## AMENDMENT NUMBER 1 TO SCOPE OF SERVCIES BETWEEN ANN ARBOR-YPSILANTI SMARTZONE LOCAL DEVELOPMENT FINANCE AUTHORITY AND SPARK

The Ann Arbor – Ypsilanti SmartZone Local Development Finance Authority, whose address is Municipal Cetner, City Hall, 301 E. Huron Street, Ann Arbor, MI 48104 and Ann Arbor SPARK, whose address s 330 East Liberty Street, Ann Arbor, MI 48104 agree to amend the SCOPE OF SERVICES (Attachment A) for the 2024 LDFA/SPARK Contract by amending the total contract amount to \$5,715,214 and adding the following additional services/programs:

Direct Staffing		\$ 761,304
Direct Company Support		\$ 1,100,000
Sponsorpship, etc		\$ 100,000
Major Events		\$ 400,000
Boot Camp		\$ 50,000
Mobility Support		\$ 270,000
Interns/Talent		\$ 850,000
Software		\$ 70,500
Central Incubator		\$ 325,000
Incubator Improvements		\$ 25,000
Accounting/Overhead		\$ 493,410
Marketing		\$ 250,000
Ypsilanti		
East OpX	\$ 160,000	
Programs	\$ 210,000	
Youth Talent Program	\$ 150,000	
Ypsilanti Total	\$ 520,000	
GBC		\$ 250,000
DEI		\$ 250,000
Total		\$ 5,715,214

- 12. Green Business Challenge. Contractor, In partnership with the City of Ann Arbor OSI, shall create and implement a program to incentivize and acknowledge businesses in the Ann Arbor/Ypsilanti Service Area to adopt Sustainability Best Practices in alignment with the A2NetZero Program goals. This program will include educational events, assistance with creating sustainability plans, awarding companies points as they achieve milestones, and Market the program itself and success stories of the participating companies. The budget for this program through 12/31/2024 shall not exceed \$250,000 and be payable by June 30, 2024. At the end of this period, a report will be created that will allow the LDFA Board to decide if the program should continue. The complete Proposal is included as ATTACHMENT B.
- 13. DEI Tech ecosystem Development. Contractor, in partnership with WCC, shall create and implement a program to support Socially and Economically Disadvantaged Individuals (SEDI) leading startups in order to increase their chances of success. The program will consist of a curated series of events incorporating mentorship and other support elements to provide an enhanced support experience for eligible startups. The budget for this program through 12/31/2024 shall not exceed \$250,000 and be payable by June 30, 2024. At the end of this period, a report will be created that will allow the LDFA Board to decide if the program should continue. The complete Proposal is included as ATTACHMENT C.

Agreed to and accepted this day of	, 2024.
Authorized Agent for the LDFA:	
By:	
Stephen Rapundalo, Ann Arbor-Ypsilanti SmartZone Local Development Finance Authority Chairman of the Board	
Authorized Agent(s) for Contractor:	
Ву:	
Paul Krutko, President & CEO	

# **Application Information Page:**

Name of Project	Ann Arbor Ann Arbor Green Business Challenge	
Name of organization	Ann Arbor SPARK	
Prepared By	Ann Arbor SPARK & Ann Arbor Office of Sustainability and Innovations	
Address	330 E Liberty, Ann Arbor, 48104	
Website	https://annarborusa.org	
Date of incorporation	11/29/1982	
Contact name	Bill Mayer	
Email address(es)	Bill@annarborusa.org	
Telephone	734-604-0414	
Title	SVP, Entrepreneur Services	
Indirect Funds Requested	\$0	
Total Project Budget	\$300,000	
Funds requested	\$250,000	





Ann Arbor Green Business Challenge

### **Summary**

In April 2020, the City of Ann Arbor published A<sup>2</sup>ZERO, Ann Arbor's living carbon neutrality plan. The plan outlines how the city can achieve community-wide carbon neutrality by 2030, focusing on seven overarching strategies and forty-four actions. One of these actions is the creation of a program tailored to businesses, including those that may not own the building in which their office is located. This program is known as the Ann Arbor Green Business Challenge (A2 GBC).

This proposal is to officially launch the A2 GBC as a joint effort between Ann Arbor's Office of Sustainability and Innovations (OSI) and Ann Arbor SPARK.

The A2 GBC is a voluntary certification program that local businesses can participate in to promote and grow their sustainability accomplishments while also promoting Ann Arbor as a sustainability leader and ideal location for sustainability-focused businesses. Moreover, participation in the A2 GBC will help local businesses create a stronger brand, build a more sustainable culture, enhance employee and customer satisfaction, and reduce their environmental footprints. The A2 GBC will provide a toolkit to promote more sustainable behaviors by encouraging the creation of sustainability plans, providing sustainability-related implementation guidance, resources, and recognition via certification, and branding support.

The A2 GBC has four certification levels: bronze, silver, gold, and platinum. The certification level that a business earns will be based on the number of points that a business accumulates. There are seven areas for a business to achieve points—energy, water, circular economy, mobility, resilience, supply chain, and education.

## **Project Budget:**

Total operation budget: \$300,000 Funding request from LDFA: \$250,000

#### Introduction

The City of Ann Arbor published A²ZERO, Ann Arbor's living carbon neutrality plan, outlining how the city can achieve community-wide carbon neutrality by 2030. Included in this plan is the creation of a local green business challenge. The A2 GBC is the manifestation of this idea, which is envisioned as a voluntary program designed to incentivize local businesses and employees to adopt sustainability practices, creating a culture of sustainability, making these businesses attractive places to work, and advancing the community's climate and sustainability goals. The A2 GBC also provides visibility into the sustainable efforts in the region through marketing local business efforts and accomplishments via certifications and badges to be installed on doors, windows and on websites. By recognizing sustainability in action, the A2 GBC helps establish Ann Arbor as a leader in the transition to carbon neutrality.

Ann Arbor SPARK and OSI have been collaborating on the design of the A2 GBC since early 2023. Several meetings and a lunch and learn community session were held to solicit feedback from the community on the proposed A2 GBC design. The A2 GBC is a program that Ann Arbor companies can get excited about and participate in. Participation will promote the incremental gain of momentum, readying local companies with the knowledge and the resources needed to begin their sustainability journey, which will ultimately energize the business community to band together to help the city achieve their A2ZERO goals. Moreover, participation in the A2 GBC will help local businesses create a stronger brand, build a more sustainable culture, enhance employee and customer satisfaction, and reduce their environmental footprints.

The A2 GBC will make use of the many local partners and resources in Ann Arbor such as the University of Michigan's Environmental Consulting Organization, local business owners, property renters, the 2030 District, Energy Alliance Group, the Green Home Institute, and more. The community and residents of Ann Arbor will get to reap the benefits of a greener business community, edging the city closer to its A2ZERO goals, and increasing awareness of the tech and entrepreneurial community's dedication to positive social impact and environmental consciousness in all aspects of their business.

