



Economic Development and the Role of Public Private Partnerships,

December 4, 2012

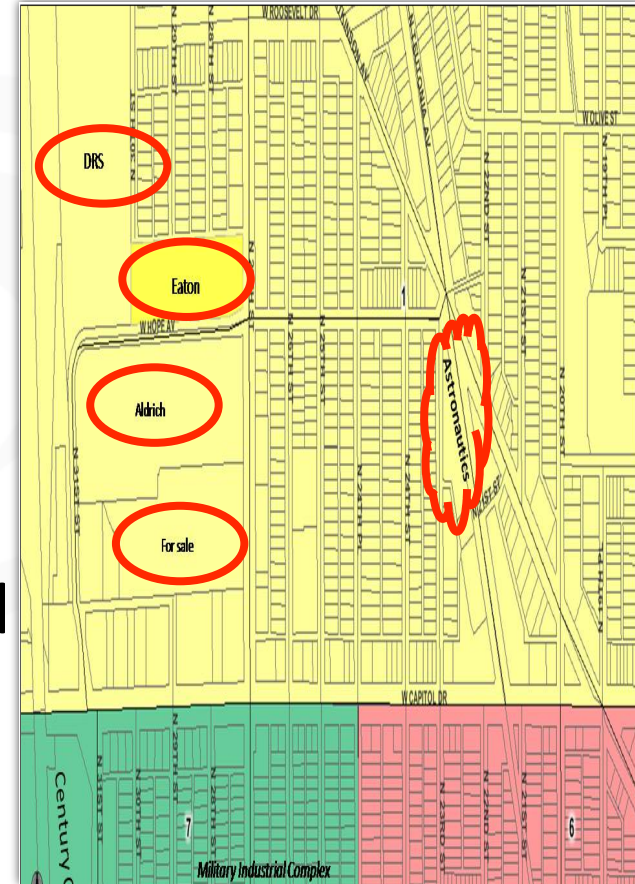


Economic Development and the Role of Public Private Partnership

- Economic Development and Milwaukee's Northwest Industrial Corridor
- Role of Government , Industry and Non Profits
- Northwest Side CDC
- Wisconsin Energy Research Consortium
 - Energy, Power & Control in WI
 - WERC Energy Census
 - Energy Power & Control Cluster
 - WERC Expanded Vision
- Summary

Economic Development and Milwaukee's Northwest Industrial Corridor

- Economic development required
 - US unemployment ~ 8%
 - WI unemployment ~ 7%
 - NW Industrial Corridor ~13.4%
- Northwest Industrial Corridor-Past
 - Heartland of Manufacturing
 - Family Sustaining wages
 - Solid Housing stock & communities
- In the 1980's 100's of factories closed
 - Between 1994-2003 NW Milw. lost ~7300 industrial jobs, 7% of the workforce
 - Poverty rate NW Mil ~ 33%
 - Students Failing to Complete HS 22.5%
 - NW Milw. Crime ~ 3X City & Nat'l Avg

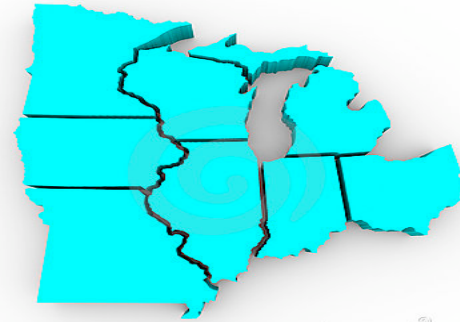


*Retention & Recruitment of New Business
Challenged by decline of of NW Milwaukee*

Economic Development and the Role of Government , Industry and Non Profits

- Multiple keys for Development

- Prepared Talent pool
 - Skilled technical and industrial work force
 - Education System – “STEM”
- Capital Infrastructure
 - Ports, Waterways, Rail, Roads
 - Electrical Grid, Internet & Wireless
 - Water and Waste Systems
- Market Incentives
 - Retain existing companies
 - Recruit and grow new start up companies
 - Research and Development activities
- Stable Communities
 - Housing Stock
 - Public Safety



