraction clients, on-going visits with our region’s primary employers and continued struggles with securing the funding needed to sustain full operations of our economic development organization.

FUNDING PROGRESS

With support from 47 Investors, and 16 Supporters from both private and public sectors, the Fox Cities Regional Partnership has exceeded \$650,000 in annual pledges of support. This strong support leaves us in a continuing fundraising mode in pursuit of the \$800,000 annual target established through the Garner Report process. Staff and our Leadership Team are making regular contact with potential Investors, and are confident that we will yet exceed our goal.

2013 DELIVERABLES: PROGRESS REPORT

The following table outlines progress made to-date against those items that the Fox Cities Regional Partnership has committed to deliver during 2013.

PROMISED DELIVERABLE	PROGRESS UPDATE
<p>A minimum of 100 structured visits to primary employers within our service area. Such visits are made for the purpose of:</p> <ul style="list-style-type: none"> • Identifying opportunities to provide resources to advance potential expansion projects and pursue other business opportunities • Identify issues that may be inhibiting business growth • Identify companies considered to be at-risk • Gather data to be used to identify local business trends 	<p>Forty-six structured visits were completed by the end of June. In several instances, specific company concerns were identified, appropriate referrals made, and solutions pursued.</p>
<p>Marketing of the service area, including but not limited to:</p> <ul style="list-style-type: none"> • Construction and maintenance of a state-of-the-art economic development website focused on a targeted audience of site selection consultants. The website will house current information on the following, but not limited to: the region’s laborshed 	<ul style="list-style-type: none"> • Website launched on July 12, including GIS-enabled property search function. • Regional Partnership Executive VP attended the February Site Selection Guild Annual Conference with 26 site selectors in attendance, and The Roundtable in the South in June, where he met with eight site

<ul style="list-style-type: none"> ○ infrastructure ○ tax and regulatory climate ○ available economic incentives ○ community amenities ○ education and demographic information ○ industry profiles ● Construction and maintenance of a GIS-enabled web-based real estate data base, including the region’s available commercial and industrial property, searchable by size, type and location. The data base will also allow the user to: <ul style="list-style-type: none"> ○ Construct demographic, consumer expenditure and wage and salary reports at a radius or commute time of the user’s choosing around a selected property ○ Participation in a minimum of two industry trade shows, with emphasis on identified targeted industry groups ○ Formal contacts with a minimum of 150 industry prospects for the purpose of marketing the Fox Cities as a business location ○ Formal, individual in-person contacts with a minimum of 25 site selection consultants for the purpose of marketing the Fox Cities as a business location 	<p>selectors. He will attend the Roundtable in the Desert in October, where he will meet with another eight.</p> <ul style="list-style-type: none"> ● Regional Partnership staff is currently making final arrangements to host a site selector familiarization tour in early October. Some 20 site selectors and spouses have been invited, with an expectation of perhaps as many as eight that may accept. This event will be a two-plus day event, during which the Regional Partnership and its partners will have the opportunity to showcase the opportunities available throughout the Fox Cities region. ● We will attend a national trade show involving the food processing industry in early November.
<p>Assist in packaging available federal, state and local economic incentives for expanding and relocating employers</p>	<p>Staff is involved in this on-going activity (see client report below)</p>
<p>Provide working connectivity with other economic development partners, including NEW North and the Wisconsin Economic Development Corporation (WEDC)</p>	<p>Staff currently sits on the Board of Directors and on the Marketing Committee of New North, and participates in the activities of NEWREP, which is a collaboration of economic development professionals within the New North region. We work with WEDC on several of our client projects.</p>
<p>Development of a client lead management system, including:</p> <ul style="list-style-type: none"> ● Distribution of leads to economic development partners ● Facilitation of site visits ● Record keeping and reporting ● Communication with client ● Research and data collection in response to specific identified client needs 	<p>System is in place (see client report above)</p>

CLIENT REPORT

The following clients are currently being managed by the Fox Cities Regional Partnership.

