



**MINUTES – SPECIAL BOARD MEETING  
August 21, 2014**

**Ann Arbor-Ypsilanti Smart Zone Local Development Finance Authority**

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

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**Members Present:** Eric Jacobson, Carrie Leahy, Stephen Rapundalo, Caryn Charter, Vince Chmielewski, Paula Sorrell-MEDC Ex-officio (8:55), Tom Crawford – Ex-officio, Skip Simms-Accelerator Ex-officio

**Members Excused:** Richard Beedon, Bilal Saeed, Ned Staebler, Sally Petersen,

**Others Present:** Paul Krutko – CEO SPARK, Jerry Lax, Attorney for Ann Arbor-Ypsilanti Smartzone LDFA, Jim Van Doren, Executive Director of Lenawee Now, Representatives from Adrian/Tecumseh SmartZone team, Representative from Tecumseh press

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**I. CALL TO ORDER:**

Chair Leahy called the meeting to order at 8:20 am. A quorum was present.

**II. PUBLIC COMMENT:**

Jim Van Doren, Executive Director of Lenawee Now spoke. He thanked the LDFA for the opportunity and highlighted the advantages of a partnership with the Adrian/Tecumseh SmartZone.

**III. APPROVAL OF THE AGENDA:**

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

**IV. RECEIVE INFORMATION ON SATELLITE DISTRICTS:**

Lax discussed the process of seeking a 15 year extension of the SmartZone.

Krutko pointed out that both applicants are qualified and have a relationship with their local college.

The Board discussed and evaluated the applicants on the following criteria:

CRITERIA	ADRIAN/TECUMSEH	BRIGHTON/HOWELL
1. Level & likelihood of funding	\$7.8 million	\$6.5 million
2. Strategic Advantage (complimentary to Host SmartZone)	Advanced manufacturing / Chemicals / Agricultural Tech	IT based / local business / lifestyle
3. Attractive to the State	Agriculture is new area of focus	Expanding tech based jobs
4. Preparedness to move forward in the satellite approval process	Agreement signed	Documented willingness to negotiate and sign agreement
5. History of entrepreneurship activity	New so little past experience. Focused on high-tech. Open to students and public.	Demonstrated history of start-up companies. Been in existence for a while, but not previous focus on high-tech. Historic focus on students.

**V. RECOMMEND SATELLITE DISTRICT TO CITY COUNCIL:**

Rapundalo moved, seconded by Chmielewski, to approve the resolution selecting Adrian/Tecumseh SmartZone as a satellite SmartZone and recommends the City Councils of Ann Arbor and Ypsilanti approve an agreement with the Adrian/Tecumseh SmartZone. Motion approved unanimously.

**VI. REVIEW DRAFT TIF PLAN AMENDMENTS:**

Board discussed the contract committees suggested amendments to the existing TIF and Development Plans. The edits thematically related to:

- Extending the life of the Plans by 15 years
- Clarifying terms within the document to be more clear and consistent
- Clarifying that funds may be expended anywhere within the cities of Ann Arbor or Ypsilanti
- Modifying uses of TIF proceeds to include:
  - Payments for installation of technology related infrastructure
  - Talent recruitment and retention programs
  - Utilization of grants and donations for collaborative opportunities
- Modifying bonding language to permit agreements with the city

Discussion was held to solicit Council's interest in the expansion of the TIF capture district to assist in funding the amended Plan's authorized uses, including the above.

**VII. ADJOURNMENT:**

Rapundalo moved, seconded by Chmielewski, to adjourn the meeting at 9:40 am. Motion approved unanimously.

Respectfully Submitted,  
Tom Crawford, Recording Secretary