



**L DFA Board Meeting**  
September 21, 2010  
8:15 am to 10:15 am  
SPARK Central Incubator  
330 E. Liberty 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 of the July 27, 2010 Regular Board Meeting**
- V. LDFA Chair's Report**
  - a. LDFA FY 2010 Annual Report**
- VI. LDFA Treasurer's Report**
- VII. Reports from Service Providers**
  - a. Presentation and Acceptance of SPARK FY 2010 Annual Report**
- VIII. Other Business**
- IX. Motion to Adjourn**



**MINUTES – REGULAR BOARD MEETING  
July 27, 2010**

**Ann Arbor-Ypsilanti Smart Zone Local Development Finance Authority**

**SPARK Central Incubator  
330 E. Liberty Street, Ann Arbor, MI 48104**

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**Members Present:** Theresa Carroll, Michael Korybalski, Stephen Rapundalo (phone), Phil Tepley, Lisa Kurek, Darryl Daniels, Skip Simms-Accelerator Ex-officio

**Members Excused:** Richard Beedon, Mark Maynard, Tom Crawford – Ex-officio, Ned Staebler-MEDC-Ex-officio

**Others Present:** Ken Bogan-City of Ann Arbor-Finance, Amy Cell-SPARK, Greg Fronizer-SPARK, Emily Hines-SPARK, Elizabeth Parkinson-SPARK, Kurt Riegger-SPARK

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**CALL TO ORDER:**

Korybalski called the meeting to order at 8:15 am. A quorum was present.

**APPROVAL OF THE AGENDA:**

Kurek moved, seconded by Carroll, to approve the Agenda for this meeting in the form presented at this meeting. Motion approved unanimously.

**MOTIONS & RESOLUTIONS:**

**Minutes of the April 27, 2010 Regular Board Meeting:**

Carroll moved, seconded by Daniels, to approve the Minutes of the June 15, 2010 regular board meeting in the form presented at this meeting. Motion approved unanimously.

**LDFA CHAIR'S REPORT:**

None.

**LDFA TREASURER'S REPORT:**

Daniels presented the 4<sup>th</sup> quarter LDFA Financial Report.

**REPORTS FROM SERVICE PROVIDERS:**

Simms presented the 4<sup>th</sup> quarter SPARK report. Daniels moved, seconded by Carroll to accept the report. Motion approved unanimously.

DRAFT

**OTHER BUSINESS:**

- a. Kurek moved, seconded by Tepley to approve reappointment of all LDFA Officer positions. Motion approved unanimously.
- b. Daniels moved, seconded by Kurek to approve a budget transfer of \$15,000 in FY 2011 from LDFA Administration to SPARK Accounting for administrative costs associated with the Microloans. After discussion motion passed unanimously.

**MOTION TO ADJOURN:**

Daniels moved, seconded by Carroll, to adjourn the meeting at 9:17 am. Motion approved unanimously.

Respectfully Submitted,

Ken Bogan, Recording Secretary for Tom Crawford

**Ann Arbor/Ypsilanti SmartZone**

**LDFA Final Program Progress Report**

**Contract period July 1, 2009 through June 30, 2010**

August 30, 2010

3.3 The Contractor shall provide a written Final Program Progress Report to the LDFA no later than sixty (60) days after the end of the Project Service Term. In addition to the required quarterly reporting elements, the Final Program Progress Report shall disclose: 1) a census of the annual and cumulative number of jobs created within the LDFA Service Area as of June 30, 2010 (with jobs defined as the incremental increase in the number of FTEs beginning with the date a Business Accelerator proposal is signed, or a loan is provided, or when a SPARK Central Incubator agreement is first executed, or when participation in Bootcamp occurs); 2) a census of the annual and cumulative number of jobs related to Business Accelerator, SPARK Central Incubator, and Bootcamp clients that have left the LDFA Service Area because of relocation, merger, acquisition, or business failure as of June 30, 2010; 3) a census of the number and identity of current and past clients the Contractor deems no longer eligible for LDFA funded services as of June 30, 2010; and 4) a census of the number and identity of clients for which information regarding jobs creation is no longer being collected as of June 30, 2010. The Contractor shall report to the LDFA regarding the methodology utilized in the census.

**Annual and cumulative jobs created**

The following table lists all companies that received Business Accelerator services. Retained jobs are those which the company reported at the time of the initial engagement of services. The current jobs are those jobs updated through recent contact with the company or the annual survey conducted each July and August. New jobs are the difference. FTE for reporting purposes means Full Time Equivalents. FTEs may or may not be paid and may be working for deferred compensation in cash or stock. Full Time means a 40 hour per week commitment to the company and may include multiple people.

<b>Uniq ID</b>	<b>Account Name</b>	<b>AKA</b>	<b>Account Description</b>	<b>Retained FTE Jobs</b>	<b>Current FTE Jobs</b>	<b>New FTE Jobs</b>
<b>1885</b>	Akervall Technologies, Inc.	-	Commercializing dental appliance - mouthguard	1	1	0
<b>2804</b>	Allinnova LLC	Dralla Group	Assessment tool for determining a corporation's capability to be successful strategic partner	1	1	0
<b>2965</b>	Alluvium Biosciences, Inc	Pharma Forensics	Assist patent litigators in directing the technical evaluation of life sciences, products	1	1	0

