

CITY OF STERLING HEIGHTS
Regular Meeting of the
LOCAL DEVELOPMENT FINANCE AUTHORITY
6633 18 Mile Road, Sterling Heights
VELOCITY BUILDING
December 16, 2025
8:00 AM

MEETING CALLED TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

APPROVAL OF AGENDA

Approval of special meeting minutes on 10/21/2025

CONSENT AGENDA

NEW BUSINESS

1. Consider the Consultant Agreement between the City of Sterling Heights Local Development Finance Authority and Katie Nida, an independent contractor for the role of SBSH Grant EIR.
2. Consider the Consultant Agreement between the City of Sterling Heights Local Development Finance Authority and Meghan Hubbs, an independent contractor for the role of Small Hubs Support Grant Manager.
3. Consider the proposal to extend the contract with Strategiz for SmartZone Renewal.

OLD BUSINESS

PUBLIC COMMENT

ADJOURNMENT

VELOCITY UPDATES

CITY OF STERLING HEIGHTS
LOCAL DEVELOPMENT FINANCE AUTHORITY
MINUTES OF THE REGULAR MEETING
October 21, 2025
6633 18 Mile Road, Sterling Heights, MI 48314
Velocity Building

Scott Kalinowski called the meeting to order at 8:04 am.

Pledge of Allegiance

Members present at roll call: Jeanne Schabath-Lewis; Michael Balsamo; Saamer Mansoor; Riley Maher; Ted Chudzik; Susan Andrzejewski; Ashley Kozler; Vicky Rowinski; Phillip Hunsberger; Stacy Ziarko; AJ Doppke; Geoff Clark; Vickie Malinowski

Members absent:

Also in attendance: Scott Kalinowski, Velocity Center Manager; Jason Castor, City Development Director – City of Sterling Heights; Hannah Babbitt, Risk Management Coordinator – City of Sterling Heights; Angel Cartolano Tuck, Management Assistant Economic Development – City of Sterling Heights

Introduction

Scott Kalinowski introduced Angel Cartolano Tuck, the new Management Assistant for the Economic Development department within Sterling Heights. She moved to the Velocity building in October and is the new liaison to the Economic Development boards and commissions.

Motion to Approve the Agenda

Moved by Schabath-Lewis, supported by Balsamo to approve the Agenda as presented.

- A. To approve the minutes of the Regular Meeting of August 19, 2025.

Ayes: All

Nays: None

Motion carried.

New Business

To Consider the Insurance Renewal for the Velocity Building.

Ms. Babbitt presented the renewal documents for City of Sterling Height's LDFA's December 15, 2025 renewal with the MMRMA. The premium is up by \$583 (4%), which is primarily due to market

conditions. Ms. Babbitt also noted that property deductibles have increased for all of membership from \$1000 to \$1500 per occurrence. Ms. Babbitt mentioned the LDFA is eligible to receive a total of \$3136 back in distributions this year.

Moved by Ziakro, supported by Schabath-Lewis to approve the insurance renewal between MMRMA and the Local Development Finance Authority (LDFA).

Old Business

Public Comment

None

Velocity Updates

Mr. Kalinowski provided an update that Luke Bonner, CEO Bonner Advisory Group would be heading to Lansing to testify regarding SB 723 the state's Transformational Brownfield Program.

Adjournment

Moved by, supported by Mansoor.

Ayes: All

Nays: None

Motion Carried.

The meeting adjourned at 8:43 AM.



Business of the Local
Development Finance Authority
Sterling Heights, Michigan

Meeting: 12/16/25

AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: Consider this amended Small Business Program Manager Agreement between the City of Sterling Heights Local Development Finance Authority and Meghan Hubbs, and a new SBSH EIR Contract with Katie Nida.

Submitted By: Velocity

Contact Person/Telephone: Paula Macpherson, Executive Director

Administration (initial as applicable)

Attachments

<input type="checkbox"/> City Clerk	<input checked="" type="checkbox"/> Resolution	<input type="checkbox"/> Minutes
<input type="checkbox"/> Finance & Budget Director	<input type="checkbox"/> Ordinance	<input type="checkbox"/> Plan/Map
<input type="checkbox"/> City Attorney (as to legal form)	<input checked="" type="checkbox"/> Contract	<input checked="" type="checkbox"/> Other
<input type="checkbox"/> City Manager		

☐ Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office

Executive Summary:

In November 2023 Governor Whitmer joined the MEDC to announce that **27 organizations** have been selected to serve as entrepreneurial hubs across the state of Michigan, following the passage of the \$75 million Small Business Smart Zones and Business Accelerators initiative. Velocity was awarded \$1.8 million over 2.75 year. This Small Business Support Hub Grant (SBSH) is federally funded through ARPA funds.

