



Whitewater CDA -Board of Directors
Wednesday February 26, 2014
5:30 PM
Room 105
Innovation Center
1221 Innovation Drive
Whitewater, WI 53190

1. **Call to order and roll call.**
2. **HEARING OF CITIZEN COMMENTS.** *No formal CDA Action will be taken during this meeting although issues raised may become a part of a future agenda. Items on the agenda may not be discussed at this time.*
3. **Approval of agenda**
4. **Approval of Minutes**
 - a. **January 22, 2014**
5. **Acceptance of Financial Statements**
 - a. **January, 2014**
6. **Consideration and discussion of a request from Whitewater Community Garden to utilize a portion of CDA owned property to expand their gardens.**
7. **Adjourn to closed session per Wisconsin State Statutes 19.85(1)(e) "Deliberating or negotiating the purchase of public property, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session".**
 - A. **Consideration and discussion of a CDBG loan requests**
 - a. **Software development company working in the retail industry**
 - b. **Software development and manufacturing company**
 - B. **Consideration and discussion of Capital Catalyst Fund requests based upon the recommendation of the Capital Catalyst Screening Committee**
 - a. **Software development and manufacturing company**
 - b. **Machine Development Company**
 - C. **Update on negotiations with potential retail, manufacturing and other businesses that are considering locating in the City of Whitewater and are requesting City of Whitewater related financial assistance or concessions.**
 - D. **Consideration and discussion of a proposed Development Agreement with DP Electronic Recycling regarding the sale of approximately 10.96 acres in the Technology Park.**
8. **Reconvene into open session to take action on closed session items as needed.**
9. **Consideration and discussion of a Resolution regarding Innovation Center Lease Agreements.**
10. **Consideration and discussion of Nondisclosure Agreement and Code of Conduct Agreement for the Whitewater University Technology Park.**
11. **Consideration and discussion of authorizing the Chairperson and other required parties to enter into a contract with the Wisconsin Economic Development Corporation (WEDC) regarding the Capital Catalyst Fund (Contract FY 14-22235).**
12. **Consideration and discussion of the establishment of a corporation to assist with equity investments under the Capital Catalyst Fund.**

13. **Consideration and discussion of a potential settlement regarding the damages to the building at NN9601 Howard Road.**
14. **Consideration and discussion of potential public improvements required for TIF #5, #6 and #7 including authorizing borrowing to fund the studies completed by outside parties.**
15. **Consideration and discussion fiber optics project for the city including the Business Park and Technology Parks.**
16. **Consideration and discussion of long term marketing and community branding project.**
17. **Future agenda referrals.**
18. **Adjourn**

It is possible that a quorum of Common Council and Technology Park Board members may attend this meeting. Even if a quorum is present, no Common Council and/or Technology Park Board business will be conducted at this meeting. Anyone requiring special arrangements is asked to call the office of the City Manager/ City Clerk at least 24 hours prior to the meeting.

Future Meeting Dates:

March 26, 2014	5:00 PM	Innovation Center
April 23, 2014	5:00PM	Innovation Center
May 28, 2014	5:00 PM	Innovation Center

"This institution is an equal opportunity provider and employer."

Whitewater Community Development Authority
Board of Directors
Meeting Minutes
01/22/2014

1. Call to Order and Roll Call.

The meeting was called to order by Vice-Chairman Donna Henry at 5:05pm. The meeting was held at the Innovation Center, Room 105, 1221 Innovation Drive, Whitewater, WI 53190.

Present: Allen, Henry, Kachel, Knight (Via Phone, In Person-5:44pm), Meyer (5:32pm), Singer (5:06pm), Winship

Absent: None

Also: Patrick Cannon, Cameron Clapper, Mark Olm, and Anna Schwarz

2. Hearing of Citizen Comments.

None

3. Approval of Agenda

Move to Approve the Agenda as presented.

Kachel (1); Allen (2)

Aye: All via Acclamation (5)

Nay: None

4. Approval of Minutes

a. December 18, 2013

Move to Approve the December 18, 2013 Minutes as presented.

Kachel (1); Winship (2)

Aye: All via Acclamation (6)

Nay: None

5. Acceptance of Financial Statements

a. December, 2013

Move to Approve the December 2013 Financial Statements as presented.

Singer (1); Allen (2)

Aye: All via Acclamation (6)

Nay: None

- 6. Consideration and discussion of the establishment of a corporation to assist with equity investments under the Capital Catalyst Fund. The discussion may include action by the CDA Board to make a financial contribution to help establish the corporation. (Materials previously distributed)**

Pat Cannon presented a PowerPoint outlining this process. Mr. Mark Olm was available to answer any question that the board had. The board asked questions and discussed various options.

A motion was made to approve an allocation of not more than \$5,000 from UDAG funds to assist with the establishment of the corporation, understanding that additional funding may be requested in the future.

Allen (1); Kachel (2)

Aye: Allen, Henry, Kachel, Knight, Meyer, Singer, Winship (7)

Nay: None

- 7. Consideration and discussion of a request from Whitewater Community Garden to utilize a portion of CDA owned property to expand their gardens.**

Members from the Whitewater Community Garden were unable to attend tonight's meeting, therefore this item will be placed on next month's agenda.

- 8. Consideration and discussion of Capital Catalyst Fund and action on any updates as determined by the Board.**

The Whitewater CDA application is still being processed by WEDC. They have changed how they limit grants, which will allow us to grant up to \$25,000 per grant instead of \$10,000.

Staff has already received many calls of inquiry related to development in the Whitewater area.

- 9. Consideration and discussion of awarding a contract for repairs to CDA owned house at N9601 Howard Road.**

As of this afternoon, the water pipes have burst in the house and there is two feet of water in the basement. An insurance claim has been filed.

Pat Cannon recommends that the board take no action on proposed external renovations until the internal damage has been assessed.

10. Adjourn into closed session per Wisconsin State Statutes 19.85(1)(c) "considering employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility"

a. Service contract with Redevelopment Resources for Executive Director Services

A motion was made to adjourn into closed session and to allow Patrick Cannon, Cameron Clapper, and Anna Schwarz to remain in the closed session portion of the meeting.

Knight (1); Allen (2)

Aye: Allen, Henry, Kachel, Knight, Meyer, Singer, Winship (7)

Nay: None

11. Reconvene into open session to take action on closed session items as needed.

A motion was made to return to open session.

Singer (1); Winship (2)

Aye: All via Acclamation (7)

Nay: None

A motion was made to extend the contract for two years (February 2014-February 2016) with Redevelopment Resources for Executive Director Services provided by Patrick Cannon, with all terms, conditions, and compensation remaining the same as the current contract.

Winship (1); Singer (2)

Aye: Allen, Henry, Kachel, Knight, Meyer, Singer, Winship

Nay: None

12. Future agenda referrals.

The Board directed Staff to work on marketing/recruitment materials highlighting the City of Whitewater and to work with various stakeholders to identify and implement a unified marketing plan.

13. Adjourn

A motion was made to adjourn the meeting.

Singer (1); Winship (2)

Aye: All via Acclamation (7)

Nay: None

Meeting Adjourned at 6:38pm

**CITY OF WHITEWATER
BALANCE SHEET
JANUARY 31, 2014**

CDA PROGRAMS FUND

	BEGINNING BALANCE	ACTUAL THIS MONTH	ACTUAL THIS YEAR	ENDING BALANCE
<u>ASSETS</u>				
910-11101	142,527.15	546.12	546.12	143,073.27
910-11102	180,712.68	5,202.85	5,202.85	185,915.53
910-11103	68,401.02	(3,727.56)	(3,727.56)	64,673.46
910-11104	14,833.85	.76	.76	14,834.61
910-11105	29,741.52	101.81	101.81	29,843.33
910-11106	2,701.54	.14	.14	2,701.68
910-11110	283.86	(14.99)	(14.99)	268.87
910-11303	619,010.05	.00	.00	619,010.05
910-11305	25,000.00	.00	.00	25,000.00
910-11310	575,000.00	.00	.00	575,000.00
910-14310	79,076.84	(549.74)	(549.74)	78,527.10
910-14331	41,360.00	.00	.00	41,360.00
910-14332	102,500.00	.00	.00	102,500.00
910-14333	51,500.00	.00	.00	51,500.00
910-14334	100,000.00	.00	.00	100,000.00
910-14335	102,544.00	.00	.00	102,544.00
910-14337	5,871.28	(255.88)	(255.88)	5,615.40
910-14342	4,028.21	(396.63)	(396.63)	3,631.58
910-14345	133,585.41	(1,079.03)	(1,079.03)	132,506.38
910-14346	15,906.54	(235.58)	(235.58)	15,670.96
910-14347	105,515.96	.00	.00	105,515.96
910-14348	57,844.92	(440.97)	(440.97)	57,403.95
910-14349	34,600.00	.00	.00	34,600.00
910-14350	8,220.00	.00	.00	8,220.00
910-14351	10,203.84	.00	.00	10,203.84
910-14353	18,420.02	.00	.00	18,420.02
910-14356	8,062.00	.00	.00	8,062.00
910-14359	10,818.00	.00	.00	10,818.00
910-14361	11,000.90	.00	.00	11,000.90
910-14363	11,000.00	.00	.00	11,000.00
910-14366	12,504.15	.00	.00	12,504.15
910-14368	15,517.48	.00	.00	15,517.48
910-14371	700.00	(100.00)	(100.00)	600.00
910-14375	18,422.00	.00	.00	18,422.00
910-14378	34,448.00	.00	.00	34,448.00
910-14379	12,630.00	.00	.00	12,630.00
910-14381	7,205.00	.00	.00	7,205.00
910-14384	37,795.00	.00	.00	37,795.00
910-14385	863.08	.00	.00	863.08
910-14387	25,515.00	.00	.00	25,515.00
910-14391	180.00	.00	.00	180.00
910-14554	750,000.00	.00	.00	750,000.00
910-15208	15,711.04	.00	.00	15,711.04
910-15521	275,171.53	.00	.00	275,171.53
910-15531	6,087,994.00	.00	.00	6,087,994.00
TOTAL ASSETS	9,864,925.87	(948.70)	(948.70)	9,863,977.17
<u>LIABILITIES AND EQUITY</u>				

**CITY OF WHITEWATER
BALANCE SHEET
JANUARY 31, 2014**

CDA PROGRAMS FUND

	BEGINNING BALANCE	ACTUAL THIS MONTH	ACTUAL THIS YEAR	ENDING BALANCE
<u>LIABILITIES</u>				
910-22000 ACCUM DEPREC-BUILDING	243,628.06	.00	.00	243,628.06
TOTAL LIABILITIES	243,628.06	.00	.00	243,628.06
<u>FUND EQUITY</u>				
910-30110 CONTRIBUTED CAPITAL	456,815.37	.00	.00	456,815.37
910-34300 PROPRIETARY CAPITAL	8,527,517.51	.00	.00	8,527,517.51
910-35000 HOUSING LOANS RESERVE	174,316.71	.00	.00	174,316.71
910-35100 ECONOMIC DEV LOANS RESERVE	433,615.17	.00	.00	433,615.17
910-35160 FACADE LOANS RESERVE	29,033.05	.00	.00	29,033.05
UNAPPROPRIATED FUND BALANCE: REVENUE OVER EXPENDITURES - YTD	.00	(948.70)	(948.70)	(948.70)
BALANCE - CURRENT DATE	.00	(948.70)	(948.70)	(948.70)
TOTAL FUND EQUITY	9,621,297.81	(948.70)	(948.70)	9,620,349.11
TOTAL LIABILITIES AND EQUITY	9,864,925.87	(948.70)	(948.70)	9,863,977.17

