



January 1, 2017

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 Launch Box Business Resource Center and Launch Box Growth Accelerator. Launch Box Business Resource Center provides shared work space and resources that encourage interaction between entrepreneurs to enhance innovation and productivity. Launch Box Growth Accelerator is a fixed term, team based program that includes mentorship and educational components that provide the strategies necessary for startup businesses to reach their full potential.

PURPOSE

The purpose of the agreement is to outline the goals of Launch Box Business Resource Center and Accelerator to facilitate 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.

In addition, to Gateway staff, the following Partners assist with the implementation of these initiatives: Global Entrepreneurship Collective (GEC), Hispanic Chamber of Commerce Wisconsin, (HCCW) Racine Chapter, *EigerLab*, Manufacturing Diversity Institute (MDI), National Association for Community College Entrepreneurship (NACCE), Racine Area Manufacturers and Commerce (RAMAC), Racine County Economic Development Corporation (RCEDC), Racine County Workforce Development Center, UW-Parkside Small Business Development Center (SBDC), Scale Up Milwaukee, SCORE, Wisconsin Entrepreneurs Network (WEN), Wisconsin Housing and Economic Development Authority (WHEDA), Wisconsin Procurement Institute (WPI), Wisconsin Regional Accelerator Network (WIRAN), Wisconsin Women's Business Initiative Corporation (WWBIC) and Young Professionals of Racine (YPR), 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.

2017 LAUNCH BOX WORK PROGRAM

The Gateway team responsible for Launch Box Business Resource Center and Launch Box Accelerator continue to evaluate and implement strategies to increase the number of startup businesses within the City. As a result, the following proactive small business development activities are planned for 2017:

- 1) Launch Box Business Resource Center - Gateway Staff will manage Launch Box Business Resource Center located at 1001 Main Street. Launch Box Business Resource Center is shared work space that provides networking and professional development events as well as information regarding local entrepreneurial resources.

Launch Box Business Resource Center is available to all City residents at no cost and provides 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.

2017 Goal: Average of 5 unique member visits per day and a three percent increase in membership. Currently membership is 87.

- 2) Technical Assistance – Gateway Staff will provide strategic assistance by providing connections to mentors, workshops, resources and advising through their certifications as GrowthWheel® and Lean Launch Pad advisors. GrowthWheel® and the Business Model Canvas are tools to assist with decision making in startup and growth companies. They help business owners get focused, set the agenda and make decisions.

Gateway assistance also includes: rapid prototyping in the Industrial Design Fab Lab and access to the BizSquad, which provides no cost business assistance using student lead teams.

2017 Goal: 100 unduplicated entrepreneurs/small businesses will have access to 640 hours of business advisory services through Gateway.

- 3) Launch Box Accelerator – The accelerator is a 10 week team based program that includes mentorship and educational components. The program requires an application process that is open to technology focused entrepreneurs. City residents will have priority status. In addition, veteran, woman, minority and other underrepresented led startups will be targeted for participation.. The application process will be highly competitive. Upon successful completion of the 10 week program, teams are eligible for a \$5,000 seed grant.

2017 Goal: One cohort accelerator session. This third cohort will be dependent on funding availability. Metrics have been defined by the Wisconsin Economic Development Corporation (WEDC) seed accelerator grant program.

- 4) Launch Box Business Resource Center Survey – In order to measure the economic impact of Launch Box Coworking and to learn what Members are interested in regarding amenities and events, an annual survey of all Members will be conducted.

2017 Goal: Annual survey of all Members.

- 5) Entrepreneurial Culture - Gateway will foster a culture where entrepreneurship has a positive image and is celebrated through events and promotion of entrepreneurial initiatives/activities.

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

2017 Goal: Twelve events will be hosted.

2017 Goal: An annual meeting of Launch Box Coworking Members will be held.

- b. National/International Partners – In order to gain insight into best practices for fostering entrepreneurial growth within Southeastern Wisconsin, Gateway will maintain memberships with and attend annual conferences of National Association for Community College Entrepreneurship (NACCE) and International Business Innovation Association (InBIA).