<b>2002</b>	Ariscore	Huckestein Newco	Recharging system for electric vehicle	1	1	0
<b>2319</b>	Audiallo	IX Group, LLC	New hearing aid technology	2	0	-2
<b>1646</b>	Avicenna Medical Systems, Inc.	-	Healthcare IT to integrate patient data for billing and quality management; and system for monitoring and managing the use of drugs in patients.	4	1	-3
<b>2130</b>	Better Rehab, LLC		Web based information for hip replacement patients	2	6	4
<b>1282</b>	Blaze Medical Devices	-	Spectral analysis for red blood cells	2	1.5	-.5
<b>2610</b>	Buycentives, LLC	-	Online management system for automotive incentives	1	2	1
<b>2975</b>	Century Media LLC	Bongotones	Forum to upload, customize, and create mobile multimedia	3	1	-2
<b>2766</b>	CIMple LLC	Byle Newco	Smart grid technology targeting utility control systems for residential application	2	2	0
<b>3151</b>	Civionics, LLC	-	Wireless sensing, analysis and optimization of residential and commercial electricity use.	2	1.5	-.5
<b>2652</b>	Clean Rolling Power	PM Engineering, LLC	Novel diesel engine system to reduce emissions and improve efficiency	1	1	-1
<b>338</b>	Digital Knowledge Corporation	Knowledge Watch	CI for the middle-market, news portal for suppliers - KM Solution	1	1	0
<b>2634</b>	eChamberConnect, LLC.	-	Web based applications for Chambers of Commerce	3	10	7
<b>3088</b>	EFM Waste Management	-	Medical waste disposal equipment	3	3	0
<b>2926</b>	eNcipient LLC	-	iPhone case and accessories	1	2	1
<b>2316</b>	Epac, Inc		Vacuum and hermetic packaging of MEMS	1	1	0
<b>2546</b>	eVjump Solar, Inc.	-	Manufacturer of photovoltaic (PV) cells and modules	1	2	1
<b>3418</b>	FamilyMint	-	Children's financial learning program	2	2	0
<b>2679</b>	FreeStride Therapeutics Inc.	-	Development of therapies for treatment of bone-related conditions	1	1.5	0.5

<b>3724</b>	Hammzoco Technologies, LLC	Hamztech	Sensing and monitoring systems which brings awareness of potentially injurious action of patients.	1	1	0
<b>1848</b>	Hygieia, Inc.	-	Glucose monitor that recommends dosage adjustments for improved glycemic control	3	8	5
<b>2910</b>	I Miss You, Inc.	-	Make t-shirts with good feeling messages and sense of community	1	1	0
<b>2897</b>	Innosynth Technologies	-	Social networking software as a service for internal communities	1	2	1
<b>3118</b>	INOS Technologies, LLC	-	Joint venture to develop foams using non-petroleum sources, particularly in life science	2	2	0
<b>3105</b>	Ix Innovations, LLC	PocketPico	Picoammeters, electrical test and measurement instrumentation	1	1	0
<b>2565</b>	Magical Pork	-	Website that coordinates travel planning for groups of individuals	1	1	0
<b>2144</b>	MarketMonitor HQ		Tool for automating SEO monitoring activities	1	1	0
<b>3009</b>	Meadowlark Energy	SHP Consulting LLC	Fully integrated green building company.	1	1	0
<b>268</b>	MedArray, Inc.	-	Silicone hollow fiber membrane to enable highly efficient blood oxygenators	2	5.5	3.5
<b>2181</b>	MemCatch	Adaptive Campus, LLC	Web-based marketing services for education organizations and related non-profit and government entities	1	1	0
<b>1902</b>	Mobatech, Inc.	-	Mobile Phone Software	2	5	3
<b>1465</b>	Monarch Antenna Inc.	-	Self-Structuring Antenna for wireless applications	1	3	2
<b>2868</b>	MyBandStock Corporation	Mystock Enterprises LLC	Online community that sells access to musicians in the form of virtual shares	2	2	0
<b>2159</b>	MySano, Inc.		Online healthcare portal for consumers	2	2	0
<b>2198</b>	NanoMag	-	A new manufacturing process that produces lightweight, ultra high strength magnesium alloy products cost effectively.	2	2	0

<b>1555</b>	Nanosystems, Inc.	-	Chemical solutions for bio polymer products	1	1	0
<b>2134</b>	Nudge Them, Inc.		Cloud application for appointment reminders via cell phones	1	1	0
<b>3276</b>	Off Grid LLC	d/b/a Talisman Lighting	Home lighting that uses patented LED technology & solar charging capability.	2	1.5	-.5
<b>2821</b>	Onto-Med	-	A firmware application for collecting/analyzing multiple patient parameters in an ICU in real time	1	1.5	.5
<b>2578</b>	Openworld Energy LLC	-	Manufactures and develops solid state lighting systems for commercial and industrial applications	1	1	0
<b>2539</b>	Patient Provider Communications	-	Hospital bed communication tablet	1	1	0
<b>2947</b>	PharmaForensics Laboratories, LLC	-	Consulting laboratory that performs forensics analysis on products with life science components	1	1	0
<b>2712</b>	Popa Enterprises, Inc.	-	Card system for coupons and receipts	1	1	0
<b>2666</b>	POWERleap LLC	-	Pressure sensitive surface that generates power	2	2	0
<b>1793</b>	Privateer Software, LLC	Dermanaut - Daixo	EMR Software for dermatologist clinics	1	1	0
<b>2738</b>	Ray.Taylor and Associates	-	Advisory services and technical consulting to public school	5	5	0
<b>3010</b>	Reveal Design Automation, Inc.	-	Faster and more effective Integrated Circuit (IC) design quality control software.	4	5	1
<b>2153</b>	RiserCam, LLC - Out of Business	-	Designer, manufacturer, sales and marketer of specialized video equipment for the outdoors sporting industry.	1	2	1
<b>2700</b>	Saagara	-	Interactive/customizable behavioral modification software.	2	2	0
<b>1648</b>	Sentry Medical Technologies	Wound Sentry LLC	Monitoring, awareness and data logging for patient behavior action.	1	1	0
<b>2838</b>	Shepherd Intelligent Systems	-	Software for tracking vehicles using mobile phone GIS	3	3	0

