

**MICHIGAN STRATEGIC FUND
APPROVED MEETING MINUTES
October 26, 2021**

Member Present

Britany L. Affolter-Caine

Members joined remotely

Ronald W. Beebe

Paul Gentilozzi

John Groen (on behalf of Director Corbin)

September Hargrove

Michael B. Kapp (on behalf of Director Ajegba)

Andrew Lockwood (on behalf of Treasurer Eubanks)

Quentin L. Messer, Jr.

Charles P. Rothstein

Susan Tellier

Cindy Warner

I. CALL TO ORDER & ROLL CALL

Mr. Messer called the meeting to order at 9:01 a.m. The meeting was held in person in the Lake Michigan Conference Room at the MEDC headquarters building in Lansing with an option to participate virtually via Microsoft Teams.

Mr. Messer introduced Katelyn Wilcox Surmann, MSF Board Liaison, who conducted the attendance roll call.

II. PUBLIC COMMENTS

Ms. Wilcox Surmann explained the process for members of the public to participate; there were no public comments.

III. COMMUNICATIONS

Ms. Wilcox Surmann advised Board members that the Quarterly Report of the Chief Compliance Officer was provided to them in the briefing packet. She noted that a Resolution of Tribute was received for Amanda Bright McClanahan, former Chief Operating Officer of the MEDC. In addition, a letter was received from State Representative Julie Rogers in support of the 619 Porter Project in Kalamazoo. Both the tribute and letter were shared electronically with Board members and are attached to the minutes.

Valerie Hoag, MSF Fund Manager, provided an update on recent Policy and Planning Subcommittee activity and Ronald W. Beebe, Chair of the Finance and Investment Subcommittee, provided an update on recent activity.

IV. CONSENT AGENDA

Resolution 2021-131 Approval of Consent Agenda Items

Mr. Messer asked if there were any questions from Board members regarding items under the Consent Agenda. There being none, Andrew Lockwood motioned for the approval of the following:

- a. Proposed Meeting Minutes: September 28, 2021
- b. Mayville Engineering Company, Inc.: MBDP Grant Amendment – **2021-132**
- c. CDBG: Program Year 2021 Action Plan & Funding Guide Excerpt – **2021-133**
- d. 2022 MSF Board Meeting Dates

Charles P. Rothstein seconded the motion. **The motion carried: 10 ayes; 0 nays; 0 recused.**

ROLL CALL VOTE: Ayes: Britany L. Affolter-Caine, Ronald W. Beebe, John Groen (on behalf of Director Corbin, designation attached), September Hargrove, Michael B. Kapp (on behalf of Director Ajegba, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None

V. MSF SUBCOMMITTEE APPOINTMENT

a. Finance and Investment Subcommittee Appointment

Mr. Messer asked for nominations to fill a fifth position on the Finance and Investment Subcommittee. Ronald W. Beebe nominated Paul Gentilozzi; however, he was not present to accept the nomination and consideration of the item was postponed until later in the meeting.

VI. ANNUAL FUNDING ALLOCATIONS

a. Resolution 2021-134 FY2022 MSF Annual Funding Allocations

Jill Trepkoski, Chief Financial & Procurement Officer, provided the Board with information regarding this action item. The action involves authorization of FY2022 funding allocations for MSF programs and activities. Following discussion, Ronald W. Beebe motioned for the approval of Resolution 2021-134. Michael B. Kapp seconded the motion. **The motion carried: 10 ayes; 0 nays; 0 recused.**

ROLL CALL VOTE: Ayes: Britany L. Affolter-Caine, Ronald W. Beebe, John Groen (on behalf of Director Corbin, designation attached), September Hargrove, Michael B. Kapp (on behalf of Director Ajegba, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None

Paul Gentilozzi joined the meeting at 9:20 a.m.

