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**Youth Resource Center**

**Project Proposal & Budget**

1. Overview

Mission

To provide the youth of Gulu with the education and tools necessary to be creative, innovative, and successful in a developing world.

Vision

Our vision is to create a community of educated, creative, and innovative youths by providing a safe environment to develop skills through workshops and classes in language, technology, and the arts. By combining technological and English skills with creativity and artistic expression, we aim to encourage enlightened, inspired and motivated attitudes. We hope that this combination of technical tools and innovative mindsets will empower our students to help not only themselves, but their communities and countries, for years to come.

How We Got Here

Ella and Jamie were working in Gulu in July 2015 when we noticed a lack of supplemental education resources for children. We teamed up with Kevin Okumu, one of our local colleagues, to meet this need. After research and discussion, we came up with the idea for Hope Center Uganda, a safe space for children to learn outside of school hours. We bought the land that will eventually be the home of the Center and are currently growing crops on it for an additional revenue stream.

Where We’re Going

Our current program gives bi-weekly classes to 62 children to grow our credibility within the community and make our proposal more attractive to donors and grant-providers. We started this as a pilot program in January 2016. We plan to grow and offer more classes and reach more children over the next 18 months, and once we have earned the trust of the community, and raised funds for the youth center, we can begin construction.

The center is our long-term goal and will be a safe space where kids and young adults can learn and create. Our venture has enormous potential to be scaled and replicated across Africa, and this is our ultimate goal. We believe that all children deserve access to education in technology and the arts; furthermore, teaching these skills alongside English and literacy means that those children will be able to share what they have learned with their community, country, and world.

Sustainability

Hope Center Uganda was specifically designed to fit a sustainable business model. After our first year of operations, we plan to be self-sustaining thanks to enrollment fees, donations, and revenue from the Hope Center Wifi Café, which will be located on-campus at the center and open during the day. We planned this center with the community in mind and by using a sustainable model can ensure we can help Gulu’s youth indefinitely.

1. Market Analysis: Youth Center

Market Needs

Gulu is a unique environment in its needs for development because of the way its growth was stunted by the prominence of rebel groups and civil war in Northern Uganda from 1987-1994. The city was burned to the ground and an alarmingly high percentage of inhabitants were killed or kidnapped to fight for Kony and the Lord’s Resistance Army. This had lasting negative impacts on the town of Gulu both from an economic and social perspective.

Before the civil war, Gulu had been the economic epicentre of Northern Uganda, and was on track to be as productive as tourist destinations like Jinja or the capital city, Kampala. The social impact on Gulu has been just as bad, if not worse, than the stunted economic growth of the town. The hundreds of children kidnapped by the LRA and Kony have returned to their hometown burdened with grief and serious cases of PTSD. Many women who were kidnapped during this time period are unable to find husbands upon their return because they were raped during the war and society cannot overcome the stigma of impurity that surrounds this issue.

Because of these circumstances, there are a lot of psychiatric and adult-centered resources available, since the older demographic in the area was most startlingly affected by the war. However, there is much untapped potential for growth in the market, the most noticeable shortage of resources being in extra-curricular education and educational support for children. The resources that do exist are often foreign-run and unsustainable projects like unfinished schools or the original Gulu Youth Center.

Hope Center Uganda is faced with the exciting opportunity to be Gulu’s first youth resource center. By establishing ourselves carefully and sustainably, we will receive first-mover advantages and will continue to flourish along with Gulu’s growth, and at a larger scale, with that of Uganda and Africa as a whole. Of the 365,000 inhabitants in the Gulu region, almost all of the children would be excited about the opportunity to learn due to the nationwide average student-teacher ratio of 48:1.



Market Trends

**Large Scale**

Africa is the fastest-growing continent in the world. The majority of the African population is young, and this trend is expected to continue as shown in the above graph. Uganda is one of the world’s youngest nations with 78% of the population under 30 [according to the UN Population Fund](http://uganda.unfpa.org/). Uganda’s labor force is growing at more than 4% per year, which means 10 million people are expected to be added to the workforce by 2020. We want to provide this ever-growing workforce with the technological skills and innovative mindsets that can spearhead innovation in Africa’s quickly growing population.

**Small Scale**

Gulu has received help in adult resources in the years since the civil war, but there have been no trends impacting children’s resources.