3454	Stratus Global	-	Health device for the prevention of sexually transmitted Infections from oral sex	2	2	0
3051	Supply55, Inc.	-	Invented machinery for finishing edges of signs and banners, able to be priced much lower than competition	2	2	0
3062	Synthetic Fuel Systems	-	Converts energy bi-products to methane, which can then be transported using the existing natural gas infrastructure.	1	0	-1
2702	Tangent Medical Technologies, LLC	-	New catheter &/or catheter securement device (CSD)- reduce complications of peripheral IVs	2	4	2
2880	Therapy Charts, LLC	Dribble Group	Serves therapists who are independently practicing with a software as a service platform to manage patient information.	1	6	5
3090	The RepoNetwork	-	Online forum connecting banks with asset recovery specialists	1	2	1
1982	The Whole Brain Group, LLC	-	Subscription based product that provides accreditation services to life science research institutions.	5	6	1
2630	TMJ Pain Solutions	-	An oral device for treating craniofacial pain	2	2	0
1984	WattIQ	EcoBlade	Signal processing technology to monitor whole house electricity consumption in real time.	3	1.5	-1.5
2823	Wildfire Innovation LLC (Ceased)	-	Use of accurate indoor positioning tied with user profiles to provide real-time insight about people in area.	1	0	-1
3065	Wiseman Engine Group, LLC	-	Patented piston/connecting rod/ crankshaft mechanism that results in an internal combustion engine that has up to 50% more fuel efficiency	2	1	-1
				Retained FTE Jobs	Current FTE Jobs	New FTE Jobs
<b>2009/10 BA Companies- TOTAL JOBS</b>				163	185	22

These BA companies have cumulatively received more than \$4.66 million in grants and \$1.8 million in private equity funding in the past 18 months.



The following table lists all companies that attended Boot Camp this fiscal year (Nov. 4 & 5 and May 6 & 7). Retained jobs are those which the company reported at the time of attendance at Boot Camp. The current jobs are those jobs updated through recent contact with the company. New jobs are the difference.

<b>Uniq ID</b>	<b>Account Name</b>	<b>City</b>	<b>Account Description</b>	<b>Retained FTE Jobs</b>	<b>Current FTE Jobs</b>	<b>New FTE Jobs</b>
3450	Advanced Battery Control	Ann Arbor	Smart battery management system to radically enhance lithium ion battery functionality and utilization.	1	1.5	0.5
1885	Akervall Technologies, Inc.	Ann Arbor	Commercializing dental appliance - mouthguard	1	1	0
2965	Alluvium Biosciences, Inc	Ann Arbor	Assist patent litigators in directing the technical evaluation of	2	1	-1
3476	Arborlight	Ann Arbor	Low-cost, high quality, solid state lighting combining organic and inorganic materials.	1	2	1
2604	Bio-Nano Power, LLC	Grand Rapids	Convert biofuels to electricity in medical devices and other alternative energy needs	1	1	0
3006	Blue Newt Software	Ann Arbor	Our core market is customers needing simulation applications for real-world activities	2	2	0
3006	Blue Newt Software	Ann Arbor	Our core market is customers needing simulation applications for real-world activities	1	2	1
3151	Civionics, LLC	Ann Arbor	Wireless sensing, analysis and optimization of residential and commercial electricity use.	1	2	1
338	Digital Knowledge Corporation	Ann Arbor	CI for the middle-market, news portal for suppliers - KM Solution	1	1	0
3088	EFM Waste Management	Ann Arbor	Medical waste disposal equipment	1	3	2
2851	Electric Vehicle Manufacturing, LLC	Ypsilanti	Electric scooter	3	5	2
2969	Ergun Technology LLC	Ypsilanti	Point of sale software and hardware for coffee shops	1.5	3.5	2
3418	FamilyMint	Ann Arbor	Childrens financial learning program	2	2	0
3081	Handoff Solutions, LLC	Ann Arbor	Easy way for patients to transfer their imaging studies in advance of appointments, to allow for "one touch" care.	1	1	0

