

# Budget for One Minnesota



## Minnesota Innovation Collaborative

The Minnesota Innovation Collaborative will support a series of new initiatives designed to accelerate the growth of startups and innovative companies. Each initiative is uniquely designed to lower the risk required to fund, start, or grow a venture-backed startup in Minnesota. The MIC will bring all of these initiatives together under a new office that acts as a touchstone for the state to support and enhance our visibility and interest in the innovation ecosystem.

### Incentivizing Entrepreneurship



#### Early Grant Funding

DEED will award grants to eligible Minnesota startups involved in developing or producing products or services in Minnesota that will provide quality jobs for Minnesotans for the next generation. The grants will be targeted to the most promising technology businesses in the early stages of development that are generally not yet able to attract adequate private sources of capital:

**Research and Development Grants.** New innovative ideas require research & development to increase their commercial feasibility including proof of concept, IP protection, and prototype design.

**Business Liquidity Grants.** Whether it is space, equipment, staffing contracts or supplier costs there are a variety of business-related non-R&D expenses faced by start-ups.

**Entrepreneur Benefits Packages.** One of the biggest impediments for leaving existing jobs to start a company is the prospect of not having health insurance. Entrepreneurs often need financial assistance to cover costs associated with healthcare, or housing and child-care costs.

**Small Business Innovation Research (SBIR) Match Funding.** This financial support is a match for businesses who are new recipients of SBIR/Small Business Technology Transfer (STTR) phase I and phase II federal awards. The business may use funds to support commercialization activities and related costs associated with the project not covered under the federal grant.

**Innovation Vouchers.** This program would provide awards to assist small businesses purchase technical assistance and services from qualified public universities, colleges, technical schools and non-profits in Minnesota to advance their technology. This initiative would build on the successful program operated by DEED since 2014.

## Learning resources to help startups ramp up



### Expanding Educational Opportunities

DEED will issue a Request for Proposals to award competitive grants to organizations throughout the state that can deliver best-in-class educational programming to entrepreneurs and provide outreach on the state's innovation ecosystem.

**Outreach.** Outreach and education on programs available including the Angel Tax Credit program, to support technology business creation particularly in underserved communities.

**Mentorship** for individual technology based businesses and assistance for entrepreneurs seeking federal grant funding.

**Creation** of consistent educational programs for technology-based entrepreneurs and businesses outside of the 7-county metro area, in partnership with MNSCU or other local educational partners.

**Promotion.** Activities directed toward entrepreneurs and investors about Minnesota's growing innovation economy.

**Event and Meetings.** Regular events and one-time meetings that bring together key players in their area ecosystem and amplify their work along with supporting other organizations events.

## Bringing the ecosystem together



### Bringing Entrepreneurs Together

The Minnesota Innovation Outreach Office will lease space in a private co-working facility and include up to three new positions funded by DEED – a director, high-level professional staff and a staff person to manage administrative duties. Services will include:

**Instruction.** Classes and informal sessions on how to start a high-tech innovation business in Minnesota, giving startups an easy pathway to incorporating in the state.

**Promotion.** Activities directed toward entrepreneurs and investors about Minnesota's growing innovation economy.

**Events and Meetings.** Regular events and one-time meetings that bring together key players in the ecosystem and amplify their work along with supporting other organizations events.

**Outreach.** Outreach and education on all innovation activities and related financial programs available at DEED particularly for underserved communities.

**Partnerships.** Interaction and collaboration with the University of Minnesota, Minnesota State schools, private universities, trade organizations and the Mayo Clinic on start-ups and commercialization of technology.

**Advisory Board.** Staff would identify and administer an advisory board to assist with direction, grant programs, evaluations and other partnerships.

**Future of Work Research Initiative.** In conjunction with the University of Minnesota and Minnesota State Colleges and Universities, MIC leadership will work to commission research on the impacts of the fast-evolving economy on Minnesota's labor market.