

## **Technology Council of Northwest Florida** **(Executive Summary)**

**Objective:** The Technology Council of Northwest Florida (the “Technology Council”) is proposed to be established in the coastal Counties of Bay, Escambia, Okaloosa, Santa Rosa and Walton, Florida, to attract, retain and grow high tech industry and to help develop the highly skilled, high-wage workforce to support targeted industries in the 5 Counties. The “Technology Council” is to be a partnership involving these 5 Counties, the local and regional economic developmental organizations (EDOs), the University of West Florida, the 3 state colleges (Pensacola, Okaloosa, and Bay) and the Florida Institute for Human & Machine Cognition, along with military partners and other public and private enterprises within the targeted industry sectors identified below and within the 5 coastal Counties. Funds appropriated to the “Technology Council” will be administered as a strategic tool to foster high tech economic development that emphasizes matching funds research, along with hi-tech infrastructure enhancement and branding/marketing program leveraging governmental, EDO, and corporate budgets on a regional, rather than local, basis.

**Plan:** To strategically link, leverage, diversify, and invest in sophisticated research and high technology operations from Escambia to Bay Counties along the Gulf Coast region and to promote economic diversification for these 5 counties impacted most heavily by the “Deepwater Horizon” oil spill.

**Request:** \$10 million in state funding on an annual basis for a 5-year period

**Projection:** The result over a period of 5 years is to build world-class regional industry clusters in 4 targeted areas that leverage and multiply an initial state investment to bring in annual research funding of 10 times the annual investment, stimulate high wage high tech job creation, develop commercially promising, advanced and innovative technologies, transfer technologies to commercial businesses with locations within the “Technology Council”; and enhance and expand technology curricula and degree programs in the “Technology Council,” including graduate programs. This Northwest Florida Gulf county initiative would be unique to Florida and the nation.

**Project Need:** The Northwest Florida economy is one with a strong history shaped by its proximity to the Gulf of Mexico and fertile agricultural inlands. From early fishing villages, seafood processing, marketable crops, intra-modal transportation systems (deepwater ports, rail, air and roadways), Gulf-range military installations, and a seasonal tourism industry, Northwest Florida has long relied upon a limited set of traditional industries for its economic wellbeing. Historical reliance upon such traditional industries has proven to be vulnerable – particularly as events (natural or man-made) have tested the economic fortitude of the region. In fact, the region is still grappling with the remaining impacts that Hurricanes Ivan and Dennis had on the local economy and infrastructure. Now faced with the long-term

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economic and environmental impacts and uncertain recovery time of the colossal disaster “Deepwater Horizon” oil spill, it is abundantly clear that Northwest Florida must embark on an aggressive economic diversification effort to strengthen, sustain, and safeguard the region into the future.

The “Technology Council’s” economic diversification will include the growth of a strong industry cluster in high technology and research not found elsewhere in Florida or the nation.

In 2007, the Florida’s Great Northwest (FGNW), the panhandle’s regional 16 County economic development organization, contracted with SRI International to conduct an analysis of the existing business assets in Northwest Florida and to compare those assets, the region’s and State’s business climate, and the region’s competitive strengths to the target industries’ national and global trends. In conclusion, the study identified several targeted industries that match the region’s strengths, global reality and which provide for a diversified and sustainable regional economy. The objective behind this “Technology Council” initiative is to strategically link the continued growth of these targeted industry sectors:

- Information, Science and Technology (IS&T), and Research and Engineering
- Aviation, Aerospace, Defense and National Security
- Health Sciences and Human Performance Enhancement
- Renewable Energy and Sustainable Environments

This unique industry cluster is found nowhere else in Florida or the nation.

**Business Plan to Leverage and Extend State Money into the Sustainable Industry Cluster that creates jobs and career paths, attract affiliated entities and grow each sector. The cornerstone of this business plan is its Matching Fund Research Program.** Matching research funds will support research proposals and incentivize federal funding agencies to invest in the “Technology Council”. In addition, matching funds will fast track and enhance participation by private companies in federally funded research, including Small Business Innovative Research (SBIR) and Small Business Technology Transfer (STTR) programs. This funding will identify and support research to be performed by scientists and engineers from both non-profit and for-profit institutions in the “Technology Council” that propose using this funding to grow their local employment base, expand federal research projects, and employ graduate and doctoral students, research assistants, and faculty members. Private companies seeking to conduct research and development are eligible to apply for federal grant funds through several government agencies, including the SBIR and STTR programs administered by the U.S. Small Business Administration. Both of these programs help to ensure that small, high-tech, innovative businesses are a significant part of the federal government's research and development efforts. SBIR programs tend to focus on private companies while STTR programs emphasize educational institutions. The federal grant program, which includes three phases, provides from \$100,000 to \$1,150,000 for small firms and non-profits to conduct research and development.

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The Matching Funds Research Program will be established to foster applied research between the universities, colleges, not-for-profit research institutes and high tech industry partners. A general solicitation will be targeted to institutions of all sizes.

Specific allocations of the Matching Funds Research Programs to the targeted industry sectors are preliminarily identified as:

- \$4 million---Information Science and Technology (IS&T) and Research and Engineering
- \$3 million---Aviation, Aerospace, Defense and National Security
- \$2 million---Health Sciences and Human Performance Enhancement
- \$1 million---Renewable Energy and Sustainable Environments

(It is contemplated that adjustments to the above allocations will occur as necessary high-tech infrastructure enhancements are refined.)

**Anticipated Outcomes:**

The “Technology Council” anticipates the following outcomes within the first 18 months of the initial year’s \$10 million funding, with increasing performance levels progressing during subsequent 12 month intervals.

- ~\$30 million in new federal funding entering the “Technology Council” through contracts, grants, matching funds and SBIR/STTR programs
- ~100 new jobs created across the targeted sectors
- ~100 students across the “Technology Council” participating in internships or new employment
- ~4 new technology patents in progress
- ~At least 1 new company attracted to region in each of the targeted sectors
- ~1 new center of excellence established in human performance enhancement
- ~new workforce training and transition programs focusing on the target sectors
- ~increased collaborations between the “Technology Council”, Regional and county economic development entities
- ~strengthened relationships with federal military partners in coastal zone
- ~new outreach and education programs in STEM related to targeted sectors

Not less often than annually, the “Technology Council” will, as a condition of receiving continuing funding, provide detailed and specific reporting of uses of funds; outcomes; impacts on State policies and objectives (e.g. STEM); and all other appropriate information and analysis of results.

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