Ann Arbor Green Business Challenge

### **Proposal Narrative**

Ann Arbor has a robust ecosystem of innovative tech companies and is a community known for its ongoing commitment to sustainability. The envisioned A2 GBC program will allow tech companies and entrepreneurs to innovate and deploy their technologies to advance sustainability-related outcomes, while also making the city's 'living lab' environment greener, and bringing the community one step closer to achieving the A<sup>2</sup>ZERO goals.

Overall, the A2 GBC program addresses the following challenges:

- Help the city achieve carbon neutrality goals by 2030.
- Create a greener downtown environment for all to enjoy.
- Energize the business community to get started or advance their sustainability efforts, including:
  - o Incentivizing local businesses and employees to adopt sustainability practices.
  - Encouraging businesses to work together to achieve levels of certification.
    - Foster healthy competition, driving increased implementations.
    - Drive sustainable innovations.
  - Creating sustainability-related momentum within and outside the business community.
  - o Creating a culture of sustainability within the business community.
  - Making Ann Arbor businesses attractive places to work, inclusive of:
    - Attracting the attention of sustainable minded professionals.
    - Increasing employee retention.
    - Increasing graduating student retention.
- Make Ann Arbor a leader in the transition to carbon neutrality.
- Draw the attention of new businesses to Ann Arbor because they want to be part of positive change and sustainability leadership.

Ann Arbor Green Business Challenge

### The project will help advance or meet the following LDFA's strategic priorities:

### Promote region

- Increased visibility of AA's focus on sustainability and showcase our implementations through a targeted and sustained marketing effort.
  - Website (SPARK, City, Internal)
  - Marketing materials and campaigns
  - Certifications, badges and other visible markers of achievement.
    - Windows, doors, plaques
  - Seek national recognition by applying for an <u>American Planning Association (APA)</u>
     Award for Excellence in Sustainability.

### Connected high-tech ecosystem

- Align sustainability partners with businesses.
  - University of Michigan's Environmental Consulting Organization, local business owners, property renters, 2030 District, Energy Alliance Group, the Green Home Institute, and more.
  - Businesses work together to achieve levels of certification.
    - Foster healthy competition.
    - Drive increased implementations.
    - Drive sustainable innovations.

### High-tech company friendly collaboration

 By creating and supporting local companies to deploy new A2 GBC aligned innovations and suggested implementations within the downtown, we are supporting their growth and encouraging other innovative technology companies to choose Ann Arbor as the place for growing their businesses. All while offering a healthy sense of friendly competition.

#### High-tech company creation and growth

Support education and A2 GBC implementations throughout the local business and tech
community, building their awareness and development of sustainability plans and related
actions, drawing the attention of like-minded talent looking to work for environmentally
conscious employers. These efforts will further enhance the attractiveness of the Ann Arbor
region to start and grow a business.

Ann Arbor Green Business Challenge

### Talent and workforce investment

• We expect this program to have a substantial impact on our talent attraction and retention goals, especially in ClimateTech, CleanTech, electrification and EV infrastructure, as well as a focus on carbon free and sustainable Mobility innovations, just to name a few. By keeping the AA Region and its' innovation ecosystem at the forefront of global leadership in sustainability, the individual company participants will be able to leverage this program when recruiting out of state candidates as well as graduating students. This new identity and branding, based on our research, is an important factor in people's decision matrix of where to live and work.

### **Project Goals and Objectives:**

The A2 GBC project goals and objectives include:

- Create a certification program that local businesses can participate in and advertise their sustainability accomplishments.
- Provide an easy way for any business to get started and engage in sustainability.
- Help local businesses lower their operating costs, create a stronger brand, build a more sustainable culture, enhance employee and customer satisfaction, and reduce their environmental footprints.
- Encourage businesses to engage in more sustainable behaviors by providing guidance, resources, and recognition via certification, branding support, and implementation assistance that voluntarily participate.
- Make local improvements in seven sustainability focus areas—energy, water, circular economy, mobility, resilience, supply chain, and education.
- Provide companies with a roadmap to create momentum in sustainability.
- Provide marketing toolkits to promote individual progress and ignite ambition throughout the business community.
- Measurably assist the city in meeting their A<sup>2</sup>ZERO goals.
- Enhance existing and create new opportunities for companies to receive public recognition for sustainability activities.
- Create pathways to celebrate (e.g., a Sustainability Summit) the program, the participants, and the community's work towards carbon neutrality.

### Work Plan:

**Project Development & Deployment:** The City of Ann Arbor and Ann Arbor SPARK have a thorough outline of the A2 GBC ready to be finalized upon approval of funding. The A2 GBC will be co-managed by SPARK and OSI. The stages of the program will start with a kickoff celebration to educate the business community on the program, incentives, benefits, and a toolkit of resources provided to get started. Events will continue through the project period to provide support, Q&A sessions, technical assistance, and to enhance recruitment/awareness of the program.

Participation in the A2 GBC is optional, but encouraged through incentives ranging from badges, certificates, and mini grants to encourage early implementation efforts for companies with a demonstrated need. The A2 GBC program encourages businesses to continually engage in more sustainable behaviors by providing guidance, resources, and recognition via certification, branding support, and implementation assistance.

Though the various events we will host we plan on accomplishing the following:

- Kickoff the program and recruit companies
- Provide education and training on strategies, methods, and best practices from subject matter experts
- Celebrate the accomplishments of the companies and program at a Sustainability Summit including financial awards across various categories of achievement.

The proposed A2 GBC has four certification levels—bronze, silver, gold, and platinum. The certification level that a business can advertise will be based on the number of points that a business accumulates.

The certification program has seven areas for businesses to earn points in—energy, water, circular economy, mobility, resilience, supply chain, and education. Each area has an explanation on the importance of that topic and ways to earn points, all detailed in a toolkit that will be made publicly available. Some areas have more points possible than others. In addition to the formal certification levels, there are also recognition opportunities for those entities that improve their performance year over year, regardless of if they reach bronze status or not. Further, each of the seven areas has an "innovation" metric. This will allow for businesses to accumulate up to ten additional points in innovative ways not outlined in the toolkit.

This program will be run on an honor system that encourages open lines of communication and information sharing. An intern in the OSI will be used for occasional spot checks and auditing to validate the program and adherence to program rules and guidelines. In addition, staff in OSI will be available to provide technical support, as needed, to program participants.

Although we may make modifications to the categories and/or point values based on feedback and learnings during the project, currently the seven areas of implementation are:

#### Energy

The City of Ann Arbor has set the ambitious goal of powering the entire community with 100% renewable energy while also reducing energy waste and supporting greater energy efficiency

Ann Arbor Green Business Challenge

measures. Numerous supportive programs are available through the city and its collaborators to help achieve these goals, including support with conducting energy assessments, installing renewable energy, and installing more energy efficient appliances and equipment. In addition, there are numerous federal and state-level incentives to support the transition to more efficient operations and the adoption of clean energy solutions. The matrix below highlights the A2 GBC scoring and some support resources related to the energy category.

