



**MINUTES – REGULAR BOARD MEETING
September 18, 2012**

Ann Arbor-Ypsilanti Smart Zone Local Development Finance Authority

**Ann Arbor City Hall Council Chambers
301 E. Huron Street, Ann Arbor, MI 48104**

Members Present: Richard Beedon, Vince Chmielewski, Ned Staebler, Christopher Taylor, Phil Tepley, Skip Simms-Accelerator Ex-officio, Paula Sorrell-MEDC Ex-officio

Members Excused: Theresa Carroll, Eric Jacobson, Mark Maynard, Stephen Rapundalo, Tom Crawford – Ex-officio

Others Present: Ken Bogan-City of Ann Arbor-Finance, Lori Emerson-SPARK, Bill Mayer-SPARK, Maricat Eggenberger-SPARK, Marek Morante-MEDC

I. CALL TO ORDER:

Chair Beedon called the meeting to order at 8:21 am. A quorum was present.

II. PUBLIC COMMENT:

There was no public comment.

III. APPROVAL OF THE AGENDA:

Taylor moved, seconded by Staebler, to approve the agenda for this meeting in the form presented at this meeting. Motion approved unanimously.

IV. MOTIONS & RESOLUTIONS:

Minutes of the July 24, 2012 Regular Board Meeting:

Taylor moved, seconded by Staebler, to approve the minutes of the July 24, 2012 regular board meeting in the form presented at this meeting. Motion approved unanimously.

V. LDFA CHAIR'S REPORT:

Chair Beedon provided an update on the negotiations for Cantillon with the U of M.

VI. LDFA TREASURER'S REPORT:

Chair Beedon provided an update: the first invoices from the year have been received from SPARK and are in compliance with the contract; there has been no tranche for the Microloan program yet this fiscal year.

VII. REPORTS FROM SERVICE PROVIDERS:

- a. Simms presented the SPARK Annual Report for FY2012.
- b. Simms pointed out the client testimonials are not part of the Annual Report, but are provided for Board information.

VIII. OTHER BUSINESS:

Mark Morante, Sr. V.P. - Program Management, MEDC, invited by ex-officio Boardmember Sorrell, gave some background on the original purpose for creating SmartZones in Michigan, and participated in a question and answer session with the Board. Mr. Morante helped write the original Smartzone legislation.

Boardmember Teply asked if the Board are stewards of State or local money. Mr. Morante pointed out the Ann Arbor/Ypsilanti SmartZone's TIF captures only State education millage, and no local millage. Mr. Morante stated "I have a hard time seeing how you are stewards of local money." He went on to say "You are stewards of public money. It's really all State money to a dime."

Mr. Morante also stated that technically money could be spent outside SmartZone LDFA capture district. The legislation defines a TIF capture area and a service area, defined by the board, and the two areas do not have to be the same.

Mr. Morante provided the Board with an update on SmartZone extension legislation, which specifies a five year extension, or 15 years with collaboration between multiple municipalities/jurisdictions. The intent of the collaboration is to reach out to additional units.

IX. MOTION TO ADJOURN:

Staebler moved, seconded by Taylor, to adjourn the meeting at 9:21 am. Motion approved unanimously.

Respectfully Submitted,

Ken Bogan, for Recording Secretary Tom Crawford