Objectives of the SBSH Grant:

- Support small businesses disproportionately impacted by COVID-19
- Strengthen and/or establish locally relevant, regionally based ecosystems to cultivate a more inclusive, accessible and effective entrepreneurial ecosystem.
- Position small business support hubs to increase the number of businesses served through new and scaled programming, technical assistance and other support services.
- Increase access to regional, statewide and national small business support resources.
- Expand geographic reach of network partners into underserved and rural areas.
- Raise the national profile of Michigan's small business ecosystem.

Per the SMALL BUSINESS SUPPORT HUBS PROGRAM GRANT AGREEMENT BETWEEN THE MICHIGAN STRATEGIC FUND AND LOCAL DEVELOPMENT FINANCE AUTHORITY, STERLING HEIGHTS, MICHIGAN (DBA VELOCITY)

b) Eligible Costs and Eligible Activities. Grantee may expend Grant funds on any of the following combination of costs and activities, provided it is not an Ineligible Cost, Obligated and Expended on or after December 18, 2023, through September 30, 2026 (except for Direct Grants to Eligible Small Businesses, which must be Obligated by February 1, 2026) (“Eligible Costs” or “Eligible Activities”):

(i) Costs associated with strengthening the Entrepreneurial Hub to directly support Eligible Small Businesses:

1. Personnel;
2. Purchase of upgrades to systems and technology up to \$4,999 per unit;
3. Purchase of fixtures, furniture, and/or equipment up to \$4,999 per unit;
4. Purchase of supplies, hardware, and/or software up to \$4,999 per unit;
5. Professional development and training including certifications, memberships, subscriptions, licenses, and continuing education;

And Section 3.16 Unused Funds.

Any Grant funds disbursed to the Grantee that are not actually distributed by the Grantee to each Sub-Grantee under a Sub-Grant or Expended by the Grantee, as applicable, by September 30, 2026, shall be returned immediately by the Grantee to the MSF, but no later than October 30, 2026 (unless a later date not to exceed the end of the Term is authorized in writing by the Grant Manager).

Velocity funds remaining in the SBSH Personnel budget line would be utilized in the contract adjustment and new contract request.

Suggested Action: Approve the adjusted contract for Meghan Hubbs of Greater Than, LLC. as Small Business Program Manager position.

Approve a new contract for Katie Nida in the role of EIR and Program Support for SBSH.

MOVED BY:

SECONDED BY:

RESOLVED, to approve the Contract with Meghan Hubbs as the Small Business Program Manager and Katie Nida as the SBSH EIR.

SMALL BUSINESS SUPPORT HUBS GRANT MANAGEMENT AGREEMENT

This Small Business Support Hubs Grant Management Agreement ("Agreement"), dated January 1, 2026 (the "Effective Date"), is between the City of Sterling Heights Local Development Finance Authority ("Authority" or "LDFA") and Meghan Hubbs, an independent consultant ("Consultant"). Consultant and the Authority are sometimes referred to herein each as a "Party" and together as the "Parties."

RECITALS

A. The Michigan Legislature enacted Public Act 248 of 2000 to amend 1986 PA 281 to promote the development of high technology businesses throughout the State of Michigan ("Act");

B. The Michigan Economic Development Corporation ("MEDC") was authorized by Public Act 105 of 2008 to designate three additional Certified Technology Parks within the State of Michigan by December 31, 2008;

C. On December 30, 2008, the MEDC, the City of Sterling Heights ("City"), and the Authority entered into the Sterling Heights SmartZone Agreement, as permitted under Section 12a(3) of the Act, for the designation of an Authority District to be subsequently identified as a SmartZone and to establish the terms and conditions of that designation ("Sterling Heights SmartZone");

D. All Tax Increment Revenues received by the Authority from the Sterling Heights SmartZone may be expended by the Authority for all purposes and in those amounts authorized under the Act and the approved Tax Increment Financing Plan ("TIFP");

E. Consultant acknowledges the overall mission of the Sterling Heights SmartZone and all related services, programs, and events conducted therein, is to promote the incubation of early stage companies and related local job creation primarily among technology-based entrepreneurial and newly formed companies, and the Authority's desire to expand the tax base within the geographic boundaries of the Authority District. In furtherance of these missions, Consultant will participate in the operation of an entrepreneurial and incubation services program for the purposes of commercializing technology and fostering the primary growth of new, technology-based businesses within the City, and the surrounding Macomb County community (such entrepreneurial and incubation services program being the "Velocity Center Incubator." The Velocity Center Incubator will strive to foster an environment of entrepreneurship, innovation, and collaboration to support the launch of these new businesses while assisting in the growth of existing companies predominantly in the areas of Manufacturing, Engineering and Technology (such new businesses and existing companies utilizing the VCI being referred to hereinafter as "clients").

