



Holland SmartZone Local Development Authority
Board of Directors Meeting
Agenda

Holland City Hall, 270 South River Avenue
September 22, 2021, 12:00 p.m. - 1:00 p.m.

1. **Call to Order and Roll Call**
2. **Public Comment**
3. **Minute Review/Approval**
Meeting Minutes June 23, 2021
4. **SmartZone Financial Report**
Budget Performance Report through August 31, 2021
5. **Executive Director's Report**
6. **Innovation Center Subcommittee Report**
Subcommittee Report
7. **Strategic Action Plan Update/Next Steps**
8. **Adjournment**



Holland Satellite SmartZone Local Development Authority (LDFA) Strategic Planning Session Meeting Minutes of June 23, 2021

Member Present: Peter Beukema, Brian Burch, Vince Bush, Ann Harten, Luciano Hernandez, Lynn McCammon, Randall Schipper, Doug Zylstra

Ex-Officio Members Present: Greg Barry, Paul Sachs, Keith VanBeek

Absent: Marcia Bishop, Charley Hasemann, Jill Miller, Steve Bulthuis, Fred Molnar, Scott Spoelhof

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

City of Holland Staff: Michelle Ferguson

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

Informational Meeting

Amanda Chocko provided an update on goals, priorities, and projects as well as an update on the SURGE celebration. Brian Burch updated the board on the Treehuis usage, noting an increase in customers in recent months. He further commented on how well the SURGE Day went and thanked the LDFA for planning and hosting the event. Brian asked if there any public comments. There being none, he moved to call the board meeting to order.

Board Meeting

1. Call to Order

A quorum being present the meeting was called to order at 12:09 pm.

2. Public Comments

Brian asked if there were any public comments. There being none, he moved to the first order of business.



3. Minute Review/Approval

Motion made by Ann Harten to approve minutes from the LDFA board meeting held April 29, 2021. Support by Lynn McCammon. Unanimously approved.

4. SmartZone Financials Update

Lynn Presented Financials through May 31, 2021. Everything is tracking to end on schedule for Year-End. Discussion commenced. Lynn noted that as projects are approved by the board, new account numbers will be assigned to allow for specific tracking of projects.

Motion made by Peter Beukema to approve financials. Support by Randall Schipper. Unanimously approved.

5. Strategic Planning Review

Angela Huesman presented the strategic plan for the SmartZone LDFA. Angela provided detail on the 4 goals that were established, strategies that accompany the goals, and which group are suggested to lead the efforts for each goal. Lakeshore Advantage will work on goals 1 and 2. The board will be covering goals 3 and 4.

Motion made by Peter Beukema to approve the strategic plan as a dynamic document. Support by Randall Schipper. Unanimously approved.

6. Executive Directors Report

Amanda Chocko presented on the incubator feasibility and discussed the results from the study.

Jennifer Owens presented more in depth on the SURGE center and what they are looking for in a physical space. Discussion commenced on what the board's vision is for the space as well. A suggestion was made to engage a consultant for this project. Visual/Initial concept to be presented at next meeting.

Formation of an advisory committee for the SURGE center. Ann Harten, Vince Bush, Randall Schipper and Luciano Hernandez will be on the advisory committee.

Motion made by Ann Harten to approve budget funds be used on a consultant. Support by Luciano Hernandez. Unanimously approved.

7. Adjournment

Motion made by Peter Beukema to adjourn. Support by Randall Schipper. Unanimously approved.



To: Holland LDFA SmartZone Board
Date: September 22, 2021
Subject: Holland LDFA SmartZone –FY 2022 Budget through August 2021

Summary

LDFA SmartZone Board approved the FY 2022 Budget in April 2021. Attached is the Budget Performance Report through August 31, 2021, which represents 16.67% of the fiscal year (July 1, 2021 through June 30, 2022).

Year-to-date revenues totaled \$228,991, or 64% of budget. The variance is primarily related to the timing of tax receipts. The City of Holland summer tax bills are primarily received in August and September and Holland Charter Township in September and February.