Role of Government , Industry and Non Profits in Economic Development

- “Public Private Partnership” – *“Focused feed back loop”*
- Government partners have access to Capital for funding
 - Re-Training of the talent pool
 - Investments in Capital Infrastructure
 - Market Incentives to retain and attract business
 - Investments that Support Stable Communities
- Industry partners reflect Marketplace Needs and smartly define where Capital can best be invested to improve competitiveness
 - Personnel Skill sets required
 - Focus research needs
 - Required Infrastructure to be Competitive
 - Private sector capital needed to maintain Existing or Develop New Facilities
- Non- Profit partners channel capital, shape industry and government and help execute requirements
 - Conduct programs that Re-Train talent pool
 - Work to enhance basic education at grade schools (STEM)
 - Conduct community out reach for safe communities

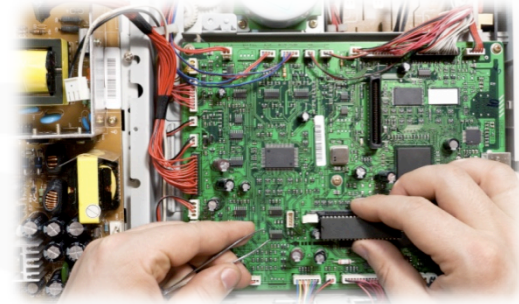
Northwest Side Community Development Corp (CDC)

- Twenty Nine years as a Milwaukee Non-Profit CDC Focused on Economic Development in Northwest Industrial Corridor
 - Mission: Enhance the standard of living on the Northwest Side by improving the business environment for our low-income communities through community economic development”
- NWSCDC has partnered with the City of Milwaukee and County
 - Neighborhood strategic planning to improve safety
 - Business and workforce development programs to train workforce
 - Land use planning & development to grow retail and industrial jobs
 - Landmark Community Projects –Villard Library & Grandfamily Housing
- Partnered with Key Industrial Organizations
 - Collocated at the DRS Facility on 30th and Roosevelt
 - Supported renovation of DRS facility, helping grow ~ 100 + jobs over 4 years-
 - ”Worked to see Investment in DRS, matched by investments that improved the neighborhood”
 - Actively engaged in re-development of former “Eaton Building in support of JONCO Industries

Wisconsin Energy Research Consortium (WERC)

- “Public Private Partnership” formed in June 2010”
 - “Silicon Valley of Energy, Power and Control”
- Built upon the strengths of Wisconsin’s Energy, Power and Control Industry History
 - Industry Leading Corporations
 - Highly Skilled Technical and Manufacturing Labor Force
 - World Class Research & Engineering Institutions
 - Government Support of “Energy Power & Control Cluster” (EPC) for Development
- Founded by Seven Industry Members and Wisconsin’s four largest Engineering Research Universities
 - WEDC now a member of WERC board
- Leverage Market Vision of Industry
 - Focus Research & Talent development at Universities
 - Teamed with Non Profits (WIB, NWSCDC) on work force development
 - Teamed with Government Partners Govt (WEDC) on deployment of Capital and established an EPC Cluster for job growth in WI

WERC EPC Cluster



Energy + Power + Control

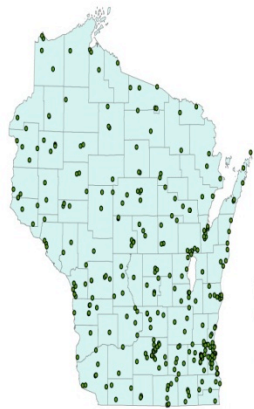
- Renewable
- Fossil
- Nuclear
- Bioenergy
- Petroleum
- Natural Gas

- Generation
- Transmission
- Distribution
- Storage
- Conversion
- Quality

- Industrial Automation
- Building Automation
- Energy Management
- SMART Grid
- Microgrid
- Electric Vehicles

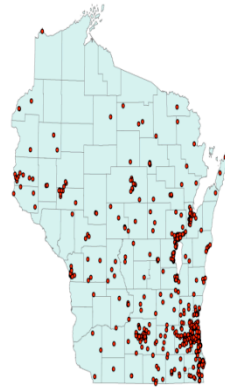
Over \$38 Billion in Sales, 900 Companies, 100,00 Employees

