

**FITCHBURG COMMUNITY & ECONOMIC
DEVELOPMENT AUTHORITY**

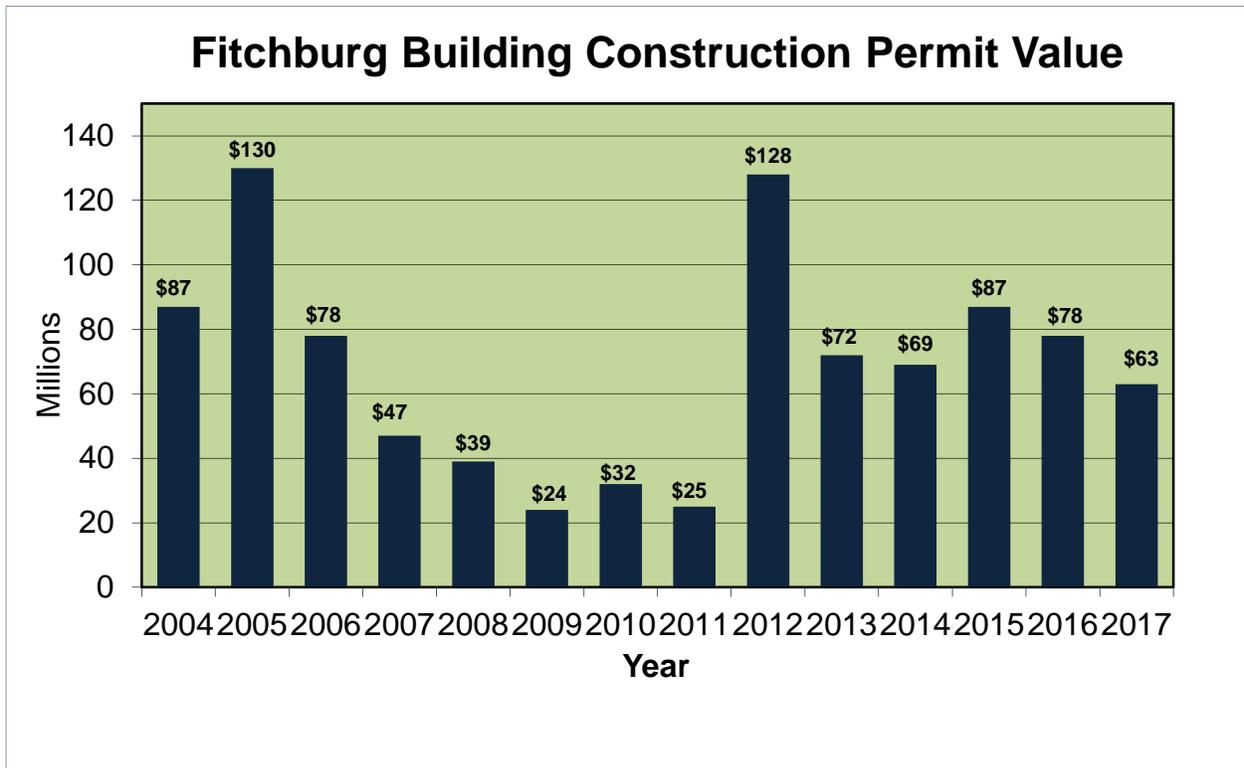


ANNUAL REPORT 2017

Executive Summary

Fitchburg Community and Economic Development Authority
Julia Arata-Fratta (Council Rep) Chair, Stewart Brown, Dan Hardy, Tony Hartmann (Council Rep),
Michael Hanson, Andy Potts, Vice-Chairman and Arlene Silveira
Staff liaisons: Michael Zimmerman and Joyce Frey

CITY OF FITCHBURG New Construction Value in Millions



2017 Nets \$63 Million in New Construction Value

Fitchburg's construction activity for 2017 was near \$63.5 million in value. A total of 965 building permits were issued. Of the 965 permits issued, 2 were for multi-family dwellings totaling 202 units. 7 permits were for commercial buildings and/or alterations. One commercial permit was issued for construction of retail/office building on North Fish Hatchery Road. 49 new single-family dwellings were constructed in 2017 along with 8 two-family dwellings.

