

Frederiksted Cultural Business Incubator

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ABSTRACT

The economic viability of the historic town of Frederiksted has been on a decline for many years. Reinvigorating the entrepreneurial spirit within the residents of this community is one way to create an avenue to spark economic viability and sustainability. The implementation of the incubator will specialize in preparing entrepreneurs to retail their locally made products, which can lay the foundation of enticing businesses and residents to migrate back to the historic town. The Frederiksted Cultural Business Incubator will serve as a year-long informal business university mentoring the entrepreneurs through the process of launching a new business. The incubator serves to provide seminars, options to raise start-up capital and technical assistance. By presenting the entrepreneurs with readily available services and programs, they will be able to launch sustainable businesses and empower the rest the community to start taking an interest in rebuilding the historic town to showcase the rich history and culture of the Virgin Islands.

COMMUNITY CONTEXT

History

The island of St. Croix is part of the United States Virgin Islands (USVI). The USVI is comprised of three islands, St. Croix, St. Thomas and St. John. As the largest of the three islands, St. Croix or Santa Cruz as it was affectionately called by Christopher Columbus is 84 square miles. Christopher Columbus landed on St. Croix in 1493 (visitusvi.com). The bay that Christopher Columbus landed on is now called Salt River, it is the only documented site of his voyage to the New World (vinow.com). Seven flags have flown over the Virgin Islands, Spain, United Kingdom, The Netherlands, French, Knights of Malta, Denmark and the United States. St. Croix was added to the Danish colonies in 1733, and the export of sugar, produced from sugarcane was the gross domestic product of the island.

In 1917 the United States purchased the Virgin Islands from Denmark for \$25 million in gold. The USVI Department of Tourism website states that “little was heard of the islands until World War I, when the United States realized their strategic position and negotiated the purchase of the islands from Denmark for \$25 million in gold.” (visitusvi.com)

Prior to the United States purchasing the Virgin Islands, Governor Peter von Scholten on July 3, 1848 put an end to slavery within the territory. Adam C’DeBaca, a graduate student from Syracuse university, who spent two years in the Virgin Islands tutoring public and private school students wrote that “After emancipation, another repressive system of exploitation was introduced which in essence matched the prior

servitude of the slave economy. The former slaves were now paid for their work, but their salaries depended on an almost feudal subsistence of labor that bound them to the owners wherewithal in stipulated contracts. These contracts dictated the amount of time employed, the conditions of housing, and, effectively, the freedom of movement or advancement.” The slaves thought that once they were granted freedom they were able to do as they wished without the effects of oppression. Due to these conditions the slaves decided that they had enough and decided to lead a rebellion.

The Emancipation of 1848, which freed the slaves, helped to usher in the decline of agriculture and sugar cane production. Though slaves were free they were still paid below wages for work performed and were still treated unfairly. Prior to the emancipation of slaves, St. Croix was the agriculture epicenter of the Caribbean.

On October 1, 1878, the freed slaves led a revolt in the town of Frederiksted and demanded their ultimate freedom and fair wages. This event was later called the Fireburn of 1878. The resident threw stones and lit fire to buildings in protest of the living and working conditions that they were subjected to. Today, the historic town of Frederiksted is called Freedom City, because the residents of Frederiksted fought for their freedom.

Population and Demographics

Each year the Virgin Islands Bureau of Economic Research produces the Economic Indicators for the territory. This allows the government to follow trends in population, employment, housing and graduation rates. According to their latest study,

which was published in 2009, the current total population in the United States Virgin Islands is 117,011 with the following breakdown; 57,531 on the island of St. Croix, 55,138 on the island of St. Thomas and 4,522 for the island of St. John (usviber.org).

The island of St. Croix is predominantly African-American with 73.3% of the residents indicating this as their race/ethnicity in the 2000 census, while 11.6% residents are Caucasian and 10.7% of the residents are of other races.

Unemployment

According to the Virgin Islands Department of Labor, the unemployment rate for the month of February 2012 is 8.5%, which lower than current U.S. national average (vidol.gov). Even though the territories average is 8.5%, the island of St. Croix rate is slightly higher. In contrast to the United States mainland, the island's unemployment rate is lower than the national average, which is 9% over the same time period (Bureau of Labor Statistics, 2012).

The recent economic recession has affected St. Croix adversely with the closure of several industrial companies and the additional layoffs, which has left many without gainful employment especially within the historic towns. With residents already feeling the pinch of the recession, any loss of employment is a detriment to their way of life.

Revitalization of the Historic Towns

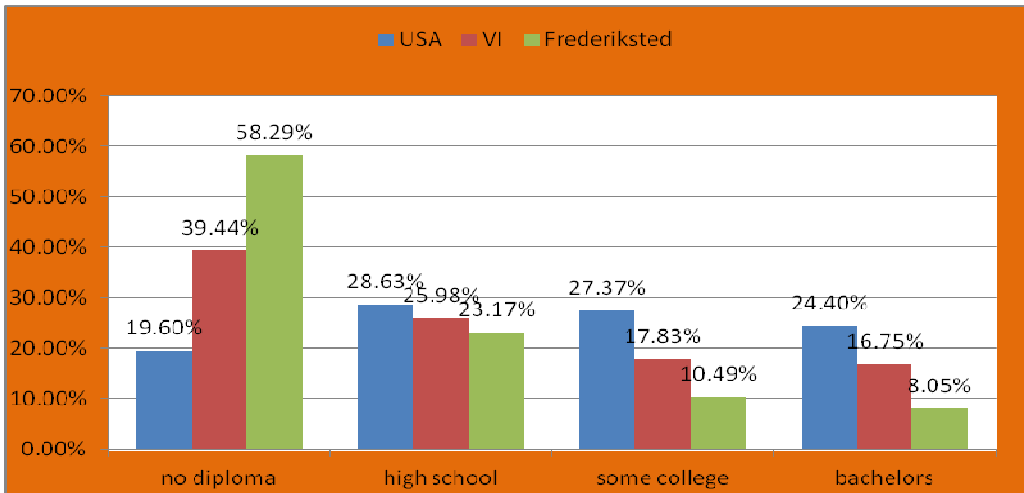
The town of Frederiksted has been through a tough time, which has lasted over 40 years. Frederiksted, revered for its beautiful port and easy going way of life, has been

economical depressed and neglected for many years. Frederiksted always appears that is on the cusp of a revitalization effort that will bring back the economic viability of the town, but something comes along to derail the progress. Events such as Fireburn of 1878, Hurricane Hugo of 1989, and the recent recession of 2008 have added to the decline of the area. With the return of cruise ships to the island of St. Croix (the cruise ship pier is in Frederiksted), there is an urgency to rebuild the town of Frederiksted to its past glory, not only for the tourist, but for the residents as well. In addition to commercial tourism and economic benefits, the urgency to rebuild the town is also based on a need to preserve the history and culture for future generations. In order to rebuild the town, Frederiksted needs an economic push in small business development.

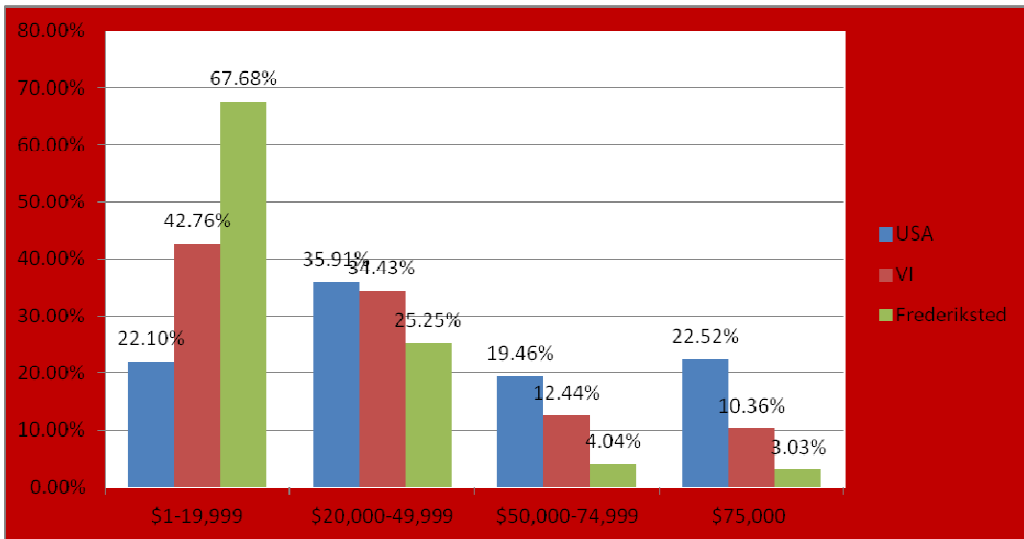
Community Profile

The Enterprise Zone Commission (EZC) has been joined community stakeholders in the fight to rebuild Frederiksted. The EZC is charge with the revitalization of the historic towns of the USVI. There is a special interest in Frederiksted (Marchena, 2007). Based upon information found in the 2000 census, the EZC in their strategic plan compiled demographic information on Frederiksted that stated the town has the highest number of residents who live below the poverty level, the lowest achievement of a high school diploma, and the lowest median income in St. Croix (Marchena, 2007). The graphs below highlight some of the demographic information for the territory (Census, 2000).

