



**KEYSTONE  
INNOVATION  
ZONE**

**SOUTHSIDE BETHLEHEM**

**Technology Transfer Grant  
Program Guidelines**

It is the mission of the Southside Bethlehem Keystone Innovation Zone (KIZ) to foster innovation and create entrepreneurial opportunities by aligning the combined resources of educational institutions, the public sector, and the private sector.

In support of this mission, the KIZ awards Technology Transfer Grants to assist eligible companies in the commercialization of innovative technologies that possess promise for technology transfer into the marketplace.

- \$15,000 for 1<sup>st</sup> Tech. Transfer Grant
- \$25,000 for additional Tech. Transfer Grants

The purpose of this program is to support the development of innovative, revenue-generating, and marketable technologies, support company growth, and facilitate job creation within the KIZ and the Commonwealth of Pennsylvania. Funding for this program is provided exclusively by the KIZ's Primary Partners.

### **Eligibility Requirements**

Eligible Applicants for Technology Transfer Grants must be:

- ❖ an entity that meets the following requirements:
  - Located within the [geographical boundaries](#) of the KIZ
  - Operational for less than 8 years
  - Operating within one of the State-approved industry clusters. Further preference will be given to the following industry clusters approved by the Southside Bethlehem KIZ:
    - Information Technology
    - Financial Services
    - Advanced Materials
    - Nanotechnology
    - Opto/Micro Electronics
    - Life Sciences
    - Energy
  - Meets any other requirements that may be specified
- ❖ a Primary Partner that clearly demonstrates an ability to generate innovative, revenue-generating, and marketable technologies. The potential should exist to transfer the technology to a spin-off company and/or pursue licensing opportunities.

### **Proposal Format**

Applicants must submit a written proposal to the KIZ Director in the following format:

#### **1. Applicant Information**

- ❖ Name
- ❖ Location(s)

- Headquarters
- Office space
- Lab space
- ❖ Employment specific to each location

## 2. Applicant Overview

- ❖ Provide a complete history of the Applicant
- ❖ Identify key members of the Applicant's management team, identify their roles, and briefly discuss their backgrounds

## 3. KIZ Relationship

- ❖ Describe how the Applicant will work to advance the mission of the KIZ

## 4. Identification of Project

- ❖ Describe the project that funding is being requested for. The following should be included, but not limited to:
  - Project description
  - Market opportunities
  - Analysis of competition
  - Revenue model
  - Cost of goods sold (if applicable)
  - Project timeline
  - Deliverables and expected outcomes

## 5. Intellectual Property

- ❖ Identify any Intellectual Property owned by the Applicant and/or expected to be owned as a result of this project

## 6. Project Budget

- ❖ Budget Spreadsheet (Attachment A)
  - Matching Funds
    1. Matching funds are not required for the \$15,000 but the leveraging of additional funds may increase the competitiveness of the proposal.
    2. Matching funds of 1:1 are required for the \$25,000 grant.
  - In-kind services may be leveraged as Matching Funds and must be clearly documented

## 7. Financials (\$25,000 grants only)

- ❖ **Balance Sheet and Profit/Loss Statements**

### Required Attachments:

- ❖ **KIZ Eligibility Form (Attachment B)**
- ❖ **Business Plan**
- ❖ **Resumes for Key Management Team**

## Proposal Consideration Process

1. Applicant must submit a written proposal to the KIZ Director using the format above.

2. Proposals will be reviewed by the KIZ Director and, if found to be satisfactory, will be included in the next meeting packet sent out to the KIZ Board. Meeting packets will typically be sent out to the Board on the 3<sup>rd</sup> Tuesday of every month.
  - ❖ Contingent upon agenda and availability of funds.
3. Applicants are required to present their proposal to the KIZ Board. The Board typically meets on the 4<sup>th</sup> Tuesday of every month at 3:00 p.m.
  - ❖ Presentations should be no longer than 15 minutes
  - ❖ May include PowerPoint, videos, and anything reasonably necessary to “make your pitch”
4. Applicants can expect to respond to questions from the KIZ Board Members about their proposal and presentation.
5. After the question and answer session, Applicants will be asked to leave.
6. The KIZ Board will discuss the proposal immediately following the presentation.
7. The KIZ Director will follow-up with the Applicant to notify them of the KIZ Board’s decision.