2017 Goal: Annual Small Business Summit will be held with local partners to share and implement best practices.

- c. Promotion of Entrepreneurial initiatives/activities – Gateway will continue to use social media, website and other media outlets to educate the public on Gateway resources and activities of Launch Box Business Resource Center and Accelerator and its Partners, in addition, articles, events and/or other news that may be of interest to entrepreneurs will be posted.

2017 Goal: Posting will occur at a minimum of once a week with larger media articles at least quarterly.

TIME PERIOD FOR THIS AGREEMENT AND COMPENSATION

The above-referenced assistance will be provided by Gateway staff during the time period beginning February 1, 2017 to January 31, 2018. The cost to the City of Racine for this assistance is \$50,000.00. 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 the activities completed that quarter. The cost of developing any additional materials, 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 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 its staff or member that may arise during the course and scope of the Launch Box Business Resource Center 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, Business and Workforce Solutions, 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 _____, 2015.

CITY OF RACINE

By: _____

Title: _____

ATTEST:

By: _____

Title: _____

GATEWAY TECHNICAL COLLEGE

By: Deborah Davidson

Title: Vice President Business, Workforce
Debbie Davidson, Vice President Solutions
Approved as to form:

Robert Weber,
City Attorney

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

David Brown,
Finance Director

2017 Launch Box Co Working Budget

Uses

Manager Salary	\$51,000.00 26 pay periods @ \$1961.53
Fringe Benefits	\$13,018.00 12 @ \$1,084.84
Mileage	\$1,600.00
Printing	\$1,000.00
Key Fobs	\$500.00 Assumes 100 @ \$5
Events	\$3,000.00 12 events @ \$250
Training/Conferences (InBIA/NACCE)	\$4,000.00
Growth Wheel License	\$1,200.00
Growth Accelerator	\$5,000.00
Memberships	\$500.00

\$80,818.00

Sources

City

\$50,000.00

LAUNCH BOX 2016 WORK PROGRAM

4th Quarter

Activity	2016 Goals	3rd Quarter 2016	2016 Total YTD
Entrepreneurial Assistance			
- Increase Membership at Launch Box Co-Working (Year End 2015 Membership 180)	3% (5)	(a)	184
- Average 5 unique member visits per day	5	4.8 (b)	5.3
- 100 unduplicated entrepreneurs/small businesses will have access to 640 hours of technical assistance through Gateway.	100/640hrs.	40/160hrs.	141/640hrs.
- Establish and manage the Launch Box Growth Accelerator program.	1 cohort of 10/2 classes	(c)	Completed
- Measure the impact of Launch Box Coworking through a survey of all members.	Annual	(d)	Completed
Entrepreneurial Culture			
- Fast Pitch Business Competition – promote submissions by City entrepreneurs.	15	(e)	Postponed
- Award Mayor's Entrepreneurial Award to the top City of Racine business participating in Fast Pitch.	1	(e)	Postponed
- Host an annual member meeting for Launch Box Coworking.	1	June Grand Opening	60 attendees including many members
- Professional Development Events – a key component to enhancing the entrepreneurial environment is networking and collaboration events.	12	3 (f)	11
- Promotion of Entrepreneurial Initiatives/activities in the media.	4	2 (g)	6
- Gateway will work to gain insight into best practices for fostering entrepreneurial growth within our community, by adding partners and attending the iNBIA national conference.	Annual	2 (h)	Completed

(a) 7 new members signed agreements (52 year-to-date) and 0 members chose not to renew their memberships (48 year-to-date mostly due to the fee based model implemented in Q1).

(b) This is based on usage over 6 days per week excluding major holidays.

(c) December 13th 7 companies made pitches to a panel of 5 judges; 9 companies received a total of \$27,500. in seed grants; \$7,000. went to Racine residents (one County and one City) both are committed to launching their businesses in the City of Racine, they placed 2nd and 3rd.

