

## MINUTES

### **Ann Arbor-Ypsilanti SmartZone Local Development Finance Authority Board of Directors**

**July 21, 2005**

**Eastern Michigan University – College of Business  
300 West Michigan Avenue Ypsilanti, Michigan**

**Members Present:** Chris Ballman, John Gawlas, Mickey Katz-Pek, Richard King, Michael Korybalski, Steve Pierce, Michael Reid, Rob Risser

**Members Excused:** Tom Kinnear, Jeff Mason

**Staff Present:** Tim Robinson- WDC, Kurt Riegger- ITZ, Chuck Salley- ITZ

**Others Present:**

**Call to Order:** Reid, called the meeting to order at 12:15 pm. A quorum was present.

**Consent Agenda:** The Minutes of the June 28, 2005 Board meeting were presented and discussed. It was moved by Korybalski, seconded by Pierce "To approve the minutes as amended" Motion passed unanimously. The 2004-2005 LDFA year end financial statement was also presented. The 2003-2004 FY fund balance of \$68,578 coupled with 2004-2005 FY revenues of \$219,227 gave the LDFA \$287,805 of available funds. Expenditures totaled \$254,000 leaving the LDFA with a \$33,805 fund balance as of July 1, 2005. It was moved by Katz-Pek, seconded by Gawlas "To approve the financial statement as presented." Motion passed unanimously.

#### **Election of Officers.**

Chair Risser joined meeting at 12:30.

Korybalski announced that SPARK had appointed him to their Board of Directors as the LDFA's representative.

Risser asked that future LDFA agendas include some time for Korybalski to update the Board on SPARK activities.

Katz-Pek made a motion to nominate the current Chair, Vice-Chair and Treasurer to another one year term. Korybalski seconded the motion. Chair Risser, Vice-Chair Reid and Treasurer Pierce accepted the nominations. Motion passed unanimously.

#### **Approval of accelerator 2004-2005 Year-End Report.**

The Board briefly discussed the report and decided that they wanted more detail in regards to the timing of the successful completion of the metrics. ie a column to track the performance metrics for each fiscal quarter as well as a running total column. The Board also wanted more detail on the accelerator financial statements. Specifically they wanted an expense vs budget column included, with explanations for the variances.

It was moved by Katz-Pek, seconded by Reid to ask Kurt Riegger to amend the reports as discussed and to table approval of the 2004-2005 accelerator report until the next Board meeting. Motion passed unanimously

**Approval of Accelerator 4<sup>th</sup> quarter payment.** It was moved by Katz-Pek, seconded by Reid to approve payment of the 4<sup>th</sup> quarter (April to June 2005) Accelerator Services invoice for \$62,500. Motion passed unanimously.

**Approval of Washtenaw Development Council 2004-2005 payment.** It was moved by Katz-Pek, seconded by Reid to approve payment of the 2004-2005 WDC services invoice for \$4,000. Motion passed unanimously.

**Discuss 2005-2006 Accelerator performance metrics.**

Kurt Reigger presented the proposed metrics for the 2005-2006 Accelerator contract. The Board asked Reigger to reformat the metrics report to match the changes they asked for in the quarterly reports. They also asked for a draft of the conflict of interest policy for the Accelerator its clients and subcontractors. And they requested a proposed budget to accompany the new scope of services for the 2005-2006 contract.

**Next Meeting Date/Adjournment:** Risser asked Tim Robinson to contact the Board members at a later date and arrange a time and place for the next meeting. It was moved by Katz-Pek, seconded by Reid, "To adjourn the meeting at 2:00pm Motion passed unanimously.

Respectfully submitted,

Tim Robinson, Recording Secretary

## MINUTES

### **Ann Arbor-Ypsilanti SmartZone Local Development Finance Authority Board of Directors**

**October 10, 2005**

**Ann Arbor Downtown Development Authority  
303 Detroit St. Ann Arbor, Michigan**

**Members Present:** Chris Ballman, John Gawlas, Richard King, Tom Kinnear, Michael Korybalski, Steve Pierce, Michael Reid, Rob Risser

