



Holland SmartZone Local Development Authority  
Board of Directors Meeting  
Council Chambers, Holland City Hall, 270 S. River Ave.  
December 15, 2021 12:00 p.m.

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**A. Informational Meeting Agenda**

1. Update on goals, priorities and projects (Chocko)
2. Public Comments/Questions (Burch)
3. City Project Update

**B. Board of Directors Meeting Agenda**

1. Call to Order (Burch)
2. Public Comments (Burch)
3. Minute Review/Approval (Burch)
4. SmartZone Financial Report (McCammon)
5. SmartZone Tax Revenue Projections Update (McCammon)
6. Innovation Center Design Playbook (Huesman)
7. Business Incubator Pilot (Chocko)
8. Next Meeting - March 23, 2022 (Burch)
9. Adjourn (Burch)

# Holland SmartZone LDFA

Board of Directors Meeting  
December 2021



**Holland**  
MICHIGAN



LAKESHORE  
**ADVANTAGE**

**SURGE**

POWERED BY LAKESHORE ADVANTAGE

# Executive Director's Report

*Amanda Chocko, Director of Entrepreneurship*

**SURGE**

POWERED BY LAKESHORE ADVANTAGE

# SURGE Update



**62/60**

Entrepreneurs Navigated



**\$16.5m**

Capital Raised

## Programming

- Entrepreneur Service Network (ESN)
- SURGE BoostCamp
- Founder Roundtables
- SURGE Power Series

**New program offerings in store for 2022**



## Holland Satellite SmartZone Local Development Authority (LDFA) Strategic Planning Session Meeting Minutes of September 22, 2021

Member Present: Peter Beukema, Marcia Bishop, Brian Burch, Vince Bush, Charley Hasemann, Luciano Hernandez, Lynn McCammon, Mike Moring, Randall Schipper, Doug Zylstra

Ex-Officio Members Present: Steve Bulthuis

Absent: Ann Harten, Jill Miller, Greg Barry, Fred Molnar, Paul Sachs, Scott Spoelhof, Keith VanBeek

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

City of Holland Staff: Michelle Ferguson

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

### Board Meeting

#### 1. Call to Order

A quorum being present the meeting was called to order at 12:01 pm.

#### 2. Public Comments

Brian asked if there were any public comments. He welcomed Mike Morin to the board and thanked the City of Holland for taking over the administrative duties. As there were no other comments, he moved to the first order of business.



### 3. Minute Review/Approval

Motion made by Luciano Hernandez to approve minutes from the LDFA board meeting held June 23, 2021. Support by Randy Schipper. Unanimously approved.

### 4. SmartZone Financials Update

Lynn Presented Financials through August 31, 2021. Lynn discussed timing differences, but noted these will end on schedule by the end of the year. Lynn further noted that once projects are approved, the Board can amend the budget accordingly.

### 5. Executive Director's Report

Amanda Chocko provided an informational update on the Surge activity as well as new startups.

### 6. Innovation Center Subcommittee Report

Luciano Hernandez presented an update from the subcommittee formed to investigate the options for an incubator. Jennifer Owens also contributed to the discussion. The subcommittee found two spaces.

The first space is at 7<sup>th</sup> and College, but will not be available for approximately two years. This would be a newly constructed three floor building near At Home Realty. The incubator space would be on the first floor. Once available, it is anticipated the lease for this space would be approximately \$10,000 per month.

In the interim, the subcommittee identified a space available that is move-in ready from Collective Idea. This space would lease for approximately \$6,000 to \$7,000 per month. Collective Idea as well as another tenant would also be located in this building, so there is still a need to understand how the available space would work.

Discussion continued on the benefit of an incubator space, including visibility to show that the community is engaged in entrepreneurship. Accessibility of a dedicated space eases the barrier of getting the assistance needed. The Treehuis, which is currently utilized, would still be available for those who need a quite workspace, but the feasibility study demonstrated the need for dedicated incubator space as well.

The next steps will be to bring back additional information on the available spaces as well as the cost impact to the SmartZone. In addition to the cost of the lease, Jennifer mentioned the contract with Lakeshore Advantage would need to be amended to cover a full-time position to staff the incubator. Lynn (City), Vince (HCT) and Angela (LA) will meet to review the financial analysis of the projected tax revenue and incubator expenses.

Vince Bush made a motion to approve the subcommittee report and give Lakeshore Advantage permission to move forward to obtain cost information for a new space lease



and additional staff costs and report back at the December board meeting. Marcia Bishop support. Unanimously approved.

#### **7. Strategic Action Plan Update**

Angela Huesman provided an informational update on the Strategic Action Plan. She noted the incubator space was a top priority in prior discussion. With the work in process on the incubator, the infrastructure discussion is targeted for early 2022.

#### **8. Adjournment**

Motion made by Brian Burch to adjourn (1:00 pm). Support by Mike Morin. Unanimously approved.



**To: Holland LDFA SmartZone Board**  
**Date: December 15, 2021**  
**Subject: Holland LDFA SmartZone –FY 2022 Budget through November 2021**

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### **Summary**

LDFA SmartZone Board approved the FY 2022 Budget in April 2021. Attached is the Budget Performance Report through November 30, 2021, which represents 41.67% of the fiscal year (July 1, 2021 through June 30, 2022).

Year-to-date revenues totaled \$319,923, or 90% 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 November 30<sup>th</sup> totaled 32,313, or just 7% of budget. Variances in the contractual administrative accounts are due to timing and are expected to smooth out as the year progresses. Consistent with the prior quarter, 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 (and the budget amended) as the work is expected to be completed later this year. The \$10,000 in Account 730970.E represents the amount paid to GMB for the innovation center planning. 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 five months ended November 30, 2021.

