



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, September 24, 2020

8:15 AM

Electronic Meeting

**Members of the public may speak during Public Comment: Phone toll free:
1-877-853-5247; Enter Meeting ID 959 0976 5611**

I. CALL TO ORDER

Chair Rapundalo called the meeting to order at 8:18 a.m. The meeting was held electronically via Zoom

II. ROLL CALL

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

Absent: 1 - Andy LaBarre

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 Councilmember Ramlawi, seconded by Treasurer Charter, that the agenda be approved as presented. On a voice vote, Chair Rapundalo declared the motion carried.

V. APPROVAL OF MINUTES

[20-1465](#) LDFA Board Meeting Minutes - August 27, 2020

Attachments: LDFA Board Meeting Minutes - August 27, 2020.pdf

A motion was made by Mueller, seconded by Leahy, that the minutes of August 27, 2020 be approved by the Board. On a voice vote, Chair Rapundalo declared the motion carried.

VI. LDFA CHAIR'S REPORT

No Report

VII. LDFA TREASURER'S REPORT

Treasurer Charter report that one invoice was approved for Spark totaling \$440K for August billing which brings the accumulative billing to \$863,793 for service provider and fiber project. Charter also noted the business accelerator services spending is still ahead of budget.

VIII. REPORTS FROM SERVICE PROVIDERS

Mr. Mayer from SPARK responded to the business accelerator service budget saying that July 2020 was the second highest billing month since 2016 for SPARK where \$157K was billed out for service between Ann Arbor and Ypsilanti. Based on seasonality, November through January tend to be slower and the cost would generally go down. Mr. Mayer will be watching to make sure it comes in on budget.

Annual report: A third of this fiscal year was during COVID-19 lockdown. Mr. Mayer compared the last three years to give a sense of perspective and scale compared to what we see right now.

There were 191 companies served during FY2020 which is very positive as opposed to FY2019 that had only 165 companies served and FY2018 serving 175.

The number of jobs created were down. There were 151 jobs created FY2020 versus 254 created in FY2019 and 199 created in FY2018. The driver for the decrease in number was determined by the third quarter of the fiscal year that resulted in company layoffs and putting hiring plans on hold due to uncertainty.

SPARK supported the creation of 53 companies in FY2020, 33 companies were created in FY2019, and 57 created in FY2018, which was the highest ever created.

Total FTE's employed by startups for FY2020 totaled 658.5, FY2019

employed 761, and FY2018 employed 695.

Capital Funds raised in FY2020 totaled \$194M, FY2019 raised \$302M, and FY2018 raised \$47M.

Direct Support for FY2020 totaled \$1.686M, support in FY2019 totaled \$1.233M and FY2018 totaled \$1.132M.

In a 3-year comparison of companies that closed, in FY2020, 16 companies closed, FY2019 – 5 closed, and FY2018 -14 closed. SPARK has served 428 companies over the last five years with five companies leaving Michigan over that time and 82 companies closing which represents an 81% survival rate.

There were 426 students that applied for 48 internships spots this summer. The high number may be due to other businesses canceling internship opportunities.

Over the last three years, there were 227 mobility companies located in Washtenaw County in FY2020, 209 in FY2019 and 197 in FY2018.

A2Tech360 began its annual event (delivered virtually) September 18-26, 2020. Over 1000 people are expected to participate. A report will be brought to the board at the next meeting.

SPARK presents a yearly new board orientation for SPARK board members that provides a broad overview of different components of SPARK and includes the LDFA. Phil Tepley asked that a SPARK orientation be added to future LDFA Board meeting agendas and that Phil Santer, senior vice president of SPARK business development be added as part of the service provider report to get marketing and regular business development updates.

20-1466 SPARK - LDFA FY20 Annual Report

Attachments: SPARK-LDFA Annual Report FY20.pdf

IX. OTHER BUSINESS

None

X. ADJOURNMENT

A motion was made by Leahy, seconded by Councilmember Ramlawi, that the meeting be adjourned at 9:08 a.m.. On a voice vote, the Chair declared the motion carried.

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

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