IN WISCONSIN®

How the Deal Came Together

Where We are Today

2019 MAEDC Best Practices Conference
Why **WISCONSIN**

- Strong manufacturing legacy
- Skilled Talent
- Business Climate
- Collaboration and Culture
- Geographic Location
Historical Overview

- **APRIL ’17**: State officials meet with Foxconn in Washington, D.C.
- **JULY ’17**: Foxconn selects Wisconsin
- **SEPT. ’17**: EITMZ signed into law
- **OCT. ’17**: Foxconn location announced in Mount Pleasant
- **NOV. ’17**: State contract and local development agreement signed
- **MARCH ’18**: Foxconn selects M+W | Gilbane
- **APRIL ’18**: Construction begins
- **DEC. ’18**: Multi Purpose Building Completed
- **JUNE ’19**: Vertical Construction Begins

**APRIL ’18**
- **FEB. ’18**:
- **MAY ’18**:
- **AUG. ’18**:
- **NOV. ’18**:
- **DEC. ’18**:
- **JAN. ’19**:
- **FEB. ’19**:
- **MAR. ’19**:
- **APRIL ’19**:
- **MAY ’19**:
- **JUNE ’19**: Vertical Construction Begins
Project Highlights

- Largest economic development project in Wisconsin history
- 13,000 jobs when campus is complete (avg. wage: $53,000, + benefits)
- $10 billion investment
- Transformational high-tech ecosystem
Key WEDC Contract Provisions

- $2.85 billion over 15 years
  - $1.5 billion – 13,000 jobs
  - $1.35 billion – $10 billion capital investment
- $150 million – estimated value of sales tax exemption
- Performance based: minimum jobs – “required to earn” ramps up over time
  - 5,200 in 2022
  - 10,400 in 2027

- Independent CPA verification required on wages and capital investment
- Clawback provisions in place
  - Minimum 6,500 jobs in 2024 and beyond
- Guarantees in place
  - Terry Gou – 25%
  - Hon Hai Precision – 75%
Best Practice: A Model of Collaboration
Best Practice: Integrated Communication

- Websites
- Bid Alerts
- Newsletters

WisconnValley.wi.gov

RACINE COUNTY WELCOMES FOXCONN

Racine County is poised for a once-in-a-generation opportunity — establishing the foundation for unparalleled economic development, job growth and enhanced quality of life that will make it one of the Midwest’s top places to live, work and play.

Foxconnracinecounty.com
Statewide Outreach to Encourage Participation

- Over 6,000 registered for Wisconn Valley News
- 2,500+ attendees at Contractor Information Sessions
- 375+ attendees at Small Business Capacity Building sessions
- 700+ attendees at Supplier Readiness Sessions
- Ongoing match-making and pre-bid meetings
Best Practice: Business and Workforce Inclusion Goals

<table>
<thead>
<tr>
<th>BUSINESS CONTRACTING AND INCLUSION GOALS</th>
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<tbody>
<tr>
<td>Wisconsin based business</td>
<td>60%</td>
</tr>
<tr>
<td>Racine county based businesses</td>
<td>10%</td>
</tr>
<tr>
<td>Minority-owned Business Enterprises</td>
<td></td>
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<tr>
<td>Woman-owned Business Enterprises</td>
<td>10% combined</td>
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<tr>
<td>Veteran-owned Business Enterprises</td>
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<tr>
<th>WORKFORCE INCLUSION AND DIVERSITY GOALS</th>
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<tr>
<td>Wisconsin residents work hours with an emphasis on Racine county residents</td>
<td>70%</td>
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<tr>
<td>Minorities or people of color</td>
<td></td>
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<tr>
<td>Women</td>
<td>10% combined</td>
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<tr>
<td>Veterans</td>
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*Bids “awarded to the lowest competent and responsible bidder”*. Wis. Stat. s. 84.06(2)(a)
Best Practice: Supply Chain Portal

wisupplychainmarketplace.com

Over 2,000 profiles
45+ categories
RFP and bid postings
eMail alerts
Newsletter updates
Best Practice: Regional and Local

Clear and frequent communication

- Relationship building and trust
- Understanding of culture and development process
- Local partners and elected leaders
Best Practice: Regional and Local

Engage for long term with partners and project to maximize success and impact

- Community Planning
- Coordinated Workforce Strategy  
  (Local, Regional, and State)

greaterracinecounty.com
Racine County Already Realizing Positive Impacts

- Property values in Racine County are on the rise
- Developers investing in Racine County: Residential, Commercial, Industrial
- Gateway Technical College expanding opportunities for students
- City of Racine Smart Cities Readiness Winner
Positive Impact

35+ PROJECTS
$850,000,000*

*announced
Navigating Political Transition

- Depoliticize the deal
- Engagement with previous leadership
- Model a practice of transparency
Project Construction Update

- Tremendous progress on I-94 corridor, development roads, electrical distribution, and water and sanitation improvements
- Site utility (sanitary / water) and road work is proceeding as planned
- FAB foundations have begun and are progressing per the schedule
- Vertical Construction will start latter part of the 3rd Quarter 2019
Supporting an Evolving Project

- Demonstrate commitment to project’s success
- Ensure regular and frequent communication
- Celebrate concrete steps
Questions

THANK YOU