

Whitewater University Technology Park Board
University of Wisconsin-Whitewater, University Center Room 261
Minutes for February 3, 2009

The meeting was called to order at 12:30 PM by President Telfer. Members present: Ronald Gayhart, Peter Zaballos, John Chenoweth, Jeff Knight, Patrick Singer, Kevin Brunner, and Richard Telfer. Others present: Mary Nimm, Jim Caldwell, Fred Burkhardt, Mitch Grulke, Mike Van den Bosch and Mark Bugher (Executive Director, University of Wisconsin-Madison University Research Park).

1. **Approval of January 21, 2009 Minutes.**

It was moved by Singer and seconded by Gayhart to approve the January 21, 2009 minutes as presented. AYES: Brunner, Chenoweth, Gayhart, Knight, Singer, Telfer, Zaballos. NOES: None.

2. **Discussion with Mark Bueher, Executive Director of the University Research Park at UW-Madison**

The Board had an extensive discussion with Mark Bugher regarding the development of the University Research Park at UW-Madison. The University Research Park encompasses a total of 260 acres, has 115 tenants, 4,000 employees with an average salary of \$62,000 annually. Approximately 60% of the tenants are directly affiliated with the University of Wisconsin-Madison, 35% are value-added businesses and 5% are miscellaneous. The University Research Park was begun in 1984 and currently the non-profit corporation that runs the park is looking to develop a second research park comprising approximately 270 acres on the west side of Madison.

Among the other salient parts of the discussion that the Board held with Bugher are the following points:

- The UW Chancellor will always be president of the University Research Park...having that permanent affiliation with the University is key to their success!
- There are eleven members of the Board of Directors including one member representing the Board of Regents, one from WARF, and one from the UW Foundation. It is extremely important that all of these various parties are represented on the Board.
- Patience is very important in the development of these types of research facilities. Success will not come overnight.
- Academic commercialization is the key to economic development.
- All of the land at the University Research Park is owned by the 501c3 non-profit real estate development corporation and the buildings are on 90 year ground leases (these are actually 50 year land leases with (two) twenty year extensions). The ground leases are subordinate to the mortgager.
- Green technology is being incorporated into new buildings wherever economically

feasible. The average construction cost in the University Research Park is between \$125 and \$150 per square foot.

- There are higher building quality standards in the Park than the City would require and Bugher strongly recommends that a Park Design Committee be established that would have authority for building and site plan approval over and above the local plan commission.
- Madison Gas and Electric (MG&E) master leased the original incubator for guaranteed cash flow. Also, MG&E acquired naming rights for fifteen years in exchange for a \$1.3 million contribution.
- Keeping the organizational structure outside the State/University personnel system is very important.
- Bugher believes more mixed-uses will take place in the second research park that they are developing and encouraged Whitewater to do the same.

Bugher concluded his remarks by stating that he would be more than happy to serve as an advisor to the Whitewater University Technology Park Board and encouraged the Board to contact him with any questions that they might have as time goes on with regard to the development of the planned facility in Whitewater.

President Telfer thanked Bugher for his time and presentation to the Board.

3. **Updates from Working Groups**

a. Business Plan

Gayhart indicated that he is working with Fred Burkhardt and Mike Van den Bosch of the Walworth Economic Development Alliance on the development of the business plan for both the technology park and the proposed Whitewater Innovation Center building. A tentative completion date of March 1 for the business plan is projected.

b. Mission Statement

It was moved by Brunner, seconded by Gayhart, to approve the Mission Statement as submitted by Zaballos. AYES: Brunner, Chenoweth, Gayhart, Knight, Singer, Telfer, Zaballos. NOES: None.

c. Competencies

Telfer indicated that the University is still working on the list of University competencies and this will be a work in progress for the next several months.

d. Land

Gayhart, Caldwell and Brunner indicated that they had met with the property owner, Hoffman Brothers, LLC. and their attorney, Mitchell Simon and that an option has been drafted but needs to be further negotiated. This item will be discussed during the closed session at the end of the meeting.

e. Infrastructure

Brunner gave a brief update on the work of Strand and Associates on the infrastructure plan for the park. The plans still call for possible bidding out of the infrastructure improvements by April 1.

f. Building

Caldwell indicated that he wanted to work on getting a quote from Magill Construction of Elkhorn for an approximate 40,000 square foot building for the Innovation Center. Discussion centered on possible tenants for the building as well as addressing individual space needs for both conferencing facilities as well as business incubation.

g. Occupancy

Chenoweth, Telfer and Zaballos will be meeting on this issue and will bring a proposal to the Board by its next meeting.

h. Financing

Nothing to report.

i. Grants

Brunner reported that he has submitted a proposal to the Governor's office for possible funding of the park infrastructure as part of the proposed Federal economic stimulus package. In addition, the City is pursuing other Federal grant possibilities including under the Economic Development Administration (EDA).

j. Fiber

Mary Nimm gave a brief report on continued discussions with Midwest Fiber on getting cost estimates for not only bringing the dark fiber through Jefferson and Fort Atkinson to the University but also to the Tech Park. More information will follow.

4. **Adjournment to Closed Executive Session**

It was then moved by Knight, seconded by Chenoweth to adjourn to executive session per Wisconsin Statute 19.85(1)(e), deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session. AYES: Brunner, Chenoweth, Gayhart, Knight, Singer, Telfer, Zaballos. NOES: None.

The meeting was adjourned to closed executive session at approximately 1:40 pm.

a. Tech Park property acquisition

The meeting was convened to open session at approximately 2:00 pm.

5. **Adjournment**

It was moved by Singer, seconded by Gayhart, to adjourn. Meeting adjourned at 2:04 pm. The next meeting of the Board will be held at 12:30 pm on February 17 at the University of Wisconsin-Whitewater, University Center, Room 261.

Respectfully Submitted,

Kevin Brunner, Secretary