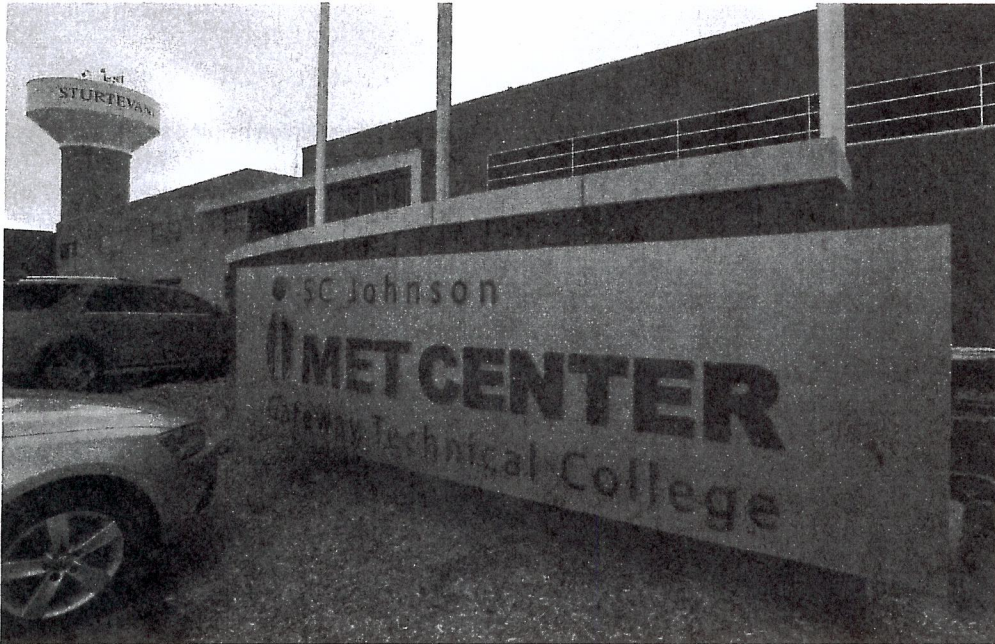
- (d) A survey of all members was conducted in November.
- (e) In lieu of doubling our capacity in delivering a seed accelerator and awarding nearly 6x more in grant dollars, the Fast Pitch competition was postponed.
- (f) 3 events were hosted at Launch Box; 1 Entrepreneur in Residence Lunch & Learn, 1 Lunch & Learn from an outside expert and second Strong Women Strong Coffee networking event. 47% of active members attended at least one event.
- (g) Both the Racine Journal Times and the Kenosha News published an article highlighting the Launch Box Growth Accelerator as well as postings occurred on Launch Box social media (LinkedIn, Twitter &/or Facebook).
- (h) Gateway staff attended the international conference on business innovation. Two new partners were added to the Launch Box Partner Group, Devin Sutherland of Downtown Racine and local business owner Missie Mauldin of the 410 Building. In addition, our partnership with WWBIC was strengthened (as evidenced) by being a finalist for the SBA Growth Accelerator Program and Launch Box manager, Thalia Mendez was nominated by Heather Lux, regional director for WWBIC, as an SBA Women's Business Champion.

http://journaltimes.com/business/local/launch-box-accelerator-winners-announced/article_d685766f-8a28-5510-b1ac-a2954755c373.html

FEATURED

Launch Box Accelerator winners announced

MICHAEL BURKE mburke@journaltimes.com Dec 13, 2016



Scott Anderson, Journal Times file photo

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The SC Johnson integrated Manufacturing and Engineering Technology center at Gateway Technical college on February 12, 2013, in Sturtevant.

STURTEVANT — Racine County entrepreneurs took second and tied for third in Tuesday's Launch Box Accelerator program in the auditorium of the SC Johnson iMET Center, 2320 Renaissance Blvd.

With tools and skills gained through an intense, 12-week business mentoring program, entrepreneurs from nine companies competed for seed grants by each making a four-minute pitch to a panel of judges. All winners will receive seed money to help them further their business ideas.

