

# Advancing Progress on Federal Initiatives in Central Wisconsin

*Values-Led, Resident-Centered & Place-Based Sustainable Development*

incourage

## Tribune: Community Accelerator

**As lead investor in the Tribune, a \$14 million Community Accelerator and Wisconsin Rapids' first LEED-certified building under development, Incourage seeks \$5 million in federal grant support. Proceeds will be matched to fund the building's green features and build out of space that supports entrepreneurs in the emerging sustainable economy.**



Incourage Community Enterprises' work with local residents has forged new opportunity in their rural, central Wisconsin community (population 45,000). It offers promise for rural areas nationwide seeking to renew economies in ways that conserve, restore and leverage resources for generations to come.

Incourage was established in 1994 as a community foundation. In response to community need, it has evolved from a traditional grantmaker into a values-led, resident-centered and place-based organization that stewards and connects all forms of resources or capital – moral social, human, intellectual, reputational, financial and natural. This serves as a compass for Incourage's powerful shared vision: a community that works well for all people.

After the sale and significant downsizing of the local Fortune 500 paper company in the year 2000, the region experienced 40% job loss and a community-wide crisis of culture and identity. Incourage incubated and modeled urgently-needed new approaches to shape a thriving, environmentally sustainable and inclusive community. These approaches included: fostering openness to new ideas and entrepreneurial possibilities; redefining leadership and decision-making processes; and shifting community mindset from "I cannot" to "I can" to "We can do better."

To implement the emerging vision, Incourage has long partnered with state, regional and national organizations in both the public and private sectors. This includes partnering with the Obama Administration since its inception as co-investor, facilitator, advisor and implementer in a range of federal programs. Incourage granted over \$1.4 million in matching funds to local USDA, Social Innovation Fund and Communities Putting Prevention to Work awardees. It also spearheads a range of programs aligned with goals of the White House (see timeline).

The most salient current example, and opportunity for additional partnership, is the Tribune development currently underway on the Wisconsin River in downtown Wisconsin Rapids. The Tribune is a Community Accelerator designed with extensive resident input. It will combine support for entrepreneurs creating new businesses for the sustainable local economy with a culinary kitchen, a local brewery and brewpub, community space and recreational rentals for enjoyment of the river and surrounding areas. The City's first LEED Gold certified building, the Tribune features green design principles thoughtfully and enthusiastically prioritized by residents. Given the Tribune's catalytic role for regional enterprise – and the higher upfront costs to develop a LEED-certified building – public-private partnership is required. As lead investor, Incourage is pursuing a New Markets Tax Credit financing strategy for the \$14 million project. Grant and affordable debt commitments of \$11 million are required. With commitments of \$2.3 million in hand from local public and private partners, additional grant support from federal agencies will provide a critical benefit to the project's completion and long-term success.

In parallel with the Tribune building development, Incourage is spearheading initiatives designed to sustain, integrate and scale regional development efforts. These efforts leverage federal programs and create opportunity for further partnership with specific agencies:

