Executive Summary

STATUTORY AUTHORITY
620.495, RSMo, as amended

PURPOSE
The purpose of this program is to generate private funds to be used to establish a “protective business environment” (incubator) in which a number of small businesses can collectively operate, fostering growth and development during a business start-up period.

PROGRAM DESCRIPTION
An incubator is a building, which can be divided into smaller units of space to be leased by small businesses.
An incubator is also a program without infrastructure in which participants avail themselves of business development services to assist in the growth of their start-up businesses.

In addition to the space, incubators provide business development services for use by the tenants and participants. These services shall include, but are not limited to, financial consulting assistance, management and marketing assistance, business education, and physical services such as personal computers, copier, facsimile, conference rooms, labs, etc. Because of the shared services and efficient use of the available space, costs are usually much less than for a small business operating independently.

The incubator is not intended to be a permanent home for the new firm. After a period determined by the incubator’s policy, a tenant will move from the incubator, thereby making room available in the incubator for a new start-up firm.

The Missouri Department of Economic Development approves (certifies) or denies proposals for small business incubators based on the ability of the incubator to meet statutory requirements of the program; the economic impact of the incubator on the community, conformance with area-wide and local economic development plans; and location of the incubator, in order to encourage geographic distribution of incubators across the state. Certified incubators may receive contributions from taxpayers. The taxpayers in turn may receive tax credits in the amount of 50% of the contributions. The tax credits can be carried forward for five years and also be sold or transferred. The overall maximum amount of tax credits that can be authorized in any one calendar year is $500,000.
ECONOMIC IMPACT
Tax credits issued through the Small Business Incubator Program from the program’s inception through November 30, 2015, total approximately $3.3 million, which attracted contributions totaling approximately $6.6 million.

PROGRAM STATISTICS
Most tenants are originally from Missouri. These tenants chose the Small Business Incubators due to their unique locations and affiliations with major research institutions, hospitals and universities located in the state. Most graduates decided to stay in Missouri because of the founders’ and workforce’s residency. However, the graduates that relocated to other states identified the reasons for such decision as inability to raise additional funding or acquisition by another company. The information regarding the number of jobs, payroll and investment of graduate companies is not complete because most incubators do not track such data and thus are unable to provide it. Eleven out of the thirteen active incubators reported.

Annually a Budget of Revenues and Expenditures application is submitted by each Small Business Incubator desiring to request Tax credits for the upcoming year. This report is due by the end of January, and the tax credits are then awarded based on the request of Capital Expenditures and Non-Operating Expenditures listed in this report. The following is a listing of the Incubators that were awarded tax credits, listed by year of approval.

<table>
<thead>
<tr>
<th>Data Description</th>
<th>Total for all Incubators</th>
</tr>
</thead>
<tbody>
<tr>
<td># Incubators Created</td>
<td>21</td>
</tr>
<tr>
<td># Incubators Inactive/Closed</td>
<td>8</td>
</tr>
<tr>
<td># Incubators Active</td>
<td>13</td>
</tr>
<tr>
<td># Incubators Under construction</td>
<td>0</td>
</tr>
<tr>
<td>Average occupancy rate 2015</td>
<td>84%</td>
</tr>
<tr>
<td>State origin current/previous tenants</td>
<td>MO, NY, VA/CA, PA/NJ/FL, IL</td>
</tr>
<tr>
<td># Tenants</td>
<td>164</td>
</tr>
<tr>
<td># Tenants/incubator jobs</td>
<td>1,050 full time/83 part time</td>
</tr>
<tr>
<td>$ Tenants/incubator payroll</td>
<td>$25,056,672</td>
</tr>
<tr>
<td>$ Tenants/incubator spending</td>
<td>N/A</td>
</tr>
<tr>
<td>Tenants average length in years</td>
<td>3.77 years</td>
</tr>
<tr>
<td># Failed</td>
<td>65</td>
</tr>
<tr>
<td>Failed average length in years</td>
<td>1.30 years</td>
</tr>
<tr>
<td># Missouri graduates</td>
<td>241</td>
</tr>
<tr>
<td># Missouri graduates jobs</td>
<td>1,537</td>
</tr>
<tr>
<td># Missouri graduates still in business</td>
<td>6</td>
</tr>
<tr>
<td>Missouri graduates average length in years</td>
<td>2.88 years</td>
</tr>
<tr>
<td>Missouri graduates payroll</td>
<td>$1,650,000</td>
</tr>
<tr>
<td>Missouri graduates spending</td>
<td>N/A</td>
</tr>
<tr>
<td># Other graduates</td>
<td>14</td>
</tr>
<tr>
<td>Other graduates average length in years</td>
<td>3.10 years</td>
</tr>
<tr>
<td>States moved to</td>
<td>CA, CO, NJ, IL, KY, SC, TX, WA, WI, NY, NC, FL</td>
</tr>
</tbody>
</table>
Missouri Certified Incubators Contact Information