Kelly Kruse of Big Sky Design, Kenosha, won \$5,000 for her graphic design company which specializes in customized wedding invitations and related products. Kruse is also an advertising account executive at The Journal Times.

Miranda Rochol, owner of Lifebook Builder, Mount Pleasant, took second place and will receive \$4,000 in seed grant money. Rochol's company focuses on providing an app and website for parents to build a child's Lifebook. The Lifebook is a way for a foster or adopted child to record information and items from their birth and early years to be able to understand where they came from as they get older.

"I learned a lot from this, it helped me to reframe my focus," said Rochol. "I had never built something from scratch in business. This gave me confidence that I was on the right track with my product."

Two entrepreneurs tied for third place and will each receive \$3,000 in seed grant money:

B'ssert, LLC, Rochelle Schmidt, Kenosha, offering gluten-free products.

Wee Tinkers, Tonya Sims, Racine, providing an interactive doll to promote interest in science, technology, engineering and math to 4- to 8-year-old girls. Sims said the accelerator required her to interview 100 potential customers, which prompted her to change the product model from a hand-held device to an interactive doll.

The remaining entrepreneurs will receive \$2,500 each:

CAH Promotions, Chad Hensiak and Amber Kolosso of Burlington, providing marketing and website design through a paid internship program using students from local colleges.

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<input type="text" value="Email"/>	<input type="button" value="Sign Up!"/>
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Covered Care, Donisha Nesbitt of Sturtevant, an in-home health care company.

Liquid Code Studios, Douglas Beeson and Justice Aranda of Union Grove, a marketing and design company focused on helping small businesses with their website needs.

Medscrub, Anthony Talamonti of Kenosha, a company providing a wound cleaner product.

Tasty DK's Catering, David Shabazz of Racine, featuring barbecue.

The Accelerator is designed to help entrepreneurs start or grow their business; it was supported by a Wisconsin Economic Development Corp. grant. For more information, contact Thalia Mendez at 262-898-7404.

Michael Burke

Currents



From 'Chewbacca Mom' to 'Chardonnay Go': Facebook announces its own 'Year in Review'



Nominees announced for the 2017 Golden Globe Awards

TOYOTA

SPONSORED **Toyotathon Is On!**



5 Home Security Options to Put Your Mind at Ease



Today's top pics: Cold air grips nation and more



Your daily 6: Low expectations for new president, evacuating Aleppo and mail that package today