Client Number	Referral Source	Expansion/Attraction	Description/update
13001	Direct (company)	Expansion	Neenah company expanding existing facility by 14,000 sq. ft. and possible 5 new positions. Regional Partnership involved with facilitating information on permitting and incentives. Project qualified for state tax credits, but client declined due to requirement to provide personal financials.
13002	Direct (company)	Expansion	Neenah company looking to add 10,000 square feet to existing facility, and add 2-4 new jobs. Regional Partnership involved in clarifying TIF boundaries and coordinating access to potential state tax credits and labor training resources.
13003	Direct (company)	Attraction	Wisconsin-based distributor of mail order snacks considering Fox Cities region for location of a facility in which it would fulfill orders. Company would employ 150-200 in assembly function. Currently considering multiple locations, and determining when to move forward with project.
13004	WEDC	Attraction	Project California. Beverage manufacturer looking to purchase an existing building in Wisconsin. Needs 250,000 sq. ft. of dry warehouse space. 100 jobs initially, growing to 250 over three years. Project parameters sent to our regional partners. No suitable buildings submitted. FILE CLOSED
13005	New North	Attraction	Project Montana. Industrial client looking for either existing building of 30,000 sq. ft., or greenfield site of 7 acres. Project includes 32 new jobs. City of Appleton, Town of Grand Chute and City of Kaukauna submitted properties directly to New North. 7/13: Grand Chute property has made initial cut in site consideration.
13006	Direct (site selector)	Attraction	Project Snackmaster. Established national food processing company in early stages of multi-midwest state search for processing and warehousing operation. Project involves identifying suitable 25-35 acre site for construction of 150,000—200,000 sq. ft. building. 100-200 new jobs. Project announcement anticipated by the end of 2013, groundbreaking at beginning of 2014 construction season. Submittals by: Esler, Pfefferle, City of Neenah, Town of Menasha, City

			of Appleton, Town of Grand Chute, City of New London, Town of Harrison, Village of Little Chute
13007	Direct (company)	Expansion	Bear Creek manufacturer of children’s exercise item has received interest from major U.S. retail anchor for potential large orders. Family business, not prepared for this type of growth, but would like to position themselves to potentially take advantage of the opportunity. Meeting with client revealed many significant challenges, including absence of business plan, absence of some solid business practices, accounting principles, marketing plan, cost-awareness, legal requirements, etc. Initial meeting included representatives from WEDC and Outagamie County. Regional Partnership included a representative from SCORE, who is currently taking the lead on having initial steps completed.
13008	Direct (company)	Expansion	Calumet County manufacturer looking at expansion of existing facility or relocation to southern state as part of an aggressive growth strategy. Project would include approximately 50,000 sq. ft. of new space, and 50-65 new jobs. Company concerned about potential land use issues on current site. 75% of current revenue generated from customers located in SE U.S. Needs to identify answers to concerns prior to August Board of Directors meeting where location decision is likely to be made. Staff is engaged in facilitating access to land use answers, incentive information, etc.
13009	Consultant	Expansion	Food processing client looks to expand significantly. Needs 50,000sq. ft. warehouse/production facility for 1-3 year lease. Concurrently, client is looking for 100-acre, rail-served site on which it intends to build 1-1.5 million sq. ft. headquarters/production operation, with 400-800 new jobs, depending on the level of automation. Looking for property from DePere to Oshkosh, west to Hortonville.
13010	Direct (company)	Start up	Local business persons look to establish deli, restaurant, bar and retail operation. Application received for Outagamie County Revolving Loan Fund. 38 new jobs associated with operation, assuming approval of loan.
13011	CAP Services	Expansion	Independent welding and fabrication shop providing customized products for walk-ins to supplying parts to local industries. Application received for Outagamie County Revolving Loan Fund. Three new jobs associated with operation, assuming approval of loan.

PROGRESS ON GARNER REPORT RECOMMENDATIONS TO-DATE

The Garner Report, commissioned by the Fox Cities Chamber of Commerce in 2011 and completed by Garner Economics, LLC, included a detailed assessment of the Fox Cities region and a strategic plan for the first regional economic development organization to serve our area. The Report included 27 recommendations intended to promote the success of this new organization. The following is a summary look of our progress toward fulfillment of these recommendations.

GARNER REPORT ORGANIZATIONAL RECOMMENDATIONS SUMMARY

Recommendation	Responsible Org	Schedule	Estimated Cost	Tactic	Progress update
Consolidated Government	Chamber	2012-2013	NA	Engage UW-Oshkosh School of Public Administration Master of Public Admin program to conduct a cost benefit analysis	None to-date
Municipal Economic Development Ombudsman	Each municipality	2013	Salary and benefits	Identify an economic development point person in each community	Most larger communities have such a person in place
One Stop Permitting	Each municipality	2013-2014	NA	Establish one-stop permitting process	Little known progress
Community Benchmarking Visits	Chamber	2012	Typical per person cost is \$1,200-\$1,500	Establish program of regular inter-city visits	Visit made to Metro Denver EDC and Denver Metro Chamber with a dozen Fox Cities representatives in August, 2012
Engage outside counsel for funding	Chamber	2012	\$25,000 for feasibility analysis	Engage a firm that specializes in conducting capital campaign for economic development	RDG engaged in 2012 to conduct formal funding campaign. Chamber Board ended contract early

