

# Budget Detail Request - Fiscal Year 2016-17

Your request will not be officially submitted unless all questions and applicable sub parts are answered.

1. Title of Project: REACH
2. Date of Submission: 12/17/2015
3. House Member Sponsor(s): Alan Williams

## 4. DETAILS OF AMOUNT REQUESTED:

- a. Has funding been provided in a previous state budget for this activity? No  
*If answer to 4a is ?NO? skip 4b and 4c and proceed to 4d*
- b. What is the most recent fiscal year the project was funded?
- c. Were the funds provided in the most recent fiscal year subsequently vetoed? No
- d. Complete the following Project Request Worksheet to develop your request (Note that Column E will be the total of Recurring funds requested and Column F will be the total Nonrecurring funds requested, the sum of which is the Total of the Funds you are requesting in Column G):

FY:	Input Prior Year Appropriation for this project for FY 2015-16 (If appropriated in FY 2015-16 enter the appropriated amount, even if vetoed.)			Develop New Funds Request for FY 2016-17 (If no new Recurring or Nonrecurring funding is requested, enter zeros.)			
	Column: A	B	C	D	E	F	G
Funds Description:	Prior Year Recurring Funds	Prior Year Nonrecurring Funds	Total Funds Appropriated  (Recurring plus Nonrecurring: Column A + Column B)	Recurring Base Budget  (Will equal non-vetoed amounts provided in Column A )	<b>INCREASED or NEW Recurring Requested</b>	<b>TOTAL Nonrecurring Requested</b>  (Nonrecurring is one time funding & must be re-requested every year)	<b>Total Funds Requested Over Base Funding</b>  (Recurring plus Nonrecurring: Column E + Column F)
Input Amounts:					0	425,000	425,000

- e. New Nonrecurring Funding Requested for FY 16-17 will be used for:  
 Operating Expenses     Fixed Capital Construction     Other one-time costs
- f. New Recurring Funding Requested for FY 16-17 will be used for:  
 Operating Expenses     Fixed Capital Construction     Other one-time costs

5. Requester:

- a. Name: David Teek
- b. Organization: Domi Education, Inc.
- c. Email: dteek@domiventures.co
- d. Phone #: (850)321-8689

6. Organization or Name of Entity Receiving Funds:

- a. Name: Domi Education, Inc
- b. County (County where funds are to be expended) Leon
- c. Service Area (Counties being served by the service(s) provided with funding) Gadsden, Jefferson, Leon, Madison

7. Write a project description that will serve as a stand-alone summary of the project for legislative review. The description should summarize the entire project's intended purpose, the purpose of the funds requested (if request is a sub-part of the entire project), and most importantly the detail on how the funds requested will be spent - for example how much will be spent on positions and associated salaries, specifics on capital costs, and detail of operational expenses. The summary must list what local, regional or statewide interests or areas are served. It should also document the need for the funds, the community support and expected results when applicable. Be sure to include the type and amount of services as well as the number of the specific target population that will be served (such as number of home health visits to X, # of elderly, # of school aged children to receive mentoring, # of violent crime victims to receive once a week counseling etc.)

Purpose: An appropriation for Department of Economic Opportunity funding is requested for Domi Education Inc. (Domi) to support and fund commercialization programs and services of the Research, Entrepreneurship and Commercialization Hub. REACH is a regional technology commercialization and entrepreneurial network and support system that will provide programs and services to directly assist researchers and entrepreneurs. Activities include, but are not limited to: identifying and realizing upon technology commercialization and business start-up formation opportunities; validation of commercialization potential; business and marketing plan development; and increasing access to business financing and investment options. Programming and services will be provided by Domi and partner organizations, subcontractors and agencies, including the Economic Development Council of Tallahassee / Leon County (EDC), the Leon County Research and Development Authority (LCRDA) and the FAMU Small Business Development Center (SBDC) with the goal of further developing integrated pathways for commercialization of research in the Big Bend region. The project will create a sustainable commercialization pathway in a community with two major research universities, and will develop new approaches to unleash sustained entrepreneurial activity in smaller communities, historically black universities and rural settings. REACH will establish new technology commercialization opportunities, deliver evidence-based entrepreneurship training, and provide commercialization services and facilities. The project uses existing and emerging capabilities to build a commercialization pipeline for researchers and entrepreneurs. The initiative complements and extends existing state and regional programs, and fills critical existing gaps in the region's innovation and entrepreneurial ecosystem.

