

# Mountain Lakes Business Development Corporation

## Oconee Business Center

### STANDARDS FOR ADMISSION

Potential tenants, for the OBC, will be evaluated according to several criteria by a committee of the Board of Directors. The final decision will be indicative of the potential to bring solid growth in the Region. Growth is assessed as the potential to create jobs, develop new high growth enterprises in the Region and provide other social and economic value.

#### General Requirements for Participation in the Incubator Program

- **A relationship to the Goals and Objectives** of the MLBDC.
- **A new business in the Mountain Lakes Region.** This could be a transplant business from another region or a business seeking interim space while other full-time facilities are being prepared in the Region.
- **A small business** that either has a business plan developed in the Immersion Program conducted by Tri-County Technical College or an equivalent source or has a business plan in development. The individual(s) will be required to have been the authors of the business plan.
- **A Quality of Business Plan.** To improve the chances for success, entrepreneurs must understand their product and how the product will be produced, marketed, distributed and serviced.
- **All applicants** will be asked to submit a business plan for evaluation or have a business plan in development. Upon selection, the applicant will be asked to make a personal presentation of the business plan to the Review Board.
- **The Start-up Business** agrees to participate in quarterly business and program reviews with their assigned mentor. The intent of these reviews is to consider progress made and if additional support is necessary.
- **Participation in the Seminar Series.** A Seminar Program has been established by the MLBDC to provide expert discussions on topics of significant business importance. Incubator Program participants will be expected to attend at least 75% of these seminars. Fifty per cent (50%) must be in person and the additional twenty-five (25%) can be accessed on-line from the Mountain Lakes Business Development Corp. library.

#### Exceptions for Participation in the Incubator Program

- **Where a business plan does not yet exist**, the Review Board will, at its discretion, on the merits be able to allow an applicant up to six (6) months occupancy to prepare the business plan.
- **Where Special Collaborative Programs Exist**, based on concurrence of the Board of Directors, participants will be permitted to utilize Incubator Program space. These will typically be collaborative/development programs with universities and/or existing industry.
- **Existing Businesses in the Region** will be accepted by the Review Board only if a new product or service business is being developed, and there is a demonstrated need for an incubator environment.

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### Financial Ability to Participate in the Incubator Program

- **Demonstration of Need/Ability to Pay.** Generally, Incubator Program tenants will pay a reduced rate of rent when compared to prevailing rates in the area. These rates are shown on the Rate Schedule. General building liability insurance is provided by the building owner. Tenants are required to obtain their own liability insurance. MLBDC has a network of insurance providers for clients to utilize, if desired. Under certain conditions, the client may be expected to work with the incubator program management for alternative solutions.
- **Exception for Special Programs.** Special Programs approved by the Board of Directors will not be required to pay rental fees. In the event, that a start-up results, that business will be treated as a regular tenant with respect to fees and payments.
- **Alternative Compensation Regimes for the Incubator Program.** Under certain considerations, the rental fees can be substituted for an equity position in the start-up. This equity position will be a 5% ownership position in the company. Royalties on sales will also be considered at 5% of gross sales.

### Rental Rates

Office space            first year \$100            Second year \$160            Third year \$250

Bay space to be negotiated based on amount used. Rates are \$2 to \$4 per sq/ft on an annual basis.

### TERMS AND CONDITIONS OF TENANCY

- Upon approval the prospective tenant will sign an agreement which specifies the terms and conditions of tenancy. these terms will include:
  1. Lease duration,
  2. Amount of space to be leased,
  3. Lease price,
  4. Approved use of the space,
  5. Identification of any hazardous materials to be used,
  6. Any proposed building alterations and the financial responsibility for such alterations,
  7. Insurance requirements, and
  8. Other applicable terms which will be attached to the lease as riders.
- Office Space will available at the scheduled rate (see table) Open bay space will be negotiated at the time of acceptance.