## **Reimbursement Process**

The KIZ Tech. Transfer Grant operates as a reimbursement program for costs incurred during the grant contract period. At the sole discretion of the KIZ Director, advances can be considered on a case-by-case basis.

1. An invoice is issued from the Company to the Bethlehem Economic Development Corporation with supporting documentation and proof-of-payment.
  - ❖ Invoice
    - Issued to:
 

Bethlehem Economic Development Corporation  
10 East Church St.  
Bethlehem, PA 18018
    - Issued by the Company from their headquarters’ address
    - List line-item expenditures found in the approved budget
      - Underneath each specific line-items, goods, or services should be listed after the line-item expenditures when appropriate
    - Total amount requested.
  - ❖ Supporting documentation that demonstrates eligible costs have been incurred by the Company
    - Invoices
    - Fully-executed service contracts
    - Work logs
  - ❖ Proof-of-payment must be provided
    - Cancelled checks
    - Receipts
    - Bank Statements

2. If documentation provided is satisfactory to the KIZ Director, the check will be processed and sent via U.S. Mail to the Company.

## **Budget Amendments**

Budget Amendments can be submitted for approval to the KIZ Director. Using the Budget Amendment form (Attachment C), enter the most recently approved budget followed by the newly requested budget. **Note:** a change-in-scope of the project will require the Company to present a proposal for the remaining balance to the KIZ Board.

## **Reporting Requirements**

On the contract start date and end date, the Company will complete and submit [Reporting Requirements](#) to the KIZ Director.

## **Repayment Obligations**

In the event that KIZ Company applies for and is a recipient of a KIZ Tax Credit Award through the Commonwealth of Pennsylvania's Department of Community and Economic Development ("Tax Credit") during the Term of this Agreement and for a period thereafter in which KIZ Company remains eligible to receive the Tax Credit ("Tax Credit Period"), KIZ Company shall be subject to certain grant repayment provisions as set forth herein ("Repayment Obligation").

- ❖ If KIZ Company receives a Tax Credit during the Tax Credit Period in the amount of Ten Thousand Dollars (\$10,000.00) or greater ("Minimum Tax Credit"), KIZ Company shall be subject to the Repayment Obligation in the amount of (i) twenty percent (20%) of the Tax Credit amount awarded to KIZ Company within the Tax Credit Period until the grant awarded to KIZ Company hereunder has been repaid in full to BEDCO, and (ii) at such time after the grant awarded to KIZ Company hereunder has been repaid in full to BEDCO, and continuing thereafter, five percent (5%) of every Tax Credit amount awarded to KIZ Company within the Tax Credit Period. KIZ Company shall remit the Repayment Obligation to BEDCO within four (4) months of the annual Tax Credit award announcement. BEDCO shall issue an invoice on an annual basis to KIZ Company setting forth the obligations of the Repayment Obligation.
- ❖ In the event that KIZ Company does not receive a KIZ Tax Credit either during the Tax Credit Period or in an amount greater than the Minimum Tax Credit, the Repayment Obligations of this Section shall not apply.
- ❖ For purposes of establishing whether KIZ Company receives a Tax Credit and whether such Tax Credit is in the amount of the Minimum Tax Credit level or greater, the information supplied by Commonwealth of Pennsylvania's Department of Community and Economic Development shall be conclusive, and BEDCO shall be under no further obligation to investigate or otherwise verify such determination.

- ❖ In the event that KIZ Company divests itself of its assets or undergoes a change in control (for purposes hereof, a “change in control” shall mean the change in ownership of greater than fifty percent (50%) of the equity or ownership interests in KIZ Company), KIZ Company shall put forth good effort to repay in full the amount of the grant awarded hereunder to BEDCO prior to the consummation of such asset divestiture or change in control.
- ❖ The Repayment Obligation set forth herein shall apply only to those Tax Credits received by KIZ Company after the effective date of this Agreement.