CITY OF WHITEWATER
REVENUES WITH COMPARISON TO BUDGET
FOR THE 1 MONTHS ENDING JANUARY 31, 2014

CDA PROGRAMS FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET AMOUNT	VARIANCE	% OF BUDGET
<u>MISCELLANEOUS REVENUE</u>					
910-48101-00	INTEREST INCOME-BUSINESS DEV	508.98	508.98	.00 (508.98)	.0
910-48102-00	INTEREST INCOME-ECONOMIC DEV	515.21	515.21	.00 (515.21)	.0
910-48103-00	INTEREST INCOME-FACADE	136.06	136.06	.00 (136.06)	.0
910-48104-00	INTEREST INCOME-HOUSING	2.31	2.31	.00 (2.31)	.0
910-48105-00	INTEREST INCOME-ED DEV	.76	.76	.00 (.76)	.0
910-48106-00	INTEREST INCOME-MORAINIE VIEW	.14	.14	.00 (.14)	.0
910-48645-00	LOAN INTEREST-LEARNING DEPOT	526.26	526.26	.00 (526.26)	.0
910-48651-00	FACADE-INT-WALTON DIST-30K	13.43	13.43	.00 (13.43)	.0
910-48653-00	LOAN INT-RR WALTON-15K-HOTEL	20.36	20.36	.00 (20.36)	.0
910-48658-00	LOAN INT.-960 E. MILWAUKEE LLC	333.98	333.98	.00 (333.98)	.0
910-48663-00	LOAN INT-BLACK SHEEP-1/20/12	53.02	53.02	.00 (53.02)	.0
910-48665-00	LOAN INT-BIKEWISE-\$62,600-4%	192.82	192.82	.00 (192.82)	.0
910-48680-00	ADMINISTRATION FEE-LOANS	1,000.00	1,000.00	.00 (1,000.00)	.0
910-48685-00	GRANTS-ADMIN FEES	.01	.01	.00 (.01)	.0
	TOTAL MISCELLANEOUS REVENUE	3,303.34	3,303.34	.00 (3,303.34)	.0
	TOTAL FUND REVENUE	3,303.34	3,303.34	.00 (3,303.34)	.0

CITY OF WHITEWATER
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 1 MONTHS ENDING JANUARY 31, 2014

CDA PROGRAMS FUND

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET AMOUNT</u>	<u>VARIANCE</u>	<u>% OF BUDGET</u>
<u>CDA PROGRAMS</u>					
910-56500-295 ADMINISTRATIVE EXPENSE	4,252.04	4,252.04	.00	(4,252.04)	.0
TOTAL CDA PROGRAMS	4,252.04	4,252.04	.00	(4,252.04)	.0
TOTAL FUND EXPENDITURES	4,252.04	4,252.04	.00	(4,252.04)	.0
NET REVENUE OVER EXPENDITURES	(948.70)	(948.70)	.00	948.70	.0

CITY OF WHITEWATER
REVENUES WITH COMPARISON TO BUDGET
FOR THE 1 MONTHS ENDING JANUARY 31, 2014

CDA FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET AMOUNT	VARIANCE	% OF BUDGET	
<u>MISCELLANEOUS REVENUE</u>						
900-48100-56	INTEREST INCOME	9.76	9.76	150.00	140.24	6.5
900-48600-56	MISC INCOME	.00	.00	247.00	247.00	.0
900-48630-56	GRANT/LOAN ADMIN/REIMB-REV	1,544.00	1,544.00	.00	(1,544.00)	.0
	TOTAL MISCELLANEOUS REVENUE	1,553.76	1,553.76	397.00	(1,156.76)	391.4
<u>OTHER FINANCING SOURCES</u>						
900-49263-56	TRANSFER-TID #6-ADMINISTRATION	.00	.00	12,500.00	12,500.00	.0
900-49264-56	TRANSFER-FD 910-CDA PROGRAMS	.00	.00	45,000.00	45,000.00	.0
900-49290-56	CITY TRANSFER INCOME	.00	.00	72,803.00	72,803.00	.0
900-49300-56	FUND BALANCE APPLIED	.00	.00	14,000.00	14,000.00	.0
	TOTAL OTHER FINANCING SOURCES	.00	.00	144,303.00	144,303.00	.0
	TOTAL FUND REVENUE	1,553.76	1,553.76	144,700.00	143,146.24	1.1

CITY OF WHITEWATER
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 1 MONTHS ENDING JANUARY 31, 2014

CDA FUND

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET AMOUNT</u>	<u>VARIANCE</u>	<u>% OF BUDGET</u>	
<u>CDA</u>						
900-56500-115	INTERNSHIP PROGRAM-UWW	267.50	267.50	12,480.00	12,212.50	2.1
900-56500-151	FRINGE BENEFITS	21.15	21.15	986.00	964.85	2.2
900-56500-210	PROFESSIONAL DEVELOPMENT	.00	.00	100.00	100.00	.0
900-56500-211	CONSULTANT FEES	.00	.00	88,000.00	88,000.00	.0
900-56500-212	LEGAL SERVICES	450.00	450.00	4,500.00	4,050.00	10.0
900-56500-219	AUDIT FEES	.00	.00	600.00	600.00	.0
900-56500-223	MARKETING	2,500.00	2,500.00	30,000.00	27,500.00	8.3
900-56500-224	COUNTY/REGIONAL ECON DEV	4,544.00	4,544.00	6,250.00	1,706.00	72.7
900-56500-310	OFFICE SUPPLIES	16.06	16.06	200.00	183.94	8.0
900-56500-311	POSTAGE	.00	.00	200.00	200.00	.0
900-56500-320	DUES	.00	.00	300.00	300.00	.0
900-56500-321	SUBSCRIPTIONS & BOOKS	.00	.00	200.00	200.00	.0
900-56500-330	TRAVEL EXPENSE	.00	.00	484.00	484.00	.0
900-56500-341	MISC EXPENSE	.00	.00	400.00	400.00	.0
	TOTAL CDA	7,798.71	7,798.71	144,700.00	136,901.29	5.4
	TOTAL FUND EXPENDITURES	7,798.71	7,798.71	144,700.00	136,901.29	5.4
	NET REVENUE OVER EXPENDITURES	(6,244.95)	(6,244.95)	.00	6,244.95	.0

MEMORANDUM

To: Whitewater Community Development Authority

From: Patrick Cannon
Executive Director

Re: Request from Whitewater Community Garden

Date: January 16, 2014

The Whitewater Community Garden is requesting that the CDA allow them to use a portion of the lot directly north of their existing garden area. A map is attached for your convenience.

The land in question is currently being leased by the CDA to a local farmer for crops. The CDA receives \$145.00 per acre for this agreement. Our agreement with the renter is an annual agreement that expires each spring. Removing a small portion of the property from this lease should not be a problem.

The property in question is for sale by the CDA. I would consider it to be a prime parcel since it sits on an intersection. Currently, there is no pending sale or expressed interest in this parcel. However, that could change at any time.

In meeting with officials from the Community Garden, I indicated that the parcel is for sale and we currently receive modest revenue from the lease. They understood these points. I also expressed a concern that over several years, the individuals who use this area for their personal gardens will have both personal expenses and their time in developing a quality soil for a garden. This needs to be addressed in any agreement if the Board desires to allow the use of the parcel.

The Community Garden has also expressed a concern over the lack ADA accessibility to their current site. They would like to also look at the ability to install the appropriate access to the site. This also needs to be addressed.

The Representative from the Community Garden will be attending the CDA meeting on January 22, 2014 to discuss their request.

Please let me know if you have any questions.

MEMORANDUM

To: Whitewater Community Development Authority

From: Patrick Cannon
Executive Director

Re: Innovation Center Lease Agreements

Date: February 5, 2014

In discussing a loan agreement with Mitch Simon, he also reviewed the standard lease agreement for use of space at the Innovation Center.

As a result of his review, he indicated that State Statutes requires that in addition to the Chairperson (or Vice-Chair) to sign the lease, the Executive Director should also be signing the document. Previously, we have not used two signatures on these agreements. In the future, we have adjusted the document to require both signatures.

In order to maintain compliance with State Statutes, Mr. Simon and I drafted a Statement that we can add to all the prior agreements. A copy of the draft is attached. We felt that this would be sufficient. The only concern that arose was for Lease Agreements that were executed prior to my starting with the CDA. Therefore, we felt that the CDA should authorize a Resolution to acknowledge my signature as part of these lease agreements prior to my start date.

I drafted the attached Resolution for the Board's consideration. I will place this on the agenda for the February meeting. If you have any questions prior to then, please let me know.

Statement

This is to certify that the attached lease agreement has been approved by the Community Development Authority of the City of Whitewater and that the Community Development Authority has authorized the execution of the attached lease on behalf of the Community Development Authority. The undersigned Executive Director of the Community Development Authority hereby joins in the execution of the attached lease on behalf of the Community Development Authority for the purpose of confirming the execution on behalf of the Community Development Authority as its duly authorized act and deed.

Patrick Cannon
Executive Director
Date / /

Resolution

Whereas, The Whitewater Community Development Authority (CDA) is the owner of the Whitewater University Technology Park Innovation Center (Innovation Center).

Whereas, the Innovation Center is located at 1234 Innovation Drive Whitewater, WI 53190.

Whereas, the Innovation Center leases space within the building to businesses that require the CDA to enter into a lease agreement.

Whereas, Wisconsin State Statutes requires that Housing and Community Development Authorities to have both the Chairperson (or Vice Chairperson) and the Executive Director sign these agreements,

Now Therefore be it Resolved that the CDA hereby authorizes the Executive Director to sign any and all prior lease agreements that were not executed with the required number of signatures. The attached statement will included with each prior lease agreement.

Jeffery P. Knight

Chairperson

Patrick Cannon

Executive Director

February 26, 2014

MEMORANDUM

To: Whitewater Community Development Authority

From: Patrick Cannon
Executive Director

Re: Whitewater University Technology Park Board
Nondisclosure & Code of Conduct Agreements

Date: February 17, 2014

For the past several months, the Whitewater University Technology Park Board has been discussing the adoption of a Nondisclosure and Code of Conduct agreements. Under the original grant, the Park Board is required to adopt these policies.

As originally drafted, both the Chair and I felt that these policies would seriously hinder the Chairs ability to participate on the Technology Park Board. After discussion at the Board, it appeared that several other appointed members would also face the same hindrances.

Our Attorney Mitch Simon was asked to review the Nondisclosure Agreement. He has a few concerns that were included in the Red Line version of the policy that is attached. The comments added to the Code of Conduct were provided by me. I though some additional clarification was needed.

At this time, I would like additional feedback from the Board on these documents. The Technology Park Board will be meeting on February 27, to discuss these items.

Please let me know if you have any questions.



NONDISCLOSURE AGREEMENT

FOR CLIENT/TENANT AND

WHITEWATER UNIVERSITY TECHNOLOGY PARK, WHITEWATER UNIVERSITY INNOVATION CENTER, CITY OF WHITEWATER, WHITEWATER COMMUNITY DEVELOPMENT AUTHORITY, UNIVERSITY OF WISCONSIN-WHTIEWATER, AND/OR WHITEWATER INCUBATION PROGRAM

ORGANIZATION/CLIENT "DISCLOSING PARTY"	ORGANIZATION "RECEIVING PARTY OR PARTIES" WHITEWATER UNIVERSITY TECHNOLOGY PARK
Name:	Name:
Address:	Address:
Project Title / Scope of Work <input type="checkbox"/> Check here if SOW attached	

This Nondisclosure Agreement (the "Agreement") is entered into by and between the Disclosing Party and the "Receiving Party or Parties" for the purpose of preventing the unauthorized disclosure of Confidential Information as defined below. The parties agree to enter into a confidential relationship with respect to the disclosure of certain proprietary and confidential information ("Confidential Information"). The Receiving Party represents the Whitewater University Technology Park, a partner in the managing/operating the Whitewater University Technology Park, the Whitewater University Innovation Center, and the Whitewater Incubation Program. The following list of stakeholders have all signed the relevant Whitewater University Technology Park Code of Conduct and are bound to the terms and conditions of this nondisclosure. Information may be shared with authorized representatives of the(se) organization(s) in order to provide optimal services/support to "Disclosing Party."

- City of Whitewater
- Whitewater Community Development Authority
- Whitewater University Innovation Center
- University of Wisconsin-Whitewater
- Whitewater Incubation Program

The Disclosing Party may request a copy of all authorized representatives of all receiving parties and/or copies of all signed code(s) of conduct.

1. Definition of Confidential Information. For purposes of this Agreement, "Confidential Information" shall include all information or material that has or could have commercial value or other utility in the business in which Disclosing Party is engaged **provided the disclosing party timely classifies the same as confidential in either of the following ways:- (A) if the Confidential Information is in written form, the Disclosing Party shall label or stamp the materials with the word "Confidential" or some similar warning; (B)-If the Confidential Information is transmitted orally, the Disclosing Party shall promptly provide a written indication that such oral communication constituted Confidential Information.**

2. Exclusions from Confidential Information. Receiving Party's obligations under this Agreement do not extend to information that is: (a) publicly known at the time of disclosure or subsequently becomes publicly known through no fault of the Receiving Party; (b) discovered or created by the Receiving Party before disclosure by Disclosing Party; (c) learned by the Receiving Party through legitimate means other than from the Disclosing Party or Disclosing Party's representatives; or (d) is disclosed by Receiving Party with Disclosing Party's prior written approval.