**Members Excused:** Mickey Katz-Pek, Jeff Mason

**Staff Present:** Tim Robinson- WDC, Kurt Riegger- ITZ, Chuck Salley- ITZ

**Others Present:** Rick Snyder, Ken Nisbet

**Call to Order:** Risser called the meeting to order at 8:45 am. A quorum was present.

**Consent Agenda:** The Minutes of the July 21, 2005 Board meeting were presented and discussed. It was moved by Kinnear, seconded by Risser "To approve the minutes as presented" Motion passed unanimously. The status of the Director's terms was discussed. Risser, Ballman and Pierce are awaiting reappointment by their respective municipalities. The current financial status was also reviewed. Robinson reported that as of September 30, the LDFA had captured \$203,339. This combined with the fund balance from the previous year gives the LDFA \$237,144 in cash on hand.

Risser asked Robinson to confirm with the Ann Arbor City Treasurer that the LDFA's fiscal year revenue estimate of \$300,000 was still on track. Robinson will report back at the next Board meeting.

#### **Report from SPARK.**

Korybalski reported that the SPARK Board has hired Michael Finney as its new President & CEO. Finney, originally from Michigan, was Director of Emerging Business at the Michigan Economic Development Corporation from 2000 to 2002. He then moved to Rochester, New York to start a regional 9 county economic development organization. Finney will also be the President & CEO of the Washtenaw Development Council. It is the intention of both organizations to merge operations in the coming year. Risser asked Robinson to arrange for Mr. Finney to be a guest at the next Board meeting.

#### **2004-2005 Accelerator Year end Report**

Riegger reported that the Accelerator concluded the fiscal year at \$551,000 total expenditure, which was in line with the LDFA budget of \$547,000. The Accelerator has a strong pipeline of active projects and potentials. Boot Camp was successfully conducted and the process yielded one or two possible Accelerator clients. Collaborations with GLEQ, MITC and CyberMichigan resulted in joint educational events and the launch of web based entrepreneurial education. The Accelerator met all but one of its annual targets, that being the web portal which was only partially completed.

The Board asked that the phrase "Fiscal Year Ending June 30" be added to the report's title. (web portal) Enhanced marketing activities supported by SPARK and the MTTC grant,

It was moved by Kinnear, seconded by Gawlas "To approve the 2004 – 2005 Annual Accelerator Report as amended." Motion passed unanimously.

### **2005 – 2006 Accelerator Performance Metrics**

Reid made a motion to amend the agenda to include; "discussion of extending the end date of the LDFA/Accelerator Performance Metrics Memorandum of Understanding from October 1, 2005 to October 31, 2005." Korybalski seconded the motion. Motion passed unanimously.

The Board discussed the issue and it was moved by Reid, seconded by Korybalski "To extend the end date of the LDFA/Accelerator Performance Metrics Memorandum of Understanding from October 1, 2005 to October 31, 2005." Motion passed unanimously.

Risser asked Robinson to write an amendment to the existing MOU to show the new end date.

The Board reviewed the metrics and made the following changes:

1. Under, "develop and implement means of tracking client." Korybalski asked that the system include a field to track a project's origins, ie. UM tech transfer, local entrepreneur, out-state entrepreneur, etc.
2. Under, "Capital Raised." The Board asked that several client categories be tracked. First, the \$1,000,000 capital **goal** is applicable to actual contracted Accelerator clients only. Second, the capital raised for "Boot Camp" and "General Advisement" clients be tracked, but not measured against any set goal.

It was moved by King, seconded by Gawlas "To approve the 2005 / 2006 Accelerator Performance Metrics as amended." Motion passed unanimously.

Kinnear left the meeting at 9:45am

### **Transfer of 2005/2006 Accelerator Contract from IT Zone to Ann Arbor SPARK.**

Rick Snyder and Ken Nisbet, Board members of SPARK, informed the Board that their organization now has sufficient infrastructure to accept the Business Accelerator contract. Snyder then formally requested that the Accelerator contract be transferred from the IT Zone to SPARK.

Reid then made a motion to pass a resolution to "approve the transfer of the Accelerator contract from the Ann Arbor IT Zone to Ann Arbor SPARK, effective October 1, 2005. And to authorize the LDFA officers to sign any required/appropriate documents to that effect." Pierce seconded. Korybalski abstained from the vote because he is also a SPARK Board member. Motion passed unanimously.