## State Partner



## Primary Partners



## Advisory Partners



# Attachment A

<u>KIZ Project Budget</u>				
<u>Line Item</u>	<u>KIZ Funds</u>	<u>Matching Funds</u>	<u>Total Project Cost</u>	<u>Source (Match)</u>
			\$0	
			0	
			0	
			0	
			0	
			0	
			0	
			0	
			0	
			0	
<b>Totals</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	





# Attachment B

## ELIGIBILITY FORM

### COMPANY INFORMATION

Name: <input style="width: 100%;" type="text"/>		
Company FEIN: <input style="width: 150px;" type="text"/>	FEIN Filing Date: <input style="width: 100px;" type="text"/>	
Company Address: <input style="width: 200px;" type="text"/>	Suite: <input style="width: 100px;" type="text"/>	
City: <input style="width: 100px;" type="text"/>	State: <input style="width: 100px;" type="text"/>	ZIP Code: <input style="width: 100px;" type="text"/>
Company HQ Address: <b>[only complete if different from above]</b> <input style="width: 250px;" type="text"/>		Suite: <input style="width: 100px;" type="text"/>
City: <input style="width: 100px;" type="text"/>	State: <input style="width: 100px;" type="text"/>	ZIP Code: <input style="width: 100px;" type="text"/>
Date Located at Address: <input style="width: 100px;" type="text"/>	#of Employees Working in KIZ: <input style="width: 100px;" type="text"/>	# of Employees in Company: <input style="width: 100px;" type="text"/>
Company Description: <input style="width: 200px;" type="text"/>		
NAICS Code: <input style="width: 100px;" type="text"/>	NAICS Description: <input style="width: 150px;" type="text"/>	
Identify the Following Industry Clusters that are Applicable to your Company:		
<input type="checkbox"/> Information Technology/Financial Services <input type="checkbox"/> Advanced Materials/Nanotechnology <input type="checkbox"/> Opto/Micro Electronics <input type="checkbox"/> Life Sciences <input type="checkbox"/> Energy		
Description of any Patents, Trademarks, Copyrights: <input style="width: 150px;" type="text"/>		
Description of Innovative Nature of Company: <input style="width: 150px;" type="text"/>		
Employment Goals: <input style="width: 100px;" type="text"/>		
How Did You Hear About the KIZ? <input style="width: 100px;" type="text"/>		

### APPLICANT INFORMATION

Name: <input style="width: 100%;" type="text"/>	Title: <input style="width: 100%;" type="text"/>
Phone: <input style="width: 100%;" type="text"/>	Email: <input style="width: 100%;" type="text"/>
Name: <b>[complete if CEO/President is different than above]</b> <input style="width: 200px;" type="text"/>	Title: <input style="width: 100%;" type="text"/>
Phone: <input style="width: 100%;" type="text"/>	E-mail: <input style="width: 100%;" type="text"/>

### AUTHORIZATION

By signing this document, I approve this information and certify that it is correct to the extent of my knowledge.

Company:

Name:

Title:

Signature:

Date:

**REQUIRED DOCUMENTATION:**

- ❖ Business Plan
- ❖ Proof of ownership/lease
- ❖ Proof of FEIN filing date



# Attachment C

[COMPANY NAME] Budget Amendment #[]

Wednesday, January 20, 2021

CURRENT BUDGET ([DATE])	
Budget Item	Amount
<b>TOTAL</b>	

REVISED BUDGET ([DATE])	
Budget Item	Amount
<b>TOTAL</b>	

**Budget Description:**

By An Authorized Official of:  
**Bethlehem Economic Development Corp.**

By An Authorized Official of:  
**[COMPANY NAME]**

\_\_\_\_\_

\_\_\_\_\_

Name:

Name:

Title:

Title:

Date:

Date: 1/20/2021

