Board of Managers Chair Ed McMillan called the meeting to order at 11:03 a.m. Present and participating in the meeting were:

Voting Managers  Non-voting Managers  Absent
Ed McMillan  Walter Knorr (joined at 12:10 p.m.)  Sharon Donovan
Patrick Daly (left at 2:13 p.m.)  Larry Schook
Roderick Johnson
Rick Stephens
Peter Schiffer
Mitra Dutta
Mark Donovan

Other Persons in Attendance
Mike Bass  Peter Fox (joined at 11:40 a.m., left at 1:40 p.m.)
Bruce Walden  Andrea Ruedi (joined at 11:40 a.m., left at 1:40 p.m.)
Laura Frerichs  Ryan Murphy (joined at 11:40 a.m., left at 1:40 p.m.)
Wes Curtis
Heidi Rockwood
Kapila Viges
Roger West
Laura Bleill

**Action Item: Approval of Minutes**

Chair McMillan acknowledged that a quorum of the voting members of the Board of Managers was present and asked the members to review the minutes of the June 3, 2013 meeting of the UIRP, LLC Board of Managers. **Pat Daly moved that the minutes be approved.**

Roderick Johnson seconded the motion, which was then unanimously approved.
**Action Item: Approval of Modification of 2014 Schedule of Meetings**

Chair McMillan then asked the managers to review the modified BOM meeting schedule for 2013-2014. The October 7, 2013 meeting location was modified to accommodate the attendance of several Managers and attendees. The proposed revision to the locations will balance the schedule. **Roderick Johnson moved that the modified meeting schedule be approved.** Peter Schiffer seconded the motion, which was then unanimously approved.

**Executive Session**

At this time, Pat Daly moved that the Board adjourn to Executive Session to discuss: (i) the lease of real property; (ii) proprietary information about tenants and potential tenants; and (iii) the review of the Executive Session minutes. Rick Stephens seconded the motion which was unanimously approved.

The Board adjourned at 11:06 a.m. to convene in Executive Session.

**Reconvene**

At 12:10 p.m., the Board of Managers meeting was reconvened by Chair Ed McMillan.

**Final Revised Phase IV Covenants – Wes Curtis**

Wes Curtis presented a redlined version of the Amended & Restated Phase IV Declaration of Covenants showing the changes made in the draft document since the BOM last reviewed the document at its June 3, 2013 meeting. These edits are:
• **Month Date.** The month date has been changed from June to October on the cover page and page 1.

• **Design Elements of Residential Projects.** Pursuant to direction from the BOM at its June 3, 2013 meeting, a last sentence has been added to Article 6.3 (Variances), page 12, stating that BOM approval is required for the design elements of residential projects.

• **Snow Removal.** At the request of Developer, the time period for snow removal has been changed from 12 hours to 48 hours to mirror the City of Champaign ordinance (Article 7.3(a)(iii), page 13).

• **Planned Retail Use.** Pursuant to direction from the BOM at its June 3, 2013 meeting, a last sentence has been added to Exhibit 6, paragraph C (page 33) requiring BOM approval of planned retail use by any single tenant in excess of 6,000 square feet. The BOM had actually discussed an 8,000 square foot level at its June meeting, but staff negotiated the more restrictive 6,000 square feet.

Peter Fox commented that there had been a misunderstanding by his attorney about the reason for the snow removal time period. Mr. Fox indicated that the time for removal can remain at the original 12 hour period.

Pursuant to the action taken at the BOM’s June 3, 2013 meeting, no further action is necessary to approve these changes. The June 3, 2013 action approving the Covenants only required staff to report back any changes to the BOM.

**EnterpriseWorks and Research Park Operations Update – Laura Frerichs**

Laura Frerichs gave an update on EnterpriseWorks and Research Park operations. New Research Park operations include:

• **Anheuser Busch InBev Bud Analytics Lab: Atkins Building**
  - Grand opening event hosted on 9/6/13
  - Significant national, Chicago, St. Louis and local press
  - Hired full time staff recruited to Champaign and interns

• **Turn: Atkins Building**
  - Advertising network data company based in Redwood City, California.
  - Recruiting full time staff for Hadoop and data projects

• **Axis Capital: Atkins Building**
  - Reinsurance company based in Bermuda
• **Illinois RocStar: Atkins Building**  
  ○ Graduate of EnterpriseWorks, licensed computer code for computational fluid dynamics modeling from the University of Illinois

• **Akuna Capital: TDFC II**  
  ○ Chicago based investment banking firm, options market maker

In regard to Research Park infrastructure, Laura Frerichs highlighted the following:

• UIRP fiber installed in Phase IV in May/June on schedule and connected to EnterpriseWorks

• New streets opened in August 2013  
  ○ Fourth Street  
  ○ Gerty and Hazelwood  
  ○ Bids released by the City of Champaign for landscaping, multiuse path, extension of Gerty

