

## HERMITAGE

# Nonprofit board eyed to oversee LindenPointe

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By Joe Pinchot, *Herald Staff Writer*

Hermitage Community and Economic Development Corp. has recommended that city commissioners create a private, nonprofit corporation to run the technology center and training and workforce development building in LindenPointe.

The tech center, which will house a business incubator and a testing laboratory, is under construction. The neighboring training building opened its doors this year. City staff, economic development panel members and invited guests have been meeting with technology companies and representatives of other incubators to get ideas on how to run and maintain the incubator and set up an organizational structure. The incubator would house and nurture companies with products emerging from the science, technology, engineering and math industries.

The economic development panel's recommendation, made Dec. 2 and the subject of a letter from Chairman Rex W. Knisley to Commissioner President Duane J. Piccirilli, is the first major step toward setting up the organizational structure of the tech center.

An independent board would maximize promotional efforts of the incubator and training buildings, both within the region and outside of it, said Robert A. Cucitrone, economic development panel member. "We want to be able to show that it's being promoted and being used," Cucitrone said.

City Manager Gary P. Hinkson said the corporation would be narrowly focused on the two buildings and would not be an economic development group that might duplicate services or compete with other economic development agencies.

The idea of creating a nonprofit agency to run the tech center had come up repeatedly through the meetings, many of which were attended by city commissioners. "It makes sense for the city because that isn't a function we're equipped to do on a daily basis," Hinkson said of working with individual businesses. "We don't have the staff, the time, the wherewithal to take this to the next level." "It wouldn't be fair, after all the effort we've put into this, to hold it back," said Assistant City Manager Gary M. Gulla.

Relieving city staff members of having to run the buildings would allow them to focus on their regular municipal duties, Cucitrone said. "They're so pretty much overworked right now," he said. "It's going to get put on the back burner somewhere along the way."

A corporation would create a divide between the programmatic side of the incubator — mentoring small businesses to develop products and grow their businesses — and the management of a building.

Officials at other incubators have said the two concerns can conflict, and separating them is important. Nonprofit groups also are eligible for a wider range of funding, including from foundations, than municipalities can access, Gulla said.

Although the corporation would take control of the buildings away from the city, the lease between the city and corporation will keep city officials' vision for the center intact, and commissioners would appoint the members of the corporation board, Hinkson said. The lease also would require the board to stay within the requirements set by the federal government, the majority funding source in the construction of both buildings, he said.

Hinkson said he envisions a close relationship between city officials and the board similar to that between officials and the city's various advisory authorities, boards and commissions. "We'll certainly be engaged in the project," Hinkson said.

Officials hope that members of the board will have a broader range of expertise in business, finance and technology than do city officials. Officials also hope the commissioners will take a nontraditional approach to appointing members, including possibly choosing members who might not ever actually set foot in the tech center or the training building.

Cucitrone said people who grew up in the Shenango Valley but have become successful in business elsewhere could provide key insight and networking to benefit the center. The building's teleconferencing capabilities would allow them to attend meetings from afar, he said. Volunteer Paul Young has been managing the training building and city officials expect he will play a role in the corporation.

Commissioners likely will discuss the idea of creating the corporation this month, but formal action probably will not begin until January, when an ordinance could be introduced. Should commissioners agree to the plan, officials said they hope to create the corporation and appoint at least some board members by the time the tech center construction is complete in late 2011.