Today In History, Dec. 15: Jimmy Carter



Today's Birthdays, Dec. 15: Don Johnson



A TV fan sees his past through the eyes of antique cameras



Nets send Lakers to 8th straight loss, 107-97



Game of the Week: Tampa Bay heads to Dallas with postseason hopes still alive

2016 Member Survey

Tuesday, December 20, 2016

45

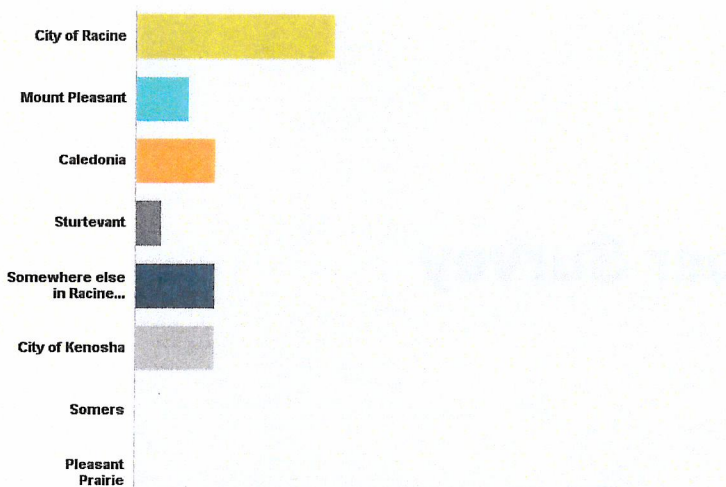
Total Responses

Date Created: Thursday, November 03, 2016

Complete Responses: 44

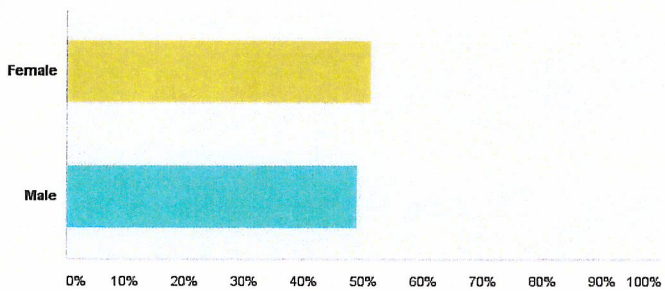
Q1: Which of the following best describes where you live?

Answered: 45 Skipped: 0



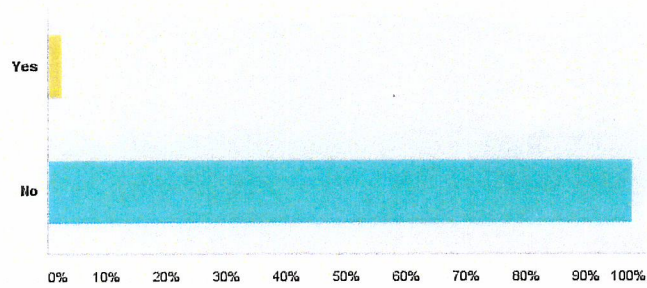
Q2: What is your sex?

Answered: 45 Skipped: 0



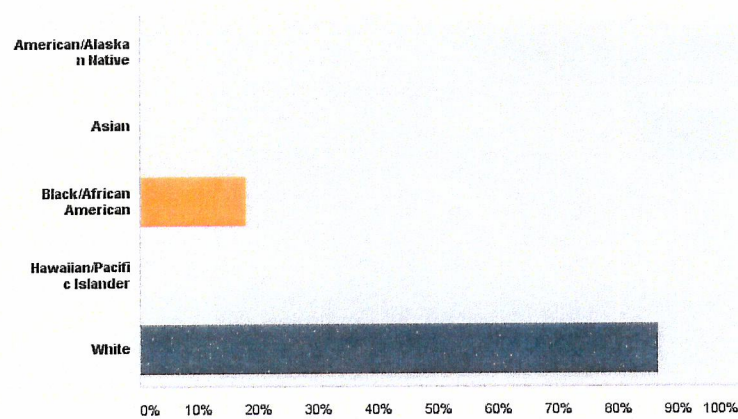
Q3: Are you Hispanic or Latino?

Answered: 45 Skipped: 0



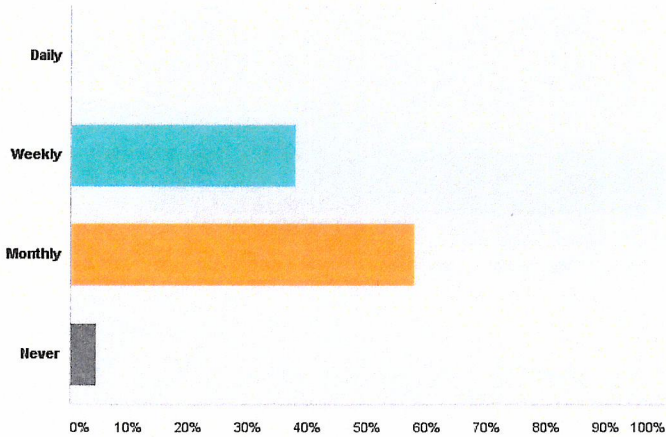
Q4: What is your race? (Select one or more responses.)

