



Proposal for Developing a Life Sciences Wet Lab Incubator in Lawrence, KS

Discussion Document

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City of Lawrence

Douglas County

University of Kansas

Lawrence Chamber of Commerce

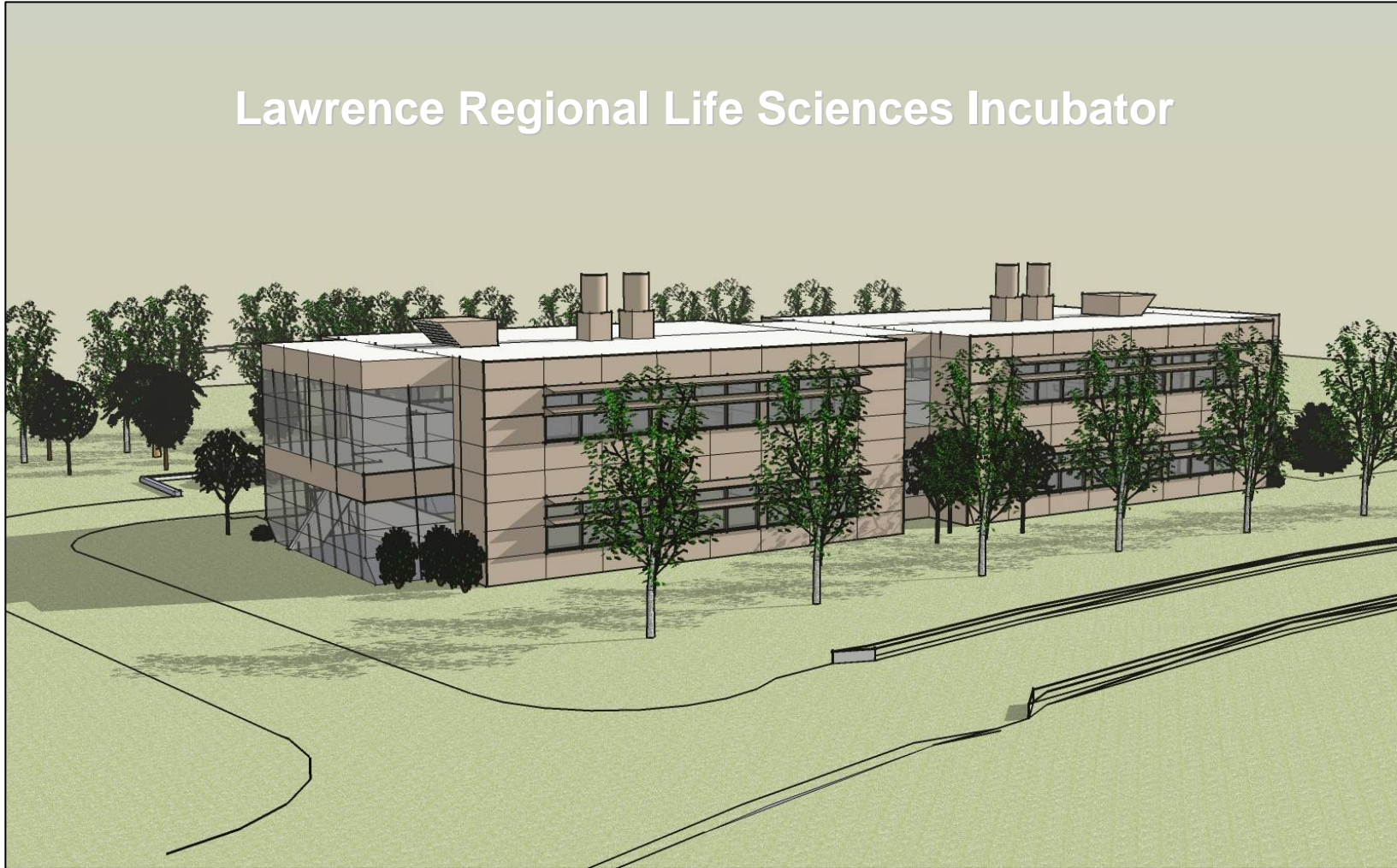
STRATEGY

Develop life sciences industry resources by providing an infrastructure of professional talent, modern facilities, specialized equipment and capital centered around targeted core competencies at the University of Kansas and the community.

LDCBA Vision



Lawrence Regional Life Sciences Incubator



Business Incubation



- Business Incubator - facilities and programs to grow early-stage business ideas into viable companies
- Over 1,200 incubators in U.S. (public, private, community-based, university-based)
- University-based incubators provide access to:
 - R&D labs
 - Ideas
 - People
 - Business development resources
- Most successful incubators combine building with programs

Need for a Life Sciences Incubator



- Companies wanting labs and offices in Lawrence/KU location
 - KU spin-offs
 - Emerging companies
 - Existing companies

- Incubator is important part of overall ED strategy
 - Start-ups
 - Existing local companies
 - Business recruitment

- Incubator will become a source of companies for a local business park

- Lawrence and Douglas County competing with communities in Kansas, US, and rest of world

Benefits of Local Life Sciences Incubator



- Foster KU life sciences spin-offs
- Retain local companies
- Recruit life sciences companies
- Foster research collaborations
 - Company & university
 - Company & company
- Recruit and retain KU faculty
- Support economic development (jobs, investment, larger tax base)

Key Criteria for Local Incubator



- Multi-tenant facility
 - KU spin-offs
 - Emerging companies
 - Existing companies
- Flexible space to support wide range of life sciences companies
- Expandability
- Provide facilities and business development programs
- Location
- Community support

Incubator Overview



- 20,000 sq ft. wet-lab incubator building
- Expandable to 40,000 sq ft.
- Site: KU's west campus life sciences hub
- Adjacent to
 - Multidisciplinary Research Bldg.
 - Structural Biology Center
 - Higuchi Biosciences Center
 - Proposed School of Pharmacy Bldg.



Incubator Overview



➤ Multi-tenant Facility

- KU spin-offs
- Emerging companies
- Existing companies

➤ Resources

- Building out labs/offices
- Equipment
- Product development
- Business development assistance



Incubator Operations



- The incubator will be owned by the LDCBA
- LRTC will manage the incubator facility
- LRTC has assisted numerous life sciences companies
- LRTC will provide “hands-on” business assistance services to tenant companies to accelerate their growth and increase their chances of success
 - Clients have raised **~\$120,000,000** over the last 5½ years
 - Clients have created **111 net jobs with average salary of ~\$64,000**

Funding Sources



City and County	\$1,500,000 (\$750,000 each)	18.75%
LDCBA	\$500,000	6.25%
KU	\$2,000,000 (\$1.5M cash and \$500K land)	25.00%
KBA	\$4,000,000	50.00%
TOTAL	\$8,000,000	100.00%

Funding from the Kansas Bioscience Authority will be contingent upon \$4,000,000 being raised from the local community and KU.

Use of Funds



Facility	\$5,000,000
Management and Services	\$1,000,000
Shared Equipment and Building Improvements	\$1,000,000
Product Development and Lease Assistance	\$1,000,000
TOTAL	\$8,000,000

The goal is to develop a comprehensive economic development program consisting of facilities, equipment, business assistance services and access to capital.

Next Steps - Timeline



- Step 1: City & County approve \$1,500,000 investment (July '08)
- Step 2: KBA approves \$4,000,000 investment (Fall '08)
- Step 3: Execute legal documents (Fall '08)
- Step 4: Groundbreaking (Winter '08 – Spring '09)
- Step 5: Ribbon-cutting, 1st Tenant (Spring '10)