

GASTON GIGABIT INCUBATOR

SCOPE OF WORK AND SCHEDULE

CONCEPT OVERVIEW

“Gaston Innovation Works” (GIW) will be a hybrid business incubator, providing a new opportunity to drive economic development in Gaston County. Focused on helping to grow Startups, Entrepreneurs and existing Small Businesses, it could be a catalyst to establish an Entrepreneurial Ecosystem in Gaston County. A key feature of GIW will be the availability of Gigabit-speed Internet access and its use as a demonstration & learning site for new, cutting edge technologies and services, enabled by this capability. Through collaboration with other organizations such as city/county governments, educational institutions, philanthropies/foundations, businesses/industries and other community organizations, GIW could stimulate job growth and strategically position Gaston County for the future.

PRIMARY FUNCTIONAL ACTIVITIES

The GIW is planned to have four primary functional activities, with a number of supporting activities:

1. The Business & Internet Technology Innovation & Demonstration Center – would showcase cutting-edge business & Internet technology that leverages the Gigabit-speed Internet connection. This may include: conference rooms and business event space with Video Conferencing/Telepresence and interactive, touch-sensitive, whiteboards to support “Virtual Meetings” and global collaboration; the use of networked/Internet connected devices (“The Internet of Things”), including SmartBuilding/SmartHome technologies like audio/video streaming, digital signage, electronic door locks, HVAC, lights, robotics, security cameras, window shades, etc.
2. The Startup Incubator – designed to accelerate the growth and success of new & existing small businesses through a unique and highly flexible combination of business/Internet technology, capital, education, office space, mentorship, promotion, referral and support services.
3. The Co-Working Space –a shared working environment, where individuals & small groups work in open, flexible and collaborative communities, but for different companies, paying a monthly membership for access to a shared bundle of business technology services.
4. The Business Accelerator – would provide a startup with seed funding and an intensive, industry focused, education and mentorship program of short duration, typically 90-120 days, in exchange for a small equity stake. This fourth functional area may not be developed during the initial 3-year period of GIW operations.

Additional functional activities might include a “MakerSpace” with 3D printers, laser cutting and CNC machines to support rapid prototyping & proof-of-concepts; and a “coding academy”

providing an intensive short-term educational certificate in computer programming. Both of these activities could be developed as joint ventures and coding academies are frequently for-profit ventures. Development of these is dependent upon funding availability (primarily from cost savings achieved through rent concessions, donation of equipment or services, and similar savings on budgeted items), partner identification, space availability and related factors. The term “Gaston Innovation Works” is intended only as a temporary name for the hybrid business incubator and its programs and activities and development of a permanent name is one of the major milestones detailed below.

Developmental and Operating Activities – First 12 months

<u>Activity</u>	<u>Budget Estimate</u>
Rent/Utilities/Operations	\$140,000
Staffing (salaried employees, part-time and contractors)	\$155,000
Gigabit Internet Access Fees	\$60,000
Marketing/Business Development	\$90,000
Space Upfit and Maintenance	\$175,000
Technology Infrastructure – hardware, installation and licenses	<u>\$200,000</u>
Total	\$820,000

NOTE: These are budget estimates for line items and variances will occur. It is expected that some expenses will be avoided due to concessions on items such as rent, gigabit internet service, etc. In the event concessions are secured or other budget savings achieved, funds may be reallocated between delineated line items as necessary or designated for other activities supporting GIW, with quarterly reporting to the County.

Gaston County Funds

Payment Schedule – First 12 months

Agreement Signing (25%)	\$162,500
3 months (20%)	\$130,000
6 months (25%)	\$162,500
9 months (20%)	\$130,000
12 months (10%)	<u>\$65,000</u>
Total	\$650,000

Other Funds (membership, rental, services, grants, contributions) \$170,000

In years two and three of the GIW project and in accordance with subsequently agreed-upon payment schedules and Major Milestones, the County has agreed to make additional grant payments totaling \$325,000.

Major Milestones by 3-month periods

1-3 Months

1. Complete alternative site analyses
2. Negotiate rental agreement for site
3. Initiate staff recruitment activity and secure interim/permanent executive director
4. Initiate site upfit design
5. Initiate site technology infrastructure design
6. Initiate negotiations for gigabit internet service
7. Conduct partnership/teaming discussions and meetings
8. Prepare and initiate marketing and business development activities (includes selecting incubator name and procure domain name)
9. Continue development of concept options and modify business plan as needed
10. Initiate additional funding/contribution discussions
11. Incorporate successor 501(c)(3) (or comparable) organization

4-6 Months

1. Continue staff recruitment activity and secure facility/technology manager
2. Complete site upfit design
3. Begin site upfit and complete sufficient space for initial occupancy
4. Complete site technology infrastructure design
5. Begin and complete primary site infrastructure installation
6. Complete negotiations for gigabit internet service
7. Begin and complete installation of primary gigabit internet service
8. Develop gigabit demonstration programs/approaches
9. Develop initial incubator programs
10. Continue partnership/teaming discussions and meetings
11. Conduct marketing and business development activities (including client recruitment)
12. Continue development of concept options and modify business plan as needed
13. Continue additional funding/contribution discussions
14. Prepare and file application for successor organization 501(c)(3) tax exempt status with the IRS

7-9 Months

1. Complete remaining site upfit
2. Complete remaining site technology infrastructure installation
3. Complete remaining gigabit internet service installation and activation

4. Deliver initial gigabit demonstration programs/approaches
5. Deliver initial incubator programs and activities
6. Secure initial co-working clients and subscribers
7. Continue partnership/teaming discussions and meetings
8. Negotiate and initiate partnership activities/programs
9. Conduct marketing and business development activities
10. Continue development of concept options and modify business plan as needed
11. Continue additional funding/contribution discussions
12. Prepare and submit applications for grants/contributions
13. Prepare transition plan and begin implementation for shift of responsibility to successor 501(c)(3) organization

10-12 months

1. Complete any necessary site upfit, technology infrastructure, gigabit internet service installation for new clients
2. Continue to deliver additional gigabit demonstration programs/approaches
3. Continue to deliver initial incubator programs and activities
4. Secure initial co-working clients and subscribers
5. Continue partnership/teaming discussions and meetings
6. Negotiate and initiate partnership activities/programs
7. Conduct marketing and business development activities
8. Continue development of concept options and modify business plan as needed
9. Continue additional funding/contribution discussions
10. Prepare and submit applications for grants/contributions
11. Complete any remaining transition to successor 501(c)(3)
12. Prepare and submit to County staff proposed activities and milestones for Year 2
13. Amend Agreement with County to include activities and milestones for Year 2