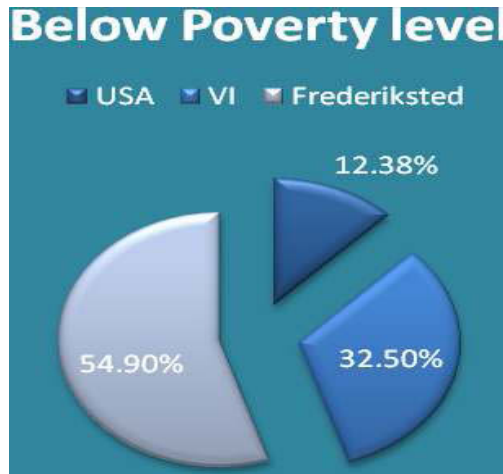
Graph One: Educational Attainment, 2000



Graph Two: Income Levels, 2000



Graph Three: Individuals Living Below Poverty Status



The United States Census (2000) states that the male population accounts for 47.8% of the population and the females account for 52.2% of the population. The median income for a household in the territory was \$24,704, and the median income for a family was \$28,553. (Census, 2000) Males had a median income of \$28,309 versus \$22,601 for females. (Census, 2000) The per capita income for the territory was \$13,139. It has been stated that in the territory we have 35.3% of families were living below the poverty line (usviber.org).

The United States Economic Development Authority Enterprise Zone Commission prepared results from the United States Census for the historic town of Frederiksted. In their analysis they found that 720 residents reside in Frederiksted and of those residents at least 58.59% do not possess a high school diploma (Marchena, 2007) In their Strategic plan they state, "Similarly with regard to household income 22.10% of the nation's households made less than \$20,000, compared to 42.76% of the

Virgin Islands' households. Within the zones almost 2/3 of the households make less than \$20,000" (Marchena, 2007).

Community Needs Assessment

The Enterprise Zone Commission (EZC) 2007 Strategic Plan and the Frederiksted Economic Revitalization Project provided an idea of what elements the community felt were relevant to the revitalization of Frederiksted.

The EZC Strategic Plan captured the goals of the town and placed a focus more on demographic and property information. They also identified ways the plan could improve these areas. The residents of Frederiksted based on the information provided by the Census and surveys, presented the EZC with an analysis of the residents as those who needed the most assistance to find employment, safe affordable housing and economic opportunities. According to the 2000 Census they are more residents living below the poverty level in the town of Frederiksted than within any other area in the Virgin Islands. The community has stressed the importance of feeling segregated from the rest of the island and the distance that they have to travel to receive services or patronize shopping outlets. Their view of the town is that it is forgotten by the local government and they are left with decaying buildings and inadequate services.

The Frederiksted Economic Revitalization Project was based on the revitalization of Frederiksted through the rebuilding of infrastructure, such as the Ann Abramson Pier (cruise ship pier), Vincent Mason Pool and other public spaces. The plan provided for

the community residents to participate in a series of town planning charrettes. The plan initiatives also included the rich culture and history of Frederiksted.

Target Community

The residents of Frederiksted have been chosen as the target community for the incubator based on the statistical data available through the US Census and also the apparent need for the community to be revitalized. Based on the statistical data, the residents of Frederiksted are the ones that are in the most need of assistance to help with revitalization of their town. Many residents are living below the national poverty-level and are not fulfilling the basic educational attainment of a high school diploma. The creation of several committees has produced multiple town plans, while the effort to implement the town plans have been slow, but they are willing to do whatever it takes to revitalize their town to provide job opportunities and economic stability within Frederiksted.

The EZC has been able to analyze the various towns plan and formed critical partnerships with stakeholders Our Town Frederiksted (OTF) and Frederiksted Economic Development Association (FEDA) to identify elements or goals within the plans that can be implemented to spur revitalization and build momentum for other initiatives.

PROBLEM ANALYSIS

Problem Statement

In the historic towns of the United States Virgin Islands, only 24% of the buildings are used for commercial purposes, which are limiting the economic opportunities of the affected areas. In the community needs assessments that were performed by the Virgin Islands Economic Development Authority Enterprise Zone Commission (EZC) and the West End Economic Development Plan both identified the need for residents and businesses alike to move back into the historic towns.

To improve the economic climate of the historic town, the town will need to shift back to being a mixed-use community. In the past, the towns served as the epicenter of the islands, with businesses and residents sharing buildings. Buildings served a dual purpose, the first floor was for commercial purposes and the second or third floor was for residential occupancy. Creating a mixed-use environment that showcases the town of Frederiksted as a vibrant and culturally immersed entity.

Migration of businesses to other urban areas on the island has left the towns devoid of businesses for area residents to patronize. The businesses closed due to the migration of families to urban areas on the island, thus leaving the existing business with a smaller client base. Once families were able to purchase land in other areas besides the historic towns, they built homes in those areas and migrated their families to other areas, leaving the area void of residents.

Abandoned and dilapidated buildings are now plaguing the towns and creating public safety hazards to the community (Marchena, 2007). The migration of the families

out of the historic towns began the demise of the buildings. When families moved out of the historic towns, the historic buildings were left neglected. Further deterioration occurred when the owner's children left the island to pursue careers or education endeavors on the mainland United States. . Another reason that the residents of the Virgin Islands are being affected is because there is no transfer of culture to the next generation. The historic buildings tell a story of how residents lived in past years, with deterioration of the buildings we lose that transfer of culture and history. That left no follow-up generation to take the helm in preserving the historic structures, thus creating the abandoned and dilapidated issues that they are currently facing. The buildings that are not being taken care of are creating growing public safety concerns. The concerns range from illegal activities (drug houses, gambling) and also squatters are using the buildings as personal dwellings, which create fire hazard concerns and public health issues (bodily fluids, diseases).

Other factors that are contributing to the abandoned buildings issue is the inability to acquire necessary funding for the repairs and rehabilitation. Banks in the Virgin Islands are considered to be very conservative as it pertains to lending. The banks inability to loosen their lending belt has hindered the building owners from repairing their buildings. Without the necessary funding being provided through the banks it is nearly impossible to renovate a historic building, which may need at least a \$100,000 in repairs. Also the banks are unwilling to fulfill their mandate of community reinvestment, through the Community Reinvestment Act, which is part of the Virgin Islands code. No one knows why there is a reluctance to invest in the historic town.

Residents that have decided to stay within the historic towns have been affected by the lack of businesses within the historic town. The migration of businesses to other areas on the island has left residents with no choice but to travel out of the towns to purchase essential items such as food, medicines and toiletries.

The Enterprise Zone Commission (EZC) was created in 1999 to address the deterioration of our historic towns (Marchena, 2007). The agency is charged with empowering the residents, assisting the business community and creating an environment that is inviting for residents and businesses to thrive. Within the plan are several goals that are directly responsible for the revitalization of the historic towns (Marchena, 2007):

- Goal I: Aesthetics-Enhance the general appearance of the Enterprise Zones.
- Goal II: Public Safety & Crime Prevention: Create an environment safe for businesses and residents to work and play.
- Goal III: Education, Job training and Entrepreneurship-Expand and improve access to education and training opportunities for residents of the Enterprise Zone.
- Goal IV: Funding-Assist the business and residents with capital to rehabilitate the zones.
- Goal V: Infrastructure, Housing & Neighborhood Development-Improve public Infrastructure to support business development and to create an active, vital community. Enhance housing opportunities in the Enterprise Zone.

- Goal VI: Business Development-Develop, recruit, retain and/or expand businesses that create living wage jobs in the Enterprise Zone.
- Goal VII: Federal Designation-Seek federal designation as an empowerment zone or enterprise community to gain funding, technical and other support.

The goal set forth by the EZC is a clear indication of the sustainable development that should be executed in the town Frederiksted and why they are the agency to manage the Frederiksted Cultural Business Incubator.