<b>3413</b>	IRIZ Technologies	Birmingham	Novel drug screening device (assay) targeted at stopping cancer cell migration	1	1	0
<b>3009</b>	Meadowlark Energy	Ann Arbor	Fully integrated green building company.	2	1	-1
<b>2868</b>	MyBandStock Corporation	Ann Arbor	Online community that sells access to musicians in the form of virtual shares	1	2	1
<b>482</b>	New Eagle, LLC	Ypsilanti	Electronic control module development	2	7	5
<b>3357</b>	NextCAT, Inc.	Detroit	Heterogeneous catalyst technology that allows low cost feedstock use in a simpler biodiesel production process	3	5	2
<b>2821</b>	Onto-Med	Ann Arbor	A firmware application for collecting/analyzing multiple patient parameters in an ICU in real time	2	2	0
<b>3010</b>	Reveal Design Automation, Inc.	Ann Arbor	Faster and more effective Integrated Circuit (IC) design quality control software.	2	5	3
<b>2838</b>	Shepherd Intelligent Systems	Ann Arbor	Software for tracking vehicles using mobile phone GIS	1	3	2
<b>3449</b>	SprayLIB LLC	Northville	Novel manufacturing processes lithium ion battery materials	1	2	1
<b>3097</b>	Structured Microsystems	Ann Arbor	Combines several die-level integrated circuits into a single, compact packaged device.	1	1	0
<b>3043</b>	Sunapten Therapeutics, Inc.	Ann Arbor	An innovative approach for the production of a therapeutic vaccine for prostate cancer.	3	1	-2
<b>3466</b>	SureSecure Lead Anchoring Solutions	Ann Arbor	Medical implant device improves the ease, effectiveness and efficiency of pacemaker lead anchoring	1	6	5
<b>2880</b>	Therapy Charts, LLC	Ann Arbor	Serves therapists who are independently practicing with a software as a service platform to manage patient information.	1	1	0
<b>3082</b>	Tru-Enamel	Ann Arbor	Fluoroapatite coating on dental implants to shorten healing time to half.	1	1	0
				Retained FTE Jobs	Current FTE Jobs	New FTE Jobs
<b>Boot Camp TOTAL JOBS</b>				<b>32.5</b>	<b>55.5</b>	<b>23</b>

Cumulatively these companies have received \$234,700 in grants and \$394,500 in private equity. 15 received Business Accelerator Phase III engagements.

The following table lists all companies that received a microloan the past year. Retained jobs are those which the company reported at the time the loan was received. The current jobs are those jobs updated through recent contact with the company. New jobs are the difference.

<b>Uniq ID</b>	<b>Account Name</b>	<b>Account Description</b>	<b>Retained FTE Jobs</b>	<b>Current FTE Jobs</b>	<b>New FTE Jobs</b>
1885	Akervall Technologies, Inc.	Commercializing dental appliance - mouthguard	1	1	0
2804	Allinnova LLC	Assessment tool for determining a corporation's capability to be successful in strategic partnering	1	1	0
338	Digital Knowledge Corporation	CI for the middle-market, news portal for suppliers - KM Solution	1	1	0
3105	Ix Innovations, LLC	Picoammeters, electrical test and measurement instrumentation	3	1	-2
3045	Local Orbit, LLC	Online marketplace for food distribution	2	4	2
2181	MemCatch	Web-based marketing services for education organizations and related non-profit and government entities	1	1	0
1585	Procuit Inc.	Educational software engines	4	5	1
2153	RiserCam, LLC - Out of Business	Design and manufacture specialized video equipment for outdoor sporting industry	2	2	0
3176	Road to Rado, LLC	Web-based system that measures what students learn to increase knowledge retention	1	1	0
1982	The Whole Brain Group, LLC	Subscription based product that provides accreditation services to life science research institutions.	5	6	1
			<b>Retained FTE Jobs</b>	<b>Current FTE Jobs</b>	<b>New FTE Jobs</b>
Microloans	TOTAL JOBS		21	23	2

These companies have raised more than \$760,000 in private equity.

The following table lists all companies that are or were incubator tenants this year, both seated and virtual tenants. Retained jobs are those which the company reported at the time they moved into the incubator. The current jobs are those jobs updated through recent contact with the company. New jobs are the difference.

<b>Uniq ID</b>	<b>Account Name</b>	<b>Account Description</b>	<b>Retained FTE Jobs</b>	<b>Current FTE Jobs</b>	<b>New FTE Jobs</b>
<b>3438</b>	Digital Light	LED lighting technology R&D and manufacturing	1	1	0
<b>3010</b>	Reveal Design Automation, Inc.	Faster and more effective Integrated Circuit (IC) design quality control software.	1	5	4
<b>2578</b>	Openworld Energy LLC	Manufactures and develops solid state lighting systems for commercial and industrial applications	1	1	0
<b>1787</b>	CVR Global	Medical device to check the carotid artery for build up without invasive measures.	7	17	10
<b>3009</b>	Meadowlark Energy	Fully integrated green building company.	1	1	0
<b>2159</b>	MySano, Inc.	Online healthcare portal for consumers	1	2	1
<b>1806</b>	Gatti, Rich and Associates, PLLC	Criminal, Family, Real Estate, Tech business, Civil litigation, Intellectual Property and Arts Law.	1	3	2
<b>1848</b>	Hygieia, Inc.	Glucose monitor that recommends dosage adjustments for improved glycemic control	1.5	8	6.5
<b>438</b>	Cyclose Semiconductor	Ultra low power semi-conductor chips	2	2	0
<b>3088</b>	EFM Waste Management	Medical waste disposal equipment	1	3	2
<b>271</b>	GTI Risk Management	risk management- IT security, etc.	1	9	8
<b>2792</b>	Mobtile LLC	Advertising tool for mobile platforms	1	1	0
<b>2636</b>	RKC Marketing	Marketing Firm	1	1	0
<b>2652</b>	Clean Rolling Power	Novel diesel engine system to reduce emissions and improve efficiency	1	1	0
<b>2739</b>	Fourth Logic	Online tutoring system that functions much like an "eBay" for learning.	1	3	2
<b>2706</b>	Prescription Writer LLC	Hand held prescription creation device and software for medical profession.	1	1	0
<b>2712</b>	Popa Enterprises, Inc.	Card system for coupons and receipts	1	1	0
<b>3418</b>	FamilyMint	Children's financial learning program	2	2	0

