

# WAUKESHA COUNTY ECONOMIC DEVELOPMENT STRATEGY

## ECONOMIC DEVELOPMENT ORGANIZATION

NOVEMBER 13, 2015

### STRUCTURE TEAM REPORT

#### Objective:

Development of a proposed structure for an Economic Development Organization for Waukesha County. The structure should consider a Not-for-Profit component to be eligible to manage U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) revolving loan funds. The structure should also consider coordination with organizations providing workforce development services as well as financial assistance to businesses.

#### Workgroup:

- Suzanne Kelley, President, Waukesha County Business Alliance
- Mary Baer, Waukesha County Business Alliance
- Laura Catherman, Waukesha-Ozaukee-Washington Workforce Development Board
- Tim Casey, Economic Development Administrator, City of Brookfield
- Jennifer Andrews, Community Development Director, City of Waukesha
- Mike Payne, R&R Insurance
- Matt Williams, AbbVie
- Mike Mooney, MLG Capital
- Barry McNulty, We Energies
- Patti Kneiser, Froedtert Health

#### Staff:

- Shawn Lundie Chief of Staff, Waukesha County Executive
- Dale Shaver, Director, Director of Parks and Land Use
- Jerry Braatz, University of Wisconsin - Extension

The Economic Development Organization (EDO) Structure team met three times to analyze the structures of existing economic development organizations in other counties, discuss strengths and weaknesses of those structures as they relate to existing services in Waukesha County and prepare this final set of structure recommendations. The following recommendations are grouped by general topic.

#### Not-for-Profit Status:

The structure team analyzed several existing economic development organizations with respect to not-for-profit status. The following table and information summarizes the research which lead to the recommendations.

<b>County</b>	Brown	Kenosha	Racine	Washington	Overland Park, Kansas	Jefferson, Colorado
<b>Not-for-Profit Structure</b>	501c3 (under chamber)	501c4	501c3 (not with chamber)	501c4	501c6 Chamber 501c3 Foundation	501c6

## IRS Exemption Organization Options:

### 501(c)(3)

To be tax-exempt under section 501(c)(3) of the Internal Revenue Code, an organization must be [organized](#) and [operated](#) exclusively for [exempt purposes](#) set forth in section 501(c)(3), and none of its earnings may [inure](#) to any private shareholder or individual. In addition, it may not be an [action organization](#), *i.e.*, it may not attempt to influence legislation as a substantial part of its activities and it may not participate in any campaign activity for or against political candidates.

Organizations described in section 501(c)(3) are commonly referred to as *charitable organizations*. Organizations described in section 501(c)(3) are eligible to receive tax-deductible [contributions](#) in accordance with Code section 170.

#### Considerations:

- Easier for donors
- Contribution is deductible
- Organization needs to demonstrate service is otherwise done by public sector (relieves responsibility)
- Limitations on advocacy
- Limitations on use of donations
- The application for 501(c)(3) status needs to clearly indicate it is for the creation of an economic development corporation, otherwise misconstrued it is being created as a Chamber of Commerce.
- Can receive Community Development Block Grant funding for revolving loans
- "Sales Force" software is free to 501(c)(3) organizations
- Microsoft software is provided to 501(c)(3) organizations

### 501(c)(4)

To be tax-exempt as a social welfare organization described in Internal Revenue Code (IRC) section 501(c)(4), an organization must not be organized for profit and must be operated exclusively to promote social welfare. The earnings of a section 501(c)(4) organization may not [inure](#) to the benefit of any private shareholder or individual. To be operated exclusively to promote social welfare, an organization must operate primarily to further the common good and general welfare of the people of the community (such as by bringing about civic betterment and social improvements). Seeking legislation germane to the organization's programs is a permissible means of attaining social welfare purposes. Thus, a section 501(c)(4) social welfare organization may further its exempt purposes through lobbying as its primary activity without jeopardizing its exempt status.

#### Considerations:

- Less restrictions on use of funds
- No advocacy limitations
- Greater flexibility in use of funds
- Traditionally free software is not available to 501(c)(4) organizations

- Corporate foundations may have challenges donating to a 501(c)(4) organization.
- Can receive Community Development Block Grant funding for revolving loans

### **Recommendations:**

The structure team recommends the EDO contain a not-for-profit status to be eligible for certain state, federal, grant and donated financial resources. Following analysis of other economic development organizations, a discussion of the benefits of each option and a legal review of the appropriate tax codes, **the Structure Team specifically recommends the EDO contain a 501(c) 3.**

### **Board Structure and By-Laws:**

The Structure Team analyzed the board structure and by-laws from several economic development organizations.