Respectfully submitted,

Lynn McCammon

Attachments: November 2021 Monthly Financial Reports



# Budget Performance Report

Fiscal Year to Date 11/30/21  
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
<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	284,500.00	.00	284,500.00	298.80	.00	263,041.99	21,458.01	92	214,404.57
450582.H	Contributions from Other Govts Holland Township	71,870.00	.00	71,870.00	5,281.91	.00	56,028.27	15,841.73	78	62,611.81
480665.0	Investment Income General	1,000.00	.00	1,000.00	.00	.00	852.26	147.74	85	3,199.66
480665.X	Investment Income Market Adjustment	.00	.00	.00	.00	.00	.00	.00	+++	(1,475.36)
Department <b>000 - General Revenues Totals</b>		<b>\$357,370.00</b>	<b>\$0.00</b>	<b>\$357,370.00</b>	<b>\$5,580.71</b>	<b>\$0.00</b>	<b>\$319,922.52</b>	<b>\$37,447.48</b>	<b>90%</b>	<b>\$278,740.68</b>
<b>REVENUE TOTALS</b>		<b>\$357,370.00</b>	<b>\$0.00</b>	<b>\$357,370.00</b>	<b>\$5,580.71</b>	<b>\$0.00</b>	<b>\$319,922.52</b>	<b>\$37,447.48</b>	<b>90%</b>	<b>\$278,740.68</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	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	.00	.00	297.50	137,565.50	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	.00	.00	12,500.00	62,500.00	17	75,000.00
722809.69	Contractual-Misc Entrepreneurial Programming	51,800.00	.00	51,800.00	.00	.00	1,279.17	50,520.83	2	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
723955.0	Misc. General	.00	.00	.00	.00	.00	156.16	(156.16)	+++	.00
723955.M	Misc. Misc Marketing Events	21,000.00	.00	21,000.00	.00	.00	565.13	20,434.87	3	6,847.15
730970.E	Admin/Legal A&E Engineering/Architect	10,000.00	.00	10,000.00	2,710.00	.00	10,000.00	.00	100	8,000.00
Department <b>240 - Smartzone Totals</b>		<b>\$484,389.00</b>	<b>\$0.00</b>	<b>\$484,389.00</b>	<b>\$2,710.00</b>	<b>\$0.00</b>	<b>\$32,312.96</b>	<b>\$452,076.04</b>	<b>7%</b>	<b>\$151,767.57</b>
<b>EXPENSE TOTALS</b>		<b>\$484,389.00</b>	<b>\$0.00</b>	<b>\$484,389.00</b>	<b>\$2,710.00</b>	<b>\$0.00</b>	<b>\$32,312.96</b>	<b>\$452,076.04</b>	<b>7%</b>	<b>\$151,767.57</b>
<b>Fund Y01 - Smartzone Fund Totals</b>										
<b>REVENUE TOTALS</b>		<b>357,370.00</b>	<b>.00</b>	<b>357,370.00</b>	<b>5,580.71</b>	<b>.00</b>	<b>319,922.52</b>	<b>37,447.48</b>	<b>90%</b>	<b>278,740.68</b>
<b>EXPENSE TOTALS</b>		<b>484,389.00</b>	<b>.00</b>	<b>484,389.00</b>	<b>2,710.00</b>	<b>.00</b>	<b>32,312.96</b>	<b>452,076.04</b>	<b>7%</b>	<b>151,767.57</b>
<b>Fund Y01 - Smartzone Fund Totals</b>		<b>(\$127,019.00)</b>	<b>\$0.00</b>	<b>(\$127,019.00)</b>	<b>\$2,870.71</b>	<b>\$0.00</b>	<b>\$287,609.56</b>	<b>(\$414,628.56)</b>		<b>\$126,973.11</b>
<b>Grand Totals</b>										
<b>REVENUE TOTALS</b>		<b>357,370.00</b>	<b>.00</b>	<b>357,370.00</b>	<b>5,580.71</b>	<b>.00</b>	<b>319,922.52</b>	<b>37,447.48</b>	<b>90%</b>	<b>278,740.68</b>
<b>EXPENSE TOTALS</b>		<b>484,389.00</b>	<b>.00</b>	<b>484,389.00</b>	<b>2,710.00</b>	<b>.00</b>	<b>32,312.96</b>	<b>452,076.04</b>	<b>7%</b>	<b>151,767.57</b>
<b>Grand Totals</b>		<b>(\$127,019.00)</b>	<b>\$0.00</b>	<b>(\$127,019.00)</b>	<b>\$2,870.71</b>	<b>\$0.00</b>	<b>\$287,609.56</b>	<b>(\$414,628.56)</b>		<b>\$126,973.11</b>



**To: Holland LDFA SmartZone Board**  
**Date: December 15, 2021**  
**Subject: Holland LDFA SmartZone Tax Revenue Projections Update**

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### **Background**

The Holland SmartZone was approved in 2016. The planning process included a projection of tax revenues for the life of the SmartZone. These projections were based on a set of assumptions such as annual growth rate and expiration of certain economic development incentive tools (Brownfields, IFTs).

At the September 22, 2021 meeting, the LDFA SmartZone Board requested an updated analysis to coincide with the exploration of a new incubator site. A team comprised of Lynn McCammon, Vince Bush and Angela Huesman was formed to review the original projection. The City and Holland Charter Township (HCT) reached out to the appropriate personnel to review the tax projections as compared to actual experience to date.

Attached are the following:

1. Original Estimate compared to Actual Capture.
2. Revised Estimate based on updated assumptions.

### **Observations**

Based on a review of the data and meeting with the team, the following observations were noted:

#### **Original Estimate compared to Actual Capture**

- The actual capture for the first six years totaled \$1,070,717 vs \$868,423 estimated for the same period. The original estimate included an assumed increase in taxable value of 2% for the City and 1.7% for HCT. Actual increases have exceeded the estimates, contributing to the better than expected capture.
- The original estimate did not account for the 10% reduction per year in SET capture.
- The original estimate included an 11.5% increase in taxable value in year 8 and a 10.1% increase in year 13. These appear to be based on the assumption that certain brownfields would be expiring and the taxable value returning to the tax roll.

Revised Estimated SmartZone Tax Capture

The estimated tax revenue projections were updated to reflect actual to date and adjustments to the following assumptions based on current information:

- The large increases anticipated in year 8 and year 13 were removed. The projected end of the brownfields that were driving these increases have been extended as the approved expenses have not yet been reimbursed. Conservatively, these will reflect the original assumption of 2% increase.
- The SET capture has been adjusted to reflect the 10% reduction in accordance with regulations.

Based on the updated information, the total revenue capture may be more than \$2 million less than the original projection. \$429,805 of this is related to the SET capture calculation. The remaining is primarily due to the assumption related to brownfield expiration dates. While this is conservative projection, there may also be impacts to the SmartZone capture as new brownfields in the downtown area are approved. The City will continue to monitor the actual capture and update the analysis each year.

Respectfully submitted,

Lynn McCammon

Attachments: Original vs Actual Tax Revenue Capture, Revised Estimated Tax Capture