A market survey was conducted in June 2016 through focus groups and interviews with parents of the children enrolled in HCU garnered the following results:

* 10/30 mothers, when asked how we could improve HCU, suggested that we start charging for classes so that HCU could grow
	+ Those who said they would pay: 9/10 Said 1.50$ per semester, 1/10 said 2.5$ per semester.
* 27/30 mothers’ biggest concern was HCU having its own site
* 25/30 mothers noted a difference in their children’s educational attitude after enrollment in HCU

Target Segments

**Children**

The children between the ages of 8 and 18 who are dedicated towards excelling in school and extracurricular activities, and are part of families who see the value in education and are willing to pay their children’s fees. The center will target children within walking distance of the site- in Gulu’s case, reaching around 1,260 children from nearby Kasubi Central Primary School and Kasubi Army Secondary School.

**Parents**

Because children will be under the age of 18 and most likely living at home, HCU realizes that the parents of the children will generally be the deciding factor on whether or not their children can participate in the program. HCU will target families who value education for their children and have the funds to invest in their children’s future. The parents’ will range in age from 16 to 60, probably be employed in some way, and will be committed to encouraging their child to excel to the best of their ability.

Positioning

Firstly, Hope Center Uganda is unique because it is the only organization offering extracurricular activities and care for children in the Gulu area. Secondly,it is a community-based, community-lead organization even though start-up funding will likely be foreign.

**Youth-oriented**

In Gulu, there is nowhere that offers a safe space where children can learn either technology, language, or arts skills. While there are organizations delivering similar activities, such as computer skills, to the adults of Gulu, there are no programs targeting children or teenagers. That means we will be the only organization in the area providing this opportunity.

**Community-based**

Our organization is particularly well-qualified to deliver these services because we have worked hand-in-hand with locals to devise a locally-run solution, built specifically to meet the needs of the community. Many foreigners have come to Gulu and started schools and other foreign-run projects, but they are usually unsustainable because they lack sufficient involvement and employment of the local community. By recognizing and understanding this common failure, we are making sure to include locals in all areas of our project, giving us a unique edge and higher likelihood of success and sustainability. We also plan to employ locals at all levels of the organization which differentiates us from typical foreign-started schools.

1. Financials

Budget: Construction of Resource Center

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| --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |
|  |  |
| **DETAILS** | **UNIT** | **QUANTITY** | **RATE** | **AMOUNT** | ***In USD*** |  |
|  **Building Materials** |   |   |   |   |   |  |
| Cement | bags | 200 | 33,000 | 6,600,000 | 1,883 |  |
| Setting rope | roll | 2 | 10,000 | 20,000 | 6 |  |
| Nail (assorted) | kg | 20 | 4,000 | 80,000 | 22 |  |
| Bumboo | bundle | 4 | 5,000 | 20,000 | 6 |  |
| Pit sand | trip | 8 | 40,000 | 320,000 | 89 |  |
| River sand | trip | 2 | 50,000 | 100,000 | 28 |  |
| Bricks | trip | 8 | 180,000 | 1,440,000 | 400 |  |
| Offloading bricks | trip | 8 | 10,000 | 80,000 | 22 |  |
| Aggregates | trip | 4 | 250,000 | 1,000,000 | 278 |  |
| Hard core | trip | 3 | 50,000 | 150,000 | 42 |  |
| Timber 12 X1 | piece | 25 | 12,000 | 300,000 | 83 |  |
| timber 4 X2 | piece | 1 | 18,000 | 18,000 | 5 |  |
| hoop iron | roll | 5 | 38,000 | 190,000 | 53 |  |
| binding wire | roll | 1 | 120,000 | 120,000 | 33 |  |
| Twisted bars | no | 20 | 25,000 | 500,000 | 139 |  |
| Round bars | no | 14 | 14,000 | 196,000 | 54 |  |
| DPC | roll | 3 | 10,000 | 30,000 | 8 |  |
| Doors & Windows including frames |   |   |   | 2,500,000 | 694 |  |
| **MATERIALS SUBTOTAL** |  |  |  | **13,664,000** | **3,845** |  |
| **Roofing Material** |   |   |   |  |   |  |
| 3X2'' | no | 80 | 7,000 | 560,000 | 156 |  |
| Wall plate 4X3'' | no | 100 | 14,000 | 1,400,000 | 389 |  |
| Purlins 4X2'' | no | 30 | 8,000 | 240,000 | 67 |  |
| Rafters 6X2'' | no | 52 | 18,000 | 936,000 | 260 |  |
| Tie beams 6X2'' | no | 16 | 18,000 | 288,000 | 80 |  |
| Facia board 9X1'' | no | 16 | 18,000 | 288,000 | 80 |  |
| Iron Sheets gauge 28 | no | 40 | 44,000 | 1,760,000 | 489 |  |
| Ridges |   | 18 | 15,000 | 270,000 | 75 |  |
| **ROOFING SUBTOTAL** |   |   |   | **5,742,000** | **1,596** |  |
| **TOILETS** |  |  |  | **3,406,640** | **1,000** |  |
| **TRANSPORTATION** |   |   |   | **2,000,000** | **556** |  |
| **Food items** |   |   |   |   |   |  |
| Posho | bag | 50kg | 135,000 | 135,000 | 38 |  |
| Beans | kg | 50 | 2,500 | 125,000 | 35 |  |
| Cooking oil | litre | 5 | 6,000 | 30,000 | 8 |  |
| Onion | kg | 10 | 3,000 | 30,000 | 8 |  |
| firewood | lumsum | 1 | 100,000 | 100,000 | 28 |  |
| **FEEDING SUBTOTAL** |   |   |   | **420,000** | **117** |  |
| **Misc.** |   |   |   |  |   |  |
| Ground levelling | Clearance | 2 | 1,900,000 | 3,800,000 | 1,056 |  |
| Labour |   |   | 3,000,000 | 3,000,000 | 833 |  |
| **MISC. SUBTOTAL** |   |   |   | 6,800,000 | **1,889** |  |
| Contingency/Inflation | 5% |   |   | 1,431,400 | 400 |  |
| Solar Panels |  |  |  |  | 1,000 |  |
| Furniture |  |  |  |  | 1,000 |  |
| Classroom materials |  |  |  |  | 3,000 |  |
| Painting |  |  |  |  | 1,000 |  |
| **GRAND TOTAL** |  |  |  | **32,032,640** | **15,403** |  |