The number of existing businesses has remained at a steady rate of +/- 750, for the 2016 and 2017. 1995 was the first year that the City established a listing of the number of businesses located in Fitchburg. Since then, the percentage of increase in the number of businesses is up 164 percent. Business retention visits have indicated that the economy is progressively getting better, with some existing business expansion projects that were previously put on hold, now moving forward.

ECONOMIC DEVELOPMENT

The Barn at Sub-Zero is Ready for Training to Begin



Construction of a 6,000 square foot training facility is complete. Sub-Zero Group made a capital investment of \$5.41 million. The new training facility is located west of Sub-Zero's manufacturing facility.



Benjamin Investment 3 Story, Class A Office Building First Tenant is KL Engineering

The Benjamin Investments, completed the 54,000 square feet, three story, Class A office building and has its first tenant. KL Engineering took occupancy of the second floor in May of 2017. This new building has set the standards for redevelopment in the Jamestown/Anton Drive Neighborhood.



Cameca Instruments Facility is Complete



Cameca's new \$6,000,000, 28,568 square foot, research and development, manufacturing and office building is now completed. Cameca Instruments, manufacturer of high-precision microscopes, became the second graduate out of the New Venture Center incubator and accelerator building.



Midwest Decorative Stone Gets a New Home



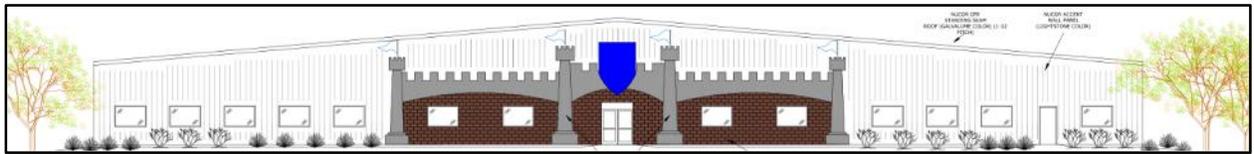
Midwest Decorative Stone razed its old office building and is constructing a new, two story, 4,199 square foot corporate office.

Staybridge Suites Opened on August 28, 2017



Staybridge Suites, a 100 room extended stay hotel, located in the Orchard Pointe Development, hosted its first guests on August 28, 2017. The property features 1,800 sq. ft. of meeting space, movies theatre, basketball court, bike storage, putting green, pool, fitness center and much more.

Noble Knight Games to Relocates Fitchburg



Noble Knight Games, an online distributor of board games, selected the Fitchburg Commerce Park as the site for a new facility and will be relocating to Fitchburg from Janesville. Noble Knight will be starting construction of a 45,000 square foot warehouse, distribution and office building in 2018. In addition to the above mentioned activities, Noble Knight will also have a retail and gaming area where you can come and play games with your family and friends.

North Fish Hatchery Redevelopment Sparks a New Retail and Office Building

The North Fish Hatchery Road corridor continues to be an area that developers are looking at for development and redevelopment opportunities. In 2017, a new retail and office building was constructed near the intersection on Greenway Cross and North Fish Hatchery Road. With an opening date of early 2018, the retail area will be home to a Jimmy Johns Sandwich Shop and Caribou Coffee/Einsteins Bagels, which will feature a drive-thru. The second floor is office space available for lease.



CEDA Marketing and Promotion via Print



CEDA continues to support the City's marketing efforts by purchasing ad space in the Fitchburg Chamber Visitor + Business Bureau guide and map and the Madison Region Economic Partnership (MadREP) annual publication. The Fitchburg Chamber guide circulation is 18,000 copies. The MadREP publication print circulation is 8,000. In addition to the MadREP print ad, the City has a banner on the online version of the magazine.

