

**MICHIGAN STRATEGIC FUND  
PROPOSED MEETING MINUTES  
June 28, 2016**

**Members Present**

Steve Arwood  
Dan Boge  
Shelly Edgerton  
Andrew Lockwood (on behalf of Treasurer Khouri)  
Terri Jo Umlor  
Jody DePree Vanderwel  
Shaun Wilson  
Wayne Wood

**Members Absent**

Paul Anderson  
Larry Koops

Mr. Arwood called the meeting to order at 10:00 am.

**Public Comment:** Mr. Arwood asked that any attendees wishing to address the Board come forward at this time. No public comment.

Mr. Arwood recognized the following legislators in attendance: State Representative Tim Greimel, speaking in support of the FEV North America, Inc. project in Auburn Hills, under Business Growth on the agenda; Representative Robert Wittenberg, speaking in support of the Ashley Capital project in Hazel Park, under Business Growth on the agenda; Madelyn Day on behalf of Senator Vincent Gregory, speaking in support of the Ashley Capital project in Hazel Park (referenced letter of support for this project signed by Senators Gregory, Ananich, Horn, Kowall, Warrant & Representative Wittenberg, copy attached) under Business Growth on the agenda; Senator Dale Zorn, speaking in support of the Strongback Properties, LLC project in the City of Adrian, under Community Vitality on the agenda; Hannah Biniiecki on behalf of Representative Nancy Jenkins, speaking in support of Strongback Properties, LLC project in the City of Adrian (letter of support attached).

**Communications:** Andrea Robach, MSF Administrator advised the Board that they have provided updated resolutions for FEV North America, Inc. and JR Automation Technologies, LLC, both under Business Growth on the agenda.

**A. CONSENT AGENDA**

**Resolution 2016-077 Approval of Consent Agenda Items**

Mr. Arwood asked if there were any questions from the Board regarding the items under the Consent Agenda. There being none, Jody DePree Vanderwel motioned for approval of the following:

Proposed Meeting Minutes – **May 24, 2016**

NanoBio Corporation – Loan Amendment – **2016-078**

Gema Diagnostics, Inc. – Loan Write Off Request – **2016-079**

Boasso America Corporation – Geographic RZ Time Extension Revocation – **2016-080**

ChemQuest, Inc. – Geographic RZ Time Extension Revocation – **2016-081**

United Engineered Tooling, Inc. – Tool & Die Recovery Zone Revocation – **2016-082**  
Grid Logic, Inc. – Renewable Energy RZ Revocation – **2016-083**  
Integrated Manufacturing & Assembly, LLC – MBDP Amendment – **2016-084**  
NEAPCO Holdings – MBDP Amendment – **2016-085**  
Thomson Reuters – MBDP Amendment – **2016-086**  
Grand Rapids Downtown Market Holdings, LLC – MCRP Amendment – **2016-087**  
Crescent Shores, LLC/City of Holland – MBT Amendment – **2016-088**  
Crescent Shores, LLC/City of Holland – Brownfield TIF Amendment – **2016-089**  
CDBG Application – Guide Recommendation – **2016-090**

Andrew Lockwood seconded the motion. **The motion carried: 8 ayes; 0 nays; 0 recused.**

## **B. ADMINISTRATIVE**

### **Resolution 2016-091 MSF Designated Renaissance Zone – Policy Recommendation**

*Josh Hund, Vice President Business Development Projects, provided the Board with information regarding this action item.* Following brief discussion, Dan Boge motioned for the approval of Resolution 2016-091. Shaun Wilson seconded the motion. **The motion carried: 8 ayes; 0 nays; 0 recused.**

### **Resolution 2016-092 CDBG Loan Program – Continuing Activity Exception**

*Greg West, Program Specialist, provided the Board with information regarding this action item.* Following brief discussion, Dan Boge motioned for the approval of Resolution 2016-092. Jody DePree Vanderwel seconded the motion. **The motion carried: 8 ayes; 0 nays; 0 recused.**

### **Resolution 2016-093 Covisint Corporation – MBDP Forbearance Request**

*Christin Armstrong, Vice President Compliance, Contracts & Grants, provided the Board with information regarding this action item.* Following brief discussion, Dan Boge motioned for the approval of Resolution 2016-093. Jody DePree Vanderwel seconded the motion. **The motion carried: 8 ayes; 0 nays; 0 recused.**

### **Resolution 2016-094 Next Michigan Development Corporation – Detroit Designation**

*Andrea Robach, MSF Administrator, provided the Board with information regarding this action item.* Following brief discussion, Wayne Wood motioned for the approval of Resolution 2016-094. Shaun Wilson seconded the motion. **The motion carried: 8 ayes; 0 nays; 0 recused.**

