



MICHIGAN ECONOMIC DEVELOPMENT CORPORATION

Executive Committee Meeting Adopted Minutes

March 26, 2015
2:00 p.m. – 4:00 p.m.
Lansing, Michigan

Members present:

Lizabeth Ardisana	Chris Rizik
David Armstrong	Doug Rothwell
John Brown	Anmar Sarafa
Robert Collier	David Sowerby
Tom Moran	Marilyn Schlack
Jeff Noel	Dayne Walling
Gerald Poisson	

Members present via phone:

David Meador
Jeff Metts
Greg Northrup

Members absent:

Mary Lou Benecke
Stephen Forrest
Cindy Larsen
Scott Newman-Bale


MEDC staff present: Steve Arwood, Jennifer Nelson, Karla Campbell, Amy Banninga, David Meninga, Lynne Feldpausch, Carsten Hohnke, Minesh Mody, Margaret O'Riley, and Amiee Evans.

Call to order

Mr. Rothwell called the meeting to order at 2:05 p.m. The meeting was held at the Michigan Economic Development Corporation, 300 N. Washington Square, Lansing, Michigan.

Public Comment

Mr. Rothwell asked if anyone in attendance would like to provide public comment. Jim Casha provided public comment on the State Fairgrounds.



Chairman's Report

Mr. Rothwell presented the Tribute Resolution from the Senate and House that acknowledged Michael Finney's work with the Michigan Economic Development Corporation. *A motion by Mr. Walling was made to accept the resolution acknowledging Mr. Finney's work and achievements with the MEDC and seconded by Mr. Moran. Motion passed unanimously.*

A motion was made to approve the minutes from the January 20, 2015 meeting. *It was moved by Mr. Walling and seconded by Mr. Moran. Motion passed unanimously.*

Mr. Arwood left the room as the Executive Committee discussed the MEDC CEO Contract. *It was moved by Mr. Collier and seconded by Mr. Moran. Motion passed unanimously.*

CEO Update

Mr. Arwood began with an update regarding talent employees' move to the Talent Investment Agency. MEDC financial support will continue until October 1, 2015. We currently have \$38 million for skilled trades along with new revenue for community colleges that also supports skilled trades.

Discussion continued regarding both the state and corporate budgets. MEDC will use a zero-based priority budget to determine future spending plans. Budget cuts have been proposed by the House and Senate to the Business Development, the Community Revitalization and the Film Incentive programs. MEDC staff has been directed to contact companies regarding project timelines to gain a good understanding of which projects are ready to begin and which will begin in the future. MEDC Executive Committee members offered their help when needed.

Mr. Arwood gave a brief overview of the EB-5 program that is coming to the MEDC as a product offering rather than a program. Ms. Banninga came to the table to answer questions. Discussion surrounded the types of projects and industries that could utilize EB-5. A Request for Proposals will be released seeking assistance with the complexities of the EB-5 program. *Approval for the program coming to MEDC was moved by Mr. Brown and seconded by Mr. Sarafa. Motion passed unanimously.*

COO Update

Ms. Nelson gave an overview of the Memorandum of Understanding (MOU) between the Michigan State Housing Development Authority, the Talent Investment Agency, the Michigan Strategic Fund and the MEDC, and asked for the support of the Executive Committee. *It was moved by Mr. Collier and seconded by Mr. Walling. Motion passed unanimously.*



Ms. Nelson updated the Executive Committee on funds received from gaming revenue, and also stated that the contingency budget line has been reduced by \$1 million as well as a \$1 million reduction in MiMatch fund. She also mentioned that the State of Michigan is in the process of replacing their current accounting system, MAIN, and MEDC is considering whether to use this system. Discussions are occurring with the State Budget Office on this issue.

Subcommittee Reports

Mr. Armstrong, Chair of the Audit and Governance Subcommittee, updated the Executive Committee on the recent audits and that both MEDC and the Michigan Strategic Fund received clean audit reports.

Mr. Hohnke, on behalf of Mr. Northrup, Chair of the Strategic Planning Subcommittee, reported on their February meeting. A new analysis on how we deploy resources, the perception of the Michigan business climate, and companies' awareness of the MEDC and their resources is being undertaken.

Other Business

Mr. Hohnke gave presentation on MEDC's entrepreneurial programs. There were questions regarding Michigan's ranking for the entrepreneurial business climate compared to other states and Carsten's team will research this and respond to the Executive Committee.

Discussion ensued regarding the July 2015 MEDC Executive Committee Retreat that will be held in Kalamazoo. It was determined that the retreat would begin with a dinner on Monday, July 20, and the meeting will be held Tuesday, July 21.

Meeting adjourned at 4:00 p.m.