

Colfax Mercantile – Business Incubator Center

Brought to you by the Colfax Downtown Association

Revitalizing historic Downtown Colfax by supporting existing and new businesses, encouraging quality design, and promoting a welcoming environment.

A Brighter Vision for Colfax...

Across the nation small downtown districts are slowly making their way out of an economic spiral that resulted in empty storefronts and vacant sidewalks. Today, hope springs eternal as niche retailers and innovative business ventures fill the streets. The Colfax Downtown Association is dedicated to encouraging growth and reinvestment.

Contacts:

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Overview

Welcome to the Business Incubator (BIC) Program. You have joined a business support program that accelerates the successful development of start-up and fledgling companies by providing entrepreneurs with an array of targeted resources and services. BIC's main goal is to provide assistance to increase growth potential, resulting in a self-sustaining, profitable company that will help fill empty storefronts in downtown Colfax.

BIC's mission is to support the launch, growth, stabilization and long-term success of business enterprises in Whitman County. As a participant in the BIC Program, one of five programs at the center, you will have access to management guidance, technical assistance and consulting tailored to young growing companies. Incubator Program Companies also have access to appropriate rental space and low rent, shared basic business services and equipment, technology support services and assistance in obtaining the financing necessary for company growth.

A basic outline of the services and support available to you is summarized in this handbook. Keep in mind that some of the most valuable rewards to participation in the Incubator Program come from the community of entrepreneurs who now surround you every day. Please take advantage of your peers and of the staff here at BIC. We can all contribute to the success of your company.

Location: 214 N Main Street, Colfax, WA 99111

Program Entrance Policy

BIC provides services to a wide range of entrepreneurs. To apply for the Incubator Program an applicant business must meet one of the following criteria:

- A business start or has never had a storefront.
- 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.

In order to apply for the program, a company must complete a program application and detailed business synopsis. Companies will be evaluated by their fit with the resources and services provided by the Incubator Program.

Program Requirements

Admittance: Businesses engaged in a wide variety of functions including light manufacturing, distribution, technology, retail, culinary, or service activities can apply for admittance to the Incubator Program. 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 program management. 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 tools that they have available; subject matter experts are available each quarter through the Downtown Association 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, 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 2 years 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.

Cost: Incubator Program Tenants will pay shared rent payments depending on the size needed for their space. Utilities (power, gas, water, sewer, trash(garbage bags), internet, cleaning and bathroom supplies) are included in the price. Price ranges depending on size: \$225 to \$50. 12' x 8' = \$125, 6'x 8' = \$75, under six feet is \$50.

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 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 2-5 years. With a maximum of 5 years in the incubator.

Insurance: Incubator Program Tenants must carry insurance for their property. The building is insurance by the Downtown Association.

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 \$60,000, 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 BIC is unable to provide it.
 - The tenant occupies 40% or more of 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.

Management Assistance

Consulting: The Colfax Downtown Association, support staff and other consultants 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.

Marketing Assistance: The Director can assist Incubator Program Tenants with marketing issues including press releases and development of brochures, websites and social media.

Shared-Use Equipment

The following equipment is available to Incubator Program Tenants at no cost, unless otherwise indicate:

Point of Sale machine and software – Each business will use the POS to sell items from any business. Each worker will be trained on how to use the system. Each business will have to have their vendor number on each tag on items sold in their business. This will ensure each business will get credit for the items sold.

Food business: The food business will be located in the back of the building. A refrigerator/freezer, prep table, three compartment sink, prep sink, hand washing sink is the property of Home Sweet Home Treats in the back area for that business.

Membership in an Entrepreneurial Community

Collaboration amongst peers is one of the most important benefits to being part of the BIC community. Incubator Program Companies benefit from continual interaction with their peers. Each business will sign up for shifts. They will be responsible for selling items from all of the businesses during their shift. They will not have to be there every day. But they will need to work a total of 8 hours each week.

Hours of operation: Monday thru Thursday 10am to 7pm,
Friday/Saturday 10am to 9pm.

Sunday noon to 4pm. Hours may vary on location and season.

Activities and Resources:

- Business plan development
- Counseling on starting a business
- Consulting services related to:
 - Accounting and bookkeeping
 - Marketing
 - Financing
 - Strategic planning
 - Operations management
 - Site search

Check List / Milestone

- Business Name Availability Check:
- Business Registration:
- Opening of Corporate Bank Accounts:
- Securing Point of Sales (POS) Machines: **this will be provided in the mercantile**
- Opening Mobile Money Accounts:
- Opening Online Payment Platforms:
- Application and Obtaining Tax Payer's ID:
- Application for business license and permit:
- Purchase of Insurance for the Business:
- Generating capital from family members:
- Applications for Loan from the bank:
- Writing of Business Plan:
- Design of The Company's Logo:
- Graphic Designs and Printing of Packaging Marketing / Promotional Materials:
- Creating Official Website for the Company and facebook/instagram:
- Creating Awareness for the business both online and around the community:

- Health and Safety and Fire Safety Arrangement (License):
- Opening party / launching party planning:
- Establishing business relationship with vendors – wholesale suppliers / merchants:

Communications – Incubator Program Companies will be subscribed to regular email campaigns to keep informed about events, workshops and resources available to entrepreneurs.