3. Obligations of Receiving Party (ALL Receiving Parties). Receiving Party shall hold and maintain the Confidential Information in strictest confidence for the sole and exclusive benefit of the Disclosing Party. Receiving Party shall carefully restrict access to Confidential Information to employees, contractors and third parties as is reasonably required and shall require those persons to sign nondisclosure restrictions at least as protective as those in this Agreement. Receiving Party shall not, without prior written approval of Disclosing Party,

use for Receiving Party's own benefit, publish, copy, or otherwise disclose to others, or permit the use by others for their benefit or to the detriment of Disclosing Party, any Confidential Information **except required by law, statutes or lawful Court Order**. Receiving Party shall return to Disclosing Party any and all records, notes, and other written, printed, or tangible materials in its possession pertaining to Confidential Information immediately if Disclosing Party requests it in writing **unless (a) the receiving party has relied upon such information to provide goods and services, services to leasing property to, to extending creditor or financial accommodation to, and/or providing capital or equity funding to the Disclosing Party or any affiliate of Disclosing Party and/or (b) the retention by the Receiving Party of such records, notes and/or written, printed or tangible materials is required for compliance with and applicable Statute, Law, Rule or Regulation.**

4. Time Periods. The nondisclosure provisions of this Agreement shall survive the termination of this Agreement and Receiving Party's duty to hold Confidential Information in confidence shall remain in effect until the Confidential Information no longer qualifies as a trade secret or until Disclosing Party sends Receiving Party written notice releasing Receiving Party from this Agreement, whichever occurs first.

5. Relationships. Nothing contained in this Agreement shall be deemed to constitute either party as a partner, joint venturer or employee of the other party for any purpose.

6. Severability. If a court finds any provision of this Agreement invalid or unenforceable, the remainder of this Agreement shall be interpreted so as best to effect the intent of the parties.

7. Integration. This Agreement expresses the complete understanding of the parties with respect to the subject matter and supersedes all prior proposals, agreements, representations and understandings. This Agreement may not be amended except in a written document signed by both parties.

8. Waiver. The failure to exercise any right provided in this Agreement shall not be a waiver of prior or subsequent rights.

This Agreement and each party's obligations shall be binding on the representatives, assigns and successors of such party. Each party has signed this Agreement through its authorized representative.

By an Authorized Official of RECEIVING PARTY: WHITEWATER UNIVERSITY TECHNOLOGY PARK	By an Authorized Official of DISCLOSING PARTY:
Typed Name: _____ Date _____ Title: _____	Typed Name: _____ Date _____ Title: _____



WHITEWATER UNIVERSITY TECHNOLOGY PARK

WHITEWATER UNIVERSITY TECHNOLOGY PARK AND WHITEWATER INCUBATION PROGRAM CODE OF CONDUCT

Developed 13 September 2013, Revised 2 January 2014

CODE OF ETHICS AND CONDUCT

The following is the Whitewater University Technology Park and Whitewater Incubation Program (PARK/WHIP) Code of Ethics and Conduct applicable to all members, volunteers, representatives, and/or agents of PARK and/or WHIP (volunteers).

1. Client/Tenant (CLIENT) Interests. To best serve PARK/WHIP CLIENT, PARK/WHIP shall:

- A. Always conduct their counseling and other PARK/WHIP activities in a manner that unequivocally places the interests of CLIENT first.
- B. Ensure that all available resources are offered to CLIENT, including assistance by other counselors or by outside organizations where appropriate.
- C. At all times protect the confidentiality of business information provided by CLIENT.
- D. Not accept or participate in PARK/WHIP activities that create a conflict of interest or a conflict of duty.

2. Compensation. As unpaid volunteers/representatives, PARK/WHIP volunteers shall:

- A. Neither charge nor accept individual fees, honoraria, or things of value as payment for on behalf of PARK/WHIP outside of lease or other acceptable transaction fees.
- B. Not accept individual payment from CLIENT for travel or other expenses incident to counseling or training or any other activity.
- C. PARK/WHIP volunteer(s) may not become a paid consultant for or accept other employment from CLIENT. In the event that a volunteer does accept employment from a PARK/WHIP CLIENT, he or she should must immediately notify the President of the Whitewater University Technology Park Board, in writing. PARK/WHIP authorized official(s) will determine the best course of action, following disclosure, on a case-by-case basis.

3. Third Parties. The following guidelines apply to interactions between PARK/WHIP and third parties:

- A. PARK/WHIP volunteers shall not accept personal fees, commissions, kickbacks, or things of value from third parties as a result of recommending any services, equipment or supplies, nor shall they recommend the purchase of goods or services in which they have a direct or indirect interest, financial or otherwise.
- B. When volunteers perform PARK/WHIP services for another organization or agency, that organization or agency may reimburse PARK/WHIP for the expenses of the volunteers by providing an honorarium to PARK/WHIP, which can then reimburse the volunteers for their expenses as may be applicable.
- C. PARK/WHIP volunteers shall neither charge nor accept fees or things of value for assistance in the preparation of loan/grant applications nor directly accept so-called finder's fees for the location of lending sources.
- D. PARK/WHIP volunteers, when advising CLIENT about obtaining professional or other services or goods, shall identify, whenever feasible, several sources from which the CLIENT may select.

4. Personal Interests. To safeguard the integrity of the PARK/WHIP missions, it is vital to avoid any actual or apparent conflict of interest. To that end, PARK/WHIP volunteers or their families shall not:

- A. Directly or indirectly become officers, directors, or shareholders, or provide individual/personal funding (by way of personal investment, loans or otherwise) for a for-profit business organization that is seeking counseling assistance from PARK/WHIP or has received it within the past three years.

5. Personal Conduct. As long as they are part of PARK/WHIP, volunteers shall:

- A. Not discriminate in any of their PARK/WHIP-related activities against any person because of race, color, national origin, sex, age, religion, marital status, handicap or sexual preference.
- B. Not make public statements that appear to associate PARK/WHIP with personal opinions of the volunteers or which are critical of PARK/WHIP or any of its sponsors.
- C. Not make statements that appear to identify PARK/WHIP with a political party or a candidate for federal, state or local office.
- D. At all times during the performance of their services, conduct themselves in such a manner as not to discredit themselves or PARK/WHIP.
- E. Not engage in any form of sexual harassment or sexual discrimination. Sexual harassment includes the making of deliberate or repeated unsolicited verbal comments, gestures or physical contact of a sexual nature in circumstances where such conduct reasonably is or would be unwelcome to the offended person or persons. Further, when such unwelcome conduct reasonably interferes with or creates an intimidating, offensive or hostile counseling or other work environment, it is considered sexual harassment.

6. Unwarranted Commitments. PARK/WHIP volunteers should refrain from the following commitments:

- A. Guaranteeing a CLIENT that PARK/WHIP can arrange any type of business financing outside his/her direct control.
- B. Ensuring the CLIENT of business success with their idea or product.
- C. Encouraging a CLIENT to invest their personal funds, mortgage their assets or take out a business loan.
- D. Offering legal or tax advice **unless working within their non-volunteer capacity.**

VOLUNTEER SERVICE AGREEMENT

In the performance of their duties, PARK/WHIP volunteers will have access to or knowledge of financial, statistical, personnel, technical, or other similar information relating to a CLIENT's, business operation, or personal affairs. PARK/WHIP employees, volunteers, private or faculty consultants, or other individuals that provide counseling or other forms of assistance to CLIENT on behalf of PARK/WHIP should avoid appearances of conflict of interest and/or conflict of duty while representing PARK/WHIP, insofar as is possible while fulfilling service obligations and within standard ethical guidelines. All volunteers should disclose potential conflicts to the President of the Whitewater University Technology Park Board.

PARK/WHIP Volunteer Agreement: As a condition of my service with/to PARK/WHIP, I (personally) will not:

- A. Solicit or accept, or appear to solicit or accept any gift, loan, reward, equity in a business, compensation or other monetary compensation, promise of future employment, favor, or service in return for services performed by me during the term of my volunteer service with PARK/WHIP from any first or third parties,
- B. Recommend the purchase of goods and (or) services from a firm in which I have family, business, or other (fiscal) relationships,
- C. Violate the right to privacy of any CLIENT by releasing confidential information about the CLIENT's relationship with PARK/WHIP, or any information about the business or personal

matters to anyone or any agency outside authorized agents of/for PARK/WHIP during and after my involvement with PARK/WHIP **unless required by Statute, Law or lawful Order of the Courts.** *A pre-approved contractual waiver of the right to privacy and/or nondisclosure agreement may be signed by the CLIENT to facilitate coordination of stakeholder services and support.*

- D. Use my position for a purpose that is, or gives the appearance of being, motivated by a desire for personal gain for myself or persons with whom I have family, business, or other personal relationships (i.e., conflict of interest).
- E. Use my position for a purpose that is, or gives the appearance of being, motivated by a desire to achieve unwarranted gain for other organizations with which I am affiliated at the detriment of PARK/WHIP (i.e., conflict of duty).
- F. Solicit or accept, or appear to solicit or accept private engagement of my services at any time during, or for one year after, the term of my engagement as a volunteer with PARK/WHIP. I understand that this particular requirement may be waived by CLIENT for whom I have provided assistance, in a written request(s) to the Whitewater University Technology Park Board President.

I have read and understand this policy statement and agree to abide by its provisions.

SIGNATURE AND DATE	
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MEMORANDUM

To: Whitewater Community Development Authority

From: Patrick Cannon
Executive Director

Re: WEDC Contract

Date: February 17, 2014

As you are aware, the Wisconsin Economic Development Corporation (WEDC) has awarded the CDA a grant of \$250,000 to service as their portion of the second round funding for the Capital Catalyst Fund. They have presented us with a draft contract for this grant.

As a result of a request to WEDC by our Chair, they agree with the creation of the for profit corporation that will serve as the equity investment holder. They have asked that we include language to that affect in the contract document. Draft language is being circulated as of this date.

At this time, based upon a final review of the contract language, I would like to request formal action by the Board to authorize the CDA to enter into this contract. In addition, I would like authorization to transfer the CDA match of \$250,000 from the UDAG funds to the Capital Catalyst Fund.

Please let me know if you have any questions.

DRAFT

**CAPITAL CATALYST GRANT AGREEMENT
BETWEEN
THE WISCONSIN ECONOMIC DEVELOPMENT CORPORATION
AND
WHITEWATER COMMUNITY DEVELOPMENT AUTHORITY**

This Agreement is entered into pursuant to Chapter 238 of the Wisconsin Statutes between the Wisconsin Economic Development Corporation (“WEDC”) and Whitewater Community Development Authority (the “Recipient”).

WITNESSETH

WHEREAS, the Recipient has submitted an Application to WEDC, requesting Capital Catalyst Funds;

WHEREAS, the Recipient’s Application states the Recipient plans to capitalize and manage an Investment Seed Fund to make Awards to start-up, early stage, and innovative small businesses in Wisconsin;

WHEREAS, WEDC has determined the Recipient is an eligible recipient of Capital Catalyst Funds; and

WHEREAS, in reliance upon the Recipient’s Application, WEDC has approved the Recipient for up to two hundred and fifty thousand dollars (\$250,000.00) in Capital Catalyst Funds.

NOW, THEREFORE, for valid consideration, the receipt of which is hereby acknowledged, and in consideration for the promises and covenants in this Agreement, WEDC and the Recipient agree as follows:

1. Definitions. For purposes of this Agreement, the following terms shall have the following meanings:

(a) “Agreement” means this agreement, to include all documents required to be delivered contemporaneously with the execution and delivery of this Agreement, and the attached Exhibits, together with any future amendments executed in compliance with Paragraph 22 of this Agreement.

(b) “Application” means the materials submitted by the Recipient to WEDC relating to this allocation of Capital Catalyst Funds.

(c) “Award” means the grants, loans, royalty-based investments and/or equity investments the Recipient makes to Eligible Businesses in accordance with the Recipient’s Investment Strategy and the terms of this Agreement.

(d) "Capital Catalyst Funds" means the grant monies the Recipient is eligible to receive from WEDC's Capital Catalyst Program in accordance with this Agreement.

(e) "Effective Date" means the date on which this Agreement is fully executed by both parties.

(f) "Eligible Business" means start-up, early stage and innovative businesses that are located in or will locate in Wisconsin, and that meet the requirements of the Recipient's Investment Strategy.

(g) "Ineligible Business" means real estate, retail or hospitality industry businesses, including restaurants.

(h) "Investment Seed Fund" means the Recipient's fund or program, including Capital Catalyst Funds and Matching Funds, through which the Recipient will facilitate its Investment Strategy and make Awards to Eligible Businesses.

(i) "Investment Strategy" means the Recipient's plan, submitted to WEDC in the Recipient's Application, for making Awards to Eligible Businesses. The Recipient's Investment Strategy governs the Recipient's investment decisions and terms of agreements with Eligible Businesses. Any changes in the Investment Strategy must be reported to and approved by WEDC.