### **Recommendations:**

**Executive Committee** – the EDO executive committee should consist of the Board Chair, Vice-Chair, Secretary, Treasurer, Past Chair, Waukesha County Executive or Designee (Ex-officio) and At-Large Member.

**EDO Board Structure** – a Board of Directors consisting of between fifteen (15) and twenty-one (21) voting members should be created. The Board should be composed of a diverse mix of talent and industries well-suited to advancing the EDO’s mission, strategy and interests. Selection criteria should consider:

- Representatives from key business sectors (i.e. manufacturing, health care, business services, IT, retail, finance, construction, commercial development). Additional selection criteria for business sector representatives should consider:
  - Business stage (1, 2 and 3)
  - Type of position (C-suite preferred)
  - Diversity
  - Geographic location

In addition to voting members, the Board should include several public sector representatives as ex officio (non-voting) members such as:

- Workforce Development (i.e. W-O-W Workforce Development Board)
- Education (K-12, post-secondary, technical)
- County Board Chairman
- Municipal Officials

Consideration should be given to having some of the business representatives on the Board be previous customers of the EDO. Those business representatives would be the best “cheerleaders” for the EDO in the community and can provide first-hand feedback. While it will take some time for the new EDO to build up a base of customers, this may be an additional factor when considering business representation.

**By-laws** – Good samples are Washington County, WI and Jefferson County, CO.

## **Organization Position Descriptions:**

### **Director / Senior Vice President**

The primary responsibility of this position is the management and leadership of the organization by directing the strategic, programmatic, financial and administrative operations. This position needs to establish strong working relationships with area business leaders, public officials, community development professionals, commercial developers and other community leaders. This position reports to the Executive Committee of the Board of Directors. (Attached to this report is a sample position description).

### **Business Contact Representative**

This position is responsible for serving as the central point of contact for businesses looking for data, financing, networks and workforce to support their growth needs. To be effective, this position needs to establish strong working relationships with the W-O-W Workforce Development Board, local municipalities for development areas, businesses, other organizations that support business start-ups and financing, and state and federal economic development agencies. (Attached to this report is a sample position description).

The Small Business Development Center (SBDC) within the University of Wisconsin – Extension Division for Business and Entrepreneurship has offered to provide financial assistance toward the selection and placement of a Business Outreach Specialist to be placed within an EDO in Waukesha County. Since the position would be a State employee through the SBDC system, the Structure Team recommends using their position description (Attached).

**Note:** The structure team identified that one Business Contact Representative for all of Waukesha County will probably not be sufficient. Final position numbers could be adjusted based on available administrative financial resources and response to a request for proposals / information from potential organizations desiring to serve as the economic development organization.

### **Marketing and Communications Representative**

The Structure Team recommends that the EDO retain a marketing consulting firm to assist in the development of the initial branding, website development and communications strategy. This is recommended because a full service marketing firm would have the staff resources necessary. Once the initial branding is established, the Structure Team recommends the EDO retain in-house staff for on-going research, marketing and communication support to the organization. An example of this position is the Policy and Communications Coordinator with the Overland Park Kansas Economic Development Council.

### **Finance / Loan Manager**

The Structure Team recommends contracting with a financial service entity to administer the collaborative loan fund. This approach significantly reduces the cost, work and liability associated creating an internal collaborative loan fund servicing function. As the collaborative loan fund grows in size, the decision to establish an internal administrative function could be revisited.

## **Business Outreach Communications:**

The structure team recommends the economic development organization, through the designated representative(s) serve as the single point of contact for business growth needs in Waukesha County. The single point of contact needs to serve as a “211” call center to connect businesses with existing services. Those services include workforce

availability and development, financial resources, growth strategy development and connection to other businesses. As the “211” single point of contact, the Business Contact Representative needs to follow through to ensure connected services are being provided in a timely and helpful manner.

More importantly, the Business Contact Representative needs to proactively reach out to businesses in Waukesha County to inquire about their growth needs then connect them to services as described in the “211” call center model. The metrics for contact strategy as it relates to number of businesses annually, targeted business sectors and contact outcomes will be determined based on the Business Growth Strategy for Waukesha County being developed by the Economic Development Strategy Workgroup.

