

## Business Plan Competition

The University of Wisconsin-Whitewater (UWW) has asked the City of Whitewater to sponsor a business plan competition. Their proposal includes a Scope of Work to be executed by entities within UWW including the Small Business Development Center (a regional Small Business Administration organization housed at UWW), the Fiscal and Economic Research Center (FERC), and the Enactus Social Innovation Club. The City has approved \$9,500 to receive the following scope of services:

- Business plan creation assistance for interested entrepreneurs
- Four or more business readiness workshops prior to the contest
- Help create program logo and brand
- Social Networking events for participants following each workshop
- Oversee competition logistics and project planning
- Administer the contest
- Post-event support for the winner(s) and all other contestants who have a feasible business plan
- Post-event economic impact analysis

In order to contract with UWW on this program, the City of Whitewater is being asked to:

- Provide coordination with storefront owners and direct stakeholders
- Develop a name for this event – perhaps “Whitewater WindUp”
- Determine number of winners
- Set Policy – define eligibility, project activities, considerations of job creation, personal investment, discounted rents, matching grant, etc.
- Set prize fund eligibility parameters – some considerations could include job creation, matching funds, can existing store owners participate
- Contribute prize money (one year rent plus funds for renovations is requested. CDA may want to also consider other start-up/expansion costs as eligible activities).

Prize Fund Activities	Range	Low (assume 20% of sf)	High (assume 20% of sf)
Renovations/Repairs/Retrofits	\$200 - \$700/sf*	\$80,000	\$350,000
Triple Net Lease (assume 2,000 sf)	\$10 - \$15/sf**	\$20,000	\$30,000
Totals		\$100,000	\$380,000

\* Renovations estimate provided by Whitewater Building Inspector

\*\* Lease rates provided by two brokers familiar with the market

If the CDA wishes to fund this program and award more than one business plan presenter, \$160,000 would be needed for the inaugural event:

1 <sup>st</sup> Place:	\$75,000
2 <sup>nd</sup> Place:	\$50,000
3 <sup>rd</sup> Place:	\$25,000
Cushion	<u>\$10,000</u>
	\$160,000

Executive Director Recommendation: Establish an entrepreneurial support program seeded with \$320,000. This fund would support at least two contests and unspent funds can be returned to the Action Fund.