



INNOVATION PARTNERSHIP ZONE CRITERION

1. Boundaries of the Proposed Innovation Partnership Zone

Identifiable boundaries for the zone within which the applicant will concentrate efforts to connect innovative researchers, entrepreneurs, investors, industry associations or clusters, and training providers. The geographic area defined should lend itself to a distinct identity and have the capacity to accommodate firm growth.

Guidance: Innovation Partnership Zones are intended to promote collaboration and cover relatively small areas that reflect an intensity of an industry cluster. However, the zones do not have to be contiguous and when applicable, the zone may cover a broad geography e.g. a zone that includes wind farms. The Governor has described these zones as “science parks” or “research parks.” To be successful in promoting collaboration and informal networking, zones should enable extensive face-to-face interaction among researchers and managers associated with the zone either through a tight geography and/or plans for convening members of the cluster.

IPZs are intended to provide a marketing tool and focal point for local economic development. Companies and researchers – including potential new recruits – should be aware that they are entering a distinct environment when they enter the zone.

Maps of proposed zones and the ability to describe the distinct identity of the area will be required.

2. Residents of the Proposed Zone

Innovation partnership zones must partner with three types of entities that operate within the zone boundaries¹. There is one exception--cases where the best-suited research institution may not reside within the zone boundaries.

1. Research capacity in the form of a university or community college fostering commercially valuable research, nonprofit institutions creating commercially applicable innovations, or a national laboratory;

2. Dense proximity of globally competitive firms in a research-based industry or industries or of individual firms with innovation strategies linked to the IPZ's research theme(s). A globally competitive firm may be signified through international organization for standardization 9000 or 1400 certification, or other recognized evidence of international success;

3. Workforce training capacity either within the zone or readily accessible to the zone. The training capacity requirement may be met by the same institution as the research capacity requirement.

Guidance: Applicants should describe the current residents and assets within the proposed zone. These may include existing companies, research institutions, and workforce training providers that operate within the zone boundaries. However, as “Evidence of Planning” (below) suggests, designated zones may not yet be fully formed in terms of private sector companies or research capacity.

3. Evidence of Planning

Innovation partnership zones must have three types of institutions operating within their boundaries, or show evidence of planning and local partnerships that will lead to dense concentrations of these institutions.

Guidance: Applicants should be able to provide detailed evidence of planning for the future of the zone. The most important demonstration of such planning is a complete, fully-executed Memorandum of Understanding between the required partners and the Zone Administrator. A sample template for a Memorandum of Understanding is included in the application materials

¹ If these partnerships are weak or emerging, the applicant may show evidence of planning and local partnerships which demonstrate that dense concentrations of such partnerships are imminent.

The program goal is for Innovation Partnership Zones to be homes to thriving networks of firms, researchers, and supporting institutions. However, it is possible that a proposed IPZ might not be a fully-developed innovation hub. However, it is possible to achieve designation if the applicant can demonstrate a strong likelihood of near-term success.

“Evidence of planning” must make a credible case that the proposed area can, in fact, become a location of research and commercial activity within a relatively short planning horizon. Specific evidence may include:

- Positive feasibility studies
- Joint planning efforts that suggest sufficient local funding to drive private sector decision making
- Zoning and other preliminary decisions that pave the way for private activity
- Commitments from research institutions or companies
- Current public and private capitalization in the zone boundaries
- Current employment within zone boundaries
- Evidence of activity related to innovation and commercialization

4. **Economic Impact**

On October 1st of each odd-numbered year, the director shall designate innovation partnership zones on the basis of applications that meet the legislative criteria, and evidence that zone applicants will promote commercialization, innovation, and collaboration among zone residents.

Guidance: Estimated economic impact must include evidence of:

- Anticipated private investment
- Job creation
- Innovation and commercialization

Successful applicants will show not only that there is local interest in creating a thriving Innovation Partnership Zone, but also that planning and resources are available to make a credible case for near-term success in locating companies and researchers in the proposed zone.

5. **Administrator and Supportive Partners**

The innovation partnership zone administrator must be an economic development council, port, workforce development council, city, or county.

Guidance: Designate a zone administrator from the allowable list of institutions, to be the lead institution for accounting, and planning. Zone administrators will be convened annually by Commerce to improve information flow among zone authorities and to provide information at the state level.

6. Support

The support of a local jurisdiction, a research institution, an educational institution, private sector companies, an industry or cluster association, a workforce development council, and an associate development organization, port, or chamber of commerce.

Guidance: Applicants can demonstrate local support through individual letters or through jointly signed letters of support for the zone.

7. Performance Measures and On-Going Evaluation

An innovation partnership zone shall provide performance measures as required by legislation, including but not limited to private investment measures, job creation measures, and measures of innovation such as licensing of ideas in research institutions, patents, or other recognized measures of innovation.

Guidance: Applicants should be able to show that local zone administrators can provide baseline information and annual information from firms and institutions that are residents of the zone in the future.

Such information includes:

- Current public and private capitalization in the zone boundaries
- Current public and private job creation or retention in the zone boundaries
- Private sector investment within the IPZ boundaries
- Job creation or retention within the IPZ boundaries
- Evidence of additional innovation activity within the IPZ boundaries
- Evidence of additional commercialization activity within the IPZ boundaries
- Additional or enhanced collaboration and/or community partnerships related to the IPZ
- Other measures as indicated in the zone's business plan