



City of Ann Arbor
Meeting Minutes - Draft
Local Development Finance Authority
(LDFA)

301 E. Huron St.
Ann Arbor, MI 48104
[http://a2gov.legistar.com/
Calendar.aspx](http://a2gov.legistar.com/Calendar.aspx)

Tuesday, June 6, 2017

8:15 AM

Larcom City Hall, 301 E Huron St, Second
floor, City Council Chambers

Meeting Date Changed from June 20, 2017 to June 6, 2017

I. CALL TO ORDER

Chair Sorrell called the meeting to order at 8:20 a.m. in the Guy C. Larcom, Jr. Building, 2nd Floor Council Chambers, 301 E. Huron Street.

II. ROLL CALL

Present: 8 - Caryn Charter, Carrie Leahy, Paula Sorrell, Laura Hayden, Phil Tepley, Graydon Krapohl, Heather Grisham, and Beth Ernat

Absent: 1 - Stephen Rapundalo

III. PUBLIC COMMENT

None

Public comment shall be allowed at all meetings. An individual may speak for up to three (3) minutes on any item listed on the Agenda. The Chair may extend an individual's speaking time in his/her discretion. Public comment on non-agenda items may be limited in the Chair's discretion.

IV. APPROVAL OF AGENDA

Chair Sorrell asked that Strategic Planning be added to the agenda under Other Business.

A motion was made by Vice Chair Leahy, seconded by Ypsilanti City Rep. Ernat, that the agenda be approved with the addition of Strategic Planning discussion. On a voice vote, Chair Sorrell declared the motion carried.

V. APPROVAL OF MINUTES

[17-0824](#) LDFA Board Meeting Minutes - April 18, 2017

Attachments: LDFA Board Meeting Minutes - April 18, 2017.pdf

A motion was made by Hayden, seconded by Councilmember Krapohl, that the Minutes of April 18, 2017 Board meeting be approved. On a voice vote, Chair Sorrell declared the motion carried.

VI. LDFA CHAIR'S REPORT

Ann Arbor City Council approved the LDFA Extension on June 5, 2017. Ypsilanti's City Council is considering the LDFA Extension at it's June 20, 2017 meeting. After approval by the City of Ypsilanti, it will be sent to the State for approval.

Chair Sorrell reported that Steve Harwood of MEDC has announced his resignation effective June 30, 2017.

VII. LDFA TREASURER'S REPORT

Board Treasurer Heather Grisham presented the Treasurer's Report

17-0826 Smartzone Financial Report - April 30, 2017

Attachments: Smartzone Financial Report 4.30.17.pdf

VIII. REPORTS FROM SERVICE PROVIDERS

Bill Mayer from SPARK updated the Board on upcoming events. The Board discussed MEDC's potential interest in directly collecting company data.

IX. OTHER BUSINESS

1. Discussion of Potential Conflict of Interest

The Board thanked Chair Sorrell and Vice Chair Leahy for raising these issues so the Board could consider them appropriately.

a. Carrie Leahy

Vice Chair Leahy described a potential conflict of interest on the LDFA and Spark contract because her firm provides services to a few SPARK clients. Vice Chair Leahy left the room at 9:50 a.m. The Board, with the assistance of the Board's attorney Jerry Lax, discussed the potential

conflict. Vice Chair Leahy returned to the room at 10:05 a.m.

A motion was made by Treasurer Grisham, seconded by Ypsilanti City Rep. Charter, that the service provided by her firm is de minimis and that she does not need to abstain from voting on the annual contract between LDFA and SPARK. On a voice vote, Chair Sorrell declared the motion carried.

b. Paula Sorrell

Chair Sorrell raised to the Board the appearance of a conflict of interest. Chair Sorrell is employed by the University of Michigan and is directly supervised by Jack Hu. However, Cynthia Wilbanks, the sitting Chair of SPARK and an executive at the University of Michigan, has input into Chair Sorrell's annual pay raise. Chair Sorrell left the room at 10:15 a.m. The Board with the assistance of the Board's attorney Jerry Lax discussed the appearance of a conflict. Chair Sorrell returned to the room at 10:30 a.m.

A motion was made by Treasurer Grisham, seconded by Vice Chair Leahy that since Cynthia Wilbanks is only eligible to serve one more year as chair of SPARK and Chair Sorell's term expires in July 2017, this is a temporary situation. However, since Chair Sorrell participated on the contract committee for SPARK, the Board recommended she abstain from voting on the current LDFA/SPARK contract agreement as well as participating on next year's contact committee. The Board felt it was appropriate for her to continue serving as a regular member of the nine member LDFA Board. On a voice vote, Vice Chair Leahy declared the motion carried.

2. LDFA and SPARK 2017-2018 Draft Contract Services Agreement

A motion was made by Ypsilanti City Rep. Charter, seconded by Treasurer Grisham, that the LDFA/SPARK contract be approved as presented and attached in the April 18, 2017 LDFA Board meeting minutes. Chair Sorrell abstained. On a voice vote, Chair Sorrell declared the motion carried.

3. Update TIF Extension Plan

This item was discussed under the Chair report

4. LDFA Public Meeting Notice FY2018

[17-0825](#) LDFA Public Meeting Notice FY 2018

Attachments: LDFA public meeting notice FY2018.pdf

A motion was made by Vice Chair Leahy, seconded by Ypsilanti City Rep. Charter to approve the LDFA Public Meeting schedule for FY 2018. On a voice vote, Chair Sorrell declared the motion carried.

5. Strategic Planning

The Board requested a draft RFP for professional services to evaluate the Ann Arbor and Ypsilanti region's best opportunity for supporting tech and bio-tech job creation.

X. ADJOURNMENT

A motion was made by Vice Chair Leahy, seconded by Ypsilanti City Rep. Charter that the Board meeting be Adjourn at 10:55 a.m. On a voice vote, Chair Sorrell declared the motion carried.

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**City Clerk's Office
301 E. Huron St.
Ann Arbor, MI 48104**

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