

Appendix E: Manchester Entrepreneurship Center Implementation Matrix

WHAT	HOW	WHO		WHEN	HOW MUCH
		Potential Lead Entity(ies)	Key Support Entity(ies)		
<b>Assemble an Entrepreneurship Task Force</b>	<p>Outreach to key potential partner entities and organizations to designate a representative to serve on the Task Force</p> <p>Charge task force with overseeing process to confirm desired components of Center (partners, programs, operational model)</p> <p>Continue pursuit of EDA grant based on confirmed Center specs</p>	DCED COM	MCC	M3-8	n/a
<b>Create development plan for approved center design</b>	<p>Based on Task Force process, proceed with development of E-center Plan</p> <p>Secure participation of Task Force to oversee development process</p> <p>Seek institutional partnership to assist with development planning</p> <p>Identify resource partners to fund development planning (as needed)</p> <p>Solicit MOUs from participating institutional partners</p>	DCED COM	MCC Institutional partners	M6-18	<p>Cost for plan development variable on potential dedication of in-kind or pro bono support from institutional partner to develop Center design and construction blueprints</p> <p>Contract with private firm likely in the \$100,000 to \$150,000 range</p>
<b>Pursue funding</b>	<p>Pursue multiple state and federal grants to support Center development</p> <p>Seek contributions from institutional partners</p>	DCED COM	MCC Institutional partners	M6-18	Costs variable based on potential to secure in-kind support partner organization with a professional grant writer

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<b>resources for Center<sup>1</sup></b>	Seek philanthropic donations and investments from Manchester area companies				Cost to contract with a grant writer likely in the \$2,500 to \$5,000 range  Could also seek no-cost support from local student or community member
<b>Build, launch and leverage Center</b>	Build out E-ship Center space per development plan  Promote programs, spaces, and support components confirmed in approved Center development plan	DCED  COM	MCC  Institutional partners	M18-30	See following example centers and estimated Manchester E-Center budget

Comparison Examples of Entrepreneurship Centers

**Schmid Innovation Center (SIC) – Dubuque, Iowa**

Manchester leaders often cited the example of the **Schmid Innovation Center (SIC) in Dubuque** as a potential model for Manchester’s hub of entrepreneurship and innovation. Located in the Dubuque Millwork District, the SIC was repurposed from the abandoned CARADCO Main Plant Building. The first floor includes commercial space, office space, and the Dubuque Millwork Collective; a multi-tenant organization supporting non-profits and community initiatives. The second and third levels are home to 72 one and two bedroom workforce housing and market rate apartments. The SID was completed in 2012 at a cost of \$33.5 million. Funding provided by Dick and Carrie Schmid enabled key infrastructure improvements to the building to support the current 11 non-profits. The building offers 186,000 total square feet of space with 132,614 of that leasable.<sup>2</sup>

<sup>1</sup> Tactics contingent on receipt of initial EDA grant  
<sup>2</sup> <https://www.gronen.com/schmid-innovation-center>



Schmid Innovation Center (photos sourced from: <https://www.schmidinnovationcenter.com/photo-gallery>)

For comparison, the 1001 East Main Building in Manchester – a potential home for the Manchester Entrepreneurship Center – provides over 58,000 square feet of interior space. It is also in superior condition to the CARADCO Building, which had been abandoned for years. While office and commercial space were discussed as potential components of the Entrepreneurship Center, housing has never been part of the vision for the project.

### North Iowa Area Community College John Pappajohn Entrepreneurial Center – Mason City, Iowa

One of six John Pappajohn Entrepreneurial Centers and Iowa Small Business Development Centers in the state, **the North Iowa Area Community College John Pappajohn Entrepreneurial Center in Mason City** provides entrepreneurship education, entrepreneur and business support, and relationships with partner entities to leverage resources and maximize impact for the Center’s users. It houses a Business Accelerator program as well as a Business Incubator.



*The North Iowa Business Incubator at the NIACC Entrepreneurial Center (photo sourced from: <http://www.niacc.edu/pappajohn/business-development/start-a-business/business-incubator/>)*

The facility has a staff of six, including the Center's Director, a Director of Innovation and Acceleration, a School Partnership Entrepreneurial Coordinator focused on K-12 entrepreneurial education, a Communications and Program Coordinator, the Director of the North Iowa Area Small Business Development Center, and an Administrative Assistant. A public-private Advisory Board of top leaders (including John Pappajohn) oversees the Center's operations and programming.

Among Iowa's 15 community colleges, NIACC is the only institution to have its own entrepreneurial center. In 1996, John Pappajohn provided more than \$30 million to establish five entrepreneurial centers across Iowa, including NIACC. In 2000, Pappajohn gave an additional \$3.5 million to business startup centers at Iowa's three regent universities and NIACC, with the latter receiving \$500,000. The very next day Pappajohn announced a new \$1.1 million gift to NIACC to be used for the construction of a new Pappajohn Business and Entrepreneurial Center building on campus.