Risser asked Robinson to create a "contract transfer" document for signature by the LDFA and SPARK Chairs. .

John Gawlas left the meeting at 10:05am

**Conflict of Interest Policy.**

Riegger briefly discussed the COI policy that was included in the member's agenda packets. He explained that this policy was created and officially adopted by SPARK in response to the LDFA Board's request for a COI policy for the Accelerator.

Reid then made a motion to approve the conflict of interest policy as presented. Korybalski seconded. Motion passed unanimously.

**Next Meeting Date/Adjournment:** Risser asked Robinson to contact the Board members at a later date and arrange a time and place for the next meeting. It was moved by Reid, seconded by Pierce, "To adjourn the meeting at 10:30am. Motion passed unanimously.

Respectfully submitted,

Tim Robinson, Recording Secretary

## MINUTES

### **Ann Arbor-Ypsilanti SmartZone Local Development Finance Authority Board of Directors**

**November 8, 2005**

**Ann Arbor Downtown Development Authority  
303 Detroit St. Ann Arbor, Michigan**

**Members Present:** Chris Ballman, Mickey Katz-Pek, Tom Kinnear, Michael Korybalski, Jeff Mason, Steve Pierce, Michael Reid, Rob Risser

**Members Excused:** John Gawlas , Richard King

**Staff Present:** Tim Robinson- WDC, Kurt Riegger- ITZ, Chuck Salley- ITZ, Michael Finney-SPARK

**Others Present:** Bob Jacobson

**Call to Order:** Reid called the meeting to order at 8:45 am. A quorum was present.

**Consent Agenda:** The Minutes of the October 10, 2005 Board meeting were presented and discussed. It was moved by Pierce, seconded by Kinnear "To approve the minutes as presented" Motion passed unanimously.

A transfer amendment to the Business Accelerator Service Agreement was presented. This amendment transfers the "contractor" responsibility of the Business Accelerator Service Agreement from Ann Arbor IT Zone to Ann Arbor SPARK. Also reviewed was an amendment to the memorandum of understanding (MOU) related to the Business Accelerator Service Agreement. This MOU amendment extends the timeframe for resolution of the contract items listed in the original MOU. Both of these documents are the culmination of extensive discussion of this Board at the last two meetings. They are presented here for final approval and signature.

Motion by Kinnear, seconded by Pierce "To approve the Business Accelerator Service Agreement Amendment as presented." Motion passed unanimously.

Motion by Katz-Pek, seconded by Reid "To approve the Business Accelerator Service Agreement MOU Amendment as presented." Motion passed unanimously.

#### **Finance**

Reid asked Pierce to confirm with the Ann Arbor City Treasurer that the LDFA's fiscal year revenue estimate of \$300,000 was still on track. Pierce will report back at the next Board meeting.

#### **YMCA Project**

HDC, Inc. Is a real estate developer that has been chosen by the City of Ann Arbor to re-develop the old YMCA site. Because that property is within the LDFA's district, any improvements to it will generate additional tax revenues for the LDFA. HDC, Inc. came to this meeting to ask the LDFA

Board to forfeit its new tax revenue from this property. Thus those revenues could be captured by the Brownfield Authority for use on the HDC project.

While the LDFA Board was enthusiastic about the proposed redevelopment of the old YMCA site, they did not believe that this project fit with their goals or the LDFA's mission. Further they believe that the LDFA's TIF plan would prohibit them from financially supporting the HDC proposal as presented. However they asked Mr. Jacobson (HDC, Inc. representative) if there was any network/telecommunication infrastructure or other high-tech portions of this proposal that the LDFA might be able to offer financial or other support for. Mr. Jacobson said that he would be happy to explore such ideas and return to the LDFA Board at a future date with some specific ideas/projects that did meet the mission of the LDFA.

#### **2005-2006 First Quarter Accelerator Report**

Riegger reported that during the first quarter that seven companies were actively engaged in acceleration projects and an eighth was scheduled to begin in early October. The Michigan Tri-Corridor contract for \$750,000 was signed. The Accelerator quarterly expenses were \$163,000 which is inline with the 2006 annual budget of \$643,000.

It was moved by Kinnear, seconded by Katz-Pek "To accept the 2005-2006 1<sup>st</sup> quarter Accelerator Report, as presented." Motion passed unanimously.

