



BUSINESS INCUBATOR CENTER

Expert Help • Targeted Resources • Tangible Results

The Business Incubator Center (BIC) is a 501(c)(3) non-profit organization that for more than a quarter century has been supporting the launch, growth, stabilization, and long-term success of business enterprises in Mesa County and the surrounding region. Our goal is to stimulate the local economy and retain/create the greatest number of sustainable jobs possible.

- Founded in 1987 as part of initiatives to diversify the economy after the 1982 economic bust, BIC was funded with a \$75,000 grant from the department of local affairs.
- The Small Business Development Center (SBDC) opened an office at BIC in 1993 to provide classes, workshops, and business coaching.

Our Mission: *The Business Incubator Center supports the launch, growth, stabilization and long-term success of business enterprises in Mesa County and the surrounding region. We measure success by our ability to guide entrepreneurs through sound business decisions and our positive influence on economic growth in the region.*

- BIC moved to its current 46 acre location in 1999, increasing total square footage to 60,000 square feet, with over 35,000 square feet of mixed use space available for lease to tenant clients of BIC.
- BIC is 75 percent self-funded. Income is generated through a variety of sources, including tenant rent and program fees, low-cost workshops and classes, Business Loan Fund interest, Enterprise Zone administrative fees, and property management fees for a Department of Energy facility located on the campus.
- BIC also receives grants from city, county, state and federal government entities, and sponsorships from local banks, corporate entities, service clubs, and private donors.

Our Programs



Incubator Program

Five-year, tenant-based program designed to help guide businesses through the most critical periods. Program includes business mentoring, 35,000 square feet of mixed use space available for lease, and gigabit internet.



Kitchen Incubator

2,500 square foot commercial, shared-use kitchen available for businesses in the food industry from caterers to food trucks to food manufacturers.

Offers free business coaching with industry experts and low/no-cost workshops and classes.



Business Loan Fund

Provides loans up to \$300,000 for Mesa County businesses. Designed to assist eligible business who cannot find the capital they need through traditional sources.

Provides tax incentives to encourage business to locate and expand in designated areas of the state. Purpose is to promote a business friendly environment in economically distressed areas.



Coworking space in downtown Fruita that has high-speed internet, lounge area, and a conference room.

A public innovation center offering tools, knowledge, and learning resources for members.



Program Entrance Policies

The Business Incubator Center (BIC) provides services to a wide range of entrepreneurs, but to apply to participate in the BIC Incubator Program the applicants' business must meet one of the following criteria:

- **A business start-up, in operation for less than 3 years.**
- **A company that has undergone substantial change in ownership or business model within one year of application date.**
- **A home-based business that is ready to transition to a professional environment.**
- **A company which will utilize their space at the Incubator solely for the Research and Development of a new and innovative product or service.**

In order to apply for the program, a company must complete a program application, a detailed business plan, and one-year projected cash flow. Acceptance will be based on business viability, as well as the business' need for the resources and services provided by the BIC Incubator Program.

APPLICATION FEE: \$45 per company includes credit report(s) and processing fees.

Program Requirements

Admittance: Businesses engaged in a wide variety of functions including light manufacturing, distribution, technology, culinary, or service activities can apply for admittance to the Incubator Program. The Incubator facility is not conducive to retail activities, although it is acceptable for Incubator businesses to engage in retail sales. *Admission to the program is based on the following criteria: the need for, and interest in the Incubator Program; capacity of principals to be successful; uniqueness of product or service; availability of the service in the community; potential for job creation and/or retention; portion of the expected revenue that is derived from outside the County; and connection to targeted industry clusters within the Incubator or community. Interested businesses are required to complete and submit an Application for Admittance, which is reviewed by the Program Management Team. When applicable, every attempt is made to assist any rejected applicant in taking corrective actions necessary to resubmit an application.*

Requirements: Successful entrepreneurs take advantage of the resources available to them; subject matter experts are available on campus through the Small Business Development Center (SBDC) and Incubator Staff on almost every challenge that you will face during your time in the

Incubator Program. Tenant companies are strongly encouraged to participate in campus events, set goals with Incubator Staff, and take advantage of the resources available to them.

In order to remain in the program, tenant companies are required do the following:

- **Complete a Business Plan within the first year of occupancy. Assistance in completing the Business Plan is available through the program.**
- **Attend, at minimum, one business related class or workshop per year.**
- **Meet with Incubator staff for comprehensive business review (including financial review) twice a year. These reviews generally take place in the first and third quarters.**
- **Attend quarterly tenant meetings.**
- **Must attend the Leading Edge course within first 18 months of residency at The Business Incubator Center. The course is a twelve-week, three hours per week business planning and management course.**

Cost: Prices for Incubator spaces are graduated on a 5-year schedule. First year Incubator Program Companies pay 75 percent of Fair Market Value (FMV). Each year, Incubator Program Tenants pay an additional 5 percent of FMV, ultimately paying 95 percent during their fifth (final) year. Minimum rent payments on all spaces are \$245 per month. Utilities (power, gas, water, sewer, trash) are included with the exception of the Manufacturing Building. In the Manufacturing Building, Incubator Program Tenants pay ½ of the total building electrical costs pro-rated based on the square footage occupied by the business. All Program Tenants have access to high speed internet at no additional cost.

