
MICHIGAN ECONOMIC
DEVELOPMENT CORPORATION

Executive Committee Minutes

July 17, 2018

8:00 am to 12 p.m.

Crystal Mountain Resort

12500 Crystal Mountain Dr, Thompsonville, MI 49683

Members Present:

Mike McLauchlan
Jeff Noel
Karen Weaver
Greg Northrup
Bob McMahan
Rob Collier

Jeff Metts
Scott Newman-Bale
Anmar Sarafa
Dave Meador
John Brown (by phone)
Tom Moran

Chris Rizik
Chris MacInnes
Fritz Erickson
Jack O'Reilly
Dave Washburn (by phone)

Members Absent:

David Armstrong

Lizabeth Ardisana

Doug Rothwell

Staff Present:

Trevor Pawl
Doug Kuiper
Josh Hundt
Christin Armstrong

Greg Tedder
Lynne Feldpausch
Amanda Bright-McClanahan
Amiee Evans

Katharine Czarnecki
Steve Bakkal
Jeff Mason
Dave Greco

I. Call to order

Mr. Noel called the meeting to order at 8:05 a.m., a quorum was declared present. The meeting was held at Crystal Mountain Resort, 12500 Crystal Mountain Dr, Thompsonville, MI 49683.

II. Public Comment

Mr. Noel invited public comment, there was none.

III. MEDC Budget - Public Hearing & Comment

Mr. Noel invited public comment on the MEDC budget, there was none.

IV. Vice Chairman's Report

- a. Mr. Noel asked if there were any questions, changes, or corrections regarding the April 2018 meeting minutes. *Ms. MacInnes moved to approve the minutes of the April meeting and Mr. O'Reilly supported the motion. The motion passed unanimously.*

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V. CEO Report

- a. Jeff Mason provided an update on the MEDC's preparation for the gubernatorial transition. He provided a document with a timeline and outline of the materials that will be provided to the next administration.
- b. He next provided an overview of the June 2018 scorecard of metrics.
- c. Mr. Mason noted that there are two major challenges that staff continue to hear from customers, talent and the NAFTA tariffs. He reported that the Marshall Plan for Talent, a program within the MI Department of Talent & Economic Development, that is holding workshops across the state to assist with talent challenges around the state with the long-term goal of shaping the pipeline for future careers. He noted that he continues to be in contact with the administration regarding the issue on tariffs and will continue to monitor the situation.
- d. Mr. Mason introduced Steve Bakkal to provide some additional context in regards to a question posed in the April meeting regarding consistency in statewide economic development metrics. Mr. Bakkal presented several examples of how local economic development organizations are reporting metrics, as well as best practices, and how and why the MEDC reports the metrics within the scorecard. Mr. Mason commented that the CDC recently created a subcommittee that will continue to look at best practices in metrics on a statewide level.

VI. Staff Presentations

- a. Mr. Mason introduced the staff budget presentations. He reported that based on the MEDC strategic focus the organization would like to focus on five areas of priority: site readiness, community investment, mobility, early stage capital, and MEDC infrastructure (including our building and IT).
- b. Ms. Amanda Bright-McClanahan provided a financial overview of the organization, including an overview of the 2018 expenditures vs. budget, identification of priority areas and areas to watch, major changes for the FY19 budget, and the FY20 advisory budget.
- c. Mr. Josh Hundt provided an overview of the business development activities year to date. He also provided background on the one-time strategic investment requests including: Michigan Site Readiness Program request, First Capital Fund, and PlanetM. Mr. Trevor Pawl provided an update on the FY18 PlanetM activities to date, including an update on metrics as well as the planned activities for FY19.
- d. Ms. Katharine Czarnecki provided an overview of the community development activities year to date. She also provided background on the major budget priorities for the business unit, including a one-time investment for Redevelopment Ready Services.
- e. Mr. Greg Tedder provided an overview of the business and travel marketing activities year to date. He noted the marketing priorities for FY19 include: on the Pure Michigan side, more focus on next generation travelers, diversify media buys to adapt to evolving media habits, and expand international

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outreach; on the business side, more messaging on our business strengths and low cost of doing business as well as more focus on surrounding Midwest states.

- f. Ms. Lynne Feldpausch provided an overview of the administrative operations activities year to date. She also provided background on the major priorities for administrative operations for the FY19 fiscal year including one-time investments in facility capital improvements and IT infrastructure.
- g. Following the staff presentations, Mr. Chris Rizik and Ms. Amanda Bright McClanahan presented the FY19 budget as well as the FY20 advisory budget.

VII. Resolution to Adopt Corporate Compensation Structure

Ms. Lynne Feldpausch on behalf of the Personnel & Compensation subcommittee presented the findings of Crowe Global, an independent accounting and advisory firm, who was contracted to provide MEDC a review of the current compensation structure. Following the review, it was determined that the MEDC compensation structure should be updated based on market changes.

Mr. Rob Collier moved to approve the Resolution as presented, Ms. MacInnes supported the motion. The Resolution passed unanimously.

VIII. Census 2020

Mr. Rob Collier presented on an effort that the Council of Michigan Foundations and the Michigan Nonprofit Association have undertaken to ensure that Michigan residents complete the Census in 2020. The focus is to provide education and opportunity for citizens to complete the Census, with a focus on those individuals who would not generally have internet access. Mr. Collier requested that the MEDC support the efforts with a \$500,000 contribution to the effort.

Ms. MacInnes motioned to have Mr. Colliers request review in the Finance Subcommittee, Mr. Sarafa supported the motion. The motion passed unanimously.

- IX. Mr. Noel adjourned the meeting at 12:57 p.m.