F. On January 1, 2026, the Authority, approved Consultant as its new Small Hubs Support Grant Manager for the Sterling Heights SmartZone and authorized entering into an agreement whereby the Authority engaged Consultant to connect Velocity Center Incubator tenants and coworking tenants with resources to grow their businesses, lead initiatives designed to build a strong vibrant community at Velocity Center Incubator and connecting early stage tech companies with MEDC programs and resources.

Now therefore, Consultant and Authority agree as follows:

1. **Payment for Consultant Services.** Authority shall cause Consultant to be paid a total of \$8,888.88 monthly for 30-40 hours weekly for services as outlined in this Agreement, paid in nine (9) equal month installments. The Authority agrees to pay the invoice in full within ten (10) business days at the start of the month. In the event this Agreement is terminated for any reason whatsoever, Consultant shall be entitled to all monies due through the date of termination and the Authority will promptly reimburse the Contractor for all expenses incurred in the performance of her duties under this Agreement.

2. **Consultant Services.**

Consultant shall provide the following services:

- I. Supports the development and execution of Small Business Support hubs grant programs through project management and contract management.
- II. Manages contracts with service providers including providing administration, coordination, disbursement of funds, reporting and compliance, and survey/ evaluation efforts that lead to the deployment of small business support programming, technical assistance, and access to capital tools.
- III. Supports the development of RFPs, evaluation criteria, program applications, and other program documents.
- IV. Collaborates with key strategic partners across the region, including TA Providers, Small Business Support Hubs, local units of government, financial institutions, economic and community development organizations, small business support organizations, small business owners, etc., provides connections, networking, and referral support.
- V. Maintains Small Business Services' data through the development and implementation of process documents, reporting documents and monitoring plans. Interprets state and federal program reporting guidance and incorporates requirements into Velocity/ MEDC processes and systems.
- VI. Manages overall marketing and promotion of SBSH programming, through outreach, engagement, and storytelling. Markets and promotes success stories through appropriate media channels.
- VII. Supports ecosystem related training and education, including but not limited to presentations, collateral material, meeting agendas, and other documents.
- VIII. Builds and maintains relationships through attendance at key functions. Example: Chamber events, Regional DDA or other small business-related conduits.

3. **Miscellaneous**

A. **Entire Agreement.** This Agreement sets forth the entire agreement between the Parties and replaces and supersedes all prior agreements or understandings between the Parties

regarding the subject matter herein. To the extent that the City and/or Sterling Heights LDFA had in place any other agreement with any party other than Consultant with regard to community management within the Sterling Heights SmartZone building located at 6633 18 Mile Road, Sterling Heights, MI 48314, the parties to this Agreement acknowledge that it is the intention and determination of City and Sterling Heights LDFA that such agreement is superseded by this Agreement. Consultant shall have no liability whatsoever under any such former agreement, any such liability or obligation thereof to be exclusively borne by the City.

B. Term. The agreement shall be 9 months from the Effective Date, and shall automatically renew, unless or until otherwise terminated pursuant to Section 3(K) of this Agreement below.

C. Severability of Provisions. If any provision of this Agreement, or its application to any Party or circumstance, is invalid or unenforceable, the remainder of this Agreement and the application of that provision to other Parties or circumstances is not affected but will be enforced to the extent permitted by law.

D. Governing Law. This Agreement is made and entered into in the State of Michigan and shall in all respects be interpreted, enforced and governed under the laws of the State of Michigan.

E. Captions. The captions, headings, and titles in this Agreement are intended for the convenience of the reader and not intended to have any substantive meaning or to be interpreted as part of this Agreement.

F. Jurisdiction and Venue. Any disputes between the Parties over the meaning, interpretation, or implementation of the terms, covenants or conditions of this Agreement that cannot be resolved by informal discussions between the Parties conducted in good faith, may be submitted to the appropriate courts of the State of Michigan.