**SmartZone Revenue Projections**  
**Original Estimate compared to Actual Capture**  
**Updated: 10/12/2021**

ORIGINAL ESTIMATES (INCLUDED IN TIF DOCUMENT)											Actual Capture				
Fiscal Year	City Taxable Value	(a)	HCT Taxable Value	(a)	Total Taxable Value (City + HCT)	City & HCT Captured Value Base	Estimated Local Tax Capture Base	Recomputed Millage Rate for Local	SET Captured (50% of 6 mills)	Total Capture	City	HCT	Total		
														1	2016
2	2017	69,062,000	2.0%	20,496,318	1.7%	89,558,318	1,694,912	56,765	16.5849	10,252	67,017	FY18	71,387	9,868	81,255
3	2018	70,443,240	2.0%	20,842,867	1.7%	91,286,107	3,422,701	109,004	21.0270	15,527	124,531	FY19	121,194	29,714	150,908
4	2019	71,852,105	2.0%	21,195,308	1.7%	93,047,413	5,184,006	146,768	21.0285	20,906	167,674	FY20	163,000	45,774	208,774
5	2020	73,289,147	2.0%	21,553,739	1.7%	94,842,886	6,979,480	185,266	21.0296	26,388	211,654	FY21	214,405	62,612	277,017
6	2021	74,754,930	2.0%	21,918,264	1.7%	96,673,194	8,809,788	224,808	21.0581	32,027	256,835	FY22	260,315	71,870	332,185
7	2022	76,250,029	2.0%	22,288,985	1.7%	98,539,014	10,675,608	264,875	21.0592	37,733	302,608	FY23			
8	2023	77,775,029	2.0%	22,666,009	1.7%	100,441,038	12,577,633	472,334	21.5243	65,833	538,167	FY24			
9	2024	86,756,276	11.5% (b)	23,051,332	1.7%	109,807,608	21,944,202	517,344	21.5243	72,214	589,558	FY25			
10	2025	88,491,401	2.0%	23,443,204	1.7%	111,934,605	24,071,200	563,925	21.4922	78,814	642,739	FY26			
11	2026	90,293,132	2.0%	23,841,739	1.7%	114,134,871	26,271,464	610,726	21.4653	85,448	696,174	FY27			
12	2027	92,098,994	2.0%	24,247,048	1.7%	116,346,042	28,482,636	658,442	21.4420	92,210	750,652	FY28			
13	2028	93,940,974	2.0%	24,659,248	1.7%	118,600,222	30,736,816	873,900	21.4219	121,889	995,789	FY29			
14	2029	103,414,546	10.1% (d)	25,078,455	1.7%	128,493,001	40,629,595	926,835	21.5090	129,373	1,056,208	FY30			
15	2029	105,482,836	2.0%	25,504,789	1.7%	130,987,625	43,124,220	980,808	21.4922	137,002	1,117,810	FY31			
		107,592,493	2.0%	25,938,370	1.7%	133,530,863	45,667,458	980,808	21.4772	137,002	1,117,810				
								6,627,435		930,693	7,558,128		848,097	222,620	1,070,717

Notes:

- (a) Recomputed percent increase from original plan as part of analysis
- (b) Projection appears to include the end of a Brownfield. This will not end until 2028
- (c) Projection did not account for the 10% reduction per year beginning in year 11
- (d) Projection appears to include the end of a Brownfield that may get amended

868,423  
 Total estimate through FY 2022

**SmartZone Revenue Projections**  
**Revised Estimate**  
**Updated: 10/12/2021**

REVISED ESTIMATES

Fiscal Year	City Taxable Value		HCT Taxable Value		City & HCT Captured Value	Estimated Local Tax Capture	Recomputed Millage Rate for Local	SET		Original Estimate	Difference			
								Captured (50% of 6 mills)	Total Capture					
1	67,707,843		20,155,563		87,863,406									
2	69,062,000	2.0%	20,496,318	1.7%	89,558,318	1,694,912	35,635	21.0247	5,077 (d)	20,578	FY17	40,712	(20,134)	
3	70,443,240	2.0%	20,842,867	1.7%	91,286,107	3,422,701	56,765	16.5849	10,252 (d)	81,255	FY18	67,017	14,238	
4	71,852,105	2.0%	21,195,308	1.7%	93,047,413	5,184,007	109,004	21.0270	15,527 (d)	150,908	FY19	124,531	26,377	
5	73,289,147	2.0%	21,553,739	1.7%	94,842,886	6,979,480	146,768	21.0285	20,906 (d)	208,774	FY20	167,674	41,100	
6	74,754,930	2.0%	21,918,264	1.7%	96,673,194	8,809,788	185,266	21.0296	26,388 (d)	277,017	FY21	211,654	65,363	
7	76,250,029	2.0%	22,288,985	1.7%	98,539,014	10,675,608	224,808	21.0581	32,027 (d)	332,185	FY22	256,835	75,350	
8	77,775,029	2.0%	22,666,009	1.7%	100,441,038	12,577,632	264,875	21.0592	37,733	302,608	FY23	302,608	(0)	
9	79,330,529	2.0% (a)	23,051,332	1.7%	102,381,861	14,518,455	312,500	21.5243	43,555	356,055	FY24	538,167	(182,112)	
10	80,917,139	2.0%	23,443,204	1.7%	104,360,343	16,496,937	354,556	21.4922	49,491	404,047	FY25	589,558	(185,511)	
11	82,535,481	2.0%	23,841,739	1.7%	106,377,220	18,513,814	397,405	21.4653	55,541	452,946	FY26	642,739	(189,793)	
12	84,186,190	2.0%	24,247,048	1.7%	108,433,238	20,569,832	441,059	21.4420	49,368 (c)	490,427	FY27	696,174	(205,747)	
13	85,869,913	2.0%	24,659,248	1.7%	110,529,161	22,665,755	485,544	21.4219	40,798 (c)	526,343	FY28	750,652	(224,309)	
14	87,587,311	2.0% (a)	25,078,455	1.7%	112,665,766	24,802,360	533,473	21.5090	29,763 (c)	563,236	FY29	995,789	(432,553)	
15	89,339,056	2.0%	25,504,789	1.7%	114,843,845	26,980,439	579,869	21.4922	16,188 (c)	596,058	FY30	1,056,208	(460,150)	
	91,125,837	2.0%	25,938,370	1.7%	117,064,207	29,200,801	627,151	21.4772	- (c)	627,151	FY31	1,117,810	(490,659)	
						4,754,678				432,615		5,389,587	7,558,128	(2,168,541)

Notes:

- (a) Recomputed percent increase from original plan as part of analysis
- (b) Projection appears to include the end of a Brownfield. This will not end until 2028
- (c) Projection did not account for the 10% reduction per year beginning in year 11
- (d) Actual Capture

# Path to Build a World Class Incubator

*Jennifer Owens, Lakeshore Advantage*

*Amanda Chocko, Lakeshore Advantage*

*Angela Huesman, Lakeshore Advantage*

# SURGE

POWERED BY LAKESHORE ADVANTAGE

2021

# Holland SmartZone Innovation Center Discovery Process

2022



**Goal of  
Strategic  
Plan**



**Hope  
Feasibility  
Study**



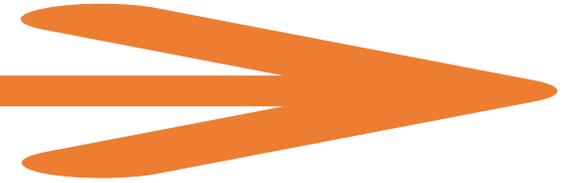
**Formed  
Innovation  
Center  
Subcommittee**



**Set Guiding  
Principles/ Space  
Requirements**



**Review and  
Approve  
Interim Space  
Plan**



Develop a class leading innovation center and  
identify community supports needed

# Path to progress...

Conducted by national leader  
in business incubation

- MSUBI/Incubation next steps
- Why wasn't the space filled?
- What was missing?
- Recommended next steps

**FINAL REPORT:  
EVALUATION  
Of the  
BioVenture Accelerator at the  
Michigan State University Bioeconomy  
Institute**

