

## MINUTES

### Whitewater University Technology Park

#### Board of Directors Meeting

Wednesday, September 28, 2016

Whitewater University Technology Park Innovation Center

1221 Innovation Drive, Whitewater, WI 53190

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**PRESENT:** Beverly Kopper, Jessica Bonjour, Kevin Brunner, John Chenoweth, Cameron Clapper, Stephanie Goettl, Mark Johnson, Kevin Kaufman, Jeff Knight, Nate Parrish

**GUESTS:** Pat Cannon, Kristen Burton

1. **Call to Order:** With a quorum present, Kopper called the meeting to order at 8:04 am.

2. **Approval of Minutes of July 20, 2016 Meeting:** Bonjour/Brunner moved to approve the July 2016 meeting minutes. The motion was approved by a unanimous vote.

3. **Review/Acceptance of August 2016 Financial Reports:** Knight/Brunner moved to approve the August financial reports. Johnson noted that the virtual client revenue is at 175% because it was not a revenue stream that was planned for in the budget drafted in October 2015. Blackthorne's rent is slightly under the projection because they relinquished Room 221. iButtonLink rent is greater than projected, but this is due to a typo and iButtonLink is really at 65%. Crowds.io rent is also slightly higher than projected. The janitorial services line is at 108% due to the unbudgeted \$9000 increase in the maintenance contract with the new company. Building supplies are up a bit due to the increase in CESA events. The motion to approve the August 2016 financial reports was approved by unanimous vote.

4. **Review/Acceptance of Director's Report:** Goettl/Clapper moved to approve the Director's Report. When meeting with the USDA, Johnson learned that there is \$140,000 in the Whitewater facade account that could potentially be redirected for business development. Johnson and Cannon have been in talks about relocating to the Innovation Center. If the \$140,000 could be redirected to business development, this may be a source of funding to attract additional businesses to the Innovation Center. The fund is administered by the CDA and any business on Main Street can use it to restore its facade. Knight will add discussion of the Whitewater facade funds to the CDA Meeting agenda. The motion to accept the Director's Report was approved by a unanimous vote.

5. **Presentation to Common Council 11/1/2016:** Johnson announced the presentation to the Common Council is tentatively set for November 1, 2016. It is an opportunity to update everyone on what has transpired in the Technology Park/Innovation Center over the past year. He reviewed the draft of the PowerPoint he will present to the Council. It will include a slide of the updated Board membership and the proposed budget. Clapper indicated that the budget hearing and approval is scheduled for November 15. The budget has a variance of \$976; we will outperform the projection for 2016. Johnson is projecting a positive variance of \$278 for 2017. He will also provide an update on occupancy. There are three labs open on the first floor, one of which is a university space, #124. One of the spaces must be filled in order to make the 2017 budget. If neither space is filled, the budget gap can potentially be filled with corporate

sponsorships. Knight recommended making the Common Council aware that if one of the labs is not filled, there will be a shortfall. The presentation also outlines the industry segments represented by the clients/tenants of the Innovation Center. Johnson may also include a one-pager that discusses jobs created and other statistics. Knight asked for a slide that would show the percentage of employees per industry segment. Chenoweth inquired if there was a value in showing where we are on the pilot. Knight and Cannon noted that the pilot payment of \$92,500 doesn't pay for everything, just the building. Selling the land would pay off the bond that funded the completion of Starin Road, the sewers, and other infrastructure. Brunner added the Council would be interested in the cumulative impact in terms of salaries. Goettl said the university did an economic development assessment that had a huge impact on public relations. Knight and Goettl recommended checking with Russ Kashian to see if his data was still available. Knight also recommended that next year would be better for giving the area-wide report. He suggested arranging a joint meeting between the city, the CDA, and the Tech Park Board and bringing in Baird. It would be a helpful report for the public.

**6. Tech Park Board of Trustees appointment of vacant position:** Kopper welcomed Kevin Kaufman as the new University of Wisconsin-Whitewater appointee to the Tech Park Board. The board recognized the appointment.

**7. Proposed amendment to the Tech Park By-Laws:** The by-laws have been amended to reflect Bonjour's recommendation from the last meeting: the president and vice-president cannot be from the same organization. Brunner/Knight moved to approve the change; the motion was approved by unanimous vote.

**8. Innovation Center Space Market Rate Assessment:** Johnson did an internal review to establish a market rate for space at the Innovation Center. Innovation Center space would need to be \$12.16 per square foot just to cover the carrying costs. He assessed the cost on net leasable space; if university space that is not generating revenue is removed, it comes to \$13.82 per square foot. The Wisconsin Innovation Service Center has submitted a proposal to look into comparable spaces to develop a baseline and has committed to having results by the next board meeting. The proposal from WISC is \$1200; Johnson requested that the board approve the allocation of funds from the Tech Park marketing budget to cover the cost of the assessment. Knight asked that it include the cost of the building and depreciation; Chenoweth and Johnson replied that the market might not bear that rate. Johnson added that the pilot will soon be paid and the \$92,500 can be channeled back into building maintenance. Kaufman noted that item 8C in the assessment agreement includes consideration of building maintenance. Knight/Clapper moved for approval of allotting \$1200 for the market rate assessment. The motion was approved. Kaufman abstained.

**9. Tech Park and Innovation Center Marketing Update:**

**A: Meetup and Liquid Space:** Johnson has employed two new tools to help market the Innovation Center: Meetup and Liquid Space. Meetup has been working well to assist in marketing Innovation Center events. Meetup is a nationally recognized online tool for like-minded individuals to form organizations and plan events. Two people came all the way from Green Lake last week for Sean Welsh's presentation on digital marketing. We are now charging a nominal fee for event attendance. Earl Humphrey will be presenting on pricing strategies on Friday; the registration fee is \$15.00 and attendance numbers are slightly up. Liquid Space was a tool developed to rent out unused conference space. Our Liquid Space page will be ready to go live in a few days; visitors can schedule a tour, get

pricing, and submit reservation requests. Liquid Space charges 10% for monthly rentals, and 50% for hourly rentals for a company's first time, 25% for the second time, and 10% for any time after that.

**B: Site Link Forum:** Johnson attended the SiteLink Forum in Western Kentucky two weeks ago to promote the Technology Park to site selectors. He provided them a booklet with information about the Innovation Center, the Technology Park, and WEDC statistics on Whitewater. (Johnson will have the booklet professionally designed for \$550 and have additional copies made.) It provided some of the information the site selectors wanted, but they tend to look at elimination factors first. For instance, if your state is not a Right to Work state, they eliminate you from the list of potential sites. Johnson also learned that one of the best things we can do is form strong relationships with the WEDC. Cannon advised also strengthening relationships with MadREP. They are in tune now with what is going on in our area. Jim Beatty, an expert on call centers, told Johnson that companies that outsource back office operations would be a good fit for our area because of the talent flow from the university.

10. **Tech Park Development Update:**

**A: Certified Site Status:** Cannon has submitted all the information required for the Certified Site Status application and is waiting for notification of approval.

**B: DP Electronics:** DP Electronics is still waiting on financing.

11. **Future Agenda Items:** There were no recommendations for future agenda items.

12. **Future Meeting Dates:** Meeting dates for the remainder of 2016 are October 26<sup>th</sup>, November 16<sup>th</sup>, and December 14<sup>th</sup>.

13. **Adjournment:** Parrish/Kaufman moved to adjourn. The meeting was adjourned at 8:56 am.

Respectfully submitted,  
Kristen Burton for John Chenoweth  
Secretary of the Whitewater University Technology Park Board