Innovation Campus

Missouri Community Development Block Grant (CDBG) Program
Innovation Campus is..........

- A means to connect businesses to a workforce with a specific skill set obtained by design.

Innovation Campus is not.........

- A scholarship program, or
- A normal job training program.
- Continually funded program; one shot of funding
Innovation Campus partners

- Local economic development agencies
- Public four-year universities
  - Community colleges
  - High schools
- Businesses in identified high growth industries in need of a skilled workforce
Program Requirement for Job Creation

- Benefit of program is met by job creation by participating businesses
- At least 51% of those jobs created must go to persons of low and moderate income (LMI) status
- Pool of job applicants comes from participants in Innovation Campus program
Some Innovation Campus projects did not get committed partnerships with businesses.

Were allowed to use CDBG funds to assist with training costs for participants who met LMI requirement:

- 100% LMI benefit for CDBG.
- No job creation requirement, but all participants received job training benefit.
CDBG eligible costs

- Up to $7,500 per participant in the program
- Eligible costs related to job training/degree program
- No general education classes eligible – classes eligible for CDBG assistance restricted to degree program only – classified as “job training” for CDBG
Current Innovation Campus projects

- Springfield BDC
- Jefferson City Chamber
- EDC of St. Charles County
- St. Joseph Chamber
- Joplin Area Chamber
- Johnson County EDC
- Cape Girardeau Development Foundation
Innovation Campus Tax Credit Program

House Bill 1459
Effective August 28, 2014

MISSOURI
Department of Economic Development
Program Purpose

Created to:

- Advance learning in Science, Technology, Engineering, and Math (STEM) areas
- Reduce the time and cost for Missouri students to obtain a college degree in those fields
How it Works

Zero Sum Contribution Tax Credit

- A donor makes a contribution to an eligible Innovation Campus partnership.
- The partnership keeps 50% of the donation to use toward program goals and pays 50% of the donation to the state’s general revenue fund.
  - The Innovation Campus submits a complete application, including payment, to DED.
- DED confirms eligibility and issues a tax credit equal to 50% of the donation to the donor.
Eligible applicants to the program are partnerships consisting of:

- A local Missouri high school or k-12 district;
- A Missouri four-year public or private higher education institution
- A Missouri-based business or businesses; and
- A Missouri two-year public higher education institution or state technical college
Eligible projects utilize donations to advance STEM learning and:

- Work to lower the cost of a college degree
- Decrease the amount of time to degree completion
- Provide applied & project-based learning
- Provide direct access to internships, apprenticeships, or employment
- Partner with industry stakeholders for ongoing development
The Tax Credit

- Eligible donations include: Cash, Real Property, Publicly-Traded Stocks or Bonds
- Can be claimed against: State Income tax, Corporate Franchise Tax, Gross Premium Receipts Tax, & Financial Institution Tax
- Sellable & Transferable
- Four year carry-forward
Rules have been drafted and are under review.

Application documents have been drafted and are under review.
| **Address:** | Innovation Campus Program  
MO Department of Economic Development  
P.O. Box 118, 301 W. High St. Rm. 770  
Jefferson City, MO  65102 |
|-------------|-------------------------------------------------------------------|
| **Staff:**  | Michelle Pruitt, Technical Assistance &  
Application Processing  
Brenda Horstman, Manager |
| **Phone:**  | (573) 751-4539 |
| **Fax:**    | (573) 522-4322 |
337 proposals have gone out for 178 different companies.
217 NOIs received.
203 NOIs approved to date.
Approved NOIs total approximately $174.5 million in tax credits and retained withholdings over a multiple year period.
Retirement—Withholding cap is depleted for fiscal years through 2023.

Overall—Tax Credit cap is:

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<td>$111 mil</td>
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Cap is on a fiscal year.
Questions?

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