**Project Number LPA- 02-15**

**Prepared by Mark S. Long**

**Long Performance Advisors, LLC**



**LONG  
PERFORMANCE  
ADVISORS**



**February 16, 2015**

# Long Study: Key Findings

- Broad-based incubation effort separate from MSUBI
- Interconnected with Grand Rapids partners
- Average staff needed = 3.8 FTEs
- Physical space – separated from MSBUI
- Not niche focus – high-tech/high growth
- Average annual budget estimated to be about \$1 mill

**FINAL REPORT:  
EVALUATION  
Of the  
BioVenture Accelerator at the  
Michigan State University Bioeconomy  
Institute**

**Project Number LPA- 02-15**

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**Long Performance Advisors, LLC**



**LONG  
PERFORMANCE  
ADVISORS**



**February 16, 2015**

# How do we get there?

HB 4226 of 2015  
Created Holland SmartZone

**START  
GARDEN**

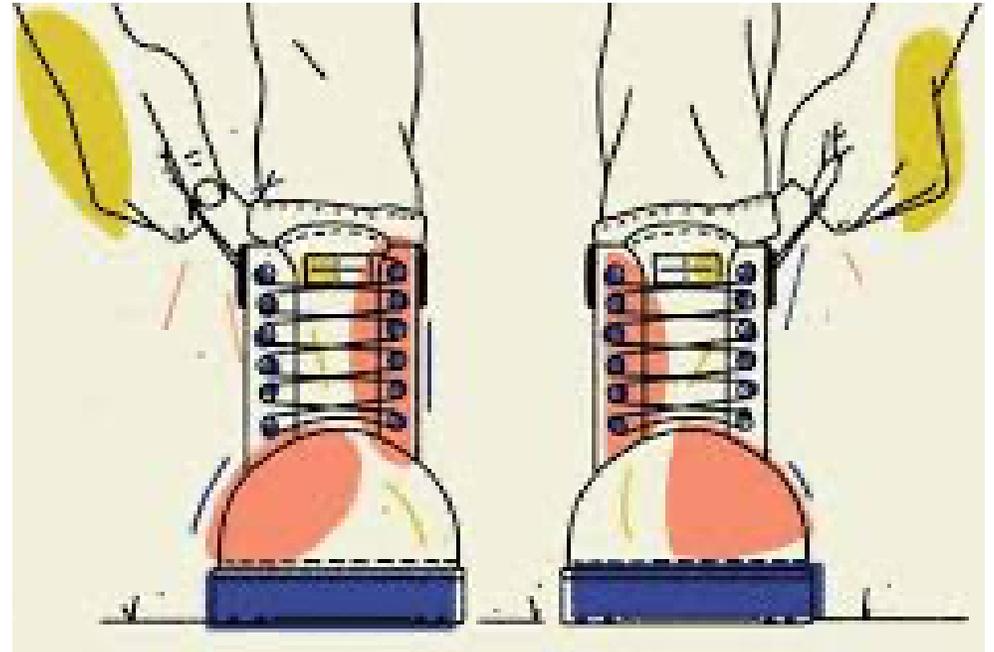


# Bootstrapping & Building

Raised \$500k in upfront community support