1. Business Plan: Internet Café

Market Needs

There is a need for a nice wifi café on the northern side of town. This area is near the nicest hotels and houses in Gulu, as well as Gulu University. These upper-class individuals have more money to spend, and have a need for quick, efficient customer service and reliable wifi connection that is largely unmet by other establishments.

There is also a need for a reliable internet cafe that meets Western standards both in quality of internet access, software, and hardware. We would also be able to provide basic instruction during café hours to those who wanted to pay to use our lab. According to the World Bank, [16% of adults](http://data.worldbank.org/indicator/IT.NET.USER.P2) in Uganda are regular internet users. This number has increased exponentially in recent years and will only continue to grow.

Market Trends

The idea of a nice cafe with good wifi is not a new one in Gulu, although it is rarely executed to the quality and standard to which we would hold our business. The ex-pat community and other foreigners living or visiting Gulu frequent the existing cafe’s, but a common theme throughout all of them is the lack of good service, wifi, and oftentimes a lack of good food or ambiance. There is a growing trend among locals to visit the “mzungu” businesses, and a great niche for us could be to offer a place where the students at nearby Gulu University could come to study, creating a melting pot of local and international customers and culture.

There is competition, although none of our competitors offer the same speed and efficiency that we will prioritize. There are around 10 sit-down cafés and restaurants in Gulu, but there are only four that sell Western-style food, have wifi, and also have a nice ambience. Three of these are located in town center. There is only one located on our side of town, within walking distance to most of the more upscale neighborhoods.

Target Segments

Generally we will target anyone in Gulu with extra income who values the ability to connect online and wants a good cup of coffee, nice ambience, and the ability to enjoy all three of these factors while knowing their money is going to support an important cause in the community.

*International Ex-Pats & Tourists*

Our site is conveniently located near Gulu’s favorite tourist hotel, The Bomah, as well as the more western-style houses and suburbs that are home to most local ex-pats. Tourism accounted for 21.5% of Uganda’s total exports and the country received 946,000 foreign tourist arrivals annually, according to a [2010 study](http://www.tradingeconomics.com/uganda/international-tourism-number-of-arrivals-wb-data.html) by Trading Economics.  This market for tourism has a lot of potential in Gulu, since it is near the Murchison Falls game park and safari is Uganda’s largest tourist attraction.

