



**Economic
Development and
Growing the
Economy**

**UW
Extension**

Profiles of Best Practices

Growing and Expanding Area Businesses—Business Retention Program (Village Revolving Loan)

Community, County

Village of Wittenberg, Shawano County

Area of Project Impact

Villages of Wittenberg, Eland, Birnamwood and Elderon; Towns of Wittenberg, Birnamwood, Germania, Morris and Elderon

Population Affected

5,408

Situation

Western Shawano County and eastern Marathon County can be characterized as dependent on agriculture and service business, with little manufacturing employment. Wages are relatively low. Access to markets improved with the expansion of Highway 29 to four lanes. Top Brass, Inc.—a Missouri maker of specialty cloth wipes—recognized this and relocated within the Village of Wittenberg. The site it chose presented unimproved access to Highway 29 and lack of sewer and water service. Top Brass would also need expansion capital.

Economic Development Strategies

Wittenberg chose several strategies to assist the expansion of this firm. It sought financial resources in order to build a better access road to the industrial site and to extend water and sewer lines. This was also a way of making existing public services more efficient—by extending infrastructure (and tax base) into an underutilized area of the village and by spreading fixed public costs over more users. The village desired greater economic development capacity to help other existing firms, as well.

Implementation

The Village of Wittenberg wrote and received state grants to assist Top Brass. A Wisconsin Development Fund (WDF) Public Facilities grant of \$750,000 was used to extend sewer and water and to build an access road to Highway 29. A Transportation Economic Assistance grant of \$340,000 (from Wisconsin Dept. of Transportation) served as part of the local match for the WDF grant, the village government making up the balance. These grants were made to the Village, with no payback required. The newly-constructed road has multiple uses, since it passes a recreation area and may eventually serve businesses yet to be located along its corridor.

The Village also wrote and received a WDF-Economic Development grant of \$190,000, loaned in turn to Top Brass to buy capital equipment. Repayment of this loan over time is capitalizing a Village Revolving Loan Fund (RLF). This fund is pegged to help existing Wittenberg firms expand and new businesses start-up or relocate.

Partners and Leadership

Wittenberg Area Development Corporation worked with the Village Board to secure land for expansion of Top Brass. Wisconsin Dept. of Commerce staff worked closely with the Village in obtaining grants. The RLF Committee includes members of the Development Corporation, community business people and bankers.

Outcomes

From just a few employees in 1997, Top Brass has grown to 50 employees, accomplished during an economic slump. The business has added three additional buildings, and plans to add another building in 2004. It looks forward to employing at least 150 persons when at full capacity. Top Brass provides livable wages and benefits to its employees. This has created a multiplier spending effect for retail and service businesses in the area. It has also raised wage and benefits expectations of workers at other firms.

The RLF has been used to retain and expand a village hardware business, which faced a decision on continuing at its present location. Applications have been received for other businesses as well. The fund has proven to be a boon to existing businesses wishing to expand, and has the potential to help new businesses locate in the Village.

Contact

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