The business contact strategy should also include an Outreach / Retention Team approach. In these cases, the Business Contact Representative would have determined the most efficient method of contacting and assisting a business would be through a team approach consisting of subject matter representatives providing financial, business development, workforce and education ( WCTC, higher education, and K-12) services.

Finally, the Structure Team recommends the EDO coordinate with existing business assistance service providers to use a client service tracking system that allows for the Business Contact Representative to monitor services being provided to the client.

## **Budget Overview:**

The following estimated first year budget overview was prepared based on research of comparable economic development organizations and expected service cost.

### **Expenses**

Salaries and Benefits	\$249,000 (\$125,000, 57,000 plus 30% and 49.7% benefits respectively)
Operation Expenses	\$50,000
Marketing and Branding	<u>\$200,000</u>
	\$500,000

### Revenues

Governmental Revenues	\$350,000
Grants and Donations	<u>\$150,000</u>
	\$500,000

# **ECONOMIC DEVELOPMENT DIRECTOR**

## **Job Description**

The Economic Development Director is responsible for planning, implementing and overseeing the organization's economic development activities. Under supervision of the Executive Committee will work to implement the mission and goals of the organization, update the economic development strategy, and prepare an annual plan of work and budget for approval.

## **Examples of Duties**

- Plan, update, coordinate and implement economic development activities, which support the economic development strategy for Waukesha County with a primary focus on Business Retention, Business Expansion, and Business Attraction.
- Serve in an advocacy and liaison role on behalf of local businesses through partnerships with board members, political and community leaders, local economic development professionals, industry experts, chambers of commerce and the real estate community.
- Maintain clear and open communication with the Waukesha-Ozaukee-Washington Workforce Development Board for workforce development and recruitment.
- Coordinate work of the Business Services Manager with the University of Wisconsin Extension Small Business Development Center.
- Establish and maintain a liaison with federal and state organizations including the U.S. Economic Development Administration and the Wisconsin Economic Development Corporation.
- Seek out and coordinate preparation of applications for federal, state and foundation grants related to economic development assistance.
- Serve as an information resource to business and industry seeking financial, location and other assistance.
- Administer and manage the day-to-day operation of the organization and supervise any subordinate staff.
- Perform other duties at the discretion of the board.

## **Abilities, Skills and Knowledge**

- Thorough knowledge of business and economics.
- Thorough knowledge of economic development financing and marketing.
- Ability to establish and maintain effective working relationships and partnerships with board members, subordinates, colleagues, local, state and federal officials, the business community and the general public.
- Ability to plan, organize, and effectively present ideas, concepts, and recommendations.
- Ability to develop, interpret, and apply policies and procedures, federal, state, and local laws, rules, and regulations.
- Ability to communicate effectively, both orally and in writing.

- Thorough knowledge of administrative, managerial, and supervisory principles and practices including budgeting, planning, program evaluation, and employee supervision.
- Ability to deal with confidential information.
- Ability to prepare and negotiate agreements.
- Ability to anticipate challenges and take initiatives in being pro-active.
- Ability to multi-task and meet adjusting deadlines.
- Ability to define problems, collect data, establish facts, and draw valid conclusions.
- Ability to read, analyze, and interpret common technical journals, financial reports, and legal documents
- Administrative skills in the areas of researching, organizing information, and broad computer skills.

### **Education and/or Experience**

A Master's degree in Economic Development, Business Administration, Marketing, Urban Planning, Public Administration or related field; and five (5) years related experience. Certification as an Economic Developer is encouraged.

# **BUSINESS SERVICES MANAGER**

## **Job Description**

Under general direction, the Business Services Manager is primarily responsible for recruiting, retaining, and expanding businesses and industries and assists in the development of updates to the economic development strategy to continue to improve the business climate in Waukesha County and other related matters as assigned.