• Oak Street sidewalks are under construction

Next, Laura Frerichs distributed to the attendees copies of the October, 2013 Economic Impact Report for the Research Park prepared by the Champaign County Regional Planning Commission. Key statistics regarding the infrastructure investment impact included:

- Total construction investment: $114,785,249
- 854 direct jobs and 509 indirect and induced jobs
- $170 million economic output
- $8.1 million in tax revenues for state of Illinois
- $1.7 million in tax revenues for Champaign County

The operations impact from employment included:

- 1,348 full time and part time employees
- 637 indirect and 578 induced jobs
- $59,384,126 annual payroll from direct jobs
- Economic benefit of $163 million
- $1.2 million in annual tax revenue to Champaign
- $6.8 million to the State of Illinois
Chair McMillan said that we need to “tell our story.” He suggested that Laura Frerichs put together a proposal for how we can target public promotion of the Research Park. Pat Daly agreed, saying that “we need to get the message out.” Chair McMillan also said that he thinks we will need professional help with this. Larry Schook agreed with the comments, adding that this needs to be an “integrated” message among the University campuses and UIRP.

At this point, a brief recess was taken at 12:45 p.m. for attendees to obtain their box lunches. The meeting resumed at 12:55 p.m.

Laura Frerichs continued her presentation of the Economic Impact Report noting that student interns in the Research Park earn an average of $18 per hour. Laura also noted that there were two new research reports for 2013:

- Illinois Incubator study with Urban Planning Department
  - Profiling each of the incubators in Illinois
  - Surveying for client composition, facilities, services
  - Funded through EDA University Center grant
- Business Industry Cluster Analysis
  - Researching industry sectors and technology areas that we are best positioned to grow
  - Hired incubator consultant with experience in communities across the US, Carol Lauffer, Business Cluster Development

Next, Laura Frerichs distributed a list of the Research Park events that occurred during June through September of 2013, highlighting the Prototyping Fair.

Laura Frerichs then gave an update of EnterpriseWorks which included the following information:

- Leasing progress, 100% occupancy with waiting list of companies seeking space
- Optimizing space with co-working, consolidation of server room space
- I-Start program update: 27 firms
- NSF I-Corps Site first cohort started
- June Inc. Magazine featured EnterpriseWorks as one of top 3 college town incubators
- 10 Year anniversary event on 10/11/13

Included in Laura Frerichs’ presentation was an organization chart for EnterpriseWorks and the Research Park showing updates to staff. Laura Frerichs introduced Laura Bleill to the group, who was recently promoted to Assistant Director of the Research Park. Ms. Frerichs also introduced Roger West who was promoted to Finance Manager. Laura Frerichs informed the group that she now holds a 50% position with the UIUC campus as Director of Economic Development in the Office of Public Engagement. This means that her role as Director of the Research Park is now a 50% position. Larry Schook said that he does not see this as a “dilution” for the Research Park. Rick Stephens agreed stating that 80% of the campus’ economic development is closely related to the Research Park. The salary savings from Ms. Frerichs reduction to a 50% position is going to increasing her staff. Peter Schiffer stated that this will strategically enhance Laura Frerichs’ ability to lead the Research Park and Larry Schook said that this will bring more efficiencies in recruiting companies. Chair McMillan asked Laura Frerichs to let the Board know if the back-up staff is not enough.

**Fox/Atkins Update on Phase IV Buildings**

Peter Fox distributed a handout summarizing the status of Phase IV development. Mr. Fox noted that the I-Hotel & Conference Center receives competition from the Marriott on Neil Street in Champaign and will have additional competition from the Hyatt which is currently under construction in downtown Champaign. The report also included information related to the
vacancy rates of the buildings in the entire Research Park. Total building square foot in the Park is 472,405, of which 45,232 or 9.57% is vacant. Upon completion of his presentation, Peter Fox, Andrea Ruedi and Ryan Murphy left the meeting.

**EnterpriseWorks/UIRP Budget Update and Requested Continuance in Institutional Funding**

Laura Frerichs reviewed the highlights of the year-to-date financial statements of the Research Park and EnterpriseWorks previously distributed to the Board. Regarding the Research Park financial statement, Ms. Frerichs noted:

- Since IT Manager Jay Geistlinger’s departure, his salary expense has shifted to be an AITS Services operating expense. This helps the budget because State dollars can be used for this.
- Land fees comprise most of the income.
- The “tapping fee” income will be realized as new buildings are constructed in Phase IV.
- The “Institutional Funds” income received from the University was received under a five year commitment from Walt Knorr’s office which has expired. Included in today’s materials is a copy of a 9/24/13 memorandum to Walt Knorr from Larry Schook requesting a renewal of this $150,000 annual funding commitment.

