



LDFA Board Monthly Meeting

January 15, 2013

8:15 am to 10:15 am

City of Ann Arbor

301 E. Huron Street, Ann Arbor, MI 48104

Agenda

- I. Call to Order**
- II. Public Comment**
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.
- III. Approval of the Agenda**
- IV. Approval of the Minutes**
 - a. September 18, 2012 Regular Board Meeting**
 - b. October 16, 2012 Regular Board Meeting**
- V. LDFA Chair's Report**
 - a. Introduction of new Board Members Carrie Leahy and Bilal Saeed**
- VI. LDFA Treasurer's Report**
 - a. LDFA Financial Report – 2nd quarter FY 2013**
 - b. FY2014 & FY2015 Budget timing and projected tax capture**
- VII. Reports from Service Providers**
 - a. SPARK Report – 2nd quarter FY2013**
 - b. Incubator Vision**
- VIII. Other Business**
- IX. Motion to Adjourn**



**MINUTES – REGULAR BOARD MEETING
September 18, 2012**

Ann Arbor-Ypsilanti Smart Zone Local Development Finance Authority

**Ann Arbor City Hall Council Chambers
301 E. Huron Street, Ann Arbor, MI 48104**

Members Present: Richard Beedon, Vince Chmielewski, Ned Staebler, Christopher Taylor, Phil Tepley, Skip Simms-Accelerator Ex-officio, Paula Sorrell-MEDC Ex-officio

Members Excused: Theresa Carroll, Eric Jacobson, Mark Maynard, Stephen Rapundalo, Tom Crawford – Ex-officio

Others Present: Ken Bogan-City of Ann Arbor-Finance, Lori Emerson-SPARK, Bill Mayer-SPARK, Maricat Eggenberger-SPARK, Marek Morante-MEDC

I. CALL TO ORDER:

Chair Beedon called the meeting to order at 8:21 am. A quorum was present.

II. PUBLIC COMMENT:

There was no public comment.

III. APPROVAL OF THE AGENDA:

Taylor moved, seconded by Staebler, to approve the agenda for this meeting in the form presented at this meeting. Motion approved unanimously.

IV. MOTIONS & RESOLUTIONS:

Minutes of the July 24, 2012 Regular Board Meeting:

Taylor moved, seconded by Staebler, to approve the minutes of the July 24, 2012 regular board meeting in the form presented at this meeting. Motion approved unanimously.

V. LDFA CHAIR’S REPORT:

Chair Beedon provided an update on the negotiations for Cantillon with the U of M.

VI. LDFA TREASURER’S REPORT:

Chair Beedon provided an update: the first invoices from the year have been received from SPARK and are in compliance with the contract; there has been no tranche for the Microloan program yet this fiscal year.

VII. REPORTS FROM SERVICE PROVIDERS:

- a. Simms presented the SPARK Annual Report for FY2012.
- b. Simms pointed out the client testimonials are not part of the Annual Report, but are provided for Board information.

VIII. OTHER BUSINESS:

Mark Morante, Sr. V.P. - Program Management, MEDC, invited by ex-officio Boardmember Sorrell, gave some background on the original purpose for creating SmartZones in Michigan, and participated in a question and answer session with the Board. Mr. Morante helped write the original Smartzone legislation.

Boardmember Teply asked if the Board are stewards of State or local money. Mr. Morante pointed out the Ann Arbor/Ypsilanti SmartZone's TIF captures only State education millage, and no local millage. Mr. Morante stated "I have a hard time seeing how you are stewards of local money." He went on to say "You are stewards of public money. It's really all State money to a dime."

Mr. Morante also stated that technically money could be spent outside SmartZone LDFA capture district. The legislation defines a TIF capture area and a service area, defined by the board, and the two areas do not have to be the same.

Mr. Morante provided the Board with an update on SmartZone extension legislation, which specifies a five year extension, or 15 years with collaboration between multiple municipalities/jurisdictions. The intent of the collaboration is to reach out to additional units.

IX. MOTION TO ADJOURN:

Staebler moved, seconded by Taylor, to adjourn the meeting at 9:21 am. Motion approved unanimously.

Respectfully Submitted,

Ken Bogan, for Recording Secretary Tom Crawford



**MINUTES – REGULAR BOARD MEETING
October 16, 2012**

Ann Arbor-Ypsilanti Smart Zone Local Development Finance Authority

**Ann Arbor City Hall Council Chambers
301 E. Huron Street, Ann Arbor, MI 48104**

Members Present: Richard Beedon, Theresa Carroll, Eric Jacobson, Stephen Rapundalo, Tom Crawford – Ex-officio, Skip Simms-Accelerator Ex-officio

Members Excused: Vince Chmielewski, Mark Maynard, Ned Staebler, Christopher Taylor, Phil Tepley, Paula Sorrell-MEDC Ex-officio

Others Present: Ken Bogan-City of Ann Arbor-Finance, Lori Emerson-SPARK, Bill Mayer-SPARK

I. CALL TO ORDER:

A quorum was not present for the meeting. The board held an informal discussion about items on the agenda, and then adjourned.

