

Local Development Finance Authority
January 19, 2022 – Noon
Lakeshore Center #104 &
Zoom Conferencing
Houghton, MI 49931

Present in person/zoom: Dan Crane, Robert Megowen, Mike Needham, Anders Hill, Jim Hainault, Whitney Wharstler, Mike Hauswirth

Absent: Al Koskela, Robert Backon, Steve Patchin, George McNulty

Guests: Eric Waara, Scott MacInnes, Fred Molnar

Staff: David Rowe, Cheryl LeClaire, Jason Mack, Patrick Visser

Chairman Dan Crane opened the January 19, 2022, quarterly meeting of the Local Development Finance Authority at 12:01 pm. Dan Crane introduced and welcomed the two new members of the board, Mike Needham and Anders Hill.

1. **Public Comment** – There were no public comments.
2. **Consent Agenda**
 - a. **Approve October 27, 2021, Meeting Minutes** – Robert Megowen made a motion to approve the October 27, 2021, LDFA meeting minutes. Mike Needham supported. Ayes: All. Nays: None. Motion carried.
 - b. **LDFA Transfer to MTEC** – Robert Megowen made a motion to approve a transfer of \$255,000.00 to the Michigan Tech Enterprise Corporation. Jim Hainault supported. Ayes: All. Nays: None. Motion carried.
 - c. **Accept Audit, ending June 30, 2021** – Robert Megowen made a motion to accept the audit ending June 30, 2021. Anders Hill supported. Ayes: All. Nays: None. Motion carried.
3. **MEDC Update** - Fred Molnar gave a report.
 - Federal funding is SSBCI credit initiatives. \$240M to the State of MI, \$75M request to go to early-stage technology (in investment and/or loans). Proposal due date is February 11, 2022. All monies would need to go through the MSF.
 - American Rescue Plan (ARP) proposal has not had any movement. Unsure of current status. \$200M - \$140M investments \$50M grants \$10M technical assistance.
 - Shop House Park – David Ollila started, but might not continue (outdoor rec, electrification)
 - Outdoor Recreation – ability to innovate in the Outdoor recreation area. Large push in this area.
 - Fred Molnar thanked Scott MacInnes and David Rowe for their efforts for working with Sault Ste. Marie SmartZone.
4. **MTEC Update - Reports and Goals and Direction of the LDFA**
 - Cheryl LeClaire gave an update on Grant Metrics and a brief overview of the Gateway Grant. Metrics for the quarter, October 1, 2021 – December 31, 2021, included the following: 22 jobs were created. 140 jobs retained; \$15,000 in MEDC funds award; \$0 in Venture Capital; \$300,000 in Angel Funds; \$1,002,700 in Owner Investment; \$1,056,000 SBIR/STTR and \$7,452,146 in New Sales.
 - Jason Mack gave an update on current Smart Start activity. There are currently 5 teams in SmartStart. 2 additional persons are interested in the next class. 1M Cups was held on January 12, 2022. Sunflower Books and CC Boat Tours presented. Next Session will be February 9th, 2022, to be held at The Bonfire.
 - Jason and Patrick gave an update on the Mi-Stem program. Mi-Stem is an MEDC internship program that could provide funding opportunities for local companies, at \$1,500 to \$3,000 per intern. Fred Molnar added that MTEC is the 1st SmartZone to secure additional funding for support with marketing the program to students within Michigan Tech University.
 - Transformative Client updates, include Waldo. Waldo has expanded their pilot and are looking at

expanding into mills. Michigan Tech researchers include Dr. David Shonnard, Ranit Karmakar, Stas Zinchik, Tim Eisele, Mark Rudnicki, Lei Pan, Chee-Wooi Ten, Russ Stein and are actively working on innovative technologies with the support of MTEC, through identifying funding, developing management teams and strategic partners, and currently providing funding opportunities with SBDC, MI Springboard and BBC.

- David Rowe gave an update on recent events and activities, including the following upcoming events:
 - Innovation Week: January 24 – 28, 2022
 - Regional Innovation and Entrepreneurship Panel Discussion, Monday, 1/24 — Noon to 1 p.m. on Zoom.*
 - Reverse Pitch Event with the Office of Innovation and Commercialization, Wed., 1/26 - 4-5 p.m. on Zoom.*
 - Bob Mark Business Model Pitch Competition, Thursday, Jan. 27 — 5-7 p.m. in MUB Ballroom A or Zoom.*
 - Husky Innovate Talk with Dave Shull, founding member Handshake, Friday, 1/28 - Noon to 1 p.m. -Zoom.*
 - Visits to Ann Arbor Spark SmartZone, MITRI, Automation Alley – David Rowe, Feb. 3 & 4
 - 1 million Cups – February 9 at 8:30am, The Bonfire
 - Invest UP BOD Meeting – February 18 in Marquette, MEDC CEO will be in attendance
 - MDARD grant award announcement expected by end of Feb. – sponsored CLT research application
 - Finance your Innovation – March 3rd, Husky Innovate & MTEC SmartZone
 - Return North: Date forthcoming, target mid-May

5. Adjourn

Robert Megowen made a motion to adjourn the January 19, 2022, meeting of the Local Development Finance Authority. Dan Crane supported. Ayes: All. Nays: None. Motion carried.

Respectfully submitted,



Cheryl LeClaire
Secretary, Pro-Tem