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Governor Crist Proposes \$32.6 Million for Commercial Space Launch, Urges Incentives to Build Florida's Innovation Economy

~ To grow key Florida industries and high-tech, high-wage jobs ~

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TALLAHASSEE – Governor Charlie Crist today addressed the board of directors of Enterprise Florida Inc. during the group's annual meeting in Tallahassee to announce his \$307.5-million economic-incentive budget proposal for Fiscal Year 2010-11. The Governor, who chairs the board, highlighted his commitment to growing the state's innovation economy, ensuring a competitive business climate, building a world-class workforce, and establishing Florida as a pre-eminent global trade hub.

"The successes we are seeing in Florida's biotechnology business hub show us that we must continue our efforts to attract and retain companies in Florida's innovation sectors," Governor Crist said. "Florida's business friendliness, talented workforce, beautiful environment and pleasant climate make the Sunshine State an excellent location for companies seeking to grow economic opportunities."

Governor Crist's recommended budget will increase Florida's competitiveness in key business sectors, including information technology, aviation and aerospace, defense, biotechnology, tourism, sports, and film and entertainment through the Governor's Office of Tourism, Trade and Economic Development (OTTED). Governor Crist directed Chris Hart, who was recently appointed to a dual role as OTTED director and CEO of Workforce Florida, to increase efforts to grow key Florida businesses and high-tech, high-wage jobs.

Highlights of the Governor's planned incentives needed to build Florida's innovation economy include the following:

Space Florida, \$32.6 million – In response to the federal policy decision to end the space shuttle program and to initiate new human space exploration missions beyond earth's orbit, Governor Crist proposed \$20 million to Space Florida to fund business recruitment activities, including the following:

- *Financing for Space Industry Jobs Retention and Business Expansion* – \$10 million for an internal source of financing and investment funds to provide additional opportunities for expanding space businesses and to establish sustained industry growth.
- *Expanded Space Business Services* – \$3 million to provide assistance to emerging space businesses pursuing opportunities in Florida
- *Workforce Development Assistance* – \$3.2 million to provide support to workforce development programs and technical training initiatives

In addition, Governor Crist recommended \$12.6 million to assist in the development and management of state-of-the-art facilities for space businesses that will create high-technology, high-wage jobs. This funding will enable Space Florida to invest in a technology and commerce park that utilizes Florida's space assets, refurbish Launch Complex 46 to promote commercial use, and renovate facilities to attract businesses and foster the growth of a sustainable and world-class aerospace industry in Florida.

Innovation Incentive Program, \$100 million – To date, this program has played a critical role in attracting leading research institutes and companies that have expanded innovation-based economic activity, both in their own right and through spin-off generation. Currently, seven research institutes participate in this program and, in the early stages of their development, have already created over 400 new high-tech, high-wage jobs.

Quick Action Closing Fund, \$25 million – This program enables the state to respond quickly to extraordinary economic opportunities and compete effectively for projects that involve significant capital investment and the creation of high-wage jobs. In Fiscal Year 2008-09, these projects led to the creation or retention of 25,610 jobs at an average annual wage of \$51,503.

Institute for Commercialization of Public Research, \$15 million – Established in 2007, the institute serves as a one-stop-shop for investors, entrepreneurs, and corporate partners looking to develop new ventures based on research performed in Florida. The institute showcases technologies and products developed by publicly supported organizations across the state, and commercially viable discoveries are paired with seasoned entrepreneurs and investors to ensure their growth and success, resulting in high-skill, high-wage jobs.

Film and Entertainment, \$15 million – Governor Crist recommended an increased investment to demonstrate Florida's strong commitment to retaining and growing its highly valued film and entertainment industry. A recent independent study on Florida's entertainment industry reported that in 2007 the industry generated \$17.9 billion in Gross State Product and provided a total statewide fiscal impact of \$29 billion, directly employing approximately 102,000 Floridians with an average wage of \$57,700.

In Fiscal Year 2008-09, 29 productions spent more than \$55.3 million on Florida wages, products and services that met the strict parameters of the program. The 6,434 jobs resulting from these productions put \$37.3 million in wages into the pockets of Floridians. An additional \$18 million was spent with Florida businesses. Approximately \$8.6 million was rebated to these productions, based on their qualified Florida expenditures. On average, for every dollar rebated a certified production on qualified Florida expenditures, over six dollars were spent on Florida wages, products or services.

Other Economic Development Recommendations

Earlier this week, Governor Charlie Crist proposed additional strategies for growing jobs, businesses and economic opportunities through \$100 million in tax relief to families and businesses. Governor Crist recommended a \$9.7-billion investment in economic development, which includes infrastructure, workforce development and incentives for small businesses. Governor Crist also highlighted his recommendations for continued investments to assist individuals, businesses and communities as Florida's economy recovers.

Later today, Governor Crist will attend the 57th Annual PGA Merchandise Show at the Orange County Convention Center alongside PGA CEO Joe Steranka. The Governor expressed his support for the sport and industry which has an economic impact of more than \$6 billion in Florida. The golf industry also brings in 167,000 jobs and \$4.7 billion in wages to Floridians. The show is the world's largest business-to-business golf event, featuring more than 1,000 top industry vendors from all 50 states and more than 70 countries.

For more information about the Governor's Office of Tourism, Trade and Economic Development, please visit http://flgov.com/otted_home.

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