Respectfully Submitted,

Ken Bogan, for Recording Secretary Tom Crawford

Smart Zone LDFA
FY 2013 FINANCIAL SUMMARY
 December 31, 2012

					Full Year	BUDGET	
	<u>ACTUAL</u> Q1	<u>ACTUAL</u> Q2	<u>Estimate</u> Q3	<u>Estimate</u> Q4		<u>Amount</u>	<u>Forecast vs Budget Good/(Bad)</u>
<u>INCOME STATEMENT</u>							
Revenues:							
Tax Revenue	\$ 863,317	\$ 102,647	\$ 242,268	\$ 355,315	\$ 1,563,546	\$ 1,563,019	\$ 527
Miscellaneous	-	-	-	-	-	-	\$ -
Investment Income	2,897	3,666	2,937	2,300	11,800	12,357	\$ (557)
Total Revenues	\$ 866,214	\$ 106,312	\$ 245,205	\$ 357,615	\$ 1,575,346	\$ 1,575,376	\$ (30)
Expenditures:							
<u>Contracted Services</u>							
SPARK BA Direct Staffing	\$ 84,250	\$ 84,250	\$ 84,250	\$ 84,250	\$ 337,000	\$ 337,000	\$ 0
Phase II (Due Diligence)	800	2,921	6,250	6,250	16,221	25,000	\$ 8,779
Phase III (Intensive Service)	96,218	200,031	100,000	100,000	496,249	400,000	\$ (96,249)
Phase IV (Accelerating Opportunities)	20,420	11,624	25,000	25,000	82,044	100,000	\$ 17,956
Micro Loan Program for Entrepreneurs	-	-	75,000	75,000	150,000	150,000	\$ -
Business Networking Events	4,689	8,570	12,500	12,500	38,259	50,000	\$ 11,741
Entrepreneurial Education	3,510	9,418	18,750	18,750	50,428	75,000	\$ 24,572
Entrepreneurs Bootcamp	-	22,500	-	22,500	45,000	45,000	\$ -
Cantillon Web Based Education	-	-	-	-	-	-	\$ -
Internship Support & Talent Training	30,928	110	25,000	25,000	81,038	100,000	\$ 18,962
Business Software for Clients	4,835	1,497	5,000	5,000	16,332	20,000	\$ 3,668
Total Contracted Services	245,651	340,921	351,750	374,250	1,312,571	\$ 1,302,000	\$ (10,571)
<u>SPARK Indirect Services</u>							
SPARK Central Business Incubator	40,081	29,954	42,500	42,500	155,035	\$ 170,000	\$ 14,965
SPARK Accounting	16,271	16,271	16,272	16,272	65,086	65,086	\$ 0
SPARK Marketing	6,718	8,288	17,916	17,916	50,837	71,663	\$ 20,826
	63,070	54,513	76,687	76,687	270,958	\$ 306,749	\$ 35,791
<u>City of Ann Arbor Services</u>							
Legal & Admin. Support	149	149	149	28,509	28,956	50,000	\$ 21,044
Total Expenditures	\$ 308,870	\$ 395,583	\$ 428,586	\$ 479,446	\$ 1,612,486	\$ 1,658,749	\$ 46,263
Net Increase/Decrease	\$ 557,343	\$ (289,270)	\$ (183,381)	\$ (121,831)	\$ (37,139)	\$ (83,373)	\$ 46,234
Memo:							
Fund Balance (6/30/2012)	\$ 577,195						
Fund Balance - Operations (Qtr End)	\$ 1,134,538	\$ 845,268	\$ 661,887	\$ 540,056	\$ 540,056	\$ 493,822	

