

**MINUTES
CITY OF FARMINGTON HILLS
ECONOMIC DEVELOPMENT CORPORATION
January 15, 2014 – Regular Meeting**

The Economic Development Corporation of the City of Farmington Hills held its regular meeting on Wednesday, January 15, 2014, in the Community Room at City Hall. Chairman Anhut called the meeting to order at 8:00 a.m.

Members present: Anhut, Elliott, Gatewood, Hartsock, Jacknow and Marcellino

Members absent: Brock, Manduzzi and Sarafa

Also present: Economic Development Director Cappola

APPROVAL OF AGENDA

MOTION by Jacknow, support by Hartsock, to approve the agenda as published.

Motion carried unanimously.

APPROVAL OF MINUTES

MOTION by Hartsock, support by Elliott, to approve the regular and annual meeting minutes of December 18, 2013 as published.

Motion carried unanimously.

CHAIRMAN'S REPORT

Chair Anhut distributed newspaper articles entitled *Michigan Migration: More People Moving into State*; and *ACO Stores to Join Ace Hardware Brand*. He spoke about progress and significant investment at the new car dealership located at Grand River Avenue and 10 Mile Road.

Discussion took place regarding traffic challenges in the area of Grand River Avenue and 10 Mile Road.

Chair Anhut thanked the Board for their participation in the recent Business Forum on January 13, 2014.

Mr. Elliott said Millennium Health Care recently moved from Southfield into a 100,000 square foot location in the Triatria Building; bringing with them 300 positions.

Chair Anhut said the Small Business Roundtable was ready to launch, and a meeting will be set in February.

Ms. Cappola provided a brief update regarding the North American Lighting project. She said NAL has been in Farmington Hills since 1993, and have grown from 30 to 200 employees. She spoke about the company's quiet but significant corporate citizenship efforts in the community. She said in a recent Study Session, City Council received information regarding the project and expressed their support for the industrial property tax abatement. Ms. Cappola said on February 10, 2014, the company will go before the City Council for the final approval, and she thanked the Board for their resolution of support.

NEW BUSINESS / OLD BUSINESS

Ms. Cappola said Lawrence Technological University was one of the area's best kept secrets. She introduced Mr. Brucki, Executive Director of Economic Development Director and Government Relations University Advancement. She said he is responsible for corporate partnerships that increase their applied research and industry; generates philanthropic support for university initiatives; looks to strengthen campus recruiting and leads the LTU Collaboratory. Ms. Cappola said LTU students create technology that can be commercialized and seek early and second stage companies who can benefit from this technology.

Mark Brucki, Executive Director- Economic Development Director and Government Relations University Advancement

Mr. Brucki thanked the Economic Development Corporation. He said about ten years ago LTU moved from a strictly teaching university to one that has applied research, such as practical systems engineering and helping real companies develop and move into the marketplace. He said they strive to create engineers, scientists, planners, designers and technology leaders with hands-on experience.

Mr. Brucki explained his position Executive Director of Economic Development and Government Relations University Advancement. He provided information that emphasized the following:

- Architectural engineering degree program;
- Robotics program to foster research and development (automotive, medical, etc.);
- Modeling and simulation (Michigan's first master's degree program);
- They partner with National Center for Manufacturing Sciences (Ann Arbor) to establish a digital manufacturing center at LTU;
- Changed LTU schedules to accommodate daytime, evenings and weekend classes;
- Student housing has been added, as well as sports programs;
- Urban planning and design center has been added, with groundbreaking in Detroit;
- In September, the addition of the Taubman Engineering, Life Sciences and Architecture Building;
- The focus is upon research and development, entrepreneurship, and grant received for the creation of the rotating position of Engineering Entrepreneur in Residence;
- The genesis of the partnerships and launching of the LTU Collaboratory, to incorporate the entire campus, and the Michigan I-Corps at LTU to provide business services such as mentoring to business start-ups

Ms. Cappola introduced Francis "Tex" Criqui, Engineering Entrepreneur in Residence Team Lead-LTU Entrepreneurial Collaboratory.

