



Legislation Details (With Text)

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Title:	Resolution to Amend the Fiscal Year 2010 SmartZone LDFA Budget for Increased Business Accelerator Services (8 Votes Required)				
Sponsors:	Stephen Rapundalo				
Indexes:					
Code sections:					
Attachments:	1. BA Request for more funding Oct09.pdf				

Date	Ver.	Action By	Action	Result
11/16/2009	1	City Council	Approved	Pass

Resolution to Amend the Fiscal Year 2010 SmartZone LDFA Budget for Increased Business Accelerator Services **(8 Votes Required)**

Attached for your review and approval, please find a resolution to amend the SmartZone LDFA budget for fiscal year 2010.

The LDFA contracts with Ann Arbor SPARK to provide business accelerator services. During the past two quarters, SPARK has experienced tremendous growth in the number of qualified businesses requesting SPARK business accelerator services. SPARK anticipates this increased demand for services to continue.

To accommodate the increased demand, SPARK has proposed a reorganization, including increases to the number of staff that provide business accelerator services. SPARK has also requested additional funding for direct staffing and business accelerator Phase III services (see attached request).

The SmartZone LDFA Board has reviewed the changes proposed by SPARK and agrees that an increase in the SmartZone LDFA budget and contract with SPARK would be appropriate. The Board proposes the increased budget would be on a contingent basis, to be used only as long as the increased demand for business accelerator continues.

The total proposed budget amendment for the SmartZone LDFA fund is \$205,000, of which \$50,000 is to come from the FY 2010 projected operating surplus and \$155,000 from use of fund balance.

Passage of this Resolution and approval of the SmartZone LDFA budget amendment as submitted is recommended.

Prepared by: Tom Crawford, Chief Financial Officer

Sponsored by: Councilmember Rapundalo

Whereas, The SmartZone LDFA Board regularly contracts with SPARK for business incubator and acceleration services;

Whereas, SPARK requested and the SmartZone LDFA Board approved the request for increased funding for business accelerator services due to increased demand for services;

Whereas, City Council has the authority to approve and amend the annual budget for the LDFA;

Whereas, The requested increase in funding for business accelerator services is \$205,000; and

Whereas, The Smartzone LDFA Fund has a fund balance in excess of \$450,000, which is over 37% of its budgeted annual expenditures;

RESOLVED, That the approved SmartZone LDFA budget for FY 2010 be amended to increase the total budget by \$205,000 for the purpose of increased SPARK Business Accelerator direct staffing and increased Phase III services;

RESOLVED, That the source of funding for this budget amendment shall be \$50,000 from the projected operating surplus, and \$155,000 from use of fund balance; and

RESOLVED, That the City Administrator is authorized to take the necessary actions to implement this Resolution.

Sponsored by: Councilmember Rapundalo