



**Division of
Science, Technology
& Innovation**

NYS Innovation Hot Spot Program

2017 Consolidated Funding Application (CFA) Presentation

A Division of Empire State Development

4/26/17

Program Goals

- \$1.25 million available for 2017-2018 for 5 NYS Innovation Hot Spots.
- Improve the quality and quantity of incubator services provided young companies thereby enabling these businesses to successfully transition from early-stage phase to large scale commercialization.
- Innovation Hot Spots are business incubators that are charged with coordinating regional entrepreneurial ecosystems, and can offer certain tax benefits to client businesses.
- 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**
 - Only applicants located in the Economic Development Regions of Long island, New York City, Mid-Hudson, Capital Region and Mohawk Valley are eligible to apply to become a NYS Innovation Hot Spot.
- **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 early-stage companies served by the 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 five NYS innovation Hot Spots fiscal year 2017-18.



Budget Sources and Uses

Question	NYS innovation Hot Spot
State Funding Request	\$1.25 Million
Sources and Uses: What you plan on spending your match on	\$2.5 Million
Total Project Cost: State funding plus match	\$3.75 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:

- Been an existing business incubator for three or more years.
- Provide a strategic plan.
- Demonstrate that their services align with industry best practices.
- Demonstrate how this funding will enable and/or expand services.
- Demonstrate a 2:1 match of state funds.
- Be physically located in one of these five NYS Economic Development Regions (Long Island, New York City, Mid-Hudson, Capital Region and Mohawk Valley)
- Have a strong affiliation and a Memorandum of Understanding (MOU) with a University or College that shows alignment with assisting in Technology transfer initiatives.



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Important Distinction From Previous Rounds!

Strongly suggested to partner with other incubators 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.

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 Economic Development Council

2) Incubation Effectiveness (20 percent)

- What is the track record of the incubator in accelerating growth of early-stage companies?

3) Expansion of Services (20 percent)

- What new or expanded programs or services will be provided to early-stage companies within the region as are result of the grant funding?
- Does this application involve a partnership with one or more Universities/research institutions and other incubators?



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Selection Criteria & Scoring– continued

4) Financial Soundness and Sustainability (10 percent)

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

5) Regional Incubator Leadership Assistance (20 percent)

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

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

- Downtown Revitalization Initiative
- Opportunity Agenda Related Projects
- Veterans' Related Projects



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 1, 2017
Application Due	July 28, 2017 @ 4PM EST
Awards Announced	December 2017



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Thank You!

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