(j) "Matching Funds" means non-WEDC funds secured by the Recipient to meet the minimum 1:1 match requirement of the Capital Catalyst Program.

2. Capital Catalyst Funds. Subject to the terms and conditions set forth in this Agreement, and in Wisconsin law, WEDC shall provide to the Recipient a grant of up to two hundred and fifty thousand dollars (\$250,000.00), in Capital Catalyst Funds.

3. Recipient's Obligations. The Recipient will:

(a) Secure Matching Funds from non-WEDC sources equal to at least two hundred and fifty thousand dollars (\$250,000.00), to achieve a 1:1 match to the Capital Catalyst Funds.

(b) Capitalize an Investment Seed Fund with at least five hundred thousand dollars (\$500,000.00), comprised of both the Capital Catalyst Funds and the Matching Funds, to be awarded to eligible businesses in accordance with the Investment Strategy. No portion of this amount may be utilized for Recipient's administrative or operational expenses.

(c) Award at least eighty-four thousand dollars (\$84,000.00) of the Capital Catalyst Funds as direct grants to Eligible Businesses, in amounts no more than twenty-five thousand dollars (\$25,000.00) per Eligible Business. Amounts in excess of twenty-five thousand dollars (\$25,000.00) may be granted to the Eligible Business under this sub-section, if funds are from a non-WEDC source.

(d) Award one hundred and sixty-six thousand dollars (\$166,000.00) of the Capital Catalyst Funds to Eligible Businesses in accordance with the Investment Strategy.

(e) Award two hundred and fifty thousand dollars (\$250,000.00) in matching funds to Eligible Businesses in accordance with the Investment Strategy.

(f) Not make Awards from the Capital Catalyst Funds or Matching Funds to any Ineligible Businesses.

(g) Provide that the total at least five hundred thousand dollars (\$500,000.00), including Capital Catalyst Funds and Matching Funds must be committed to Eligible Businesses within eighteen (18) months of the date of disbursement of Capital Catalyst Funds by WEDC to the Recipient. Capital Catalyst Funds not committed by the Recipient within the eighteen (18) month timeframe shall be returned to WEDC.

(h) Operate the Investment Seed Fund consistent with the Recipient's Investment Strategy.

(i) Require Eligible Businesses, as a condition of receiving an Award, to provide the Recipient with information on the Eligible Business' employment, salaries and wages, and capital leverage on a periodic basis for five (5) years after receiving the award in accordance with the reporting dates and requirements in Exhibit B.

(j) At WEDC's request, provide occasional assistance and counsel to communities and organizations receiving similar WEDC funding in order to drive a statewide initiative of entrepreneurial support.

(k) Establish a segregated account to receive and hold the Investment Seed Fund.

(l) Provide reports to WEDC as further described in Paragraph 6 of this Agreement, in such form as required by WEDC, a sample of which is attached to this Agreement as Exhibit B.

4. Duration. This Agreement will be in effect until, and the obligations hereunder completed by, no later than five (5) years after the Effective Date of this Agreement.

5. Release of Funds. WEDC will release the Capital Catalyst Funds contemplated by this Agreement to the Recipient, in such manner as determined by WEDC. Payment of the Capital Catalyst Funds can be made in one or more draws and will be contingent on the following:

(a) The Recipient securing Matching Funds at a ratio of 1:1 to the amount of Capital Catalyst Funds being requested under any payment request, and submitting documentation evidencing such Matching Funds to WEDC.

(b) The Recipient submitting to WEDC a request for payment in such form as may be required by WEDC, a sample of which is attached to this Agreement as Exhibit A.

(c) All Capital Catalyst Funds contemplated by this Agreement must be requested within twelve (12) months of the Effective Date of this Agreement.

6. Reporting. The Recipient shall provide quarterly and annual reports to WEDC in the manner and form required by WEDC, subject to the following requirements:

(a) The Quarterly Report shall include:

(i) Balance statement for the account holding the Investment Seed Fund.

(ii) A statement detailing any changes to the Investment Strategy, investment committee, fund management, application process/criteria, or funding strategy/selection criteria made since the Recipient's previous reporting period.

(iii) For each Award made with Capital Catalyst Funds or Matching Funds during the period covered by the quarterly report, a completed "Capital Catalyst – Investment Reporting" form for each Eligible Business, included in the attached Exhibit B.

(b) The Annual Report shall include an update on each Eligible Business that has received an Award from the Recipient using Capital Catalyst Funds or Matching Funds, over the course of this Agreement, and shall include a completed "Capital Catalyst – Investment Reporting" form for each Eligible Business, included in the attached Exhibit B.

(c) Schedule of Reporting:

PERIOD COVERED	DOCUMENTATION	DUE DATE
See Paragraph 7 Below	Schedule of Expenditures	See Paragraph 7 Below
January 1 – March 31, 2014	Quarterly Report	May 15, 2014
April 1 – June 30, 2014	Quarterly Report	August 15, 2014
July 1 – September 30, 2014	Quarterly Report	November 15, 2014
October 1 – December 31, 2014	Quarterly Report	February 15, 2015
January 1- December 31, 2014	Annual Report	February 15, 2015
January 1 – March 31, 2015	Quarterly Report	May 15, 2015
April 1 – June 30, 2015	Quarterly Report	August 15, 2015
January 1 – December 31, 2015	Annual Report	February 15, 2016
January 1 – December 31, 2016	Annual Report	February 15, 2017
January 1 – December 31, 2017	Annual Report	February 15, 2018

7. **Schedule of Expenditures.** Consistent with Wis. Stat. § 238.03(3)(a), the Recipient must submit to WEDC, within 120 days after the end of the Recipient's fiscal year in which any grant or loan funds were expended, a schedule of expenditures of the grant or loan funds, including expenditures of any matching cash or in-kind match, signed by the director or principal officer of the recipient to attest to the accuracy of the schedule of expenditures. The Recipient shall engage an independent certified public accountant to perform procedures, approved by WEDC and consistent with applicable professional standards of the American Institute of Certified Public Accountants, to determine whether the grant or loan funds and

any matching cash or in-kind match were expended in accordance with the grant or loan contract. The Recipient must make available for inspection the documents supporting the schedule of expenditures.

8. Event of Default. The occurrence of any one or more of the following events shall constitute an Event of Default for the purposes of this Agreement:

(a) The Recipient ceases operation of the Investment Seed Fund or relocates operations outside of Wisconsin within five (5) years of the Effective Date of this Agreement.

(b) The Recipient supplies false or misleading information to WEDC in connection with this Agreement.

(c) The Recipient fails to comply with or perform, in any material respect, any of its obligations under this Agreement.

9. Remedies in Event of Default.

(a) Upon the occurrence of an Event of Default, WEDC shall send a written notice of default to the Recipient, setting forth with reasonable specificity the nature of the default. If the Recipient fails to cure any such Event of Default to the reasonable satisfaction of WEDC within thirty (30) calendar days, WEDC may, without further written notice to the Recipient, declare the Recipient in default. In the Event of Default, WEDC may terminate the Agreement and recover from the Recipient:

(i) One hundred percent (100%) of the total amount of Capital Catalyst Funds disbursed under this Agreement; and

(ii) All court costs and reasonable attorney's fees incurred by WEDC in terminating the Agreement and recovering the amounts owed by the Recipient under this provision.

(b) These amounts shall be paid to WEDC within thirty (30) calendar days of demand by WEDC hereunder. If the Recipient fails to pay these amounts to WEDC, the Recipient will be liable for the full unpaid balance plus interest at the annual rate of twelve percent (12%) from the date of the notice of Event of Default.

(c) The thirty (30) day cure period set forth in (a) above may be extended by WEDC, provided that the Recipient begins to cure such matter and thereafter diligently pursues a cure.

10. Recipient's Warranties and Representations. In addition to the other provisions of this Agreement, the Recipient hereby warrants and represents to the best of its knowledge that as of the date of this Agreement:

(a) The Recipient is duly incorporated and validly existing under the laws of the state of its incorporation and is authorized to engage in business in the State of Wisconsin.

(b) The Recipient is qualified to engage in business in every jurisdiction where the nature of its business makes such qualification necessary, except where the failure to be so authorized would not have a material and adverse effect on the Recipient's ability to perform its obligations under this Agreement.

(c) The Recipient is in compliance with all laws, regulations, ordinances and orders of public authorities applicable to it, the violation of which would have a material, adverse effect on the Recipient's ability to perform its obligations under this Agreement.

(d) The financial statements and other information provided by the Recipient to WEDC are complete and accurate in accordance with Generally Accepted Accounting Principles where applicable, and have been relied on by WEDC in deciding whether to enter into this Agreement with the Recipient.

(e) The undersigned officer of the Recipient is fully authorized to execute and deliver this Agreement on behalf of the Recipient.

(f) In making these warranties and representations, the Recipient has not relied on any information furnished by WEDC.

11. Wisconsin Public Records Law and Confidential Documents.

(a) The Recipient understands that this Agreement and other materials submitted to WEDC may constitute public records subject to disclosure under Wisconsin's Public Records Law, §§ 19.31-.39.

(b) Except as otherwise required or provided by court order, legal process or applicable law including §§ 19.31-.39, WEDC shall not, without the Recipient's consent, reveal or disclose to any non-government person or entity financial or other information or materials provided by the Recipient if the Recipient has indicated that such information or materials are sensitive and should be kept confidential. The Recipient must indicate that such materials are to be protected under this paragraph by marking the documents "confidential."

(c) If the Recipient contends that any document provided to WEDC is exempt from disclosure under Wisconsin's Public Records Law, for reasons including that the document qualifies as a trade secret under § 134.90, the Recipient shall:

(i) Clearly mark the document as not subject to disclosure under the Public Records Law. If the Recipient contends the document is a trade secret under § 134.90, the Recipient shall specifically mark the documents as "Confidential Trade Secrets."

(ii) Provide WEDC with a concise, written explanation describing the basis for contending the document is not subject to the Public Records Law.

(iii) If applicable, provide WEDC with two copies of the document the Recipient contends is exempt – a clean copy and a copy with the exempted information redacted.

(d) WEDC agrees to notify the Recipient if it receives a public records request for documents marked under Paragraph (c).

12. Additional Requirements.

(a) **Project Records.** The Recipient shall prepare, keep and maintain such records as may be reasonably required by WEDC to validate the Recipient's performance under this Agreement and the performance reports provided to WEDC.

(b) **Inspection.**

(i) WEDC and its respective agents, shall, upon 48 hours advance written notice to the Recipient, have the right to enter the Recipient's premises, during normal business hours, to inspect the Recipient's operations documentation relating to this Agreement, provided, however, that such access does not unreasonably disrupt the normal operations of the Recipient.

(ii) The Recipient shall produce for WEDC's inspection, examination, auditing and copying, upon reasonable advance notice, any and all records which relate to this Agreement.

(iii) WEDC reserves the right to conduct a physical site visit of the Project while the Project is ongoing and after Project completion.

(c) **Nondiscrimination in Employment.** Consistent with Wis. Stat. § 16.765: In connection with the performance of work under this contract, Recipient agrees not to discriminate against any employee or applicant for employment because of age, race, religion, color, handicap, sex, physical condition, developmental disability as defined in § 51.01(5), sexual orientation or national origin. This provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Except with respect to sexual orientation, Recipient further agrees to take affirmative action to ensure equal employment opportunities. Recipient agrees to post in conspicuous places, available for employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of the nondiscrimination clause.

(d) **Consolidation or Merger.** During the term of this Agreement, the Recipient shall provide written notice to WEDC of any consolidation or merger with or into any other unrelated corporation or business entity.

(e) **Public Announcement.** The Recipient agrees to work with WEDC in making a public announcement of this Agreement.

13. Conflicts. In the event of any conflict between the provisions of this Agreement and any accompanying documents, the terms of this Agreement control.

14. Choice of Law. THIS AGREEMENT AND ALL MATTERS RELATING TO IT OR ARISING FROM IT – WHETHER SOUNDING IN CONTRACT LAW OR OTHERWISE – SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED PURSUANT TO, THE LAWS OF THE STATE OF WISCONSIN.

15. Venue, Jurisdiction. Any judicial action relating to the construction, interpretation, or enforcement of this Agreement, or the recovery of any principal, accrued interest, court costs, attorney's fees and other amounts owed hereunder, shall be brought and venued in the U.S. District Court for the Western District of Wisconsin or the Dane County Circuit Court in Madison, Wisconsin. **EACH PARTY HEREBY CONSENTS AND AGREES TO**

JURISDICTION IN THOSE WISCONSIN COURTS, AND WAIVES ANY DEFENSES OR OBJECTIONS THAT IT MAY HAVE ON PERSONAL JURISDICTION, IMPROPER VENUE OR FORUM NON CONVENIENS.

