



MARQUETTE CITY LOCAL DEVELOPMENT FINANCE AUTHORITY (LDFA) Monday, July 21, 2025 Meeting Minutes

Call to Order The meeting was called to order at 3:54 p.m. by Leslie Hartman.

Roll Call Leslie Hartman (Chair), Stacy Boyer-Davis (Secretary), Bruce Heikkila; Excused absences: Steve Adamini, Brian Cherry; Others: Mary Schlicht, and Joe Thiel.

Guests: Paulette Perttunen, Jaimi Cawley

Note of Agenda Changes: No changes

Approval of Agenda: Motion made by Heikkila, seconded by Boyer-Davis. Approved unanimously.

PUBLIC COMMENT: No public comment

NEW BUSINESS:

1. Minutes from the January 21, 2025 meeting approved. Motion made by Heikkila, Seconded by Boyer-Davis. Approved unanimously.
2. Innovation Marquette Enterprise-SmartZone: Joe Thiel presented operations, marketing and communication, strategic planning, and financial updates.

Operations:

Joe Thiel presented an operations update.

The Innovate Marquette Board of Trustees roster is nearly complete with only three (3) positions remaining open.

IMQT is filling an outreach and engagement coordinator position.

A five-year (2020–present) historical timeline highlighting key milestones, growth, major decisions, and significant events was developed and presented.

New visualizations have been developed to illustrate IMQT clients' funding stages and overall value.

A formal evaluation of the Innovate Marquette client cohort has been valued at \$25.6 million.

Marketing and Communications:

Quarter 2 media highlights were presented including results from the ORIAN and UP Outdoor Summit (130 attendees) and Peak25 (formerly Innovation Week – 840 attendees). Key outreach and engagement metrics were reviewed and compared with annual goals.

Several clients were highlighted and discussed including:

SwimSmart:

In April, SwimSmart received a \$450K grant to advance its smart beach safety technology, developed in partnership with Innovate Marquette. This funding supports the expansion of real-time water safety systems from Marquette to coastal communities across the U.S. and internationally, enhancing public safety through innovative sensor and communication solutions.

Syncurrent:

Syncurrent is a Marquette-based AI-powered platform founded in 2021, evolving from a business tool called Hive at Innovate Marquette SmartZone. It automates the complex process of discovering suitable federal, state, and philanthropic funding opportunities, transforming a task that typically takes months into mere minutes, thereby empowering underserved rural municipalities and Tribal Nations to efficiently access vital grant resources. The company has achieved several major milestones, including becoming the first AI startup to secure a USDA Rural Development grant in late 2024 and forging a historic 10-year partnership in early 2025 to provide its platform free to all 574 federally recognized Tribal Nations, reinforcing its mission to enhance data sovereignty and equitable access to capital. Syncurrent recently added two (2) new jobs resulting from their growth.

Strategic Planning:

The Michigan legislature is preparing to reopen the Tax Increment Financing (TIF) deadline for SmartZones set to expire in 2029, part of the proposed "SmartZone 2.0" initiative aimed at extending and enhancing the program. IMQT is actively engaged in these discussions to help shape the updated legislation.

IMQT has created new visualizations to graph their clients and their various stages of funding and value. Strategic goals for 2025, focusing on key areas of growth and impact, were compared with actual results YTD through Q2.

Job Creation: *Not Yet Met*

Goal: Create 25 full-time (W2) jobs and 20 contract (1099) jobs.

Results: 10 full-time (W2) jobs and 17 contract (1099) jobs have been created.

Follow-on Funding: *Not Yet Met*

Goal: Secure \$2 million in follow-on funding for 2025.

Results: \$1,764,840 in follow-on funding secured.

Intellectual Property (IP):

IP Research: *Not Yet Met*

Goal: Research 10 new intellectual property opportunities.

Results: 7 new intellectual property opportunities researched.

IP Applications: *Not Yet Met*

Goal: Apply for 15 patents.

Results: 9 patent applications.

IP Issuances: MET

Goal: Achieve 2 issued patents.

Results: 5 patents issued.

Commercialization: MET

Goal: Support the commercialization of at least 3 new technologies.

Results: 7 technologies have reached commercialization.

Licensing Conversations: MET

Goal: Initiate at least 3 new licensing conversations

Results: 9 licensing conversations initiated.

Licensing Deals: MET

Goal: Secure 1-2 licensing deals per year.

Results: 5 licensing deals secured.

Joe provided the Board with an update on current action plan initiatives, including:

- **Applying for a \$90K state grant** to expand the Central UP plan from the ORIAN initiative into a comprehensive toolkit for small municipalities across Michigan.
- **Projecting new job opportunities** in trail building, entrepreneurship, outdoor product development, and outdoor recreation technologies.
- **Pilot testing in Negaunee**, featuring an electric outdoor unit and modular outdoor canopy designed to facilitate last-mile delivery of recreational gear and services.
- **Marketing to prospective outdoor enthusiasts**, showcasing the UP's unique offerings while prioritizing accessibility for individuals with limited mobility.

These initiatives build on Innovate Marquette's Outdoor Recreation Innovation Action Network (ORIAN), a collaborative led by CUPPAD and IMQT. Funded by a \$320K EDA grant, ORIAN aims to diversify the regional economy through strategic outdoor innovation, developing electric-trail feasibility studies, business databases, summits, and more

Financial (YTD):

Net operating income approximately \$319K, ahead of budget by \$160K.

Cash on hand \$977K, exceeding budget projections by \$460K, providing investment opportunities.

3. **FY 25 – LDFA Distribution of TIF Funds to Innovation Marquette Enterprise Corp:** Motion made to distribute \$600,290.35 of TIF Funds to Innovation Marquette Enterprise Corp by Heikkila, Seconded by Boyer-Davis. Approved unanimously.
4. **Interlocal Agreement between LDFA and MBRA – 401 W. Washington Street:** A motion was made to support the interlocal agreement between the LDFA and MBRA – 401 W. Washington Street by Boyer-Davis. Seconded by Hartman. Heikkila did not support. Majority vote in acceptance of the agreement.

5. **FY 26 LDFA Budget Process:** A motion was made to recommend approval of the FY 26 budget totaling \$2,646,200 (\$2,246,200 property taxes – state; \$400,000 property taxes – local) by Boyer-Davis. Seconded by Heikkila. Approved unanimously.
6. **City Commission Presentation:** The LDFA Board requests to present at an upcoming meeting later this fall, as members are unavailable in August.

Comments from LDFA Board members

Open board seats and initiatives to fill them.

The MAPS/MARESA School Boards can have up to two representatives on the LDFA Board. The LDFA Board will engage with MAPS/MARESA to encourage their participation on the LDFA Board.

The City will be providing professional development opportunities for all board members.

Adjournment

5:09 pm

Stacy Boyer-Davis