Forward Fitchburg: Implementation and Branding Initiatives



The City continues to implement the wayfinding throughout the community. In 2017, staff worked with the Friends of the Senior Center to install vehicular signage on the Civic Campus. Staff and Zebradog is finishing the final design for future vehicular wayfinding signage throughout the City. Watch for the signs installation to begin in 2018. Fitchburg branded flags have also been installed at City facilities.



Verona Road Business Coalition: 2017 Review and Accomplishments



The Verona Road Business Coalition (VRBC) continues its advocacy, education, communication, marketing and promotion for the Verona Road area businesses. As part of their advocacy, the VRBC was present at all weekly construction meetings with WisDOT and their project team, included WisDOT at its Annual Meeting, Oktoberfest fundraiser and at the “Road is Open” Ribbon Cuttings. 2017 brought new challenges for the VRBC as the east frontage road was constructed in one of the City’s major employer hubs. In addition to getting employees to and from work, this area is home to several manufacturers who have daily shipments in and out. The VRBC coordinated wayfinding signage for the detours during this phase of construction. VRBC held four educational marketing seminars with over 100 attendees. The VRBC organized the Small Business Saturday campaign for the Corridor, expanded the “Jingle & Mingle” Holiday Open House, “Road is Open” Ribbon Cutting and the second annual Town Hall Meeting at Ten Pin Alley and its third Oktoberfest celebration at Quivey’s Grove. Other significant accomplishments for 2017 was the development of a marketing plan and a mobile app that will be launched at the annual meeting in 2018. Fifty+ individuals volunteered over 600 hours to the VRBC in 2017. The VRBC raised \$25,109 in cash sponsorships and in-kind donations. Mike Zimmerman serves on the Executive Board and Joyce Frey is on the marketing committee.

BUILDING OUR FUTURE
VERONA ROAD BUSINESS COALITION

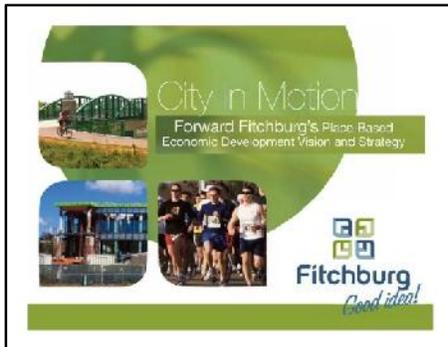
VeronaRoad.info

“Unleashing Generational Awesomeness to Increase Employee Performance and Customer Satisfaction” was the Theme of the 2017 Fitchburg Business Appreciation Luncheon Featuring Karrie Landsverk as the Keynote Speaker

On Tuesday, October 3rd, 330+ Fitchburg business owners, civic leaders and City guests attended the annual Fitchburg Business Appreciation Luncheon at the BTC. This year’s keynote speaker was Karrie Landsverk, Professional Speaker and Pastor at Living Gospel Church in Rio, Wisconsin. Karrie has over 20 years of leadership expertise from businesses of all sizes including high level leadership roles for nearly a decade with a Fortune 500 company. She has seen all sides of business from the corporate world to small business, which means she has experience working with multiple generations. Through her keynote; “Unleashing Generational Awesomeness to Increase Employee Performance and Customer Satisfaction”, Karrie shared how each generation can learn from each other by first understanding how each generation prefers to be communicated with. Certain generations prefer a call, others like email and millennials use text. Once you understand these differences, communicating gets easier.



The Fitchburg CVBB and CEDA Partner to Update the Economic Development Strategic Plan and Branding



In 2012, the Fitchburg Chamber and the Community and Economic Development Authority partnered to develop an economic development strategic plan and brand architecture for the City. The guiding document, the City in Motion, laid out a 5-year strategy for both the City and the Chamber. In late 2017, the two organizations partnered again to start to update the plan for the next five years.