Active Incubators List

1. BEGIN New Venture Center
   Sponsor: St. Patrick’s Center
   Certified in: 2010
   Contact person: Jan DeYoung
   800 N. Tucker Blvd
   St. Louis, MO  63101
   Phone: (314) 802-0900  Fax: (314)
   E-mail: jdeyoung@stpatrickcenter.org
   Website: www.stpatrickcenter.org/programs/employment-training/bnvc/

2. Center for Emerging Technologies (CET)
   Sponsor: Center for Emerging Technologies
   Certified in: 1983
   Contact person: Heather Beaven
   4041 Forest Park Avenue
   St. Louis, MO  63108-3213
   Phone: (314) 615-6915 Fax: (314) 615-6901
   E-mail: hbeaven@emergingtech.org
   Website: www.emergingtech.org

3. Independence Regional Innovation Center
   Sponsor: Independence Council for Economic Development
   Certified in: 2010
   Contact person: Lee Langerock
   201 N. Forest Ave #130
   Independence, MO  64050-3436
   Phone: (816) 463-3515
   E-mail:  Lee@inedc.biz
   Website: http://www.ennovationcenter.com/

4. Joseph Newman Business and Technology Innovation Center (JNBTC)
   Sponsor: Joplin Area Chamber of Commerce Foundation
   Certified in: 2004
   Contact person: Steve Russell, Cindy Weiss
   320 E. 4th
   St. Joplin, MO 64801
   Phone: (417) 624-4150  Fax: (417) 624-4303
   E-mail: steve@joplincc.com
   Website: www.newmaninnovationcenter.com

5. KJI Bond Science and Technology Incubator
   Sponsor: Missouri Western State University
   Certified in: 2010
   Contact person: Sara Hagan, Manager
   4221 Mitchell Avenue
   St. Joseph, MO  64507-2266
   Phone: (816) 749-4012  Fax: (816) 749-4011
   E-mail: Sara.hagan@iials.com
   Website: www.missouriwestern.edu/lifesciences

6. Life Sciences Business Incubation Center (LSBIC)
   Sponsor: Missouri Innovation Center
   Certified in: 2004
   Contact person: Quintin Messbarger; Bill Turpin
   1601 S. Providence Rd
   Columbia, MO  65211-3460
   Phone: (573)884-0492  Fax:573)884-3600
   E-mail: messbargerq@missouri.edu
   Website: www.muincubator.com

7. Ozarks Small Business Incubator
   Sponsor: Downtown West Plains, Inc.
   Certified in: 2010
   Contact person: Heather Fisher
   400 Washington Ave.
   P.O. Box 1354
   West Plains, MO 65775
   Phone: (417) 256-9724  Fax: (417)255-8799
   E-mail: heatherfisher@ozsbi.com
   Website: www.ozsbi.com

8. Small Business Synergy Center (SSBC)
   Sponsor: Missouri Research Corporation
   Certified in: 2005
   Contact: Brian Topp 920 Broadway
   Cape Girardeau, MO 63701
   Phone: (573) 651-2304  Fax: (573) 986-6885
   E-mail: btopp@semo.edu
   Website: www.semo.edu/cie/

9. Southeast Missouri Innovation Center (SMIC)
   Sponsor: Missouri Research Corporation
   Certified in: 2005
   Contact: Tracy Jackson
   6439 Plymouth Ave.
   Wentzville, MO  63361
   Phone: (314) 615-6118  Fax: (314) 615-7666
   E-mail: Tracy@smic.org
   Website: www.smic.org

10. St. Louis Enterprise Center-Wellston
    Sponsor: St. Louis County Economic Council
    Certified in: 1990
    6439 Plymout Ave.
    Wellston, MO  63133
    Phone: (314) 615-0118  Fax: (314) 615-7666
    Contact: Tracy Jackson
    E-mail: tjackson@stlpartnership.com
    Website: www.slcoc.org