Stakeholders

The major stakeholders in the revitalization efforts include community stakeholder organizations such as Our Town Frederiksted (OTF), Frederiksted Economic Development Association (FEDA), The University of the Virgin Islands-Small Business Development Center (UVI-SBDC), Economic Development Authority-Small Business Development Agency and Government Development Bank (EDA-SBDA & GDB). This collaborative effort along with other minor stakeholders such as Department of Licensing and Consumer Affairs (DLCA), Department of Tourism and potential entrepreneurs will hopefully increase the amount of businesses that are in the historic towns.

The above-mentioned stakeholders will provide much needed assistance for the proposed cultural incubator. The EZC is proposing a cultural business incubator program to help businesses open in the historic town of Frederiksted and provide the much needed economic boost the area needs. The goal is to have entrepreneurs open

businesses in the town of Frederiksted through the Frederiksted Cultural Business Incubator.

The incubator partners will provide the necessary expertise and guidance that the businesses will require. The stakeholders will provide the following assistance to the potential entrepreneurs:

1. Assistance in preparation of business plans and financial documentation.
2. Access to the capital funding for an existing or new business.
3. Access to available marketing avenues and inclusion in tourism ventures.
4. Assist the entrepreneurs with acquiring the necessary documentation from other agencies such as Department of Licensing and Consumer Affairs (DCLA).
5. Technical assistance for regulatory licensures and documents.

Upon completion of our Strength, Weaknesses, Opportunities and Threats (SWOT) Analysis, it was identified that EZC would have very minimal interference in administering the cultural incubator program. Once each stakeholder is assigned an area of focus, it is believed that the program that will stay on course and truly benefit the residents and the community. The strength of the program is the inclusion of stakeholders who are experts in their respective fields and will provide the necessary technical assistance. A weakness of the program is that certain stakeholders may want to take full credit for the program instead of sharing in the success. Opportunities that will come out of this program are the increased viability of potential businesses and the creation of economic impact throughout the town. The threats has been identified is that a stakeholder, St. Croix Foundation, already created an incubator program about

two years ago and has yet to experience any real growth with their incubator. The Frederiksted Cultural Business Incubator is slightly different with a value added component, whereas the other incubator is a real estate incubator, which provides economical rental space. Although the two programs at first may appear redundant, the Frederiksted program is culturally-based and is focused in a different town. This is an area that will need to be monitored in order to keep the program running smoothly with minimal interruption.

Community Economic Development Aspect of the Project

The economic impact of this program is to assist cultural based businesses to open within the historic towns of Frederiksted. The program seeks to bring businesses back to the town and create that economic impact for the town. Outcomes for the program are to effectively incorporate all the existing resources into one area that is easily accessible to potential entrepreneurs, for the businesses to increase their inventory and become sustainable and for the established businesses to move out of the incubator into their own building or leased space, thus providing room for new entrepreneurs to utilize the incubator.

The goal of the incubator is to renew an interest within the business community to open businesses in Frederiksted. If this can be accomplished, this could provide the much needed infusion of economic development into the area.

LITERATURE REVIEW

There has been significant research on the impact of incubator programs in a community. The research of some of the studies has helped to define the main components of the Cultural Business Incubator program that is proposed for the historic town of Frederiksted. The series of studies that are presented solidify the purpose and proposed outcome of a business incubator.

The *Marinette Incubator Feasibility Study* performed by Dr. Daniel J. Ward, Ph.D. of NorthStar Economics Inc., seeks to provide information on the desirability of an incubator program in the Marinette, Wisconsin and the Menominee, Michigan area. These connecting counties share a border and are very similar in the community demographic. The study interviewed individuals such as realtors, government officials, incubator managers, bankers, accountants and SBDC officials (Ward, 2005). Some of the principles and ideas that came out of the study were to begin incubator operations without capital debt (Ward, 2005). Building the incubator from a positive cash flow position leads to the incubator being able to operate without placing burden of operational cost onto the entrepreneurs. Have professional staff that can manage the incubator in the terms of management, financial records/ accounting, tenant management and professional assistance to clients (Ward, 2005). Establish a profile of business tenants and select clients according to these criteria (Ward, 2005). Creating a profile of the type of businesses that the incubator would like to attract, helps to focus the type of assistance the incubator will offer. Establish a tenant client process (Ward,

2005). By establishing guidelines and procedures it creates an area of understanding for the tenant and the client to follow to gain the most out of the incubator experience.

The study also discusses whether it is better to construct a new building or utilize an existing building. “The consensus of the experienced incubator operators was that new space was preferable to renovating old space” (Ward, 2005). The reasons they gave for this statement was that it was easier to design new space around the planned use than to have the entrepreneur try to reconfigure the space of an existing building (Ward, 2005).

The second study reviewed was by Grant Thornton, LLP and ASR Analytics, LLC for the United States Department of Commerce, Economic Development Administration. The name of the study is *Construction Grants Program Impact Study Report* and it builds upon an earlier study performed by Rutgers and Princeton’s University economists in 2007 (Construction Grants Program, 2008). The study specifically identified areas where it may be beneficial such as EDA investments in rural areas have a significant impact on the employment levels in the communities in which they are made, generating 2.2 and 5.0 jobs per \$10,000 in incremental EDA funding, at a cost per job per job of between \$2,001 and \$4,611 (Construction Grants Program, 2008). Also EDA’s strategic focus on innovation and entrepreneurship makes sense, in that investments in business incubators generate significantly greater impacts in the communities in which they are made than do other projects types (Construction Grants Program, 2008). The construction grants were divided into three categories, Proactive, Reactive and Special Needs (Construction Grants Program, 2008). Proactive grants are awarded under the

Public Works program that helps communities compete internationally. Reactive grants are administered to address the economic distresses within a community. Special Needs are based on (military) relocation or manufacturing closure (Construction Grants Program, 2008).

The results of the study identified that business incubators were more effective than building highways in the amount of jobs created (Construction Grants Program, 2008). It also suggested that communities should use other alternatives to create economic growth such as tax incentives or setting up enterprise zones.

The State Science and Technology Institute (SSTI) performed a study for the U.S. Department of Commerce Economic Development Administration titled *A Resource Guide for Technology-Based Economic Development: Positioning Universities as Drivers, Fostering Entrepreneurship and Increasing Access to Capital* (2006). In the study it states that based on their interviews “an incubator should be created only if a clear need, a sufficient market, and adequate resources to support the incubator have first been identified. Also, there are two different types of incubators, real-estate and value-added. Real estate incubators are those that provide economical office or rental space. Value-added incubators, like the Frederiksted Cultural Business Incubator, are based on providing coordinated continuous services to the entrepreneurs. (SSTI, 2006)

The incubator should encompass a mentoring or coaching element for the entrepreneurs. Interviewees for the study said “their programs included some sort of mentoring/coaching/technical assistance component, whether provided by an incubator or commercialization center staff, entrepreneurs in residence, or volunteer teams of

experienced entrepreneurs, angel investors and business executives. This assistance was described as extremely important for new start-ups to help them succeed in securing private investment and avoid fatal pitfalls.” (SSTI, 2006)

The study states that there are five strategies that entrepreneurs may use to advance tech-based companies. Of the five strategies, there are three strategies that can be incorporated into the Frederiksted Cultural Business Incubator. The first strategy states “Practitioners from different regions report that the shortage of available capital is the significant inhibitor of entrepreneurial growth” (SSTI, 2006). The need for available capital is prudent for entrepreneurial advancement. Without the available financial resources an entrepreneur may never be able to realize the business's full potential. The second strategy in the study states “Networking opportunities take a variety of forms, from breakfasts to luncheons, to the daily casual interactions of entrepreneurs clustered together in an incubator or tech park” (SSTI, 2006). Networking is the best form of marketing for your business. The act of networking with individuals within the business sector or the community creates an opportunity for you to showcase your services and build partnerships. The third strategy states that “Practitioners also find that it is better to invest their resources “in services and funding programs” than in physical space (SSTI, 2006). This strategy makes a good argument for the implementation of value-added incubators to assist entrepreneurs to locate affordable space to develop their business.

The studies demonstrated that there are many ways to incorporate a successful incubator program into the community and they are a valid and proven way to incite

employment and economic growth. In some cases, they also produce a better return on investment than other revitalization efforts. It is important to note that all of these studies pointed out various challenges such as funding, finding expert management professionals and affordable space to house the incubator.