Economic Development Team Continues to Market the City of Fitchburg to Targeted Industries

As part of the membership in the Wisconsin Technology Council and BioForward, the economic development team has the opportunity to market the City of Fitchburg to businesses that are part of the City's industry clusters that make up the local economy. Each year, staff attend the Entrepreneurs' Conference and the Early Stage Conference which allows the team to meet and network with start-up and existing businesses and share why it is a "Good idea" to be in Fitchburg.



CEDA Sponsors Brews, Bites & Bytes and Wisconsin BioHealth Summit



CEDA sponsored the Wisconsin Technology Council's Brews, Bites & Bytes and the Wisconsin BioHealth Summit which was offered by BioForward. At these events, staff was allowed the opportunity to network with Fitchburg tech companies and innovation leaders.



Coming in 2018, @Edge, Live Work



As technology continues to change the way people live and work, so will a new development called @Edge, Live Work. This development that will take a former clean fill site and convert into a mixed-used neighborhood with 510 residential units, of which, 177 will be live/work units. The perfect place for today's entrepreneurs.

Request for New Rail Crossing to Improve Safety in Uptown Fitchburg Development

As development continues in Uptown Fitchburg and the City breaks ground on a new fire station on the corner of Syene and West Clayton Road, the City, in an effort to improve safety, is working with Wisconsin and Southern Railroad on a joint application to the Office of the Commissioner of Rail to request a new at-grade crossing at Central Park and to close the existing at-grade public crossing at West Clayton Road.



Latino Chamber of Commerce Moves to Fitchburg



The economic development staff worked with the Latino Chamber of Commerce to find them a new location in the City of Fitchburg. The Chamber is now located in the Fitchburg Commerce Park at 2881 Commerce Park Drive.

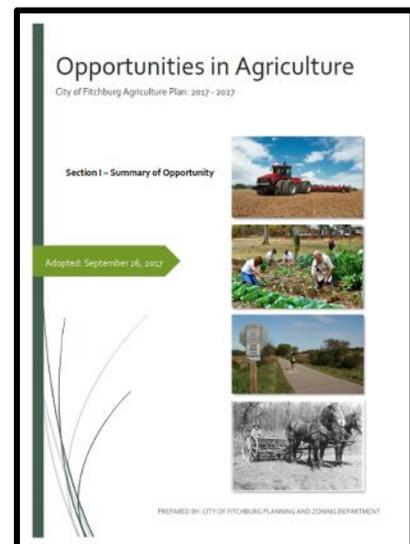
Anton Drive Plan Was Approved by the City



The Anton Drive Plan was approved and the Fitchrona Road extension was completed in 2017. Mike Zimmerman served on the Anton Drive Steering Committee. Since being approved, interest in the neighborhood has increased significantly.

Ag Plan Identifies New Opportunities for Farmers

In an effort to preserve agriculture in the City, Wade Thompson, Project Planner and the Ag and Rural Affairs Commission put together a comprehensive study of opportunities in farming and agriculture. Mr. Thompson presented the plan to CEDA to provide feedback on the study. Farming is still an important contributor to the Fitchburg economy as well as the state as a whole.



Sub-Zero Parkway Extension Coming in 2018



Economic Development staff, along with Public Works and Administration worked with the private landowner to secure an easement for the extension of Sub-Zero Parkway from the Sub-Zero Campus to Seminole Highway. The road is expected to be completed by July of 2018.

As the Economy Improves, RFP's are on the Rise

Economic Development staff spent time in 2017 preparing and responding several Request for Proposals or Requests for Information from MadREP, WEDC and other private site selectors. Several of the projects that were made public, such as Amazon and Exact Sciences unfortunately were not successful, the City awaits announcements from other requests.



Agrace Grief Counseling Center Opens at 2906 Marketplace Drive



A much needed service is now offered in Fitchburg. Agrace Grief Counseling Center opened its doors to help those who have lost a loved one receive support from professional therapists. Economic development staff worked with the property owner on a conditional use permit and zoning update to allow this essential service in Fitchburg.