#### **Quarterly Accelerator Reimbursement:**

Treasurer Pierce presented the request for quarterly reimbursement of \$62,500 to the Board. It was moved by Katz-Pek, seconded by Korybalski, "To approve the LDFA's 1<sup>st</sup> quarter reimbursement to the Ann Arbor ITZone for Business Accelerator services in the amount of \$62,500, as agreed upon in the 2005/2006 contract." Motion carried unanimously.

#### **Discussion with SPARK CEO, Mike Finney**

Mr. Finney introduced himself to the Board. His initial impression is that good things are happening in Ann Arbor and he looks forward to working with the Board and the community. He also thanked the Board for their support of the Business Accelerator and SPARK.

**Next Meeting Date/Adjournment:** Reid asked Robinson to contact the Board members at a later date and arrange a time and place for the next meeting. It was moved by Korybalski, seconded by Pierce, "To adjourn the meeting at 10:30am. Motion passed unanimously.

Respectfully submitted,

Tim Robinson, Recording Secretary

## MINUTES

### **Ann Arbor-Ypsilanti SmartZone Local Development Finance Authority Board of Directors**

**January 20, 2006**

**Ann Arbor Downtown Development Authority  
303 Detroit St. Ann Arbor, Michigan**

**Members Present:** Chris Ballman, John Gawlas, Mickey Katz-Pek, Richard King, Steve Pierce, Michael Reid, Rob Risser

**Members Excused:** Tom Kinnear, Michael Korybalski, Jeff Mason

**Staff Present:** Tim Robinson- WDC, Kurt Riegger- SPARK, Michael Finney-SPARK, Skip Simms - SPARK

**Others Present:** Tom Crawford, Stephen Rapundalo

**Call to Order:** Risser called the meeting to order at 8:05 am. A quorum was present.

**Consent Agenda:** The Minutes of the November 8, 2005 Board meeting were presented and discussed. Risser noted that the minutes incorrectly showed him in attendance. It was moved by Reid, seconded by Gawlas "To approve the minutes as amended" Motion passed unanimously.

#### **Finance**

Pierce presented the current financial statement from the city. Fiscal Year to date the LDFA has captured \$283,863 against an annual budget of \$344,422. YTD expenses are \$62,500 against an annual budget of \$250,000.

#### **2005-2006 First Quarter Accelerator Report**

Kurt Riegger introduced Skip Simms, the new Executive Director of the Business Accelerator. As a former manager of Ralph Wilson Equities, Simms adds a great deal of finance and management experience to SPARK's talent portfolio.

Riegger then went on to present the 2<sup>nd</sup> Quarter report. During FY Q2'06 (Oct-Dec '05) eight companies were actively engaged in acceleration projects. The fall Boot Camp was held November 9 – 10, for 14 companies and 7 ex-Pfizer employees. Two venture catalysts were identified in FY Q2 and both were retained on a part-time project focused basis. Collaborations with GLEQ have been formalized and will result in a joint educational series in the spring. And, CyberMichigan is assisting with the development of the first web delivered entrepreneurial education materials. The Accelerator YTD expenses were \$253,000 versus a YTD budget of \$320,000.

Reid commented that he would like more information regarding the Accelerator's progress towards its annual plan and staff's estimation of its ability to accomplish that plan. Reid also asked that items 8, 9 and 10 of the Accelerator's benchmarks/metrics be called out separately on future Board agendas.



It was moved by Katz-Pek, seconded by Pierce “To accept the 2005-2006 2<sup>nd</sup> quarter Accelerator Report, as presented.” Motion passed unanimously.

**Quarterly Accelerator Reimbursement:**

Treasurer Pierce presented the request for quarterly reimbursement of \$62,500 to the Board. It was moved by Reid, seconded by Gawlas, “To approve the LDFA’s 2<sup>nd</sup> quarter reimbursement to Ann Arbor SPARK for Business Accelerator services in the amount of \$62,500, as agreed upon in the 2005/2006 contract.” Motion carried unanimously.

**SPARK Update:**

Ann Arbor SPARK president, Mike Finney gave an update on SPARK activities. The merger with the Washtenaw Development Council is on track for completion in June 2006. A merger committee has been established, and will have its first meeting in February. Finney believes that the biggest issue for the committee will be governance. Merger activities at the operational level are already under way. A joint fundraising committee will be established as well.