PROJECT DESIGN / LOGIC MODEL

The outcomes that are anticipated from this project are based on providing economic stability through culturally, sustainable businesses. The intent is that businesses will be around for years to come, not just surviving but adding economic value to the town of Frederiksted. The prospect of being able to increase the number of jobs that will be available to the residents is paramount to revitalizing the historic town of Frederiksted. Providing jobs within the community creates economic impacts, which will also ignite the interest in preserving our culture and history. This will also help to bridge the gap of passing traditions down from one generation to the next. The passing of recipes, culture and history creates that social fabric that St. Croix does not want to lose. The towns were once the vibrant, bustling epicenter of the islands and Frederiksted is seeking to recapture that charm.

TITLE Frederiksted Cultural Business Incubator			
LONG TERM OUTCOME	<ul style="list-style-type: none"> • Provide economic stability through sustainable businesses. • Increase the numbers of jobs available for area residents. • Preservation of our history and culture of the Virgin Islands. • Revitalize a town to being vibrant with families and businesses. 		
INTERMEDIATE OUTCOME	<ul style="list-style-type: none"> • To create culturally sustainable businesses within the town of Frederiksted. • Creation of sound businesses that will continue to grow and avoid the pitfalls of failure. • Building owners will start to repair dilapidated or abandoned buildings. • Increase residential occupancy 		
SHORT TERM OUTCOMES	<ul style="list-style-type: none"> • Effective utilization of existing programs to assist small businesses. 	<ul style="list-style-type: none"> • Educate potential entrepreneurs about owning and running a small business. 	<ul style="list-style-type: none"> • To generate interest in opening a business in the historic town.
OUTPUTS	<ul style="list-style-type: none"> • 20 culturally based businesses to be set up within the 	<ul style="list-style-type: none"> • 30% Increase in the use of existing services that 	<ul style="list-style-type: none"> • 20 MOU to be signed for access to affordable

	first 3 years of incubator program	will provide ongoing mentoring and technical assistance to the new businesses.	space for lease.
ACTIVITIES	<ul style="list-style-type: none"> • Provide a one-stop business fair to assess the needs of the potential business community. • Coordinate with the University to provide free computer classes. • Businesses can be included in the special listing of EDC Qualified Supplier List. 	<ul style="list-style-type: none"> • Sign MOU with participating agencies • Bring in local business owners to act as mentors through the incubator process. • Provide free entrepreneurial classes to businesses selected for the program. 	<ul style="list-style-type: none"> • MOU to building owners that will allow businesses to operate under a reduced lease price for the first two years. • Provide tax incentives for the building owners to rehab the building and rent to our participants. • Meet with the Chamber of Commerce to assist the businesses with professional affiliation.
INPUTS	Workshop Facility Books Computers Staff MOU Printed Material Marketing Trainers	MOU Meeting facilities Program Staff Trainers	Affordable building space. MOU Certificates Tax Credits

The short term outcomes for this project are to have entrepreneurs utilize the existing programs and resources, assist entrepreneurs about owning successful business and to generate interest in businesses opening within our historic towns.

The Virgin Islands has existing programs and resources that are currently under utilized. Either individuals do not know about these programs or they believe that the program cannot help them, but to counter this misconception there will be a Small Business Workshop to introduce the business community the resources. The workshop will help identify potential culturally based businesses to bring into the incubator program.

A part of operating a business is continuing to educate yourself with the necessary skill set to have your business continually grow. Entrepreneurs should take classes or seminars to keep abreast of new innovations to sustain their business. Seminars will include human resources, marketing, taxes, licensure, capital funding, cash flow and business strategies. The seminars will be developed over time, but it will serve as a starting point to educate the entrepreneurs on how to operate a business.

Bringing the focus back to the historic town is crucial to its survival. By basing the incubator in the historic town we are building a community client base for the businesses and hopefully changing the economic climate in the town.

METHODOLOGY AND IMPLEMENTATION PLAN

The Frederiksted Cultural Business Incubator will serve as an informal business university for local entrepreneurs. This process will allow the entrepreneurs to work alongside business professionals and receive guidance on all aspects of opening a business. Taking the entrepreneurs through a series of seminars that will highlight areas that they can change or enhance within the business to create sustainability. Each entrepreneur will be assigned a mentor. The mentor will be chosen from local community entrepreneurs that have sustainable businesses and can impart their business knowledge with the new entrepreneurs.

Project Participants and Beneficiaries

Participants in the Frederiksted Cultural Business Incubator will be selected from the Frederiksted area first and then other areas of the island. Residents of Frederiksted will be given priority into the incubator since the goal of the incubator is to create an economic impact. In order to create an economic impact, it is best to start with residents that currently reside in the area. Once we have fulfilled that requirement, we will allow other residents from other areas on the island participate in the program.

The kick-off event will be a Small Business Workshop. At this workshop potential entrepreneurs will be able to present their proposed business plan and concept for participation in the incubator. A media junket to radio programs and different public access channels to provide public service announcements. Flyers will be placed throughout the Frederiksted community and at other areas on the island.

Community Role

The community will play a major role in the success of the Frederiksted Cultural Business Incubator. The proposed businesses will not be able to survive without the support of the Frederiksted and surrounding communities. The residents will be involved in the initial kick-off event, which will be a Small Business workshop. The goal is to present the information to the community and have residents from the Frederiksted area show interest in opening their own business and becoming entrepreneurs. Once the businesses have been established, they will serve as employment opportunities for residents and economic stabilizers.

The involvement of community stakeholders will play a major role as they will also have a stake in the incubator. The inclusion of community partners sends a message to the community that this is a group effort and there are numerous areas for to receive support.

Host Organization / Group

The United States Virgin Islands Economic Development Authority -Enterprise Zone Commission (EZC) will lead the Frederiksted Cultural Business Incubator. The EZC has earned a reputation as an agency that is performance based, results driven. They have successfully implemented the Community Development Block Grant (CDBG) funded Scrape, Paint and Rejuvenate program, which sought to improve the aesthetics of Frederiksted by providing minor exterior repairs to low-income residents and

commercial buildings. They have also been successful in having the governor approve an expansion of the Frederiksted Enterprise Zone to include a larger area. This action allows those businesses within the expanded zone to take advantage of the EZC tax credit program for small businesses. As the agency directing the incubator, all communication will be carried out by the EZC. The proposed communication plan for the incubator will be as follows:

- The Enterprise Zone Commission (EZC) will be leading the program, thus we will be in charge of all external communications for the program.
- Each stakeholder will handle their respective areas with coordination from the EZC. An example is the Small Business Development Center will oversee the development of business plans, but they will provide the EZC with monthly reports and weekly check-ins to assure compliance with the program.
- The monthly reports will be used to assess benchmarks in the program and also to be used as a guide for areas that we will need to work on for the next cycle.

The goal of the communication plan is to create a dialogue between the proposed entrepreneurs, stakeholders and the EZC to continue to foster programs to benefit the small business community. The reports will also be used to identify areas that are of major concern for small business owners, such as capital and marketing of their product.

Project Staffing

The roles and responsibilities of each stakeholder will be:

Enterprise Zone Commission (EZC)	Will provide all marketing and assessments of reports. Also providing technical assistance as needed, such as helping entrepreneurs filling out forms and applications
Small Business Development Center (SBDC)	Will provide assistance with development of the proposed business plan.
Small Business Development Agency (SBDA)	Will provide assistance to apply for available local funding.
Small Business Administration (SBA)	Will provide assistance and guidance to apply for available federal funding.
University of the Virgin Islands (UVI)	Will provide instructors for monthly business seminars.

Each stakeholder will manage their respective area, with oversight by the EZC staff. This creates a seamless operation and it doesn't require the overlapping of services, time and personnel.

Project Implementation – Schedule and Timeframe

There will be specific timelines for completing each segment of the program; this is in an effort to maximize the time entrepreneurs are in the program. The presentation of deliverable task helps the entrepreneurs to stay focused on getting their business operation prior to the Grand Opening of the Frederiksted Cultural Business Incubator.

Schedule of Activities				
Activities	Start Date	Duration (days)	End Date	Completion
Marketing of Small Business Workshop	9/12/2012	21	10/3/2012	0%
Initial Fair & Assessment of Businesses	10/3/2012	1	10/4/2012	0%

Creation of Business Plan	10/10/2012	60	12/9/2012	0%
Prepare loan/grant packages	11/4/2012	60	1/3/2013	0%
Business Seminars (bi-weekly)	11/10/2012	182	5/11/2013	0%
Build out of leased store front	1/30/2013	60	3/31/2013	0%
Business Move In	4/2/2013	15	4/17/2013	0%
Creation of virtual mall	4/1/2013	30	5/1/2013	0%
Marketing of Incubator/Grand Opening	4/1/2013	60	5/31/2013	0%

Although, none of the listed task has been completed, the initial marketing efforts are set to begin within a few months. The delay of tasks being completed was due to the lack of funding.

