



CITY OF CONCORD

New Hampshire's Main Street™

REPORT TO THE MAYOR AND CITY COUNCIL

FROM: Carlos P. Baía, Deputy City Manager-Development

DATE: February 8, 2017

SUBJECT: Business Incubator Needs Assessment & Development Plan

Recommendation

Accept this report and set the attached resolution for public hearing.

Background

Over the last 18 months a working group of members of the Greater Concord Chamber of Commerce and the Economic Development Advisory Council has been exploring business incubators in the state to determine the viability of such a product in Concord.

Discussion

After visiting incubators across the state in locations such as the Upper Valley, Plymouth, Manchester, and Keene, the working group found that it would be critical to first determine if Concord is missing opportunities for job creation and capital investment that an incubator would address. If so, the group felt it would be important to know how best to establish a sustainable financial model for an incubator. To that end, the group concluded that an incubator needs assessment and development plan should be conducted to accomplish the following:

1. Determine the feasibility of such an incubator project based on market analysis;
2. Determine if the community has the sustainable capital infrastructure (angels, venture capital, etc.), educational resources, appropriate buildings and enterprise support network to sustain an incubator.
3. To determine what type of incubator and potential sector focus that the market would support;
4. To provide a conservative, five-year cash flow projection.

It is anticipated that such a needs assessment and development plan could cost \$30,000. The City Council is being asked to provide half the funding (\$15,000) for this assessment from the City's Economic Development Reserve. The City's contribution would be matched by the following contributions from the private sector:

Greater Concord Chamber of Commerce	\$5,000
NH Business & Finance Authority	\$5,000
Merrimack County Savings Bank	\$2,500
Capital Regional Development Council	\$2,500

Should the cost for the assessment be less than \$30,000, the City's portion would be prorated.

The hiring of the consultant to conduct this needs assessment and the managing of its scope of services would be handled by a collaborative between the Greater Concord Chamber of Commerce and the Capital Regional Development Council (CRDC) with the results to be shared with City Council.