**Creation of an Ex-Officio Board Seat:**

Reid introduced Stephen Rapundalo to the Board. Rapundalo is an Ann Arbor City Council member representing the 2<sup>nd</sup> ward. The City Council has asked that he act as its liaison to the LDFA Board, now that Reid is no longer on the Council.

Reid made a motion to create an Ex-Officio, non-voting Board seat for Rapundalo. The motion was seconded by Pierce. Motion passed unanimously.

**2006 Annual Meeting Schedule:**

Robinson presented the proposed 2006 annual meeting schedule. It consists of six meetings.

Jan. 18, April 18, May 16, July 18 (Annual meeting), Oct. 17, Nov. 21.

Katz-Pek made a motion to approve the 2006 annual schedule as presented. The motion was seconded by Ballman. Motion passed unanimously.

**Next Meeting Date/Adjournment:** It was moved by Pierce, seconded by Gawlas, “To adjourn the meeting at 10:30am. Motion passed unanimously.

Respectfully submitted,

Tim Robinson, Recording Secretary

## MINUTES

### **Ann Arbor-Ypsilanti SmartZone Local Development Finance Authority Board of Directors**

**May 2, 2006**

**Michigan Information Technology Center  
1000 Oakbrook Drive, Ann Arbor, Michigan**

**Members Present:** Chris Ballman, John Gawlas, Mickey Katz-Pek, Tom Kinnear, Michael Korybalski, Steve Pierce, Michael Reid, Rob Risser

**Members Excused:** Richard King, Jeff Mason, Stephen Rapundalo

**Staff Present:** Tim Robinson- WDC, Kurt Riegger- SPARK, Michael Finney-SPARK, Skip Simms - SPARK

**Others Present:** Tom Crawford, Ann Arbor City

**Call to Order:** Risser called the meeting to order at 8:10 am. A quorum was present.

**Consent Agenda:** The Minutes of the January 20, 2006 Board meeting were presented and discussed. It was moved by Gawlas, seconded by Kinnear "To approve the minutes as presented" Motion passed unanimously.

#### **Finance**

Tom Crawford presented the LDFA's current financial statement from the city. Fiscal Year to date, the LDFA has captured \$328,023 against an annual budget of \$344,422. YTD expenses are \$125,000 against an annual budget of \$250,000. Crawford also informed the Board that the City Treasurer has revised the LDFA's 2005-2006 estimated tax capture from \$344,442 to \$407,842. He also estimates that the LDFA will end this fiscal year with \$195,686 in fund balance. The 2006-2007 fiscal year revenue is estimated to be \$606,000.

Several Board members remarked that a fund balance equal to one third of annual revenue was too high. Risser and Kinnear suggested that the Board establish a "desired" fund balance at the next Board meeting. Reid asked that in the future, LDFA expenses be tracked on an accrual basis and that a balance sheet showing the resulting liabilities be included in Board agendas. Reid also asked that future revenues be allocated to two broad categories, "Business Accelerator" and "Contingencies."

#### **2005-2006 Third Quarter Accelerator Report**

Skip Simms, Executive Director of the Business Accelerator presented the third quarter report. During FY Q3'06 (Jan-Mar '06) twelve companies were actively engaged in acceleration projects. The Accelerator & GLEQ have presented three pre-Boot Camp programs in the third quarter. 18 entrepreneurial events were held with 881 attendees. Year to date the Accelerator has reviewed 54 companies against an annual goal of 50. The Summer Boot Camp is scheduled for June 1 & 2. The Accelerator YTD expenses were \$438,411 versus a YTD budget of \$496,875.

Simms also discussed the two advisory committees that were created to help the Accelerator vet potential opportunities. Simms shared reports from a temporary client tracking system he created. He also committed to having a permanent client tracking system within 30 days.

### **21<sup>st</sup> Century Jobs Fund Proposals**

Ann Arbor SPARK Submitted three proposals to the 21<sup>st</sup> Century Jobs Fund. The first one is an \$8 million Pre-seed fund. This proposal was submitted in collaboration with all of Michigan's Smartzones. It will be a statewide investment fund aimed at technology companies nearing sales revenue and or private investment. The second proposal is for \$2.4 million to create and run a wet lab incubator. The third proposal is for \$650,000 to provide acceleration services to advanced technology (non-life science) companies.