Budget

The proposed budget for the Frederiksted Cultural Business Incubator is a direct reflection of the existing community support that will assist the incubator to start-up with very little start-up cost, thus creating an environment that the businesses will be sustainable and self-sufficient. The budget details the anticipated expenses related to operating the incubator. The cost of the incubator site will be minimal since the proposed site is being donated to the EZC and the building owner will provide reduce lease agreements for the entrepreneur. But just in case that partnership doesn't work out, there is another site that has been identified and it will require renovations in order to accommodate the potential business, this is why an expense has been included in the budget for repairs as a precaution. Even though we anticipate applying for grant from

the United States Small Business Administration, a significant portion of the proposed income will come in the form of in-kind donations.

Frederiksted Cultural Business Incubator-Pro Forma Budget

Activities	Projected Income	Projected Expenses
<i>Earned Income (Rent)</i>	\$ 5,000.00	
<i>Grants</i>	\$ 100,000.00	
<i>In-Kind Donations</i>	\$ 50,000.00	
Total Income	\$ 150,000.00	
Expenses		
Building		
<i>Lease</i>		\$ 10,000.00
<i>Repairs</i>		\$ 40,000.00
<i>Insurance</i>		\$ 4,000.00
Total		\$ 54,000.00
Marketing		
<i>Promotional Material</i>		\$ 1,000.00
<i>Radio Advertising</i>		\$ 1,000.00
<i>Entrepreneur Fair-Venue</i>		\$ 1,000.00
<i>Fair Refreshments</i>		\$ 500.00
<i>Seminar Books/Materials</i>		\$ 2,000.00
Total		\$ 5,500.00
Total Incubator Expenses		\$ 59,500.00
Total Income minus Expenses	\$ 90,500.00	

Materials used in the program will be lecture notes, entrepreneurship books and any information that handed out to the entrepreneur. Marketing for the program will include advertising in the newspaper, flyers, posters and any other media that will have a positive impact on the program.

MONITORING

Over the course of a year various measures will be monitored to present a clear analysis of the effectiveness of the program. The Gantt chart provides specific timelines to follow, as to when a specified activity's monitoring will begin and end.

Monitoring Indicators

Monitoring will encompass the number of entrepreneurs that complete the yearlong program successfully. This is a major component since the EZC will be enlisting different agencies to assist the entrepreneurs. The amount of inventory sold over a specific period of time will be monitored. This will allow us to track the sales and also what areas the entrepreneurs may need to pay attention to, such as pricing or product retention. The Frederiksted Cultural Business Incubator will eventually become a starting point for the VIEDA incubator project with the entrepreneurs gaining the individualized attention and necessary services through the Frederiksted incubator first. Once the entrepreneurs move into the other incubator the number of entrepreneurs will be traced to show the progression of the entrepreneurs. The number of residents that open businesses that live within the town of Frederiksted will be monitored. The outputs are to create at least twenty (20) sustainable businesses within three (3) years of the incubator opening and also to have thirty (30%) percent increase in the use of the existing services and assistance.

Methods, Tools, Forms

The data collection methods that are going to be utilized are surveys, sign-in sheets and sales and inventory reports. The reports will be used to identify areas of concern and areas of success. This will provide an opportunity to continue evolving the program to the needs of the entrepreneurs, changing economic landscape and needs of the community. Performance measures are necessary to test the validity of the proposed project, assure fairness and to measure reliability. It also allows the managing agency the opportunity to present monitoring outcomes to the board of directors, grant funding agency and stakeholders.

Team and Tasks

The monitoring team will assess numerous indicators. The team is comprised of the lead agency, Enterprise Zone Commission (EZC) and the other coordinating agencies. Listed below are the monitoring responsibilities of each entity.

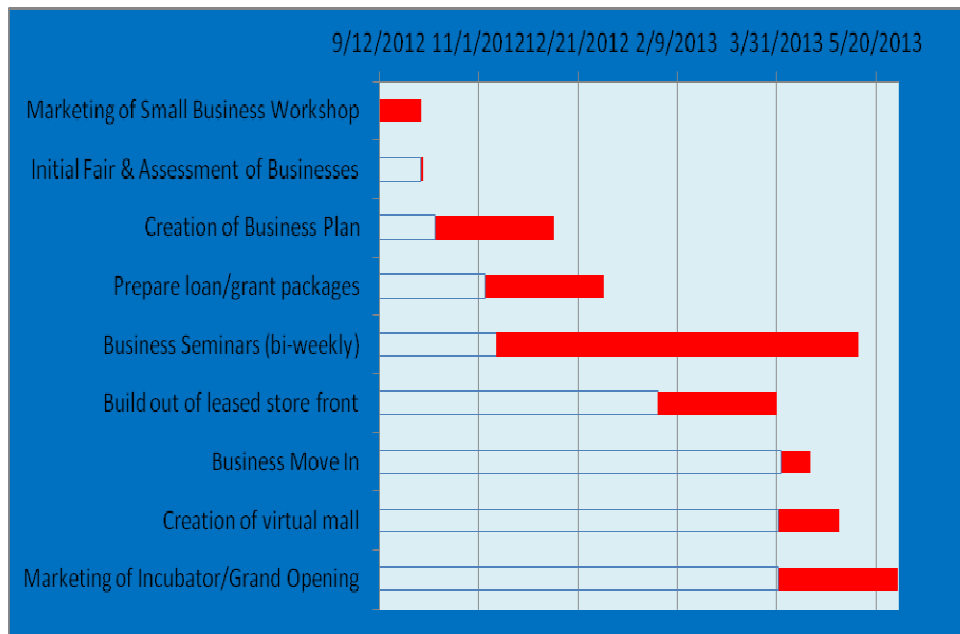
Enterprise Zone Commission (EZC)	Monitoring of all assessment of reports.
Small Business Development Center (SBDC)	Monitoring of business plan progress. They will also monitor the attendance of business seminars.
Small Business Development Agency (SBDA)	They will be responsible for monitoring the length of time it takes an entrepreneur to apply and be approved for a small business loan.
Small Business Administration (SBA)	They will be responsible for monitoring the length of time it takes an entrepreneur to apply and be approved for a small business loan.

Each entity will be responsible for providing the EZC with their findings for further evaluation.

Monitoring Schedule

The proposed schedule for monitoring the progress of the incubator and the entrepreneurs will occur at the beginning and end of each associated activity.

Frederiksted Cultural Business Incubator



EVALUATION

The Frederiksted Cultural Business Incubator will be evaluated on the providing an economic resurgence back into the historic town of Frederiksted. It is the goal to utilize various avenues to gain a better prospective of the usefulness of the program and what were the added benefits to the community by the introduction of this program. Evaluation of the incubator will enable us to use the results and valuable feedback to assess the program for opportunities to improve, eliminate seminars that are not effective and to attract other entrepreneurs and potential funders to the incubator.

Evaluation Variables and Indicators

The evaluation measures the viability of the program and it will seek to answer three major questions. Was this program beneficial to the town of Frederiksted? What has been the added benefit to the business with the inclusion of the outside services that already exist? Has there been an increase in entrepreneurs who are considering Frederiksted as a site for their proposed business?

The question that I am most looking forward to answering is; what has been the added benefit to the business with the inclusion of the outside services? There is a vast amount of outside services such as business seminars, business plan assistance, marketing, start-up capital and grant funding. The inclusion of these useful services will be an added benefit to the business. These services seek to assist the business in becoming successful and having sustainability. These are critical aspect of owning a

business and should be learned at the inception of the business to assure proper business practices and increase the chance of business succeeding.

The inclusion of these critical services will set the business apart from other new start-ups and provide sustainability. The evaluation process will among other things seek to evaluate the value added benefit and if the services provide an avenue for success.

The short term outcomes that we are hoping to achieve with this project is to have entrepreneurs utilize the existing programs and resources available to them, to assist entrepreneurs about owning and running a successful business and to generate interest in businesses opening within our historic town of Frederiksted.

The Virgin Islands has existing programs and resources that are currently under utilized. Either individuals don't know about these programs or they believe that the programs can't help them. It seems that there is a disconnection between the services available and the marketing approach. The marketing plan has to fit the demographic that you are trying to attract. One approach is to take the message to the people, rather than have the message bringing them in.