Social Networking – BIC is very supportive of social networking tools as a method to enhance and broaden our community. We encourage all Incubator Program Companies to participate.

Facebook: Colfax Mercantile.

Instagram: Colfax Mercantile is on Instagram @colfaxmercantile

Training Classes – Offered through the BIC. Classes cover such topics as marketing, taxes, bookkeeping & financial statements, social media, insurance.

Chamber of Commerce Membership – Incubator Program Tenants are encouraged to join the local Chambers of Commerce as finances allow. BIC partners actively with the Colfax Chamber of Commerce.

Colfax Chamber of Commerce offers special incentives:

- Incubator Tenants can attend many of chamber events and programs at the member rate under the membership maintained by BIC. This includes Business After Hours, Networking at Noon, Colfax First Thursdays, Winterfest, Paint the Town Pink, and shop local give aways.
- Members are listed in the Chamber directory and web page, and are entitled to all the benefits of membership including discounts and inclusion in Chamber events. See www.explorecolfax.com for more details.
- The Chamber holds a ribbon cutting for all new businesses and recognitions for expansions and new locations. This provides excellent publicity!

Colfax Downtown Association

You are instantly included in the Colfax Downtown Association. There is no membership fee. The CDA manages the Incubator program and can work with you on finding a building once you are ready to move into your own space. They will also provide education seminars to help you along the way. B&O taxes can be run through the Downtown Association and used a tax deduction each year.

Internet Access

High speed internet is included.

Access to Premises

Access to building: The Incubator has an electronic door lock on the front door. You will be assigned a code and you can get in with your phone. Alfred is the app that needs to be downloaded.

Security: BIC assumes no responsibility for the security of the property or the personal property of the Incubator Program Tenant, its employees, or invitees. The Colfax Chamber has two security cameras in the building that will be left on at all times.

Inspection & Repairs: BIC staff or its agents may enter an Incubator Program Tenant's premises at any reasonable time in order to inspect them. If the Incubator Center deems any repair necessary for which the Incubator Program Tenant is responsible, BIC may demand that the Incubator Program Tenant perform the repair. If the Incubator Program Tenant refuses or neglects to make the repair in a reasonable time, BIC may make the repair and charge the Incubator Program Tenant. BIC may enter the premises at reasonable times to install or repair pipes, wires or other appliances or to make any repair BIC deems essential to the use and occupancy of the other parts of the Building. BIC shall give reasonable advance notice to an Incubator Program Tenant of its intention to make non-emergency repairs.

Tours: BIC is an organization supporting business development within the community. Tours of the Property are frequently provided to government officials, students, prospective Incubator Program Tenants, and others. As tours can be a marketing tool for the Incubator Program Tenant itself, Incubator Program Tenants shall accept and provide support for tours as business allows. Every effort shall be made by BIC staff to provide notice to an Incubator Program Tenant before the occurrence of such tours.

Parking: Parking is available for serviceable business-related passenger vehicles. We ask business owners to park on Mill street, side street or behind the building. We like to leave Main Street for visitors.

Care of Premises

Emergency contact for property maintenance issues: Please call 509-553-9173. For non-emergency issues email colfaxchamber@gmail.com

Smoking is not permitted inside any building on the Property. Smokers must dispose of all waste in an appropriate receptacle.

Incubator Program Company Maintenance Responsibilities: Incubator Program Tenants shall be responsible for routine maintenance, upkeep and cleaning of the Premises. BIC provides janitorial services for common areas; however, Incubator Program Tenants are responsible for the cleaning of common appliances. An Incubator Program Tenant and their employees must observe strict care and caution that all water faucets, water apparatuses and utilities are shut off before exiting the premises and will be financially responsible should waste or damage occur to the facility through oversight. The toilet stalls, toilets, wash bowls and other apparatus shall not be used for any purpose other than that for which they were constructed; no foreign substance of any kind shall be disposed of in the toilet or down the drain. The expense of any breakage, stoppage or damage resulting from violation of this rule shall be borne by the Incubator Program Tenant who, or whose employees, agents or invitees, shall have caused it. An Incubator Program Tenant shall, at its expense, install and maintain under all caster chairs a chair pad or acceptable "carpet casters" to protect the carpeting in appropriate spaces.