G. Amendment. This Agreement may be amended, or an alternative form of the Agreement adopted only upon written agreement signed by each of the Parties, after any municipal approval as required by law.

H. Independent Contractors. The Parties agree that at all times and for all purposes under the terms of this Agreement each Party's relationship to any other Party is that of an independent contractor. Each Party will be solely responsible for the acts of its own employees, agents, and servants. No liability, right, or benefit arising out of any employer/employee relationship, either express or implied, shall arise or accrue to any Party as a result of this Agreement.

Insurance. Consultant shall be named as an additional insured on all insurance coverage maintained by the City of Sterling Heights and/or the City of Sterling Heights LDFA in connection with the Velocity Center Incubator. To the fullest extent permitted by law, the City of Sterling Heights LDFA shall defend, indemnify and hold Consultant harmless from and against any and all claims, actions, damages, expenses (including reasonable attorneys' fees), losses or liabilities incurred by or asserted against Consultant; provide that the City of Sterling Heights and/or the City of Sterling Heights LDFA shall not be required to indemnify Consultant for any loss or claim to the extent such loss or claim is due to the negligence or willful misconduct of Consultant.

I. Counterpart Signatures. This Agreement may be signed in counterparts. The counterparts taken together shall constitute a single instrument and agreement.

- J. No Waiver. No waiver by any Party of any breach of obligations, agreements or covenants herein will be a waiver of any subsequent breach of any obligation, agreement or covenant, nor will any forbearance by any Party to seek a remedy for any breach by another Party to this Agreement be a waiver of any rights or remedies with respect to such or any subsequent breach, nor will any express waiver by any Party be deemed to apply to any other existing or subsequent right to remedy any default by another Party to this Agreement. No waiver by a Party of any default or breach by another Party to this Agreement in the performance of any of the covenants or obligations under this Agreement can be deemed to have been made by a Party unless contained in a writing executed by an authorized representative of the waiving Party. No Party waives any immunity, governmental or otherwise, provided by law.
- K. Termination. This Agreement will terminate by the first to occur of the following:
- (a) An action, other than one caused by an event of default, by any of the following means that voids, suspends, terminates, or revokes the approval by MEDC of the Authority District as the area in which the Authority may establish a SmartZone or the authorization for the Authority to capture and use Tax Increment Revenues to support the services outlined herein:
 - o Court order;
 - o Any ruling, bulletin, order, administrative or executive decision of the State of Michigan, State of Michigan Tax Commission, any State of Michigan official, or State of Michigan commission, authority, body or employee with authority to make such determination or take such action;
 - o State or federal legislative action;
 - o The involuntary dissolution or liquidation of the Authority;
 - o The termination for cause of the Sterling Heights SmartZone Agreement by the MEDC and the local representatives;
 - (b) This Agreement may be terminated by either Party for any reason, or no reason at all, after delivery of sixty (60) days written notice to the other Party. After the termination is effective, each Party shall make a final payment of outstanding financial obligations, if any, owed to the other Party within thirty (30) days of the effective date of the termination.

The Parties have executed this Agreement by their duly authorized representatives as of the Effective Date.

[SIGNATURES ON FOLLOWING PAGE]

**CITY OF STERLING HEIGHTS LOCAL
DEVELOPMENT FINANCE AUTHORITY**

By: _____

Its: Chairperson

By: _____

Its: Secretary

Date: _____

Consultant
Meghan Hubbs

Date: _____

VELOCITY SBSH GRANT EIR AGREEMENT

This Velocity SBSH GRANT EIR (“Agreement”), dated January 1, 2026 (the “Effective Date”), is between the City of Sterling Heights Local Development Finance Authority (“Authority” or “LDFA”) and Katie Nida, an independent consultant (“Consultant”). Consultant and the Authority are sometimes referred to herein each as a “Party” and together as the “Parties.”

RECITALS

A. The Michigan Legislature enacted Public Act 248 of 2000 to amend 1986 PA 281 to promote the development of high technology businesses throughout the State of Michigan (“Act”);

B. The Michigan Economic Development Corporation (“MEDC”) was authorized by Public Act 105 of 2008 to designate three additional Certified Technology Parks within the State of Michigan by December 31, 2008;

C. On December 30, 2008, the MEDC, the City of Sterling Heights (“City”), and the Authority entered into the Sterling Heights SmartZone Agreement, as permitted under Section 12a(3) of the Act, for the designation of an Authority District to be subsequently identified as a SmartZone and to establish the terms and conditions of that designation (“Sterling Heights SmartZone”);