- 16. Waiver of Right to Jury Trial. EACH PARTY WAIVES ITS RIGHT TO A JURY TRIAL IN CONNECTION WITH ANY JUDICIAL ACTION OR PROCEEDING THAT MAY ARISE BY AND BETWEEN WEDC AND THE RECIPIENT CONCERNING OR RELATING TO THE CONSTRUCTION, INTERPRETATION OR ENFORCEMENT OF THIS AGREEMENT, OR THE RECOVERY OF ANY PRINCIPAL, ACCRUED INTEREST, COURT COSTS, ATTORNEY'S FEES AND OTHER AMOUNTS THAT MAY BE OWED BY THE RECIPIENT HEREUNDER.**
- 17. LIMITATION OF LIABILITY. RECIPIENT HEREBY WAIVES ANY RIGHT IT MAY HAVE TO CLAIM OR RECOVER FROM WEDC ANY SPECIAL, EXEMPLARY, PUNITIVE, CONSEQUENTIAL, OR DAMAGES OF ANY OTHER NATURE OTHER THAN ACTUAL DAMAGES INCURRED OR SUFFERED BY RECIPIENT.**
- 18. Severability.** The invalidity of any provision of this Agreement shall not affect the validity of the remaining provisions, which shall remain in full force and effect to govern the parties' relationship.
- 19. WEDC Not a Joint Venturer or Partner.** WEDC shall not, under any circumstances, be considered or represented to be a partner or joint venturer of the Recipient or any beneficiary thereof.
- 20. Captions.** The captions in this Agreement are for convenience of reference only and shall not define or limit any of the terms and conditions set forth herein.
- 21. No Waiver.** No failure or delay on the part of WEDC in exercising any power or right under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any such power or right preclude any other exercise of any other power or right.
- 22. Entire Agreement.** This Agreement embodies the entire agreement of the parties concerning WEDC's and the Recipient's obligations related to the subject of this Agreement. This Agreement may not be amended, modified or altered except in writing signed by the Recipient and WEDC. This Agreement supersedes all prior agreements and understandings between the parties related to the subject matter of this agreement.

IN WITNESS WHEREOF, WEDC and the Recipient have executed and delivered this Agreement effective the date set forth next to WEDC's signature below.

WISCONSIN ECONOMIC DEVELOPMENT CORPORATION

By: _____ Date _____
Jake Kuester
Vice President, Credit & Risk

WHITEWATER COMMUNITY DEVELOPMENT AUTHORITY

By: _____ Date _____
Jeffrey Knight
Chairman

Notices to the Recipient hereunder shall be effective upon mailing by first class mail, postage prepaid, and addressed to the following person and address or such other person and address as the Recipient may designate in writing:

Whitewater Community Development Authority
312 W. Whitewater Street
Whitewater, WI 53190
Attn: Jeffrey Knight, Chairman

Notices to WEDC hereunder shall be effective upon mailing by first class mail, postage prepaid, and addressed as follows:

Wisconsin Economic Development Corporation
Division of Credit & Risk
P.O. Box 1687
Madison, WI 53701
Attn: Capital Catalyst Program
Contract # CC FY14-22235

**EXHIBIT A
REQUEST FOR WEDC PAYMENT**

Pearl Number:	Rep:	Recipient:
FEIN #		Request Number:
Program: Capital Catalyst		Award Type:
Funding Period Covered by this Request From: _____ To _____		

PROJECT EXPENSES INCURRED/PAID DURING THIS PERIOD

Budget Code	Description	WEDC Funding This Period	+	Company Match (if applicable)	=	Total This Period
TOTAL:						

PAYMENT/PROJECT EXPENSE/MATCH DESCRIPTION (to be completed by WEDC)

Payment Method: Draw

Eligible Expense Description: Capitalization of the Recipient's Investment Seed Fund

Match Description: Non-WEDC funds for the capitalization of the Recipient's Investment Seed Fund

Total Match % Required: 1:1 Match of the amount requested **Match % Met To-Date:**

Documentation Required: Documentation evidencing Recipient's receipt of Matching Funds.

I hereby certify that the expenses reported on this form are in accordance with the terms of the agreement and that complete and accurate records are being kept to substantiate such expenses.

Authorized Recipient Signature

Date

WEDC Underwriter or Vice President

Date

WEDC Finance Specialist

Date

WEDC Controller or Chief Financial Officer

Date

Retain a copy of the completed form for your records and mail the original and documentation to:
Wisconsin Economic Development Corporation, P.O. Box 1687, Madison, Wisconsin 53701

**EXHIBIT B
QUARTERLY/ANNUAL REPORT – CAPITAL CATALYST**

Contract: CC FY14-22235

For reporting period covering: _____

Signature

Date

Section 1: Balance Statement

Please attach balance statement for the account the Investment Seed Fund.

Section 2: Operations

If applicable, please attach a statement detailing any changes to the investment committee, fund management, application process/criteria, or funding strategy/selection criteria made since the previous reporting period.

Section 3: Investments

For a **Quarterly Report**, please complete the "Capital Catalyst – Investment Reporting" form for each company that received funding during the period covered under this report. For an **Annual Report**, an updated form is required for each company that has received funding in any prior reporting period, which shall include current data in the Economic Impact section.

Notes on Investment Reporting:

Report frequency is quarterly for the first 18 months following the date of disbursement of WEDC funds to the recipient organization, and annually for three additional years thereafter. Please consult the contract's "Schedule of Reporting" for a detailed reporting schedule.

Industry classification by 6-digit NAICS code should be provided by the business as the most appropriate and specific classification using the 2012 codes available at <http://www.census.gov/eos/www/naics>

Economic Impact - Additional capital excludes the award listed under "Investment Information". Debt financing includes bank loans, loans from family and friends, and revolving loan funds. Equity capital includes funds from angel investors, venture capitalists and seed funds.

Economic Impact – Total gross sales/revenues is not currently a contractually obligatory reporting requirement, but is requested to demonstrate total return on investment for the WEDC Capital Catalyst program.

CAPITAL CATALYST – INVESTMENT REPORTING

Date:

Company Information
Company Name:
Mailing Address/City:
CEO/Owner Name:
Contact Name:
Contact Telephone:
Contact E-mail:
Age of Company: 0-6M: ____ 6-12M: ____ 1yr+: ____
Industry classification by 6-digit NAICS code:
Company Description:

Investment Information
Date of award:
Amount of award:
Type of award (grant/loan/equity/royalty-based):
Source of award (WEDC/match):

Economic Impact
Current number of people employed full-time:
Current number of people employed part-time:
Total dollar amount of salaries and wages paid for the most recent month:
Total dollar amount of additional grant funds received in the most recent full year:
Total dollar amount of additional debt financing obtained in the most recent full year:
Total dollar amount of additional equity capital raised in the most recent full year:
Total dollar amount of additional royalty-based financing raised in the most recent full year:
Total dollar amount of gross sales/revenue for the most recent full year (optional):

Whitewater Resource Assistance (WRA)

Whitewater Revenue Opportunity Company (WORC)

Helping Whitewater Grow (HWG)

Whitewater Area Revenue Assistance (WARS)

Whitewater Assistance to Grow our Economy (WAGE)

Greater Whitewater Economic Development (GWED)

Growing Whitewater's Economy (GWE)

Assisting Whitewater's Growth (AWG)

Whitewater: Grow Your Business Here (WGBH)

Whitewater Investment Network (WIN)

Whitewater Area Development Company (WADC)

Whitewater Economic Development Group (WEDG)

Whitewater Economic Development Corp (WEDC)

Whitewater Economic Development Org (WEDO)

Econ Dev Group of WW (EDGO or EDGOW)

Catalyst

Synergy

MoneytoBurn.org

WWCEDA

Whitewater's Business and Technology Park Business Seed Fund

Whitewater Grows Business Fund

Whitewater Business Seed Fund

Growing Business in Whitewater Fund

Memorandum

To: CDA Board Members

From: Patrick Cannon
Executive Director

Re: Howard Road Property

Date: February 20, 2014

As reported at the last CDA meeting, the house on Howard Road did receive some substantial damage due to broken water pipes. The City had the property insured and a claim was filed.

We have received notification that our claim has been denied. The basis for the denial was that the building was unoccupied for over 60 days. In that case we would have needed to notify the carrier of this. They were not notified.

In appealing the claim to the Director of the fund, they have offered to settle the claim for \$25,000. This is based upon the estimated cost of demolition of the building. They are requesting our acceptance of this negotiated settlement.

Please let me know if you have any questions.

MEMORANDUM

To: Whitewater Community Development Authority

From: Patrick Cannon
Executive Director

Re: TIF District
Planning for improvements

Date: February 7, 2014

As you are aware, we have begun to have inquiries into potential developments in several of our TIF districts. While, no formal applications or offers have been received, we currently do not have any type of formal plans for the installation of public improvements and/or utilities in these districts. It is my understanding, that some preliminary estimates were calculated by Strand when the TIF were created.

TIF #5

This TIF was created in August 2007. Primarily it focuses on the vacant lands north of Business HWY 12 and west of the current developments. The attached map outlines the various TIF districts within the City. The TIF district is defined as a commercial and residential mixed-use area. The projected costs included in the TIF Project Plan calls for \$6,340,000 of TIF eligible expenses. Please bear in mind, these costs are based upon the prevailing costs when the district was created. They have not been adjusted for inflation or major changes in pricing. The cost estimate from Strand stands at \$5,820,000. The difference is \$20,000 for relocation costs and \$500,000 for TIF Administration.

Strand provided us with a preliminary proposal they designed for DLK Enterprises. A copy of the overall site plan is attached. Aside from the land uses, I really just wanted to point out that a large portion of the district is wetlands. Not being able to derive increment from these sites will increase the need for higher end developments in order to adequately pay the debt service and help to cover the City operational costs associated with the growth.

While most of the commercial areas can easily be reached off of Business HWY 12, the interior development of areas will require additional roads and complementary infrastructure. For example, Strands design calls for eleven detention pond sites in the TIF district. A copy of the Stormwater Management Plan is also attached.

TIF #6

As like the other TIF Districts, this district was also created in August 2007. The project plan calls for \$13,266,000 in expenditures for the installation of the public infrastructure. This plan is broken down to include expenses for land acquisition (\$2,600,000), development incentives (\$1,000,000), relocation (\$100,000) and administration costs (\$500,000). The balance of the project costs are listed as Business Park Development, street construction and rail spur construction.

This district lays both north and south of HWY 12 and between Janesville and W. Walworth Streets. Again, the TIF map points out the district boundaries. I would also point out that the lands south of HWY 12 are all privately owned. It is my understanding that prior negotiations with one or more of the property owners did not result in any type of price per acre agreement. Since, the Project

plan calls for \$2,600,000 in City/CDA acquisition costs, we should be prepared for this point of discussion.

As with TIF #5, this district is also a mixed use area. However, it appears to call for more office/technology space rather than retail establishments. I also understand that the CDA looked at this area for the Technology Park, but the cost of the lands force the site to be located in its present location. Also, the site would probably require the installation of a water tower in order to reach the required minimum psi for business development in this area. Other issues include wet lands and how they will be addressed.

TIF #7

This district is on the eastern side of the community as it lies in the Elkhorn Road (HWY 59) and Howard Road areas. Again as a mixed use TIF district, this area is designated for both commercial and residential growth areas. As outlined in a Development Plan created by Vandewalle & Associates, the lands along Elkhorn Road (HWY 59) are primarily commercial/retail uses. A map of the area is also attached for your consideration.

This area does not appear to have the same wetlands issues as the other two TOIF districts. In addition, the areas for public improvements are very close to Elkhorn Road, so their estimated cost is \$4,557,000. Of this amount \$500,000 is for TIF administration, \$ 457,000 is for water & sewer extensions and the balance (\$3,600,000) is for roadway construction.

Recommendation

In order to prepare these areas for growth in the future, I believe we should update these plans and look at the costs associated with the planned improvements. Based upon both the costs and the financial projections, we should develop an implementation plan for the public improvements. Please note that there is a significant risk of building the improvements and not obtaining the additional increment to satisfy the debt service. Therefore, we should be very prudent on how we look to implement these plans.

I would also recommend that we ask Strand to update their costs and present us with some options as to how the lands can be developed. Since, they have already completed the preliminary work, updating these costs would not be overly expensive.

