



Annual Impact Report

July 1, 2022 – June 30, 2023



Letter from Development Director

Harrison Leffel-Jones

When I began my career in the economic development sector, I quickly understood why it's said that great economic development is not a sprint or a marathon — rather, it is a **relay race of marathons** where we, as a community, lay the groundwork one marathon at a time to make sure we can go the distance.

Our past fiscal year demonstrates in full force how collaborative organizations in the Lansing region are and how well-positioned we are for long-term success. This past year, for example, was the first time in LRSZ history, that the LRSZ board was able to **deploy sustainable funds to regional partners** that delivered exceptional results for our high-tech/high-growth economy.

Lansing Regional SmartZone (LRSZ) Board Chairman Ben Bakken puts it this way: “A phrase that comes to mind when thinking about the Lansing Regional SmartZone and the era we have entered is that we are going from ‘strength to strength.’ **The partnerships that continue to grow, along with new ones being formed, mean a better, more inclusive, and more sustainable future for the LRSZ.**”

The LRSZ and its programs would not be possible without key partners that support the creation of programs and the guidance of our spending. We extend a huge thank you to the leadership at the Michigan State University Research Foundation (MSURF) for their partnership on a host of fronts, from the new Community Mentor in Residence Program to providing a home base for the LRSZ at the Technology Innovation Center (TIC) in Downtown East Lansing.

“The work of the Lansing Regional SmartZone aligns in many ways with our mission of **driving an entrepreneurial ecosystem**,” says MSURF Executive Director David Washburn. “2023 brought many new initiatives from the SmartZone and I look forward to leveraging our collaborations to increase the scale and impact of our efforts across the Greater Lansing Region.”



Key Stats



New Companies Created

Facilitated the creation of 32 new companies



Funds Raised

\$4 million in private and public funds raised



Venture Growth & Expansion

Supported 131 businesses through LRSZ support services



Real Estate

TIC occupancy rose from 33% to 65%, which includes 10 new tenants (virtual or physical)



Client Relationships

Formed touchpoints with 2,300 clients



Events

Hosted or attended 30 events, including a panel about managing through times of change at the International Business Incubator Association meeting in Detroit

Attended Detroit Visit Day with Apple Developer Academy and TechTown

Supported MSU Research Foundation Speaker Series in which entrepreneurs and partners from across the region talked about their journey and activated the spaces of the MSURF



Connections

Each cup of coffee is an opportunity for conversation, so the LRSZ has invested in more connections — from March 9 to July 1, we enjoyed 1,586 cups of coffee (or 793 opportunities for conversations!)

Interested in seeing our financials? Visit our website and head over to the About Us section!

Key Accomplishments

Over the past year, a great deal of infrastructure enhancements have been implemented to support our regional high-tech ecosystem and to make the LRSZ work more effectively. Below are a few key “nuts and bolts” accomplishments.



TIF Renewal

- The Michigan Economic Development Corporation (MEDC) and State of Michigan Treasury — alongside local partners Ingham County, City of East Lansing, and City of Lansing — all approved our Tax Increment Financing (TIF) Renewal, which **allows the LRSZ to continue to collect and deploy funds until 2027**. This is a tremendous accomplishment by all the parties involved in a truly regional collaboration.
- The approval of the renewal also included **updates to the board makeup, increasing representation** by 50% to include official representation from East Lansing Public Schools, Lansing School District, Lansing Community College, Michigan State University, and the Michigan State University Research Foundation.

Coordination of Partners

- As part of the TIF Renewal process, a Memorandum of Understanding (MOU) between the Lansing Economic Area Partnership (LEAP), Michigan State University (MSU), and the Michigan State University Research Foundation (MSURF) has led to an even greater amount of collaboration and mutual support for one another in our region. This MOU **creates a framework for collaboration** on everything from programs and events to translational research and transformation through investment projects into our region.
- Additionally, program partners who provide services to the LRSZ have continued to **integrate programming across a multitude of different areas**. The Lansing Regional SmartZone Development Director has held several coordination meetings among the Regional Innovation Networking Group (RING), which is aimed at collaboration between entrepreneur support organizations.
- Some of the key partners in programming for the LRSZ include The Fledge and Startup Grind Lansing.

Brand Identity, Logo, and Perception

- At the beginning of our fiscal year in July 2022, the LRSZ continued to fly under the radar. To raise awareness of our mission and focus, along with the opportunities we seek to bring to the Greater Lansing Region over the next five years, we collaborated with Moonsail North on a **brand identity development project rooted in stakeholder feedback**.
- In our first year, the LRSZ board has deployed over \$400,000 in programs and services to the LRSZ. With our new branding in action, our funding and our programs will accelerate the speed with which we can **establish our brand in the region**.