Category	Mo.	Fiscal Year		Billed	Measureable			
		Qtr	Year		Qtr	Unit Descrip.	Number	
SPARK BA Direct Staffing	July	1	2013	1	Direct Staff		\$ 28,083.33	SPARK
Phase III (Intensive Service)	July	1	2013	1	Hours	381.87	\$ 33,404.00	SPARK
Phase IV (Accelerating Opportuniti	July	1	2013	1	Hours	57.90	\$ 5,790.00	SPARK
SPARK Central Business Incubato	July	1	2013	1	Facility Exp		\$ 13,527.06	SPARK
SPARK Accounting	July	1	2013	1	Accting Svc		\$ 5,423.83	SPARK
SPARK Marketing	July	1	2013	1	Marketing		\$ 1,064.49	SPARK
Entrepreneurial Education	July	1	2013	1	events, class, books		\$ 2,002.98	SPARK
Business Networking Events	July	1	2013	1	Events		\$ 1,369.76	SPARK
Internship Support & Talent Trainir	July	1	2013	1	clients	3.00	\$ 9,175.00	SPARK
SPARK BA Direct Staffing	Aug	1	2013	1	Direct Staff	1.00	\$ 28,083.33	SPARK
Phase III (Intensive Service)	Aug	1	2013	1	Hours	49.66	\$ 4,966.67	SPARK
Phase III (Intensive Service)	Aug	1	2013	1	Hours	210.46	\$ 21,045.50	SPARK
SPARK Central Business Incubato	Aug	1	2013	1	Facility Exp	-	\$ 11,455.98	SPARK
SPARK Accounting	Aug	1	2013	1	Accting Svc	1.00	\$ 5,423.83	SPARK
SPARK Marketing	Aug	1	2013	1	Marketing	1.00	\$ 2,312.66	SPARK
Entrepreneurial Education	Aug	1	2013	1	Events	1.00	\$ 195.58	SPARK
Business Networking Events	Aug	1	2013	1		1.00	\$ 1,204.74	SPARK
Internship Support & Talent Trainir	Aug	1	2013	1			\$ 20,853.00	SPARK
Business Software for Clients	Aug	1	2013	1			\$ 4,835.18	SPARK
SPARK BA Direct Staffing	Sept	1	2013	2	Direct Staff	1.00	\$ 28,083.33	SPARK
Phase II (Due Diligence)	Sept	1	2013	2	Hours	8.00	\$ 800.00	SPARK
Phase III (Intensive Service)	Sept	1	2013	2	Hours	10.00	\$ 36,802.00	SPARK
Phase IV (Accelerating Opportuniti	Sept	1	2013	2	Hours	126.06	\$ 14,630.00	SPARK
SPARK Central Business Incubato	Sept	1	2013	2	Facility Exp	-	\$ 15,098.29	SPARK
SPARK Accounting	Sept	1	2013	2	Accting Svc	1.00	\$ 5,423.83	SPARK
SPARK Marketing	Sept	1	2013	2	Marketing	1.00	\$ 3,340.38	SPARK
Entrepreneurial Education	Sept	1	2013	2	Events	1.00	\$ 1,311.50	SPARK
Business Networking Events	Sept	1	2013	2	Events	1.00	\$ 2,114.94	SPARK
Internship Support & Talent Trainir	Sept	1	2013	2		1.00	\$ 900.00	SPARK

Category	Mo.	Fiscal Year		Measureable		Amount		
		Incurred	Billed	Unit Descrip.	Number			
		Qtr	Year	Qtr				
SPARK BA Direct Staffing	Oct	2	2013	2	Direct Staff	1.00	\$ 28,083.33	SPARK
Phase II (Due Diligence)	Oct	2	2013	2	Hours	4.21	\$ 421.00	SPARK
Phase III (Intensive Service)	Oct	2	2013	2	Hours	560.74	\$ 72,069.00	SPARK
Phase IV (Accelerating Opportuniti	Oct	2	2013	2		63.04	\$ 6,304.00	SPARK
SPARK Central Business Incubato	Oct	2	2013	2	Facility Exp	1.00	\$ 1,949.74	SPARK
SPARK Accounting	Oct	2	2013	2	Accting Svc	1.00	\$ 5,423.83	SPARK
SPARK Marketing	Oct	2	2013	2	Marketing	1.00	\$ 1,891.36	SPARK
Entrepreneurial Education	Oct	2	2013	2	Events	1.00	\$ 3,774.66	SPARK
Business Networking Events	Oct	2	2013	2	Events	1.00	\$ 5,255.86	SPARK
Internship Support & Talent Trainir	Oct	2	2013	2			\$ -	SPARK
Entrepreneurs Bootcamp	Oct	2	2013	2			\$ 22,500.00	SPARK
SPARK BA Direct Staffing	Nov	2	2013	2	Direct Staff	1.00	\$ 28,083.33	SPARK
Phase II (Due Diligence)	Nov	2	2013	2	Hours	25.00	\$ 2,500.00	SPARK
Phase III (Intensive Service)	Nov	2	2013	2	Hours	788.51	\$ 79,533.50	SPARK
SPARK Central Business Incubato	Nov	2	2013	2	Facility Exp	1.00	\$ 11,492.88	SPARK
SPARK Accounting	Nov	2	2013	2	Accting Svc	1.00	\$ 5,423.83	SPARK
SPARK Marketing	Nov	2	2013	2	Marketing	1.00	\$ 2,300.01	SPARK
Entrepreneurial Education	Nov	2	2013	2	U-Stream & Russell Video	1.00	\$ 3,729.00	SPARK
Business Networking Events	Nov	2	2013	2	Events	1.00	\$ 904.87	SPARK
SPARK BA Direct Staffing	Dec	2	2013	3	Direct Staff	1.00	\$ 28,083.33	SPARK
Phase III (Intensive Service)	Dec	2	2013	3	Hours	484.29	\$ 48,428.75	SPARK
Phase IV (Accelerating Opportuniti	Dec	2	2013	3	Hours	-	\$ 5,320.00	SPARK
SPARK Central Business Incubato	Dec	2	2013	3	Facility Exp	1.00	\$ 16,511.33	SPARK
SPARK Accounting	Dec	2	2013	3	Accting Svc	1.00	\$ 5,423.83	SPARK
SPARK Marketing	Dec	2	2013	3	Marketing	1.00	\$ 4,096.50	SPARK
Entrepreneurial Education	Dec	2	2013	3	Video	1.00	\$ 1,914.00	SPARK
Business Networking Events	Dec	2	2013	3	Events	1.00	\$ 2,408.95	SPARK
Internship Support & Talent Trainir	Dec	2	2013	3	Gift cards	1.00	\$ 110.00	SPARK
Business Software for Clients	Dec	2	2013	3	Clicktools	1.00	\$ 1,497.00	SPARK