					in 2013
Sustainable funding for economic development infrastructure and programs	Chamber, WI legislature	2012-2013	NA	Each County or municipality should create sustainable funding source for economic development	None to-date
Understanding the economic development process	Chamber	2012-2017	\$20,000 per year	Bring in national speakers quarterly related to topics on economic development	John Sampson of Northeast Indiana Regional Partnership spoke in March, 2013. Ronnie Bryant of Charlotte, USA Regional Partnership spoke in July, 2013
Incentives	Cities, Counties, Towns and Villages	2012-2013`	NA	Each governmental jurisdiction should create a uniform incentive policy and post on respective websites	Discussions held at FCEDP. Incentive table a part of Fox Cities Regional Partnership website
Business Retention and Expansion efforts	Chamber/Municipalities	2012-2013	NA	Chamber establish a full time staff person devoted to business retention/expansion	Josh Dukelow, Existing Industry Manager hired in July, 2012
Fox Cities Chamber reorganization	Chamber	2012-2013	\$600,000 per year +/-	Economic development function should be structure to focus on: <ul style="list-style-type: none"> Existing industry retention/expansion, Industry attraction Entrepreneurship Public policy advocacy 	Existing industry retention/expansion and industry attraction programs established. <p>Entrepreneurship programs already established with SCORE, SBDC, Venture Center</p> <p>Chamber has established public policy advocacy function</p>

				<p>, leadership development, workforce and education</p> <ul style="list-style-type: none"> • Marketing and communication 	<p>Young professionals group (Pulse/ leadership development) will be directly aligned with Regional Partnership structure beginning in August, 2013</p>
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GARNER REPORT PRODUCT MARKETING RECOMMENDATIONS SUMMARY

Recommendation	Responsible Org	Schedule	Estimated Cost	Tactic	Progress update
Image Survey	Chamber	2012	\$25,000	Conduct a brand identity and image survey of the region with site selectors, companies within targeted industry and large existing employers	None to-date; budget limitations
Unified Brand	Chamber, CVB, other EDO's engaged in external business recruitment	2012-2013	\$50,000-\$75,000	Adoption of a name that appears on the map for external marketing purposes	Name changed to Appleton Regional Partnership, but re-named to Fox Cities Regional Partnership after significant negative feedback

Marketing the sub region	Same as above, New North	2012-2017	\$50,000-\$100,000 annually	Work in unison with New North in messaging specifically for the sub-region of the three county Fox Cities region	--Regional Partnership staff participate on the Board and Marketing Committee of New North --Site Selector Familiarization Tour of Fox Cities region scheduled for early October --Staff has attended site selector conferences in February and June, with a third scheduled for October
Establish target industry working groups for each of the four focused targets	Chamber	2012-2013	NA	Create task forces or working groups that seek input into the knowledge of other business leaders within these clusters and industry targets	Food Processing Council will convene first meeting August 1, with Manufacturing Council targeted to convene by mid September
Focus the Chamber's external marketing efforts	Chamber	2012-2017	\$25,000-\$50,000 per year	Focus external marketing efforts and trips on the highest value trade shows and events for each cluster or targets	We plan to attend the Food Processing Suppliers Association trade show in November
Lead Generation and Target Profiling	Chamber	2012-2017	\$25,000-\$50,000 per year	Consult with firm to generate qualified prospects within industry targets	None to-date due to infrastructure and budget limitations
Company solicitation	Chamber	2012-2017	See above	Plan visits to areas of high geographic	See above

				concentration of qualified prospects	
International travel/business solicitation	Chamber	2012-2017	\$25,000 per year	The Fox Cities region should pursue targeted businesses whether they are in Seattle or Singapore	None to-date
Web site	Chamber	2012	\$35,000	Enhance the Chamber's web site to offer the resources that an economic development audience needs	Fox Cities Regional Partnership website with GIS-enabled property search function scheduled to launch 7/12/13