Table 1. Energy implementations and possible points.

Energy implementations	Y, N, N/A	Points
	1, 14, 14/	
Baseline: benchmark & disclose energy usage (see OSI's		5
"Commercial and Multifamily Benchmarking" as a		
resource)		
Create a plan of action to reduce energy usage and/or		5
increase the amount of renewable energy used (Free		
energy assessments)		
Create an inventory of all appliances used by business,		2
inclusive of type, age, efficiency score		
Research renewable energy options (Commercial Solar		1
Program) and present viable options to leadership (e.g.,		
solar, geothermal, etc.)		
Install renewable energy (Federal Tax Incentive programs)		5
OR participate in green purchasing program (e.g.,		
MIGreenPower, Arcadia Power, Wheeler Center Solar		
Park)		
Electronics are turned off nightly (e.g., via a power switch,		2
networked software, smart plugs, or other control)		
All indoor and outdoor lightbulbs are LED		3
Programmable thermostats are installed		2
Reduce energy usage by at least 15% OR switch at least		10
10% of appliances to electric based on the baseline		
assessment		
Regularly (at least annually) monitor annual kWh		3
electricity usage (targets provided in toolkit)		
Other: Energy Innovation		10

## Water

Water is a finite resource. Freshwater shortages are becoming more common across the country due to increasing demand and compromised water quality. Even though Michigan is a state surrounded by lakes, residents should still practice responsible stewardship of water resources.

The United States Environmental Protection Agency (EPA) has a WaterSense program, which aims to educate Americans about the need for water saving practices and in turn have Americans take actions to reduce water usage. This program is a great place to start a water

Ann Arbor Green Business Challenge

saving journey. The matrix below highlights the A2 GBC scoring and some support resources related to the water category.

Table 2. Water implementations and possible points.

Water Implementations	Y, N, N/A	Points
Baseline: Benchmark & disclose water usage		5
Identify areas for water conservation		2
Regularly inspect faucets, fixtures, and toilets for water leaks and then promptly fix them or notify management about the need for repairs		3
Create a plan to reduce water consumption (template in toolkit)		5
Install water saving technologies (e.g., low flow faucet, aerators, shower heads, water efficient toilets, etc.)		5
Install WaterSense labeled appliances		5
If applicable, install water conservation infrastructure in your outside space (e.g., rain gardens, green roof, native plants, rain barrels, bioswale etc.)		10
Other: Water Innovation		10

## **Circular Economy**

The City of Ann Arbor promotes circular economy practices including source reduction, material repair, reuse, recycling, composting, and zero waste events such as Green Fair. Ann Arbor encourages businesses to maximize environmentally friendly behaviors and minimize usage of single-use products. Businesses play a critical role in eliminating waste and minimizing the extraction of natural resources. One way you can learn more about ways to improve the circularity of your materials is through the U.S. EPA's online marketplace for "greener products and services." The matrix below highlights the A2 GBC scoring and some support resources related to the circular economy category.

Table 3. Circular economy implementations and possible points.

Circular Economy Implementations	Y, N, N/A	Points
Baseline: Assess your annual waste to establish what items are being composted, recycled, and sent to landfills		10
Use the baseline to establish a waste reduction goal that can include source reduction, reuse/repair, recycling, and composting goals		5
Accessible recycling & composting bins available at your facility		2
If applicable based on the baseline, reduce or eliminate single use plastics by at least 75% and sign a Zero Waste Pledge		5
Commit to year-round recycling and composting services		5

Ann Arbor Green Business Challenge

Keep technology resources (like computers and televisions) in use for at least 6 years or donate them for reuse	5
Properly recycle all electronics and accompanying accessories (e.g., computers, printer ink cartridges, lightbulbs, etc.)	5
Donate excess materials (e.g., food scraps, office supplies, materials) to re-use centers	5
Ask suppliers about their sustainability practices (2 points) and/or use suppliers/vendors that utilize sustainable practices (e.g., post-recycled content, local farm and agriculture vendors)	2 or 5
Other: Circular Economy Innovation	10

### **Mobility**

A<sup>2</sup>ZERO aims to reduce the miles we travel in our vehicles by at least 50% by 2030. Additionally, the City of Ann Arbor has a Comprehensive Transportation Plan and established the goal of zero traffic fatalities (<u>Vision Zero</u>). The City of Ann Arbor has put together resources on <u>electric vehicles (EVs)</u>, <u>non-motorized transportation</u>, and <u>public transit</u>.

It might first appear that mobility is a difficult area for businesses to contribute to. However, there are steps that businesses can take to increase sustainable mobility options and help Ann Arbor achieve its goals. Some of the implementations may not be applicable to all businesses, however, we encourage businesses to do what they can. The matrix below highlights the A2 GBC scoring and some support resources related to the mobility category.

Table 4. Mobility implementations and possible points.

Mobility Implementations	Y, N, N/A	Points
Bus passes: Provide employees with discounted bus		2 OR 5
passes (2 points) or with free bus passes (5		
points) (go!pass Program)		
Ensure employees and guests have access to a bike rack		5
and other appropriate bike parking infrastructure (e.g., air		
pump, hand pump, etc.)		
Add a micro-mobility option (scooters, e-bikes)		5
Ensure employees and guests have access to electric		5
vehicle charging stations		
If applicable, add EVs to your business fleet and/or		5
transition to electric fleet vehicles		
Ensure employees and customers can access your		2
business without having to drive (e.g., walking, public		
transit, bike, etc.)		
If applicable, business uses virtual technologies (e.g.,		5
Zoom) to reduce driving for staff/clients/customers and		
allow telework		
Other: Mobility Innovation		10

Ann Arbor Green Business Challenge

### Resilience

Changes to our climate are already leading to significant local impacts, necessitating that residents start preparing and enhancing their own resilience. Given this, we encourage businesses to invest in efforts to reduce their vulnerability and enhance their operational and staffing resilience. The matrix below highlights the A2 GBC scoring and some support resources related to the resilience category.

Table 5. Resilience implementations and possible points.

Resilience Implementations	Y, N, N/A	Points	
Baseline: Business has an emergency plan in the event of a natural disaster (e.g., ice storm, thunderstorm, snowstorm, etc.)		5	
Business supports employees with creating emergency plans and emergency kits		5	
Business has back up power system (2 points for generator or 5 points for battery-powered storage)		2 OR 5	
Business has researched and installed air quality monitoring devices (indoors or outdoors)		5	
Other: Resilience Innovation		10	

## **Supply Chain**

Supply chain is critical to keeping the economy running smoothly and to help businesses meet their needs and goals, driving prosperity in the community. Supply chains can have a significant environmental footprint due to transportation, manufacturing, and sourcing of materials. By optimizing their supply chains, companies can reduce their carbon emissions, energy consumption, and resource use, contributing to overall sustainability efforts. Ann Arbor, like many other areas, is increasingly focused on reducing its environmental impact and carbon emissions, making supply chain sustainability a key consideration. The matrix below highlights the A2 GBC scoring and some support resources related to the supply chain category.