Revenue Projections

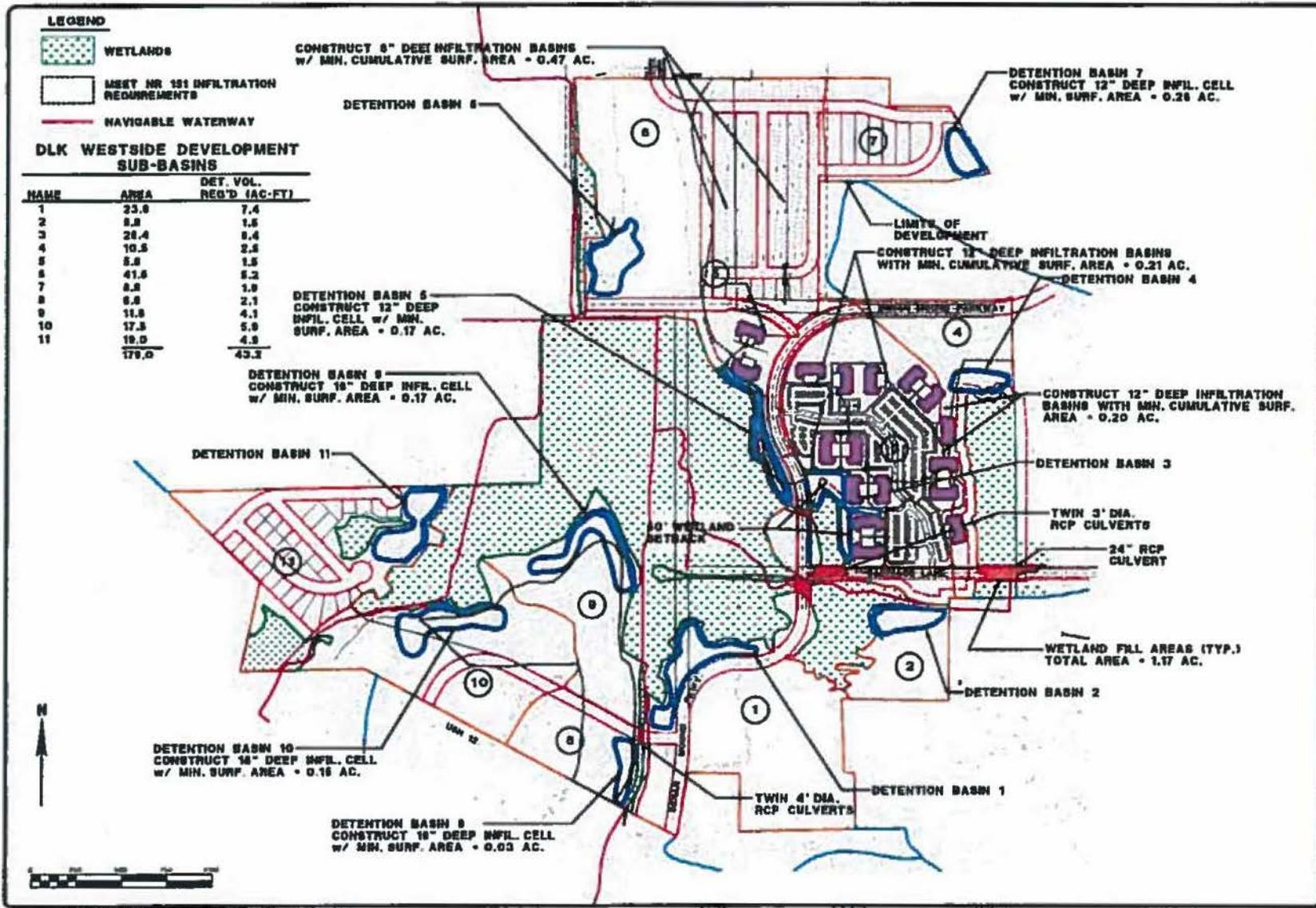
In 2013, R.W. Baird completed an analysis of the current TIF districts. Using these as the basis for covering these costs it looks pretty bleak. TIFs #5 currently generate \$44.00 year in TIF funds. TIF #7 does not generate any income. TIF #6 has a positive balance (excess revenues less debt payments) of approximately \$5,000 per year.

This probably only leaves us with the option of borrowing the funds needed for each district as part of the upcoming city project and then capitalizing the interest for a three year period. We would also need to structure our repayments so that we only repay interest only for the initial three years. (Please note; you can only capitalize the interest for three years).

I will place this on the next CDA agenda for discussion. If you have any questions in the interim, please let me know.

City of Whitewater
Potential TID 5 Creation
Infrastructure Development Cost Estimates

University Avenue Construction (Includes undivided 4 lane urban street, shared use path, Cold Spring Road intersection realignment, Business 12 intersection improvements, water main, street lighting, terrace trees, and right-of-way acquisition)	\$4,400,000
Sanitary Sewer Interceptor Extension (Vanderlip PS, across DLK lands, to west side of Galloway Creek on North side of Business 12)	\$405,000
Vanderlip Pumping Station Upgrade	\$500,000
West Main Street Water Main Looping (Pearson Lane, along Business 12 to University Avenue/ Business 12 intersection)	\$315,000
West Main Street Improvements	\$200,000



STORMWATER MANAGEMENT PLAN

DLK WESTSIDE DEVELOPMENT
DLK ENTERPRISES, INC.
CITY OF WHITEWATER, WISCONSIN

STRAND ENGINEERS

FIGURE 2.63-1
1 - 121.000

1 STATEMENT OF KIND, NUMBER AND LOCATION OF PROPOSED PUBLIC WORKS

The City of Whitewater proposes the creation of Tax Incremental District No. 6 (the "District") under authority of Wisconsin Statute Section 66.1105 primarily to promote the orderly development of the city. The construction of streets and utilities are needed in order to provide incentives for industrial, commercial and residential mixed-use growth, as well as to stimulate private sector development throughout the TID. The new development, which will occur as a result of the projects undertaken within the District boundaries, will provide the City with additional tax base and provide employment opportunities.

The following is a list of public expenditures that the City expects to implement in conjunction with the District No. 6. Any costs directly or indirectly related to the public works are considered "project costs" and are eligible to be paid with tax increment revenues of the District.

Business Park Development	\$8,400,000
Street Construction, Improvements, Amenities and ROW Acquisition	466,000
Development Incentives	1,000,000
Rail Spur Construction	200,000
Land Acquisition	2,600,000
Relocation	100,000
Administration City/CDA	<u>500,000</u>
	\$13,266,000

With all projects, the costs of engineering, design, survey, inspection, materials, construction, restoring property to its original condition, legal and other consultant fees, testing, environmental studies, permits, updating City of Whitewater ordinances and plans, judgments or claims for damages, and other expenses are included as project costs.

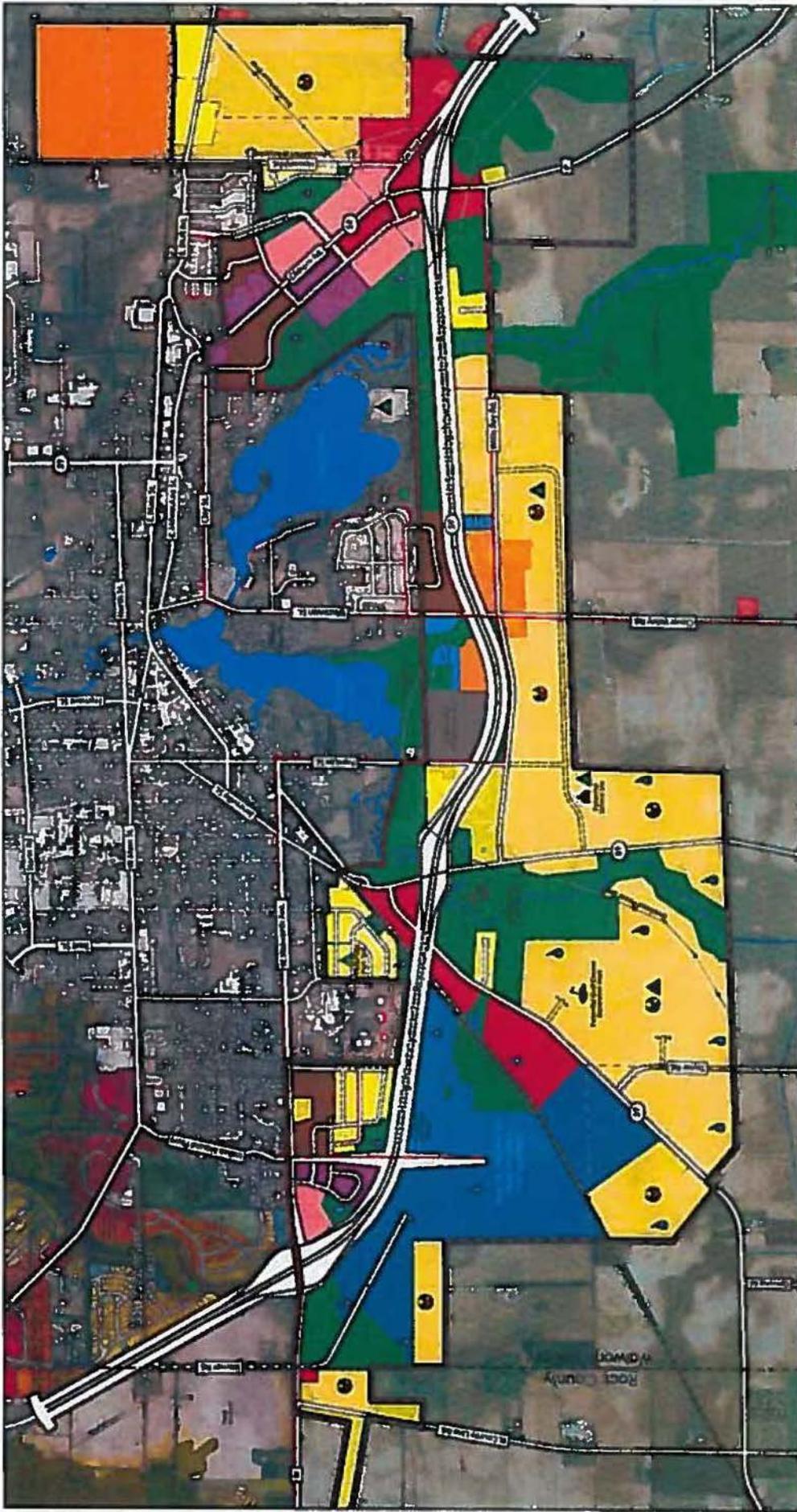
In the event any of the public works projects are not reimbursable out of the special tax increment finance fund under Wisconsin Statute Section 66.1105, in the written opinion of nationally recognized bond counsel retained by the City of Whitewater for such purpose or a court of record so rules in a final order, then such project or projects shall be deleted here from and the remainder of the projects hereunder shall be deemed the entirety of the projects for purposes of this Project Plan (this "Plan").

The City of Whitewater reserves the right to implement only those projects that remain viable as the plan period proceeds.

Project costs are any expenditures made, estimated to be made, or monetary obligations incurred or estimated to be incurred, by the City and outlined in this Plan. To the extent the costs benefit the City of Whitewater outside the District, a proportionate share of the

City of Whitewater
Potential TID 7 Creation
Infrastructure Development Cost Estimates

Elkhorn Road Improvements (Assumes 2 lane TWLTL with bike lanes, sidewalks, street lighting, terrace trees, Clay Street to Howard Road, allowance for Moraine View Parkway/Elkhorn Road intersection improvements)	\$2,500,000
Moraine View Parkway Sewer and Water Extensions (Pine Bluff subdivision to Elkhorn Road)	\$457,000
Howard Road Improvements (Assumes urban section between Bluff Road and Elkhorn Road including street lighting and terrace trees)	\$1,100,000



SOUTH NEIGHBORHOOD

City of Whitewater, Wisconsin

Development Plan



Highlighted land uses and roadways are intended to communicate the general future land use patterns and transportation network. Proposed road alignments and boundaries of proposed parks, land use areas, and environmentally constrained lands may be adjusted based on specific process development design, detailed site environmental surveys, or future City acquisitions. This is not a zoning map.

- Future Land Uses**
- Single Family Residential
 - Mixed Residential
 - Planned Mixed Use
 - Community Commercial
 - Highway Commercial
 - Business Park
 - University Technology Park
 - Tech, Park or Commercial
 - Mixed Use or Planned Mixed Use
 - Institutional
 - Mineral Extraction
 - Preserved Open Space/Environmental Corridor
 - Public Parks
- Other Features:**
- Agricultural & Open Space Preservation
 - Future Neighborhood Growth Area
 - Planning Area Boundary
 - 2009 Sanitary Sewer Service Area
 - Rail Road Right-of-Way
 - Existing Roadways
 - Future Roadways
 - Future Off Road Multi-Use Trail
 - Future On Street Bike Routes
 - Stormwater Management/Run-off-Perennial Maintenance Basin
 - Open Space
 - Conserved
 - Restored
 - Preserved

MEMORANDUM

To: Whitewater Community Development Authority

From: Patrick Cannon
Executive Director

Re: Fiber Optics

Date: February 17, 2014

As you are aware we have been discussing the need to review the fiber optics needs throughout the entire community. We have previously discussed the concerns and needs.