In addition to Pappajohn's initial commitment, he provides \$150,000 per year for the NIACC Pappajohn Center which supplements budgetary funds from the college and other sources. Pappajohn's commitment comprises roughly 40 percent of the Center's annual budget, with 30 percent coming from NIACC, roughly 20 percent from grants, and 5 to 10 percent from program income.<sup>3</sup>

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<sup>3</sup> Jondle, Kelly Lynn, "A Case Study of the Development and Implementation of NIACC's John Pappajohn Entrepreneurial Center" (2017). *Graduate Thesis and Dissertations*. 15329. <https://lib.dr.iastate.edu/etd/15329>

Per the NIACC Pappajohn Center Director, Tim Putnam, the Center's annual budget is around \$550,000, with 80 percent of that in salary and benefits. Sixty percent of the Pappajohn Center building is used to teach classes. According to Putnam, the breadth and depth of the Center's staffing, programs, and spaces are necessary because the Center serves NIACC's nine-county regional footprint. He suggests that Manchester consider renovating an existing building for its entrepreneurship center and focus on collaborative efforts among local and regional partners to deliver critical services to the area's entrepreneurial community.

### Cost Estimates/Ranges for Manchester Entrepreneurship Center

It would be difficult to provide an exact estimate for the cost to develop, program, and staff a Manchester Entrepreneurship Center before the proposed Task Force discusses and confirms the desired specifications for the Center and a building is identified to house it, either under ownership or as a rental space. The potential co-location of institutional partners would also affect the space requirements, staffing, budget, programs, and on-site services at the Center. Finally, opportunities to purchase an operational suite of software and/or implement CO.STARTERS programming out of the Center will alter the cost dynamics.

However, McClure can provide some cost ranges and parameters based on options that the Task Force can factor into their decision-making. Ultimately, the availability of resources, either through government, philanthropic, private, or grant-based sources will determine how aspirational the Manchester Entrepreneurship Center can become.

The following high-level cost estimates for a Manchester Entrepreneurship Center include low, medium, and high ranges based on factors such as size, location, program intensity, etc., that will be decided by the Task Force. It is not intended as a development-ready assessment but rather a starting point to inform Task Force discussions on cost and resource expectations for the new Center.

Total annual costs are derived from the average (medium) cost in the prescribed range. Projections do not include staff and programming of potential co-located institutional partners, but does factor in potential space and equipment for staff beyond those administering the Center.

**It should be noted that these estimates reflect Year 1 expenditures which would be higher than subsequent years allowing for the initial purchase of equipment, supplies, signage, etc. Also, if a purchase option is chosen, those costs could be amortized over successive years of Center operation and not be paid in a lump sum as shown in the table.**

**MANCHESTER ENTREPRENEURSHIP CENTER – HIGH-LEVEL COST ESTIMATE**

	Annual Cost			
	<i>Low</i>	<i>Medium</i>	<i>High</i>	<i>Average</i>
<b>Building purchase</b>	\$150,000	\$300,000	\$450,000	\$300,000
<b>Building renovation</b>	\$250,000	\$500,000	\$750,000	\$500,000
<b>Rent (25,000 sq ft)</b>	\$87,500	\$125,000	\$162,500	\$125,000
<b>Personnel (+benefits)*</b>	\$100,000	\$250,000	\$400,000	\$250,000
<b>Programs</b>	\$750	\$1,500	\$2,250	\$1,500
<b>Marketing</b>	\$5,000	\$10,000	\$15,000	\$10,000
<b>Insurance</b>	\$750	\$1,500	\$2,250	\$1,500
<b>Events</b>	\$2,500	\$5,000	\$7,500	\$5,000
<b>Office furniture and equipment**</b>	\$35,000	\$50,000	\$75,000	\$53,333
<b>Utilities</b>	\$30,000	\$40,000	\$50,000	\$40,000
<b>Accounting and legal</b>	\$5,000	\$7,500	\$10,000	\$7,500
<b>Repairs and maintenance</b>	\$10,000	\$12,500	\$15,000	\$12,500
<b>CO.STARTERS***</b>	\$8,000	\$8,000	\$8,000	\$8,000
<b>Proximity</b>	\$1,200	\$1,200	\$1,200	\$1,200
<b>Year 1 Lease</b>				<b>\$515,533</b>
<b>Year 1 Purchase</b>				<b>\$1,190,533</b>

In addition to funding from local, state, and federal government entities, private donations, and grants, the Manchester Entrepreneurship Center could derive revenue from co-located partner institutions, user fees, program receipts, and event admissions.