Table 6. Supply chain implementations and possible points.

Supply Chain Implementation	Y, N, N/A	Points	
Optimizing supply chain study to identify areas for improvement (Resource: OrbAid)		5	
Implementation of one improvement identified in optimization study		5	
Partner with neighboring businesses to identify shared improvements in overall supply chain for commonly used products and services		5	
Require your vendors to have a sustainability plan		5	
Other: Supply Chain Innovation		10	

Ann Arbor Green Business Challenge

#### Education

A<sup>2</sup>ZERO offers different ways for community members and business owners to get involved in sustainability initiatives. We encourage businesses to spread the word about the Ann Arbor Green Business Challenge as well as many of the other sustainability initiatives unfolding. Learn more on the City's website: <a href="www.a2gov.org">www.a2gov.org</a>. The matrix below highlights the A2 GBC scoring and some support resources related to the education category.

Table 7. Education areas and possible points.

Education areas	Y, N, N/A	Points	
Supported a business employee to participate in the City's A <sup>2</sup> ZERO Ambassador Program (5 for first, 2 for each additional)		5 +	
Have shared information about the A2 GBC or environmental sustainability with clients/customers		2	
Have information about A <sup>2</sup> ZERO and ways to get involved available for staff, clients, etc. (e.g., flyers, on website, etc.)		2	
Host an event with the A <sup>2</sup> ZERO Team for staff, management, clients, or the community		5	
Became an A <sup>2</sup> ZERO Collaborating organization		7	
Other: Education Innovation		10	

#### **Certification and Maintenance**

The certification level that a business can advertise will be based on the number of points that a business accumulates. There are seven areas for a business to achieve points in as noted above —energy, water, circular economy, mobility, resilience, supply chain, and education. Some areas have more points possible than others. In addition to the formal certification levels, there are also recognition opportunities for those entities that improve their performance year over year, regardless of if they reach bronze status or not.

**Table 8.** The possible score range for achieving each certification level.

Level	Point Range
Bronze	35-70
Silver	71-140
Gold	141-210
Platinum	211-283

Businesses will provide the documentation needed to receive their certification status to OSI staff. The certification level will be good for two years. However, a business can resubmit documentation after the first year if they would like to achieve a higher tier.

Ann Arbor Green Business Challenge

In Partnership with the City of AA/OSI a "Sustainability Summit" will be created to showcase and honor the participants and accomplishments of the program. Awards will be made to honor participants that have demonstrated strong results with their efforts.

## Marketing, Promotion, and Plan for Success

Ann Arbor SPARK and OSI will launch the A2 GBC with an event to explain the program, generate excitement among the pioneering participants, provide resources, share marketing and advertising assets, and next steps. To measure the success of the A2 GBC the following quarterly milestones and metrics will be tracked:

- Quarter 1
  - Program design complete
  - Program launch complete
  - Registration portal opened
- Quarter 2
  - Number of registrations received
  - Number of sustainability plans submitted
  - Number of jobs created
- Quarter 3
  - Number of registrations submitted
  - o Number of sustainability plans submitted
  - Number of jobs created
  - o Number of program implementations submitted
  - Number of certifications awarded
- Quarter 4
  - Number of certifications awarded
  - Participant survey results
  - Apply for <u>American Planning Association (APA) Award for Excellence in Sustainability</u>
  - Apply for additional funding to continue program, if successful

#### **Outcome Metrics**

- Number of Companies Participating in the Program
- Number of Companies that achieve Bronze, Silver, Gold, and Platinum status
- Number of events held and attendance numbers
- Number of Jobs Created
- Number of graduating students hired

### **ROLES OF DIFFERENT PARTNERS**

### Ann Arbor SPARK: Project Advertiser / Lead Marketer

SPARK will serve as the advertiser and marketer for the A2 GBC while also supporting OSI in program implementation, and leading project impact tracking.

Ann Arbor Green Business Challenge

The City of Ann Arbor's Office of Sustainability and Innovations (OSI): Project Technical Lead The OSI will serve as the project administrator, providing technical support to businesses, maintaining the A2 GBC framework, developing supporting technical resources such as the toolkit, and supporting SPARK with monitoring program impact.

### **TIMELINE**

Finalize A2 GBC Program Design & Toolkit	Feb 2024
A2 GBC Launch, Education & Marketing	Mar 2024
Business Registration Portal Opens for A2 GBC	Apr 2024
A2 GBC Business Registrations Begin	May - Jun 2024+
Businesses Submit A2 GBC Plans	Jul - Sep 2024+
Businesses Begin Implementations	Jul - Sep 2024+
A2 GBC Certification Awards Begin	Sep 2024+
Sustainability Summit as part of A2Tech360	Sep 2024
A2 GBC Annual Check-In and Spot Audits	Oct 2024
Evaluate Program Success	Nov 2024
Apply for APA Award for Excellence in	Dec 2024
Sustainability	

#### **BENEFITS**

- Economic Impact:
  - Companies get the assistance they need to make improvements that save them money, improve their brand, and enhance the employee experience
  - Companies that are early adopters of sustainable practices in Ann Arbor may gain a competitive advantage, attract top talent, and access new markets and opportunities.
  - Consumers are becoming more environmentally conscious, and they often make purchasing decisions based on a company's sustainability efforts. A sustainable culture can enhance a company's brand reputation, leading to increased customer loyalty and sales. This is especially relevant in Ann Arbor, where sustainability is a core value for many residents and businesses.
- Promote the region:
  - When businesses nurture a culture of sustainability, they become attractive places to work, making Ann Arbor a leader in the transition to carbon neutrality.
  - Ann Arbor, like many other areas, is increasingly focused on reducing its environmental impact and carbon emissions, making sustainability a key consideration.
  - Seek national recognition by applying for an <u>American Planning Association</u> (APA) Award for Excellence in Sustainability.
- Social & Environmental Impact:

Ann Arbor Green Business Challenge

 The A2 GBC aligns with local sustainability goals, reduces environmental impact, enhances Ann Arbor's reputation, and contributes to the city's long-term success.
 Companies that integrate sustainability are better positioned to thrive in a world increasingly focused on environmental and social responsibility.

