



# ANNUAL REPORT 2023

## HEAIC

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985 N. Box Elder St.

Hildale, UT 84784



# SUMMARY

## Budget Highlights

Category	Budget	2023	2024
Water Service	\$119,261	\$77,420	\$41,841
Meter	\$15,000	\$0	\$15,000
Road Access	\$40,000	\$0	\$40,000
Stabilize Bank	\$50,000	\$0	\$50,000
Rofin Laser	\$50,000	\$50,000	\$0
3D Printing	\$70,000	\$239	\$69,761
Exterior	\$29,800	\$540	\$29,260
Programs	\$20,000	\$12,290	\$9,695
Materials	\$5,000	\$0	\$5,000
Salary	\$90,000	\$59,375	\$86,539
Total	\$389,061	\$199,882	\$347,096

## 2024 Calendar

Start a Business Classes - Jan 2,9,16,23,  
May 2,9,16,23 and Sept 11,18,25,Oct 2  
Women's Business Conference - March 22  
UZONA Chamber Business Expo - April  
Condor Track Construction - May  
Greater Zion Destination Grant - June  
Rural Opportunity Grant - Sept / Nov,  
NICA Competition Event - Oct.

## Watch For:

Monthly webinars on marketing  
Makerspace by appoint with open lab days

*"Innovation is the ability to see change as an opportunity, not a threat" ~ Steve Jobs*

# PROGRAM PROGRESS

The principal objective of the Hildale Economic Advancement and Innovation Center (HEAIC) is to increase revenue for local businesses and employment opportunities for residents. The traditional model for a facility-based “innovation center” started in the 1950’s when cities began to repurpose older buildings not in use. There are two general types of innovation centers, incubators and accelerators.

The idea behind facility incubation is that new ventures can receive product design services, customer segment evaluation, marketing expertise, prototyping, and funding. Accelerators, on the other hand, focus on existing businesses growth and training. Because Hildale has a tourism driven economy, a tourism Welcome center is also included. This center and its program is possible because of funds receive from the Rural Communities Opportunity Grant (RCOG) for the purpose of:

- 1) Hiring an innovation coordinator
- 2) Upgrading the 5 acre area and renovate the existing building at 985 N Box Elder St.
- 3) Purchasing Innovative Equipment

## 2023 Budget Summary

The funds received from the initial Rural Communities Opportunity Grant was receive March 2023 and was utilized in the following ways:

- Water Service / Fire Hydrants Upgrade: (Budget -\$119,261) - to include labor, piping, valves and fire hydrants required to bring the building compliant with fire code.
- Meter & Installation: (\$15,000) This cost reflects the installation of the upgraded meter and piping to the building specifically, and it does include labor.
- Road Access & Parking: (\$40,000)\* This cost includes road base and grading for the driveway and parking areas. (\$23,812 - matching) will go towards providing in-kind services for Road Access and Parking Lot materials and labor.
- Flood Control & Bank Stabilization: (\$50,000.00) This cost includes a grading wall for flood control and bank stabilization next to the HEAIC.
- Exterior Renovations: (\$29,800)

This cost includes upgraded siding with ice and water shielding, rain gutters, and outdoor watering system

- Rofin Laser: \$(50,000) Cost for the purchase and delivery of equipment.
- ProJet 2500 Plus 3D Printer: (\$70,000) Cost for the purchase, delivery, training, and equipment setup.
- Tourism Media & Materials: (\$15,000) Toward the creation and distribution of tourism materials.
- Innovation Coordinator: (\$90,000) Toward the hiring of a managers to include salary and benefits.
- Contract Staffing & Programming: (\$20,000) Toward the creation and distribution of tourism materials.
- Programming Materials: (\$5,000) primarily be print and digital media to accompany programming and support.

## Goals

The initial goals for the project, outlined in the grant are as follows:

1. To increase wages by 5%
2. To increase tourism by 5%
3. Identify or cultivate one manufacturer that can employ at least 10 people

## 2023 Program Highlights

Since April 2023, the innovation coordinator has been meeting with patrons one-on-one and in groups to accomplish program goals with new businesses as a primary focus.

- Startup businesses make up one percent of total employment but contribute to 90 percent of employment growth.

We have partnered with the Utah Tech Zions Bank Business Resource Center. Wyatt Anderson has facilitated a series of startup classes that have yielded immediate results.

During the class they refined their ideas and market. Utah Tech provided additional help through Wyatt to help them establish and LLC and an intern created a logo for them. The 2023 startup program participation include:

Inquiries	One-On-One Meetings	Group Participants	Graduated Companies
42	8	22	2

One program goal is to increase wages. Wages increased 2.7% year over year from 2020 to 2021. A 5% increase in wages will increase by adding new jobs through starting new businesses, but also by changing the business mix.