**L DFA SmartZone
Budget Timing Plan for FY 2014 & 2015**

	<u>Date Due</u>
Tax Capture Revenue estimates provided to Board	1/15/2013
L DFA Board meeting - Committee recommended budget approved by Board	3/19/2013
Draft Budget (City of Ann Arbor) sent out for printing	3/29/2013
Delivery of draft budget to Council - Council Work Session	4/8/2013
Draft budget and City Council meeting	4/15/2013
April L DFA Board meeting	4/16/2013
Council Work Session	TBD
Final Budget to City Council	5/20/2013

Smart Zone LDFA
PROJECTED CAPTURE OF TAXABLE VALUE
as of October 23, 2012

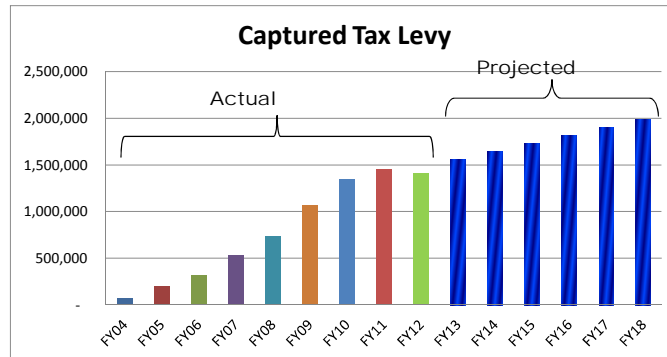
	<u>FY 2004</u>		<u>FY 2005</u>		<u>FY 2006</u>		<u>FY 2007</u>		<u>ACTUAL FY 2008</u>		<u>FY 2009</u>		<u>FY 2010</u>		<u>FY 2011</u>		<u>FY 2012</u>	
Base Taxable Value	248,052,105		248,052,105		248,052,105		248,052,105		248,052,105		248,052,105		248,052,105		248,052,105		248,052,105	
Taxable Value	<u>255,740,392</u>	3%	<u>268,549,336</u>	5%	<u>280,359,588</u>	4%	<u>299,774,702</u>	7%	<u>324,354,314</u>	8%	<u>356,708,659</u>	10%	<u>382,137,545</u>	7%	<u>392,193,873</u>	3%	<u>385,589,884</u>	-2%
Captured Taxable Value	7,688,287		20,497,231		32,307,483		51,722,597		76,302,209		108,656,554		134,085,440		144,141,768		137,537,779	
PRE (Homestead) Taxable Value	2,195,895	29%	5,117,832	25%	8,174,889	25%	10,555,824	20%	20,671,707	27%	26,962,637	25%	28,879,737	22%	30,692,153	21%	27,180,121	20%
Non-PRE Taxable Value	5,492,392	71%	15,379,399	75%	24,132,594	75%	41,166,773	80%	55,630,502	73%	81,693,917	75%	105,205,703	78%	113,449,615	79%	110,357,658	80%
PRE (Homestead) Captured Tax Levy	5,490		15,353		24,525		31,667		62,015		80,888		86,639		92,076		81,540	
Non-PRE Captured Tax Levy	<u>63,088</u>		<u>184,345</u>		<u>289,265</u>		<u>493,446</u>		<u>666,715</u>		<u>979,077</u>		<u>1,260,859</u>		<u>1,359,660</u>		<u>1,322,603</u>	
Total Captured Tax Levy	68,578		199,699		313,790		525,113		728,730		1,059,965		1,347,498		1,451,736		1,404,144	

	<u>FY 2013</u>		<u>FY 2014</u>		<u>FY 2015</u>		<u>FY 2016</u>		<u>FY 2017</u>		<u>FY 2018</u>	
Base Taxable Value	248,052,105		248,052,105		248,052,105		248,052,105		248,052,105		248,052,105	
Taxable Value	<u>401,411,274</u>	4%	<u>409,439,499</u>	2%	<u>417,628,289</u>	2%	<u>425,980,855</u>	2%	<u>434,500,472</u>	2%	<u>443,190,482</u>	2%
Captured Taxable Value	153,359,169		161,387,394		169,576,184		177,928,750		186,448,367		195,138,377	
PRE (Homestead) Taxable Value	30,542,724	20%	32,141,610	20%	33,772,474	20%	35,435,956	20%	37,132,707	20%	38,863,393	20%
Non-PRE Taxable Value	122,816,445	80%	129,245,784	80%	135,803,710	80%	142,492,795	80%	149,315,661	80%	156,274,984	80%
PRE (Homestead) Captured Tax Levy	91,628		96,425		101,317		106,308		111,398		116,590	
Non-PRE Captured Tax Levy	<u>1,471,918</u>		<u>1,548,972</u>		<u>1,627,567</u>		<u>1,707,733</u>		<u>1,789,503</u>		<u>1,872,909</u>	
Total Captured Tax Levy	1,563,546		1,645,397		1,728,884		1,814,041		1,900,902		1,989,499	

NOTE:
FY 2013 taxable value per Assessor warrant. Capture will decrease commensurate with BOR/MTT/STC changes. PRE/Non-PRE allocation is estimated.
Smart Zone capture decreased 2% from FY 2011 to FY 2012. This was a result of a \$500k reduction in real property taxable value, and a \$2.3 million reduction in personal property taxable value within the authority's district.