### **Quarterly Accelerator Reimbursement:**

Treasurer Pierce presented the Accelerator's request for quarterly reimbursement to the Board. It was moved by Reid, seconded by Katz-Pek, "To approve the LDFA's 3rd quarter reimbursement to Ann Arbor SPARK for Business Accelerator services in the amount of \$62,500, as agreed upon in the 2005/2006 contract." Motion carried unanimously.

### **SPARK Update:**

Korybalski gave an update on SPARK activities. The merger with the Washtenaw Development Council is still on track for completion in June 2006. Besides the merger, the 21<sup>st</sup> Century Jobs fund applications have consumed the majority of SPARK's staff and Board time.

### **Potential LDFA Projects**

Mike Finney presented several ideas for future projects for the LDFA to consider funding.

1. Secure a long-term facility for Business Accelerator (BA) and Incubator operations
2. Provide SBIR/STTR matching funds for client companies
3. Continue/enhance existing Business Accelerator "gap" funding
4. Establish a revolving loan fund
5. Develop a comprehensive marketing campaign for the Ann Arbor region
6. Fund an endowment - Create long-term funding for BA activities
7. Recruit CEO's-in-Residence to locate in Ann Arbor

The Board decided that items 1,2,4 & 5 were the most interesting to them and they asked Simms and Finney to put together more information on those ideas and report back at the next meeting. Also discussed was the LDFA's ability to Bond against future revenues. Reid and Risser asked Crawford to determine the LDFA's bonding capacity.

**Next Meeting Date/Adjournment:** It was moved by Katz-Pek, seconded by Reid, "To adjourn the meeting at 10:30am. Motion passed unanimously.

Respectfully submitted,

Tim Robinson, Recording Secretary

## MINUTES

### Ann Arbor-Ypsilanti SmartZone Local Development Finance Authority Board of Directors

May 23, 2006

Michigan Information Technology Center  
1000 Oakbrook Drive, Ann Arbor, Michigan

**Members Present:** Chris Ballman, John Gawlas, Richard King, Tom Kinnear, Michael Korybalski, Jeff Mason, Steve Pierce, Michael Reid, Rob Risser

**Members Excused:** Mickey Katz-Pek, Stephen Rapundalo

**Staff Present:** Tim Robinson- WDC, Michael Finney-SPARK, Skip Simms - SPARK

**Others Present:** Tom Crawford, Ann Arbor City

**Call to Order:** Risser called the meeting to order at 8:15 am. A quorum was present.

**Consent Agenda:** The Minutes of the May 2, 2006 Board meeting were presented and discussed. The Board asked that the minutes be revised and that only Board motions, Board requests to staff and acknowledgement of outside reports/requests be included in these and future meeting minutes.

It was moved by Kinnear, seconded by Reid "To approve the minutes as amended and that in the future, only Board motions, Board requests to staff and acknowledgement of outside reports/requests be included in the meeting minutes." Motion passed unanimously.

#### **2005-2006 Accelerator Progress Report**

Simms reported the year-to-date progress of the Accelerator to the Board. Reid made a motion, seconded by Gawlas "To accept the Accelerator progress report and acknowledge that the Accelerator has met all of the metrics established in its 2005-2006 contract with the LDFA." Motion passed unanimously.

#### **2006-2007 Work Plan Discussion**

As requested at the last Board meeting, Finney presented information on four potential Accelerator projects for the upcoming year. The Board discussed the projects as well as other metrics. The Board discussed creating a Budget Sub-Committee to develop an LDFA draft budget and draft Accelerator metrics for the 2006-2007 fiscal year, and to present these items at the next Board meeting.

Reid made a motion, seconded by Pierce "To create a Budget Sub-Committee consisting of Reid, Pierce and Ballman to develop an LDFA draft budget and draft Accelerator metrics for the 2006-2007 fiscal year, and to present these items at the next Board meeting." Motion passed unanimously.

Pierce left the meeting at 9:20.

The Board asked Mason to determine what geographic limitations PA 281 imposed on the expending of LDFA funds.

Kinnear left the meeting at 9:50.