WERC Census



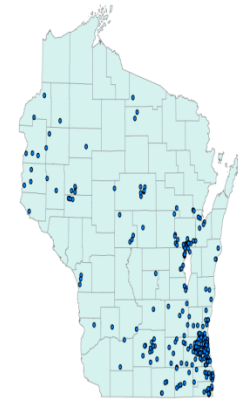
WERC
energy

+



WERC
power

+



WERC
controls

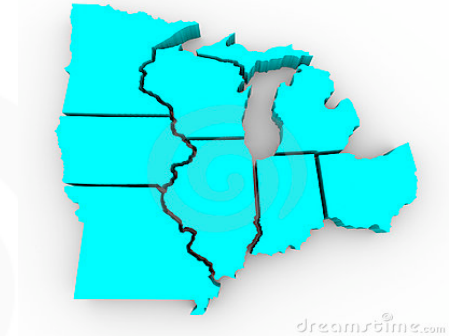
- **140 Companies**
- **\$11.0 B Sales**
- Utilities
- IPP's
- Refineries
- Biofuels
- Energy Storage
- Nat'l Gas

- **530 Companies**
- **\$9.0 B Sales**
- Mfg & Service -
- Generation -
- Transmission -
- Distribution -
- Electronics
- Lighting
- HVAC

- **240 Companies**
- **\$18 B Sales**
- Mfg & Service
- Industrial Automation
- Building Automation
- Sensors
- Energy Management
- SMART & Micro Grid
- Electric Vehicles

WERC Expanded Vision

- Wisconsin/Midwest Region to Become the Leading US Region:
 - For Energy, Power & Control Industries and Employment
 - For Advancement of Energy, Power and Control Research & Technology
- WERC to Become an Internationally Recognized:
 - Energy, Power & Control Technology Research and Industry Development Consortium



***We Are Focused on Becoming the US Leader in
Energy, Power and Control***

WERC - Successful Public Private Partnership

- Private Public Partnership at WERC is successful
- WERC is recognized as a leading Energy Power and Control Organization
 - EPC Cluster is viewed as Key to adding future jobs in WI
 - Organization has grown to 30 members with a budget of excess of \$1m/ year
 - Expanded to include three Technical Colleges and four Research Universities
 - New 3 Yr strategic plan and industry roadmaps will expand WERC statewide, and into neighboring states, growing membership to 100 and the budget to over \$2.5m budget by 2015
 - Curriculum and research targeted to meet Market requirements
 - 18 Research projects ~\$1,8 M over 2 plus years
 - Two new microgrid research centers under development
- Partnered with State and Non-Profits in development efforts
 - Includes WEDC as Government partner
 - Trained 50 EPC assembly workers based on requirements from Industrial Members
 - Close alignment with M-7, WHEDA and regional Great Lakes Economic development organizations
- Public Private Partnerships in Energy Power and Control is Working

Summary

- Public Private Partnership provides a focused feedback loop between Government, Industrial, and Non Profit Partners
- Three legged stool helps guide efficient deployment of resources for a strong WI
 - Balanced economic growth
 - Skilled Workforce
 - Family sustaining jobs
 - Stable communities
- WHEDA Conference provides a forum to explore change and improve collaboration necessary for successful Public Private Partnership

Census and Poverty Data

A. Unemployment and Poverty Rates

Indicia	Target Area	Wisconsin	United States
Unemployment	13.4%	6.7%	8.2%
Poverty	33.10%	7.70%	10.20%
Total Crime Index	300	85	100
Did Not Complete High School	22.39%	11.25%	15.35%
% Black or African American	75.13%	5.59%	12.01%
Median HH Income	\$36,820	\$56,814	\$55,970

Sources: 2006-2010 American Community Survey 5-Year Estimates: Poverty Status in the Past 12 Months; clrSearch; U.S. Census Bureau 2010; Bureau of Labor Statistics; ESRI Demographic Projections 2010 - 2015; ZipAtlas