D. All Tax Increment Revenues received by the Authority from the Sterling Heights SmartZone may be expended by the Authority for all purposes and in those amounts authorized under the Act and the approved Tax Increment Financing Plan (“TIFP”);

E. Consultant acknowledges the overall mission of the Sterling Heights SmartZone and all related services, programs, and events conducted therein, is to promote the incubation of early stage companies and related local job creation primarily among technology-based entrepreneurial and newly formed companies, and the Authority’s desire to expand the tax base within the geographic boundaries of the Authority District. In furtherance of these missions, Consultant will participate in the operation of an entrepreneurial and incubation services program for the purposes of commercializing technology and fostering the primary growth of new, technology-based businesses within the City, and the surrounding Macomb County community (such entrepreneurial and incubation services program being the “Velocity Center Incubator.” The Velocity Center Incubator will strive to foster an environment of entrepreneurship, innovation, and collaboration to support the launch of these new businesses while assisting in the growth of existing companies predominantly in the areas of Manufacturing, Engineering and Technology (such new businesses and existing companies utilizing the VCI being referred to hereinafter as “clients”).

F. On January 1, 2026, the Authority, approved Consultant to provide the services of Velocity SBSH GRANT EIR for the Sterling Heights SmartZone and authorized entering into an agreement whereby the Authority engaged Consultant to connect Velocity Center Incubator tenants and coworking tenants with resources to grow their businesses, lead initiatives designed to build a strong vibrant community at Velocity Center Incubator and connecting small businesses and entrepreneurs with MEDC programs and resources.

Now therefore, Consultant and Authority agree as follows:

1. **Payment for Consultant Services.** Authority shall cause Consultant to be paid monthly \$2,000 for 10 hours weekly in services as outlined in this Agreement, paid in nine (9) monthly installments. The Authority agrees to pay the invoice in full within ten (10) business days of the start of each month. In the event this Agreement is terminated for any reason whatsoever, Consultant shall be entitled to all monies due through the date of termination and

the Authority will promptly reimburse the Contractor for all expenses incurred in the performance of her duties under this Agreement.

2. **Consultant Services.** Consultant shall provide the following services:

- i. Attracting, vetting and coaching of potential incubator clients;
- ii. Connecting entrepreneurs with Velocity's SBSH Accelerator program, local SmartZone business development activities; iii. Connecting companies to SBDC as needed;
- iv. Connecting companies to the various MSF funded entrepreneurial resources available to tech companies across the state;
- v. Supporting the start-up companies' applications to MSF funded entrepreneurial programs such as the MEDC Gateway grant, Business Accelerator Fund, First Capital Fund and the Preseed Fund; vi. Supporting the start-up companies' applications to federal funding agencies and programs such as the SBIR/STTR program;
- vii. Support start-up companies through other SmartZone specific services or expertise; and
- viii. Attend weekly team meeting;
- ix. Provide updates and monthly metrics for reporting;
- x. Attend and support at ecosystem and Velocity events as it relates to efforts with incubator clients.

Consultant acknowledges that he/she has the requisite knowledge, skill and training to perform these services, and shall be responsible for the means and methods upon which these services shall be performed.

3. Miscellaneous

A. **Entire Agreement.** This Agreement sets forth the entire agreement between the Parties and replaces and supersedes all prior agreements or understandings between the Parties regarding the subject matter herein.

B. **Term.** The agreement shall be 9 months from the Effective Date, and shall automatically renew, unless or until otherwise terminated pursuant to Section 3(L) of this Agreement below.

C. **Severability of Provisions.** If any provision of this Agreement, or its application to any Party or circumstance, is invalid or unenforceable, the remainder of this Agreement and the application of that provision to other Parties or circumstances is not affected but will be enforced to the extent permitted by law.

D. **Governing Law.** This Agreement is made and entered into in the State of Michigan and shall in all respects be interpreted, enforced and governed under the laws of the State of Michigan.

E. **Captions.** The captions, headings, and titles in this Agreement are intended for the convenience of the reader and not intended to have any substantive meaning or to be interpreted as part of this Agreement.

F. **Jurisdiction and Venue.** Any disputes between the Parties over the meaning, interpretation, or implementation of the terms, covenants or conditions of this Agreement that cannot be resolved by informal discussions between the Parties conducted in good faith, may be submitted to the appropriate courts of the State of Michigan.

G. Amendment. This Agreement may be amended, or an alternative form of the Agreement adopted only upon written agreement signed by each of the Parties, after any municipal approval as required by law.