Program and Budget Overview:

- ? Fund establishment and operation of commercialization / entrepreneurial support program
- o Utilizing the REACH framework by the EDC to provide collaboration mechanisms.

- o Proof of Concept programs led by the Technology Commercialization Accelerator Program in the FAMU-FSU College of Engineering.
- o Commercialization Center programs and facilities led by Domi Education and the LCRDA.
- o Regional partnership programs with rural and disadvantaged communities.
- ? Period of performance 9/1/16 ? 8/31/17
- ? Budget allocation:
  - o \$45,000 (10.5%) 1 Program Manager
  - o \$70,000 (16.5%) 2 Commercialization Specialists
  - o \$70,000 (16.5%) 2 Proof of Concept Specialists
  - o \$10,000 (2.4%) Travel / Conferences / Training and Certification
  - o \$63,750 (15%) Operational Expenses
  - o \$85,000 (20%) Regional partnerships and strategies (Tallahassee Leon EDC)
  - o \$45,000 (10.5%) Commercialization facility planning and development (LCRDA)
  - o \$25,000 (5.6%) Small Business Training ? FAMU Small Business Development Center
  - o \$11,250 (2.6%) Innovation Summit

Project Objectives: The Northwest Florida REACH (Research Entrepreneurship and Commercialization Hub) project will create a sustainable commercialization pathway research and develop new approaches for entrepreneurial activity. The project will establish, strengthen and connect technology proof of concept and commercialization programs, facilities and networks within the Tallahassee region by linking and expanding current academic and community based entrepreneurial initiatives to build a commercialization pipeline for researchers and entrepreneurs. REACH will support technology commercialization, deliver evidence-based entrepreneurship training, and provide commercialization services and facilities. The project has four major elements:

- (1) REACH coordination and collaboration framework led by the EDC to provide collaboration mechanisms.
  - a. Establish regional partnership
  - b. Ongoing identification
  - c. Conduct Innovation Summit
  - d. Develop branding and outreach materials
- (2) TCAP Proof of Concept programs led by the Technology Commercialization Accelerator Program in the FAMU-FSU College of Engineering.
  - a. Outreach & Engagement
  - b. Introduction to Commercialization Seminar
  - c. E-Team Grants
  - d. Lean LaunchPad courses:
  - e. Technology and Commercialization Experts and Mentors
  - f. Commercialization Funding Support and Transition
  - g. Diversity and Inclusion

- h. Experiential Entrepreneurial Education and Opportunities
- (3) TCAP Commercialization Center programs and facilities led by Domi Education and the LCRDA.
  - a. Market Identification and Assessment
  - b. Customer Development
  - c. Business Model and Plan
  - d. Legal
  - e. Intellectual Property
  - f. Access to University and Federal Laboratory Facilities and Expertise
  - g. Product Development
  - h. Financing
  - i. Branding, Marketing & Communication
  - j. Entrepreneurial Excellence Program
- (4) Regional and statewide partnerships to extend entrepreneurship to rural and disadvantaged communities led by the SBDC
  - a. Rural impact element.
  - b. Entrepreneurial Empowerment

The project strategy builds on existing capabilities and initiatives to create a connected commercialization support path. The development of proof of concept and commercialization capabilities will address the two major challenges in the region's innovation ecosystem: evaluating research and technology for commercialization potential, and turning validated opportunities into companies. The REACH framework provides mechanisms to coordinate activities for this project and an approach to mitigate and overcome stovepipe programs. Engagement and outreach elements will broaden the economic impact beyond technology developers. The project consists of activities that are applied through sub-programs at key points along the technology readiness level continuum in a way that will leverage regional strengths and capabilities to form a continuous support path to bring technology based opportunities to market. The project will connect and strengthen proof of concept programs and services within the Tallahassee region in order to support the formation of startup companies and the commercialization of university research and technology. There is a need to both provide a sustained and systematic engagement and evaluation of technology based opportunities for customer identification and market validation, and to provide validated opportunities with a greater level of services and hands on support. As technology based economic activity is an emerging sector, increasing direct support for entrepreneurs is an important element to enable community and university-based entrepreneurs to develop their business concepts in an a strategic way, and to assure that expertise is available to address technical issues such as supply chain, market assessment, financing, legal issues, marketing and other factors.