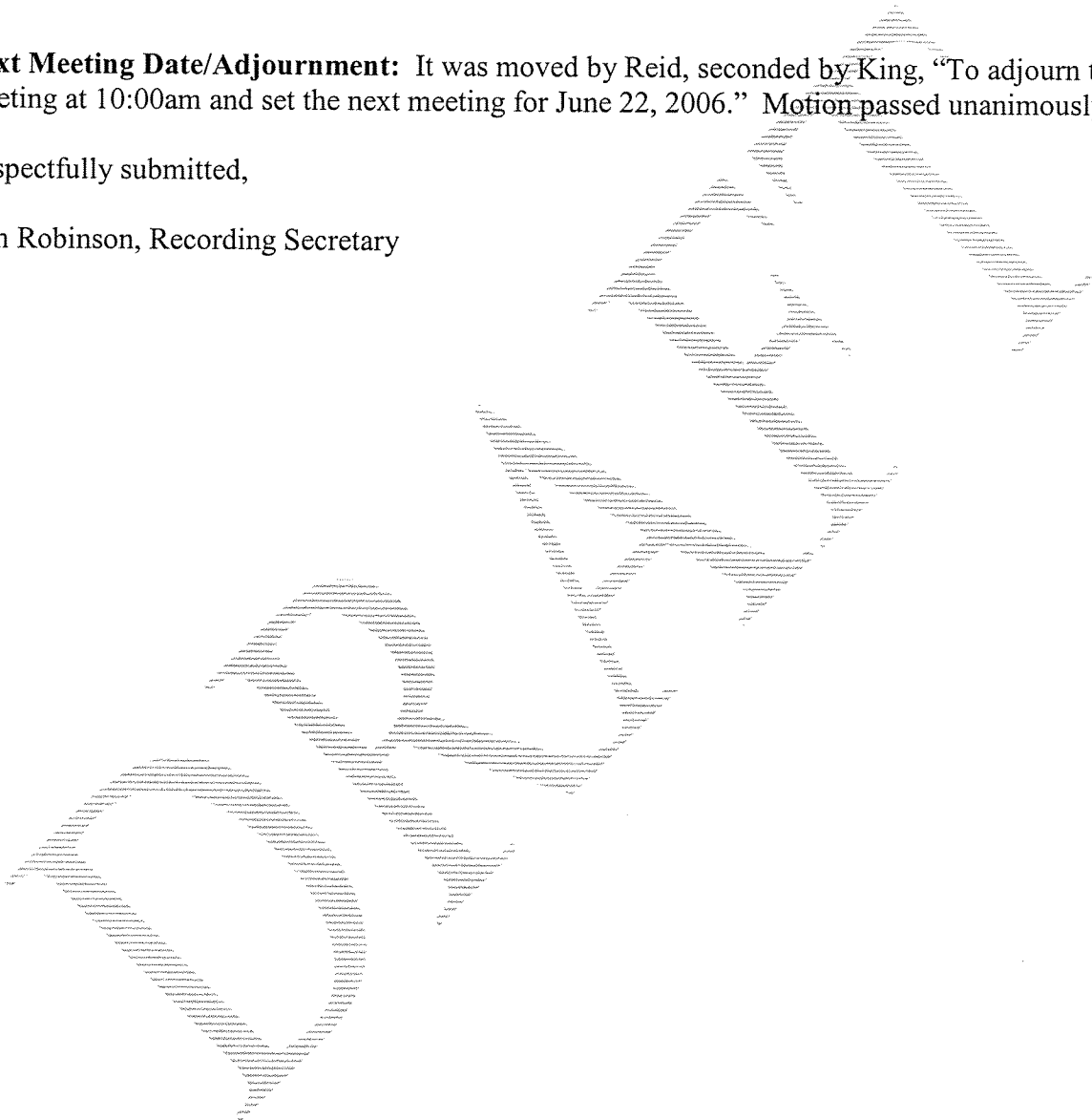
**SPARK Update:**

Korybalski gave an update on SPARK activities.

**Next Meeting Date/Adjournment:** It was moved by Reid, seconded by King, "To adjourn the meeting at 10:00am and set the next meeting for June 22, 2006." Motion passed unanimously.