Both the needs that we know of along with potential solution vary as we talk with other parties. We have a base map that shows the fiber lines that we are aware of. However, it is unclear if there are private owned lines also. If so, where are they; who do they serve; their capacity; are just a few of the questions? In addition, the legal question as to what the CDA can do also needs to be addressed. This also includes items such as use of the City owned ROW and use of City owned lines. It appears that we have more questions than answers at this point.

At this time, I would like to discuss the potential for requesting an RFP or RFQ from qualified consultants to assist us in charting a course for the future of the fiber optic system. I feel that by utilizing a party who understands the fiber optics systems and requirements would be helpful to us. I believe that in order to design and implement a system that is cost beneficial to all parties, will take some time and energy to work our way through the questions.

I have included this item on the February CDA agenda for discussion. Please let me know if you have any questions.

MEMORANDUM

To: Whitewater Community Development Authority

From: Patrick Cannon
Executive Director

Re: Marketing Plan

Date: February 17, 2014

At the January CDA meeting we briefly touched on the topic of marketing and branding for the entire city. Staff was directed to begin outlining a process for establishing and eventually reaching this goal.

The City has many wonderful assets/advantages that can be offered to anyone from the outside. These need to be defined and then developed into a marketing plan. However, in order for this to be successful, we also must have and fulfil its implementation. Far too many marketing plans reach a small success and then everyone stops working on the implementation.

Currently, there are many groups that have the same goal of marketing specifically for their limited area. We need to pull these groups together and focus as a larger organization. To do that, I believe that the CDA needs to step up to the forefront and begin this process. Eventually, a group will become the overall responsible party. We just need to get started.

I have attached two brief outlines of what I see as the start of the process. One deals with jumpstarting the group with a meeting (or series of meetings) and the second is my observations as to the advantages and disadvantages that we face. By all means, these outlines are not complete and should be refined by many others.

As you are aware in 2012, Roger Brooks was asked to present to the City regarding his services and what Whitewater should be doing in the future to develop a marketing plan. We have a video of the presentation if anyone would like to view it. I also think we should seriously look at a follow up on his original presentation. Several options were outlined in the video. I am working on following up on these proposals.

The Technology Park Board is beginning to discuss the development of a marketing plan for their role in our economic development. I believe that their plan and their efforts need to be incorporated into our program also. While they are looking at a specific area, we will need to concentrate on the overall city and its needs. Our task is much broader in scope and will take more time and effort. I have attached a planning document that was developed for the Board.

I feel that we should look to develop some short term goals as well as the long term portion of our plan. I think one of the short term goals should be to develop a small marketing piece to be included in the ½ marathon marketing materials. This is an easy reach to many people from the outside.

Our first impression needs to be positive and leaving them with a wonderful experience. The cost to develop a brief marketing piece should be rather inexpensive, I would hope.

This topic is on the agenda for the February CDA meeting. Please let me know if you have any questions prior to the meeting. I hope we can have a fruitful discussion on this topic.

Advantages

1. Land available for commercial, retail, MFG, housing
2. Overall attitude of each group is that they want to grow with a plan
3. University
 - a. Students
 - b. Knowledge base/resources
 - c. Willingness to be major player
4. Labor force?
5. Geographic location
6. Strong Long Term goals identified
7. Physical needs for a business
 - a. Electricity
 - b. Natural Gas
 - c. Water/sewer

Disadvantages

1. Lack of central resources/lead organization (Who is in Charge?)
2. Funding
3. Multiple priorities
4. Lack of communication
 - a. Internally
 - b. Local
 - c. Global
5. Lack of overall goals
6. Lack of Marketing materials
7. "not always willing to share"
8. Major Highway access
9. Lack of major amenities
 - a. Hotel
 - b. Restaurants
 - c. Medical Facilities
10. Professional assistance
11. Need stronger relationship between the City, residents and University (University is defined as all aspects of student life/needs, both on and off campus)
12. High speed reliable communications (fiber, internet)

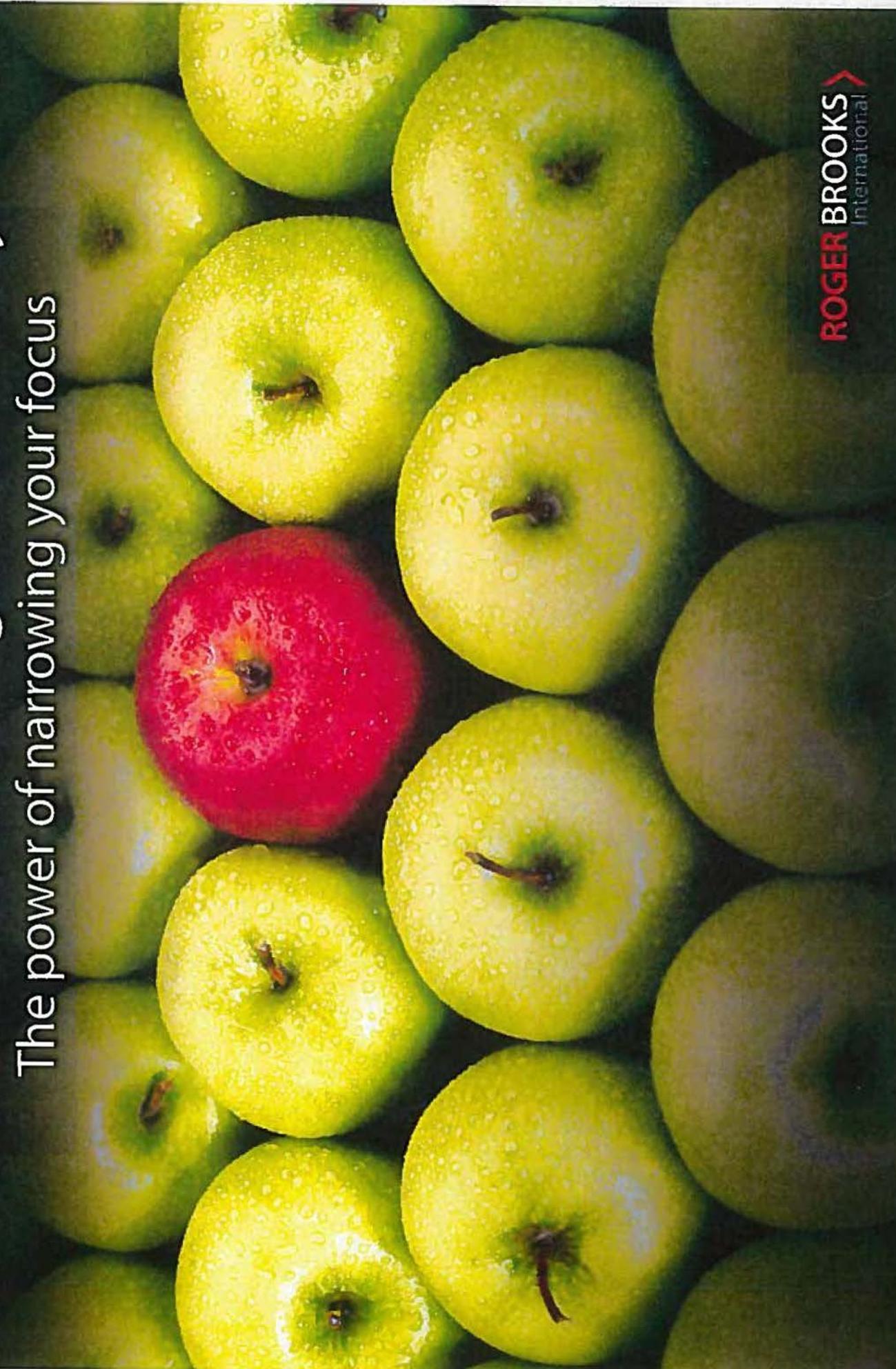
**Whitewater CDA
Marketing Strategy**

1. Outline Key Players/Organizations
 - a. Determine Who they are:
 - i. CDA
 - ii. City
 - iii. University
 - iv. Tech Park Board
 - v. Tourism
 - vi. Chamber
 - vii. Downtown Organization
 - viii. Others?
 - b. Schedule meeting
 - i. Time/Date
 - ii. Send invites
 - iii. Agenda
 1. Goals
 2. Assets
 3. Branding
 4. Responsibilities
 5. Timeline
 - c. Determine needs
 - d. Solicit "buy in" from Key Players/Organizations
 - e. Budget
2. Overview of each organization's role
 - a. What they have done?
 - b. What do they want?
 - c. Funding/time resources available
 - d. Report at next meeting
3. Second Meeting
 - a. Reports
 - b. Summary of common areas/needs
 - c. Over view of resources
 - d. Begin to develop working roles for each group

The Art of Branding a Community

The power of narrowing your focus

ROGER BROOKS 
International



Introduction to Branding

Branding is the art of setting yourself apart from everyone else, and making you the destination of choice for investment, business opportunities, and as the place to live and visit.

The entire idea behind branding is to import more cash into the community than you export when locally earned money is spent elsewhere.

All of the rules in this handout apply to business as well as to the community.

The Four Ingredients of Change

1. We are slowly climbing out of the private-sector recession, but we are just entering the public-sector recession. As the federal government and just about every state or province struggles to balance budgets, cities, towns, and counties must now act and think like a business, finding ways to import fresh cash into the community - your tax base.
2. Just about every community in North America was founded on a natural resource: timber, fishing, mining, agriculture or were founded on transportation: close to major freeways, railways, or waterways. Manufacturing uses the combination of both natural resources and transportation. But now that we're in a global economy, core industries are dying as are the cities and towns that supported those industries. In a nutshell, communities are now looking for their "second act." Everyone wants a piece of the tourism or economic development pie.

Sad fact: there are more ghost towns in the making today than ever before in North American history.

Every year hundreds of communities are working to diversify their economies.

3. The Internet has changed everything. 90% of the population now has immediate access to the web, and of that group 94% use it to determine where they will live, work or play. Yet 70% of web users are frustrated because you're marketing communities and geographic locations, and they are looking for experiences - job opportunities, best restaurants, things to see and do that cater to them. Your location is second.

If you want new business, residents or visitors, it starts in front of a computer screen.

The web should be your number one marketing priority. BUT it MUST be good enough to close the sale. Period.

4. We are exposed to 5,000 marketing messages a day. We are drowning in advertising overload.

Billions of dollars are spent marketing communities every year and 97% of that is ineffective. That's right: 97%. This includes chambers of commerce, destination marketing organizations, economic development agencies, cities, downtowns, counties, districts, regions, states and provinces.

We simply block out anything that doesn't appeal to us directly. So ask yourself this one question: What do we have that the people we are hoping to attract can't get or do closer to home? Whatever it is, you need to hang your hat on that. We have the world at our fingertips in seconds. What sets you apart from everyone else?

Communities, like businesses, have been forced to specialize yet most are stuck in the membership-mentality of being all things to all people. Have you ever gone anywhere because they have "something for everyone"?

Welcome to the era of the brand.



1. You must Jettison the Generic

The narrower your focus the stronger your success will be. You simply cannot be all things to all people and win. Find your niche and promote it like crazy.

Look at your taglines and marketing text. If it can fit anyone, toss it and start over.

Don't just market what you have, but what will close the sale. You must separate your primary lure from your complementary or secondary activities.

Lure: What sets you apart from everyone else.

Complementary activities: Things we can do closer to home but will do while in your community. They include shopping, dining, entertainment, historical attractions, walking tours, etc.

Amenities: Local parks, parking, visitor info, lodging, dining, shopping, medical, etc.

Ambiance: Historic downtowns, beautification, landscaping, street trees, benches, etc.

The Art of Branding | E-book

Icon: The photo opportunity that shows I was really there.

And avoid marketing lists. Have you ever gone anywhere because they had a great list of things to see and do?

Words and phrases to avoid:

- Explore
- Outdoor recreation
- So much to see and do
- Historic downtown
- Best kept secret
- Experience...
- Beauty and heritage
- Gateway
- Your playground
- Purely natural
- ...and so much more!
- A slice of heaven
- Recreation unlimited
- The place for families
- Recreational paradise
- Unique
- Discover
- Unlike anywhere else
- The four season destination
- Center of it all
- We have it all
- Visit (name of town)
- Naturally fun
- Close to it all
- So much history
- The place for all ages
- Home away from home
- It's all right here!
- The perfect getaway
- Start your vacation here
- Take a look!