## **Management Competency:**

#### Ann Arbor SPARK

For more than 15 years, Ann Arbor SPARK has served the greater Ann Arbor region as a catalyst for economic development. Ann Arbor SPARK works to advance the economy of the Ann Arbor region as a desired place for innovation, business location and growth, and for talented people to live and work. Mobility is a driving industry for the Ann Arbor region. Ann Arbor SPARK has knowledge and contacts to build relationships to potential clients, partners and other stakeholders that have participated in the project. SPARK will play the grant administrator role for the funding and help convene the project stakeholders to ensure execution of the project.

## Ann Arbor's Office of Sustainability and Innovations

The mission of the Office of Sustainability and Innovations is to create and implement programs and policies that improve the well-being, equity, sustainability, and resilience of all Ann Arborites.

The city created the Office of Sustainability and Innovations (OSI) in 2018 as a testament to its commitment to climate action and sustainability. Working in tandem with dozens of community groups and hundreds of community stakeholders, OSI created A2ZERO, an award-winning, bold strategy to achieve community-wide carbon neutrality by 2030. OSI will serve as the technical lead for the project, helping ensure the A2 GBC framework is robust, that participants in the program are supported, and ensuring that the program leads to meaningful impacts.

Ann Arbor Green Business Challenge

### Detailed project budget and budget justifications:

### **Project Budget:**

The total budget for the project is \$300,000 over a 12-month period. The City of Ann Arbor will provide \$50,000 of support. The remaining \$250K budget request will allow for full development, education, outreach, deployment, and evaluation of the A2 GBC.

- Work with the partners to finalize A2 GBC program design and toolkit.
- Create A2 GBC events: kickoff, ongoing education, Sustainability Summit, and marketing.
- Create A2 GBC Portal:
  - Registration process
  - Participant tracking
  - Certification
  - Recognition
  - Audits
- Develop success metrics with partners and support data to evaluate success of program.
- Create technical support resources and support services for A2 GBC participants.
- Provide reports with data collected to the partner and the LDFA.
- Supporting promotion and marketing efforts to build awareness.
- Create and implement the Sustainability Summit.

BUDGET	
Staffing (2 interns)	\$25,000
Marketing (website, SEO, campaigns, etc)	\$95,000
Events (Kickoff, education, recruiting, summit, and company awards)	\$100,000
Materials and supplies (business signage)	\$30,000
TOTAL	\$250,000

City of Ann Arbor/OSI Matching Funds:

<u>In Kind Support</u> – the City of AA/OSI will provide staff time of \$25K in the first year. <u>Cash Support</u> – the City of AA/OSI will provide \$25K in cash to support program deliverables, support for the events and Summit, as well as various other materials and support.

Ann Arbor Green Business Challenge

After the completion of this 12-month initial program, if continued, the City of AA/OSI is ready to provide continued support of the program with both in-kind support at a minimum level of \$35K as well as financial support of at least \$50K per additional year.

Conflicts of interest: Any and all conflicts of interest, either perceived or real, on the part of any individual identified in this Proposal must be disclosed. For instance, any financial and/or membership relationships with the LDFA, Ann Arbor Spark, City of Ann Arbor, City of Ypsilanti, or corporate entity.

We are very excited to create this program for the benefit of the Ann Arbor Business community as well as the LDFA.

Thank you.

Authorized Agent for Applicant:

, \_\_\_\_\_

Paul Krutko, President & CEO

Ann Arbor SPARK

Ann Arbor Green Business Challenge

## ATTACHMENT C

# **Application Information Page**

DEI Tech Ecosystem Development
Ann Arbor SPARK
Ann Arbor SPARK
330 E Liberty, Ann Arbor, 48104
734-761-9317
https://annarborusa.org
11/29/1982
Margarita Hernandez
margarita@annarborusa.org
512-466-9905
VP, Entrepreneur Services
\$250,000
\$0
\$250,000



### Summary

The DEI Tech Ecosystem Development Pilot project is a community collaborative focused on supporting local early staged Socially and Economically Disadvantaged Individual (SEDI) founders developing tech businesses that show the ability to provide jobs and to contribute to the local economy in Washtenaw County. SEDI founders often innovate on critical problems, particularly ones experienced in their own community, but may not have a clear understanding of the technical development process, financial standing, or the network access necessary for moving forward. While Ann Arbor SPARK supports early-stage startups, there still are gaps both within the broader community and in educational offerings that are critical for leveling the playing field for SEDI founders. Such enablers are critical for promoting equity and inclusion for diverse founders in the Ann Arbor-Ypsilanti entrepreneurial community.

To accelerate inclusive innovation for the region, we plan to collaborate with local academic and business owners who support early-stage SEDI founders in executing this pilot. Within the community of SPARK- East and the Ypsilanti ecosystem, we will utilize consultants and mentors who have an established brand working with SEDI communities and are committed to building a more inclusive and equitable community for the broader region. In the future, our hope is that participating founders will leverage their new mentors/network and be better prepared to capitalize on the offerings of SPARK, building their company, promoting economic development, and attracting others to the region.

#### Introduction:

Over the last years, Washtenaw County has cultivated the region by providing programs, grants, and resources that have led to the development of our community's entrepreneurial ecosystem. Recognizing that economic development should be inclusive, equitable, and focused on addressing the needs and aspirations of the community, we are proposing a DEI pilot program to help diversify the population of successful technology entrepreneurs and businesses in our region. To further support our region's technology ecosystem, this grant proposes strategic efforts to drive both economic growth and improve the well-being of communities through targeted programming for marginalized or disadvantaged community members who are building a high-tech innovation. Overall, our goal is to promote economic growth that translates into improved quality of life, reduced poverty, and enhanced opportunities for our region.

Historically, Socially and Economically Disadvantaged Individuals (SEDI) founders building technology startups/companies, have limited access to mentorship and networking opportunities, often experience education disparities, and are economically disadvantaged as they encounter financial barriers to starting and scaling tech ventures. Recognizing the unique challenges faced by SEDI founders in the entrepreneurial landscape, Ann Arbor SPARK and local collaborators are dedicated to launching a specialized DEI program for entrepreneurs to level the playing field. This initiative aims to provide targeted support, resources, and opportunities for SEDI-founders, fostering an environment where they can thrive and contribute to the broader entrepreneurial ecosystem. Specifically, this program supports insights to how the community currently serves SEDI founders building tech companies, and in the future, what gaps and which types of resources are critical to support diverse founders within our community to promote an inclusive tech ecosystem.

In Michigan, it is difficult to access capital and community, especially for underserved founders. SEDI founders often innovate on critical problems, particularly ones experienced in their own

community, but often do not have a clear understanding of the technical development process, financial knowledge, and business networks to move forward. Knowing not all entrepreneurs learn the same, this DEI Pilot Program would provide SEDI founders an in-depth commercialization education, unique immersive experiences of real-life practice with mentors, and one-on-one mentoring with DEI leaders and seasoned entrepreneurs who want to see more diversity in the entrepreneurial technology ecosystem. Our vision is to deliver this experience in a cohort program, intentionally focused on accelerating the endeavors of SEDI entrepreneurs and building a more connected community of tech founders. We aim to provide a program of mentors, intentional resources, and grow a community platform for SEDI founders to grow and collaborate, supporting their companies from the ideation to scaling stages. All program participants will be able to access SPARK's existing applicable services, with a goal that each company will be better prepared to capitalize on the offerings of SPARK and the venture capital resources in the state.