H. Independent Contractors. The Parties agree that at all times and for all purposes under the terms of this Agreement each Party's relationship to any other Party is that of an independent contractor. Each Party will be solely responsible for the acts of its own employees, agents, and servants. No liability, right, or benefit arising out of any employer/employee relationship, either express or implied, shall arise or accrue to any Party as a result of this Agreement.

I. Insurance. Consultant shall be named as an additional insured on all insurance coverage maintained by the City of Sterling Heights and/or the City of Sterling Heights LDFA in connection with the Velocity Center Incubator. To the fullest extent permitted by law, the City of Sterling Heights LDFA shall defend, indemnify and hold Consultant harmless from and against any and all claims, actions, damages, expenses (including reasonable attorneys' fees), losses or liabilities incurred by or asserted against Consultant; provide that the City of Sterling Heights and/or the City of Sterling Heights LDFA shall not be required to indemnify Consultant for any loss or claim to the extent such loss or claim is due to the negligence or willful misconduct of Consultant.

J. Counterpart Signatures. This Agreement may be signed in counterparts. The counterparts taken together shall constitute a single instrument and agreement.

K. No Waiver. No waiver by any Party of any breach of obligations, agreements or covenants herein will be a waiver of any subsequent breach of any obligation, agreement or covenant, nor will any forbearance by any Party to seek a remedy for any breach by another Party to this Agreement be a waiver of any rights or remedies with respect to such or any subsequent breach, nor will any express waiver by any Party be deemed to apply to any other existing or subsequent right to remedy any default by another Party to this Agreement. No waiver by a Party of any default or breach by another Party to this Agreement in the performance of any of the covenants or obligations under this Agreement can be deemed to have been made by a Party unless contained in a writing executed by an authorized representative of the waiving Party. No Party waives any immunity, governmental or otherwise, provided by law.

L. Termination. This Agreement will terminate by the first to occur of the following:

- (a) An action, other than one caused by an event of default, by any of the following means that voids, suspends, terminates, or revokes the approval by MEDC of the Authority District as the area in which the Authority may establish a SmartZone or the authorization for the Authority to capture and use Tax Increment Revenues to support

the services outlined herein:

- Court order;
- Any ruling, bulletin, order, administrative or executive decision of the State of Michigan, State of Michigan Tax Commission, any State of Michigan official, or State of Michigan commission, authority, body or employee with authority to

- The termination for cause of the Sterling Heights SmartZone Agreement by the MEDC and the local representatives;

The Parties have executed this Agreement by their duly authorized representatives as of the Effective Date.

Date:_____



Business of the Local
Development Finance Authority
Sterling Heights, Michigan

Meeting: 12/16/25

AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: Consider this amended Small Business Program Manager Agreement between the City of Sterling Heights Local Development Finance Authority and Strategiz.

Submitted By: Velocity

Contact Person/Telephone: Paula Macpherson, Executive Director

Administration (initial as applicable)

Attachments

<input type="checkbox"/> City Clerk	<input checked="" type="checkbox"/> Resolution	<input type="checkbox"/> Minutes
<input type="checkbox"/> Finance & Budget Director	<input type="checkbox"/> Ordinance	<input type="checkbox"/> Plan/Map
<input type="checkbox"/> City Attorney (as to legal form)	<input checked="" type="checkbox"/> Contract	<input checked="" type="checkbox"/> Other
<input type="checkbox"/> City Manager		
<input type="checkbox"/> Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office		

Executive Summary:

Consider the request to extend the contract with Strategiz for SmartZone Renewal.

From Renewal: Strategiz is pleased to continue to support the SmartZone extension package for Velocity for a 5-15 year extension of the current SmartZone designation. This process began in April 2025 with an anticipated completion date of August 31, 2025.

The timeline for this project has been extended to accommodate the collection and analysis of data and coordination of resources. The current timeline has been extended through March 31, 2026. Additional support through March 31, 2026 will be \$2500 and billed in January, 2026.

Suggested Action: Approve the contract for extension with Strategiz for the SmartZone Renewal.

MOVED BY:

SECONDED BY:

RESOLVED, to approve the contract extension with Strategiz for the SmartZone Renewal.



December 3, 2025

Paula Macpherson
Executive Director
Velocity

Dear Paula:

Strategiz is pleased to continue to support the SmartZone extension package for Velocity for a 5-15 year extension of the current SmartZone designation. This process began in April 2025 with an anticipated completion date of August 31, 2025.

