



**Division of
Science, Technology
& Innovation**

NYS Business Incubator and Innovation Hot Spot Program

2016 Consolidated Funding Application (CFA) Presentation

A Division of Empire State Development

7/27/2016

Program Goals

- \$2.5 million available for 2016-2017 for 10 new NYS Business Incubators and 5 new NYS Innovation Hot Spots.
- Improve the quality and quantity of incubator services provided to young companies thereby enabling these businesses to successfully transition from start up phase to large scale commercialization.
- More effectively harness New York State's innovation assets to better serve inventors and entrepreneurs.



New This Year

- **You can apply for the designation of NYS Innovation Hot Spot, NYS Business Incubator or Both.**
 - Only applicants located in the Economic Development Regions of Western NY, Southern Tier, Finger Lakes, Central NY, and North Country are eligible to apply to become a NYS Innovation Hot Spot.
- **NYS has extended the funding commitment from 3 years to 5 years.**
 - The funding has stayed the same, however the contract time has been lengthened to allow for better planning and program support.
- **The application requires applicants to submit prior economic performance metrics to help determine the success of the program.**



Funding

Successful applicants will be awarded operating grants to expand the services and programs provided to start-up companies served by the incubator.

Up to \$125,000 will be provided annually for five years to entities designated as a NYS Business Incubator.

Up to \$250,000 will be provided annually for five years to entities designated as a NYS Innovation Hot Spots.

Funding is available to designate ten NYS Business Incubators fiscal year 2016-17 and five NYS innovation Hot Spots.



Budget Sources and Uses

Question	NYS innovation Hot Spot	NYS Business Incubator
Total Project Cost State money plus match	\$3.75 Million	\$1.875 Million
Funding Request State money	\$1.25 Million	\$625,000
Sources and Uses What you plan on spending your match on.	\$2.5 Million	\$1.25 Million

Use general buckets, you can submit a more detailed budget with your application. We require a final budget before we go to contract.



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NYS Innovation Hot Spot Designation

An entity seeking designation as a New York State Innovation Hot Spot Designation must meet these requirements:

- Has been in existence for three years.
- Provide a strategic plan.
- Demonstrate that their services align with industry best practices.
- Agree to expand the services.
- Demonstrate a 2:1 match of state funds.
- Be physically located in on of these five NYS Economic Development Regions (**Western NY, Southern Tier, Finger Lakes, Central NY, North Country**)
- Have a strong affiliation and a Memorandum of Understanding (MOU) with a University or College that shows alignment with assisting in Technology transfer initiatives.

IN ADDITION:

An entity wishing to be designated as a New York State Innovation Hot Spot must be a New York State not-for-profit currently providing business incubation services for at least three years. Entities not meeting this threshold may partner with other business development organizations.



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NYS Business Incubator Designation

An entity seeking designation as a New York State Business Incubator must meet these requirements:

- been in existence for three years
- provide a strategic plan
- demonstrate that their services align with industry best practices.
- agree to expand the services
- demonstrate a 2:1 match of state funds

IN ADDITION:

An entity wishing to be designated as a New York State Business Incubator must be a New York State not-for-profit currently providing business incubation services for at least three years. Entities not meeting this threshold may partner with other business development organizations or the Regional Innovation Hotspot to meet the three year requirement.



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Important Distinction From Previous Rounds!

Focus on services related to one or more industry verticals instead of general business development services.

- Textiles, fashion, food, dairy, Industrial kitchens, consumables, maker spaces, bio, info-based, nanotechnology, energy and others.

Strongly suggested to partner with their respective Regional NYS Innovation Hot spot and have the support of their Regional Economic Development Council (REDC).

- This program is intended to expand, enhance, and improve existing programs and services offered by the entity.



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Selection Criteria & Scoring

Applications will be scored using the following methodology:

1). Alignment with Regional Strategy and Priorities (20 percent)

- How well does the application meet the strategies and priorities identified in the Regional Council Strategic Plan?
- This section is scored by the applicant's Regional Council

2). Incubation Community Best Practices (10 percent)

- How well do the services and programs offered by the incubator conform to best practices within the Incubator Community?

3). Incubation Effectiveness (15 percent)

- What is the track record of the incubator in accelerating growth of start-ups?



Selection Criteria & Scoring– continued

4). Expansion of Services (15 percent)

- What new or expanded programs or services will be provided to start-up companies within the region as are result of the grant funding?
- Does this application involve a partnership with other incubators or the Regional Innovation Hot Spot?

5). Financial Soundness and Sustainability (10 percent)

- Does the applicant's operating budget demonstrate financial soundness and strength?

6). Regional Incubator Leadership Assistance (20 percent)

- How does the applicant propose to assist in the growth of the region's entrepreneurial and innovation network?

7) Alignment to one or more significant statewide program (10 Percent)

Downtown Revitalization Initiative
Opportunity Agenda Related Projects
Global NY Related Projects
Veterans' Related Projects
NY Rising Related Projects



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Award Process

- Empire State Development is administering the competitive process for designation under this program.
- Applications will be received and reviewed through the Consolidated Funding Application (CFA) process by both the Regional Councils and ESD.



Important Dates!

Benchmarks	Dates
Application Opens	May 2, 2016
Application Due	July 29, 2016 @ 4PM EST
Awards Announced	Fall 2016



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Thank You!

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