With this proposal, SPARK seeks to increase our capacity and intentional focus in responding to the unique needs of SEDI entrepreneurs and better understand the needs and resources of founders and our community. Lastly, our goal would be to help build a more connected ecosystem of "founders supporting founders" and other businesses within the region, supporting talent and wealth for marginalized populations in the region. By supporting SEDI founders who have additional needs and are building high-tech innovations, we see the opportunity to promote diversity of small enterprises and foster interests of cultivating a more inclusive economic impact in Washtenaw County.

### **Proposal Narrative:**

The Ann Arbor-Ypsilanti community has a robust ecosystem of innovative tech companies with aspiring entrepreneurs from a variety of cultures and backgrounds. Not all entrepreneurs have access to the same opportunities and resources, and through this program we seek to support SEDI founders' business success through tailored, intentional programming, small grants, mentorship, and networking with leaders in the community.

### The project addresses the following challenges:

- Support SEDI founders with access to critical mentorship and networks within the community.
  - Provide insights, through existing business leaders, into cultural nuances within the tech industry.
  - Help founders navigate the common pitfalls of building a successful business and creating a positive team culture.
  - Share real life examples, discussing how they successfully navigated significant challenges.
- Provide tailored education and programming to SEDI founders, leveling the playing field and increasing opportunity.
  - Assess each participant's specific needs and match SEDI founders with relevant business consultants and technical support to help them build robust technology startups/companies for long-term success. Topics of education:
    - Finance foundations, product development, venture capital, sales
    - Pitching, DEI case studies, mock board meetings
  - Equip SEDI founders with additional small grants to fill in resource gaps and facilitate the growth of more successful, impactful businesses in the region. Grant funds will be distributed following a similar approach to SPARK's Business Accelerator grants for entrepreneurial clients.
  - Utilize consultants and mentors from the Ann Arbor-Ypsilanti ecosystem who have experience and expertise working with SEDI communities to support founders.
- Promote the Ann Arbor-Ypsilanti region as a community recognized for actively fostering an inclusive tech-ecosystem.
  - Draw new businesses to the Ann Arbor-Ypsilanti region as a community that supports diverse founders and businesses.
  - Utilize SPARK East to host the DEI Tech Ecosystem Development Pilot and programmatic activities to cultivate a friendly and supportive community for working, building, and growing a business.

## The project will help advance or meet the LDFA's strategic priorities:

## Promotion of the region

- Increase visibility of Washtenaw county's focus on DEI initiatives by addressing the needs
  of SEDI founders within the tech community and by showcasing our implementation
  through a targeted and sustained marketing effort.
  - Website (SPARK, City, Internal)
  - Marketing materials and campaigns
  - Programmatic and educational offerings, including access to DEI leadership from regional businesses and small, supportive business grants.
  - Partnerships with community groups and forward-facing events open for the community to join.

### Connected high-tech ecosystem

- Provide SEDI founders with access to mentors, business and technical consultants, and networks of business leaders who want to promote a more equitable and inclusive high-tech ecosystem.
  - Leverage the strong entrepreneurial ecosystem in the region where many of our successful founders "give back" by serving as mentors.
  - Increased engagement with local entrepreneurs of color, female founders, and individuals from traditionally underserved communities to serve as business coaches and mentors.
  - Promote SEDI founders venture capital readiness, supporting advancement and diversity of future venture-backed founders from the region

## High-tech company friendly collaboration

- Promote access to education and resources for supporting high tech SEDI founders growing startups into successful business opportunities for the region.
- Support SEDI founders' growth and encourage other innovative technology companies to choose the Ann Arbor-Ypsilanti region as a recognized place for diverse founders and their businesses.
- Offer public events promoting SEDI founders' access to the broader high tech founder network of southeast Michigan and fostering collaboration, mentorship, and sharing of wisdom.

### High-tech company creation and growth

• Support education and acceleration of SEDI founded startups throughout the local business and tech community, further enhancing the attractiveness of the Ann Arbor region to start and grow a business.

### Talent and workforce investment

- Offer the resources of Ann Arbor SPARK, combined with this additional program, to build trusted relationships with local founders and to further leverage the existing strengths of entrepreneurship in the broader region.
- Recruit talent to the region, increase the diversity of our start-up community, and promote generational growth for the long-term benefit of our community.

## **Project Goals and Objectives:**

The project goals and objectives are as follows:

- Strengthen our regional offerings in supporting the broader SEDI founder community, leveling the playing field to promote the Ann Arbor-Ypsilanti tech ecosystem.
- Ann Arbor SPARK will work with local established and experienced technical assistance partners and community service providers to deliver resources, education, and mentorship designed to accelerate the success of SEDI founders.
- As we recruit SEDI founders for this pilot program, we will assess each applicant's specific needs as a method to survey common needs articulated from SEDI communities. Additionally, we will survey pilot participants after the program to measure success and fulfillment of needs, identifying further strategies for implementing and optimizing future resources.
- The program will utilize non-dilutive support (grants) to address the challenges SEDI founders often face in accessing traditional sources of funding due to systemic biases and economic disparities. These grants will also support the commercialization momentum of the startups.
- Mentorship will be invaluable for SEDI founders who may be navigating the startup landscape for the first time and will strengthen the sense of being part of a budding community as well as connectedness to the region. Mentors also provide further access to professional networks enabling SEDI founders to gain visibility.
- The results of supporting SEDI founders through this program will provide insight to how we can provide better programming, services, resources, and community support for underserved communities and entrepreneurs.
- This program will foster the development of successful diverse founders who want to build a more connected DEI community of tech companies, increasing the network of mentors and potential angel investors, and supporting evergreen strategies for our tech ecosystem.

### Work Plan:

### Project Development & Deployment:

With the twin goals of better understanding the needs of a diverse tech ecosystem and developing a more inclusive and equitable tech ecosystem, Ann Arbor SPARK and community collaborators are dedicated to launching a DEI pilot program focused on addressing the unique challenges of early staged SEDI founders developing technology startups/companies.

