



201 W. Washington Ave. Loft 410  
Zeeland, Michigan 49464

**Holland SmartZone Local Development Authority**

Informational Meeting

Board of Directors Meeting

**Wednesday, September 23, 2020 @ 12:00 PM**

Virtual Meeting, Zoom Platform <https://us02web.zoom.us/j/81342616745>

Meeting ID: 813 4261 6745

Members:	Peter Beukema, Marcia Bishop, Brian Burch, Vince Bush, Frank Garcia, Craig Hall, Ann Harten, Luciano Hernandez, Paul Hunt, Jill Miller, Randall Schipper, Tim Vagle
Ex-Officio Members:	Steve Bulthuis, Fred Molnar, Paul Sachs, Scott Spoelhof, Keith VanBeek
Lakeshore Advantage Staff:	Angela Huesman, Amanda Chocko, Jennifer Owens, Kelsey Sivertson
Copies To:	Holland Charter Township, Township Clerk, Ottawa County Clerk

**Agenda**

**Board of Directors Meeting Agenda**

- |                                |               |
|--------------------------------|---------------|
| 1. Call to Order               | Craig Hall    |
| 2. Public Comments             | Craig Hall    |
| 3. Approval of Minutes         | Craig Hall    |
| 4. Executive Director’s Report | Amanda Chocko |
| 5. Project Application Review  | Tim Vagle     |
| 6. Financials                  | Tim Vagle     |
| 7. Other Business              | Craig Hall    |
| 8. Adjournment                 | Craig Hall    |

**Next Meeting: December 16, Time TBD**



**Holland Satellite SmartZone Local Development Authority (LDFA)  
Board of Directors Meeting  
Treehuis  
Minutes of June 24, 2020**

Members Present: Peter Buekema, Brian Burch, Craig Hall, Ann Harten, Paul Hunt, Jill Miller, Randall Schipper

Ex-Officio Members Present: Steve Bulthuis, Paul Sachs, Scott Spoelhof, Keith Van Beek

Absent: Marcia Bishop, Vince Bush, Frank Garcia, Luciano Hernandez, Fred Molnar, Tim Vagle

Lakeshore Advantage Staff: Amanda Chocko, Angela Huesman, Kelsey Sivertson

Copies to: City of Holland Clerk, Holland Township Clerk, Ottawa County Clerk

**1. Informational Meeting**

Angela Huesman gave an update on the TIF capture, specifically estimations from 2015 to 2020.

**2. Public Comment**

Craig Hall asked if there were any public comments at this time. There being none, he moved to the convening the board meeting.

**3. Call to Order**

A quorum being present the meeting was called to order at 12:08 pm.

**4. Public Comment**

Craig Hall asked if there were any public comments at this time. There being none, he moved to the first order of business.

**5. Approval of Minutes**

**Motion made by Peter Buekema to approve minutes from LDFA Board meeting held May 6, 2020. Support by Ann Harten. Unanimously approved**

**6. Executive Director's Report**

Amanda Chocko reported out on the success of Rapid Growth Media on the Lakeshore thus far, as well as the Holland SmartZone Metrics to date.

7. **Financials**

Keith Van Beek provided an overview of the DDA Contract for Services as well as the insurance renewal. Keith also gave a financial update on TIF capture to date.

**Motion made by Randy Schipper to approve the Financials. Support by Ann Harten. Unanimously approved**

8. **Adjournment**

Respectfully submitted,

Randall Schipper  
LDFA Secretary  
Minutes submitted by Kelsey Sivertson  
HSZ LDFA Board Minutes 6/24/2020



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# SMARTZONE

## **Holland Satellite SmartZone<sup>SM</sup> Local Development Finance Authority Project Request Application Information**

The Holland Satellite SmartZone<sup>SM</sup> Local Development Finance Authority (LDFA) is pleased to offer this application for project requests. The purpose of the application is to identify opportunities to invest in projects or services that support high-technology businesses and entrepreneurs by furthering the strategic priorities of the Holland Satellite SmartZone<sup>SM</sup> LDFA:

1. Inspiration, Mentoring, and Access to Resources;
2. Infrastructure and Physical Resources;
3. Connection and Awareness; and
4. Talent.

This opportunity is open to the public, and all applicants are welcome.

### **Available Funding and Structure of Awards**

No minimum amount is required for submission of a proposal. The funds will be awarded as a grant; however, agreements outlining the terms and conditions of award disbursements will be structured individually with each award recipient. Payment of funds may be made on a reimbursement basis, prior to the commencement of the proposed activity, or as a combination of these two methods. The specifics of the funding structure for each grant award will be agreed upon by both parties and detailed in an agreement between the parties.

