

HINESVILLE BUSINESS INCUBATOR FEASIBILITY STUDY

Prepared for: City of Hinesville

October 22, 2017



The Local Area



- Statesboro is 65 miles from Hinesville
- In 2016 U.S. Census population estimate
 - 74,722 Statesboro/Bulloch County
 - 62,570 Hinesville/Liberty County

What is an Business Incubator?

- **Multiple tenant facility**
- **Support services**
 - **Technical assistance**
 - **Financial resources**
 - **Technology infrastructure**



Business Lifecycle

Idea

Start-up

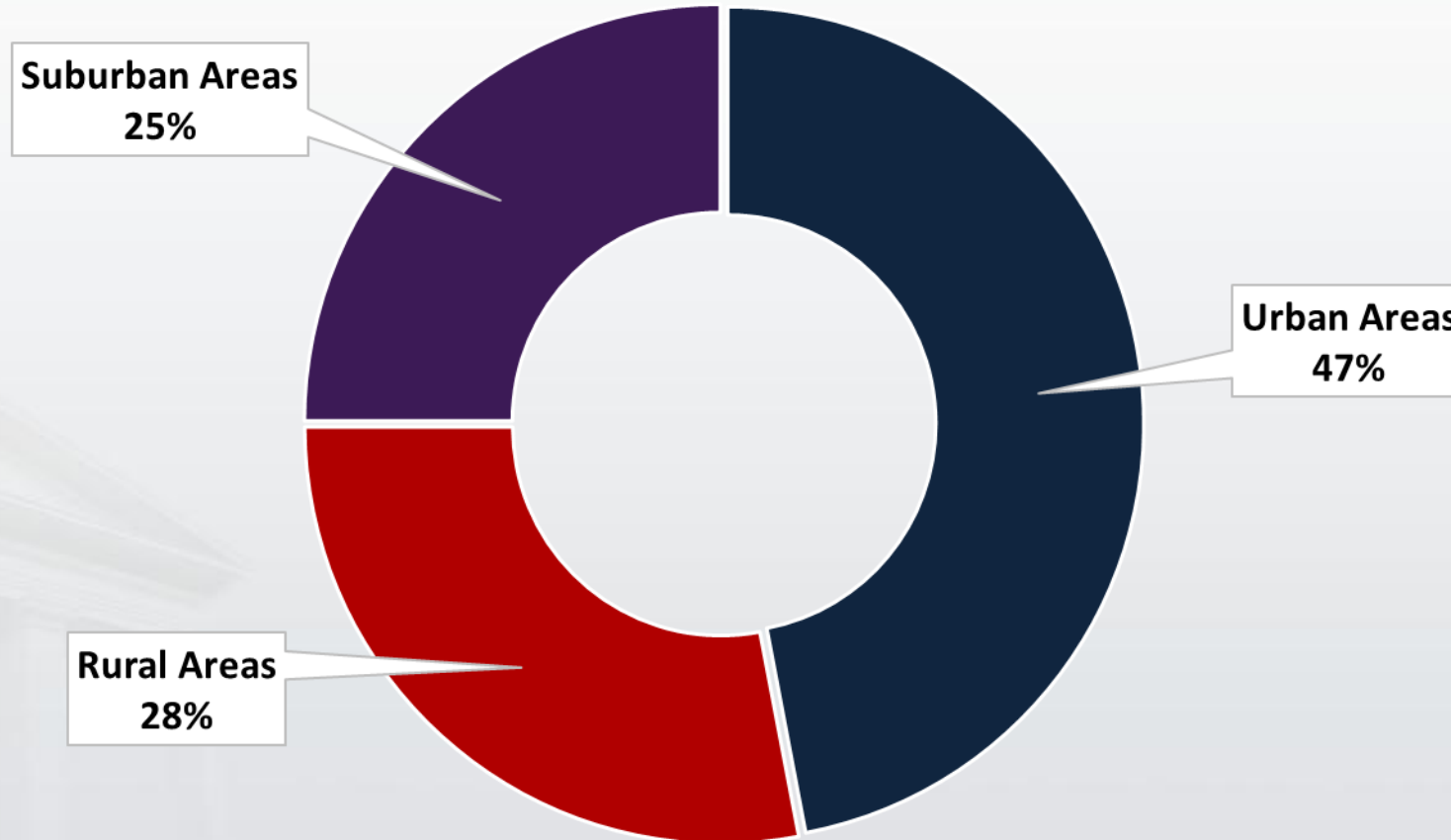
Growth

Maturity/Decline

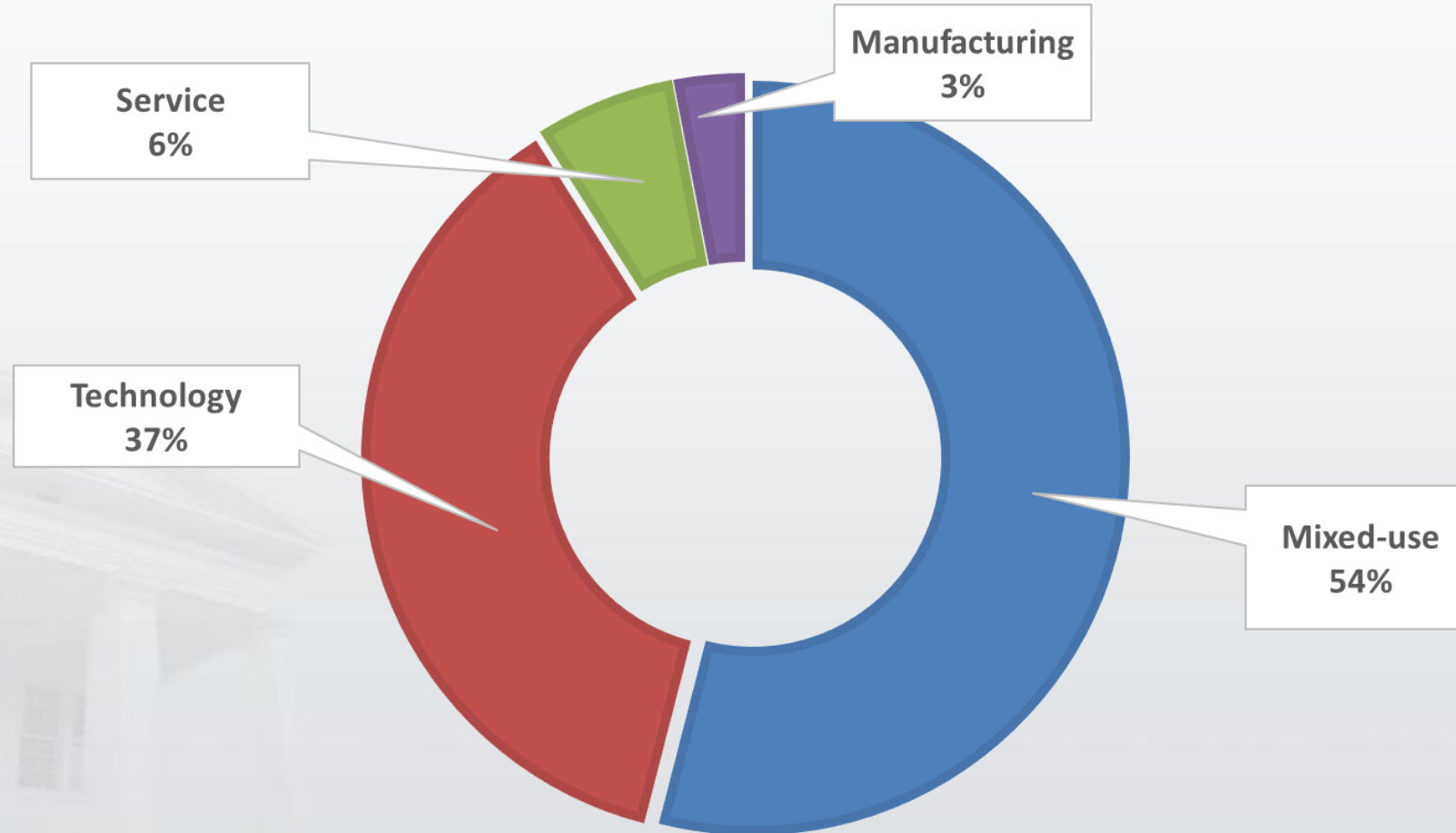
Exit/Cash Out



Where Can I Find An Incubator?



United States Business Incubators by Type



Critical Mass Rating

- 15 Factors Analyzed
 - Population Factor
 - Economic and Business Conditions
 - Local Support for Business Development
- Strongest Segment was Local Support
- Weakest Factor is Manufacturing and Industrial Activity

Critical Mass Rating Factors

Major Factors	Local Scores	Total Score
Population Factor		
Population Trends	1	2
Economic and Business Conditions		
New Non-Farm Proprietors	3	3
New business by Founding Year	3	3
Total Retail Sales	1	1
Bank Deposits and Investment Funds	.5	1
