

DEPARTMENT OF TRANSPORTATION PROGRAM NARRATIVES

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Program

TRANSPORTATION FACILITIES ECONOMIC ASSISTANCE AND DEVELOPMENT (TEA) PROGRAM

Website

<https://wisconsin.gov/Pages/doing-business/local-government/assistance-programs/aid/tea.aspx>

Agency

DOT

Inception

Sept. 8, 1987, under enabling legislation of Wis. Stat. §84.185, and administered under Wisconsin Administrative Code Department of Transportation (Trans) Chapter 510, created as an emergency rule effective Oct. 16, 1989.

Expected Outcomes

TEA grants awarded in the current fiscal year are pledging jobs in the future by (1) creating new jobs or (2) retaining jobs. The job creation and/or retention needs to take place at the location at which TEA funding will be used and is based on a seven-year timeline, with the clock starting on the date the project agreement is signed. Snapshots are taken at the three-year and seven-year periods for both new and retained jobs.

For FY23, the Wisconsin Department of Transportation approved three TEA grants, pledging to create 139 jobs and retain 86 jobs, for a total jobs guarantee of 225.

Program Goal

The objective of the TEA Program is to help support new business development in Wisconsin by funding transportation improvements that are needed to secure jobs in the state.

Eligible applicants are governing bodies, such as a town, village, city, or county, that partner with a business located within that governing body to create and/or retain jobs. The funding is intended to help the business with transportation improvements so it can achieve its job creation/retention goal. Program funding is provided to the governing body in which the transportation improvement is located through a cost reimbursement process.

Incentives and Available Funding

The biennial budget appropriation for the TEA Program is \$6,805,200. Eligible applicants receive grants based on the following three criteria and selecting the lowest figure from among them:

- 50% of the project's actual TEA-eligible costs
- Total dollar amount for created and/or retained jobs based on \$5,000 per job rate multiplied by jobs created and/or retained
- \$1 million

Program Description

Each state fiscal year, the TEA Program is appropriated state funds in order to provide funds to local governments for eligible transportation facility improvements, as defined in Wis. Stat. §§84.185(1)(d), that are essential for an economic development project. An economic development project is defined in Wis. Stat. §84.185(1)(am) as a business development that directly retains jobs or increases the number of jobs in this state. For grants, applicants are required to provide a 50% match.

Program

TRANSPORTATION FACILITIES ECONOMIC ASSISTANCE AND DEVELOPMENT (TEA) PROGRAM (CONTINUED)

Program Activity

- For SFY23:
 - Three grants were awarded, totaling \$1,132,360.
 - 225 jobs were pledged within three years.
 - The average cost per job amounted to \$5,033.
 - Note: This exceeds the \$5,000 per job mentioned above due to one grant having special circumstances allowed under Wis. Stat. §84.185 (3)(b) and Chapter Trans 510.06(1).
 - Total capital investment was \$28,214,487.
 - The total capital investment per grant dollar awarded was \$25.

Eligibility Requirements

The TEA Program provides up to \$5,000 for each job created and/or retained. The following transportation project improvements are eligible for funding assistance: street, road, highway, intersection, and interchange improvements that are open to the public for travel and come under the jurisdiction or ownership of a public authority (all private roads, parking lanes, or parking lots are excluded); rail projects to include an industrial lead, a spur, a team track, or a trackside intermodal transfer facility; harbor/port improvements, to consist of dredging, dock walls, piers, intermodal connections, and lighting; and airport improvements, consisting of runway, taxiway, aprons, and access service roads (airport hangars are excluded).

Recommended Changes

None