<b>2945</b>	Watch-a-Watt LLC	Energy monitoring technology for residential applications	1	1	0
<b>2926</b>	eNcipient LLC	iPhone case and accessories	1	2	1
<b>206</b>	OTO Medicine	Hearing loss prevention pharmaceutical	2	4	2
<b>1282</b>	Blaze Medical Devices	Spectral analysis for red blood cells	1	1.5	.5
<b>2156</b>	Vision Solutions International	specializes in vision-assisted robot guidance applications	1	3	2
<b>2550</b>	Jelic Patent Services, LLC	Patent advisor	1	1	0
<b>1496</b>	RollingEdge Strategy Partners	Consulting IT services	1	6	5
<b>2634</b>	eChamberConnect, LLC.	Web based applications for Chambers of Commerce	3	10	7
<b>3176</b>	Road to Rado, LLC	Web-based system that measures what students learn and increase knowledge retention	1	1	0
<b>3276</b>	Off Grid LLC	Home lighting that uses patented (pending) LED technology & solar charging capability.	2	1.5	-5
<b>1563</b>	Locomatix	Middleware software to track objects in real time	1	0	-1
<b>2615</b>	Mysiz Corporation	High Tech Family Destination	1	2	1
<b>2966</b>	Rock e-commerce	Enterprise level e-commerce solutions for small to medium sized businesses through single point of access.	1	1	0
<b>2897</b>	Innosynth Technologies	Social networking software as a service for internal communities such as companies and organizations	1	2	1
<b>2975</b>	Century Media LLC	Forum to upload, customize, and create mobile multimedia	1	1	0
<b>1902</b>	Mobatech, Inc.	Mobile Phone Software	1	5	4
<b>2865</b>	Trucost	Environmental research organisation helping understand corporate environmental impact.	1	3	2
<b>2804</b>	Allinnova LLC	Assessment tool for determining a corporation's capability to be successful in strategic partnering.	1	1	0
<b>2821</b>	Onto-Med	A firmware application for collecting/analyzing multiple patient parameters in an ICU in real time	1	1.5	.5
<b>2892</b>	Ideamine, LLC - Out of Business	External Memory for organization of personal information of emails, links, messages, etc.	1	0	-1

<b>3600</b>	AutoHarvest Foundation	A web-based, toll-free superhighway for the multidirectional exchange of Intellectual Property, Technology and Products	1	1	0
<b>2610</b>	Buycentives, LLC	Online management system for automotive incentives	1	2	1
<b>1885</b>	Akervall Technologies, Inc.	Commercializing dental appliance - mouthguard	1	1	0
<b>2666</b>	POWERleap LLC	Pressure sensitive surface that generates power	1	2	1
<b>2823</b>	Wildfire Innovation LLC (Out of Business)	Use of indoor positioning tied with user profiles to provide user with real-time insight about the people around them.	1	0	-1
<b>2790</b>	MediQLogix	Software that will provide needed healthcare quality management business solutions for hospitals.	1	3	2
<b>2323</b>	In the Groove, LLC	New concept knee orthosis/brace for immediate relief of pain, increased mobility and rehabilitation.	1	2	1
<b>2771</b>	RB Systems, Inc	Meeting listings that can be searched by topic, and can be filtered by geographic area	1	1	0
<b>3575</b>	Creadio	Branded television and radio stations	1	1	0
<b>1896</b>	EiPon Learning, LLC	SaaS company using proprietary digital recording technology to aid in language learning	1	1	0
<b>3101</b>	Dental Adhesive Products LLC	Dental product: patented time release polymer-based dental adhesive	1	2	1
<b>1793</b>	Privateer Software, LLC	EMR Software for dermatologist clinics	1	1	0
<b>3127</b>	Green BioWorks, LLC	Developing and delivering cost-effective, eco-friendly products and services to lifescience researchers.	1	1	0
<b>2546</b>	eVjump Solar, Inc.	Manufacturer of photovoltaic (PV) cells and modules	1	2	1
<b>228</b>	Jenco Industries Inc.	Invent and commercialize electronic traffic safety products	1	1	0
<b>3051</b>	Supply55, Inc.	Invented machinery for finishing edges of signs and banners, able to be priced much lower than competition	1	2	1
<b>338</b>	Digital Knowledge Corporation	CI for the middle-market, news portal for suppliers - KM Solution	1	1	0
<b>3065</b>	Wiseman Engine Group, LLC	Piston/connecting rod/ crankshaft mechanism that results in an internal combustion engine with 50% fuel efficiency	2	1	-1
<b>3058</b>	VocaBeans	Website community and wireless device applications for people that have lost communication abilities due to injury, stroke, or disease.	1	1	0

	Retained FTE Jobs	Current FTE Jobs	New FTE Jobs
<b>Incubator TOTAL JOBS</b>	70.5	135.5	65

51.5 jobs were lost this year related to clients that have left the LDFA Service Area because of relocation, merger, acquisition, or business failure.

