



CITY OF

Midland

ADOPTED ANNUAL  
BUDGET 2019- 2020



## Service Statement

Midland SmartZone is a dynamic partnership that aligns and strategically funds community economic development functions building on Midland's base of innovation in the chemical and advanced materials sectors. Midland Tomorrow leads the SmartZone and collaborates with MidMichigan Innovation Center, North Coast Technology Investors, L.P., Michigan State University, MSU Midland Research Institute for Value Chain Creation, Michigan Economic Development Corporation and other entities as needed to bring about growth and innovation.

## Functions

### SmartZone

- New Business Incubation and Acceleration, established to support new-venture acceleration and incubation for high-tech companies.
- Second-Stage Support/Economic Gardening, providing smaller, high-tech companies access to a suite of corporate-level services such as CEO leadership, strategy development, marketing intelligence, new business development and commercialization and supply chain consultation
- Foreign Direct Investment soft landing zone that seeks to eliminate barriers for foreign chemical and advanced materials and manufacturing companies to launch their businesses in Midland.
- A certified technology park that facilitates the capture of certain State of Michigan and local property taxes, through tax increment financing, for use by Midland Tomorrow to create or promote the development and attraction of high technology companies to Midland.

**Financial Statement**

**246 - Smart Zone**  
 Detail of Budget Appropriations and Revenues  
 Fiscal Year Ending June 30, 2020

	2017-18	2018-19		2019-20	2020-21	2021-22
	Actual	Amended	Estimate	Adopted	Projected	Projected
<b>Revenues</b>						
Property taxes	\$ -	\$ 10,000	\$ 24,500	\$ 30,000	\$ 30,000	\$ 30,000
Local contributions	-	15,000	15,000	15,000	15,000	70,000
Total revenues	-	25,000	39,500	45,000	45,000	100,000
<b>Expenditures</b>						
Personal services	14,208	50,000	50,000	50,000	50,000	50,000
Other services and charges	-	25,000	25,000	25,000	25,000	25,000
Capital outlay	-	5,000	5,000	5,000	5,000	5,000
Total expenditures	14,208	80,000	80,000	80,000	80,000	80,000
Excess of Revenues Over (Under) Expenditures	(14,208)	(55,000)	(40,500)	(35,000)	(35,000)	20,000
Fund Balance - beginning of year	193,425	179,217	179,217	138,717	103,717	68,717
<b>Fund Balance - end of year</b>	<b>\$ 179,217</b>	<b>\$ 124,217</b>	<b>\$ 138,717</b>	<b>\$ 103,717</b>	<b>\$ 68,717</b>	<b>\$ 88,717</b>

**Summary of Budget Changes**

The SmartZone was formally established as a Tax Increment Financing District in 2014. The fund began receiving tax revenue for this district in 2016.