Respectfully submitted,

Tim Robinson, Recording Secretary



~~517-337-1423~~

# Agenda

## Ann Arbor/Ypsilanti SmartZone LDFA

June 22, 2006  
8:00 am to 10:00 am  
MITC Building

1000 Oakbrook Dr., Suite 130, Ann Arbor

	Agenda topics Revised	
1	Call to Order	Rob Risser
5	Approval of May 23, 2006 Minutes	Tim Robinson
40	2006 – 2007 LDFA Goals	Rob Risser
20	2006-2007 LDFA Budget / Fund Balance	Rob Risser
30	Business Services Contract Discussion 2006-2007 Accelerator Contract Metrics 2006-2007 Accelerator Budget	Mike Finney / Skip Simms
10	2006 – 2007 Administrative Services Contract Discussion	Rob Risser
5	Update from SPARK Board	Mike Korybalski
5	Next Steps	Rob Risser
5	Schedule July Meeting	Tim Robinson
	Adjourn	

## MINUTES

### Ann Arbor-Ypsilanti SmartZone Local Development Finance Authority Board of Directors

June 22, 2006

Michigan Information Technology Center  
1000 Oakbrook Drive, Ann Arbor, Michigan

**Members Present:** Chris Ballman, John Gawlas, Richard King, Stephen Rapundalo, Michael Reid, Rob Risser

**Members Excused:** Mickey Katz-Pek, Tom Kinnear, Michael Korybalski, Jeff Mason, Steve Pierce

**Staff Present:** Tim Robinson- WDC, Michael Finney- SPARK, Skip Simms – SPARK, Kurt Reigger- SPARK

**Others Present:** Tom Crawford, Ann Arbor City

**Call to Order:** Risser called the meeting to order at 8:10 am. A quorum was present.

**Consent Agenda:** The Minutes of the May 23, 2006 Board meeting were presented and discussed. The Board asked that the minutes be revised.

It was moved by Gawlas, seconded by Reid "To approve the minutes as amended." Motion passed unanimously.

Reid made a motion, seconded by King "To amend the Agenda to receive and discuss an email from Board Member Mason." Motion passed unanimously.

Mason sent an email response to the Board regarding the geographic area in which the LDFA may expend funds. The Board discussed the issue and decided that they wanted a legal opinion on this issue.

Reid made a motion, seconded by Gawlas "To seek legal counsel to provide a legal interpretation of the LDFA statute regarding the expenditure of LDFA funds." Motion passed unanimously.

#### **2006-2007 LDFA Goals**

The Board discussed the 2006-2007 LDFA budget and the proposed 2006-2007 Business Accelerator contract.

King made a motion, seconded by Reid, "To approve the LDFA's 2006-2007 budget of \$606,000 and to approve the expenditure of up to \$6,000 for legal services and \$600,000 with Ann Arbor SPARK for the 2006-2007 delivery of Business Accelerator services in the areas of angel investment, entrepreneurial education, accelerator services and marketing. Further, the details of the Ann Arbor SPARK Business Accelerator contract will be finalized at the July 2006 LDFA Board meeting." Motion passed unanimously.

Reid left the meeting at 9:40 am. Reid's departure dissolved the quorum.

### Next Steps

Tom Crawford asked that in the future the Board complete its annual budgeting process no later than April so that the LDFA budget can be included in the City's annual budget approval process in June. The remaining Board members agreed to complete the future budgets by April. The LDFA would also be included in the City's financial audits beginning with fiscal 2006.

Stephen Rapundalo asked the Board to have its 2005-2006 annual report finished and ready to present to City Council by the first week in August.

Finney informed the Board that due to the WDC/Ann Arbor SPARK merger, the Washtenaw Development Council would not be able to serve as recording secretary or offer administrative services to the LDFA for the 2006-2007 fiscal year. The remaining Board members asked Tom Crawford if the City would be willing to assume the administrative duties of the LDFA for the 2006-2007 fiscal year. Crawford agreed to have his department assume those duties.

Robinson was asked to contact the Board members and determine a July date for the next LDFA Board meeting.

**Next Meeting Date/Adjournment:** It was moved by Gawlas, seconded by King, "To adjourn the meeting at 10:00am. Motion passed unanimously.

Respectfully submitted,

Tim Robinson, Recording Secretary