## **D. BUSINESS INVESTMENT**

### **D1. Entrepreneurship**

#### **Resolution 2016-095 Lawrence Technological University – Gatekeeper Grant Award**

*Fred Molnar, Vice President Entrepreneurship & Innovation, provided the Board with information regarding this action item.* Following brief discussion, Andrew Lockwood motioned for approval of Resolution 2016-095. Shaun Wilson seconded the motion. **The motion carried: 8 ayes; 0 nays; 0 recused.**

#### **Resolution 2016-096 Michigan State University Innovation Hub – MTRAC Statewide Program**

*Denise Graves, Director University Programs, provided the Board with information regarding this action item.* Following brief discussion, Jody DePree Vanderwel motioned for the approval of Resolution 2016-096. Andrew Lockwood seconded the motion. **The motion carried: 8 ayes; 0 nays; 0 recused.**

## **D2. Business Growth**

### **Resolution 2016-097 University of Michigan Transport Research Institute – Grant Amendment**

*Eric Shreffler, Director Automotive Programs, provided the Board with information regarding this action item.* Following brief discussion, Dan Boge motioned for the approval of Resolution 2016-097. Andrew Lockwood seconded the motion. **The motion carried: 8 ayes; 0 nays; 0 recused.**

### **Resolution 2016-098 Flint Procurement Technical Assistance Center – Grant Award**

*Sean Carlson, Vice President Defense Programs, provided the Board with information regarding this action item.* Following brief discussion, Wayne Wood motioned for approval of Resolution 2016-098. Shaun Wilson seconded the motion. **The motion carried: 8 ayes; 0 nays; 0 recused.**

### **Resolution 2016-099 FEV North America, Inc. – MBDP Grant**

*Marcia Gebarowski, Development Finance Manager, provided the Board with information regarding this action item.* Following brief discussion, Dan Boge motioned for the approval of Resolution 2016-099. Shelly Edgerton seconded the motion. **The motion carried: 8 ayes; 0 nays; 0 recused.**

### **Resolution 2016-100 JR Automation Technologies, Inc. – MBDP Grant**

*Mike Gietzen, Development Finance Manager, provided the Board with information regarding this action item.* Following brief discussion, Jody DePree Vanderwel motioned for the approval of Resolution 2016-100. Andrew Lockwood seconded the motion. **The motion carried; 8 ayes; 0 nays; 0 recused.**

### **Resolution 2016-101 Ashley Capital/City of Hazel Park – Act 381 Work Plan**

*Stacy Bowerman, Senior Project Manager, provided the Board with information regarding this action item.* President Arwood reiterated to the company and community representatives that the jobs created must be new jobs to count toward the mutually approved terms and conditions. Following this discussion, Dan Boge motioned for the approval of Resolution 2016-101. Jody DePree Vanderwel seconded the motion. **The motion carried: 8 ayes; 0 nays; 0 recused.**

## **D3. Access to Capital**

### **Resolution 2016-102 F.P. Horak Company/H & J Realty Co., LLC – Bond Inducement**

*Chris Cook, Director Capital Programs, provided the Board with information regarding this action item.* Following brief discussion, Andrew Lockwood motioned for the approval of Resolution 2016-102. Jody DePree Vanderwel seconded the motion. **The motion carried: 8 ayes; 0 nays; 0 recused.**

## **E. COMMUNITY VITALITY**

### **Resolutions 2016-103 & 2016-104 Rivers Edge Partners/City of Kalamazoo – MCRP & Act 381 Work Plan**

*Emily Petz, Community Assistance Team, provided the Board with information regarding these action items.* Following brief discussion, Dan Boge motioned for the approval of Resolutions 2016-103 & 2016-104. Shelly Edgerton seconded the motion. **The motion carried: 8 ayes; 0 nays; 0 recused.**

Ryan Gajewski from the Marketing & Communications team shared a video recently produced which showcases the redevelopment downtown Kalamazoo has experienced, with projects supported by the Michigan Strategic Fund. Link to full video here: <https://www.youtube.com/watch?v=svAJ0ouTfHs>

### **Resolutions 2016-105 & 2016-106 Strongback Properties, LLC/City of Adrian –CDBG & Act 381 Work Plan**

*Joe Borgstrom, Regional Director Community Assistance Team, provided the Board with information regarding these action items.* Following brief discussion, Wayne Wood motioned for the approval of

Resolutions 2016-107 & 2016-108. Shelly Edgerton seconded the motion. **The motion carried: 8 ayes; 0 nays; 0 recused.**

**Resolution 2016-107 & 2016-108 River Parc Place II/City of Manistee – MCRP & Act 381 work Plan**

*Dan Leonard, Community Assistance Team, provided the Board with information regarding these action items.* Following brief discussion, Shaun Wilson motioned for the approval of Resolutions 2016-107 & 2016-108. Andrew Lockwood seconded the motion. **The motion carried: 8 ayes; 0 nays; 0 recused.**

Mr. Arwood adjourned the meeting at 11:30 am.