GARNER REPORT PRODUCT IMPROVEMENT RECOMMENDATIONS SUMMARY

Workforce Development	Chamber, K-12, FVTC, Existing Industries, four year institutions	2012-2017	NA	--Identify common needs among existing industries and communicate them to policy makers --Engage k-12, FVTC and four year institutions to create ability for students to graduate from high school with AA degree --Create career awareness of cluster occupations through internships --Explore the concept of a stand-alone, vocational and technical high school	--Existing industry visits are identifying common issues that will be incorporated into activity reports --Chamber Competitive Workforce Initiative involved in linking students with industry internships
Shovel ready sites	Chamber	2012-2013	\$50,000-\$75,000 for due diligence	--Engage interested municipalities to participate in jointly owned municipal park --Solicit proposals	Established a Site Readiness Program which will identify development sites and complete due diligence around

				for land submissions to consider --Employ engineering firm to analyze and conduct due diligence of top 2 sites for review	utilities, zoning, property control, environmental, archeological and endangered species compliance. Program targeted to launch by end of August
Airline Subsidy	Airport Authority	2013	In excess of \$1 million	Subsidy would be predicated on a sustainable funding source noted in the organizational recommendations	None to-date
Political Institute	Chamber	2012	NA	Host a political institute to help train and increase understanding of the local political process	Fox Cities Regional Partnership will conduct an "Economic Development 101" workshop for community leaders in 4 th quarter, 2013
Entrepreneur-ship	Several	2012-2014	NA	--Develop a base of early-stage capital options --Support angel investors --Ensure that risk capital is available in underserved rural areas --Put regulatory and licensing processes on-line --Use one-stop business and licensing models Work with immigration lawyers and US Immigration Service to expand and promote EB-5 visa for immigrant workers	We continue to develop partnerships with SCORE, SBDC, Venture Center that have already established programs in support of entrepreneurship
Creating a Culture of Creativity and Openness	Chamber, City of Appleton and others	2012-2017	NA	Chamber and City of Appleton should utilize Action Greensboro's approach in engaging a broader acceptance of diversity in the Fox Cities region	We note increasing attention being paid to diversity issues. Two recent illustrations: An April 25 Chamber "Pulse" informational event on the local Hmong

					population, and ThedaCare’s January 23 Community Health Action Team’s Plunge Breakfast, focused on support of the region’s LGBT populations
Free Wireless in the CBD	Cities	2012-2013	NA	Install free wireless broadband in the central business district	None to-date. Some discussions have occurred, but no action taken

SITE READINESS PROGRAM AIMED AT MORE EFFECTIVE MARKETING OF FOX CITIES REGION

Any successful salesperson must be able to demonstrate a thorough knowledge and understanding of the product that they intend to sell. The same holds true with the marketing of a community. We must be able to let prospective employers know exactly what we have to offer them.

As a key element of marketing our community, we must be able to communicate exactly what a buyer can expect when purchasing a property for development. In the world of economic development, this includes know where the water and sewer lines are located, their sizing, the property’s zoning, asking price, any environmental, endangered species or archeological constraints, etc.

Working with members of the Fox Cities Economic Development Partnership (FCEDP), the Regional Partnership is nearing completion of a Site Readiness program that will encourage up-front completion of due diligence items in order to be better prepared to make a sale.

Increasingly, site selectors are referring their clients to so-called “certified sites,” in an effort to minimize the overall risk to their clients. If the Fox Cities region is to compete effectively, it must do whatever it can to have information in place, and any concerns with the property mitigated in advance if possible.

The Site Readiness program will also include certain elements of standardization for response to inquiries—such a standardized mapping templates. Uniformity of presentation will also go a long way to assuring that our region is being perceived as professional and knowledgeable.

The final touches are currently being developed for the program, with an anticipated program launch of late August.

OVERALL ASSESSMENT OF PROGRESS TOWARD ECONOMIC DEVELOPMENT GOALS

With the launch of our organizational website, we have significantly enhanced our ability to effectively market our region. Going forward, our reports will provide analytics that will reflect website activity—giving us some indication of the level of interest in our area.

It seems that our region is still largely complacent with regard to the need for urgency with regard to economic development. Layoffs at Oshkosh Truck and the closure of a power plant in Kewaunee will negatively impact our area, and should serve as strong calls to action, yet these announcements do not seem to have raised the level of community dialogue or concern that one would expect.

Certainly a recent report constructed and released by NewGeography ought to get the community's attention, but to this point there has been little reaction. The study, measuring the strength of the local economy by way of job strength over time, shows that both the Appleton as well as the Oshkosh-Neenah Metropolitan Statistical Areas (MSA's) lost significant ground in relation to the rest of the nation in each study category.

Going forward, the success our economic development efforts will depend not only on effective external marketing and image building, but also on the extent to which our region chooses to concern itself with the condition of our local economy and mobilize itself around stimulating additional primary job creation.