## **Examples of Duties**

- Providing leadership and focus on creating and developing an Economic Development team to implement and support the economic development strategy for Waukesha County with a primary focus on Business Retention, Business Expansion, and Business Attraction.
- Assists businesses with expansion projects (incentives, international trade, workforce development and recruitment, supply chain logistics, etc.)
- Serves in an advocacy and liaison role on behalf of local businesses through partnerships with board members, political and community leaders, industry experts, and the real estate community.
- Maintain strong working relationships with local municipal land use and economic development staff to implement development and redevelopment objectives.
- Creates on-going communication strategies with existing businesses.
- Maintains a business database tracking business activity, contacts, business information, business expansion and recruitment efforts, etc.
- Develops and maintains professional relationships typically achieved through networking, trade shows/conferences, and membership in Economic development Associations.
- Responds to prospect package requests from such various sources including city partners, brokers, site selectors, and businesses.
- Collaborates with the Waukesha-Ozaukee-Washington Workforce Development Board to create response strategies to meet business workforce needs and market programs to existing and prospective businesses.
- Assists in engaging universities, community colleges, K-12 and other partners to discuss and create solutions for skilled worker shortages.
- Collaborates with local organizations to meet start-up assistance needs.

## **Abilities, Skills and Knowledge**

- Through knowledge of economics.
- Ability to respond to common inquiries or complaints from customers, regulatory agencies, or members of the business community.
- Ability to deal with confidential information.
- Ability to be responsible for negotiable instruments, Funds Collected and Funds paid out.



- Ability to learn new information quickly, to adapt to changing circumstances quickly and to choose correct options to help assure positive and correct results.
- Ability to anticipate challenges and take initiatives in being pro-active.
- Ability to multi-task and meet adjusting deadlines.
- Ability to work effectively independently and in a group.
- Ability to write articles for publication that conform to prescribed style and format.
- Ability to effectively present information to top management, public groups, and/or boards of directors.
- Ability to define problems, collect data, establish facts, and draw valid conclusions.
- Ability to read, analyze, and interpret common technical journals, financial reports, and legal documents
- Management expertise to include public communications, decision-making and conflict resolution, addressing legal issues, program planning, management, and budgeting.
- Administrative skills in the areas of researching, organizing information, and broad computer skills.

### **Education and/or Experience**

A Bachelor's degree in Economic Development, Business Administration, Marketing Urban Planning, Public Administration or related field; and five (5) years related experience. Certification as an Economic Developer is encouraged.



## **Small Business Development Center (SBDC) Business Consultant**

**UW-Extension Division for Business and Entrepreneurship**

### **DRAFT**

The Small Business Development Center within the UW-Extension Division for Business and Entrepreneurship invites applications for a SBDC Business Consultant (legal title: Outreach Specialist).

### **ORGANIZATIONAL DESCRIPTION:**

The Wisconsin SBDC is an accredited network of 12 centers located at four year UW campuses and UW-Extension. Wisconsin SBDC's are funded and managed in collaboration with U.S. Small Business Administration and are part of a national network of nearly 1,000 centers. The program supports entrepreneurs and business owners through no-cost, confidential consulting and targeted educational programs. SBDC consultants facilitate improvement and growth for small and emerging mid-size companies and help launch successful new companies.

### **POSITION SUMMARY:**

The Outreach Specialist provides consulting services and educational programming to business owners, managers, professionals and prospective entrepreneurs primarily in Waukesha County trade area. He/she also works with community partners to fulfill the UW-Extension's mission of statewide service.

The selected incumbent will report directly to the UW-Extension Division for Business and Entrepreneurship's Associate SBDC State Director for Strategic Operations. This position requires extensive contact with people outside of the University, including business owners, managers and professionals; elected officials; economic development organization leaders and staff; media; and the general public. Traveling within the state as well as working occasional evenings are required. Providing or performing other related services or duties as needed will also be expected.

### **PRINCIPLE DUTIES:**

#### **Small Business Consulting (70%)**

The Outreach Specialist provides no cost, one-on-one consulting services focused on helping small business clients start new firms, grow existing firms, obtain financing and capital and improve their management capabilities.

- Interview prospective SBDC clients to determine their primary needs and establish the services to be provided.
- Work with qualified small business owner/managers and prospective entrepreneurs on an ongoing basis to lead to business success and economic impact.

- Work with SBDC clients in the areas of venture feasibility analysis, business plan writing, business start-up issues, financial projections, expansion, marketing and sales, operation management, human resources and other business management areas.
- Travel on a regular schedule to deliver services primarily to the counties in the geographic area. Most client meetings will be in-person and you can also communicate with clients via phone, e-mail and internet video. Travel to serve clients outside of the primary counties will be required when needed.
- Use SBDC provided business analysis and strategy tools when appropriate. Training is provided.
- Utilize SBDC best practices when working with clients to ensure quality service.
- Be an excellent listener and have the ability to provide feedback and suggestions to clients in a timely, professional and organized manner.
- Work toward meeting established metrics set by the Associate SBDC State Director in conjunction with the SBDC offices of La Crosse and Madison.
- Review client cases to ensure quality standards and initial screening issues have been addressed.
- Comply with all client record keeping and reporting requirements in a timely and thorough fashion.