Uniq ID	Account Name	Account Description	Lost FTE Jobs	Reason for lost jobs
<b>1115</b>	Global Energy Conversions, LLC	Convert plastic to gasoline	2	Moved outside service area
<b>2851</b>	Electric Vehicle Manufacturing, LLC	Electric scooter	5	Moved outside service area
<b>2138</b>	Magnetic Ventures	U-M student run company developing artificial joint	2	Moved outside service area
<b>1563</b>	Locomatix	Middleware software to track objects in real time	6	Business Failure
<b>308</b>	Edge 3D Microscope	Portable3D microscope using PC for visual use	0.5	Business Failure
<b>400</b>	Unitech Pharmaceuticals, Inc. - Closed	Family of compounds to control inflammation & cancer ** Company sold to GeneBlue (Los Angeles CA)	1	Acquisition
<b>680</b>	Ensure Technologies Inc.	Data and network security devices	25	Relocation
<b>1573</b>	P&H Therapeutics	Cardiovascular therapeutics	1	Relocation
<b>2011</b>	Next Generation Therapeutics	biotechnology company that focuses on novel Nano and Micro platforms for drug delivery	2	Relocation
<b>2351</b>	Speedraft	Online CAD system for matching tool makers w/ clients.	7	Business Failure

**The Contractor shall report to the LDFA regarding the methodology utilized in the census.**

Contractor uses Salesforce.com as its Customer Relationship Management system to record data about companies. Information about all companies is gathered through a variety of methods.

1. Implemented in late 2008 was a procedure requiring all entrepreneurs requesting assistance of Ann Arbor SPARK for Business Acceleration services, incubator space or applying to Boot Camp to fill out an online form which could be accessed through the SPARK website. Basic information including name, address, phone, email and brief description of company is required. This information is automatically fed into our CRM system.
2. An effort is made to connect with all inquiries within 48 hours. In an initial communication additional data is gathered by SPARK personnel to determine if the entrepreneur meets minimum criteria to warrant further discussion and assistance. At that time a better description of the persons needs are captured and put into the system.
3. We capture for the first time the jobs or full time equivalent workers that a company had at the time of an engagement of any kind. This number becomes our retained jobs number and is not altered. However, for reporting purposes it is possible the retained jobs number can change for a company if that company takes advantage of multiple services and their FTE count changes between those services. For example, when a company attends Boot Camp there may be only one employee, the entrepreneur. When that company returns for Business Accelerator services there may be two or three partners/employees. So when reported based on Boot Camp attendees the retained jobs is one. When reporting on BA clients the retained jobs are two or three.
4. Throughout the year 'current jobs' is collected anecdotally. When SPARK employees meet entrepreneurs in the community or in more formal sessions we try to get an FTE update and record that new information in the CRM system. A more formal attempt to capture all company information is done through an annual survey. This survey of all SPARK engaged clients is sent asking for several pieces of data including current employment and new hires the previous year. Unfortunately the response to our surveys has been less than 100%. We make calls to non-respondents but with limited success.
5. To calculate the number of new hires for a company were merely subtract the retained jobs for the particular service we provided from the current job count which gives us the added jobs since that particular engagement.

Contractor continues to refine procedures to capture data more efficiently, accurately and timely. It is our desire to also put in place systems that will allow us to track companies for several years.



# LDFA



## Annual Report FY09

# Michigan's SmartZones<sup>SM</sup>



- Created by PA 248 (2000)
- Specially created “technology parks” designed to spur growth of technology-related or research-oriented businesses and employment opportunities
- Provide services to facilitate commercialization of technologies emerging from Michigan universities and private companies



# SmartZones<sup>SM</sup>: Acceleration and Incubation

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Business accelerator services include, but not limited to:

- ❑ Networking events
- ❑ Entrepreneurial training
- ❑ Business feasibility and planning
- ❑ Technology assessments and protection support
- ❑ SBIR/STTR assistance and training; grant writing
- ❑ Management and talent recruitment
- ❑ Incubator/wet lab and accelerator space w/ shared services
- ❑ Product development support
- ❑ Business and executive management mentoring
- ❑ Venture capital and angel investor preparation and introductions