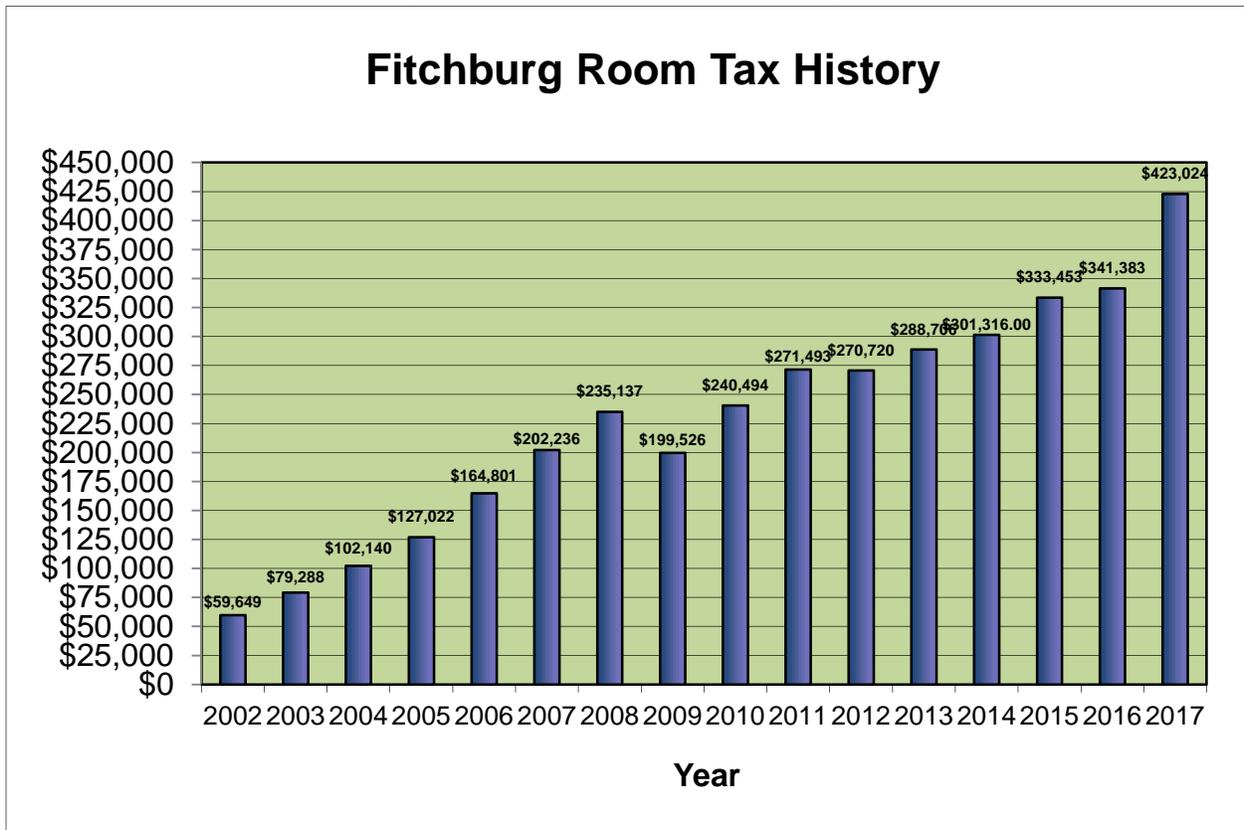
City Exhibits at the SMBA Business Expo and the FCVBB Spring Expo



Exhibiting is a great way to share with others the latest and greatest things about Fitchburg! Economic Development staff were able to share our story at the South Metropolitan Business Expo and the Fitchburg CVBB Spring Expo. In 2017, the Fitchburg Library and FACTv teamed up with Economic Development at the Fitchburg CVBB Expo.

