

Delaware Economic Development Office
(10-03-00)

Project Summary Chart

Project Name	STATE CAPITAL FUNDS					
	\$ Prior to FY 2001	FY 2001	FY 2002 Request	FY 2002 Recommended	FY 2003 Request	FY 2004 Request
1. Strategic Fund	\$ 12,000,000*	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000
2. Biotech Institute	5,000,000	5,000,000	5,000,000	5,000,000		
3. DSU High Technology Incubator		1,500,000	4,000,000	4,000,000		
4. High Tech Small Business Incubator/DTCC – Owens Campus			2,500,000		2,500,000	
5. High Tech Small Business Incubator/DTCC – Wilmington Campus			2,500,000		2,500,000	
6. Garrison Oak Infrastructure Improvements			1,600,000		1,600,000	
N/A Riverfront Development Corporation	12,000,000	9,000,000	5,000,000	5,000,000		
TOTAL	\$ 29,000,000	\$ 25,500,000	\$ 30,600,000	\$ 24,000,000	\$ 16,600,000	\$ 10,000,000

* Prior to FY 2001 only includes funding appropriated in the FY 2000 capital improvements act.

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1. Strategic Fund

PROJECT DESCRIPTION AND JUSTIFICATION

Funding is requested to recapitalize the Strategic Fund for working capital, equipment and building acquisitions, and other business development projects.

FACILITY DATA: N/A

POSITION REQUEST:

No new positions specific to this project are requested at this time.

CAPITAL REQUEST:

	State Funds		Capital Funds From Other Sources		
	Authorized and Requested		Federal	Other	
FY 1999	\$	10,000,000	\$	0	0
FY 2000		12,000,000		0	0
FY 2001		10,000,000		0	0
FY 2002		10,000,000		0	0
FY 2003		10,000,000		0	0
FY 2004		10,000,000		0	0
TOTAL	\$	62,000,000	\$	0	0

COST BREAKDOWN: N/A

OPERATING COSTS – COMPLETED FACILITY: N/A

2. Biotech Institute

PROJECT DESCRIPTION AND JUSTIFICATION

Funding is requested to conclude the state's capital investment in the Biotech Institute in accordance with the department's proposed three-year funding schedule.

FACILITY DATA: N/A

POSITION REQUEST:

No new positions specific to this project are requested at this time.

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CAPITAL REQUEST:

	State Funds		Capital Funds From Other Sources		
	Authorized and Requested		Federal	Other	
FY 2000	\$	5,000,000	\$	0	\$ 0
FY 2001		5,000,000		0	0
FY 2002		5,000,000		0	0
TOTAL	\$	15,000,000	\$	0	\$ 0

COST BREAKDOWN:

	Total		FY 2002	FY 2003	FY 2004
	Previous				
	Funding				
Construction Expenses:					
Construction Costs	\$	10,000,000	\$ 5,000,000	\$ 0	\$ 0
TOTAL	\$	10,000,000	\$ 5,000,000	\$ 0	\$ 0

OPERATING COSTS – COMPLETED FACILITY: N/A

3. DSU High Technology Business Incubator

PROJECT DESCRIPTION AND JUSTIFICATION

Funding is requested to construct a 40,000 square foot High Technology Business Incubator on land to be donated by Delaware State University (DSU) and located on its campus.

In the Fiscal Year 2001 Capital Budget, \$1,500,000 was authorized as the first of two equal appropriations for the construction of a 20,000 square foot incubator structure with an estimated cost of \$3,000,000. It is expected that this first appropriation will cover all of the initial costs associated with this project, including planning and design, architectural expenses, engineering and site development. The original 20,000 square foot projection was based primarily on forecasts made by the planned project partner, the University City Science Center (UCSC) who based their estimates on a similar 20,000 square foot project they were associated with at the Burlington (NJ) County Community College (BCCC). However, when the DSU Steering Committee visited the facility in Burlington County, New Jersey, they were told by the BCCC that they regretted going with only a 20,000 square foot structure and that they were planning a 10,000-20,000 square foot addition. Subsequent to this BCCC visit, members of the Incubator Steering Committee visited three other operating incubators and also attended the Association of University Related Business Parks Conference in Boulder, Colorado. The Steering Committee found, as they met and spoke with these organizations, a common thread. They all recommended that minimum incubator size should be 35,000 – 40,000 square feet. The Delaware Economic Development Office (DEDO) requests that this facility planned for the DSU campus should be designed and built as a 40,000 square foot structure.