11. Direct Impact Business Education Center
    Sponsor: Direct Impact Business Center
    Certified in: 2013
    Contact Person: Tracey Jeffries
    3221 McKeilay Rd.
    Bridgeton, MO  63044
    Phone: (314) 718-4074
    E-mail: info@directimpactstl.org

12. The eFactory
    Sponsor: Missouri State University
    Certified in: 2010
    405 N. Jefferson Ave
    Springfield, MO  65806-1110
    Phone: (417) 836-3020  Fax: (417) 837-2614
    Contact: Allen Kunkel
    Email: AllenKunkel@missouristate.edu

13. Ozark Foothills Development Association (OZARK)
    Sponsor: Ozark Foothills Regional Planning Commission
    Certified in: 1990
    Contact person: Felicity Ray
    3019 Fair Street
    Poplar Bluff, MO  63901
    Phone: (573) 785-6402  Fax: (573) 785-6402
    Email: felicity@ofrpc.org
    Website: www.ofrpc.com/incubator.html
### Missouri Certified Incubators Contact Information

**Inactive with the Incubator Program**

**Missouri Innovation Center (MIC)**
Sponsor: Missouri Innovation Center
Certified in 1995
Contact: Kim March
410 S. 6th St., 214 Engineering Bldg. North
Columbia, MO 65201
Phone: (573) 884-0496
Fax: (573) 884-3600
E-mail: kmartha@missouri.edu
Website: www.beukc.org

**Technology Entrepreneur Center (TEC)**
Sponsor: Technology Entrepreneur Center
Certified in 2003
Contact: William Blakker
210 N. Tucker, Suite 600
St. Louis, MO 63101
Phone: (314) 436-3500
Fax: (314) 333-0409
E-mail: fchmcel@tecdtl.org
Website: www.tecdtl.org

**Missouri IncuTech Foundation (MITF)**
(dba Missouri Enterprise Business Assistance Center)
Sponsor: Missouri Enterprise
Certified in 1991
Contact Person: Rick Prugh
500 University Drive
Rolla, MO 65401-2157
Phone: (573) 341-0117
Fax: (573) 341-0138
E-mail: sprugh@missourienterprise.org
Website: www.missourienterprise.org
Incubator decertified August 2007
Incubator is now Life Sciences Business Incubation Center

**Nidus Center for Scientific Enterprise (NIDUS)**
Sponsor: Black Economic Union/Economic Growth Group
Certified in 1995
Contact Person: Chester Thompson
1501 E. 18th
Kansas City, MO 64108
Phone: (816) 474-1080
Fax: (816) 474-5805
E-mail: chestert@beukc.org
Contact person: Jeff Becker
115 W. 18th Street
Kansas City, MO 64108-1220
Phone: (816)210-5305
Fax: (816)210-5305
E-mail: Joe@startpath.org
Website: www.artsincubatorkc.org

**Arvio Center**
Sponsor: Arvio Center
Certified in 2008
1600 Swift
North Kansas City, MO 64116
Contact Person: Joe Mullins
115 W. 18th Street
Kansas City, MO 64108-1220
Phone: (816)210-5305
Fax: (816)210-5305
E-mail: Joe@startpath.org
Website: www.artsincubatorkc.org

**Arvio Center – Kansas City**
Sponsor: Arvio Center – Kansas City
Certified in 2010
Contact person: Jeff Becker
115 W. 18th Street
Kansas City, MO 64108-1220
Phone: (816)421-2292
Fax: (816)421-2293
E-mail: jbeckers@artsincubatorkc.org
Website: www.artsincubatorkc.org

**Black Economic Union/Economic Growth Group (BEU)**
Sponsor: Black Economic Union/Economic Growth Group
Certified in 1997
Contact person: Chester Thompson
1501 E. 18th
Kansas City, MO 64108
Phone: (816) 474-1080
Fax: (816) 474-5805
E-mail: chestert@beukc.org
Website: www.beukc.org
Incubator no longer active