The time-line for this project has been extended to accommodate the collection and analysis of data and coordination of resources. The current time-line has been extended through March 31, 2026. This change order reflects the additional work that is required to complete this application. Specific components include:

- Updating Velocity metrics (activities, companies served, job creation, follow-on funding) through the end of calendar year 2025
- Draft application review completed for initiative review by the MEDC
- Inclusion of LDFA development plan
- Pending LDFA legislative amendment and potential changes (5 or 15 year) to the application document
- Edits and revisions based on initial MEDC feedback
- Support for LDFA and City Council review of application

The deliverable will be a comprehensive application package for submission to the MEDC submitted by March 31, 2025. This additional support through March 31, 2026 will be \$2500 and billed in January 2026. This fee includes all consulting services and the creation of the final application document. There are no additional fees for travel, printing, or other support services. Payments are due within 15 days of receipt of invoice. Any amount which is not paid when due shall bear interest at a rate of 1.5% per month or portion thereof from the date such amount became due.

Al and I look forward to continuing to work with you and the team to create a successful SmartZone extension application. Please let me know if you have any questions or need any additional information.

Best,

A handwritten signature in black ink that reads "Becky Davenport".

Becky Davenport
Founder + Partner
Strategiz, LLC



Velocity SmartZone Extension Proposal

Accepted by:

Date:

Phillip Hunsberger
Chairman
Sterling Heights Local Development Finance Authority

Becky Davenport
Founder + Partner
Strategiz, LLC



Strategiz, LLC

**Professional Services
Statement of Work**

Client:	Velocity
PSA Number:	2022-01
SOW Number:	VELOCITY-04
Prepared by:	Becky Davenport Al Herbach
Date:	April 29, 2024
Project Name:	5-year SustainabilityPlan



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Introduction

Strategiz, LLC ("Consultant") will provide assistance in completing the project ("Project") for Velocity ("Client") according to the terms outlined in this Statement of Work ("SOW").

Complete Agreement

This SOW, in conjunction with the signed Professional Services Agreement (PSA 2022-01) comprises the total agreement for the described level of effort. Upon execution of this statement, Consultant will provide the services in the time frame described in the Project Schedule. In the event of a conflict between the terms of the Professional Services Agreement and the Statement of Work, the terms of the Statement of Work shall govern.

If there are any unforeseen delays in the execution of these documents, the Scope of Services and/or Period of Performance may be adjusted based on mutually agreed upon terms between Consultant and Client.

Expiration

Until executed by the Client and received by Consultant, this SOW shall act as a quotation for services whose term will expire thirty (30) days from the date of issue. Any extensions to this term must be made in writing by Consultant.



Scope of Services

This SOW reflects the Consultant's understanding of the priorities established by the Client.

Project Scope

The objective for this work is to leverage the May 2022 strategic plan and develop a plan for long-term sustainability that will position Velocity to retain their SmartZone designation and continue to expand their work supporting new businesses and economic growth in Macomb County. The plan will identify strategies and tactics designed to create and grow businesses, attract and retain jobs, and create significant economic impact for the County. This will include a clear strategy for growth during the potential SmartZone extension period and small business growth as a MEDC Small Business Support Hub.

Sustainability Plan Process

- Pre-reading assignment Good to Great for the Social Sectors
- Due Diligence
 - Review of financials, operating agreements, organizational structure, etc.
- Time-frame July-November 2024
- Sustainability Planning Committee
 - Velocity staff plus key strategic partners

Strategic Planning Sessions (2 hours each, in-person)

- Session 1 (July)
 - Successes, Challenges, Opportunities and Threats
 - Our Hedgehog Concept
 - Mission, Vision and Core Value review and updates
- Session 2 (August)
 - Primary and Secondary Research
 - Identify key benchmarks and aspirational programs
 - Identify industry, demographic and population trends and projections
 - Interviews and listening sessions with key stakeholders
 - Target markets and market potential
 - Long-term goals
- Session 3 (September)
 - Partners
 - Strategic Initiatives
 - Operating structure (and infrastructure)
 - Key programs
 - Marketing & Communications
- Session 4 (October)



- Financial sustainability
- Includes 3-5 year financial projections
- Key Performance Indicators

Components of Sustainability Plan

- Mission, vision, and core values
- Strengths, challenges, opportunities and threats
- Target markets and market potential
- Primary and secondary research
 - Stakeholder interviews and listening sessions
 - Industry, demographic and population trends and projections
 - Best national practices and benchmarks for entrepreneurial centers
- Long-term goals and strategic initiatives
- Strategic partners
- Velocity operating and team structure
- Key programs
- Marketing and communications
- Financial sustainability and financial projections
- Measuring success: Key Performance Indicators