### **Process**

1. Application Submitted to LDFA Treasurer, [vinceb@hct.holland.mi.us](mailto:vinceb@hct.holland.mi.us)
2. Reviewed quarterly by LDFA Executive Committee a week prior to LDFA board meeting
3. Awards recommended/approved at quarterly LDFA meetings
4. Respective jurisdiction contracts drafted and projects commence

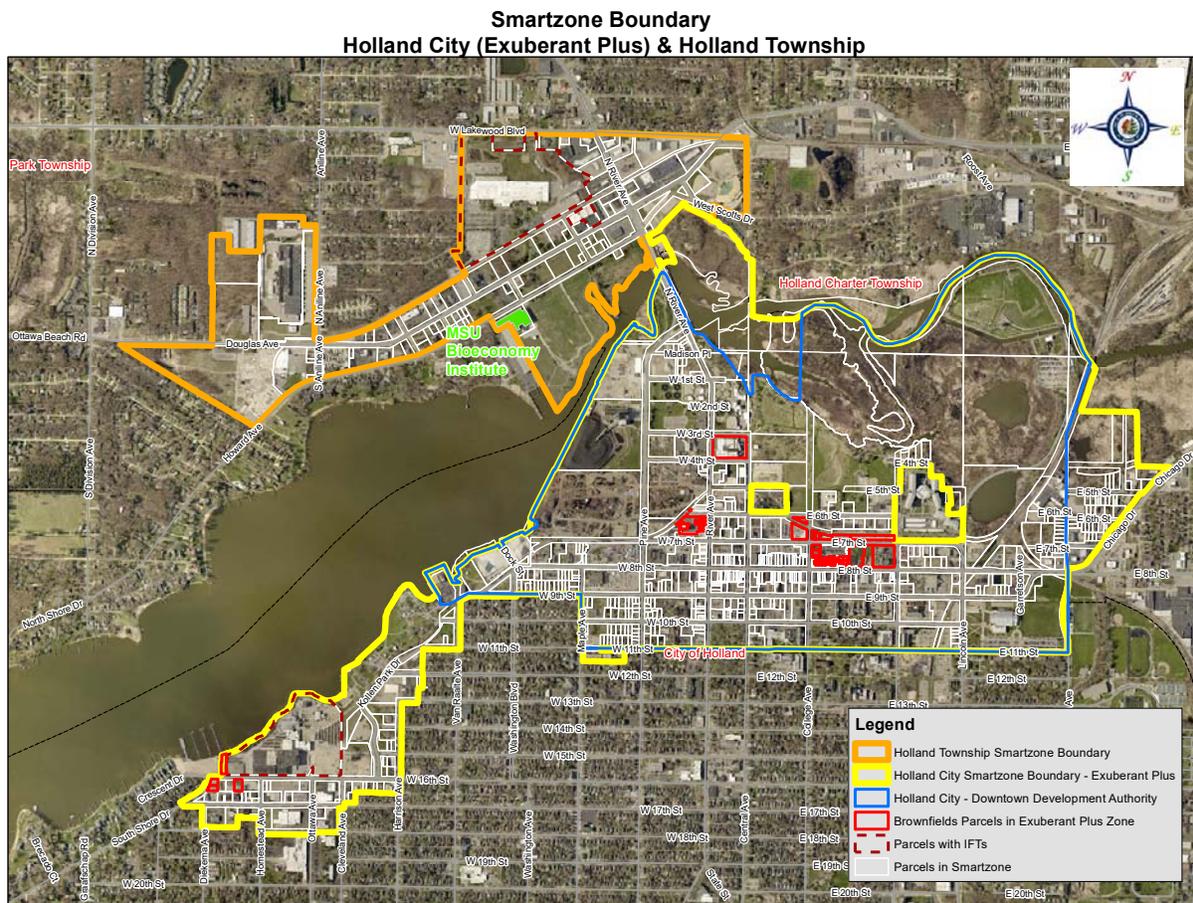
## Background

SmartZones<sup>SM</sup> are distinct geographical locations in Michigan where technology-based firms, entrepreneurs, and researchers locate in close proximity to assets, creating a cluster of community institutions. Enabled by [Michigan Public Act 281 of 1986, as amended](#) (PA 281), SmartZones<sup>SM</sup> are an economic development tool that allows the capture of increased property tax dollars for investment within the SmartZone<sup>SM</sup> to foster development and attraction of technology-based businesses and jobs. Additionally, SmartZones<sup>SM</sup> promote collaboration between governments, universities, industries, and other entities. The Holland Satellite SmartZone<sup>SM</sup> LDFA was established in 2015 by the City of Holland, Michigan State University, Holland Charter Township, and Lakeshore Advantage.