Incubator Maintenance Responsibilities: All maintenance issues should be reported to Colfaxchamber@gmail.com

Repairs & Alterations: The Incubator Program Tenants shall not perform any act or carry on any practices that may injure the Premises or be a nuisance or a menace to other Incubator Program Companies on the Property. An Incubator Program Tenant shall, at its own expense, keep the Premises in good repair, and will, at the expiration of the Lease Agreement, leave the Premises in like condition as when it was taken, reasonable use and wear thereof and damage by the elements excepted. **The Incubator Program Tenant shall not make any alterations, additions or improvements to the Premises without the Incubator Program Manager's consent.** A written plan showing proposed alterations must be submitted and approved by the Director prior to any alterations. This submission should address who will perform the work, what is the purpose of the alteration, how jobs or profits will be affected and how the alterations will be paid for. Licensed contractors shall perform any electrical work & plumbing. It is the policy of the Incubator not to provide 100% funding participation in the alterations requested by an Incubator Program Tenant. Contribution to cost, if any, by BIC will be negotiated, with each Incubator Program Tenant based on the relative benefit and/or burden of the alterations. For improvements over \$500, BIC may negotiate to amortize leaseholds for the Incubator Program Tenant. All alterations, additions and improvements made by either party upon the Premises during the Term hereof, except movable office furniture and trade fixtures put in at Incubator Program Tenants expense, shall become the property of BIC at the termination of the Lease Agreement. Incubator Program Tenant covenants to pay as they become due all just claims for labor and materials used in making any such additions, alterations, or improvements and to indemnify and save BIC harmless of and from all costs, expenses, and damages, including reasonable attorneys' fees and costs of suit, arising out of or connected with any statutory or other liens against the Premises, the Building or the Property for or on account of such labor and materials. Incubator Program Tenant covenants both for itself and its servants, agents, and employees, to observe and keep all necessary rules and regulations of the Building which affect said Premises and will at its own cost and expense make any and all necessary alterations or changes in the Premises which may be necessary because of any act of the Incubator Program Tenant, its servants, agents, and employees, in violation of any law, ordinance, rule or regulation of any city, state or government body. Upon the failure of the Incubator Program Tenant to make or proceed to make, any such changes or alterations within thirty (30) days after being required to by any other rule, regulation or ordinance above referred to within ten (10) days of the receipt of said order or notice, then BIC may enter the Premises at its option and do and perform said alterations or make such changes at the cost and expense of the Incubator Program Tenant, which said expense shall be deemed as rent and added to the next monthly installment of rent then accruing and be collectable as such.

Trash & Recycling: Trash and recycling services are included in monthly rent. Incubator Program Tenants shall place trash generated from normal business use in appropriate receptacles on the Property. Dumpsters are located in the alley. Please be kind and remove trash each night if you are on shift.

Signage: Colfax Mercantile signage will be on the outside of the building. And there will be one LED open signs. Each business can have their business sign in their rented space. We will also provide vinyl decal with all of the business names on the front window.

Discontinuation or Exit

An Incubator Program Tenant may be given a 30 day notice to leave the program and the premises for any one of the following reasons:

- Incubator Program Tenant business closes.
- Incubator Program Tenant repeatedly fails to adhere to the covenants prescribed in the Lease Agreement.
- Incubator Program tenant falls more than **three** months behind on lease payments.
- Not paying employees or subcontractor

Rules and Regulations

BIC and Incubator Program Tenant hereby agree that the preceding covenants are for the benefit of each Incubator Program Tenant and the operation of the entire Incubator Program. BIC is authorized to create these covenants and may change them at BIC's option. BIC reserves the right to make such other and reasonable rules and regulations as in its judgment may from time to time be needed for the safety, care and cleanliness of the Premises, and for the preservation of good order therein.

BIC may waive any one or more of these Rules and Regulations for the benefit of any particular Incubator Program Company or Incubator Program Companies, but no such waiver by BIC shall be construed as a waiver of such Rules and Regulations in favor of any other Incubator Program Company or Incubator Program Tenants, nor prevent BIC from thereafter enforcing any such Rules and Regulations against any or all of the Incubator Program Tenants of the Premises.

These Rules and Regulations are in addition to and shall not be construed to in any way modify, alter or amend, in whole or in part, the terms, covenants, agreements and conditions of any lease of the Premises.

Incubator Pricing Policy

The purpose of BIC's Incubator Program is to assist new, expanding, or fledgling small businesses by providing affordable space, shared administrative/office services and equipment, along with management assistance services, thus helping businesses succeed, creating new jobs and bringing new dollars into the area economy.

LEASE RATE CALCULATION: Leases are created based on Square Footage.

UTILITIES: Power, gas, water, sewer, trash, internet are included in the monthly lease fee.

Rent: will be paid thru Tenantcloud. You will need to sign up for an account. (It is free) Your payment will be sent to the Colfax Downtown Association by the 5th of each month. The Colfax Downtown Association will be responsible for paying the owner of the building each month for rent and utilities.

Sales Payment: Every week you will be paid directly thru Columbia bank for products sold. You will also receive a report that shows the amount of the item, sales tax and if a credit card is used it will show the fee taken out for the sale. All sales will go into a bank account under the Colfax Downtown Association managed by Allie Cofer, Nancy Cochran and Mary Davidson.

Vendor Number: Each business will have their name in the square system. Your name or business needs to be on every item in your business.

Reports then can be run to show sales for each business in the Incubator.

___ I have read and understand the agreement.

Name of Business:

Contact name: _____ Phone: _____

Rental date: _____

Amount per month: _____

Signature of Renter

Signature of Downtown Association

Date signed: _____