---

**Exhibit 1 Performance Statistics - FY 2015**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>BEGIN New Venture Center</strong></td>
<td><strong>1995</strong></td>
<td><strong>75%</strong></td>
<td>3.77</td>
<td>94</td>
<td>43</td>
<td>2</td>
<td>12,116,108</td>
<td>164</td>
<td>65</td>
<td>241</td>
<td>6</td>
<td>1537</td>
<td>6</td>
<td>6</td>
<td>1,650,000</td>
<td>2.88</td>
</tr>
<tr>
<td><strong>Technologies (CET)</strong></td>
<td><strong>1995</strong></td>
<td><strong>75%</strong></td>
<td>3.77</td>
<td>92</td>
<td>43</td>
<td>2</td>
<td>12,116,108</td>
<td>164</td>
<td>65</td>
<td>241</td>
<td>6</td>
<td>1537</td>
<td>6</td>
<td>6</td>
<td>1,650,000</td>
<td>2.88</td>
</tr>
<tr>
<td><strong>The eFactory Averages</strong></td>
<td><strong>2015</strong></td>
<td><strong>75%</strong></td>
<td>3.77</td>
<td>94</td>
<td>43</td>
<td>2</td>
<td>12,116,108</td>
<td>164</td>
<td>65</td>
<td>241</td>
<td>6</td>
<td>1537</td>
<td>6</td>
<td>6</td>
<td>1,650,000</td>
<td>2.88</td>
</tr>
<tr>
<td><strong>Bus.Dev Svcs.</strong></td>
<td><strong>2015</strong></td>
<td><strong>75%</strong></td>
<td>3.77</td>
<td>92</td>
<td>43</td>
<td>2</td>
<td>12,116,108</td>
<td>164</td>
<td>65</td>
<td>241</td>
<td>6</td>
<td>1537</td>
<td>6</td>
<td>6</td>
<td>1,650,000</td>
<td>2.88</td>
</tr>
<tr>
<td><strong>Mixed use</strong></td>
<td><strong>2015</strong></td>
<td><strong>75%</strong></td>
<td>3.77</td>
<td>94</td>
<td>43</td>
<td>2</td>
<td>12,116,108</td>
<td>164</td>
<td>65</td>
<td>241</td>
<td>6</td>
<td>1537</td>
<td>6</td>
<td>6</td>
<td>1,650,000</td>
<td>2.88</td>
</tr>
<tr>
<td><strong>R &amp; D</strong></td>
<td><strong>2015</strong></td>
<td><strong>75%</strong></td>
<td>3.77</td>
<td>92</td>
<td>43</td>
<td>2</td>
<td>12,116,108</td>
<td>164</td>
<td>65</td>
<td>241</td>
<td>6</td>
<td>1537</td>
<td>6</td>
<td>6</td>
<td>1,650,000</td>
<td>2.88</td>
</tr>
<tr>
<td><strong>Bus.Dev Svcs. Mixed</strong></td>
<td><strong>2015</strong></td>
<td><strong>75%</strong></td>
<td>3.77</td>
<td>94</td>
<td>43</td>
<td>2</td>
<td>12,116,108</td>
<td>164</td>
<td>65</td>
<td>241</td>
<td>6</td>
<td>1537</td>
<td>6</td>
<td>6</td>
<td>1,650,000</td>
<td>2.88</td>
</tr>
<tr>
<td><strong>Regional Development Business</strong></td>
<td><strong>2015</strong></td>
<td><strong>75%</strong></td>
<td>3.77</td>
<td>92</td>
<td>43</td>
<td>2</td>
<td>12,116,108</td>
<td>164</td>
<td>65</td>
<td>241</td>
<td>6</td>
<td>1537</td>
<td>6</td>
<td>6</td>
<td>1,650,000</td>
<td>2.88</td>
</tr>
<tr>
<td><strong>Bus.Dev Svcs. Mixed</strong></td>
<td><strong>2015</strong></td>
<td><strong>75%</strong></td>
<td>3.77</td>
<td>94</td>
<td>43</td>
<td>2</td>
<td>12,116,108</td>
<td>164</td>
<td>65</td>
<td>241</td>
<td>6</td>
<td>1537</td>
<td>6</td>
<td>6</td>
<td>1,650,000</td>
<td>2.88</td>
</tr>
<tr>
<td><strong>Bus.Dev Svcs.</strong></td>
<td><strong>2015</strong></td>
<td><strong>75%</strong></td>
<td>3.77</td>
<td>92</td>
<td>43</td>
<td>2</td>
<td>12,116,108</td>
<td>164</td>
<td>65</td>
<td>241</td>
<td>6</td>
<td>1537</td>
<td>6</td>
<td>6</td>
<td>1,650,000</td>
<td>2.88</td>
</tr>
<tr>
<td><strong>Bus.Dev Svcs. Mixed</strong></td>
<td><strong>2015</strong></td>
<td><strong>75%</strong></td>
<td>3.77</td>
<td>94</td>
<td>43</td>
<td>2</td>
<td>12,116,108</td>
<td>164</td>
<td>65</td>
<td>241</td>
<td>6</td>
<td>1537</td>
<td>6</td>
<td>6</td>
<td>1,650,000</td>
<td>2.88</td>
</tr>
<tr>
<td><strong>Bus.Dev Svcs. Mixed</strong></td>
<td><strong>2015</strong></td>
<td><strong>75%</strong></td>
<td>3.77</td>
<td>92</td>
<td>43</td>
<td>2</td>
<td>12,116,108</td>
<td>164</td>
<td>65</td>
<td>241</td>
<td>6</td>
<td>1537</td>
<td>6</td>
<td>6</td>
<td>1,650,000</td>
<td>2.88</td>
</tr>
<tr>
<td><strong>Bus.Dev Svcs.</strong></td>
<td><strong>2015</strong></td>
<td><strong>75%</strong></td>
<td>3.77</td>
<td>92</td>
<td>43</td>
<td>2</td>
<td>12,116,108</td>
<td>164</td>
<td>65</td>
<td>241</td>
<td>6</td>
<td>1537</td>
<td>6</td>
<td>6</td>
<td>1,650,000</td>
<td>2.88</td>
</tr>
<tr>
<td><strong>Bus.Dev Svcs. Mixed</strong></td>
<td><strong>2015</strong></td>
<td><strong>75%</strong></td>
<td>3.77</td>
<td>94</td>
<td>43</td>
<td>2</td>
<td>12,116,108</td>
<td>164</td>
<td>65</td>
<td>241</td>
<td>6</td>
<td>1537</td>
<td>6</td>
<td>6</td>
<td>1,650,000</td>
<td>2.88</td>
</tr>
<tr>
<td><strong>Bus.Dev Svcs. Mixed</strong></td>
<td><strong>2015</strong></td>
<td><strong>75%</strong></td>
<td>3.77</td>
<td>94</td>
<td>43</td>
<td>2</td>
<td>12,116,108</td>
<td>164</td>
<td>65</td>
<td>241</td>
<td>6</td>
<td>1537</td>
<td>6</td>
<td>6</td>
<td>1,650,000</td>
<td>2.88</td>
</tr>
</tbody>
</table>

