



February 3, 2014

John Dickert, Mayor  
City of Racine  
730 Washington Avenue  
Racine, WI 53403

Dear Mayor Dickert and Members of the Common Council:

This letter is intended to serve as an agreement between the City of Racine, hereinafter the "City" and Gateway Technical College, hereinafter "Gateway". In accordance with this agreement, Gateway agrees to manage the small business development program, Launch Box. Launch Box consists of proactive small business development strategies that focus on providing shared work space and resources that encourage interaction between entrepreneurs to enhance innovation and productivity that leads to an increase in new business startups and creation of new jobs. Such assistance is coordinated with the Mayor, Department of City Development, City Council and the Launch Box Partners.

## **PURPOSE**

The purpose of the agreement is to further the overall goals of Launch Box by facilitating job growth and investment, resulting in an increase in personal income for City residents and tax base for the City, through interagency cooperation and services provided by Gateway.

## **AGREEMENT**

Gateway agrees to coordinate the implementation of the strategies and activities outlined below. Such assistance includes assigning economic development staff who will expend their best efforts to ensure a successful program.

In addition, to Gateway staff, the following Partners assist with the implementation of this initiative: BizStarts Milwaukee, Inc., Community Economic Development Corporation (CEDCO), *EigerLab*, Innovation in Milwaukee (MiKE), Racine Area Manufacturers and Commerce (RAMAC), Racine County Economic Development Corporation (RCEDC), Racine County Workforce Development Center, UW-Parkside Small Business Development Center (SBDC), Wisconsin Entrepreneurs Network (WEN), Wisconsin Housing and Economic Development Authority (WHEDA), Wisconsin Procurement Institute (WPI) and Wisconsin Women's Business Initiative Corporation (WWBIC), hereinafter the "Partners." In addition, Gateway will engage a variety of fee based private consultants to address needs that are not being met by public and quasi-public agencies.

Launch Box was initiated in 2011 and responded to four small business development challenges. These challenges were identified in a 2010 study commissioned by the City to better understand the ways in which the City could foster small business creation and growth in order to achieve job creation and tax base from this important economic development strategy.

## 2014 LAUNCH BOX WORK PROGRAM

Beginning in 2012, the Launch Box program has implemented and continued to evaluate various strategies to grow small businesses in the City. As a result of the knowledge gained since 2012, as well as input from our partners, the following proactive small business development activities are planned for 2014:

- 1) Launch Box One-Stop Center - Gateway will manage Launch Box Co-Working as the center for entrepreneurial and small business development services and resources, which includes co-working space located at 141 Main Street, Suite 2. The collaborative space provides classroom training and counseling by technical assistance partners. Launch Box Co-working is available to members at no cost and provides work space for entrepreneurs, including work and meeting space, and Wi-Fi access. The space allows entrepreneurs and small businesses to expand out of their home offices and is the first step before they expand to more permanent space such as the Racine Business Center, as well as other multi-tenant space in the City/County. It is important to note that there is no fee to become a Launch Box member, the entrepreneur simply completes an application, which is reviewed, evaluated and accepted by staff.

2014 Goal: Fifty additional businesses will become members of the Center.

- 2) One-on-One Technical Assistance – Upon joining the Launch Box Co-Working, staff will meet with the entrepreneur to conduct an assessment of the specific needs that will help grow the business. This includes basic questions regarding business plans, financing, marketing, customer and suppliers, etc. Staff will provide strategic connections and advising to help launch and grow businesses by providing mentors, workshops, coaching and connections to resources.

2014 Goal: Launch Box staff will be certified as a GrowthWheel® Advisor. GrowthWheel® is a tool for decision-making in start-up and growth companies. It helps business owners and advisors get focused, set agenda and make decisions.

2014 Goal: 150 unduplicated entrepreneurs/small businesses will use Launch Box to access technical assistance.

- 3) Entrepreneurial Culture - Launch Box will foster a culture where entrepreneurship has a positive image and is celebrated through events, recognition of role models and promotion of entrepreneurial initiatives/activities in the media. In addition, Gateway resources include: the Fab Lab, which is a work space containing a variety of computer controlled tools that allow for the manufacture of nearly anything an individual can conceive; and the BizSquad

that provide no cost business assistance to area business and assistance with new product development.

- a. Fast Pitch 2014 - Launch Box will promote and encourage County of Racine businesses to participate in this competition. The top City of Racine business will receive recognition through a special Mayor's Entrepreneurial Award.

2014 Goal: Fourteen County businesses will participate.

- b. Open Innovation – Launch Box will continue its Open Innovation Program that provides student entrepreneurial teams with the opportunity to compete to solve fact based business problems.

2014 Goal: Two open innovations events will be held.

- c. Professional Development Events - A key component to enhancing the entrepreneurial environment in Racine is networking and collaboration events. Events of this kind will include group training, webinars and social networking.

2014 Goal: Twelve events will be hosted.

- d. Recognition of Role Models – Launch Box will promote awards that recognize new and innovative businesses and entrepreneurs within the City of Racine. Launch Box will continue to award the Mayor's Entrepreneurial Award to the top City of Racine in the 2014 Fast Pitch competition.

2014 Goal: Launch Box will promote up to 4 nominees to regional competitions and/or awards.

- e. Promotion of Entrepreneurial Initiatives/activities in the media – Launch Box will continue to use social media, the Launch Box website and other media outlets to educate the public on resources and activities of the Launch Box program and its partners, in addition articles, events and/or other news that maybe of interest to entrepreneurs will be posted.

