



# **MARQUETTE CITY LOCAL DEVELOPMENT FINANCE AUTHORITY (LDFA)**

## **Monday, January 19<sup>th</sup>, 2026**

Regular Meeting at 4:00 p.m.

Meeting location is Room 103, Marquette City Hall – 300 West Baraga Ave.

**Call to Order**

**Roll Call**

**Note of Agenda Changes**

**Approval of Agenda**

**Election of Officers**

**PUBLIC COMMENT:** Comments may not exceed three minutes per person. Citizens may reserve time to speak on agenda items. This may result in the item being moved up on the agenda, at the Chair's discretion.

**NEW BUSINESS:**

1. Approve previous meeting minutes
2. Innovation Marquette Enterprise-SmartZone Financial Report and Operations Update
  - *Board member requested: List of businesses and individuals that worked with IMEC and still have a physical presence in Marquette County as of this meeting date. Please list the number of employees*

**Comments from LDFA Board members**

**Adjournment**

**Future Meeting Dates:**

**Monday, April 20, 2026**

**Monday, July 20, 2026**

**Monday, October 19, 2026**



## MARQUETTE CITY LOCAL DEVELOPMENT FINANCE AUTHORITY (LDFA)

### Monday, October 27, 2025 Meeting Minutes

**Call to Order** The rescheduled meeting was called to order at 7:57 a.m. by Leslie Hartman.

**Roll Call** Leslie Hartman (Chair), Stacy Boyer-Davis (Secretary), Bruce Heikkila, Mary Schlicht, and Paulette Perttunen in lieu of Joe Thiel (absent). Excused absences: Steve Adamini, Brian Cherry.

**Guests:** None

**Note of Agenda Changes:** The LDFA Board meeting, originally scheduled for October 20, 2025 at 4 pm was not held due to lack of quorum. The October 27, 2025 meeting replaced the October 20, 2025 meeting.

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

**PUBLIC COMMENT:** No public comment

#### **NEW BUSINESS:**

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

#### **Operations:**

Paulette Perttunen presented an operations update. A state-wide SmartZone funding analysis report prepared by Public Sector Consultants was presented. This information can be used to benchmark the use of tax increment (TIF) revenue by SmartZone across Michigan. A link to the full report is found below.

Innovate MQT introduced a new program that provides each employee with up to \$5,000 per year for professional development. The amount is subject to pro-rating over a two-year period, with repayment required if the employee leaves the organization within one year.

The LDFA Board requested a functional expense allocation to illustrate the proportion of program and service costs compared to administrative expenses. In addition, the Board asked for a yield analysis of clients who were not successful, to be compared against the overall churn rate. The Board also discussed the source of the W-2 and 1099 information provided by Innovate Marquette, originating from client surveys.

A feasibility study is being conducted for an innovation center (proto-lab) at a site behind the former BioLife building. Paulette stated that the Shophouse Park project is not moving forward.

[https://publicsectorconsultants.com/wp-content/uploads/2025/07/SmartZone-Funding-Analysis\\_Final-Report.pdf](https://publicsectorconsultants.com/wp-content/uploads/2025/07/SmartZone-Funding-Analysis_Final-Report.pdf)

Local Unit	Service Provider	TIF Plan Expiration Date	Total	Percentage Share of Total
Adrian-Tecumseh	Lenawee Now	2029	\$629,941	0.7%
Ann Arbor-Ypsilanti	Ann Arbor SPARK	2032	\$43,118,823	46.8%
Battle Creek	Battle Creek Unlimited	2031	\$497,471	0.5%
Jackson-Blackman Township	Lean Rocket Lab	2038	\$788,685	0.9%
Detroit	TechTown	N/A	\$0	0.0%
Lansing-East Lansing	Lansing Economic Area Partnership	2027	\$2,043,156	2.2%
Grand Rapids	Spartan Innovations/StartGarden	2032	\$8,708,829	9.4%
Hancock-Houghton	MTEC	2033	\$6,366,780	6.9%
Holland	Lakeshore Advantage	2031	\$1,570,529	1.7%
Kalamazoo	WMed Innovation Center	2017	\$634,543	0.7%
Marquette	Innovate Marquette	2029	\$5,672,950	6.1%
Midland	Midland Business Alliance	2029	\$551,112	0.6%
Mount Pleasant	CMURC	2022	\$212,399	0.2%
Muskegon	Muskegon Innovation Hub	2025	\$1,085,398	1.2%
Rochester Hills	OUINC	2020	\$1,081,536	1.2%
Port Huron	The Underground	2034	\$2,186,234	2.4%
Sault Ste. Marie	Sault Ste. Marie EDC	2024	\$460,524	0.5%
Southfield	Centrepolis Accelerator	2034	\$3,888,127	4.2%
Sterling Heights	Velocity Center	2031	\$10,797,041	11.6%
Troy	Automation Alley	2034	\$2,487,843	2.7%
<b>Total Capture</b>			<b>\$92,781,921</b>	