Data Gathering Methods, Tools, Forms

Evaluation measures that can be used are surveys, attendance and overall increase in the services. The goal is to increase the use of the services by at least 30%. Evaluation questions to reflect the outcomes are:

- Is the marketing techniques and approach relevant to the demographic that we are trying to reach?
- Are the services or seminars relevant to small businesses?
- Is there a client base in Frederiksted to sustain the potential entrepreneurial ventures?

Measures can be implemented to track the use of the services through our referrals to the service providers, attendance can be taken at the monthly seminars, and service providers can also track the increase in use of services through their daily logs.

Data Analysis

Bringing the focus back to the historic town is crucial to its survival. By marketing the incubator as an anchor project, we are building a community client base for the businesses and hopefully changing the economic climate. Evaluation of the incubator will be based upon the ability of the program to increase the number of small businesses in the town. The premise is having potential entrepreneurs see the possibility in the historic town as a viable place to open a business. Outcomes can be measured by the number of new businesses that are opened and remain open and active over different yearly intervals; e.g. 1 year, 3 years, 5 years.

Based on the proven outcomes we may be able to successfully rebuild our small business community. The goal is not only to increase our small business community, but to also increase the level of the businesses, having them become community partners

and realize that they can grow these small businesses into large companies. It all has to begin with the business fundamentals being in place to provide a strong foundation to build on. As part of the community we also want the entrepreneurs to feel empowered that they had a hand in changing the landscape of the community they invested in.

Evaluation Team and Tasks

Gathering data and result information to accurately convey the development of the program will be performed by the Enterprise Zone Commission, with outside evaluation being performed by Virgin Islands Bureau of Economic Research (BER) and the Small Business Development Center (SBDC) and Small Business Development Agency (SDBA).

The Enterprise Zone Commission (EZC) will be the primary agency for administering and collection of data. EZC will distribute surveys, organize focus groups and analyze attendance rosters. This will allow EZC to track and analyze data as it becomes available and also to implement measures in an effective manner. BER performs analysis of data that will be compared to previous years and also what was the economic impact of our program on the town of Frederiksted. SBDC will monitor attendance and evaluate the entrepreneur's progression through the seminar sessions. SDBA will evaluate the time to get the entrepreneurs approved by the EDA board for start-up capital. This evaluation is crucial as it will either deter or enhance potential clients from our program. If the application and approval process is too lengthy we may lose current and potential participants.

Evaluation Schedule

Evaluation of the program will be administered as follows:

Surveys	Monthly-given after every business seminar
Focus Groups	Semi-Annually-every six months, since it is a yearlong program.
Attendance Sheets	Given at the beginning of each seminar and entrance to the incubator program.
Funding Approval Applications	Applications will be tracked up to the approval process to assess the length of time it takes to get funding approval.

SUSTAINABILITY

Sustainability is the concept of something operating on its own without external assistance. The Frederiksted Cultural Business Incubator is seeking to instill the necessary components and information that will create a path to sustainability for the entrepreneurs. Providing the community with businesses that reflect our culture and history, sets a precedent that our history and culture are important. In the incubator the entrepreneurs will be using products or materials that can be found locally and reflect our vibrant history and culture. The inclusion of using local items brings a sustainable function to the business.

One of the ways to ensure the entrepreneurs stay on the path of sustainability is to initiate the incubator with least amount of capital expenditures, as it was stated in the Marinette Incubator Study. Initial startup funding will be giving through the host agency, the Virgin Islands Economic Development Authority (VIEDA)-Enterprise Zone Commission and available grant funding. The funding is to provide the essentials to the program such as textbooks, marketing assistance and other technical aspects of the program. The program will rely heavily on the available resources of other agencies, with the program to become fully sustainable within three-five (3-5) years.

The political undercurrents of the community is currently looking towards the growth of our small business community with the recent departure our leading industry and employer. This is seen as an opportunity for our residents to finally fulfill their dreams of becoming entrepreneurs. The political leaders are confident that this is the way to stabilize our economy and create a constant, steady and reliable tax base.

The community has been very supportive of the idea of an incubator program. They feel that the idea of giving the entrepreneur's guidance and support through the start-up their businesses is something that is needed. This will also assist them with direct contact persons at several corresponding agencies, thus reducing the time that they are being sent to different agencies and are provided with misleading information. We used to have a thriving small business community, but in recent years the departures of our residents to the US mainland (college or better living conditions) have created a community devoid of a strong entrepreneurial spirit.

Creating a sustainable project for the town of Frederiksted is critical for its continued development. The incubator has to be sustainable in order for the entrepreneurs to be sustainable. Sustainability has to come from the community, with no reliance on annual funding. As I have stated in my logic model, we seek to increase the number of participants in the existing programs and services that already exist within the territory. Sustainability includes self-reliance and no duplication of services, which creates an avenue for us to assist other agencies to effectively share their services and programs with the community. By utilizing their services we are eliminating the cost for hosting seminars. We are also pairing the entrepreneurs with local experienced entrepreneur as a mentor, who will assist them through the start-up process and to answer questions concerns that may arise throughout the program. They will also be able to share their experience as an entrepreneur and what were some of the challenges and highlights of owning their own business.

The plan for the future of the incubator is to create a fund that a portion of the rent collected each month will go into each to maintain the facilities and its daily operations such as utility bills, building maintenance, marketing, materials (textbooks) and other related cost to operate the incubator. This venture is not to present a profit for the VIEDA. The length of stay for each entrepreneur will extended no more than three years. At which time they will be eligible to move into their own building our rent one of the many commercial spaces available in the town of Frederiksted.

RESULTS

Activities planned was a one-stop business fair to assess the needs of the potential business community, coordination with the University of the Virgin Islands to provide free business classes through the UVI-CELL, inclusion to the EDC beneficiary listing, local business owners to act as mentors, entrepreneurial classes to selected participants, provide tax incentives to the building owners that rehabilitate their buildings for commercial use, Chamber of Commerce to assist with professional affiliations and MOU to building owners that will allow businesses to operate under a reduced lease agreement. Although, the incubator hasn't been initiated and the proposed activities implemented, the delay has created some time to re-evaluate my outputs and planned activities for the project.

There have been some positive and negative impacts to my proposed outputs and activities. The positive impacts are that the incubator has been able to garner more community support for the project, support from our board of directors and financing opportunities. The EDA is set to launch a large business incubator program and the Frederiksted program will act as a satellite incubator. A feasibility study was performed and it called for a satellite incubator to be established to help small business owners, so that they may be able to transfer over to the large incubator project. The idea is to have the entrepreneurs start with the small program and steadily grow the business under a supportive environment. Since the EDA board of directors has agreed that there is a need for this project, it is being included in the grant package to receive funding along with the exporting business incubator. The negative impact to the incubator has been

the lack of funding and some slight negative feedback from a small portion of community members.

The outputs were to be benchmarks of success through the activities and to create an avenue to achieve anticipated short-term outcomes. The first output is to have twenty (20) culturally based businesses set-up within the first three years of the incubator program. This output hasn't materialized due to the inability of the Enterprise Zone Commission to acquire the necessary funding.

Increase participation in the existing entrepreneur services and programs by 30% in three years. Recently, a grant opportunity became available and presented it to a few small business owners. The grant opportunity was through United States Department of Agriculture (USDA) Rural Development office. It sought to assist small business owners with available grant money to implement energy efficiency projects or renewable energy projects within their business. One of the small business owners received notification that they were selected as one of the grant recipients. This grant will allow the small business owner to implement an energy project and reduce their energy usage, which in our territory is a heavy burden for many small businesses. Even though the incubator hasn't been implemented, the coordinated services are available and are proven to be beneficial.

The last output is to have twenty (20) MOU lease agreements signed within three (3) years. Since the project has stalled and the tenants have not been able to occupy the proposed incubator site, this output has not been achieved.

The lessons learned throughout the process of trying to implement the activities, outputs and short-term outcomes is that even the best plan may not come together as you have planned. Disappointment is part of the process and they are to be used as indicators to elements within your project that may need to be further developed or eliminated. Garnering community support is critical to moving a project forward. Involving the community in the planning stages allows the community to feel ownership over the proposed project. Creating the buy-in for the project takes great strategy. Developing a coalition and having the support will create a strong foundation that the project can be implemented and benefit the community.

A community project takes time and includes a number of variables that are to be considered. The goal of any proposed project or program is to be able to provide a service to the community that will enhance their lives for an extended period of time. Is going through this process worth the time? Of course, anytime you are giving the opportunity to level the playing field and enhance the lives our community residents you should embrace it.

CONCLUSIONS AND RECOMMENDATIONS

Rebuilding a community requires more than new buildings and businesses.