FACILITY DATA: N/A

POSITION REQUEST:

No new positions specific to this project are requested at this time.

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CAPITAL REQUEST:

	State Funds		Capital Funds From Other Sources		
	Authorized	Requested	Federal	Other	
FY 2001	\$	1,500,000	\$	0	\$ 0
FY 2002		4,000,000		0	0
TOTAL	\$	5,500,000	\$	0	\$ 0

COST BREAKDOWN:

	Total Previous Funding	FY 2002	FY 2003	FY 2004
Construction Expenses:				
Planning/Design	\$ 500,000	\$ 0	\$ 0	\$ 0
Architect/Engineering	500,000	0	0	0
Site Development Costs	500,000	0	0	0
Construction Costs	0	4,000,000	0	0
TOTAL	\$ 1,500,000	\$ 4,000,000	\$ 0	\$ 0

OPERATING COSTS – COMPLETED FACILITY: N/A

4. High Technology Small Business Incubator/DTCC – Owens Campus

PROJECT DESCRIPTION AND JUSTIFICATION

Funding is requested to construct a 30,000 square foot High Technology Small Business Incubator on the Owens Campus of Delaware Technical and Community College. This facility will be devoted to assisting start-up businesses with new, high tech product and services development and manufacturing. As businesses grow and become self-sufficient, they will leave the incubator and be replaced by other start-up businesses.

FACILITY DATA:

Present Facility	Proposed Facility
Location:	Location: Owens Campus, DTCC, Georgetown
Tax Parcel #:	Tax Parcel #:
Gross # square feet:	Gross # square feet: 30,000
Age of building:	Estimated time needed to complete project: 18 to 24 months
Age of additions:	Estimated date of occupancy: Upon completion
Year of last renovations:	Estimated life of improvement: 30 years
# of positions in facility currently:	# of positions in facility when completed: 2 plus tenants

POSITION REQUEST:

No new positions specific to this project are requested at this time.

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CAPITAL REQUEST:

	State Funds		Capital Funds From Other Sources		
	Authorized and Requested		Federal	Other	
FY 2002	\$	2,500,000	\$	0	\$ 0
FY 2003	\$	2,500,000	\$	0	\$ 0
TOTAL	\$	5,000,000	\$	0	\$ 0

COST BREAKDOWN:

	Total Previous Funding	FY 2002	FY 2003	FY 2004
Construction Expenses:				
Planning/Design	\$ 0	\$ 50,000	\$ 0	\$ 0
Architect/Engineering	0	300,000	0	0
Site Development Costs	0	650,000	0	0
Construction Costs	0	1,250,000	1,575,000	0
Construction Contingency	0	250,000	175,000	0
Non-Construction Expenses:				
Technology	0	0	200,000	0
Furniture	0	0	50,000	0
Other	0	0	500,000	0
TOTAL	\$ 0	\$ 2,500,000	\$ 2,500,000	\$ 0

OPERATING COSTS – COMPLETED FACILITY:

Maintenance	\$ 37,800
Energy	55,800
Salary/Wages	0
New Posts Requested ____	
Lease	0
Custodial	22,800
Other	35,000
TOTAL	\$ 151,400

5. High Technology Small Business Incubator/DTCC – Wilmington Campus

PROJECT DESCRIPTION AND JUSTIFICATION

Funding is requested to construct a 30,000 square foot High Technology Small Business Incubator on the Wilmington Campus of Delaware Technical and Community College. This facility will be devoted to assisting start-up businesses with new, high tech product and services development and manufacturing. As businesses grow and become self-sufficient, they will leave the incubator and be replaced by other start-up businesses.

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FACILITY DATA:

Present Facility	Proposed Facility
Location:	Location: Wilmington Campus, DTCC, Stanton
Tax Parcel #:	Tax Parcel #:
Gross # square feet:	Gross # square feet: 30,000
Age of building:	Estimated time needed to complete project: 18 to 24 months
Age of additions:	Estimated date of occupancy: Upon completion
Year of last renovations:	Estimated life of improvement: 30 years
# of positions in facility currently:	# of positions in facility when completed: 2 plus tenants

POSITION REQUEST:

No new positions specific to this project are requested at this time.