Answered: 45 Skipped: 0



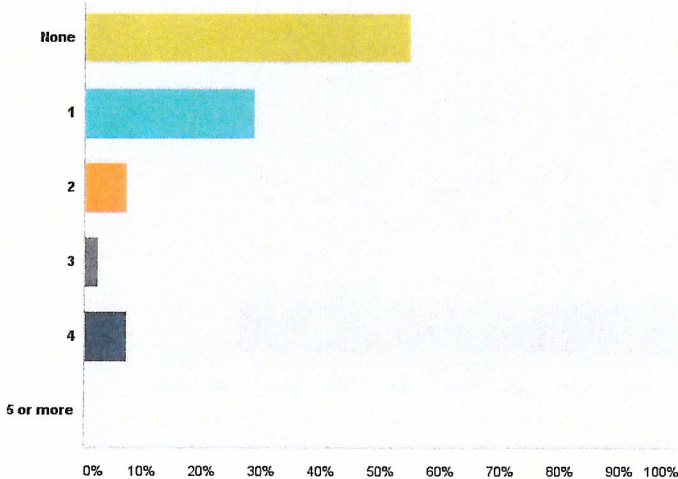
Q6: How often do you use Launch Box?

Answered: 45 Skipped: 0



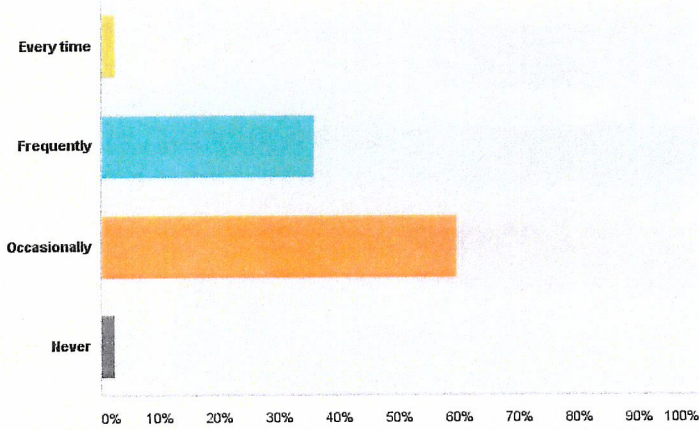
Q7: How many guests/visitors do you typically have when using Launch Box?

Answered: 42 Skipped: 3



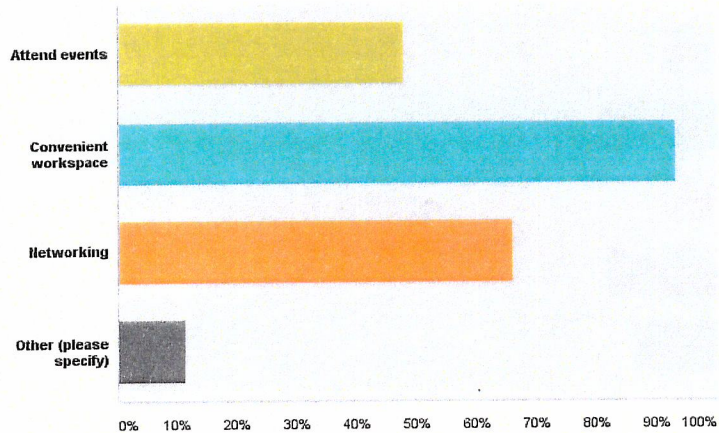
Q8: When using Launch Box, how often do you visit/use other businesses or services in Downtown Racine?

Answered: 42 Skipped: 3



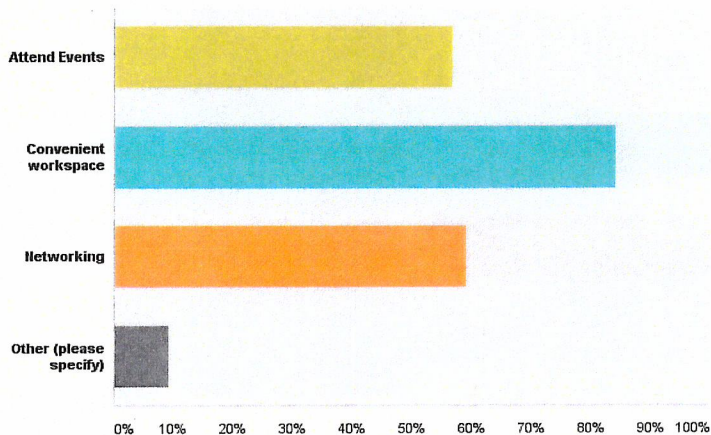
Q9: When you first joined Launch Box, what did you think the value to your business would be? [Check all that apply]