### **Business Education and Program Administration (20%)**

The Outreach Specialist manages and delivers a limited set of SBDC business startup education or management education programs. These could include First Steps, the SBDC Entrepreneurial Training Program (ETP) or other small business learning events, based on the needs of the geographic territory.

- Conduct needs assessments and market research to identify viable topics.
- Plan course offerings, develop a delivery plan and conduct program evaluation.
- Develop and implement a marketing and promotion plan to obtain attendance for education offerings.
- Teach or coordinate the teaching and delivery of education events. Be on-site at all education programs.
- Work with UW-Extension Division for Business and Entrepreneurship to develop program budgets, and summarize actual revenues and expenses for individual events.

### **Regional Service and Economic Development (10%)**

The Outreach Specialist works in concert with others in the stakeholder group with a focus on enhancing the development of successful businesses in the geographic area.

- Work closely with county-based economic development organizations to support business development activities and small business's ability to obtain financing.
- Work closely with stakeholder partner agencies such as UW-Cooperative Extension county agents, business alliances, regional universities and technical colleges and local governments.
- Work with economic and community development organizations, such as Chambers of Commerce, Main Street programs, downtown business groups, or others.

- Serve on local and regional committees and boards as appropriate and approved by the direct supervisor.

## **QUALIFICATIONS:**

**Required:** The qualified candidate will be highly customer service oriented, possessing effective oral and written communication skills to proactively work with business owners to identify challenges, opportunities, and help craft solutions. S/he will have experience and knowledge of business finances (preparing financial projections, interpreting and analyzing financial statements), marketing, operations and human resource management. Demonstrated management or business unit level experience addressing complex business problems and/or business ownership experience is necessary, along with comfort writing and reviewing business and marketing plans. The selected candidate must demonstrate the ability and means to meet the travel requirements. A Bachelor's degree in business or related field is required.

Preference will be given to candidates with small business consulting or economic development experience. Public speaking, presentation and social media experience are desired. Additional education beyond a Bachelor's or specific certifications and related trainings are assets.

## **APPOINTMENT TO THE POSITION:**

Salary and appointment to this position are commensurate with experience. The appointment renews annually, contingent upon successful performance, continued funding, and determined need by the institution.

## **APPLICATION:**

Required application materials are: (1) a cover letter that summarizes how your qualifications meet the expectations of this position; (2) a current resume; (3) contact information for three professional work references, including minimally one contact who has been your immediate supervisor; and (4) colleges transcripts for each of your degrees. Unofficial copies of final college transcripts are acceptable when applying for this position. Official final college transcripts are required upon hire.

## **TO APPLY:**

All applicants wishing consideration must apply online and attach all required application documents/materials at the time of application. [Insert Link](#)

Applications will be accepted until the position is filled. Preference will be given to applications received by midnight xxxxxxx.

For questions regarding the position, please contact Donna McLaughlin ([donna.mclaughlin@uwex.edu](mailto:donna.mclaughlin@uwex.edu)) (608-263-7794). For technical online questions or assistance, please contact UW Service Center at (888) 298-4159. For all other questions please contact [hrstaff@uwex.uwc.edu](mailto:hrstaff@uwex.uwc.edu).

## **OTHER INFORMATION:**

The University of Wisconsin-Extension provides equal opportunity in programs and employment and is strongly committed to maintaining a climate supportive of respect for differences and equality of opportunity. The University of Wisconsin-Extension does not discriminate on the basis of age, race, creed, color, disability, sex/gender, sexual orientation, national origin, ancestry, religion, marital status, identity as a veteran, disabled veteran, Vietnam veteran

or any other military service, arrest record or non-program related conviction record. We promote excellence through diversity and encourage all qualified individuals to apply.

It is the policy of UW-Extension to provide reasonable accommodations for qualified individuals with disabilities who are employees or applicants for employment. If you require an accommodation to participate in any part of the hiring process, please contact Human Resources at [hrstaff@uwex.uwc.edu](mailto:hrstaff@uwex.uwc.edu).

A criminal background check will be conducted prior to employment. In compliance with the Wisconsin Fair Employment Act, convictions and pending charges will be considered only as they relate to this position.