*Locals*

Another target is locals who might have their own laptops but still need to pay for internet access or would enjoy a good cup of coffee and a nice place to sit while doing work or browsing the web on HCU computers. These individuals are connected online and to the Western world, and they see the value in education and are happy to contribute their business to an organization with a good cause that would impact their own community. They are likely twenty years of age or older.  The second group of locals we will target is students at the nearby Gulu University, who want a good environment where they can access the internet and complete their studies.

Positioning

We will offer a unique selling proposition to our selected target segments through our location, our services themselves, and the human interest incentive to give our company business. We want to break the mold of typical Gulu restaurants, which either cater to only locals or only expats, and create a beautiful place of cultural exchange and social education.

*Community interest*

Our profits will go towards classes for the youth of Gulu, a community-centered idea which gives people incentive to spend money here rather than elsewhere. We will foster this growth and education-based brand spirit with student discounts and instruction in using the computers for students at the nearby Gulu University, thus encouraging them to use our services and give us their business. These ideas combined with the showing and selling of local artwork, especially pieces created by our own students, will create a beautiful, artistic ambience and safe space for cultural interchange.

*Location*

Our location is distinctive and gives us a competitive edge in our area. We will be only the second cafe on the residential, newer side of town. An international airport will be built less than half a mile from our site, which will help us with garnering business from visitors, tourists, and wealthier folk who may be looking for a quick sit-down or bite to eat before or after going to the airport.

*High Standards & Vocational Training*

All of our services will be held to a Western standard, from the ambience to the food, but especially concerning the wifi and quick service. Many Gulu institutions cut costs with wifi, but because we’ll need wifi for activities with the kids as well, we will be paying for the best possible wifi option. This in itself will differentiate us amongst customers looking to access the internet.

There are very few computer centers/internet cafes in Gulu and certainly none with a nice cafe atmosphere. We will combine fast wifi with a good ambience, ensuring there is a nice place to sit outside with a garden/playground to further entice customers.

We will hold our waitstaff to the efficient standards of American hospitality service by incentivizing them with good pay. We will aim for high employee retention rates and opportunities to be involved in the Youth Center side of operations as well as the café, or payment plans so parents can work to pay for their child’s enrollment fees. This will serve as an adult **vocational training** opportunity, teaching locals the ins and outs of the restaurant industry at the highest standards of efficiency and politeness.

Revenue, Costs, Budget: HCU Café

|  |  |  |  |
| --- | --- | --- | --- |
| **Yearly Café Revenue** | **2018** |   |   |
|  | Item | Qty | Revenue |
|   | Coffee | 3600 | $4,824 |
|   | Fruit | 5400 | $4,860 |
|   | Bread | 7200 | $1,440 |
|   | Eggs | 5400 | $3,240 |
| **CAFÉ TOTAL REV** |   |   | **$14,364** |
| Profit towards HCU center |   |   | $6,342 |

|  |  |  |  |
| --- | --- | --- | --- |
| **Yearly Café Costs** |  |   |   |
|  | Item | Qty | Cost |
|   | Employees | 1 | $2,400 |
|   | Coffee | 3600 | $1,080 |
|   | Fruit | 5400 | $2,106 |
|   | Bread servings  | 7200 | $720 |
|   | Eggs | 5400 | $756 |
|   | Contingency |   | $960 |
| **CAFÉ TOTAL**  |   |   | **$8,022** |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Breakdown of Cafe Costs 2018** |   |   |   |   |   |   |   |
| 25hr/wk | Item | #/day | #/month | #/yr | Cost/day | Cost/month | Cost/year |
|   | Employees | 1 | 1 | 1 | $3.23 | $200 | $2,400 |
|   | Coffee | 10 | 300 | 3600 | $3 | $90 | $1,080 |
|   | Serving of fruit | 15 | 450 | 5400 | $6 | $176 | $2,106 |
|   | Bread servings  | 20 | 600 | 7200 | $2 | $60 | $720 |
|   | Eggs | 15 | 450 | 5400 | $2 | $63 | $756 |
| Estimated Total |   | 61 | 1801 | 21601 | 16.18 | $589 | $7,062 |
| Contingency |   |   |   |   | 2.6 | $80 | $960 |
| **Monthly Café Total:** |   | 61 | 1801 | 21601 | 18.78 | $669 | **$8,022** |