Community Development

Hotel Room Tax Collections



Fitchburg Hotel Room Tax collections for 2017 were \$423,023.87 or a 23 percent increase from 2016. Fitchburg hotel room night generation is based strongly on corporate room night demand. In August 2017, the fourth Fitchburg hotel opened, the Staybridge Suites, an extended stay hotel, located in the Orchard Pointe Development and the hotel room tax rate increased from 6 percent to 7 on January 1, 2017.



Prior to January 1, 2017, at least 70% of the revenue must be used for tourism, marketing, promotion related purposes. Under the initial

5% hotel room tax rate, the City of Fitchburg has an investment agreement at 7% of our revenue with the Greater Madison Convention and Visitors Bureau (GMCVB) which results in Fitchburg lodging establishments receiving additional benefits. We also have a contract with the Fitchburg Chamber Visitor + Business Bureau, who receives 30% of room tax revenue to partner with the City on marketing, tourism and leisure related activities. Under the 1% rate that started in 2010, 70% is allocated to the Madison Area Sports Commission, while CEDA oversees the remaining 30% that they have directed to be used for sports related activities or infrastructure.



In 2015, Wisconsin ACT 55 was passed that changes the way that hotel room tax dollars must be allocated. In 2016, the City of Fitchburg worked with the Fitchburg Chamber Visitor + Business Bureau to become the City's Tourism Entity as required by the new legislation. As of January 1, 2017 The Fitchburg CVBB receives 70% of the hotel room tax collections which will be used for tourism marketing and tourism promotion. The Fitchburg CVBB will manage the partnerships with the Madison Area Sports Commission and the Greater Madison Convention and Visitors Bureau on behalf of the City. The remaining 30% of the funds will be retained by CEDA. As the City updated its hotel room tax ordinance to be in compliance with Wisconsin ACT 55, the hotel room tax rate was increased to 7%.

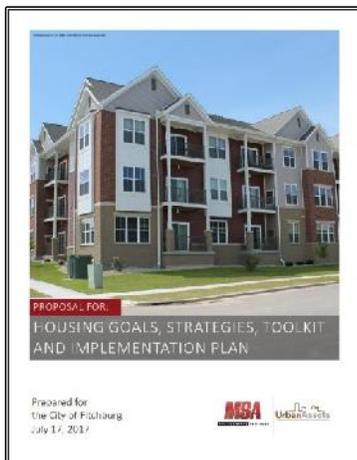


CEDA and Fitchburg CVBB Purchase Bucky on Parade Statues



CEDA and the Fitchburg CVBB each purchased a life-sized Bucky Badger through its partnership with the Madison Area Sports Commission. This public art project will take place from May 7th through September 12th. The designs for the two Bucky's are a Biotech and Biking theme, with two local artists doing the design. The Fitchburg themed Bucky's will find a permanent home in the City of Fitchburg once the event is complete.

MSA Professional Services Selected to Develop Housing Goals, Strategies, Toolkit and Implementation Plan



The City of Fitchburg and the Community and Economic Development Authority, which serves as the City's housing authority, issued a Request for Proposal to conduct research, analysis, focus groups and municipal requirements to create housing goals, strategies, toolkit and implementation plan to meet the current and future housing needs with a focus on affordability for Fitchburg residents. MSA Professional Services, with the assistance from Urban Assets LLC were selected to complete the assessment. Analysis has begun and the study is expected to be completed in mid-2018.