Total expenditures through August 31st totaled 7,643, or just 2% of budget. Variances in the contractual administrative accounts are due to timing and are expected to smooth out as the year progresses. The majority of the variance is driven by the contractual expenditures budgeted for infrastructure. In FY 2021 the LDFA SmartZone Board approved a \$50,000 contribution towards a project in downtown Holland, but this will be carried over to FY 2022 as the work is expected to be completed later this year. As the LDFA SmartZone Board completes the strategic planning process, the FY 2022 budget can be amended to reflect actual approved projects.

Recommendation

It is recommended that LDFA SmartZone Board approve the Financial Report for the two months ended August 31, 2021.

Respectfully submitted,

Lynn McCammon

Attachments: August 2021 Monthly Financial Reports



Budget Performance Report

Fiscal Year to Date 08/31/21

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
Fund Y01 - Smartzone Fund										
REVENUE										
Department 000 - General Revenues										
450582.C	Contributions from Other Govts From City of Holland	284,500.00	.00	284,500.00	164,595.57	.00	225,783.70	58,716.30	79	214,404.57
450582.H	Contributions from Other Govts Holland Township	71,870.00	.00	71,870.00	3,009.97	.00	3,009.97	68,860.03	4	62,611.81
480665.0	Investment Income General	1,000.00	.00	1,000.00	.00	.00	197.73	802.27	20	3,199.66
Department 000 - General Revenues Totals		\$357,370.00	\$0.00	\$357,370.00	\$167,605.54	\$0.00	\$228,991.40	\$128,378.60	64%	\$280,216.04
REVENUE TOTALS		\$357,370.00	\$0.00	\$357,370.00	\$167,605.54	\$0.00	\$228,991.40	\$128,378.60	64%	\$280,216.04
EXPENSE										
Department 240 - Smartzone										
722804.0	Contractual-Legal General	1,000.00	.00	1,000.00	.00	.00	.00	1,000.00	0	248.00
722805.1	Contractual-Finance Independent Audit	1,000.00	.00	1,000.00	.00	.00	.00	1,000.00	0	1,000.00
722805.3	Contractual-Finance Accounting & Budget	3,900.00	.00	3,900.00	.00	.00	1,935.00	1,965.00	50	3,300.00
722807.C	Contractual-Architect/Engineer Infrastructure Development -City	137,863.00	.00	137,863.00	85.00	.00	127.50	137,735.50	0	10,494.50
722807.H	Contractual-Architect/Engineer Infrastructure Development -HCT	34,827.00	.00	34,827.00	.00	.00	.00	34,827.00	0	2,568.00
722807.U	Contractual-Architect/Engineer Infrastructure Development	127,019.00	.00	127,019.00	.00	.00	.00	127,019.00	0	.00
722809.61	Contractual-Misc Management Services	75,000.00	.00	75,000.00	(18,750.00)	.00	.00	75,000.00	0	75,000.00
722809.69	Contractual-Misc Entrepreneurial Programming	51,800.00	.00	51,800.00	(12,597.67)	.00	.00	51,800.00	0	31,414.92
722809.SZ	Contractual-Misc SmartZone Administrative Service	7,780.00	.00	7,780.00	.00	.00	3,885.00	3,895.00	50	.00
722809.DDA	Contractual-Misc DDA Services	7,900.00	.00	7,900.00	.00	.00	.00	7,900.00	0	7,600.00
723910.L	Commercial Insurance Premiums Liability Insurance	1,700.00	.00	1,700.00	.00	.00	1,695.00	5.00	100	1,695.00
723942.0	Building Rental/Lease General	3,600.00	.00	3,600.00	.00	.00	.00	3,600.00	0	3,600.00
723955.M	Misc. Misc Marketing Events	21,000.00	.00	21,000.00	(6,781.26)	.00	.00	21,000.00	0	6,847.15
730970.E	Admin/Legal A&E Engineering/Architect	10,000.00	.00	10,000.00	.00	.00	.00	10,000.00	0	8,000.00
Department 240 - Smartzone Totals		\$484,389.00	\$0.00	\$484,389.00	(\$38,043.93)	\$0.00	\$7,642.50	\$476,746.50	2%	\$151,767.57
EXPENSE TOTALS		\$484,389.00	\$0.00	\$484,389.00	(\$38,043.93)	\$0.00	\$7,642.50	\$476,746.50	2%	\$151,767.57
Fund Y01 - Smartzone Fund Totals										
REVENUE TOTALS		357,370.00	.00	357,370.00	167,605.54	.00	228,991.40	128,378.60	64%	280,216.04
EXPENSE TOTALS		484,389.00	.00	484,389.00	(38,043.93)	.00	7,642.50	476,746.50	2%	151,767.57
Fund Y01 - Smartzone Fund Totals		(\$127,019.00)	\$0.00	(\$127,019.00)	\$205,649.47	\$0.00	\$221,348.90	(\$348,367.90)		\$128,448.47
Grand Totals										
REVENUE TOTALS		357,370.00	.00	357,370.00	167,605.54	.00	228,991.40	128,378.60	64%	280,216.04
EXPENSE TOTALS		484,389.00	.00	484,389.00	(38,043.93)	.00	7,642.50	476,746.50	2%	151,767.57
Grand Totals		(\$127,019.00)	\$0.00	(\$127,019.00)	\$205,649.47	\$0.00	\$221,348.90	(\$348,367.90)		\$128,448.47