Total Private Employment	1	2
Manufacturing Units	0	3
Industrial Activity	0	1
Technical Core	3	3
Local support for Business Development		
Higher Education	6	6
Industrial Development Organization (IDO)	1	1
Chamber of Commerce	1	1
Incubator Activity	2	3
SBDC	1	1
Leadership Attitude	3	3
Total	26.5	34

Community Discussions Findings

- Recurring Themes From Community
 - Diversity Among Industry and Clients Served
 - Sustainability of Startups
 - Building a Strong Network Between all Community Partners
 - Strong Level of Business Advising
 - Keeping Fort Stewart Small Business and Federal Set-Sides Local
 - Keep Fort Stewart Retirees in the Community

Comparison Incubators

Incubator	City	Nearby Military Base	City Population*
Central Louisiana Business Incubator	Alexandria, Louisiana	Camp Beauregard	48,175
New River Valley Business Center	Radford, Virginia	Radford Army Ammunition Plant Army Base	17,646
Lynchburg Business Development Center Business Incubator	Lynchburg, Virginia	Fort AP Hill Base	79,047
Don Ryan Center for Innovation	Bluffton, South Carolina	Marine Corps Recruit Depot	15,199

*Source: U.S. Census Bureau (2014). Population Estimates Program

Comparison Incubators Finding

- Full Service business incubation requires staff or great partners
- Unique building can help keep clients
- Incubator leadership is a major factor
- Community interest and support critical
- Not all comparison incubators have strong military linkage

Estimated Incubator Budget

Budget Items	Year 1	Year 2	Year 3
Personnel	\$63,500	\$94,810	\$118,150
Fringe Benefits	\$12,700	\$32,133	\$37,103
Sub-Total Personnel	\$76,200	\$126,943	\$155,253
Travel	\$3,400	\$3,400	\$3,400
Supplies, Marketing, Teaching Aids, Client Support Information, etc.	\$55,000	45,000	\$45,000
Utilities, Maintenance, Janitorial Service, etc.	\$28,880	\$28,880	\$28,880
Sub-Total Operating Expenses	\$87,280	\$77,280	\$77,280
Total	\$163,480	\$204,223	\$232,533

Conclusions and Recommendations

- Conclusions
 - Businesses climate is ready for Incubator
 - Must sell the concept and program
 - Rental income will not cover budget
- Next steps
 - Set clear goals and objectives
 - Find a great incubator manager
 - Create and implement communication and marketing plans
 - Create and distribute professional marketing materials
 - Develop a system to collect and manage rental and fee payments

Thank You!

Questions or Comments