ASSUMPTIONS:
Future PRE/Non-PRE distribution = 19%/81%
Post 2013 growth assumed to be a flat 2%

FY04	68,578
FY05	199,699
FY06	313,790
FY07	525,113
FY08	728,730
FY09	1,059,965
FY10	1,347,498
FY11	1,451,736
FY12	1,404,144
FY13	1,563,546
FY14	1,645,397
FY15	1,728,884
FY16	1,814,041
FY17	1,900,902
FY18	1,989,499



Ann Arbor-Ypsilanti Smart Zone
Local Development Finance Authority
Ann Arbor SPARK
Quarterly Report
October 1, 2012 – December 31, 2012

Work Accomplished

Number and identity of companies in each phase, plus relevant aspects of commercialization

19 Phase I companies were referred due to their location or not meeting business type criteria. 15 were located outside the Ann Arbor City limits.

The following companies were in Phase II Due Diligence this quarter but have not reached Phase III

Uniq ID	Opportunity Description	Account Description
4522*	Due Diligence/Research	Tissue Engineered Ligament replacement for dogs
473	Market Validation	A technology-based venture to provide novel measurement solutions to its customers
6239	Business Assistance	An online collaboration tool for co-creating customized, high quality books.
4591	Company ID and Branding	Web-based and mobile attendee matchmaking software and mobile conference guide for professional events.
6301	Accounting System Setup	3D Eye ware
5646	Marketing Plan	Personalized style recommendation software
4791	Marketing and design work	Event Management Software
4522*	Legal Assistance	Tissue Engineered Ligament replacement for dogs
3060*	Sort out key issues	Minimally Invasive Surgical (MIS) tools that provide the surgeon with greater control and intuition.
4964	Mobile App Design	Online health solution company focused on nutrition coaching
4591	Legal Assistance	Web-based and mobile attendee matchmaking software and mobile conference guide for professional events.
5091	Financial Systems setup	Bird recognition software w/cameras. Used at wind farms.
5646	Mobile App Design	Personalized style recommendation software
4076	Additional BA support TBD	Ophthalmic pharmaceuticals for vision loss due to photoreceptor cell death
386	Committee submission for Biz Dev work	Vision Technology w/ Sports applications
4111*	Video Creation	Youth Risk Assessment tool
Grand Totals (17 records)		

*Denotes University of Michigan technology

The following companies received Phase III level support

Account	Opportunity Description	Account Description	BA Contract Amt	BA Expenditures	Total Billed Amount Q2
Account Uniq ID: 0473					
	IP Work	A technology-based venture to provide novel measurement solutions to its customers	\$4,500	\$4,500	\$4,500.00
Account Uniq ID: 1282*					
	IP work	Spectral analysis for red blood cells	\$10,000	\$7,200	\$1,800.00
Account Uniq ID: 1648					
	IP Work	Monitoring, awareness and data logging for patient behavior action.	\$5,500	\$4,500	\$4,500.00
Account Uniq ID: 1852					
	Website Development	Developing new family of nano structured catalysts to transition metal carbide and nitrides replacing current precious metal material.	\$10,000	\$10,000	\$10,000.00
Account Uniq ID: 2539					
	Design Specs and Consulting	Hospital bed communication tablet	\$12,900	\$6,600	\$12,000.00
Account Uniq ID: 2792					
	Business Assistance	Advertising tool for mobile platforms	\$10,000	\$10,000	\$4,000.00
	Business Assistance	Advertising tool for mobile platforms	\$10,000	\$10,000	\$1,700.00
	Business Assistance	Advertising tool for mobile platforms	\$10,000	\$10,000	\$1,300.00
Account Uniq ID: 3045					
	Marketing, UI, etc.	Online marketplace for food distribution	\$40,000	\$15,866	\$3,800.00
	Marketing, UI, etc.	Online marketplace for food distribution	\$40,000	\$15,866	\$12,066.00
Account Uniq ID: 3052					
	IP Work	On-site Insurance Medical Payment Solution Software	\$4,500	\$4,500	\$4,500.00
Account Uniq ID: 3368					
	Sales and execution	SaaS model software to help companies find and access grants, and collaborate.	\$25,000	\$12,850	\$5,000.00
	Sales and execution	SaaS model software to help companies find and access grants, and collaborate.	\$25,000	\$12,850	\$7,850.00
Account Uniq ID: 3577					
	Mobile App for Biz Dev	State-of-the-art protein mass spectrometry	\$10,000	\$10,000	\$10,000.00
Account Uniq ID: 3724					
	Business Assistance	Medical technologies to address undesired behaviors	\$9,400	\$9,400	\$2,325.00
	Business Assistance	Medical technologies to address undesired behaviors	\$9,400	\$9,400	\$1,415.00
	Business Assistance	Medical technologies to address	\$9,400	\$9,400	\$925.00