## Location

The Holland Satellite SmartZone<sup>SM</sup> has distinct boundaries as shown on figure 1.

Figure 1.



## Eligible Activities

The SmartZone is the area from which tax increment revenue is captured, and therefore, expenditure of tax increment revenue must benefit the eligible parcels within the Zone. Projects and services can take place outside of the SmartZone but must still benefit the eligible parcels in the Zone. Generally, tax increment revenues captured in a SmartZone can be utilized for investment in: 1) support for high-tech businesses and entrepreneurs and 2) certain infrastructure improvements.

According to [Michigan Public Act 24 of 1995](#), as amended, high-technology activity consists of one or more of the following:

Advanced Computing	Engineering or Laboratory Testing
Advanced Materials	Environmental Cleanup Technology
Advanced Vehicles Technology	Film and Video
Alternative Energy Development	Medical Device Technology
Biotechnology	Music Production
Competitive Edge Technology	Pollution Prevention Technology
Digital Media	Tool and Die Manufacturing
Electronic Device Technology	

According to PA 281, expenditures may only be used to fund public facilities related to or for the benefit of eligible property within a SmartZone A 'public facility' is defined as:

1. traditional public infrastructure (streets, bridges, utilities, etc.);
2. operation, acquisition, construction, furnishing and/or equipping of private or public business incubators;
3. other public facilities that support high technology, such as laboratories, research/testing facilities, etc.; and
4. operating and planning costs, including the cost of marketing property within the Zone and attracting development to the Zone.

## Strategic Priorities for Investment

The Holland Satellite SmartZone<sup>SM</sup> LDFA will evaluate proposals in the following four areas. 1) Infrastructure: projects are sought that create shared platforms with advantages across high technology activities, tech companies, tech product development, and talent/workforce needed for those activities. 2) Collaboration: projects that involve private partners and educational institutions, and that leverage other private/public funds whenever possible, are desired. 3) Iterative: projects that provide a roadmap for investment, so that each investment is informed by what was learned in the previous stage are preferred. 4) Catalytic: projects are wanted that accelerate private/public projects already in progress and unlock future private investment.

In addition, the Holland Satellite SmartZone<sup>SM</sup> LDFA will consider how well proposals align with their strategic priorities and special consideration will be given to projects that benefit both the City of Holland and Holland Charter Township.

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**The Holland Satellite SmartZone<sup>SM</sup> LDFA reserves the right to accept or reject any/all funding requests. The Holland Satellite SmartZone<sup>SM</sup> LDFA also reserves the right to request additional information, as determined necessary to review any application. All information that is submitted through this solicitation becomes the property of the Holland Satellite SmartZone<sup>SM</sup> LDFA and will be made public during the review process. Please be aware that as a public body, the Holland Satellite SmartZone<sup>SM</sup> LDFA is subject to the [Freedom of Information Act, Michigan Public Act 442 of 1976](#) and the [Open Meetings Act, Michigan Public Act 267 of 1976](#).**

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## Project Application

### I. General Information

Project Name: Refresh Downtown Planning/Engineering  
Legal Name of Organization: City of Holland  
Doing Business As: City of Holland  
Contact Person, Title: Matt VanDyken  
Mailing Address: 270 South River Avenue  
City: Holland State: MI Zip code: 49423  
Phone: (616) 355-1313 E-mail: M.VanDyken@cityofholland.com  
Number of years the organization has been providing services: 153  
Type of organization: Municipal Corporation

Describe the organization's mission and provide a description of services provided to the community. Limit 250 words.

The City of Holland is a full-service municipality providing 24-hour police and fire protection, parks and recreation facilities and programming, community and neighborhood services (inspections, zoning/planning, solid waste and recycling), maintenance of streets, sidewalks, snowmelt and more.

Vision – A vibrant, world class community in a beautiful lakefront environment where people work together, celebrate community, and realize dreams.

Mission – Maximize Livability.

## II. Project Description

Provide an overview of the proposed project/service, including the proposed timeline. Limit 450 words.

In the 1990s the City of Holland installed snowmelted sidewalks downtown utilizing brick pavers along with other streetscape amenities. It has held up remarkably well but it is time to update the aging infrastructure which contributes to the ambiance and success of the vibrant downtown.