**Project Region:** The project is centered in the Tallahassee Metro area in Florida's northernmost region. The region is the contiguous eight county Small Business Development Center region, consisting of Franklin, Gadsden, Jefferson, Leon, Liberty, Madison, Taylor, and Wakulla Counties. The region is in the center of the north Florida panhandle, extending from the Georgia border on the north to the Gulf of Mexico on the south; and from portions of the Suwannee River on the east to the Apalachicola River on the west, and contains the four county Tallahassee Standard Metropolitan Statistical Area (SMSA).

**Deliverables:** Domi will provide project reports documenting activities and specific services delivered, as well as project outcomes. The final report will also

include a comprehensive resource guide that can be utilized by other communities with similar capabilities so that they may replicate and scale quickly.

Target Outputs and Outcomes:

REACH Activities and Outputs	2016	2017	Total
1) REACH Regional Programs			
a) New partnership and project agreements			2 3 5
b) Annual Innovation Summit	1	1	2
c) Entrepreneurial Excellence Sessions/Participants			20 20 40
2) TCAP Proof of Concept			
a) Outreach Events & Introduction Seminar	6	6	12
b) Participants / E-Teams in Lean Launch Pad	24 / 8	24 / 8	48/16
c) Energy technology participants and teams (min.)	12 / 4	12 / 4	24 / 8
c) E-Teams securing commercialization grants	6	8	14
3) TCAP Commercialization Center Outputs:			
a) Number of technology projects	4	6	10
b) Number of Mentors / EIRs Placements with Clients	18	24	42
c) Number of startups receiving financing or grants	2	4	6
d) Graduated companies	2	4	6
4) Regional and Statewide Engagements			
a) Rural events and activities	4	6	10
b) Empowerment events and activities	4	8	12

REACH Outcomes 2017 2018

a) New Angel or Venture Capital investments	\$5M	\$7M
b) New firms developed	7	10
c) New products launched by participants;	15	25
d) Number of jobs created / supported	75	175
e) Percent investment return on sale, exit, IPO	0%	12%
f) Anticipated job creation or retention	100	325
g) Anticipated private investment leveraged	\$250	\$350M
h) Anticipated number of collaborations supported	15	25

Benefits: Over the last five years, Tallahassee community and university entrepreneurs and leaders have come together to build a new innovation economy in the region. This appropriation will provide critically needed research commercialization assistance to researchers at the Florida State University (FSU) and Florida

Agricultural and Mechanical University (FAMU), and will establish a more effective collaboration and networking approach to more fully engage technological and entrepreneurial capabilities. The approach establishes a continuous commercialization pathway for opportunities developed in laboratories and the community. The initiative builds upon and leverages the capabilities established through funding and program support provided to date by Leon County, FSU, FAMU, the Knight Foundation, private companies and individuals to establish the Domi Station incubator facility and programs in Tallahassee.

In addition to providing incubation space and services to university and community based entrepreneurs and startups, Domi is connecting local and regional agencies, universities, investors and experts to help expand regional business formation and growth. It is well-aligned with regional economic development strategies and objectives previously identified by local governments, and the recent Imagine Tallahassee community visioning process. It will also identify and expand opportunities for company formation and activation, including the utilization of additional state and local incentive programs that may provide further support, including the recently passed Leon County voter initiative setting forth an allocation of the local option sales tax to economic development programs and projects. The project is aligned with the Six Pillars strategy and Governor Scott's objectives by advancing key regional innovation, economic development and business climate and competitiveness goals.

8. Provide the total cost of the project for FY 2016-17 from all sources of funding:

Federal: 0

State: 425,000 (Excluding the requested Total Amount in #4d, Column G)

Local: 150,000

Other: 0

9. Is this a multi-year project requiring funding from the state for more than one year?

No