



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)

Thursday, April 24, 2025

8:15 AM

Larcom City Hall, 301 E Huron St, Ann
Arbor, Basement Conference Room

I. CALL TO ORDER

Chair Rapundalo called the meeting to order at 8:18 a.m.

II. ROLL CALL

Present: 5 - Chair Stephen Rapundalo, Michele Merusi, Carrie Leahy,
Jennifer Cornell, and Annie Somerville

Absent: 2 - Heather Grisham, and Michael Psarouthakis

III. PUBLIC COMMENT

Please 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/their direction. Public comment on non-agenda items may be limited in the Chair's direction.

None

IV. APPROVAL OF AGENDA

Board Member Sommerville proposed amending the agenda to move Ypsilanti Board Seat Vacancies item to VI. on the agenda to ensure her ability to participate in the conversation.

A motion was made by Board Member Merusi, seconded by Council Member Cornell, that the be Agenda be approved as amended. On a voice vote, Chair Rapundalo declared the motion carried.

V. APPROVAL OF MINUTES

25-0735 03-27-2025 Meeting Minutes

A motion was made by Board Member Somerville, seconded by

Board Member Merusi, that the Minutes be Approved by the Board and forwarded to the City Council. On a voice vote, Chair Rapundalo declared the motion carried.

Ypsilanti Board Seat Vacancies

Board Member's Somerville & Jones, asked the Board for assistance in filling the 2 vacant Ypsilanti Board Seats. Their attempts to-date have been unsuccessful. After discussion the Board agreed to provide a list of potential applicants for further discussion by the Board.

VI. LDFA CHAIR'S REPORT

None

VII. LDFA TREASURER'S REPORT

Presented

25-0886 Smartzone Financial Report - March 31, 2025

The financial report for expenditures through March 31, 2025 was presented, absent the March 2025 SPARK invoice. The SPARK Central and Phase III (Intensive Service) line items are trending high. B. Mayer of SPARK indicated that they will take advantage of the 25% allowable overage in the Phase III (Intensive Services) line-item.

M. Praschan called the Board's attention to the professional services line-item, where \$42K was budgeted for strategic planning and increased audit services. It is unlikely the funds will be spent by the end of the fiscal year and could be reallocated to fund other initiatives.

Board Member Leahy moved that the board approve the reallocation of \$42,000 from the professional services line-item to the Phase III company service delivery line-item of the budget and corresponding required contract amendment, seconded by CM Cornell. On a voice-vote, Chair Rapundalo declared the motion carried.

A motion was made that the Report or Communication be Received and Filed. On a voice vote, the [Enter Title] declared the motion carried.

VIII. REPORTS FROM SERVICE PROVIDERS

25-0887 SPARK - LDFA 3RD Quarter Report - March 31, 2025

B. Mayer reported that the Companies served for the third quarter is consistent with previous quarters. One of the few areas that would be considered weak is the Jobs created number, 3. It is believed that the numbers are reflective of the current economic uncertainty. Companies created continues to reflect growth with 19. The annual goal is 50, and less than 1/2 way through the year, we are sitting at 40. Funds raised also continues to be strong and could be a result of it being an alternative investment opportunity in volatile market conditions. Direct Support also continues to do well.

B. Mayer reported that the SPARK Central line-item of the budget is trending over by approximately \$100K over and requested that a one-time ability to exceed the line-item to allow for the ability to hire their front-desk person from the temp agency, which involves recruitment fees. They will under run Major Events, Talent, Sponsorship line-items to off-set the over run.

Council Member Cornell proposed: that the SPARK Central Incubator Operating Expense line-item of the budget be allowed to exceed the line-item budget up to 25% on a one-time basis providing we are able to confirm the eligibility of the expenses, which was seconded by Board Member Merusi. On a voice-vote Chair Rapundalo declared the motion carried.

Received and Filed

25-0888 LDFA Administrative Report - 3rd Quarter March 31, 2025

M. Praschan reported the third quarter metrics.

Received and Filed

IX. OTHER BUSINESS

Ann Arbor Upcoming Board Seat Vacancy

The Board discussed possible replacements for Board Member/Treasurer Heather Grisham. The board thanks her for her valuable service and wishes her well. Inquiries will be made and a list of potential applicants will be discussed at a future meeting.

Tech Park Private LTE Update

City IT staff continues to perform the due diligence in preparation for an RFP. The Board will be updated as progress is made.

EDA Grant Award Update

M. Praschan reported that Motor City has been awarded a contract for the Fiber Installation and Construction will begin late this spring.

X. ADJOURNMENT

A motion was made by Council Member Cornell, seconded by Board Member Merusi, that the Meeting be adjourned. On a voice vote, Chair Rapundalo declared the motion carried.

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

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