Funding is needed to plan and design a refreshment of the downtown streetscape, especially along 8<sup>th</sup> Street. The planning will need to include staging strategies that allow businesses to thrive while updates are made possibly on a block by block basis. A good deal of engineering work is needed including preparing bid specs to bring the project to a bid status. Major curb work is not expected but it is likely existing pex tubing and bricks will be replaced. Electricity hookups will be installed to each tree as well as wiring for a downtown communication/speaker system. The cost for planning and engineering is not currently known but estimated at \$100,000. This request is for 75% of the actual costs up to \$75,000 with the City Capital Improvement Fund paying for 25% of the actual costs and/or any amount exceeding \$100,000.

The planning work would be completed over the next several months with construction likely in 2021. A second request for construction costs will be forthcoming once this phase is completed.

Describe how the proposed project/service aligns with the Holland Satellite SmartZone<sup>SM</sup> LDFA's strategic priorities and scoring criteria. Limit 200 words.

The center and heart of the SmartZone boundaries is downtown Holland. The ambience and appearance of the streetscape contributes to its vibrancy. Snowmelted sidewalks draw runners and walkers year around, increasing the appeal of downtown work and living space, complementing other high-tech amenities. The original SZ Plan included assumptions that investments in the infrastructure of downtown would be needed and this is the first step in completing those strategies.

**III. Organizational Capacity**

Describe the key qualifications of individuals who will carry out the project. Include any activities that would be delegated to consultants/contractors. Limit 200 words.

Oversight of the consultants for this project will be provided by Assistant City Manager Matt VanDyken who also provided oversight for the completion of the Civic Center and manages all City Capital Projects (excluding roads). The majority of the work will be done by consultants, likely GMB, a local engineering and architectural design firm which has done all the snowmelt engineering since its original installation.

#### IV. Financial Resources Requested

Please fill out the amount requested for each year of the project and the amount of other funding anticipated in each year. If the proposed project will last more than three years, please submit an attachment detailing additional years.

	Year 1	Year 2	Year 3	Total
Total Holland Satellite SmartZone <sup>SM</sup> Funds Requested	\$75,000	\$	\$	\$
Other Funding – City Capital Improvement Funds	\$25,000	\$	\$	\$
<b>Total Project Cost</b>	\$100,000	\$	\$	\$

Please list all other funding sources for the proposed project, including cash, grants, in-kind, donations, etc. Check whether the funds are committed or pending/planned and when they will be available. If the proposed project has more than eight other sources of funding, please submit an attachment detailing additional funding sources.

Other Sources of Funding	Committed	Available (MM/YYYY)	Pending/Planned	\$ Amount
Municipal Capital Improvement Fund	<input checked="" type="checkbox"/>	07/01/2020	<input type="checkbox"/>	\$25,000
	<input type="checkbox"/>		<input type="checkbox"/>	\$
	<input type="checkbox"/>		<input type="checkbox"/>	\$
	<input type="checkbox"/>		<input type="checkbox"/>	\$
	<input type="checkbox"/>		<input type="checkbox"/>	\$
	<input type="checkbox"/>		<input type="checkbox"/>	\$
	<input type="checkbox"/>		<input type="checkbox"/>	\$
	<input type="checkbox"/>		<input type="checkbox"/>	\$
<b>Total Other Funding</b>				\$25,000