Francis "Tex" Criqui, Engineering Entrepreneur in Residence Team Lead-LTU Entrepreneurial Collaboratory

Mr. Criqui spoke about the Collaboratory and the Michigan Innovation Corps Program being launched at LTU to help businesses and students move into the commercialization environment. He gave a brief background of his involvement and experience, and showed a power point presentation with the following focus:

- Capability growth model, entrepreneurship growth at LTU;
- Universal Problem (building a mechanism from graduation to success in the workplace);

- The Entrepreneurial Shortfall (what startups lack in terms of an organized approach and sufficient funding);
- LTU Innovation Corps (comparison discussion between the NSF I Corps, the Michigan I Corps and Michigan I-Corps at LTU, the competitive nature of the programs, grants or non-grants status, and participation levels and time commitments);
- Generic Business Model (value proposition that is the center of the business model canvas: how to find customers, how they relate to value proposition, key resources and activities, and a forecast for a revenue stream; and what is required to make the company succeed);

Mr. Brucki spoke about the technology component and that it encourages participants to get out and speak to people; a unique change in approaching business opportunities.

- Range of Services offered: research and development, application development, start-up, stages 1 and 2 and the range of LTU Collaboratory services, IT; and they are working to improve access to significant resources relative to human resources;
- Investment Readiness Level provides a metric for comparisons between a business and their competitor's business (aspire to have graduates being accepted post-graduation);
- Current Portfolio Pipeline (Investment Readiness Level, also have two provisional patents awarded, one application pending, and one discontinued);
- AAS – Almost shovel ready (spoke about the first project brought to LTU by Collaboratory (medical prosthetic; Completing Phase 1 of the Commercialization process; Investment readiness Level: 6);
- The Next Gen Business Accelerator (LTU objective, partnering with locals, additional workshops, intellectual property, product development, project management, and funding startups)

Discussion took place regarding the admission process, (traditional admission process and it is open to students as they work their way through the degree process). Mr. Criqui said they need both types to create a community groundswell. Mr. Brucki said out of the 26 companies, half are students and half are from outside.

Mr. Brucki said LTU does not have a financial interest in patent rights, and that the return for LTU is through the benefit of, and service to, their students; such as getting internships, starting their own business or achieving employment. He said it brings additional attention to LTU, expands connections with the community, and is something else to offer to the community at different levels. Mr. Brucki spoke about the potential for a future subsidiary funding mechanism. He said this was part of a degree program and an outside activity.

Mr. Criqui said the program was not traditional; it is not a class, there are no exams, no pass/fail, and no credits. He said they get what they put into it. However, he added that they do have a unique relationship with some partners. He spoke about the four-phase process of commercialization. He said that students are chosen by interview.

Discussion ensued regarding the AAS project, the process, and career services for students. For students with a business idea, LTU has walk-in Wednesdays for discussions. He described the various levels of engagement and outreach.

Ms. Cappola spoke about the creative opportunities available from LTU. Start-ups and second stage companies can be mentored through the LTU Collaboratory. She said these potential new businesses could be seated in Farmington Hills.

Ms. Cappola discussed the collaboration and mentoring opportunities, and that the LTU Collaboratory adds R & D resources and services to Farmington Hills middle market companies. She spoke about how the EDC and Economic Development Director can help by making introductions to smaller and medium sized companies in Farmington Hills seeking new ideas or to have their internal R & D expanded; and advising larger international companies about ideas or products that may be of investment interest to them. Ms. Cappola said there are Farmington Hills entrepreneurs in search of ideas or technology to commercialize. Companies coming out of LTU could be expanded within Farmington Hills, growing the employment base over time with diverse technologies.

Chair Anhut inquired about the student body at LTU.

Mr. Brucki said they have about 3,000 at the undergraduate level; and about 1,500 at the masters and doctoral level. Regarding housing, he said they have about 650 students on campus, and another 80-100 at Arbor Lofts. He noted that they have the largest percentage of international students in Michigan, coming from 26 countries and 45 different states.

Chair Anhut thanked Mr. Criqui and Mr. Brucki for their information.

COMMITTEE REPORTS

None

TREASURER'S REPORT

MOTION by Marcellino, support by Elliott, to accept the financial report for December, 2013, as published.

Motion carried unanimously.

Chair Anhut said the Economic Development Corporation meeting was scheduled for February 19, 2014.

ADJOURNMENT

There being no further business, Chairman Anhut adjourned the meeting at 9:05 a.m.

Respectfully submitted,

City Manager Steve Brock
Secretary, Economic Development Corporation