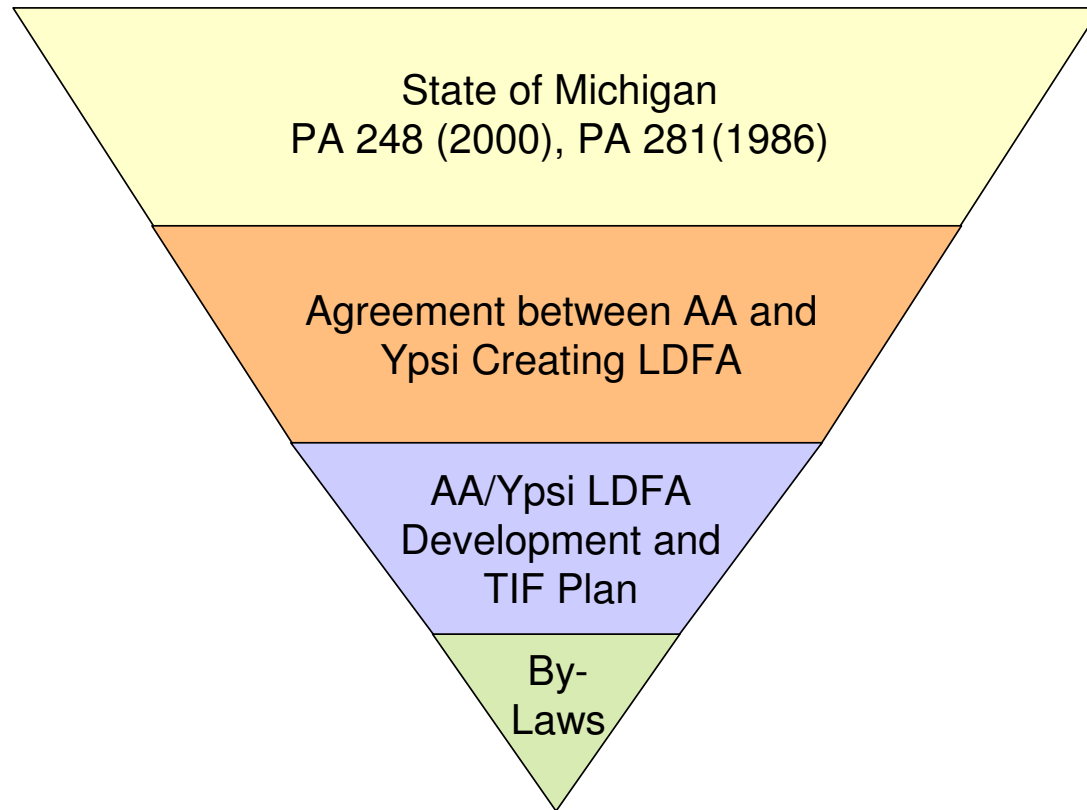


# Ann Arbor/Ypsilanti SmartZone<sup>SM</sup>

- Received SmartZone<sup>SM</sup> status on April 11, 2001
- Adoption of resolutions (AA and Ypsi) creating LDFA in June, 2002
- Appointment of LDFA Board
- LDFA Plan for AA/Ypsi SmartZone<sup>SM</sup> adopted in November, 2002
  - Boundaries – essentially the existing DDA boundaries in each city
  - Financing mechanism – allows “capture” of the **incremental** taxes for reinvestment with the boundaries of the authority
    - Ann Arbor ✓ Ypsilanti ✗
    - Capture of DDA increment takes precedence over the LDFA
    - LDFA does not capture AAPS debt service nor enhancement millage in AA – AAPS remains whole with school property tax redistribution
  - Funding distribution – LDFA funds used **exclusively** in the community in which they are generated
- LDFA Duration: 2003-2018



# AA/Ypsi LDFA: Legal Authority



# AA/Ypsi LDFA: Management

- Board (9 members = 6 Ann Arbor + 3 Ypsilanti)
    - **Dick Beedon** (Entrepreneur and Investor)
    - **Theresa Carroll** (Dykema)
    - **Mike Korybalski** (Serial Entrepreneur) – VICE-CHAIR
    - **Lisa Kurek** (Biotechnology Business Consultants)
    - **Stephen Rapundalo** (AA City Council)
    - **Rob Risser** (Advanced Photonix)
    - **Mark Maynard** (U-M Technology Transfer Office)
    - **Richard King** (SBTDC) - CHAIR
    - **Darryl Williams** (Entrepreneur) - TREASURER
    - Tom Crawford (City of Ann Arbor) – RECORDING SECRETARY - *ex officio*
    - Skip Simms (AA Spark) – *ex officio*
    - Rosalyn Zator (MEDC) – *ex officio*
- } City of Ann Arbor
- } City of Ypsilanti



# L DFA: Contracted Services by SPARK

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- Business accelerator services
- Incubator space for 12 start-up tenants and “location” for virtual companies (SPARK Central, 330 E. Liberty)
  - Subsidized leases
  - Administrative support; internet services
  - Utilities and property taxes; insurance; maintenance
  - Advertising and promotion
- Accounting services to support agreement
- Marketing services plan that addresses public relations, collateral materials and internet initiatives that support L DFA funded programs and objectives

Eligibility: Ann Arbor physical address or “virtual” tenant of SPARK Central



# LDFA: Business Accelerator Services



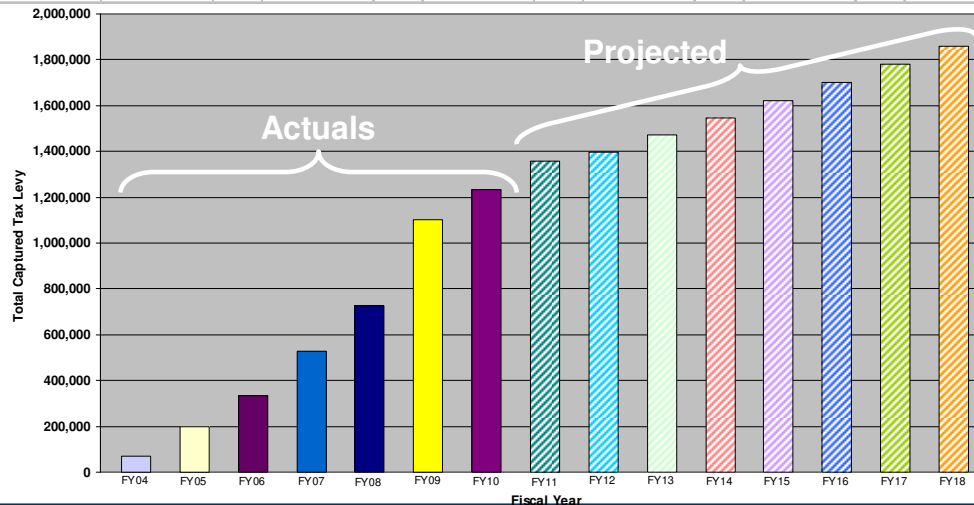
- BA direct staffing – Phase I, 50% of Phase II, and 100% executive talent recruiting
- Phase I – initial contact and screening of business/technology proposition for programmatic fit, review by advisors/consultants and referral to Phase II services
- Phase II – in-depth evaluation of prospective client to determine capability of business for consulting help in Phase III; 50% outsourced to qualified subcontractors
- Phase III – substantial involvement to advance firms beyond start-up phase to seed stage; addressing strategic issues, development of business plan/schedule/budget, implementation of milestone plan; 100% outsourced to qualified subcontractors
- Education –
  - Entrepreneurs Boot Camp
  - Business networking events
  - Cantillon Entrepreneurial Education Series – e-learning and training