Lease Agreement: The typical Incubator Program Tenant and its principal owner(s) enter into a one-year formalized lease agreement. Short-term month-to-month rentals (up to six months) may be considered, in situations involving pre-startup or pre-expansion, feasibility studies, business/marketing/financial plan development, facility readiness, assuming appropriate space availability, etc. Lease agreements provide reasonable flexibility in allowing the Incubator Program Tenant to expand or retract within the Incubator, or to move to another facility at an appropriate time. An Incubator Program Tenant may lease any available combination of office and/or production space within the Incubator that is in keeping with efficient overall space utilization practices. Space will be tailored to individual business needs and clearly partitioned without interfering with building heating and ventilation systems. Incubator Program Tenants must agree to consult regularly with staff members, who provide ongoing assistance to establish a plan for technical assistance and training. The total length of tenancy by a particular business is dependent on various factors, including the growth and maturity of the Incubator Program Tenant itself. Average Incubator tenancy is 3-5 years, with a maximum of 5 years.

Insurance: Incubator Program Tenants must carry a minimum of one million (\$1,000,000) premise liability to cover bodily injury and property damage. *Western Colorado Business Development Corporation* and *Riverview Technology Corporation* must be listed as additional insured.

Security Deposit: Incubator Program Tenants are responsible for providing a Security Deposit equal to the first month's rent of the most recent Lease or Lease Addendum. Incubator Program Tenants must provide the security deposit, the first month's rent and evidence of insurance before occupying space. The terms and stipulations of this deposit are explained in the Lease Agreement.

ACH Withdrawal: As an additional service to Incubator Program Tenants, The BIC provides the option for tenants to have their monthly rent automatically withdrawn from their business account at no additional charge.

Program Graduation Policy

Incubator Program Tenants may be graduated or choose to graduate from The Incubator Program if program management determines the company has met one or more of the following conditions:

- The Incubator Program Tenant has completed 5 years in the Incubator Program.
- The Incubator Program Tenant reaches annual sales of \$10,000,000, is financially stable, and has steady positive cash flow.
- Space requirements of the business exceed Incubator Campus capacity.
 - The tenant is in need of additional space and The BIC is unable to provide it.
 - The tenant occupies 20% or more of The BIC rentable space.
- Ownership in the company changes significantly since acceptance into the program (new ownership can reapply to the program).
- The Incubator Program Tenant provides appropriate notice as prescribed in the Lease Agreement.

Business Assistance

Consulting: The Program Directors, business consultants, and other support staff provide ongoing assistance to Incubator Program Tenants for technical help and training. Consultations range from quick answers on accounting issues to help in launching a new product or service. The Incubator Center is uniquely poised to offer a broad range of business assistance based on complimentary programs offered on site.

Colorado Small Business Development Center (SBDC), partially funded by the U.S. Small Business Administration, provides business consulting and technical assistance as well as workshops to Mesa County's small business community. The SBDC can provide information on licensing, legal issues, finance, marketing, intellectual property, and much more. Contact the Front Desk to make an appointment or reserve space in a class.

The Business Loan Fund is a lending program operated by The Business Incubator Center (BIC). The Loan Fund makes commercial loans to qualified for-profit Mesa County businesses that are not able to get their financing needs met by traditional lenders. Any Mesa County business is eligible to apply to the Loan Fund for funding after first exhausting traditional funding sources. In addition, the “Incubator Bootstrap Fund” is a loan program only available to Incubator Program Companies. It is designed to provide short-term loans to help finance the expenses associated with completing certain contracts or purchase orders. The Loan Fund is available to consult with Incubator Program Companies on financial issues. Contact the Loan Fund for an appointment.

The *Mesa County Enterprise Zone* is a program that provides tax incentives to encourage businesses to relocate and expand in designated areas of the state. The purpose is to promote a business-friendly environment in economically distressed areas.

In addition to our in-house services, BIC is tied into local, regional, and national networks enhancing the assistance we can provide. Contact the Incubator Program Director for a referral.

Steps to joining the Incubator Program

1. Meet with Incubator Program Director to discuss your business, the incubator program, and tour campus/available space
2. Register with SBDC as client (prior to or during meeting)
3. Register business with Colorado Secretary of State (Legal status)
4. Submit application - \$45 application fee
 - Submit completed Business Plan
 - Submit 1-year projected cash flow
 - Credit check
 - Will be notified by Program Director w/in 1 week of decision

If accepted into program:

1. Complete ‘How to Start a Business in Colorado’ class - \$55 (if required)
2. Submit Ownership Agreement
3. Provide \$1,000,000 Liability Insurance

Added insured:

- Western Colorado Business Development Center
- Riverview Technology Corporation

4. Complete On-boarding at BIC:

- Pay deposit – equal to one months' rent
- Provide copy of Driver's License
- Sign Incubator Program documents & lease
- Move in to space
- Register for Leading Edge w/in 18 months of program entry
- Schedule Appts: 30-60-90 day check in with Program Director

All new businesses will be introduced to staff and other business owners upon acceptance into the program. Networking is a vital part of the success of a business and BIC encourages all client businesses to participate in on-campus activities and get to know their neighbors.