- In partnerships with regional organizations (e.g., City of Ypsilanti, EMU, Endeavor, Entre-SLAM, BlackTech Saturdays, Washtenaw Community College, Eastern Michigan University), our goal is to identify mentors and DEI leaders to match with founders in the program. Participants will have multiple opportunities to meet with mentors either through one-on-one meetings or through our informal and formal gatherings.
- The program will implement a comprehensive educational plan, consisting of both lecture and immersive offerings intended to address SEDI founders' technical and business challenges to accelerate their growth.
- Since a focus is to promote community and connectedness among founders, we will
  host a component of the program which will be open to the public, where SEDI founders
  and DEI champions will share their stories of how they navigated hardships and biases
  in their career for the broader community.
- This initiative will provide targeted support resources, through the form of a small grant (\$10k), given to each participating startup who completes the required milestones. This funding can be spent on business accelerator services, similar to how SPARK clients can use funds on vendors to promote their business. A portion of the program will focus on defining exactly what needs that funding could support.

For this pilot program, we believe that 8-10 startups are the best size of cohort to gain insights and provide enough bandwidth to enhance the success of the startups. Overall, we believe these combined opportunities will foster an environment where founders can thrive and contribute to the broader entrepreneurial ecosystem - returning significant economic value to the community, long-term.

#### Key Activities and Timelines

(Months 1-2) Startup Recruitment, Needs Assessment, and Mentor Outreach

- Build recruitment pipelines by contacting founders and organizations that support technology startups with early grants and programs across the ecosystem. Organizations such as Michigan Founders Fund, Eastern Michigan University, and Black Tech Saturdays have provided letters of support. This will include direct outreach to individuals, as well as harnessing the networks of places where these individuals convene (e.g., coworking spaces, labs, competitions, student organizations).
- Build a mentor network composed of experienced entrepreneurs, DEI champions from various backgrounds and work experience, and community builders by meeting with individuals, sharing details about the program, and gauging their willingness to support SEDI founders towards development of a more connected DEI ecosystem. Mentors from the ecosystem will include seasoned entrepreneurs with various levels of technology startup

experience (e.g., CTOs, CMOs), community leaders (e.g., Chamber members), and service providers (e.g., attorneys, CPAs, consultants).

- Identify potential applicants:
  - Hold office hours with leads discovered through recruitment pipelines. If applicants are a
    fit, convert leads into actual applications (online form).
  - Identify program partners who already have connections to or are themselves a part of
    entrepreneur groups, founders in leadership groups, Chambers, and other relevant local
    and national community organizations. (e.g., EMU, Entre-SLAM)
  - Engage with local higher education partners by leveraging their small business development and entrepreneurship programs to bridge the gap in training and opportunities.
  - Make a final push for applications and close the application window.
  - Finalize mentor list and topics of panels. Finalize dates and push calendar invites and agreements to mentor, consult, or advise.

### (Months 2-3) Program Interviews

Round 1: Ann Arbor SPARK team, identified program manager, and lead mentors will run the interviews, create a selection process for applications, make final decisions, and initiate enrollment of the startups in the program.

- Carefully read through every application and do basic due diligence research.
- Use Google Sheets to maintain a log of applicants and determine if they should move forward for being interviewed.
- Host a 1-hour team meeting to make final decisions.

Key factors for selection include the following:

- Team (committed, capable, relatively complete),
- Idea/Technology (scalability, traction, milestones, competitive landscape)
- Market Size (large enough to justify value in market/community)

Round 2: Send email notifications to those selected to move forward with interviews; ask them to choose a slot via an online form.

- For individuals conducting interviews, have them fill out Google Form for each startup as they assess the following:
  - Startup needs
  - Coachability and history of the team. Ideally, we want to invite the founding team or founders, and ask how they solve problems or make decisions for the startup.
  - Additional due diligence on "why now"
  - Potential business contribution to the community and founder's desire to support the local region

Once interviews have been conducted, host a roundtable meeting to make final decisions.

Send email notifications and create contract agreements to finalize participation. Initiate SLACK channel and Notion platforms to manage communications and organize documents for coaches, mentors, and other related personnel.

(Months 4-7) Kick-off Twelve-Week Intensive Program

Meeting Cadence	Tuesday's	Wednesday's	Thursday's	
Weekly	Lecture Content	Interactive/Immersive Content	Mentoring 1:1	
		Open Door Office Hours	Lunch & Learns	
Monthly	Team Meetings/Touchbase	Homework Milestones Due	Connection Swarm Gathering	

Weekly cadence: The program will run on Tuesdays (2-hrs. of educational content), Wednesdays (2-hrs. of immersive workshop), and Thursdays (community learning and mentorship).

- Educational Content: We will increase access to technical and business assistance, provide
  funding to accelerate business and technical milestones, develop executive summary
  documents and presentations, and use public events and education to increase access to
  networks and to fuel mentorship. Identified consultants from the local area will be the
  facilitators of the educational offerings on Tuesdays.
- Immersive Content: SEDI founders can benefit from tailored content that addresses specific challenges faced by successful entrepreneurs. The nature of this content is focused on giving founders real life experience and pre-exposure to startup/company challenges that they normally would not have. Examples include case scenarios and how to manage situations such as creating a DEI plan, hiring and incentivizing a future team member, managing a sales call, pitching to an investor or banker, running a board meeting, and managing hard conversation with leadership. This is a unique advantage of the program, providing the ability to build up self-esteem, confidence, and empowerment to help founders grow a wholesome and successful business. Identified entrepreneurs-in-residence (EIR) will be the facilitators of the immersive offerings on Wednesdays.
- Open Office Hours: Provide a safe space for participants to ask questions, voice needs, or ask for help. The Program Manager will be the main facilitator for office hours.
- Mentoring and Gathering: Every other week (twice a month), participants will find time to connect with their assigned mentor who is either a technology business leader or DEI

champion, 1:1. The participating startup will be matched with a mentor and will be left to identify a time to meet with the mentor at their convenience.

### Monthly cadence:

- Team Meetings: Will be monthly with the entire startup team, program manager, and any
  key consultants that might add value. The focus of this meeting is to touch base and see
  how the program is going, evaluate the needs of the startup, identify pain points, struggles,
  concerns.
- Homework Milestones: Each participant will be given a needs assessment to identify pain
  points and gaps in supporting their business; homework will be given to participants to help
  them address those concerns. Primarily, we expect the founder to complete a business
  executive summary, a comprehensive exercise to communicate the purpose and goals of
  their business. The founder will be expected to complete the executive summary in order to
  obtain the small grant at the end of the program.
- Lunch & Learns: Every month, both the public and program participants will be invited to a Lunch & Learn. Lunch & Learns will feature topics relevant to startups including understanding DEI challenges and practice in the workplace, industry trends, and hearing from other recognized SEDI founders/advocates in the community who have experience building a startup/company. The Program Manager will be the facilitator of the monthly Lunch & Learn activity.
- Connection Swarms: A speed-dating-style of meeting will be planned, with up to five mentors, five program consultants, and other invited special guests that add value to the program goals. This will be an opportunity for participants to practice communication of their business and needs while accessing networks that may provide them with value in the future to grow their business. Special guests will include serial entrepreneurs, subject matter experts, super-connectors from the region and the broader ecosystem. The Program Manager and EIR's will be the facilitators of the monthly Connection Swarm and will recruit various mentors and special guests that add value to the event.