TIF Capture - \$200k per year average

MEDC gateway grant - \$90k per year

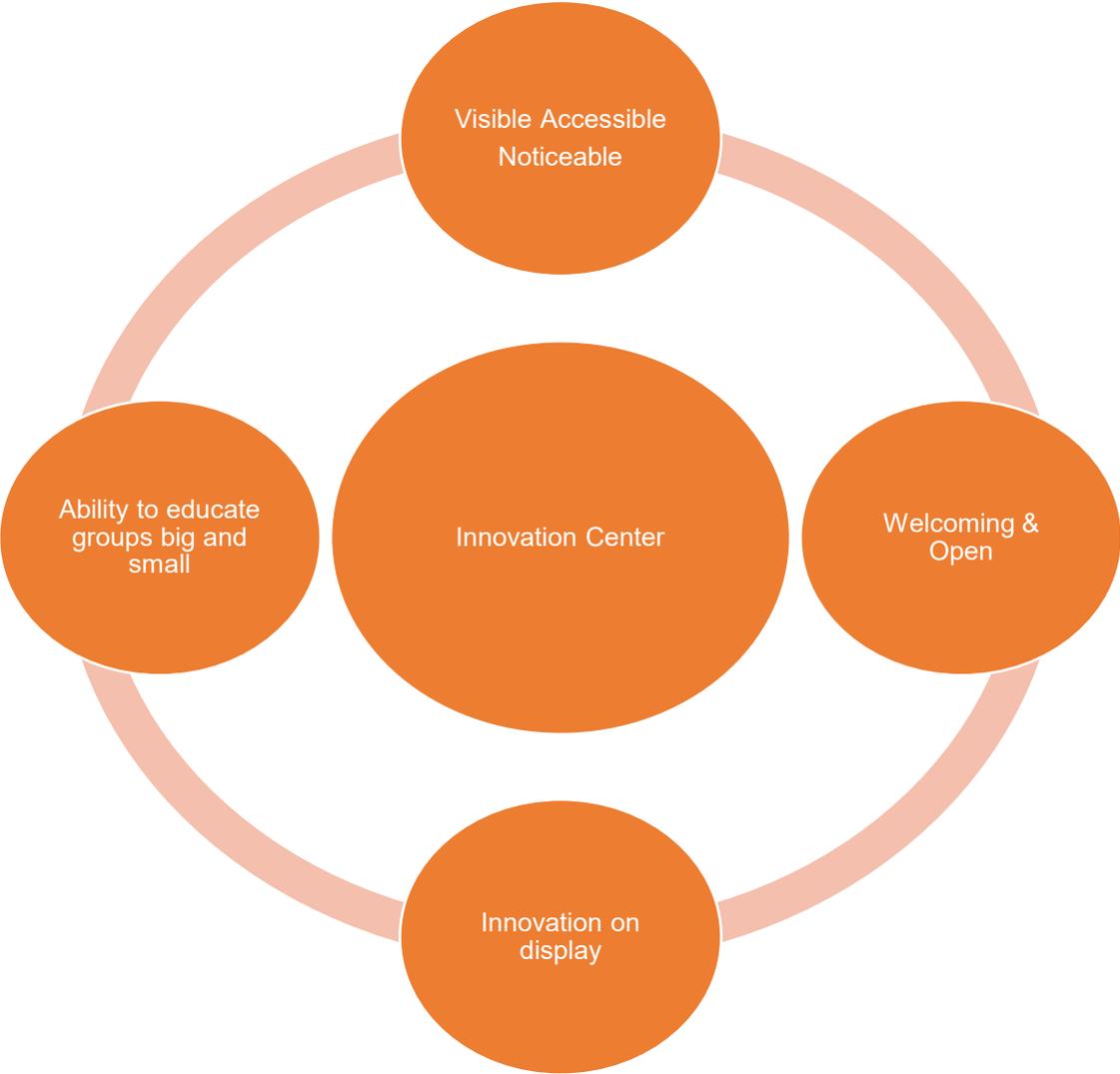


Waiting to put a physical presence in place until the time was right

# Outcomes Since Our Start



# Guiding Principles



# Long Term Plan

**SURGE**

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# Space Planning & Playbook

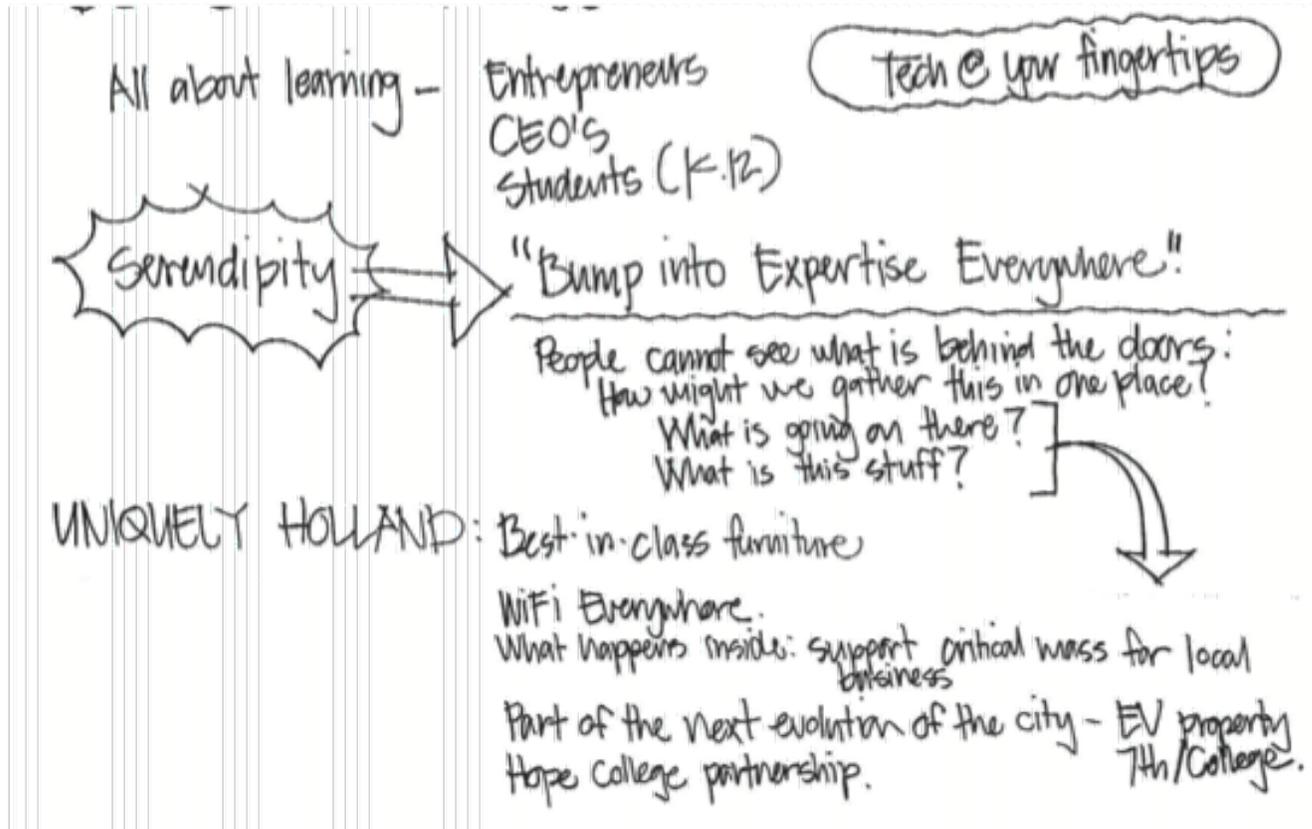
- Focused on entrepreneurial feedback & needs
- Facilitation sessions with SURGE team
- Analyzed and reviewed long term site space limits and capacity



GMB Architecture + Engineering

# VISION/CONCEPT THOUGHT-STARTERS

9



# HOLLAND SMARTZONE INNOVATION CENTER

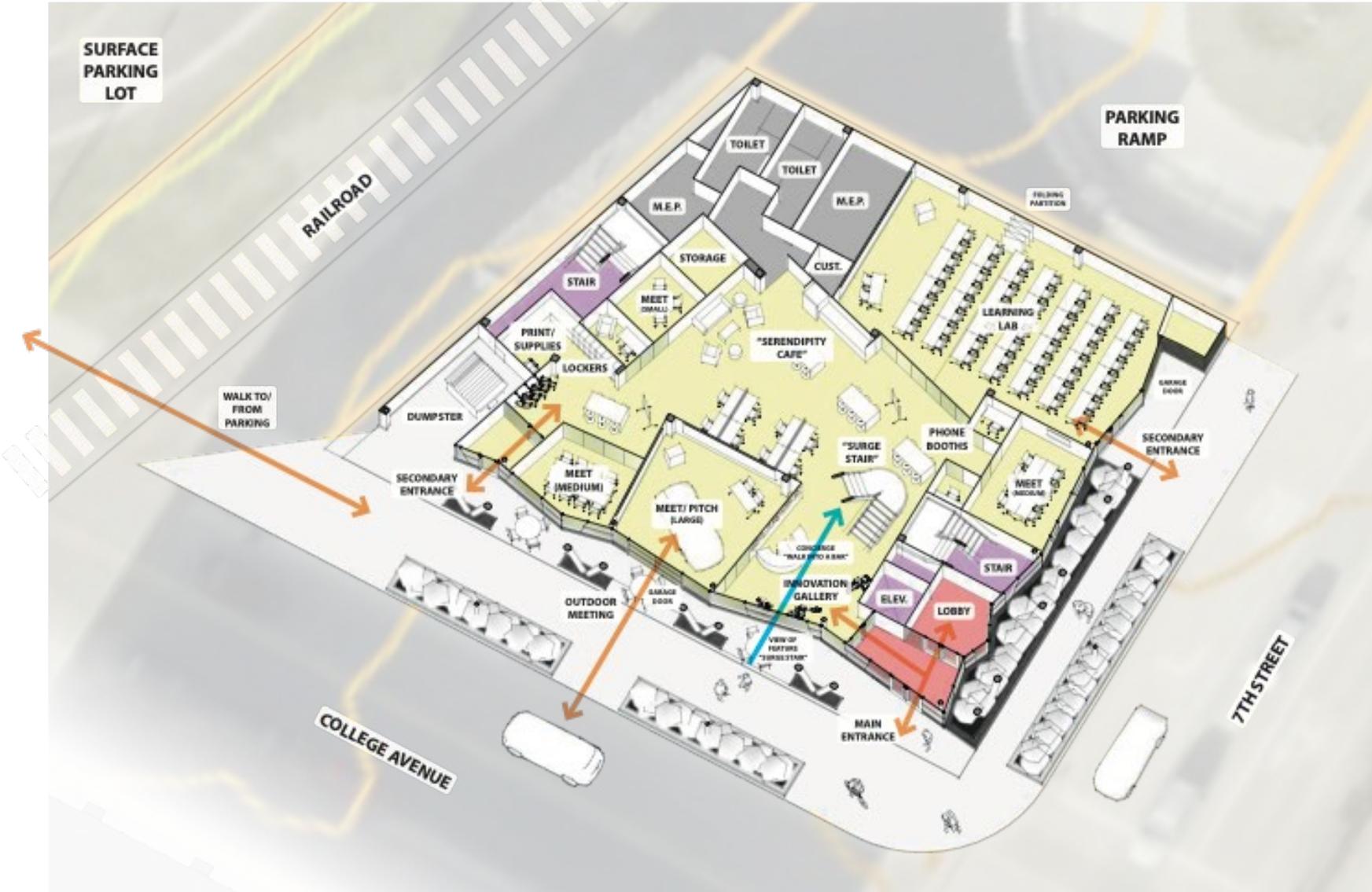
Exterior Design Concept



*Update per review of initial concept.*

# HOLLAND SMARTZONE INNOVATION CENTER

First Floor



# SURGE STAIR

Inspiration: Create a memorable feature visible from the street using form and color.