Answered: 44 Skipped: 1



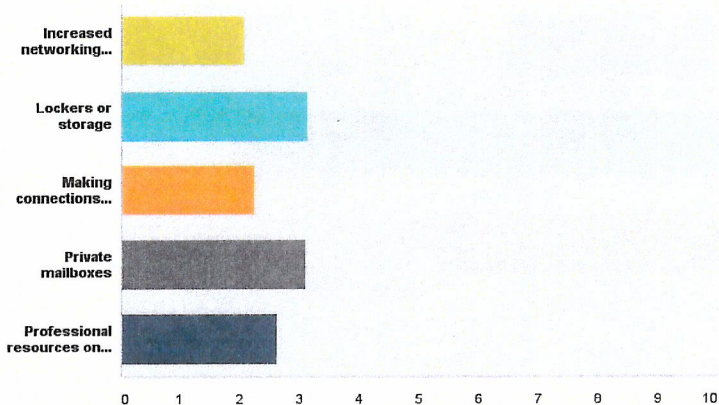
Q10: Now, what is the current value to your business of using Launch Box ? [Check all that apply]

Answered: 44 Skipped: 1



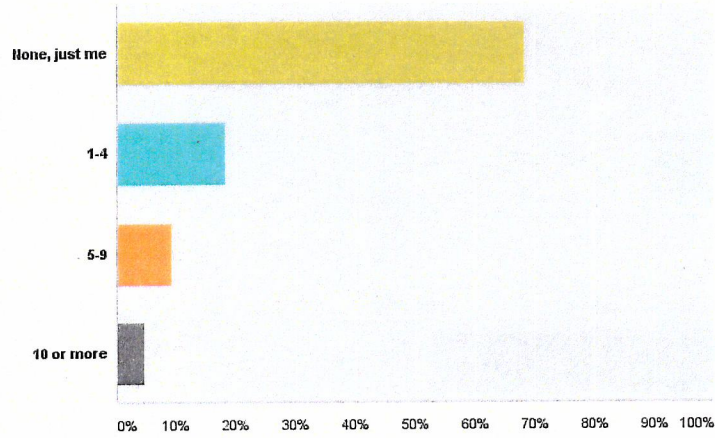
Q11: Now that the following have become available, how likely are you to utilize them?

Answered: 44 Skipped: 1



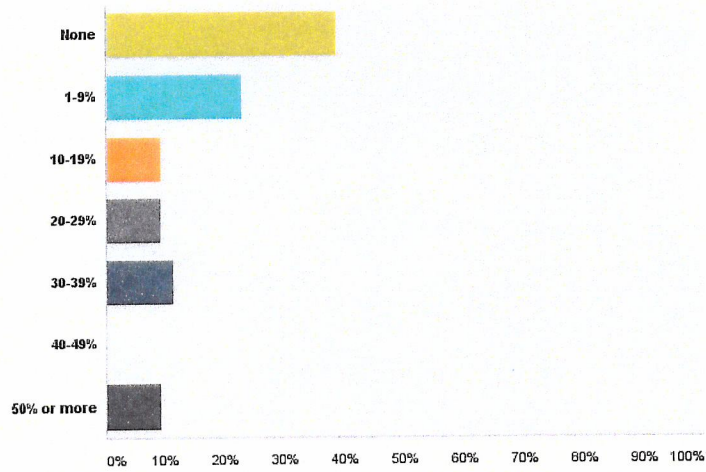
Q13: How many employees do you currently have?

Answered: 44 Skipped: 1



Q14: Since joining Launch Box how much have your sales increased?

Answered: 44 Skipped: 1



Q16: Have you ever attended Gateway Technical College? (Check all that apply)

Answered: 44 Skipped: 1

