



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

301 E. Huron St.
Ann Arbor, MI 48104
<http://a2gov.legistar.com/Calendar.aspx>

Thursday, October 28, 2021

8:15 AM

Meeting Held Electronically Via Zoom

Members of the public may listen or speak at public comment, call: (877) 853-5247, Enter Webinar ID: 984 8022 4833

I. CALL TO ORDER

Chair Psarouthakis called the meeting to order at 8:16 a.m. The meeting was held electronically via Zoom.

II. ROLL CALL

Michele Mueller, Ann Arbor
Stephen Rapundalo, Ann Arbor
Michael Psarouthakis, Ann Arbor
Carrie Leahy, Ann Arbor
Ali Ramlawi, Ann Arbor
Jason Morgan, Ann Arbor - Left at 9:00a.m.
Caryn Charter, Ypsilanti
Phil Tepley, Ypsilanti

Present: 8 - Caryn Charter, Stephen Rapundalo, Phil Tepley, Ali Ramlawi, Michele Mueller, Chair Michael Psarouthakis, Carrie Leahy, and Jason Morgan

Absent: 1 - Heather Grisham

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

A motion was made by Rapundalo, seconded by Charter, that the agenda be approved as presented. On a voice vote, Chair

Psarouthakis declared the motion carried.

V. APPROVAL OF MINUTES

[21-1886](#) LDFA Board Meeting Minutes - September 23, 2021

Attachments: LDFA Board Meeting Minutes - September 23, 2021.pdf

A motion was made by Leahy, seconded by Morgan, that the Minutes of September 23, 2021 be approved. On a voice vote, Chair Psarouthakis declared the motion carried.

VI. LDFA CHAIR'S REPORT

No Report

VII. LDFA TREASURER'S REPORT

Mr. Tepley said there were no red flags in review of the invoices from SPARK and everything was on target. Mr. Tepley will also connect with auditors, Maner and Costerisan and with SPARK regarding this year's audit and will review the audit report when it is complete.

Bill Mayer from SPARK said the auditor's review of SPARK materials appears to be complete. Audit results are expected by the end of the year. SPARK will make sure the next audit will be handled via the City and lead by the LDFA.

Ms. Mueller said that a foundation board member recommended that WCC submit an application for money from the LDFA to pay for support of some work they are doing with small business development. Ms. Charter said the LDFA launched the first round of grants 2-3 years ago, pre-pandemic and suggested that the grant committee reconvene. She noted that additional money was included in the budget to get administrative help. Mr. Rapundalo will convene a Grant Committee meeting to get things rolling. He also suggested that a statement be put on the public site stating that applications are currently closed but will reopen by a certain date.

[21-1888](#) LDFA 1st Quarter Financial Report FY2022

Attachments: Smartzone Financial Report 09.30.21.pdf

Marti Praschan gave a review of the financial report pointing out that the city front loaded the cost of administrative support, so that's why it's a little higher in the first quarter. The Tech Park Fiber grant project was also front loaded \$3 million. It was billed out in the first quarter and is sitting in a separate project account on the city's books. If any money remain after the project is complete, it would be returned. The \$3 million will impact the forecast of the fund balance. Also reflected is the \$150,000 that was the LDFA's share of the other EDA grant awarded for fiber install. Under the revenue miscellaneous, \$36,000 reflect repayment of micro loans we received in the first quarter.

A motion was made by Rapundalo, seconded by Vice Chair Mueller, that the LDFA 1st Quarter Financial Report for FY2022 be approved. On a voice vote, Chair Psarouthakis declared the motion carried.

VIII. REPORTS FROM SERVICE PROVIDERS

[21-1887](#) SPARK - LDFA 1st Quarter Report FY2022

Attachments: SPARK - LDFA Q1 Report - FINAL.pdf

Mr. Mayer gave an overview of the first quarter report stating that it is consistent and show very strong numbers. The low number of jobs created in the quarter has more to do with finding actual people to hire versus open positions. Mr. Mayer believes the number will increase but will be a challenge going forward.

Mr. Mayer shared some highlights from the A2Tech360 that took place in October:

- The week represented 24 events which were eight more events than year 2020 which drove a lot of engagement.*
- Over 119,000 individuals visited the A2Tech360 landing page and spent time on the site.*
- Over 3000 people register for the week, and hundreds attended the Liberty Street component that were not registered. The total number is expected to be highly in the official report.*
- Almost 2.5M people was reached via social media, half a million via emails and videos produced through various events were viewed over 207,000 times.*
- For the TechTrek, TechTalk and Mobility Row, 68 companies did a virtual tour of their offices.*

The next event scheduled for November 24 is the Tech Homecoming at the Cahoots facility which is set up to engage the parent and grandparents living in the area when their children return home. There will also be a Virtual Tech Homecoming on December 8.

Mr. Mayer highlighted a new program in an effort to make sure that the life science component of their ecosystem is getting good advice and help. They are participating in a biotech commercialization course that's similar to boot camp and is specific to the life science industry. They are pleased with the progress and will continue to keep the Board informed.

Mr. Mayer stated that the representation of the incubator, particularly at SPARK Central, is the one that they are struggling with in physical real estate due to having to reduce density by incorporating social distancing. A number of clients have been allowed to flip from seated to virtual with the expectation that they're coming back to seated as soon as everyone feel safe and doing so.

The marketing report numbers in comparison to last year's numbers seem off because of the shift from the annual meeting. The annual meeting is a part of Tech Trek which occurred in 1st quarter of 2020 driving the numbers down in the report. In 2021, it's numbers will be reported in the 4th quarter and will cause a large increase in numbers.

As a disclosure to the Board, Mr. Mayer commented on the stated of the situation at Liberty Plaza in downtown Ann Arbor which is located adjacent to SPARK central offices. It has become noticeable during the pandemic that the population of the park has shifted away from what he considers somewhat harmless homeless people to what he now calls "professionals" that are transacting business in the park and carrying weapons. Fortunately, companies haven't been in the office. There have been multiple stabbings, employees sexually assaulted and other assault issues. Police presence has increased. Based out of the operations budget, SPARK is considering hiring security for safety of their tenants and employees until the situation can be resolved and have also considered relocating. SPARK did send a letter to the city and was received by John Fournier. SPARK's CEO is attempting to get on council's agenda or to speak about the situation during public commentary. Council member Ramlawi commented that the problem has grown significantly during the pandemic. He's had incidents occur in his building, on the patio and sidewalk and feel the safety of others is in jeopardy. He asked that communication from SPARK regarding the

situation be sent to all of city council members. Mr. Rapundalo said that the situation should be reported to the Parks Commission who has oversight of the Liberty Plaza.

A motion was made by Rapundalo, seconded by Leahy, that the SPARK - LDFA 1st Quarter Report for FY2022 be approved. On a voice vote, Chair Psarouthakis declared the motion carried.

IX. OTHER BUSINESS

21-1889 LDFA 1st Quarter Administrative Report FY2022

Attachments: LDFA 1st Quarter Administrative Report FY2022.pdf

Ms. Praschan brought to the board's attention again the intentional use of Fund Balance with the \$3 million Fiber Tech Park grant payment upfront and the LDFA share of \$150,000 issued in the first quarter for the EDA grant.

A motion was made by Charter, seconded by Rapundalo, that the LDFA 1st Quarter Administrative Report for FY2022 be approved. On a voice vote, Chair Psarouthakis declared the motion carried.

X. ADJOURNMENT

A motion was made by Rapundalo, seconded by Charter, that the meeting be adjourned at 9:15a.m. Chair Psarouthakis declared the meeting adjourned.

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City Clerk's Office
301 E. Huron St.
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