# Next Steps: Permanent Location

Costs finalized in February 2022

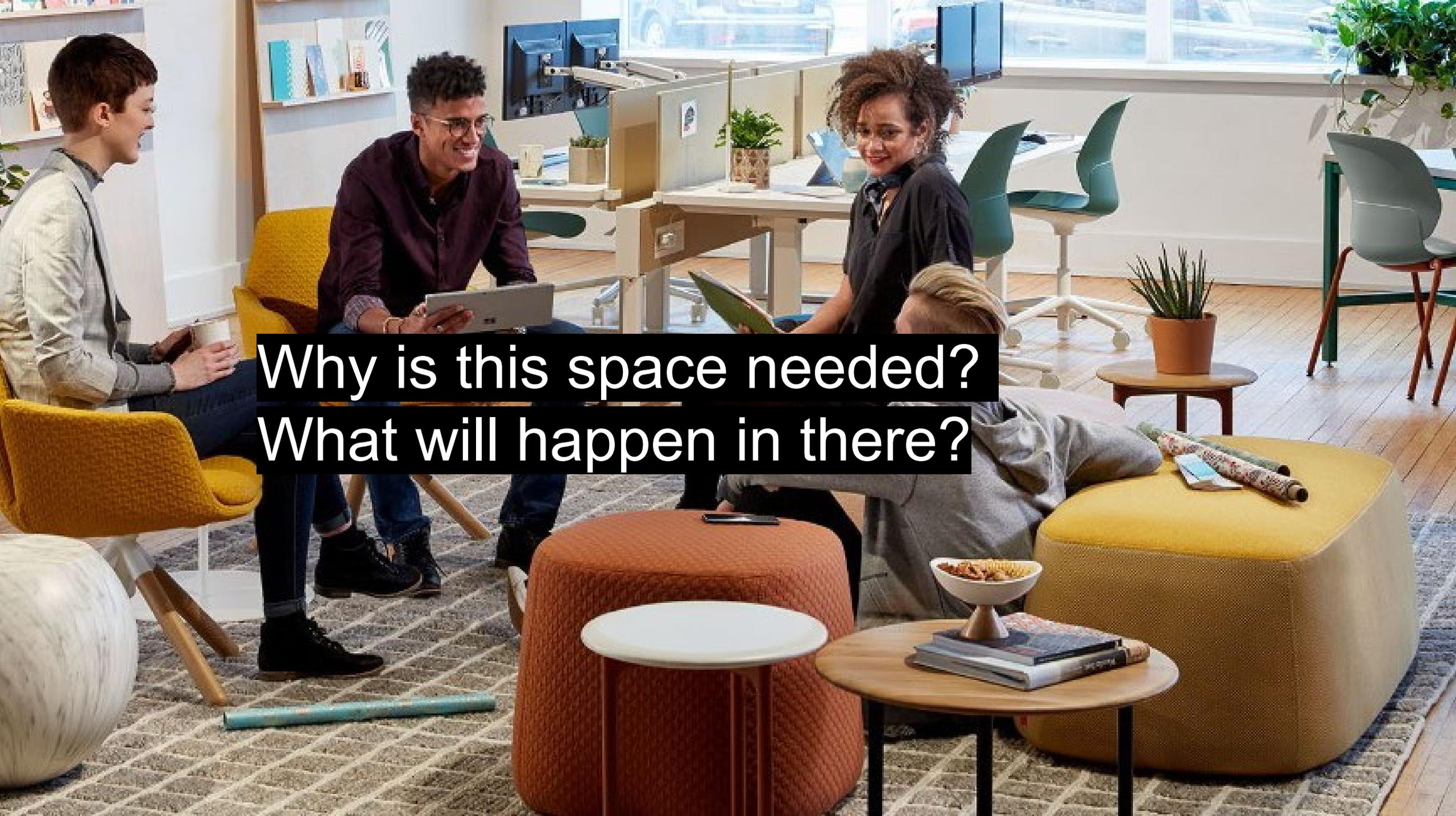
- Additional LDFA meeting may be required

Overall building cost will exceed SmartZone resources

- Additional fundraising led by Lakeshore Advantage required

LDFA to cover incubator lease costs

Lakeshore Advantage to serve as the lessee

A modern office lounge area with four people sitting on colorful ottomans (yellow, orange, and grey) and talking. The room features a patterned rug, small wooden tables with snacks and books, and a background of office desks and cubicles. A large black text box is overlaid on the center of the image.