# MICHIGAN LEGISLATURE



## MICHIGAN SENATE

P.O. BOX 30036  
LANSING, MICHIGAN 48909-7536  
PHONE (517) 373-2400

## MICHIGAN HOUSE OF REPRESENTATIVES

P.O. BOX 30014  
LANSING, MICHIGAN 48909-7514  
PHONE (517) 373-6339

December 16, 2015

Steve Arwood  
Michigan Economic Development Corporation  
300 N Washington Square  
Lansing, MI 48913

Re: Tri-County Commerce Center Brownfield Project in Hazel Park, MI

Dear Mr. Arwood,

We, the undersigned, want to voice our support for the MEDC through the Michigan Strategic Fund to approve a Tax Increment Financing Plan for a Brownfield Project located within the City of Hazel Park. The project site is located next to the iconic Hazel Park Raceway. Prior to the construction of the raceway, the site in question served as the Highland Park Dump. The developer, Ashley Capital, wishes to develop a 575,000 square foot light manufacturing and distribution center on a parking lot adjacent to the track that has been underutilized for 40 years. Due to the site's use as a landfill, a Brownfield Project is necessary because of elevated levels of dangerous chemicals, including methane. This redevelopment will take an unsightly and degraded parking lot on a prominent corner along a major corridor in Hazel Park and convert it to a productive, modern and functional commercial site.

The total anticipated investment for the project is approximately \$36 million; creating 200 to 300 full-time jobs. The project is also expected to spur ancillary spending and commercial development in Hazel Park, which will increase property values and Hazel Park's tax base. Moreover, the City of Hazel Park will see an immediate increased tax base because this plan will only capture up to 80% of the tax increment created by the project with the remaining 20% passing to the applicable taxing jurisdictions. It is our belief that the purpose of the Brownfield Redevelopment Financing Act is to create TIFs for these types of projects and remediate sites such as this. The MDEQ has already shown its support and even granted the City of Hazel Park a \$2 million CMI loan for the project. Therefore, we believe that the MEDC/Michigan Strategic Fund should support the TIF for this project, which will be one of the largest in Oakland County over the last several years. It is vital to the entire region and a win for Hazel Park, Ashley Capital and the State of Michigan.

Regards,

Vincent Gregory, State Senator, 11<sup>th</sup> District

Robert Wittenberg, State Representative, 27<sup>th</sup> District

Jim Ananich, State Senator, 27<sup>th</sup> District

Ken Horn, State Senator, 22<sup>nd</sup> District

Mike Kowall, State Senator, 15<sup>th</sup> District

Rebekah Warren, State Senator, 18<sup>th</sup> District

June 28, 2016

Mr. Steve Arwood, Director  
Michigan Economic Development Corporation  
300 N. Washington Sq.  
Lansing, Michigan 48913

Dear Mr. Arwood:

I am writing today in support of the Strongback Properties, LLC/City of Adrian request for \$2,866,466 in Community Block Grant (CBDG) funds, as well as a request to capture \$392,375 in school and local taxes to support a project in downtown Adrian that will eliminate blight through historic preservation and rental rehabilitation. I apologize I am not able to be with you in person.

As the county seat of Lenawee County, the City of Adrian plays a vital part in our community. The downtown, which is filled with beautiful historic buildings, was devastated by the economic downturn of our state during the "lost decade." Many businesses moved from the downtown area leaving empty buildings in their wake.

Recently, there has grown an excitement among Adrian residents about the possibility of revitalizing our downtown. Several local residents have invested their own money in purchasing buildings in order to refurbish them and make the downtown beautiful again. The Strongback Properties, LLC Four Corners Redevelopment project is just one of those projects. As the name implies, the building is in the center of downtown Adrian at the main four corners. Redeveloping this building into both commercial space and residential units while historically preserving the property will be the impetus needed to bring Adrian's downtown back to what it once was. The CBDG funds and captured taxes, together with local investment of \$1.62 million will provide the funding necessary to get the job done.

Thank you for your consideration of Strongback Properties, LLC/City of Adrian request for CBDG funds, and school and local tax capture.

Sincerely,

A handwritten signature in cursive script that reads "Nancy Jenkins".

Nancy Jenkins  
State Representative  
District 57



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

RICK SNYDER  
GOVERNOR

NICK A. KHOURI  
STATE TREASURER

January 22, 2016

Ms. Andrea Robach  
Board Relations Liaison  
Michigan Strategic Fund Office  
300 N. Washington Square  
Lansing, MI 48913

Dear Ms. Robach,

I hereby designate Andrew Lockwood to represent me at Michigan Strategic Fund Meetings I am unable to attend.

Sincerely,

A handwritten signature in black ink, appearing to read "N.A. Khouri".

N.A. Khouri  
State Treasurer

Cc: Andrew Lockwood