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**EXHIBIT 2. SmartZone Total Tax Increment Revenue, 2023**

Local Unit	Service Provider	2023 TIR Total
Adrian-Tecumseh	Lenawee Now	\$198,324
Ann Arbor-Ypsilanti	Ann Arbor SPARK	\$4,986,699
Battle Creek	Battle Creek Unlimited	\$162,458
Jackson-Blackman Township	Lean Rocket Lab	N/A
Detroit	TechTown	\$0
Lansing-East Lansing	Lansing Economic Area Partnership	\$484,975
Grand Rapids	Spartan Innovations/StartGarden	\$1,266,971
Hancock-Houghton	MTEC	\$1,140,170
Holland	Lakeshore Advantage	\$491,375
Kalamazoo	WMed Innovation Center	N/A, Expired in 2017
Marquette	Innovate Marquette	\$1,560,182
Midland	Midland Business Alliance	\$152,640
Mount Pleasant	CMURC	N/A, Expired in 2020
Muskegon	Muskegon Innovation Hub	\$86,205
Rochester Hills	OUINC	N/A, Expired in 2020
Port Huron	The Underground	\$160,148
Sault Ste. Marie	Sault Ste. Marie EDC	\$195,705
Southfield	Centrepolis Accelerator	\$848,492
Sterling Heights	Velocity Center	\$1,560,351
Troy	Automation Alley	\$146,534
<b>Total</b>		<b>\$13,441,229</b>

\*Not all of the SmartZones had submitted reports for 2023 at the time of the writing of this report.

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### **Marketing and Communications:**

Several clients were highlighted and discussed including the ORIAN outdoor recreation momentum grant. The largest job creators of Innovate Marquette are 906 Technologies and ABLE Medical. Jobs retained = 39 with an average salary of \$78,000.

### **Strategic Planning:**

#### **Job Creation: Not Yet Met**

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

*Results:* 13 full-time (W2) jobs and 28 contract (1099) jobs have been created.

#### **Follow-on Funding: Met**

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

*Results:* \$3,343,240 in follow-on funding secured.

### **Intellectual Property (IP):**

#### **IP Research: Not Met**

*Goal:* Research 10 new intellectual property opportunities.  
*Results:* 15 new intellectual property opportunities researched.

#### **IP Applications: *Met***

*Goal:* Apply for 15 patents.  
*Results:* 20 patent applications.

#### **IP Issuances: *MET***

*Goal:* Achieve 2 issued patents.  
*Results:* 7 patents issued.

#### **Commercialization: *MET***

*Goal:* Support the commercialization of at least 3 new technologies.  
*Results:* 20 technologies have reached commercialization.

#### **Licensing Conversations: *MET***

*Goal:* Initiate at least 3 new licensing conversations  
*Results:* 13 licensing conversations initiated.

#### **Licensing Deals: *MET***

*Goal:* Secure 1 licensing deals per year.  
*Results:* 19 licensing deals secured.

#### **Financial (YTD):**

The FY26 budget and FY 25 financial statements were presented by Paulette. FY26 (10/1/2025 – 9/30/2026) budget expectations: Revenues \$3,201,983, Expenses \$2,853,530, Revenues in Excess of Expenses \$348,453. Cash expected at the end of the budget period: \$1,244,430.

FY25 estimated results (10/1/2024 – 9/30/2025): Revenues \$2,503,253, Expenses \$2,330,249, Revenues in Excess of Expenses \$173,004. Cash on hand \$795,978.

Innovate Marquette received a \$150,000 donation from SwimSmart.

Wages and fringe benefits account for roughly 33% of total expenses, compared to the nonprofit sector average of 35%. Likewise, programming costs represent 67% of total expenses, aligning closely with the nonprofit average of 65%.

3. **FY 26 – LDFA Distribution of TIF Funds to Innovation Marquette Enterprise Corp (75% of the 7/1/2025 levy):** Motion made to distribute \$1,980,452.51 of TIF Funds to Innovation Marquette Enterprise Corp by Boyer-Davis, Seconded by B. Heikkila. Approved unanimously.
4. **Meeting Schedule for Calendar Year 2026:** A motion was made by B. Heikkila (second – S. Boyer-Davis, Approved unanimously) to modify and accept the proposed meeting dates for 2026 as follows:

- Monday, January 12, 2026 (in lieu of Tuesday, January 20, 2026)
- Monday, April 20, 2026
- Monday, July 20, 2026
- Monday, October 19, 2026

5. **City Commission Presentation:** The LDFA Board will present to the City Commission on December 8, 2025 at 6 pm. Leslie Hartman will present on behalf of the LDFA Board.

**Comments from LDFA Board members**

The LDFA board is struggling to fill open seats.

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 Board expressed their appreciation to Paulette for delivering the presentation on Joe's behalf. They commended her for stepping in seamlessly, providing a clear and thorough overview, and ensuring that all key points were effectively communicated. The Board acknowledged her professionalism and preparedness in representing the team so well.

**Adjournment**

8:36 am

DRAFT