2014 Goal: Posting will occur at a minimum of once a week with larger media articles at least quarterly.

- 4) Partners – Launch Box will work to gain insight into best practices for fostering entrepreneurial growth within our community, by adding partners including but not limited to National Association for Community College Entrepreneurship (NACCE), National Business Incubator Association (NBIA) and Wisconsin Business Incubator Association (WBIA).

2014 Goal: Launch Box will convene a best practices summit bi-annually using GrowthWheel® as a guide to determine areas of focus.

## **TIME PERIOD FOR THIS AGREEMENT AND COMPENSATION**

The above-referenced assistance will be provided by Gateway staff during the time period beginning January 1, 2014 to December 31, 2014. The total budget for the 2014 activities is \$113,930.00. Gateway has received additional assistance from the County of Racine in the amount of \$14,000.00 to support these activities. The cost to the City of Racine for this assistance is \$99,930.00. Payments will be made during the first week of each quarter thereafter, upon the receipt of an invoice from Gateway including a monthly summary of that quarters activities and any work products, articles, flyers, etc. The cost of developing any additional materials and significant printing and mailing of items necessary to implement these services are outside the scope of the Agreement and will be negotiated on an as necessary basis.

## **INDEPENDENT CONTRACTOR**

Gateway shall be an independent contractor of the City of Racine. Neither Gateway nor any of its officers, employees, or agents shall be considered to be an employee of the City as a result of the obligations undertaken pursuant to this agreement. Gateway's officers, employees and agents shall make no commitments or representations to third parties without prior approval of the City.

Gateway Technical College shall indemnify, defend and hold harmless the City of Racine, its governing board, officers, employees and agents from and against any and all liabilities, claims, losses, lawsuits, judgments, and/or expenses including attorney fees, arising, either directly or indirectly, from any act or failure to act by Gateway Technical College or any of its employees. Gateway Technical College shall indemnify the City of Racine for any negligent acts or omissions by any Launch Box staff or member that may arise during the course and scope of the Launch Box Agreement as described and attached.

The City of Racine shall indemnify, defend and hold harmless Gateway Technical College, its governing board, officers, faculty, employees and agents from and against any and all liabilities, claims, losses, lawsuits, judgments, and/or expenses including attorney fees, arising, either directly or indirectly, from any act or failure to act by the City of Racine or any of its employees, agents, officers, governing board that may occur during or that may arise out of this Agreement.

The City of Racine shall indemnify Gateway Technical College for any negligent acts or omissions by any Launch Box staff or member that may arise during the course and scope of the Launch Box Agreement as described and attached.

## **INSURANCE**

Gateway will provide proof of the following levels of insurance and maintain in force during the term of this Agreement:

- a) General Liability - One million dollars (\$1,000,000) per occurrence (\$2,000,000 general aggregate if applicable) for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the project/location (with the ISO CG 2503, or ISO CG 2504, or insurer's equivalent endorsement provided to the City of Racine) or the general

aggregate including product- completed operations aggregate limit shall be twice the required occurrence limit.

b) Workers Compensation - Contractor shall cover or insure under the applicable Wisconsin labor laws relating to worker's compensation insurance, all of their employees in accordance with the law in the State of Wisconsin. The Contractor shall provide statutory coverage for work related injuries and employer's liability insurance with limits of \$1,000,000 each accident, \$1,000,000 disease policy limit, and \$1,000,000 disease each employee.

Such coverage's shall be evidenced by a Certificate of Insurance or, upon request of City, a Policy Endorsement filed with the Director of City Development, and shall provide that no cancellation, termination or material changes thereto shall be made without at least 30 days advance written notice to City.

## **TERMINATION**

This agreement may be terminated by either party upon thirty (30) days written notice in the event of default by the other party of any material provision hereof which remains unremedied for thirty (30) days following written notice of such default.

## **NOTICES**

Notices under this agreement shall be mailed by registered mail to the City Clerk, 730 Washington Avenue, Racine, WI 53403, for the City, and to Debbie Davidson, Vice President, Workforce & Economic Development Division, 2320 Renaissance Boulevard, Sturtevant, WI 53177, for Gateway, or shall be personally served on either said person or the person in charge of either respective office.

## **ASSIGNMENT**

Gateway agrees that it will not assign this agreement or any portion thereof, or any of its responsibilities hereunder, to any other party without first obtaining the written permission of the City.

If the terms and conditions of this proposal are satisfactory, please sign the two original documents where indicated on Page Six and return to Gateway for Gateway final signature.

Sincerely,

Debbie Davidson  
Vice President

**IN WITNESS WHEREOF**, the parties hereto have executed this agreement on the day of \_\_\_\_\_, 2014.

**CITY OF RACINE**

By: \_\_\_\_\_

Title: \_\_\_\_\_

**ATTEST:**

By: \_\_\_\_\_

Title: \_\_\_\_\_

**GATEWAY TECHNICAL COLLEGE**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Debbie Davidson, Vice President

Approved as to form:

\_\_\_\_\_  
Robert Weber,  
City Attorney

Provisions have been made to pay the liability that will accrue hereunder.

\_\_\_\_\_  
David Brown,  
Finance Director