

CITY OF WHITEWATER  
312 W. Whitewater Street  
Whitewater, Wisconsin 53190  
(262) 473-0148

Date: December 22, 2025

To:

Susan Brehm - Regional Director  
U.S. Department of Commerce  
Economic Development Administration – Chicago Regional Office  
230 S. Dearborn Street, Suite 3280  
Chicago, IL 60604

From:

City of Whitewater, WI  
Whitewater Community Development Authority (CDA)

Subject: Request for EDA Guidance and Confirmation – Proposed Partial remodel and Potential Sale of the Whitewater Innovation Center

Dear Director Brehm,

The City of Whitewater, in partnership with the University of Wisconsin-Whitewater and the Whitewater Community Development Authority (CDA), respectfully requests the Economic Development Administration's (EDA) guidance and formal approval concerning the proposed partial remodel of the Whitewater Innovation Center and clarification regarding the potential future sale of the facility.

**Background**

The Innovation Center was developed in 2010 through an EDA Public Works grant (EDA Project # 06-01-05479) awarded to the University of Wisconsin-Whitewater to support business incubation, entrepreneurship, and regional economic growth. Since its completion, the Center has served as a mixed-use hub for innovation, with operations managed collaboratively by the City, University, and CDA.

The City of Whitewater holds title to the Innovation Center property, while the original EDA grant agreement remains binding on the property under 2 C.F.R. § 200.311(d). We understand that EDA consent is required prior to any change in use, disposition, or substantial modification of the property.

**Proposed Partial Remodel**

The City, University, and CDA are jointly developing a proposal to remodel a portion of the Innovation Center for use as an Early Childhood Education Center operated through the Early

Childhood Education Center, Inc. The center would form part of a new Early Childhood Education Institute at UW-Whitewater. The new facility would provide high quality childcare and early education, serve as a training and research site, support regional workforce participation, and continue to advance the EDA's mission of fostering workforce development and economic vitality. This effort would also help address the "childcare desert" status in Whitewater, as identified in a 2022 study conducted by the Walworth County Economic Development Association (WCEDA).

All renovation and operational costs will be covered by separate grants and private donations, without use of EDA funds.

#### **Request for EDA Guidance and Approval**

We respectfully request the EDA's written consent for this proposed partial remodel under 2 C.F.R. § 200.311(d)(1). Additionally, we request EDA's guidance regarding the feasibility of a future sale of the property. The City has been approached about the possibility of selling the Innovation Center to a nonprofit entity. We seek EDA's interpretation on whether such a sale would constitute a 'disposition' under 2 C.F.R. § 200.311(d)(2), whether repayment of EDA's original cost share (approximately 60%) would be required, and whether continued operation for educational and workforce purposes by a nonprofit successor could satisfy EDA's ongoing economic development objectives, thus avoiding repayment.

#### **Supporting Materials and Next Steps**

We are prepared to provide supplemental materials, including a project narrative and floor plan, a property appraisal, a memorandum of understanding among the parties, and documentation of ongoing business incubation activities. We would welcome an opportunity to meet with EDA staff to discuss this request and ensure that all requirements are met prior to implementation.

#### **Closing**

The City of Whitewater, University of Wisconsin-Whitewater, and the Whitewater CDA remain committed to furthering the EDA's mission of economic development, workforce readiness, and innovation. We appreciate your consideration and look forward to your guidance

Respectfully submitted,

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CC:

Steven Chesebro, City Attorney

Dr. Corey A. King, Chancellor, University of Wisconsin-Whitewater