(Months 7-8) Our twelve-week program will end with a Demo Showcase, where companies have the ability to compete for up to 1k, 5k, and 10k in extra funds (winners). The Demo showcase will bring together all participants in the program, as well as additional partners from academia, community organizations, mentors, and the community of Michigan.

• Conduct surveys, interviews, and focus groups to understand the effectiveness and experience of the program with the startups, consultants, and mentors of the program. Meet with partners of the program to receive feedback.

(Month 9-11) Winning participants will be asked to present their founder stories at a special showcase under the A2Tech360 community event in September. Ann Arbor SPARK will prepare a report with findings, reflections, and recommendations for the program in the future and organize this content into qualitative and quantitative information.

#### **Outcomes**

This grant will serve SEDI businesses with expanded, tailored services and a new service model with the goal of increasing the number of SEDI-owned businesses served and sustained in the Greater Washtenaw Region.

With this proposal, SPARK seeks to increase our capacity and intentional focus in responding to the unique needs of SEDI entrepreneurs. All program participants will be able to access SPARK's existing applicable services within this initiative. In addition, with these grant funds, we seek to achieve the following:

- Increase the success of SEDI founders with tailored technical support and consulting contracting with existing expert community partners with a needs-based approach.
- Increase access to networks with peer connections and matching with experienced SEDI mentors intentionally building our network of diverse, experienced consultants and mentors and creating events / opportunities to increase peer relationships.
- Increase capital access with early introductions and relationship building with funding partners.

#### Metrics:

- # Participants enrolled / graduated
- Participant milestones achieved:
  - o business plan / executive summary complete
  - o forecast complete
  - pitch created
  - # networking & capital events attended
  - # meetings with coach
  - # pitches completed
- # Mentors engaged
- # Capital partners engaged
- # Networking & capital events hosted
- Qualitative assessment of participant satisfaction & sense of community

Long-term metrics will include the following:

- Jobs created
- Venture capital raised, non-dilutive grants secured, and spend
- Revenue growth

### Roles of Different Partners:

Ann Arbor SPARK: Project Administrator: SPARK will serve as the administrator of the DEI Program Initiative supporting a high-tech community that caters to diverse founders, by addressing resource gaps in the educational offerings and within the broader community that are critical for leveling the playing field for SEDI founders to be successful. These efforts contribute to propelling the Ann Arbor-Ypsilanti region towards becoming more equitable and inclusive, and supporting talent generation and wealth for marginalized communities. SPARK will be the fiduciary body for the grant and will recruit diverse project partners to support this program.

#### **Timeline**

2024	Activities
Feb	Marketing Language, Informational Webinars, Recruitment Meetings
Mar	Recruitment/Attraction
Apr	Review Applications/Interviews, Deadline Date
May	Kick-off
Jun	Programming
Jul	Programming (week of July 4th is off)
Aug	Programming, Final Deadline of Deliverables from Startups/Companies
Sep	A2Tech360/Collaborative Partner Event
Oct	Surveys to Applicants and Mentors
Nov	Exit Interviews with Program Stakeholders, Review and Write-up Findings
Dec	Final Review of Program and Metrics

#### Benefits:

## Economic Impact:

- Promote the endeavors and needs of SEDI founders who are building high-tech companies in Ann Arbor, supporting a competitive advantage to our ecosystem, the ability to continue to attract top talent, and access to new markets and opportunities for the region.
- Create intentional opportunities for SEDI founders. This unique program will directly strengthen the community by promoting meaningful relationships between founders and key stakeholders, cultivating more local connectedness. This is especially relevant to the Ann Arbor-Ypsilanti region, where DEI is a core value for many residents and businesses.
- Develop markets that are underserved or overlooked. SEDI founders often create opportunities specific to these markets, tapping into new customer bases, creating market expansion, and leading overall economic growth and development.

### Promotion of the region:

Promote innovation by assisting SEDI founders with entrepreneurship, as diverse
perspectives often lead to unique and creative solutions that can strengthen the
attraction and competitiveness of the region.

 Contribute to the creation of new businesses by providing the right support for founders to be successful, also generating employment opportunities for the region.

### Social & Environmental Impact:

- Generate positive social impact in our community by supporting SEDI entrepreneurs who often have a strong connection to their communities, leading to prioritization of community developments, philanthropy, and increased social welfare.
- Reduce income inequality by supporting success for SEDI founders, helping to reduce systemic barriers to wealth creation and increase wealth within marginalized communities.
- Encourage entrepreneurship among a diverse group of individuals, adding diversity to a community and creating cohesion, preservation, and promotion of various cultural and social values for the region.

#### **Management Competency:**

Ann Arbor SPARK: For more than 10 years, Ann Arbor SPARK has served the greater Ann Arbor region as a catalyst for economic development. Ann Arbor SPARK works to advance the economy of the Ann Arbor region as a desired place for innovation, business location and growth, and for talented people to live and work. Ann Arbor SPARK has knowledge and contacts to build relationships with potential clients, partners and other stakeholders that have participated in the project. SPARK will play the grant administrator role for the funding and help convene the project stakeholders to ensure execution of the project.

## Detailed project budget and budget justifications:

The complete budget for the project is 250,000 dollars over an 11-month period. This budget will allow for full development, education, outreach, deployment, and evaluation of the SPARK DEI Program Initiative.

- Work with consultants to finalize program design.
- Program share out, education, and marketing, recruitment of partners, mentors, and startups.
- Standup program, secure consultants, mentors, leads, and program manager.
  - · Host informational webinars and recruitment
  - Participant tracking
  - Begin interviews
  - Identify cohort participants and needs
  - · Calendar invites and kick-off
  - Secure event space, catering, etc.
- Develop success metrics with future partners and support data to evaluate success of program.
  - Provide reports with data collected with partners and to the LDFA.
  - Supporting promotion and marketing efforts to build awareness.

BUDGET	
Staffing	\$30,000
Marketing (website, SEO, campaigns, etc.)	\$40,000
Events/Company Awards	\$40,000
Payments/Consultants/Educational Content	\$30,000
Materials and supplies	\$10,000
Grants	\$100,000
TOTAL	\$250,000

**Conflicts of interest:** Any and all conflicts of interest, either perceived or real, on the part of any individual identified in this Proposal must be disclosed. For instance, any financial and/or membership relationships with the LDFA, Ann Arbor Spark, City of Ann Arbor, City of Ypsilanti, or corporate entity.

We are very excited to cre	ate this program for t	he benefit of the	Ann Arbor Busin	ess community
as well as the LDFA.				

Thank you.

Authorized Agent for Applicant:

By:

Paul Krutko, President & CEO