You **MUST** Jettison the Generic! Always promote your truly unique selling proposition. And remember that primary lures cannot succeed without the complementary activities.

FACT: The number one complementary activity of visitors, in the world, is shopping, dining and entertainment in a pedestrian-friendly intimate setting - your downtown. This is where 80% of all non-lodging visitor spending takes place. Why do you think Disney built Downtown Disney just outside each of its parks? To capture than 80%.



2. Logos and slogans are not brands

They are just marketing messages used to support and reinforce your brand. Its an exclamation point on your key marketing message.

The rules of slogans or tag lines:

- No more than seven words (three is best)
- It must be specific. If you have to explain it, toss it.
- It should convey a feeling or bring a picture to mind.
- It needs to be obvious what you're about.
- It must be unique in your market

Brand identities, or logos, make up 2% of a brand yet get 98% of the political attention locally. Have you ever gone anywhere because they had a great logo?

A word about logos:

- One simple graphic
- Easily recognizable
- Unique to the community
- Rarely do good logos contain a physical item (Think Nike, Toyota, Chevrolet, Reebok, Coca-Cola, Apple...)
- They need to convey a feeling



3. A brand is a perception

What people think of you when your name is mentioned. How perceptions create a brand:

- Visual cues as we pass through the community
- The people and local attitudes
- Word of mouth
- Publicity, the news, social media

This is why you build a brand using public relations. Advertising is used to maintain your ownership position. The goal is to "own" your brand in your market. Nashville "owns" the country-music brand. Napa Valley "owns" the wine brand.

Sometimes communities need a "repositioning" or "rebranding" effort. A brand is also a promise - that you will deliver on that perception when we arrive.

Check out Asheville, North Carolina, one of the best branded communities in the U.S. They do a good job conveying the feeling of a hip arts and "foodie" community and the "feeling" portrayed supports that.



4. Your name must be synonymous with your brand

Country music capital	- Nashville
Gambling/Adult fun	- Las Vegas
Kids & Family	- Anaheim, Orlando
Music theater	- Branson, MO
Graceland/Elvis	- Memphis
Winery capital	- Napa Valley, CA
Frozen tundra	- Green Bay, WI
Hershey, PA	- Chocolate
Gettysburg, PA	- Civil War
Lancaster, PA	- Amish
Washington, DC/Ottawa	- Government
Hollywood	- Movies and stars
Detroit	- Cars
Silicon valley	- High tech
Stratford, ON/Ashland, OR	- Shakespeare
Your town?	-??????



5. Successful brands are built on product

You must champion the cause for product development. Product sells itself. All successful brands are built on product, not just marketing.

Round Rock, Texas: The Sports Capital of Texas. The product: A 500-acre sports park, baseball team, sports-oriented community.

Jefferson, Texas: The Antique Capital. This town of 2,500 residents has an antique dealer for every 20 residents in the town! (125 antique dealers). Because so many people drive four hours from the Dallas area to visit Jefferson it's now become the official B&B capital of the state.

Jackson, Wyoming: The home of Western Living. This town of 12,000 residents boast 110 galleries and western living shops in its downtown. And the town hosts nearly four million visitors a year.

Product development never ends. You can never rest on your laurels. Avoid hiring any branding company that doesn't concentrate on product development.



6. You NEVER use focus groups

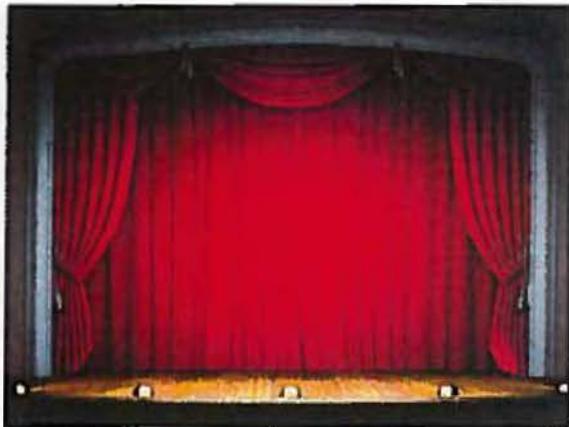
You heard that right: You NEVER use focus groups to build a brand. If it has to be explained toss it. The focus group mentality results in generic mediocre brands that are rarely successful.

You CANNOT do branding by public consent. You build your brand on feasibility, not just local sentiment.

A brand is "earned" - good or bad. After all, it's a perception - what people think of you.

The Seven Phases of a Public Project

1. Enthusiasm
2. Planning
3. Disillusionment
4. Fear & Panic
5. Search for the guilty
6. Punishment of the innocent
7. Praise and honors for the non-participants

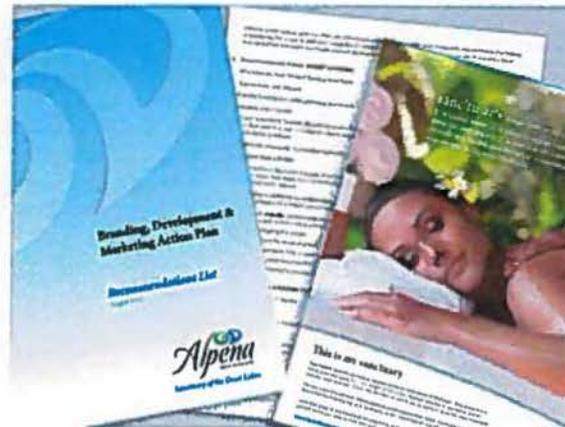


7. You never “roll out” a brand

You never roll out a brand until you can deliver on the promise. It is earned, over time (good or bad).

Sometimes you have to create a “Bridge Brand” that will cover the gap of where you are today and where you hope to end up - your brand direction.

Remember that brands are what people think of you. Changing that perception can take time - sometimes years. And those perceptions change based on product and local attitudes. Brands always start within the community and then spread outwards.



8. Great brands always start with a plan

Branding (what it is you want to be known for)
Development (the needs to be done so you “own” it)
& Marketing (how to tell the world)
Action Plan (the to do list)

No more strategic plans! An Action Plan includes:

- Each recommendation in chronological order of when it will be implemented
- A description of the recommendation
- Who would be charged with its implementation (it takes a village to win)
- The cost of implementation
- Where the money would come from
- When it would be started and completed
- The rationale for making the recommendation

The best plans are less than 100 pages in length. You want a plan that will NOT end up on a shelf gathering dust. The days of Strategic Plans are over.



9. Branding is a team sport!

The biggest, most powerful effect of branding is getting everyone on the same page pulling in the same direction. Once again, it takes a village to win. You'll be far more powerful as a single unified voice than as a bunch of independent singular voices.

Have everyone on your team memorize this exercise, repeating after you. Say it at every meeting:

- “I promise to promote only what’s truly unique”
- “I promise to be different”
- “I promise not to repeat what other people say!”





10. Don't let politics kill your branding efforts

There are only three killers of any branding project. There is never a fourth. Ever.

1. Local politics - and this is worse with membership organizations than with elected officials.

2. Lack of champions - those who are willing to take some hits for narrowing the focus and who will push the brand forward.

3. Lack of money (both public and private) - the best brands are built on private investment, not public:

- Napa Valley
- Anaheim, Orlando
- Nashville
- Silicon Valley
- Hollywood
- Hershey, PA
- Lancaster, PA

The bottom line: If you have the right champions on board, they will get past the politics and will find the money to make something happen.



Branding is not a top-down exercise

"A by-product of brands 'for the people' is the committee that compromises and kills a potential brand home run.

This is why you never see statues of committees in public parks. You see brave leaders."

Cities, towns, counties, states & provinces can help fund & facilitate the process, but shouldn't lead the effort. The business community should always champion and pioneer the effort.

We surveyed 400 successfully branded cities and towns and only three were top-down efforts.



Umbrella brands

Multi-community organizations often need to create an "umbrella brand" that encompasses it various communities, each with their own unique brand.

Think of Chevrolet. Its umbrella brand is "Buy American." Its slogans are "Heartbeat of America" and "An American Revolution." But they don't run ads that say "buy a Chevy."

They market the Malibu to families looking for a mid-priced sedan. They market the Corvette to, primarily, baby boomer guys. The Aveo caters to those in their early 20s looking for a high-mileage inexpensive car. The Suburban is marketed to people looking for a large SUV. And then each add is tagged with the umbrella brand "An American Revolution."

BUT you umbrella brand still must differentiate the county or region from all others in the marketplace. It's not so easy. In fact, if this process was easy everyone would be doing it!

Roger Brooks International

For over 30 years, the award-winning Roger Brooks International team has had a singular mission – to improve people's lives by helping their communities become healthier, more attractive, and more economically vibrant. We believe that every community has the potential to become a thriving, desirable place for residents, businesses, and visitors.

Working primarily in the public sector with cities, counties, states, CVBs, destination marketing organizations, and provinces, Roger and his team are renowned for their bottom-line, "make-something-happen" approach. This results in tremendously successful planning and implementation efforts.

Contact Us

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About Roger Brooks

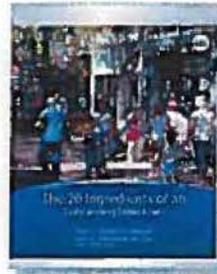
As CEO of Roger Brooks International, Roger's expertise comes from having assisted nearly a thousand communities in their efforts to become better places to live, invest, establish a business, or visit.

The information is not just entertaining – it is clear, concise and it sticks. Known for telling engaging stories, Roger uses real-life examples shown in photos and video clips, some of them hilarious, all of them poignant. His bottom-line rules, tips, and ingredients leave attendees with rock solid action items they can implement today to make a difference tomorrow.



The Incredible Roger Brooks Library

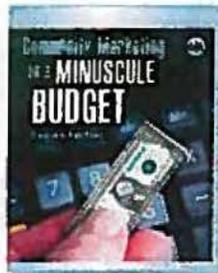
Introducing a new online program with access to a wealth of information available 24 hours a day. For a monthly fee of \$45 you will have instant access to the entire DDI video library (a few examples are shown here) plus PDF guides on a variety of branding, product development and marketing subjects. Learn more at www.RogerBrooksInternational.com



The 20 Ingredients of an Outstanding Downtown

We surveyed 400 popular downtowns and downtown districts and found the 20 most common ingredients that led to their success. Learn how these ingredients can help your downtown achieve success too!

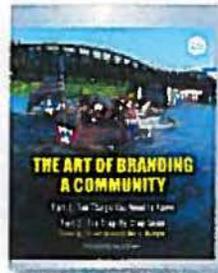
HD Video | 108 minutes



Community Marketing on a Minuscule Budget

Learn the seven marketing ideas you can implement today, for practically no money, that will dramatically increase local spending.

HD Video | 70 minutes

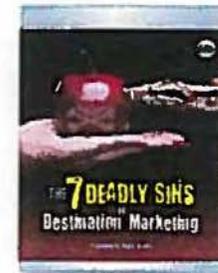


The Art of Branding a Community Part 1 & 2

Part 1: In this eye-opening, must-see presentation by Roger Brooks, you'll learn the ten things you need to do to successfully brand your community.

Part 2: In this fascinating presentation using Alpena, Michigan as a case history, you'll learn HOW to successfully develop your own brand using the 13-step process that took nearly 30 years to develop and perfect. Best of all: This process has a 100% success rate.

HD Video | Part I: 63 min. Part II: 60 min.



The Seven Deadly Sins of Destination Marketing

A full 97% of destination marketing is wasted. Learn the 7 deadly sins, how to avoid them, and how to make sure that 100% of your marketing is effective.

HD Video | 72 minutes

JETTISON THE **GENERIC**

DESTINATION MARKETING WORDS & PHRASES TO AVOID

- Explore
- Discover
- Experience...
- Outdoor recreation
- Unlike anywhere else
- So much to see and do
- The four season destination
- Where the seasons come to life
- Historic downtown
- Center of it all
- Best kept secret
- We have it all
- Visit (name of town)
- Beauty & heritage
- Naturally fun
- Gateway
- Naturally...
- Culturally rich
- Welcome to my town!
- Always something happening
- Rediscover
- Real Texas [name of state]
- Slowdown & enjoy
- Real people. Real fun.
- Lose yourself here
- Fresh fun [the word fresh]
- Tour. Taste. Toast. [period fetish]
- This is the place
- A real treasure
- Waiting for you
- Far from ordinary
- Relax. Recharge. Rejuvenate.
- Close to everywhere
- Right around the corner
- Your playground
- So much history
- Purely natural
- The place for all ages
- ...and so much more!
- Home away from home
- A slice of heaven
- It's all right here
- Recreation unlimited
- The perfect getaway
- The place for families
- Start your vacation here
- Recreational paradise
- Take a look!