



Research & Development Center Grant Program Summary

The JobsOhio **Research & Development (R&D) Center Grant** program was created to facilitate new strategic corporate R&D centers in Ohio. Such R&D Centers will support the development and commercialization of emerging technologies and/or products that align with one or more of JobsOhio's targeted industries (Advanced Manufacturing, Aerospace & Aviation, Automotive, BioHealth, Financial Services, Food Processing, Information Technology, Logistics & Distribution and Shale Energy & Petrochemicals). Examples of projects could include, among other areas of focus, Additive Manufacturing (3-D Printing), Advanced Materials, Aeropropulsion, Autonomous Vehicles, Biomedical, Carbon Fiber, Cybersecurity, Data Analytics, Financial Technology (FinTech), Energy Storage/Fuel Cells, Internet of Things (IoT), Sensors and Unmanned Aerial Systems.

For the purposes of the program, an "R&D Center" is defined as a newly created physical space dedicated to an area of innovation and/or broad platform technology that involves an upfront commitment by a corporation to developing and commercializing multiple products and innovations over a 10+ year life expectancy. An R&D Center could also include existing space that is re-purposed for a new R&D Center.

R&D Center Grant decisions are based on a number of project factors, including but not limited to alignment with JobsOhio sector strategies, job creation, new payroll, and fixed-asset investment commitments, and project location. An Applicant's track record in successful R&D commercialization will also be an important consideration.

An R&D Center Grant may provide funding for a portion of the costs related to a new center over 5 years. The R&D Center Grant program will have an initial total funding authorization of \$50 million.

Job Creation

R&D Center Grant funded activities are expected to create at least 5 new jobs, foster new technology-enabled products or services, and attract new technology-enabled companies to Ohio.

To the extent that new production facilities result from commercialized products and services from a new Ohio R&D center, JobsOhio will require (prior to a Grant recipient's investment decision) notification of such planned facilities and the opportunity to present site alternatives to the Grant recipient.

Eligible Applicants

Applicants can include any corporation with a minimum of 5 years operating history and annual revenue of greater than \$10 million. The credit rating of each Applicant will be considered, along with other customary due diligence items.

Eligible R&D Center projects

To be eligible to receive an R&D Center Grant, a center must represent at least \$3 million in new cash investment by a corporation.

Eligible Costs

Funds can be used for Qualified Research Expenses (QRE) and satisfy operational, equipment or facility needs related to:

- Industry-driven, value-added applied research;
- Software development; and,
- Developing technologies that can be commercialized by a corporation.

Equipment purchased with JobsOhio funds, if any, must remain in Ohio throughout its useful life. Operational activity funded with JobsOhio funds, if any, must occur in Ohio.

Term

The term of grant agreements will be up to five (5) years. Each year, the grant recipient is required to submit a status report detailing the overall progress of the R&D Center (including milestones, actual vs. budget) and the measurable economic impacts on Ohio.

Disbursement of Funds

JobsOhio funds will be disbursed on a reimbursement basis, first with respect to fixed assets and second, with respect to non-fixed assets, in each case with supporting documentation required with respect to dollars invested. All awards under the R&D Center Grant program are subject to approval by the Chief Investment Officer (CIO).

Recommended by Investment Committee: August 15, 2017

Approved by Board of Directors: September 21, 2017