Rebuilding a community is about providing the residents with the necessary tools to improve their lives. It has to be approached from many angles in order to be effective. Creating sustainable businesses is critical to set the wheels of revitalization in motion.

Prospects of Attaining Intermediate and Long-Term Outcomes

The short-term goals implemented in the Frederiksted Cultural Incubator will set the foundation for building the revitalization of Frederiksted. The short-term goals are to increase the use of existing services, increase the interest in opening a business in Frederiksted and provide education outlets to attend small business seminars.

Entrepreneurs can find assistance through several agencies that provide financing, seminars and space rental, but linking the entrepreneurs to these vital services is what will make a difference in them being able to make their businesses sustainable. By implementing these short-term goals, it sets the ground work for the attainment of the intermediate and long-term goals.

The attainment of the intermediate will be the next step of revitalization the historic town of Frederiksted and create an economic resurgence in the town. The intermediate goals are to create culturally sustainable businesses, creation of businesses that possess solid business plans for growth, rehabilitate abandoned or dilapidated buildings and to increase residential occupancy. If services continue to be fragmented it is hard for the entrepreneurs to access and know which program or services will truly

benefit their needs. It has been noted that the entrepreneurs feel that they are being turned around in circles and giving wrong information. This causes hopelessness and it takes them twice as long to receive all the pieces to make the puzzle of entrepreneurship work.

The long-term goals are to provide economic stability through sustainable businesses, increase the employment opportunities for area residents, preservation of the history and culture of the Virgin Islands and revitalize the town to being vibrant with families and businesses. Although the project has not progressed as projected, it will be implemented within the near future. The project seeks to bring back that vibrancy that the town of Frederiksted once possessed. In order for the incubator to be viable it needs to encompass helping area residents find meaningful employment opportunities and creating more residential options. As a business opens they will provide employment to area residents. Building owners will start to rehabilitate abandoned or neglected buildings to provide more residential or commercial rental opportunities. The historic towns are mixed-use communities, with buildings being used for residential and commercial purposes, which led to a vibrant community filled with residents and businesses.

Financing and available capital to implement the incubator is scarce. The Enterprise Zone Commission (EZC) has created partnerships with several agencies that will provide in-kind services to the incubator. The financing that is needed will cover the cost of marketing services, prepared materials for the entrepreneurs (books, seminar materials) and advertising. Currently, VIEDA are seeking financing options that will

include the Frederiksted Cultural Incubator as a satellite site for their program. If financing is awarded within the next few months the Frederiksted incubator could be operational by January 2013.

Personal Thoughts

The Frederiksted Cultural Incubator has been a project of interest for me for the past four years. It started out as a Youth Entrepreneurship Program and has morphed into the Frederiksted Cultural Business Incubator. The experience of working to see this project come to fruition has been a difficult road, but it has allowed me the opportunity to assess various outcomes, outputs and conclusions to make the project beneficial to the community.

Assessing your leadership and management abilities is a critical component to pushing your project forward. At times when interacting with the community you will use your leadership abilities to share the vision of the program and the proposed outcomes. Interacting with your board of directors, it is required to utilize your management skills to accurately explain the necessary steps to attain the outcomes and provide examples of how the outcomes would be measured, evaluated and how this information can be used later.

A CED practitioner is an advocate for the community and becoming a CED practitioner means that you are part of the community and the community is a part of you. One person cannot change the community on their own. They will be others that you will have to call on to achieve the goals of moving the community forward.

Partnerships are important for any CED practitioner or economic development agency. Funding sources are becoming scarce and partnerships helps to bridge the gap between what you have and need to implement the project. This practice will help you to know what needs to be said or done for others to buy-in to the vision. Listening to the community and their needs will prove to be beneficial to tailoring any project to fit the community.

A personal revelation helps to improve on the skills that you already possess. Going through a project there will be items within the project that will challenge everything that you know to be true, but how those challenges are dealt with will determine the success of your proposed projects.

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APPENDIX

Monitoring Reports

Student's Name: Cusa Holloway

Title of Project: Frederiksted Cultural Business Incubator

MONITORING REPORT FOR THE MONTH OF: January 2012

ACTIVITIES	DATES	STATUS	TIMELINESS	EXPLANATION, IF DELAYED	ALTERNATIVE ACTION, IF DELAYED	ATTAINMENT OF OUTPUT
Marketing of Initial Fair	Start:03/05/2012 End:03/16/2012	None	Delayed	No funding has been acquired as yet and the incubator may be included into a bigger project.	Refocusing our efforts to assist existing small businesses with financing	OUTPUT 1: 20 culturally based businesses to be set up within the first 3 years of incubator program Target: To date:
Business Fair or Seminar (to attract the potential entrepreneurs)	Start:03/20/2012 End:03/20/2012	None	Delayed	Lack of funding	Identify other ways that we can assist business owners through existing services.	
Creation of Business Plan	Start:04/02/2012 End:04/27/2012	None	Delayed	Lack of funding		

Prepare loan/grant packages	Start:05/01/2012 End:05/31/2012	None	Delayed	Lack of funding	Assist existing businesses with the loan process of other agencies.	OUTPUT 2: 30% Increase in the use of existing services that will provide ongoing mentoring and technical assistance to the new businesses:
Business Seminars (bi-weekly)	Start:04/02/2012 End:04/01/2013	None	Delayed	Lack of funding	Assist other agencies with their marketing efforts and utilize existing seminars.	:

ACTIVITIES	DATES	STATUS	TIMELINESS	EXPLANATION, IF DELAYED	ALTERNATIVE ACTION, IF DELAYED	ATTAINMENT OF OUTPUT
Build out of leased storefront	Start:06/04/2012 End:07/14/2012	None	Delayed	The building may not be used as projected due to political overtones in the community. Owner of the	Approach other building owners that may be able to partner with us to provide a workable space for	OUTPUT 3: 20 MOU to be signed for access to affordable space

				building very outspoken.	the incubator.	for lease.
Business Move in	Start:06/30/2012 End:07/30/2012	None	Delayed	Lack of funding		Target: To date:
Creation of virtual mall	Start:09/01/2012 End:09/30/2012	None	Delayed	Due to the lack of funding and support from our agency still item is undone.	Partner with existing businesses to create a virtual mall.	
Marketing of Incubator/Grand Opening	Start:08/01/2012 End:08/30/2012	None	Delayed	Lack of funding.		

Student's Name: Cusa Holloway
 Title of Project: Frederiksted Cultural Business Incubator
 MONITORING REPORT FOR THE MONTH OF: February 2012

ACTIVITIES	DATES	STATUS	TIMELINESS	EXPLANATION, IF DELAYED	ALTERNATIVE ACTION, IF DELAYED	ATTAINMENT OF OUTPUT
Marketing of Initial Fair	Start:03/05/2012 End:03/16/2012	None	Delayed	No funding has been acquired as yet and the incubator may be included into a bigger project.	Refocusing our efforts to assist existing small businesses with financing	OUTPUT 1: 20 culturally based businesses to be set up within the first 3 years of incubator program Target: To date:
Business Fair or Seminar (to attract the potential entrepreneurs)	Start:03/20/2012 End:03/20/2012	None	Delayed	Lack of funding	Identify other ways that we can assist business owners through existing services.	
Creation of Business Plan	Start:04/02/2012 End:04/27/2012	None	Delayed	Lack of funding		
Prepare loan/grant	Start:05/01/2012	None	On time		We have identified a program	

packages	End:05/31/2012				that has available funding for renewable and energy efficiency upgrades for small businesses. We will assist the businesses with the loan/grant applications	Increase in the use of existing services that will provide ongoing mentoring and technical assistance to the new businesses:
Business Seminars (bi-weekly)	Start:04/02/2012 End:04/01/2013	None	Delayed	Lack of funding	Assist other agencies with their marketing efforts and utilize existing seminars.	:

ACTIVITIES	DATES	STATUS	TIMELINESS	EXPLANATION, IF DELAYED	ALTERNATIVE ACTION, IF DELAYED	ATTAINMENT OF OUTPUT
Build out of leased store front	Start:06/04/2012 End:07/14/2012	None	Delayed	The building may not be used as projected due to political overtones in the community.	Approach other building owners that may be able to partner with us to provide a workable	OUTPUT 3: 20 MOU to be signed for access to affordabl

				Owner of the building very outspoken.	space for the incubator.	e space for lease.
Business Move in	Start:06/30/2012 End:07/30/2012	None	Delayed	Lack of funding		Target: To date:
Creation of virtual mall	Start:09/01/2012 End:09/30/2012	None	Delayed	Due to the lack of funding and support from our agency still item is undone.	Partner with existing businesses to create a virtual mall.	
Marketing of Incubator/Grand Opening	Start:08/01/2012 End:08/30/2012	None	Delayed	Lack of funding.		