Changes in Scope

If the Client attempts to introduce different goals or principles based upon new factors introduced or discovered by the teams, including, but not limited to, the type of work to be done, amount of hours or work to be performed, the time schedule estimated, or a change in management direction affecting the scope of the Project, or any other changes in direction, priority, schedule or approach once established and agreed to in this SOW, such changes must be requested in writing by Client. Such changes will necessarily have both a schedule and cost impact on the Project and these changes will not be binding upon Consultant until agreed upon in writing with the accompanying increase in price and schedule adjustment and amendment to this SOW.

Client Responsibilities

Client will make all pertinent business records and relevant information available to Strategiz during the term of the engagement as requested.

Payment Terms

Based on the project scope, Strategiz has provided the following quotation of fees for this project. This fee is inclusive of all travel and other ordinary project expenses with the exception of any meeting rental fees or food and beverage expenses associated with focus groups and listening sessions and graphic design and printing charges. Graphic design and printing charges for the final document and presentation will be billed separately and at cost. Any expenses will be approved in advance by the Client. All changes in scope will require revised time estimates and written Client approval to implement. Strategiz will invoice the Client according to the following schedule. Client

Strategiz

shall pay Consultant within 15 days of receipt of invoice. Any amount which is not paid when due shall bear interest at a rate of 1.5% per month or portion thereof from the date such amount became due.

Based on the project scope, deliverables identified, and estimated hours to complete the project, Consultant has provided the following quotation of fees for this project. As described earlier, all changes in scope will require revised time estimates and written Client approval to implement.

Project	Professional Fees
Complete Project	\$ 17,500
TOTAL	\$ 17,500

Consultant will invoice Client per the following schedule:

Payment Description	Invoice Date	Invoice Amount
Month 1 Professional Services	July 1, 2024	\$ 3,500
Month 2 Professional Services	August 1, 2024	\$ 3,500
Month 3 Professional Services	September 1, 2024	\$ 3,500
Month 4 Professional Services	October 1, 2024	\$ 3,500
Month 5 Professional Services	November 1, 2024	\$ 3,500
Total		\$ 17,500

Subsequent payments are due within 15 days of receipt of invoice. Any amount which is not paid when due shall bear interest at a rate of 1.5% per month or portion thereof from the date such amount became due.

The period of performance for this Project will commence promptly upon Client and Consultant's execution of this SOW. The date planned for the start of this Project is July 1, 2024. The actual start date will be established by mutual agreement between Client and Consultant.



Contact Information

Project Manager:

Becky Davenport
Strategiz, LLC
4 Charles Street
Grosse Pointe, MI 48230
Telephone: (313) 318-9130
bdavenport@strategiz.com

Client Project Contact

April Boyle
Velocity
6633 18 Mile Rd.
Sterling Heights, MI 48314
Phone (586) 884-9320

Client Management Contact

April Boyle
Velocity
6633 18 Mile Rd.
Sterling Heights, MI 48314
Phone (586) 884-9320

Client Billing Address

April Boyle
Velocity
6633 18 Mile Rd.
Sterling Heights, MI 48314
Phone (586) 884-9320
Email address: April.Boyle@MIVelocity.com

Invoices will be emailed to the above email address.



Signatures

Statement of Work Approval

Consultant: Strategiz, LLC

Client: Velocity

By:

Authorized Signature

Alan Herbach
Name (please print)

Founding Partner
Title

Date: 2024-07-22

By:

Signed by:

9D08A1B2ADB4444...

Authorized Signature

Phil Hunsberger
Name (please print)

LDFA Board Chairperson
Title

Date: 7/22/2024

Signature Certificate

Reference number: IWPB-YWP4D-WWPCT-J26FD

Signer

Alan Herbach

Email: aherbach@gmail.com

Sent:

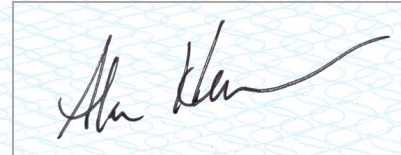
Signed:

Timestamp

22 Jul 2024 21:03:53 UTC

22 Jul 2024 21:03:53 UTC

Signature



IP address: 172.59.184.198

Location: Chicago, United States

Document completed by all parties on:

22 Jul 2024 21:03:53 UTC

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