CAPITAL REQUEST:

	State Funds		Capital Funds From Other Sources		
	Authorized and Requested		Federal		Other
FY 2002	\$	2,500,000	\$	0	\$ 0
FY 2003	\$	2,500,000	\$	0	\$ 0
TOTAL	\$	5,000,000	\$	0	\$ 0

COST BREAKDOWN:

	Total Previous Funding		FY 2002		FY 2003		FY 2004
Construction Expenses:							
Planning/Design	\$ 0	\$	50,000	\$	0	\$	0
Architect/Engineering	0		300,000		0		0
Site Development Costs	0		650,000		0		0
Construction Costs	0		1,250,000		1,575,000		0
Construction Contingency	0		250,000		175,000		0
Non-Construction Expenses:							
Technology	0		0		200,000		0
Furniture	0		0		50,000		0
Other	0		0		500,000		0
TOTAL	\$ 0	\$	2,500,000	\$	2,500,000	\$	0

OPERATING COSTS – COMPLETED FACILITY:

Maintenance	\$	37,800
Energy		55,800
Salary/Wages		0
New Posts Requested ____		
Lease		0
Custodial		22,800
Other		35,000
TOTAL	\$	151,400

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6. Garrison Oak Infrastructure Improvements

PROJECT DESCRIPTION AND JUSTIFICATION

Funding is requested to assist the City of Dover with infrastructure costs associated with preparing the 400 acre Garrison Oak Technology Park to a "site ready" status, to accommodate accelerated marketing efforts to attract higher paying technology-based jobs to Kent County.

There are now revised projections on the future of new semiconductor plants in the U. S. indicating that there will be significantly fewer plants constructed over the near to intermediate term than originally projected. As a result, DEDO is changing strategies and transferring marketing resources to an increased effort on attracting other technology focused companies that offer higher paying employment opportunities. This new emphasis will target industries such as biotechnology, bi-pharmaceutical, microelectronics and other industries that represent a good fit to Delaware's educational infrastructure.

A consulting team produced a report last year strongly recommending that Delaware, specifically Kent County, aim their marketing efforts at attracting these types of high technology industries. In the report, the consultants stressed the importance of having "site ready" locations for these industries. "Site ready" means locations that can complete a 12 to 18 month minimum recruitment and construction cycle. These industries need to be up and running in a minimum amount of time. Of the three original primary locations (White Hall, Middletown and Garrison Oak), only Garrison Oak is positioned to be ready for the type of site preparation needed to meet these industry-dictated time frames. The Garrison Oak property was purchased by the City of Dover with a funding appropriation provided by the Legislature in the Fiscal Year 2000 Bond Bill.

FACILITY DATA: N/A

POSITION REQUEST:

No new positions specific to this project are requested at this time.

CAPITAL REQUEST:

	State Funds		Capital Funds From Other Sources		
	Authorized and Requested		Federal	Other	
FY 2002	\$	1,600,000	\$	0	\$ 0
FY 2003		1,600,000		0	0
TOTAL	\$	3,200,000	\$	0	\$ 0

COST BREAKDOWN:

		Total Previous Funding		FY 2002		FY 2003		FY 2004
Construction Expenses:								
Construction Costs	\$	0	\$	1,600,000	\$	1,600,000	\$	0
Non-Construction Expenses:								
TOTAL	\$	0	\$	1,600,000	\$	1,600,000	\$	0

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FISCAL YEAR 2003

1. Strategic Fund **\$10,000,000**

See Project Descriptions for Fiscal Year 2002

2. High Tech Small Business Incubator/DTCC – Owens Campus **\$2,500,000**

See Project Descriptions for Fiscal Year 2002

3. High Tech Small Business Incubator/DTCC – Wilmington Campus **\$2,500,000**

See Project Descriptions for Fiscal Year 2002

4. Garrison Oak Infrastructure Improvements **\$1,600,000**

See Project Descriptions for Fiscal Year 2002

FISCAL YEAR 2004

1. Strategic Fund **\$10,000,000**

See Project Descriptions for Fiscal Year 2002