- The key population of full-time working adults aged 18-64, who reside in Hildale, is 1,541 as of 2021Q4. The total participation rate for Hildale City was 49%. Utah participation is 68%. This could be attributed to people working informally.
- The average worker in the City of Hildale, UT earned annual wages of \$41,331. For comparison, the annual average wages were \$65,055 in the nation.
- The largest business sector in the City of Hildale is Construction, employing 269 workers. The next-largest sectors in the region is Manufacturing (142 workers)

As overall jobs increase, we will see manufacturing and construction jobs increase in greater proportions because these are the largest segments of our economy. This organic growth will bring us closer to the National and Utah wage averages.

The other stated goal is to incubate or recruit one new manufacturing business with at least 10 new jobs. This would change the business mix and make manufacturing a larger segment of our local economy. In 2023, the HEAIC has responded to two RFI's from companies outside the state who are interested in relocating. We have also partnered with the Suazo Business Center and had two companies visit the

Another way to increase wages is through employee training. As an employee skills up, they are more in line to receive promotions and additional responsibilities at work. The Mojave Community College (MCC) has been a great partner on an attempt to increase employee training.

The innovation center coordinator is now affiliated with the College and is on schedule to teach basic leadership and team building. The College is interested and has the resources to market workforce programs. The HEAIC can assist businesses in receiving discounts from

the “Arizona at Work” program via MCC. Utah’s “Custom Fit” program is accessed through Southwest Tech and Dixie Tech, who are also partners of the HEAIC and can help facilitate up to 40% discounts to businesses for employee training.

Another stated goal we have is to increase tourism. We are developing a Welcome Center which will allow tourists to stop and learn about Greater Zion from educated staff. This will help them learn about self-guided activities and tours of the area. In addition to this grant, we have applied for two different Federal EDA Tourism Grants and have received preliminary approval that we will be awarded \$75,000. This would aid our purchasing of signage branding for the center and help us build a competitive mountain bike course for the Condors to practice on and host races. It is anticipated that 10,000 will visit for this race each fall. Held a tour for representatives from the Greater Zion Tourism Center to receive feedback on building our center, as well as a tour of Maxwell Park. There is an opportunity to receive at least \$30,000 in additional funding from the County from the transient room tax (TRT).

## Phase Two Plans

Phase two of our grant funded year would begin in April 2024, with a lengthening of our current programs to provide networking opportunities and collaboration among entrepreneurs, building a tourism program, enhancing our workforce training, and build mentoring relationships.

- Nationally, there were 300 new businesses started for every 100,000 employed people who did not already own a business.
- At any given time, about seven percent of the working age population in the United States is considering forming a business.

The HEAIC will participate in RARE assessment. When an accurate number of adult aged residents has been established, we can then determine what a reasonable benchmark will be for our programs. Until then, our goals will be based on numbers recommended by the EDC Utah Innovation Collaborative, with the HEAIC is a member of. Our goals for 2024 will be as follows:

Inquiries	One-On-One Meetings	Group Participants	Graduated Companies
80	12	50	5

## 2024 Program Activities

We will continue to provide a collaborative community for businesses of all stages. When innovation centers are effective, it is because they create a community of self-support, sharing their knowledge and experience with their peers. They can be a source of emotional support for those struggling to overcome challenges in their business, or to balance life and work. This will increase chances of interactions that lead to new ideas and collaborations. The core services provided will be business planning, introductory courses, short term office space, individualized coaching and mentoring, and partner referrals.

In addition to the core services, there will be umbrella tenants who can be called upon to provide technical assistance to businesses. These providers offer discounted rates to incubator clients in lieu of a discounted lease. These providers benefit from their involvement with the incubator in that they may gain access to clients and they may foster a positive community image through their participation. They may also be sponsors of events or resources. We have a waiting list of companies seeking office space, including While Your In Town and UZONA Chamber, and Short Creek Radio.

In 2024 we will launch our maker-space, which will include the large industrial laser cutter / engraver. We have purchased a desktop laser cutter and have received two 3D printers as donations. One aspect of innovation centers is the concept of collaborative consumption. This is the use of expensive, but infrequently used equipment that can be purchased and shared jointly. We have worked out an agreement with Utah's AmeriCorp stem program to provide over the shoulder instruction to our users.

After innovation centers are built, it is typical to transition the programs to a non-profit organization directly supported by a funding source. The 5-acre property and building are owned by the city and in this scenario, would be the landlord to the non-profit tenant. An organization independent of the City can have greater flexibility in raising funds and can act quickly with fewer restrictions on the activities in which it may engage. One part of the HEAIC

building and a large part of the grounds will be used for a tourism center. A tourism program can be better managed by Hildale City staff and can be funded by a direct annual request to the county. Retail space could also be incorporated into the master plan which would provide direct revenue to the city.