

2023 Stoughton Business Incubator Model

In June of 2023 the Redevelopment Authority identified 2-4 Perry Street as a property that is in a state of mild to moderate blight and we feel it is necessary to address the property as a priority. The building has three usable retail spaces but only one is in use. The physical condition of the building is also outdated, in disrepair and in need of improvements. Additionally, there is no signage for the retail operation(s) and no clearly marked parking available. The property is located on a busy intersection with a lot of housing surrounding it yet continues to be severely underdeveloped as a retail property.

The Redevelopment Authority wishes to inform the public, in a fully transparent manner, that this document, that is attached to the deed for 2-4 Perry Street, is intended to be a living document that can and should be adapted to the needs of the Town of Stoughton. It is not a concrete policy but instead is meant as a guideline to ensure sound business practice and real, on the ground assistance to the Town, potential small businesses and developers alike.

Through the purchase of the building the Authority intends to make physical improvements to the structure, improve signage visibility

and better organize available parking. We will be working with perspective and current undervalued businesses to develop better marketing campaigns, improve financial skillsets and provide awareness through social media to bring greater prominence to said businesses.

This model is a unique and innovative approach to business startups in Stoughton and the Commonwealth. The intent of starting a business incubator is to provide a bridge between new small businesses and developers in our area that are hesitant to invest in their properties for retail and maker spaces due to a lack of need in our market thus creating blight in our Downtown area. By providing this service the Authority is assisting the Town, developers and small businesses work together as a team to provide a more vibrant and stable community for our residents to enjoy. The Town rewrote our zoning for the Downtown area to assist in boosting confidence for local developers and this incubator is designed to assist in the implementation of our zoning in a positive manner which the Authority believes this plan will do. The Authority looks forward to working with all the stakeholders involved in the downtown making Stoughton a better place to live.

Definition and Objectives of the Redevelopment Authority Business Incubator

The Stoughton Redevelopment Authority is seeking to start programs that support the growth and development of early-stage companies and startups to support new growth in Stoughton's downtown area. The programs primary purpose is to provide a nurturing environment and a range of resources and services to help entrepreneurs turn their innovative ideas into successful and sustainable businesses.

The main objectives of the business incubator is as follows:

Support and Guidance

The SRA Incubator seeks to offer guidance and mentorship to entrepreneurs, providing them with expert advice and support in areas such as business planning, marketing, finance, and operations. This guidance is designed to help entrepreneurs avoid common pitfalls and make informed decisions during the critical early stages of their business.

Physical Space

The SRA purchased 2-4 Perry Street to provide the physical infrastructure, such as office space, shared workspaces, a meeting room, and sometimes specialized facilities like a prototyping space. These facilities offer startups a conducive environment to work, collaborate, and network with other entrepreneurs.

Access to Funding

Through the business incubator the SRA seeks to connect startups with potential sources of funding, such as local banking resources, venture capitalists, or government grants. The SRA may also provide seed funding or

facilitate introductions to financial institutions to help startups secure the necessary capital for growth.

Business Development Services

Through the business incubator the SRA seeks to offer various business development services tailored to the needs of startups, including small business advice, marketing and branding assistance, market research and assistance with access to professional service providers.

Networking and Collaboration

Incubators foster a collaborative community by bringing together like-minded entrepreneurs, mentors, industry experts, and investors. This network enables startups to access valuable connections, partnerships, and knowledge sharing opportunities. The supportive environment encourages collaboration and the exchange of ideas, which can lead to innovation and business growth. The SRA intends on collaborating with successful local businesses, creating a network of professionals that have already successfully navigated the process of startup within our Town.

Training and Education

The SRA incubator aims to provide educational programs, workshops, seminars, and training sessions on relevant topics to enhance the entrepreneurial skills and knowledge of the startup founders. These programs will help entrepreneurs build their capabilities and address any gaps in their understanding of business fundamentals. Business incubator models play a critical role in creating successful startups in the ecosystem. The SRA business incubation program will provide a new venture or small business with mentorship at its very early stages.

Funding and Sustainability

The SRA business incubator will rely on funding from various sources, such as government grants, corporate partnerships, and private investments. Securing sustainable funding can be a challenge, especially for non-profit or publicly funded incubators. The SRA will need to identify and secure federal and State grant funding to begin and support the incubator prior to starting this important endeavor. Additionally, the SRA will need to demonstrate the incubator value proposition and impact to attract ongoing financial support.

Globalization and Virtual Incubation

With advancements in technology, the traditional model of physical co-working spaces is being challenged by virtual or remote incubation. Virtual incubators leverage digital tools and platforms to support startups remotely, breaking geographical barriers and providing access to a global network of mentors and investors. The SRA needs to be cognizant of this reality and further embrace technology as part of our incubator model, although this area will not be the primary focus of the incubator rather, a supplemental support piece. The SRA will seek to develop an online network that will assist in supporting perspective small businesses and further show how online businesses can increase the profitability of physical business spaces.

Sector-Specific Incubators

While generalist incubators cater to startups across various industries, there is a growing trend of sector-specific incubators. The SRA incubator will focus on retail operations and maker-space businesses that will compliment the increase in housing anticipated through the recent rezoning of the downtown area. A sector-specific incubator will provide specialized expertise, industry connections, and tailored support to startups operating in those sectors.

Focus on Impact and Sustainability

Startups and entrepreneurs are increasingly interested in creating positive social and environmental impact alongside financial success. The SRA incubator model seeks to emphasize impact and sustainability as core components of their programs, offering support and resources to ventures that align with these values. The SRA aims to provide training in fair and equitable business startups.

The SRA has chosen a variation of the Hackett and Dilts business model for our incubator focused on the needs of the Stoughton community. The SRA will need to seek help from Town organisations and local task forces to implement the incubator business. The Citizens advisory Group, Planning Board and Town Planning Department, Energy and Sustainability committee and Energy Consultant, the Disability Commission and the Climate Action Plan Committee are just a few of the local resources the SRA intends on utilizing in this endeavor. Below is an example of how the model works:

Hackett and Dilts Business Incubator Model

Hackett and Dilts described the logic of this model in 2004. The authors believe that business incubation is a community strategy that promotes the survival of new ventures. The critical practices of this model include:

- Venture development
- Resource generosity (*TBD*)
- Business assistance
- Selection
- Product development

- Monitoring

According to the model, the only way of producing innovative and profitable ventures is to feed the incubator with suitable materials. This increases the startup's chances for survival. Incubation is a dualistic process between the incubator and the entrepreneur. Providing the incubator with high-quality and knowledgeable entrepreneurs is the most critical task. The SRA seeks to be the mediator / catalyst between concept and reality for potential small business startups. We intend to provide the aforementioned services to create that pathway for perspective small business owners.

Conclusion

In conclusion the SRA is seeking to design and implement an aggressive incubator business model. The model will only work if it is supported town wide by our local municipal government, various Boards and committees and State / Federal agencies and lastly out State senators and Representatives. The SRA has a solid working relationship with all the aforementioned entities and is in the process of setting in motion the various needs to make the SRA incubator a success.