TIC Improvements

- As we all process what the next phase of our lives looks like regarding public spaces in a post-pandemic world, a great deal of time and effort has gone into **re-energizing** the TIC. From investments into a full-scale **podcast studio** in partnership with Risky Studios, to ensuring our tenants have a **reliable, safe, and creative place** to conduct business, the partnership between the LRSZ and the MSURF has never been stronger. There will be continued improvements next year to make the TIC the place to start and scale your tech business in the Greater Lansing Region.

Industry Cluster Development

- The LRSZ Development Director supported the efforts of LEAP and the MSURF through their Economic Development Agency MedTech grant, which oversaw the launch of the SBIR+ program through the MSURF team, as well as the VentureWell Ascend Accelerator. Both of these programs are aimed at **bolstering and growing the burgeoning MedTech cluster in the Greater Lansing Region**.
- Additionally, the LRSZ has led the effort around the creation of an esports and Gaming Working Group for the Greater Lansing Region, which is working on innovative ways to **engage K-12 students and community members in organized esports leagues**. The goal is to get students involved in game design and other high-tech creative arts as a possible career opportunity.

Operations Guidelines and Bylaws Update

- The LRSZ Development Director oversaw the kickoff updates to the function of the board. Working hand in hand with key partners, the bylaws were updated to bring them in line with new operational policies and allow for streamlined operations. Included in the operations guidelines were spending policies and other aspects that **make the day-to-day operations more effective and transparent**.
- As part of our operational and bylaws updates, the board has created the Program Committee, which is an open space for individuals involved in the high-tech ecosystem from across the region to **provide input on LRSZ program priorities**. This space has allowed the LRSZ board to **reach an even wider array of program partners and plug them into the ecosystem**.

Key Programs

We are proud to have deployed \$276,900 to programs and services of the LRSZ to support entrepreneurial endeavors in the Greater Lansing Region. Check out a few of the key programs at LRSZ this past year!

Local Accelerator Funds (LAF) Program

- **8** companies served
- **12** local accelerator grants funded
- The dollars spent paid for **4** company formations
- **\$33,841** in total funding
- **Services included:**
 - » Market research to qualify product market fit
 - » Marketing plans, website design, branding packages
 - » Patent/IP legal fees
 - » Incorporation changes
 - » Jumpstart Tech Program (rent subsidy)

99 Problems but a Pitch Ain't One Program

- **16** events (121 to date)
- **41** participants
- **1,554** votes on the online platform
- **2** jobs created as a result of pitches won
- **13** referrals
- **\$12,900** in total funding

Community Mentor in Residence (MIR) Program

- **38** companies served (16 underrepresented)
- **6** companies created
- **13** community partners engaged
- **75** referrals
- **\$275,000** in dilutive funds
- **\$61,000** in non-dilutive funds
- **\$336,000** in total funding
- **16** community events
- **39** jobs created

Conquer and Cade Program

- **6** companies served (4 from Greater Lansing Region)
- **\$120,000** in funding for companies
- **6** interns hired (all from MSU)

Youth Entrepreneurship Program

- **Partners engaged:**
 - » Lansing School District
 - » Eaton Rapids School District
 - » Lansing Economic Area Partnership (LEAP)

- » Most of Local Development Finance Authority (LDFA) board
- » Jackson National Life, Capital Area College Access
- » Facebook, Instagram, TikTok and Twitter/X
- » 517 Living
- » Ingham County Commissioners
- Final pitches had **500** views and **60** onsite live attendees
- **22** companies served
- **13** mentors
- **77% of clients identify as a member of an underserved population as defined below:**
 - » Minority-owned/operated
 - » Women-owned/operated
 - » Disabled-owned/operated
 - » Veteran-owned/operated
 - » Disabled veteran-owned/operated
 - » LGBTQIA+-owned/operated
 - » ALICE-owned/operated
- **\$3,050** in total funding secured by clients attributed to this program



Board Members

Harrison Leffel-Jones, Development Director, LRSZ

Joe Carr, Vice President of Entrepreneurship and Innovation, LRSZ

2023-2024 LDFA Board

Benjamin Bakken, Chair, Lansing Community College

Jessy Gregg, Vice Chair, City of East Lansing

Charles Hasemann, Treasurer, MSU, City of East Lansing

Brian McGrain, Secretary, City of Lansing

Matthew Apostle, City of East Lansing

Irene Cahill, Ingham County

Jon Laing, Lansing School District

Nicole Millsap, Lansing School District

Glenn Mitcham, East Lansing Public Schools

Abigail Tykocki, City of East Lansing

Christian Palasty, East Lansing Public Schools

David Washburn, MSU Research Foundation, City of Lansing

2023-2024 Program Committee

Jessy Gregg, Vice Chair, City of East Lansing

Charles Hasemann, Treasurer, MSU, City of East Lansing

Kris Klein, LEDC, City of Lansing

David Washburn, MSU Research Foundation, City of Lansing

To learn about all of the programs and startup opportunities at LRSZ, check out our website!

Stay in Touch!



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