

## Goodbye to Green?

Wisconsin, once a leader in energy efficiency, is slipping in the rankings.  
BY MATT HRODEY

**I**deology is a founding element of Ivan Velazquez's business plan. "I truly believe in global warming," he says. "If there's a nuclear reactor sitting out there, free to use, why not use it? It's not polluting. It's not creating wars."

He means the sun – and its nuclear fires. A longtime building contractor, Velazquez, president of Velson Construction in Waukesha, founded a company, Renew Now Facilities, to install solar and wind energy systems.

But he's devoting little time to the venture. Solar power, he says, "is not an easy sell." Government incentives are critical, he adds, even though prices for equipment have declined in recent years. "You don't need huge incentives, but you need some."

But the state is moving away from alternative energy under Republican Gov. Scott Walker and the GOP-controlled legislature. Walker replaced two of three members of the state Public Service Commission, which cut back a key incentive – a hefty cash rebate for businesses, schools and government facilities that install solar and wind systems. Immediately, work for Velazquez and other solar contractors dried up, according to Rex Gillespie, who served as president of the Wisconsin Solar Energy Industries Association in 2011. "Once [the PSC] pulled the funding, it shut down the solar installations that weren't already authorized," he says.

There are more solar contractors in the Milwaukee area than ever before – up from 16 in 2008 to 64 in 2011. But since incentives were trimmed, "Everyone has been struggling," says Amy Heart, manager of the

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## Energy Hits

Biggest categories of energy savers in state program, 2001-2010.

63.9%

Compact fluorescent lighting

10.8%

More efficient furnace motors

8.7%

Other lighting

3.4%

Hot water heaters

2.7%

Clothes washers

2.4%

Refrigerators

16<sup>th</sup>

Where Wisconsin ranked for state energy efficiency in 2011, down from ninth in 2008

52

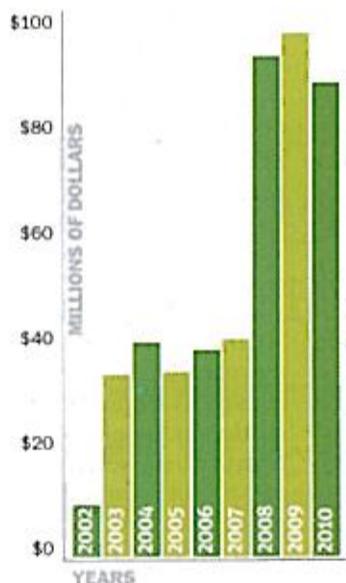
New solar panel installations in Milwaukee in 2010

1

New solar panel installation in Milwaukee in 2005

## Dollars Saved

State Focus on Energy program





**LOFTY IDEA**  
Waldren at work  
on HUDSON.

## Going Up

William Waldren has created a new space where entrepreneurs schmooze their way to success. BY JIMMY CARLTON

**O**n the second floor of a century-old, beige brick building with Broadway and Buffalo engraved atop intricate Gothic capitals, William Waldren sits hunched over his laptop, headphones hushing the outside world. The 45-year-old entrepreneur is preparing to revolutionize how people work.

Waldren, a Wauwatosa native, spent years helping revitalize downtown Orlando. That city's mayoral chief of staff, Frank Billingsley, calls Waldren, who opened a coffee shop, restaurant, espresso bar and nightclub, "the go-to person for new endeavors." Since then, he's spent time in

New York, Indianapolis and Milwaukee, where he helped create Bayshore Town Center.

His new project, HUDSON Business Lounge, an 11,000-square-foot loft in a classic Third Ward building (310 N. Broadway), is scheduled to open in March. Inspired by Blankspaces, a similar business on the West Coast, Waldren calls it "the next generation of co-working."

Why call it Hudson, er, HUDSON? Waldren mentions the old Hudson automobile but says it's more about a feeling than its meaning. "I want a term that has a weight that, like an Apple or a Starbucks, could grow into its own."

Co-working, Waldren says,

is a "global movement." Indeed, last fall's second Global Coworking Survey of 1,500 people from 52 countries reported that such collaboration greatly increased respondents' social circles, business networks and productivity.

Waldren thinks he can attract a "creative, early-adopter" workforce — nomadic freelancers and fledgling small business owners tired of toiling in noisy coffee shops and cluttered home offices. He offers a workspace, certainly, but one that encourages social interactions and professional kinship — for a monthly membership fee starting at \$55.

"We're not going to accept networking events where you just throw your business card around," Waldren says. He wants to nurture natural schmoozing, using the lounge's storefront espresso cum wine bar for frequent, informal events such as "Coffee at the HUDSON" and happy hours where members can unwind. There will also be evening seminars and an internal on-line social network.

The comfortable professional interaction, Waldren says, differentiates HUDSON from other co-working spaces in Milwaukee and "really resonates with people," such as Nancy O'Keefe, executive director of the Historic Third Ward Association. "The concept is going to work really well here," she predicts.

Waldren is so confident he's already begun scouting locations to expand nationwide. "HUDSON means more than just a space," he says. "It's this trusted *thing* that if you want to start a small business or need advice or want to connect with people, you're going to use the HUDSON mind machine ... or whatever. I want it to be big." ■

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Milwaukee Shines program, which also offers low-interest loans to pay for solar installations.

The PSC could revive the axed rebate, part of the Focus on Energy program (funded by public utilities), when it launches a new portfolio of energy-efficiency incentives in April. But whatever it does, less money will be available than before: Under the Democratic-controlled legislature and PSC, the Focus program was scheduled to see its funding rise steadily from \$160 million in 2012 to \$256 million in 2014. But Republicans cut that to \$100 million per year.

When the Wisconsin Legislature created Focus in 2001, "We were the envy of other states," says Gillespie. The American Council for an Energy-Efficient Economy ranked the state in the top 10. Last year, Wisconsin slipped to 16th, passed by East Coast states. "They've proceeded forward, and we've stepped back," says Gillespie.

The Focus funding freeze also hurt the state's wind energy industry, but a bigger blow was the March 2011 vote by a legislative committee to suspend new rules for siting wind turbines. Those rules would've made it easier to erect turbines by replacing a patchwork of local rules that made wind farms difficult to develop. Nixing the guidelines prompted several developers to pull out of the state.

Walker and the Republicans have argued it's cheaper to buy energy from out of state (including from alternatives) and spend less on incentives. Democrats argue that it makes sense to develop alternative energy here along with the jobs it can create. "This was a big reversal in public policy that was putting people to work," says state Rep. Cory Mason (D-Racine).

Velazquez, meanwhile, is waiting for the tide to turn — again. "Incentives are a moving target these days," he muses. "They depend on who's in office and what the current agenda is." ■

Photo by Adam Ryan Morris