“Trip of a Lifetime” was the theme for the 2017 Memorial Day Event as Former Town Chairman and Mayor, Mr. Doug Morrisette Serves as Keynote Speaker



Mr. Doug Morrisette, long time Fitchburg resident, Veteran and former Town Chairman and Mayor for City of Fitchburg, served as the keynote speaker of the 2017 City of Fitchburg Memorial Observance. The theme of his keynote was: “A Flight of Remembrance”. On April 22, 2017, Mr. Morrisette took a “Trip of a Lifetime” along with eighty-eight veterans aboard the Badger Honor Flight from Madison, Wisconsin to Washington DC to visit the memorials that have been erected in honor of our service men and women. The Badger Honor Flight veterans served in World War II, Korean War or Vietnam War had a full day’s trip that started at 4:30 am and ended with a

welcome home celebration of over 4,000. This adventure inspired Mr. Morrisette to not only reflect on his service in both the National Guard and the United States Air Force, but to acknowledge fellow veterans for their service including those that face daily struggles from their experience, while also remembering the men and women who lost their lives serving our country. Oregon/Brooklyn VFW Post 10272 provided the military service. MM2 Bart Schley presented Bob Schley wreath at the Gorman Wayside Park. CEDA continues to provide support for this annual event and is assisted by Administration and Parks Department.

Economic Development Staff and FACTv Attend MadREP and Urban League Diversity Summit



The Madison Region's Economic Development *and* Diversity Summit
TALENT. OPPORTUNITY. GROWTH.

The economic development staff attended the 2017 Madison Region's Economic Development and Diversity Summit on May 11th. The Summit brought

together business and community leaders to focus on economic development and diversity to mold the Madison region into a model for economic inclusion. A special thank you goes to FACTv for videotaping several sessions for the economic development department.

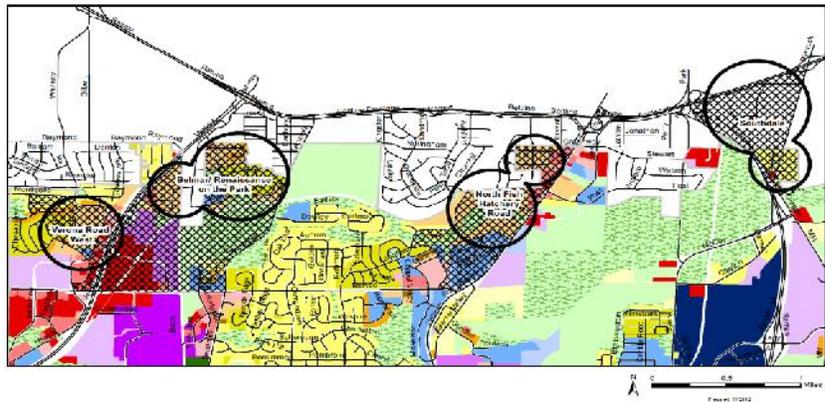
CEDA Processes Community Development Grant Applications and Makes Funding Recommendations

As part of the 2017 budget, the Fitchburg Common Council included \$50,000 in grant funding to assist non-profit agencies to develop programs that have a community impact. As part of the funding process, CEDA's role was to review the grant application and to provide a recommendation for the grant awards to the Finance Committee and Common Council. The City received 9 grant requests and funded 5. Here are the organizations which received funding and the amount:

- **Building Bosses - \$14,000**
- **Latino Chamber of Commerce - \$18,000**
- **Oregon Youth Center - \$2,500**
- **Breaking Barriers Mentoring - \$11,000**
- **Trails to Success - \$4,500**

Healthy Neighborhood Initiative is Underway

Data and city staff experiences tells the story of three neighborhoods in Fitchburg that have disproportionate issues related to public health and safety, deterioration of the built environment, and equitable access to



opportunities. The City Planning Department is leading an internal group to work on strategies to address these inequities. Joyce Frey, serves as the Economic Development representative. Economic Development and Planning are also work with United Way to discuss a "Fitchburg Campaign", with the hopes to launch the campaign in 2018.

CEDA Lends Its Name for Section 42 Tax Credits



As the City continues to work with the Town of Madison on the development of the Novation Campus, Bear Development proposed a 60-unit Senior Housing Project in which the City & CEDA lent its name in support of the developer securing Section 42 Tax

Credits and provided TIF support to assist in the financing of the project. Construction started in the fall of 2017 with occupancy in early 2018.