		undesired behaviors			
Account Uniq ID: 4076					
	IND consulting and create an RFP for the work	Ophthalmic pharmaceuticals for vision loss due to photoreceptor cell death	\$10,000	\$10,000	\$10,000.00
Account Uniq ID: 4111*					
	Legal Assistance	Youth Risk Assessment tool	\$3,000	\$2,000	\$2,000.00
	Marketing and SEO	Youth Risk Assessment tool	\$10,000	\$3,850	\$3,850.00
Account Uniq ID: 4174					
	IP Work	Creator of a conducting polymer	\$4,500	\$4,500	\$4,500.00
Account Uniq ID: 4255					
	Business assistance	Developers of physically secure computers	\$6,000	\$6,000	\$300.00
Account Uniq ID: 4407					
	IP Work	Digital instruments and software capable of accurately recreating the voices of valuable historic instruments.	\$800	\$800	\$800.00
	Website Development	Digital instruments and software capable of accurately recreating the voices of valuable historic instruments.	\$4,700	\$4,700	\$4,700.00
Account Uniq ID: 4471					
	Marketing materials	Product helps consumers get every discount they deserve, membership organizations increase loyalty, and merchants generate business from ta	\$10,000	\$10,000	\$10,000.00
Account Uniq ID: 4517					
	IP Assistance	Innovative electro-mechanically assisted bass drum pedal	\$800	-	\$800.00
Account Uniq ID: 4519					
	Design Work	Ad network for mobile gaming and applications.	\$4,125	\$3,795	\$495.00
	Design Work	Ad network for mobile gaming and applications.	\$4,125	\$3,795	\$632.50
	IP Assistance	Ad network for mobile gaming and applications.	\$4,500	\$4,500	\$4,500.00
Account Uniq ID: 4523					
	Business Assistance	Technology for sorting berries by firmness,	\$4,000	\$3,000	\$3,000.00
Account Uniq ID: 4544					
	Series A Financing Financial Work	Pharmaceutical for treatment of adrenal cancer.	\$20,500	\$20,500	\$8,385.00
	Series A Financing Financial Work	Pharmaceutical for treatment of adrenal cancer.	\$20,500	\$20,500	\$12,015.00
Account Uniq ID: 4558*					
	Business Assistance	High-end mechatronic back brace	\$10,000	\$9,995	\$2,575.00
	Business Assistance	High-end mechatronic back brace	\$10,000	\$9,995	\$1,930.00
	Business Assistance	High-end mechatronic back brace	\$10,000	\$9,995	\$3,415.00
Account Uniq ID: 4586*					
	Business Assistance	H2eat technology generates	\$6,500	\$1,900	\$1,900.00

		nonelectric, reusable heat on demand.			
Account Uniq ID: 4772					
	Redesign of website	SalesForce	\$10,000	\$5,525	\$5,525.00
Account Uniq ID: 4792*					
	Legal and Financial Help	Hub to trade homemade and artisan foods.	\$7,000	\$1,400	\$1,050.00
Account Uniq ID: 4797					
	Business Assistance	A "Brain Fitness" Assessment tool that includes predictive indices for current and future cognitive function.	\$4,000	\$2,400	\$2,400.00
Account Uniq ID: 4803					
	Branding	An intuitive integrated display of medical data system for the OR	\$10,000	\$6,715	\$2,050.00
	Branding		\$10,000	\$6,715	\$4,665.00
Account Uniq ID: 4821					
	Legal Work	Medical imaging platform for ophthalmologists.	\$1,000	\$874	\$874.00
Account Uniq ID: 4964					
	Business Development Work	Online health solution company focused on nutrition coaching	\$5,000	\$5,000	\$5,000.00
Account Uniq ID: 4983					
	Website Creation	Next generation, targeted oncology therapeutics	\$10,000	\$5,713	\$2,389.00
Account Uniq ID: 5135					
	Business Assistance	Enterprise software platform that allows SMB's to communicate and collaborate more effectively across organizational boundaries	\$10,000	\$10,000	\$1,200.00
	Business Assistance	Enterprise software platform that allows SMB's to communicate and collaborate more effectively across organizational boundaries	\$10,000	\$10,000	\$5,800.00
	Business Assistance	Enterprise software platform that allows SMB's to communicate and collaborate more effectively across organizational boundaries	\$10,000	\$10,000	\$3,000.00
Account Uniq ID: 5523					
	Business Assistance	Professional platform for high school students, giving them a formal presence on the web.	\$5,000	\$5,000	\$600.00
Account Uniq ID: 5601					
	Naming and Branding Work	A combinatorial publishing engine	\$6,500	\$6,500	\$6,500.00
Grand Totals (53 records)					

*Denotes University of Michigan technology

Phase IV: The following company received Phase IV level support this quarter.

Account Name	Opportunity Description	Account Description	BA Contract Amount	BA Expenditures
Account Uniq ID: 1587				
	Phase IV Proposal 1	Hand coded software for embedded systems	\$25,000	\$19,574

Microloans

Number of Loans to Date	Total Value of Loans to Date	Loans Written Off to Date	Value of Loans Written Off	Loans Paid to Date	Loan Amount Repaid to Date – Including Interest	Current FTE Jobs	Retained FTE Jobs
28	\$848,460	4	\$112,025	6	\$167,128	87	76

One new loan provided this quarter for \$50,000.