# L DFA Tax Capture: Actuals and Projected

	ACTUAL													
	FYE 2004		FYE 2005		FYE 2006		FYE 2007		FYE 2008		FYE 2009		FYE 2010	
Base Taxable Value	248,052,105		248,052,105		248,052,105		248,052,105		248,052,105		248,052,105		248,052,105	
Taxable Value	255,740,392	3%	268,549,336	5%	282,005,908	5%	299,900,784	6%	324,293,338	8%	360,166,693	11%	381,872,618	6%
Captured Taxable Value	7,688,287		20,497,231		33,953,803		51,848,679		76,241,233		112,114,588		133,820,513	
PRE (Homestead) Taxable Value	2,195,895	29%	5,117,832	25%	8,174,889	24%	10,555,824	20%	20,671,707	23%	26,962,637	24%	28,779,737	21%
Non-PRE Taxable Value	5,492,392	71%	15,379,399	75%	25,778,914	76%	41,292,855	80%	55,569,526	77%	85,151,951	76%	104,940,776	79%
PRE (Homestead) Captured Tax Levy	5,490		15,353		24,525		31,667		62,015		80,888		86,339	
Non-PRE Captured Tax Levy	63,088		184,345		308,999		494,957		665,984		1,020,521		1,257,684	
Total Captured Tax Levy	68,578		199,699		333,524		526,624		727,999		1,101,408		1,344,023	
Total Recognized Capture	<b>68,578</b>		<b>199,699</b>		<b>333,524</b>		<b>526,624</b>		<b>727,999</b>		<b>1,101,408</b>		<b>1,234,626</b>	
Total Unrecognized Capture													109,697	



# AA/Ypsi LDFA: FY2009 Financials

	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2009</u>
	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
<b>REVENUES</b>			
Tax Revenue	\$ 728,730	\$ 950,492	\$ 1,059,965
Miscellaneous Income	-	-	30,913
Investment Income	22,875	-	6,762
<b>Total Revenues</b>	<b>\$ 751,605</b>	<b>\$ 950,492</b>	<b>\$ 1,097,640</b>
<b>EXPENDITURES</b>			
<b>Business Accelerator Support Services</b>	<b>\$ 410,680</b>	<b>\$ 482,500</b>	<b>\$ 401,422</b>
<b>Business Networking Events</b>	<b>25,500</b>	<b>43,200</b>	<b>22,083</b>
<b>Entrepreneur Education</b>	<b>40,000</b>	<b>60,700</b>	<b>55,150</b>
<b>Collaboration Networking</b>	<b>60,000</b>	<b>-</b>	<b>-</b>
<b>Cantillon Web-Based Education</b>	<b>70,875</b>	<b>54,400</b>	<b>35,375</b>
<b>Angel Investment Group Support</b>	<b>-</b>	<b>12,500</b>	<b>12,500</b>
<b>SPARK Central BA Operating Expenses</b>	<b>190,373</b>	<b>160,420</b>	<b>153,568</b>
<b>Marketing</b>	<b>70,104</b>	<b>50,400</b>	<b>50,400</b>
<b>Indirect Services</b>			
SPARK Accounting	-	43,000	43,001
Legal/Admin Support	5,804	27,500	32,807
<b>Total Indirect Services</b>	<b>5,804</b>	<b>70,500</b>	<b>75,808</b>
<b>Total Operating Expenditures</b>	<b>\$ 872,415</b>	<b>\$ 934,620</b>	<b>\$ 806,306</b>
<b>Net Increase/(Decrease)</b>	<b>\$ (121,231)</b>	<b>\$ 15,872</b>	<b>\$ 291,334</b>
<b>RESERVES</b>			
Unallocated Prior Year Fund Balance	\$ 288,589		\$ 178,240
Projected Surplus/(Deficit)	(121,231)		291,334
<b>Fund Balance</b>	<b>\$ 178,240</b>		<b>\$ 469,574</b>



# LDFA: FY2009 Metrics

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- Business Accelerator services
  - Phase I = 216 companies
  - Phase II = 91 companies
  - Phase III = 61 companies
    - 129 retained jobs → 159 current FTEs = 30 new jobs
- 28 companies utilized Entrepreneurial Boot Camp
  - 30 retained jobs → 85 current FTEs = 55 new jobs
- 34 companies were incubator tenants
  - 56 retained jobs → 77 current FTEs = 21 new jobs
- 5 companies departed LDFA Service Area – 11 jobs lost
- 89 events hosted: 3,001 attendees (2,470 entrepreneurs)
- Contract compliance reforms – new regulations, enhanced tracking and metrics reporting as an outcome of 2008 LDFA audit



# L DFA: Planning for the Future

- L DFA 2009 Board Retreat – strategic priorities for business growth
  - Capital development
    - Micro-loan fund – incorporated in FY10 budget **FY10**
    - Enhanced interactions between entrepreneurs and angel investors **FY10**
  - Analyze effectiveness
    - Establish Metrics Subcommittee – develop specific criteria for success **FY10**
    - Demonstrate ROI on tax \$\$\$ - economic development and ↑tax base
    - Oversight of funding
  - Determine priorities for future L DFA funds
    - New best practices and programs
  - Grow culture of entrepreneurship
    - Enhanced marketing and promotion
    - Encourage non-AA businesses to locate here
    - Facilitate interactions between technologists and entrepreneurs **FY10**
  - Capital Infrastructure Needs
    - Support for community-wide technology infrastructure needs and improvements **FY10**