**Why is this space needed?  
What will happen in there?**

# Awareness Building & Programming



SURGE Meetups



Entrepreneurial Support Network



SURGE DAYS – Co-Work Together



SURGE Boostcamp  
Validate business idea

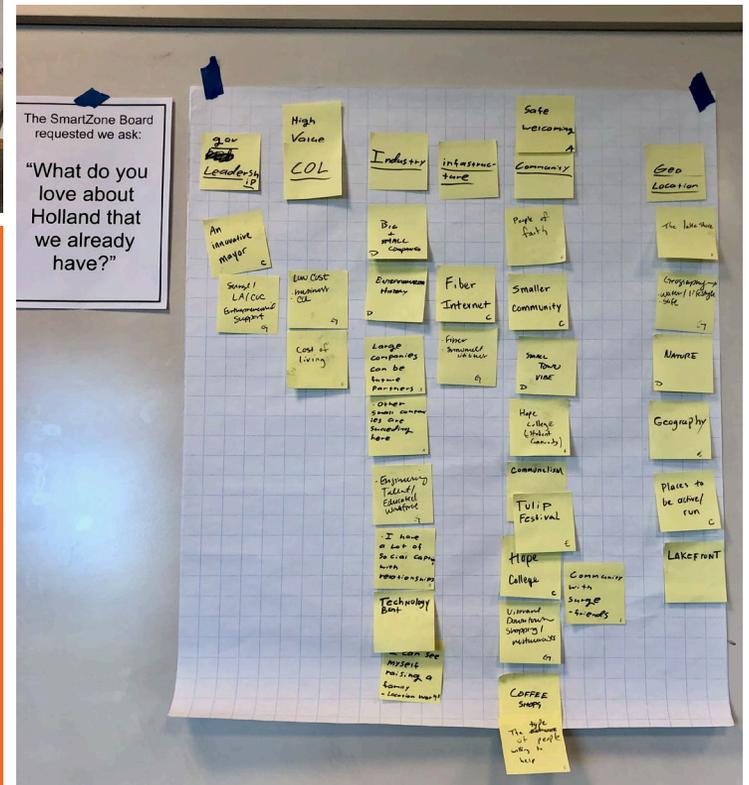
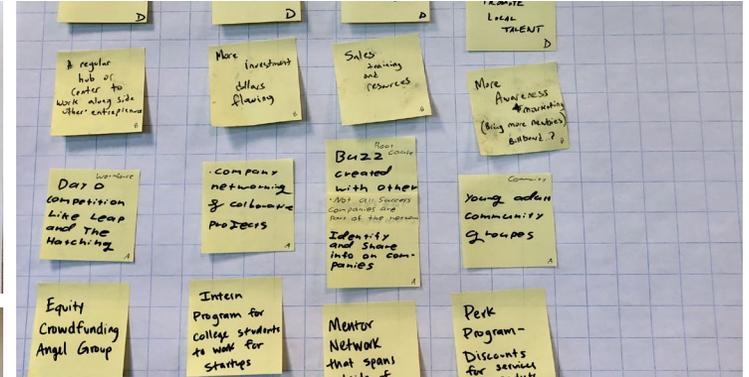
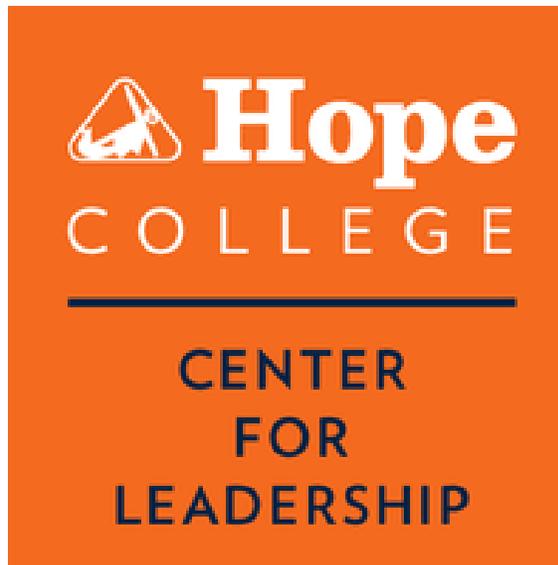
# 2020: Validate the initial plan

**The mission of the Holland SmartZone**  
is to create a density of high-tech/high-growth companies within designated geographical boundaries by providing high-value resources and community assets that support innovation and economic growth.

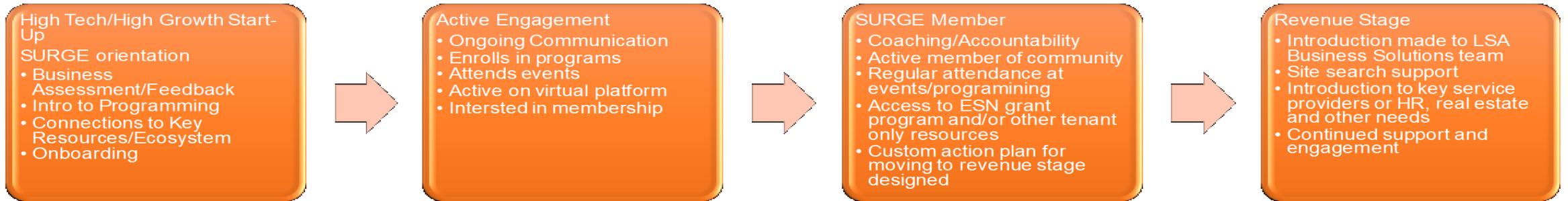
As a thought leader in our ecosystem, we would like to invite you to participate in a facilitated brainstorming session to help us identify opportunities for infrastructure and amenities that will attract technology entrepreneurs and innovators to the Holland SmartZone.

**SURGE Brainstorming Session Target Criteria**

1. Can be done/implemented within a reasonable timeframe (< 18 months)
2. Solves an immediate problem (lack of is a deterrent to future growth)
3. Helps/can be enjoyed by the community at large
4. Will attract high tech and innovative companies to the SZ or enable you to stay and grow here
5. Wow factor - would make a founder say "I need to be in West Michigan because..." - have you seen this somewhere else, in other communities, possibly, and said "I wish we had this in Holland."
6. Has longevity (will stand the test of time) (still around in 5 years)
7. New project - not a maintenance project
8. Can easily be assigned to existing organization and their goals



# SURGE Journey



- 
- Shared values
  - Shared goals
  - Shared accountability



Not a real estate play or revenue generator.