4591 Web based mobile conference guide and attendee software– 1 FTE

Total number of loans remains at 28. The previous report indicated a loan which was never closed (invested)

Total Loans due \$313,614.

Two loans paid in full with 4 loans making payments

Total amount available for new loans is \$412,317

SPARK Central Incubator

Total number of Full Tenants (those in a cubicle with secure space and full privileges) totaled 7 companies with 13 seats during this quarter. Tenants are charged a license fee per seat, or person(s) using the space.

Uniq ID	Account Description	Start Date	Exit Date	Incubator Seats
5091	Bird recognition software w/cameras. Used at wind farms.	11/1/2012	4/30/2013	1
3616	Gasoline systems	8/8/2010	9/1/2013	4
3052	On-site Insurance Medical Payment Solution Software	1/1/2012	3/31/2013	1
4772	SalesForce	2/6/2012	1/31/2013	3
4790	Technology to support small scale waste-to-energy systems based on anaerobic digestion	6/1/2012	1/15/2013	2
3637	Therapeutic for treatment of retinal diseases	10/4/2012	4/4/2013	1
4243	Website for building construction project, repair and supply bids.	7/18/2011	6/30/2013	1
				13

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Virtual Tenants

Uniq ID	Account Description	Start Date	Exit Date
2821	A firmware application for collecting/analyzing multiple patient parameters in an ICU in real time	9/1/2010	6/30/2013
4431	Assistive technology to allow people with fine motor disabilities to interact with the mobile and touch screen	8/1/2012	1/31/2013
5091	Bird recognition software w/cameras. Used at wind farms.	8/14/2012	10/31/2012
3502*	Developer of onsite alternative energy, anaerobic digestion of food waste to energy	8/1/2012	10/31/2013
4255	Developers of physically secure computers	1/23/2012	12/31/2012
5557	Digital Marketing Intelligence	7/1/2012	6/30/2013
2945	Energy monitoring technology for residential applications	7/1/2010	6/30/2013
4227	Engineering services, including advanced FEA, CAD, and high-end design solutions	5/13/2011	6/30/2013
4791	Event Management Software	4/16/2012	10/15/2012
2539	Hospital bed communication tablet	11/1/2010	6/30/2013
6260	Industrial Cluster	10/19/2012	10/18/2013
338	Information and news aggregator and filter.	7/1/2010	6/30/2013
3645*	Mass Spec results data improvement for the purpose of discovering diagnostic biomarkers	2/7/2012	6/30/2013
2854	MI state incubator association	6/7/2011	6/30/2013
5524	Online Crowd Funding platform	9/1/2012	3/13/2013
3045	Online marketplace for food distribution	7/24/2012	1/24/2013
2550	Patent advisor	7/1/2010	6/30/2013
3221	Provider of advanced software solutions for sewer modeling to municipalities and engineering consultants	2/7/2012	6/30/2013
4566	Provides mobile applications for large travel destinations	5/10/2012	11/10/2012
271	Risk Management- IT security, etc.	7/1/2010	6/30/2013
4409	Software solution provides for real-time claims adjudication between the provider and payer and is HIPPA 5010 compliant.	6/1/2012	9/30/2013
2156	Specializes in vision-assisted robot guidance applications	7/1/2010	12/31/2012
1282*	Spectral analysis for red blood cells	7/1/2010	6/30/2013
4913	Technology that encapsulates a drug for delivery in stable per fluorocarbon liquid	9/1/2012	2/28/2013

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Boot Camp

In the fall of 2012, Ann Arbor SPARK held its 21st Entrepreneur Boot Camp at the Kensington Court in Ann Arbor. Boot Camp integrated the Lean Startup Methodology into its curriculum to help our early stage companies follow a defined process to confirm or disprove their assumptions by directly engaging with their customers. By engaging directly with their markets, products and technologies can demonstrate their match to a real market pain or opportunity. Or conversely, a company can quickly and efficiently determine the lack of an opportunity and business model. The overarching goal being to focus our entrepreneur's on identifying market opportunities and building products to solve real customer needs.