Regarding the EnterpriseWorks financial statement, Laura Frerichs noted that most of the income is rental income. She reminded the group that because Fox/Atkins has placed its plans regarding the retail/residential project on hold, this will save money on the original budget and we can anticipate operating within a balanced budget.

**EnterpriseWorks Chicago - Kapila Viges**

To be sure that there was enough time for Kapila Viges’ presentations, Chair McMillan directed that we would now skip in the agenda directly to her presentations concerning
EnterpriseWorks Chicago. Ms. Viges updated the group on the following topics detailed in her handout to the Managers:

**HTI Construction; Tenancy and Industry Partner Update**
- Substantial construction complete
  - Will be ready for occupancy November, 2013
  - Furniture pending (this is driving the launch)
  - Telecommunications is in process (point to point fiber optics)
  - Signage, locks, AV software training
  - Autoclave, glass washer, water startup
- Industry Partnership
  - Cannot publicly identify company at this point
  - Office hours, workshops
  - Post-doc in commercialization
- Confirmed Tenants
  - IllinoisVentures
  - Two Rush related companies
  - Pipeline at this time: Innovate@UIC. Need to create stronger pipeline.

**EWC Programs, Events, Clients**
- **Programs**
  - Pilot – Student Commercialization Teams
    - 5 MBA/TechVentures students
    - 2 PhD students; 2 Post-docs
    - 6 projects from OTM (though two of these will not be going forward)
  - Formalizing program with Innovate@UIC
    - Recruiting from MBA student groups, Post-doc Association and UIC Consulting Club
    - Waiting on Entrepreneur-in-Residence contract (since May) to oversee project teams; 2nd EIR pending
- **Events**
  - Launched Startup Series:
    - Pathways to Market (Intellectual property and OTM overview)
    - Venture Validation (Technology and Market Feasibility)
    - Forming a Company (Structures, Shareholders and Boards)
    - Operating a Company (Basic legal and liability issues)
    - Funding Options (From friends, family and fools to IPO)
    - Accounting Basics (The least you need to get started)
    - Venture Capital (Dive into capital structure, investor expectations, and relationships)
• Management Team (Who do you want on your bus – and who should be driving?)
• Networking (Meet and engage with as many people as you can)
• Finding your voice (Telling and selling your story)
  o Introducing special topics in Spring (regulatory considerations, etc.)
  o Aligning with College of Business Administration
  o SBIR/STTR suite of services in process
• Clients – Pipeline
  o UIC Incubator Laboratory Facility
    • 23 residents (2 UIC related); 10 affiliates (7 UIC related)
    • Others are Rush, University of Chicago, Industry Spinouts
  o Clients engaged
    • 11 at pre-company stage
    • Including 4 Chicago Innovation Mentor Teams
    • Opportunities are early
    • Proof of Concept Program at OTM generated

Innovate @ UIC
• Kapila Viges reviewed the flow diagram distributed to the group

General Operations
• Customer Relationship Database (CRM) implemented in the Spring
• Marketing firm engaged in the Spring
  o Branding, website and social media assets ready for launch
• Marketing student started in July for event support
• First FTE Incubator Coordinator shared with campus; September, 2013
• On-boarding Network Coordinator shared with OVPR; October, 2013
• Approval for Business Administration/Receptionist for HTI
• Approval for Business Development “Startup” Coordinator
• Proposing campus arrangement for Lab management support

Pat Daly left the meeting at 2:13 p.m. A general discussion then ensued regarding the Chicago Tech Park area:

• Roderick Johnson asked if there is a revised master plan for the Chicago Tech area. Larry Schook responded that IMD has its own strategic plan and that he is not sure how much we are a part of it.
• Rick Stephens said that we should develop our own plan for just 4-5 buildings and go to the IMD with that plan since we are too small to be part of their master plan.
• Roderick Johnson asked for the profit and loss statement for the ILF building. Chair McMillan asked if we can work toward having a financial
statement for FY 2014-2015 for ILF and HTI. Larry Schook said that yes, we will.

**UIRP, LLC Audit Report – Laura Frerichs and Roger West**

Laura Frerichs and Roger West briefly presented the CliftonLarsonAllen LLP June 30, 2013 audit report to the Managers noting that it is a clean report.


Laura Frerichs highlighted some items from the 2012 Survey of North American University Research Parks which was prepared for the Association of University Research Parks (AURP) by Battelle Technology Partnership Practice:

- Retail and residences play a significant role in research parks.
- Employment chart in table 5 on page 18 shows great diversity among sectors.

Upon the conclusion of Laura Frerichs’ presentation, Chair McMillan asked if there was any new or old business to discuss or any public comment. **There being none, it was moved by Rick Stephens and seconded by Mitra Dutta that the meeting be adjourned. The motion passed unanimously.**

The meeting was adjourned at 2:55 p.m.

Respectfully Submitted,

Wesley W. Curtis
Secretary designee