****Had meetings this week with USDA Rural Development Program in regards to their Renewable and Energy Efficiency Programs for small businesses. The meeting was a success and I have identified four (4) businesses that can utilize the funding. USDA is excited about the partnership, since they need to get the available funding to the small businesses. Our role will be to assist the identified businesses with filling out the forms and meeting all federal requirements to be approved for the loans/grants available. The available funding to existing small businesses will be able to reduce their energy consumption and with the extra savings each month continue to stay in business. The economic climate is on a downward slope in the Virgin Islands and we are trying to preserve the existing business as to not lose our entire business sector.**

Student's Name: Cusa Holloway
 Title of Project: Frederiksted Cultural Business Incubator
 MONITORING REPORT FOR THE MONTH OF: February 2012

ACTIVITIES	DATES	STATUS	TIMELINESS	EXPLANATION, IF DELAYED	ALTERNATIVE ACTION, IF DELAYED	ATTAINMENT OF OUTPUT
Marketing of Initial Fair	Start:03/05/2012 End:03/16/2012	None	Delayed	No funding has been acquired as yet and the incubator may be included into a bigger project.	Refocusing our efforts to assist existing small businesses with financing	OUTPUT 1: 20 culturally based businesses to be set up within the first 3 years of incubator program
Business Fair or Seminar (to attract the potential entrepreneurs)	Start:03/20/2012 End:03/20/2012	None	Delayed	Lack of funding	Identify other ways that we can assist business owners through existing services.	Target: To date:
Creation of Business Plan	Start:04/02/2012 End:04/27/2012	None	Delayed	Lack of funding		
Prepare loan/grant	Start:05/01/2012	None	On time		Packages have been distributed	OUTPUT 2: 30%

packages	End:05/31/2012				to the applicable (3) businesses and are being worked on. This week I will set-up meetings to monitor the progress of the applications .	Increase in the use of existing services that will provide ongoing mentoring and technical assistance to the new businesses:
Business Seminars (bi-weekly)	Start:04/02/2012 End:04/01/2013	None	Delayed	Lack of funding	Assist other agencies with their marketing efforts and utilize existing seminars.	:

ACTIVITIES	DATES	STATUS	TIMELINESS	EXPLANATION, IF DELAYED	ALTERNATIVE ACTION, IF DELAYED	ATTAINMENT OF OUTPUT
Build out of leased storefront	Start:06/04/2012 End:07/14/2012	None	Delayed	The building may not be used as projected due to political overtones in the community. Owner of the	Approach other building owners that may be able to partner with us to provide a workable space for	OUTPUT 3: 20 MOU to be signed for access to affordable space

				building very outspoken.	the incubator.	for lease.
Business Move in	Start:06/30/2012 End:07/30/2012	None	Delayed	Lack of funding		Target: To date:
Creation of virtual mall	Start:09/01/2012 End:09/30/2012	None	Delayed	Due to the lack of funding and support from our agency still item is undone.	Partner with existing businesses to create a virtual mall.	
Marketing of Incubator/Grand Opening	Start:08/01/2012 End:08/30/2012	None	Delayed	Lack of funding.		

****Met with the three (3) small business owners and gave them the application packet and the supporting materials to fill out the applications. I have meetings set-up during this week to check the progress of the applications.**

Student's Name: Cusa Holloway
 Title of Project: Frederiksted Cultural Business Incubator
 MONITORING REPORT FOR THE MONTH OF: February 2012

ACTIVITIES	DATES	STATUS	TIMELINESS	EXPLANATION, IF DELAYED	ALTERNATIVE ACTION, IF DELAYED	ATTAINMENT OF OUTPUT
Marketing of Initial Fair	Start:03/05/2012 End:03/16/2012	None	Delayed	No funding has been acquired as yet and the incubator may be included into a bigger project.	Refocusing our efforts to assist existing small businesses with financing	OUTPUT 1: 20 culturally based businesses to be set up within the first 3 years of incubator program Target: To date:
Business Fair or Seminar (to attract the potential entrepreneurs)	Start:03/20/2012 End:03/20/2012	None	Delayed	Lack of funding	Identify other ways that we can assist business owners through existing services.	
Creation of Business Plan	Start:04/02/2012 End:04/27/2012	None	Delayed	Lack of funding		
Prepare loan/grant	Start:05/01/2012	None	On time		Prior to the loan/grant packages	

packages	End:05/31/2012				being submitted an energy assessment has to accompany the application. I have asked our local Energy office to assist in this matter and they have agreed. This will allow the businesses to save money, since the assessments will be performed free of charge.	Increase in the use of existing services that will provide ongoing mentoring and technical assistance to the new businesses:
Business Seminars (bi-weekly)	Start:04/02/2012 End:04/01/2013	None	Delayed	Lack of funding	Assist other agencies with their marketing efforts and utilize existing seminars.	

ACTIVITIES	DATES	STATUSES	TIMELI-	EXPLANATION, IF	ALTERNATIVE ACTION, IF	ATTAINMENT
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			NESS	DELAYED	DELAYED	OF OUTPUT
Build out of leased store front	Start:06/04/2012 End:07/14/2012	None	Delayed	The building may not be used as projected due to political overtones in the community. Owner of the building very outspoken.	Approach other building owners that may be able to partner with us to provide a workable space for the incubator.	OUTPUT 3: 20 MOU to be signed for access to affordable space for lease.
Business Move in	Start:06/30/2012 End:07/30/2012	None	Delayed	Lack of funding		Target: To date:
Creation of virtual mall	Start:09/01/2012 End:09/30/2012	None	Delayed	Due to the lack of funding and support from our agency still item is undone.	Partner with existing businesses to create a virtual mall.	
Marketing of Incubator/Grand Opening	Start:08/01/2012 End:08/30/2012	None	Delayed	Lack of funding.		

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****Energy assessments will be performed and follow-up meetings with participants next week.
I have another business who is interested in the program.**

Student's Name: Cusa Holloway

Title of Project: Frederiksted Cultural Business Incubator

MONITORING REPORT FOR THE MONTH OF: March 2012

ACTIVITIES	DATES	STATUS	TIMELINESS	EXPLANATION, IF DELAYED	ALTERNATIVE ACTION, IF DELAYED	ATTAINMENT OF OUTPUT
Marketing of Initial Fair	Start:06/05/2012 End:06/16/2012	None	Delayed	No funding has been acquired as yet and the incubator may be included into a bigger project.	Refocusing our efforts to assist existing small businesses with financing	OUTPUT 1: 20 culturally based businesses to be set up within the first 3 years of incubator program Target: To date:
Business Fair or Seminar (to attract the potential entrepreneurs)	Start:06/20/2012 End:06/20/2012	None	Delayed	Lack of funding	Identify other ways that we can assist business owners through existing services.	
Creation of Business Plan	Start:07/02/2012 End:07/27/2012	None	Delayed	Lack of funding		
Prepare loan/grant	Start:07/30/2012	None	On time		Identified business will not	

packages	End:08/31/2012				participate as planned	Increase in the use of existing services that will provide ongoing mentoring and technical assistance to the new businesses:
Business Seminars (bi-weekly)	Start:07/02/2012 End:07/05/2013	None	Delayed	Lack of funding	Assist other agencies with their marketing efforts and utilize existing seminars.	:

ACTIVITIES	DATES	STATUS	TIMELINESS	EXPLANATION, IF DELAYED	ALTERNATIVE ACTION, IF DELAYED	ATTAINMENT OF OUTPUT
Build out of leased storefront	Start:09/04/2012 End:09/28/2012	None	Delayed	The building may not be used as projected due to political overtones in the community. Owner of the building very outspoken.	Approach other building owners that may be able to partner with us to provide a workable space for the incubator.	OUTPUT 3: 20 MOU to be signed for access to affordable space for lease.
Business Move in	Start:09/30/2012	None	Delayed	Lack of funding		Target:

	End:10/30/2012					To date:
Creation of virtual mall	Start:11/05/2012 End:11/30/2012	None	Delayed	Due to the lack of funding and support from our agency still item is undone.	Partner with existing businesses to create a virtual mall.	
Marketing of Incubator/Grand Opening	Start:11/01/2012 End:12/30/2012	None	Delayed	Lack of funding.		

****Out of the five applications that was handed out or e-mail applications, only one applicant may actually make the USDA program deadline. The businesses were faced with difficulties that range from personal issues to the high cost of electricity.**