- **Blueprints for Tomorrow** – This 25-month Incourage and USDA-backed program is building networks, vision and skills to lead a new regional economy based upon values of equity, opportunity and shared stewardship. Teams from participating public agencies and social enterprises are developing a regional food system value chain linked to anchor institutions; a plan for a vibrant and walkable downtown including blue way river and recreational trail routes; health-promoting projects, including a new YMCA; and energy efficiency and safety upgrades to local affordable housing.
- **Workforce Central** – As one of the first rural sites to partner with the National Fund for Workforce Solutions (NFWS), Incourage has led the public-private-philanthropic partnership to drive systems change in local workforce development through the creation of Workforce Central. By leveraging partnerships with the NFWS, US Department of Labor, Social Innovation Fund and 23 local private funders, cumulative investments of \$5 million are developing human potential with significant employer engagement. This will advance the careers of low-wage workers in filling some 1,600 anticipated local family-sustaining jobs.
- **Healthy Climate** – Climate risk is palpable in central Wisconsin and goes hand-in-hand with economic risk. Residents have experienced the boom and bust of global markets in timber and agriculture and have seen the degrading effects these and newer industries, such as frac sand mining, can have on the region's pristine natural resources. Of mounting – if less visible – concern is the region and state's costly dependency on fossil fuels. These represent over 80% of Wisconsin energy sources at an out-of-state annual spend of \$15.9 billion--some \$2,700 for every person (Climate Forward, 2014). Beyond the financial cost, fossil fuels are the major cause of state air pollution, require vast quantities of water to cool power plants, and present significant human health risks. These facts call for a cogent, proactive response as part of Incourage's work with local residents. Incourage is exploring potential partnerships with the EPA and DOE to accelerate local sustainability efforts.
- **Healthy People, Healthy Places** – Incourage has partnered with local institutions and residents to spearhead a number of federally-backed initiatives promoting a lifetime of healthy human development. In 2003, Incourage helped the community to match \$500,000 in federal CDBG grants to convert the site of a blighted, abandoned Walmart building into an anchor location for three senior-based organizations and a community access TV studio in downtown Wisconsin Rapids. The 67,000 square foot Centralia Center is a nationally-recognized model of grassroots engagement, partnerships and adaptive reuse of a big-box retailer. It stands just one block east of the Tribune, offering an unparalleled opportunity to integrate activities and connect two public facilities across generations. More recently, Incourage partnered with the Wood County Health Department on a Communities Putting Prevention to Work grant from the Centers for Disease and Prevention (HHS) that increased access to healthy local foods and small farm entrepreneurs via expanded farmers markets featuring newer Hmong and long-time family farmers, as well as incorporating fresh local food items in local K-12 meal programs.
- **Capital Stewardship** – Incourage's board of directors has committed to 100% alignment of assets to mission and values. Holdings include locally-based Community Development Financial Institutions (CDFIs) – financial intermediaries certified by the U.S Department of Treasury's federal CDFI Fund as serving an underserved target area or population. These mission-driven lenders and Incourage partners ensure that the advantages of regional green building and sustainable development practices are accessible to all of the region's businesses, farms and households. In parallel, Incourage is implementing an investment strategy that highlights Wisconsin-focused corporations operating with strong environmental and equitable labor practices. Incourage is committed to employing shareholder activism to influence local corporations whose operations do not meet these standards. In late 2016, Incourage will welcome the Federal Reserve Bank of Chicago to Wisconsin Rapids to co-host a conference on impact investing strategies to build healthy, equitable and sustainable communities.

Incourage works with local residents to incorporate environmentally sustainable design elements across their efforts to build a community that works well for all people. However, investment and partnership opportunities with aligned regional and national investors, funders and agencies are also critical components. Incourage welcomes dialogue from a federal, state, rural community or broader sustainability framework on specific investment and funding opportunities and commits to incorporating emerging insights from the field and sharing lessons learned.

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## Incorporate Federal Partnerships Timeline



**2003** – Spearheaded region’s first use of CDBG monies for Centralia Center

**2009** – As part of Council on Foundation’s leadership team, advised Obama Administration on Economic Stimulus and Social Innovation Fund, including hosting local ARRA forums and NOFA reviews

**2010-present** – Leveraged local resources through first of three Social Innovation Fund awards for Innovative Rural Workforce Solutions to train 655 workers, engage 35 regional businesses and provide renewable energy education to 1,460 high school students through collaboration of 4 public school systems, 2 private school systems and 2 colleges

**2010** – First of two impact investments totaling \$126,000 in two local CDFIs, matched by USDA, 3% return, resulting in 21 local business starts or expansions and 66 new jobs

**2011** – Speaker for NFWS at congressional briefing on local workforce solutions

**2011** – Partnered with Wood County Human Services and Mid-State Technical College to launch Pathways, the state’s 2nd FSET 50/50 funded program

**2012** – Partnered with Wood County Health Department in the region’s Community Putting Prevention to Work strategy

**2013** – Recognized as “Rural Innovator” by USDA

**2014** – Speaker at “Community Foundations: Vital Leadership for America’s Future” White House convening

**2015** – Launched Blueprints for Tomorrow, with co-investment from USDA

**2015** – Participated in White House Roundtable on Place-Based Initiatives

**2015** – Participated in Second Annual Rural Opportunity Investment Conference, at invitation of White House

**2015** – Keynote speaker at “Coal-Reliant Communities Innovation Challenge Workshop”, at invitation of EDA

**2016** – Received Secretary’s Award for Public-Philanthropic Partnerships from Department of Housing and Urban Development and Council on Foundations. The award recognized Blueprints for Tomorrow.

**Upcoming 2016** – Co-hosting a conference in Wisconsin Rapids with the Federal Reserve Bank of Chicago. The conference will cover impact investing strategies to build healthy, equitable and sustainable communities