L DFA Sub Committee Report

At the last board meeting, a sub-committee was formed to help move forward Goal 1.0 of our strategic plan:

Develop a class leading innovation center and identify community supports needed.

Since then, the Lakeshore Advantage (LSA) team and LDFA sub-committee have done significant work. As a reminder, an incubator feasibility study was conducted of the entrepreneurial eco-system in partnership with Hope Center for Leadership in July 2020. This feedback and insight will continue to serve as the guide for our future efforts.

As a first step, LSA connected with local developers, commercial realtors and other property owners on available land or buildings that could support up to 10,000 sq ft of office space that meet the guiding priorities of the center which include:



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- Options for available space are limited. LSA conducted an analysis of five potential existing buildings or new developments.
- In the due diligence, LSA learned SmartZone Entrepreneurial Support Network member Collective Idea is interested in a sub-lease agreement for space they occupy at 44 E. 8th St on the 4th Floor above Butch's. Collective Idea is working to rebuild their software development business which at one point had 30 employees prior to a sale in 2019.
- The 4,000 sq ft space is essentially move in ready with no upfront building or furniture costs. The owner of the building is open to a sub-lease agreement. Collective Idea would like to stay in the space as they rebuild.
- This space is being recommended as short-term pilot location for up to two years.
- A long-term option that meets all the project priorities has been identified as a new construction project located at 7th and College St.
- The committee received a presentation from EV Construction on this potential three story building new construction. The innovation center could serve as the anchor tenant of this space.
- LSA will work with EV construction on identifying federal, state and local assistance for this project. Without support, EV estimates the cost to be \$29.50/sq ft NNN. This does not include build out and furniture costs. It is estimated that the construction of this building could take up to two years.
- In addition, Lakeshore Advantage has engaged GMB consulting to work on a design playbook to clearly determine overall space needs and help to estimate costs of the permanent location.
- At our next meeting, we will share the GMB Design Playbook and the lease agreement with Collective Idea. Lakeshore Advantage will need to hire an additional team member to staff and support this space.
- Budget and contract for service amendments will be needed to cover the costs for the lease and the Center manager employed by Lakeshore Advantage, expected to begin January 1, 2022.
- The goal is to have cost, incentives and grants for the permanent location identified sometime in the first quarter of 2022.
- There will still be additional feedback/engagement of the board on the design playbook, space lay-out, amenities and may involve additional fundraising outside of LDFA budget.
- Lakeshore Advantage will serve as the lessee for both the interim and long-term space.