It's a community future investment

# Short Term Plan

**SURGE**

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# Pilot Goals



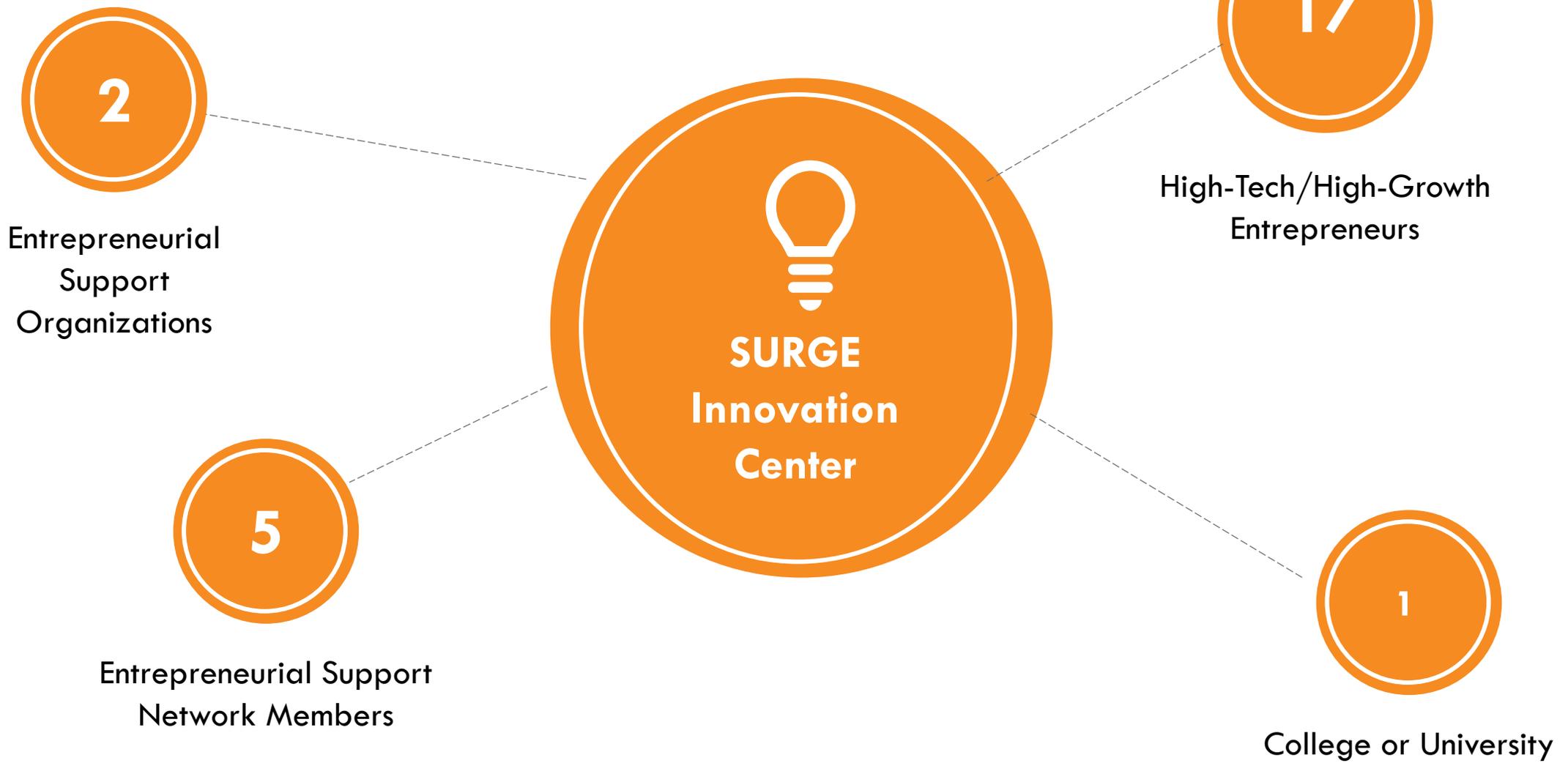
Membership & Community

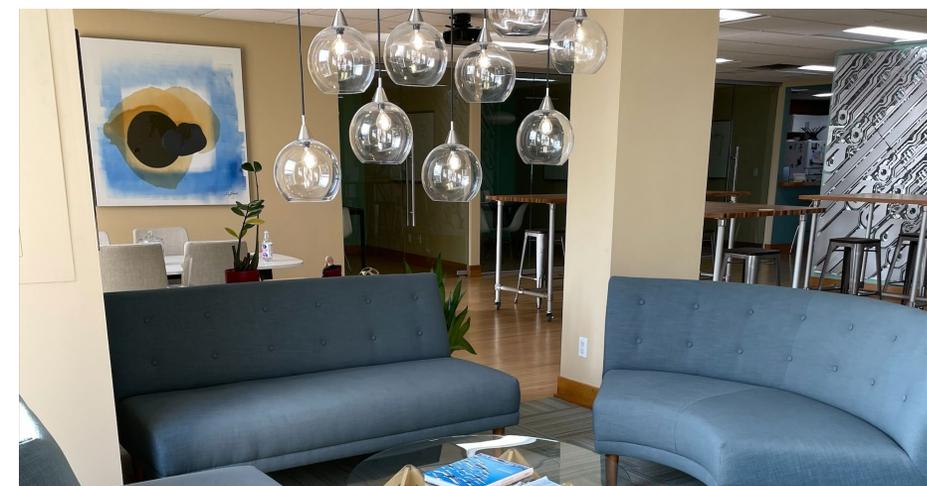
Programming & Coaching

Space Utilization

Operations & Policies

# Outreach & Interest





# Interim Pilot Plan

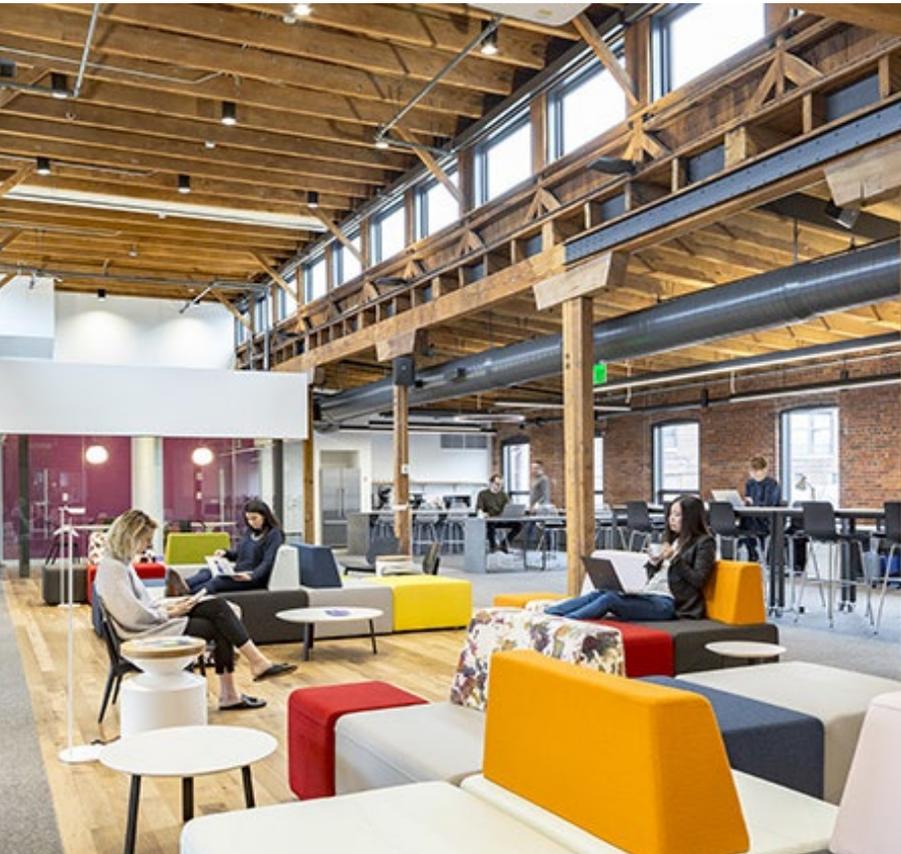
44 East 8<sup>th</sup>, 4<sup>th</sup> Floor  
Move in ready co-location  
Sub-lease up to two years  
Up to 4,000 square feet  
Lease cost funded by SmartZone  
beginning in Q1 2022

# Tenant Cost & Goals

## 2022 GOAL

15 tenants

\$25,000 in revenue



## MONTHLY MEMBERSHIP COST

- Startup Virtual \$50
- Startup \$95
- Partner (individuals) \$150
- Partner (organizations) \$350

\*Discounted rates for early adopters

# Pilot Space & Next Steps

- Smaller footprint intended for Jan-June.
- Rent for pilot to be billed through programming budget for remainder of FY 2022 budget.
- Lakeshore Advantage maintains the lease and administers incubator.
- No amendment needed for FY 2022 of budget.
- Financials presented in Q1 for FY 2023 needs for full space and staffing.

THANK YOU!

Questions

**SURGE**

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