

# City could become key player as result of partnership with biomedical businesses

By **KATHRYN STAFFORD**  
STAFF WRITER

At council's regular meeting Nov. 15, Economic Development Director Scott Whyte made an exciting announcement, which promises to make the city a key player in attracting biomedical businesses.

The Economic Development Services Department (EDS) has been working with BioAccel and Plaza Companies on the launch of the Peoria Incucelerator at Plaza del Rio.

Plaza del Rio is a care center that provides a skilled nursing community to people seeking medical attention, at the Freedom Plaza Campus, in Peoria.

The city's Economic Development Implementation Strategy identified a bioscience incubator as one of the 11 initiatives the city should follow to foster economic growth

in the city. The focus of the Incucelerator is on medical device companies to ensure the creation of a comprehensive ecosystem to support these companies.

"We've reached out to key stakeholders and various partners to make sure that this is a business plan and model that makes sense for Peoria and the Valley as a whole," Whyte said. "The economic development objective as to why we are proposing this is to grow bioscience companies, jobs, and ultimately to get biosciences clustered so that we can identify Peoria as the location for bioscience investment company formation and of course job creation."

The city said BioAccel is an ideal partner to execute the incubator concept. They are a non-profit organization, which accomplishes its economic development mission by focusing on late stage re-

search and technology; transforming research discoveries into new business opportunities with a focus on diagnostics, therapeutics, medical devices, tools and services.

BioAccel helps companies move from discovery through development and into the marketplace. Their programs help bridge the gaps between development and commercialization to ensure that a company will be successful, has incentives to relocate into a city, expand, add jobs and create positive economic impact.

Four individual bioscience companies will be utilizing the space, ranging in specialization from gastrointestinal, forensics, weight management and cardiology sciences. Each company projects full time employee job creations, ranging from 5 to 15, depending on the company.

The city is partnering with BioAccel to leverage their expertise and reputa-

tion in the medical device/bioscience community.

"The City of Peoria leadership has chosen an innovative and targeted approach by establishing a device focused Incucelerator," said BioAccel CEO Mary Ann Guerra.

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"This approach, designed to accelerate technology commercialization, is exactly what is needed to create new companies and quality jobs for their community."

The operating agreement provides BioAccel with funding for the operation, management, oversight and services part of the Incucelerator program, as well as seed funding capital for loans and investments in bioscience technology and eligible business housed within the Peoria Incucelerator.

Whyte commented on the importance of assisting local medical companies to boost economic growth.

"This partnership with BioAccel and the Plaza Companies will provide for a first class bioscience platform on which to nurture entrepreneurship and grow Peoria-based bioscience companies," he said.

Occupying approxi-

mately 6,800 square feet, on the Plaza del Rio Campus, the space plan includes a build out to accommodate up to six companies and will incorporate shared lab space and common areas. The tenant improvement work was scheduled to commence in November and the anticipated opening for the Peoria Incucelerator is March 2012.

President and CEO of Plaza Companies Sharon Harper said she believes the partnership will make an invaluable addition to the area and surrounding medical fields.

Harper said, "The Peoria Incucelerator, which will focus on medical and healthcare related start up companies, is an ideal fit both in Peoria and on the Plaza del Rio Campus. The synergy and the required reputation for excellence in healthcare services that is enjoyed by Plaza del Rio will be strong foundational

support for the vision of new businesses in the burgeoning field of healthcare services."

Good news for those looking for jobs. Because the program is focused on growing start-up technology companies, job growth will be accomplished over a period of time, with the number of jobs created at a modest level in the beginning and then increasing in the future.

The cost to manage the incubator for the first contractual period of 20 months is budgeted at \$41,231,336. For fiscal year 2012, \$677,475 will be paid and for the 2013 fiscal year, \$553,861 will be paid. This cost reflects only the management and oversight of the facility, services provided to eligible businesses, equipment and supply purchases, as well as the recruitment of companies and marketing of the facility. The lease amount during this

time period is \$168,664, which includes the first six months of free rent. The allocation of seed capital is \$1.8 million, or \$900,000 in each fiscal year. Total funding for the first two years of operations, lease payments, and seed capital funding totals \$3.2 million.

Reach the reporter at [kstafford@star-times.com](mailto:kstafford@star-times.com), or 623-847-4615.