* N/A = data not available
<table>
<thead>
<tr>
<th>Incubator</th>
<th>Year Certified</th>
<th>Calendar Year</th>
<th>Authorized Tax Credits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black Economic</td>
<td>2015</td>
<td>1990</td>
<td>$2,500.00</td>
</tr>
<tr>
<td>Missouri Nidus Center</td>
<td>2015</td>
<td>1992</td>
<td>$207,875.00</td>
</tr>
<tr>
<td>Arts Incubator Avvio</td>
<td>2015</td>
<td>1993</td>
<td>$312,500.00</td>
</tr>
<tr>
<td>Center for Direct Impact</td>
<td>2015</td>
<td>1996</td>
<td>$520,375.00</td>
</tr>
<tr>
<td>Education Center</td>
<td>2015</td>
<td>1997</td>
<td>$100,000.00</td>
</tr>
<tr>
<td>Foothills Tech</td>
<td>2015</td>
<td>1999</td>
<td>$100,000.00</td>
</tr>
<tr>
<td>Life Sciences St. Louis</td>
<td>2015</td>
<td>2000</td>
<td>$131,351.77</td>
</tr>
<tr>
<td>MITF Center for Scientific Entrepreneurship</td>
<td>2015</td>
<td>2001</td>
<td>$125,000.00</td>
</tr>
<tr>
<td>NIDUS Center for Eastern Jackson Arts Incubator</td>
<td>2015</td>
<td>2002</td>
<td>$125,000.00</td>
</tr>
<tr>
<td>Ozarks Small Business Innovation Center</td>
<td>2015</td>
<td>2003</td>
<td>$125,000.00</td>
</tr>
<tr>
<td>Regional Business Innovation Center (LBBIC)</td>
<td>2015</td>
<td>2004</td>
<td>$125,000.00</td>
</tr>
<tr>
<td>St. Louis Education Center</td>
<td>2015</td>
<td>2005</td>
<td>$125,000.00</td>
</tr>
</tbody>
</table>

*Calendar Year is defined as 12/1/2014 through 11/30/2015*