



**MINUTES – SPECIAL BOARD MEETING
April 2, 2009**

Ann Arbor-Ypsilanti SmartZone Local Development Finance Authority

**SPARK Central Incubator
330 E. Liberty Street, Ann Arbor, MI 48104**

Members Present: Richard King, Lisa Kurek, Stephen Rapundalo, Theresa Carroll, Mark Maynard, Tom Crawford-Ex-officio, Roselyn Zator-Ex-officio

Members Excused: Rob Risser, Michael Korybalski, Darryl Daniels, Richard Beedon

Others Present: Greg Fronizer-SPARK, Skip Simms-SPARK, Kurt Riegger-SPARK, Sandi Bird-City of Ann Arbor-Finance, Jerry Lax-Bodman LLP

CALL TO ORDER:

King called the meeting to order at 8:08am. A quorum was present.

APPROVAL OF THE AGENDA:

Carroll moved, seconded by Maynard, to add the following to the Agenda for this meeting:

- Attorney review of the March 17, 2009 board resolution to amend the Agreement between the LDFA and Ann Arbor SPARK.
- Cantillon sub-committee report.

Motion approved unanimously.

OTHER BUSINESS:

1. Attorney review of the March 17, 2009 board resolution to amend the Agreement between the LDFA and Ann Arbor SPARK.

LDFA Attorney, Jerry Lax, reviewed the following March 17, 2009 board resolution and provided the opinion it is not in violation of the LDFA Agreement with MEDC; therefore, allowing the LDFA to move forward with proposed amendment:

Daniels moved, seconded by Maynard to accept SPARK's recommendation to amend the Agreement between the LDFA and Ann Arbor SPARK, dated June 30, 2008 and effective as of July 1, 2008, Attachment A, Section 3.1.2 and approval subject to the confirmation the language is within the boundaries of the LDFA Agreements. The SPARK recommendation is as follows:

"For Phase II and III services, Contractor shall be reimbursed on a monthly basis at the rate of \$100/hour for each client served by a subcontractor. Add "Contractor shall be reimbursed also for the other company needs per the intent of Section 1.1.4 at reasonable levels. Additional milestone based on expenditures may include:

- *Legal assistance for IP protection work to \$250/hour*
- *Fixed price services for studies and reports to 90% of actual cost*
- *Marketing efforts including travel related costs and materials to 75% of cost*
- *Costs of other reasonable milestone based needs 50% of actual costs*

Contractor shall have an Advisory Board it will consult for services and engagements that exceed \$10,000."

Yes: Daniels, Maynard, Beedon, King, Carroll

No: Risser, Rapundalo

Motion carried.

2. Approval of the FY 2009 LDFA Budget:

Carroll moved, seconded by Kurek to amend the following proposed budget items:

- a) Move \$15,000 from Micro Loan Program for Entrepreneurs to SPARK Central Incubator Operating Expenditure, and
- b) Rename Developmental Projects to LDFA Staff

and to approve the budget committee recommendation of the FY 2010 LDFA Budget in the form presented at this meeting with the amended changes as discussed and attached hereto and made a part thereof, and forward to the respective municipalities for their approval. Motion approved unanimously.

3. Ann Arbor SPARK FY 2009 Cantillon Maintenance Plan:

Maynard moved, seconded by Kurek to authorize for expenditure \$10,000 from Cantillon Web Based Education-Maintenance budget. Motion approved unanimously.

Note for the following resolution: A conflict of interest issue was raised, the matter was discussed and the Board determined there was no conflict of interest and decided to move forward.

Maynard moved, seconded by Kurek to authorize expenditure up to \$6,500 from the Cantillon Web Based Education – Development budget to obtain the usage data needed to evaluate Cantillon usage to date. Motion approved unanimously.

MOTION TO ADJOURN:

Maynard moved, seconded by Rapundalo, to adjourn the meeting at 9:41am. Motion approved unanimously.

Respectfully Submitted,

Tom Crawford, Recording Secretary