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: <u>UCF Incubator</u>
2. Date of Submission: <u>12/16/2015</u>
3. House Member Sponsor(s): <u>Jason Brodeur, Ritch Workman</u>

4. DETAILS OF AMOUNT REQUESTED:

    a. Has funding been provided in a previous state budget for this activity?   <u>No</u>

       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? <u>No</u>

    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)	INCREASED or NEW Recurring Requested	TOTAL Nonrecurring Requested (Nonrecurring is one time funding & must be re-requested every year)	Total Funds Requested Over Base Funding (Recurring plus Nonrecurring: Column E + Column F)
Input Amounts:					3,000,000	0	3,000,000

    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: Daniel Holsenbeck
b. Organization: University of Central Florida
c. Email: daniel.holsenbeck@ucf.edu
d. Phone #: (407)823-3287

6. Organization or Name of Entity Receiving Funds:
a. Name: University of Central Florida
b. County (County where funds are to be expended) Orange
c. Service Area (Counties being served by the service(s) provided with funding) Brevard, Lake, Orange, Osceola, Polk, Seminole, Volusia

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.)

Project Description -- UCF Incubator
The UCF Incubator project will expand and enhance the University of Central Florida?s award-winning Business Incubator. The program is helping emerging high growth companies to become financially stable and provide high-wage jobs that are critical for economic development. Since it opened in 1999, the incubator has helped nearly 300 companies in fields such as engineering, information technology, clean tech, optics and medicine at 8 different sites in the greater Orlando region. The UCF Incubation program has created more than 3,700 in the local community generating an impact of more than $2.5 Billion dollars. The program generates a 7:1 return on investment on terms of taxes generated per public dollar of investment.
The UCF Incubator supports clients through entrepreneurship courses, help with developing business plans and the business model canvas, mentoring and networking services, and more. Those services are offered in partnership with Local County and City governments and the Florida High Tech Corridor and a large group of community volunteers and service providers that believe in and support the program.
This project will also support second stage companies through the GrowFL program. These companies are still small but are not typically resident in an incubator facility at this point. It is estimated that 5,000 to 7,000 Florida companies meet the criteria for the program. An independent study looked at the first two years of UCF?s GrowFL program and reported the program helped to create more than 3,285 direct and indirect local jobs and contribute more than $510.4 million (direct and indirect) to Florida?s economy, for a total state investment of $3.5 million. It also helped to generate an additional $18.17 million in net state and local tax revenues (above and beyond the cost of the program).
The funds will be used to enhance the overall program, establish new incubator facilities in Lake Nona and West Orange County and serve second stage companies statewide. The breakdown of the cost is as follows:

Lake Nona wet lab incubator $1,090,000
West Orange County Incubator $ 420,000
GrowFL Second Stage Company support $1,025,000
Program wide enhancements & soft landings $ 465,000

Total $3,000,000

It is estimated that $1,510,000 will be used to support the operational cost of the program and $1,490,000 will be required to support salaries and associated benefits.

The program will receive more than $3 million in additional support from Orange, Seminole, Volusia, and Osceola counties as well as Support from the Cities of Orlando, Winter Springs, Kissimmee, and Apopka. The University of Central Florida and the Florida High Tech Corridor are also investors in the program. Additionally, the City of Orlando secured $2.5 million to build and equip the wet lab facility at Lake Nona.

The Wet lab incubator will fill a huge void in Central Florida by providing capacity to launch and mature life science companies. It will provide entrepreneurs with the shared equipment, clean laboratory space, and wet labs needed to commercialize life science discoveries. In addition to the specialized facilities, it will provide business support, entrepreneurship mentoring and coaching, access to angel and investors and other professionals needed to create and grow life science related companies.

The West Orange County Incubator will provide this region with access to UCF?s award winning incubation program. The facility will be the local hub for growth oriented entrepreneurs and have access to UCF?s full program.

The GrowFL second stage will provide technical assistance to expanding businesses in the state. These technical assistance resources include, but are not limited to: access to informational services, consulting services, including information on markets, consumers and competitors, geographic information systems and search engine marketing. The focus of the program is to increase the top line (revenue) of these companies and to help them manage their growth.

Enhancements to the overall incubation program would include additional full time mentors and coaches to serve the estimated 200 companies that would be in the program at any given time. Additionally, the soft landing program has been a big success in terms of attracting new companies to the area. The support would be used to market the program abroad to vet these companies to ensure they add significant value to our state.

Project will service Orange, Seminole, Osceola, Lake, Volusia, Brevard, Polk and others. Support will be state wide for second stage companies.

8. Provide the total cost of the project for FY 2016-17 from all sources of funding:
    Federal: <u>0</u>
    State: <u>0</u> (Excluding the requested Total Amount in #4d, Column G)
    Local: <u>0</u>
    Other: <u>0</u>

9. Is this a multi-year project requiring funding from the state for more than one year?
    <u>Yes</u>