# Budget Performance Report

Fiscal Year to Date 09/14/20

Exclude Rollup Account

Account	Account Description	Adopted Budget	Budget Amendments	Amended Budget	Current Month Transactions	YTD Encumbrances	YTD Transactions	Budget - YTD Transactions	% Used/ Rec'd	Prior Year Total
<b>Fund Y01 - Smartzone Fund</b>										
<b>REVENUE</b>										
Department <b>000 - General Revenues</b>										
450582.C	Contributions from Other Govts From City of Holland	232,000.00	.00	232,000.00	.00	.00	196,928.63	35,071.37	85	163,000.38
450582.H	Contributions from Other Govts Holland Township	62,990.00	.00	62,990.00	.00	.00	5,093.22	57,896.78	8	45,774.49
480665.0	Investment Income General	1,500.00	.00	1,500.00	.00	.00	.00	1,500.00	0	4,669.45
Department <b>000 - General Revenues Totals</b>		<b>\$296,490.00</b>	<b>\$0.00</b>	<b>\$296,490.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$202,021.85</b>	<b>\$94,468.15</b>	<b>68%</b>	<b>\$213,444.32</b>
<b>REVENUE TOTALS</b>		<b>\$296,490.00</b>	<b>\$0.00</b>	<b>\$296,490.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$202,021.85</b>	<b>\$94,468.15</b>	<b>68%</b>	<b>\$213,444.32</b>
<b>EXPENSE</b>										
Department <b>240 - Smartzone</b>										
722804.0	Contractual-Legal General	1,000.00	.00	1,000.00	.00	.00	.00	1,000.00	0	.00
722805.1	Contractual-Finance Independent Audit	1,000.00	.00	1,000.00	.00	.00	.00	1,000.00	0	800.00
722805.3	Contractual-Finance Accounting & Budget	3,300.00	.00	3,300.00	.00	.00	1,650.00	1,650.00	50	3,200.00
722807.C	Contractual-Architect/Engineer Infrastructure Development -City	96,985.00	.00	96,985.00	85.00	.00	170.00	96,815.00	0	10,932.00
722807.H	Contractual-Architect/Engineer Infrastructure Development -HCT	26,405.00	.00	26,405.00	.00	.00	.00	26,405.00	0	2,088.00
722807.U	Contractual-Architect/Engineer Infrastructure Development	106,041.00	.00	106,041.00	.00	.00	.00	106,041.00	0	.00
722809.61	Contractual-Misc Management Services	75,000.00	.00	75,000.00	.00	.00	.00	75,000.00	0	75,000.00
722809.69	Contractual-Misc Entrepreneurial Programming	51,400.00	.00	51,400.00	.00	.00	.00	51,400.00	0	17,430.71
722809.DDA	Contractual-Misc DDA Services	7,600.00	.00	7,600.00	.00	.00	.00	7,600.00	0	7,300.00
723910.L	Commercial Insurance Premiums Liability Insurance	1,700.00	.00	1,700.00	.00	.00	1,695.00	5.00	100	1,710.00
723942.0	Building Rental/Lease General	3,600.00	.00	3,600.00	.00	.00	.00	3,600.00	0	1,800.00
723955.M	Misc. Misc Marketing Events	18,500.00	.00	18,500.00	.00	.00	.00	18,500.00	0	6,405.42
730970.E	Admin/Legal A&E Engineering/Architect	10,000.00	.00	10,000.00	.00	.00	.00	10,000.00	0	.00
Department <b>240 - Smartzone Totals</b>		<b>\$402,531.00</b>	<b>\$0.00</b>	<b>\$402,531.00</b>	<b>\$85.00</b>	<b>\$0.00</b>	<b>\$3,515.00</b>	<b>\$399,016.00</b>	<b>1%</b>	<b>\$126,666.13</b>
<b>EXPENSE TOTALS</b>		<b>\$402,531.00</b>	<b>\$0.00</b>	<b>\$402,531.00</b>	<b>\$85.00</b>	<b>\$0.00</b>	<b>\$3,515.00</b>	<b>\$399,016.00</b>	<b>1%</b>	<b>\$126,666.13</b>
<b>Fund Y01 - Smartzone Fund Totals</b>										
<b>REVENUE TOTALS</b>		<b>296,490.00</b>	<b>.00</b>	<b>296,490.00</b>	<b>.00</b>	<b>.00</b>	<b>202,021.85</b>	<b>94,468.15</b>	<b>68%</b>	<b>213,444.32</b>
<b>EXPENSE TOTALS</b>		<b>402,531.00</b>	<b>.00</b>	<b>402,531.00</b>	<b>85.00</b>	<b>.00</b>	<b>3,515.00</b>	<b>399,016.00</b>	<b>1%</b>	<b>126,666.13</b>
<b>Fund Y01 - Smartzone Fund Totals</b>		<b>(\$106,041.00)</b>	<b>\$0.00</b>	<b>(\$106,041.00)</b>	<b>(\$85.00)</b>	<b>\$0.00</b>	<b>\$198,506.85</b>	<b>(\$304,547.85)</b>		<b>\$86,778.19</b>
<b>Grand Totals</b>										
<b>REVENUE TOTALS</b>		<b>296,490.00</b>	<b>.00</b>	<b>296,490.00</b>	<b>.00</b>	<b>.00</b>	<b>202,021.85</b>	<b>94,468.15</b>	<b>68%</b>	<b>213,444.32</b>
<b>EXPENSE TOTALS</b>		<b>402,531.00</b>	<b>.00</b>	<b>402,531.00</b>	<b>85.00</b>	<b>.00</b>	<b>3,515.00</b>	<b>399,016.00</b>	<b>1%</b>	<b>126,666.13</b>
<b>Grand Totals</b>		<b>(\$106,041.00)</b>	<b>\$0.00</b>	<b>(\$106,041.00)</b>	<b>(\$85.00)</b>	<b>\$0.00</b>	<b>\$198,506.85</b>	<b>(\$304,547.85)</b>		<b>\$86,778.19</b>