Uniq ID	Description Of Prod or Service & Problem it Solves
6288	Our goal is to create the largest and most relevant social network where aspiring people (mentees) can connect with peers and mentors. We have a Certified Mentor status back ground check service for sale. Market potential 1.9 B people.
6281	Mobile catalog & product configurator. This product transforms mobile catalogs from a flat file - Amazon.com like - experience to an interactive, 3D, & configurable experience for a company's sales team. As a system it allows for easy updates.
5619	A financial services and health care information company providing start-up, drug and medical device companies with seed capital from donations through its website CureLauncher.com. Potential market size is \$8 Billion dollars.
5600	Product is interactive touch screens that range in size from 32" to 55" with applications such as maps w/way-finding, event promotions, directories, menu boards, donor walls and more. Market potential for IC Touch can exceed tens of millions.
6253*	Surgical instruments and sponges are left behind in 1:1000 to 1:8000 reported instances. The surgical sponge market is a multibillion dollar market. We have developed an X-ray tag and a computer program that solves this problem.
6274	Breakthrough 3-wheeled vehicle targeting gap between 2 and 4-wheeled segments, winning over consumers with new Power Sports alternative that is safe, stylish, thrilling to drive and easy to own/operate. Adjacent U.S. motorcycle market: 500K to 1M.
5603	Provides mobile devices to developers for the purpose of performing hands-on user experience testing of websites and web applications. Currently designers are limited in the amount of devices they are able to test on due to cost and availability.
5524	An online crowd funding platform where charities and businesses partner to raise funds through couponing and prize based sweepstakes. We provide a social venue to help brands attract a loyal customer base and raise funds for good causes.
6236	Our business uses innovative payments technology to encourage financial communication within families and small groups.
5605	We will provide Solid State Contract Research Services (CRO) to the pharmaceutical industry. We will provide high quality solid-state screening services, process development, and generation of intellectual property.
6287*	Quantitative multiplexed protein biomarker analysis kits and services. Addressable markets: Reagent market (\$400 million), Pharma & CRO (\$2 billion), Diagnostic biomarkers (\$10 billion)
4976*	An electronic fuel injection (EFI) system for the 70 million small engines produced globally each year. Small engine manufacturers will soon need to widely adopt EFI due to upcoming emissions standards.
4797	A "Brain Fitness" Assessment tool that includes predictive indices for current and future cognitive function. Recommendations on improvements of cognitive Function are enabled as well
6285*	Versatile flying platforms that operate cameras and sensors in locations which are physically difficult to access or dangerous, such as infrastructure inspection.

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Hosted Networking and Educational Events

Event Name	Date	Place of Event	Approx. # of attendees		Purpose of Event	Live-Streaming Views	Archived Views (this month)
			Entrepreneurs	Total Attendees			
Michigan Energy Forum	10/4/12, 12/6/12	SPARK - Central	12, 35	46, 59	A monthly forum to facilitate collaboration and networking among practitioners, policy makers, investors and talent.	3, 7	13, 3
Ann Arbor OpenCoffee	10/9/12, 11/13/12, 12/11/12	SPARK - Central	8, 8, 15	10, 17, 29	Networking event for entrepreneurs	n/a	n/a
Marketing Roundtable:	10/9/12, 11/13/12, 12/11/12	SPARK - Central	11, 9, 17	29, 25, 34	A monthly series featuring regional marketing professionals who will discuss practical and cost-effective innovation marketing.	5, 4, 6	15, 16, 0
Business Law & Order	10/15/12, 11/19/12	SPARK - Central	11, 8	15, 15	A monthly series for entrepreneurs into some of the most important legal issues they must consider during business formation.	3, 5	13, 6
Business Accelerator Consultants Meeting	10/19/12, 11/19/12	SPARK - Central	10, 8	18, 15	Monthly Business Accelerator Consultants meeting to update consultants	n/a	n/a
Hot Shots Career Connections	11/6/12	Arbor Brewing Company	4	39	Hot Shots is an event for talent seeking opportunities for themselves.	n/a	n/a
Selling Smart Workshop	10/3/12, 11/7/12, 12/5/12	SPARK - Central	8, 8, 8	18, 17, 24	A monthly Sales Workshop	n/a	n/a
BioArbor	10/24/12, 12/5/12	SPARK - Central	40, 20	72, 40	Educational networking events for the life sciences industry in the greater Ann Arbor area.	4, 3	1, 26



Concept Proposal for Expansion of SPARK Central

An opportunity exists to enhance the Entrepreneur support ecosystem in Ann Arbor. The vision is to create a highly centralized location for activity surrounding every aspect of technology entrepreneurship. It would make 330 East Liberty the hub for technology companies and the support ecosystem.

The 4th floor at Liberty Commons 330 E. Liberty is likely becoming available in mid 2013. The space is currently comprised of 26 individual offices, 3 conference rooms and a kitchen. We have engaged in exploratory conversations with multiple Venture Firms, Entrepreneur Support Organizations, Service Providers, Consultants, and companies that have outgrown the SPARK Central Incubator to assess interest.

The business model:

6,609 ft² of gross space.

- 2,000 ft² private office
- 2, 200 ft² open office with cubicles
- 1,200 ft² conference rooms
- 1,000 ft² kitchen/lounge
- 209 ft² common area

Rents would be at current market rates per square foot for the class of space built out, or a flat amount based on usage. SPARK would be the Lessor and sub-let to tenants specifically identified to provide a mix of early stage companies, investors, service providers, and support organizations.

Based on preliminary conversations with people represented in the above mentioned groups, we have received a high level of interest to use this space in a combination of ways, with space needs ranging from 1,000 ft² of open cubes to individual 100 ft² offices, for hoteling/drop-in needs to office sharing. The rent rates people are willing to pay would achieve the necessary monthly level of income to eliminate a need for a rent subsidy when 90% occupied. By having some of this space provided for incubator graduates from the space in the Lower Level, the capacity for new start-ups in the Lower Level SPARK Central incubator is increased so we can accommodate the growing demand.

LDFA commitment would be:

- One time only CapX for remodeling space and purchase of desks, tables, chairs, conference room amenities, kitchen equipment, etc.
- First year rent subsidy to cover "Ramp-Up" of tenancy.
- Annual rent for limited SPARK office space.