VII. ADMINISTRATIVE

a. Resolutions 2021-135 & 2021-136 Michigan Build Ready Sites Program: Guidelines Amendment and Delegation of Authority Approval Amount Increase

Nicole Whitehead, Director of Sales & Service Operations, provided the Board with information regarding these action items. The actions involve approval of amendments to the Michigan Build Ready Sites Program guidelines to include agencies in the state of Michigan and state and local land banks as eligible applicants for site readiness grants, expand eligible activities to include land assembly, land acquisition, quieting title and quiet title actions, and increase the delegated authority approval amount from \$800,000 to \$1,000,000. Following discussion, Michael B. Kapp motioned for the approval of Resolution 2021-135. September Hargrove seconded the motion. **The motion carried: 10 ayes; 1 nay; 0 recused.**

ROLL CALL VOTE: Ayes: Britany L. Affolter-Caine, Ronald W. Beebe, Paul Gentilozzi, John Groen (on behalf of Director Corbin, designation attached), September Hargrove, Michael B. Kapp (on behalf of Director Ajegba, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Charles P. Rothstein, Cindy Warner; Nays: Susan Tellier; Recused: None

Ronald W. Beebe then motioned for the approval of Resolution 2021-136. Michael B. Kapp seconded the motion. **The motion carried: 10 ayes; 1 nay; 0 recused.**

ROLL CALL VOTE: Ayes: Britany L. Affolter-Caine, Ronald W. Beebe, Paul Gentilozzi, John Groen (on behalf of Director Corbin, designation attached), September Hargrove, Michael B. Kapp (on behalf of Director Ajegba, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Charles P. Rothstein, Cindy Warner; Nays: Susan Tellier; Recused: None

V. MSF SUBCOMMITTEE APPOINTMENT (*Continued*)

a. Finance and Investment Subcommittee Appointment

Mr. Messer reminded members that Ronald W. Beebe earlier nominated Paul Gentilozzi to serve on the Finance and Investment Subcommittee, but no vote was taken due to his absence. Mr. Gentilozzi confirmed his presence at the meeting and accepted the nomination. A roll call vote was conducted to appoint him to the Finance and Investment Subcommittee. **The appointment was adopted: 11 ayes; 0 nays; 0 recused.**

ROLL CALL VOTE: Ayes: Britany L. Affolter-Caine, Ronald W. Beebe, Paul Gentilozzi, John Groen (on behalf of Director Corbin, designation attached), September Hargrove, Michael B. Kapp (on behalf of Director Ajegba, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None

VIII. COMMUNITY VITALITY

a. Resolutions 2021-137 & 2021-138 619, LLC / City of Kalamazoo Brownfield Redevelopment Authority: Michigan Community Revitalization Program Loan Participation Award and Brownfield Act 381 Work Plan (619 Porter Project)

Michelle Audette-Bauman, Community Assistance Team Specialist, provided the Board with information regarding these action items. The actions involve approval of a \$2,200,000 Michigan Community Revitalization Program loan participation award and state tax capture for Act 381 eligible activities capped at \$537,226 to support a community development project in the City of Kalamazoo. The project is expected to result in a total capital investment of \$13,236,421.

Ronald W. Beebe disconnected from the meeting temporarily at 10:01 a.m. due to a technical issue.

Following discussion, Paul Gentilozzi motioned for the approval of Resolution 2021-137. Cindy Warner seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

ROLL CALL VOTE: Ayes: Britany L. Affolter-Caine, Ronald W. Beebe, Paul Gentilozzi, John Groen (on behalf of Director Corbin, designation attached), September Hargrove, Michael B. Kapp (on behalf of Director Ajegba, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None

Paul Gentilozzi then motioned for the approval of Resolution 2021-138. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

ROLL CALL VOTE: Ayes: Britany L. Affolter-Caine, Ronald W. Beebe, Paul Gentilozzi, John Groen (on behalf of Director Corbin, designation attached), September Hargrove, Michael B. Kapp (on behalf of Director Ajegba, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None

Ronald W. Beebe rejoined the meeting at 10:05 a.m.; he stated his support for both resolutions for the 619 Porter project.

b. **Resolution 2021-139 Homestretch Nonprofit Housing Corporation: Michigan Community Revitalization Program Grant and Property Qualification (10889 Main Street Project)**

*Dan Leonard, Senior Community Assistance Team Specialist, provided the Board with information regarding this action item. The action involves approval of a \$459,434 Michigan Community Revitalization Program performance-based grant and property qualification consistent with the finding and declarations in Section 90 of the MSF Act to support a community development project in the Village of Honor. The project is expected to result in a total capital investment of \$1,676,698. Following discussion, Paul Gentilozzi motioned for the approval of Resolution 2021-139. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.***

ROLL CALL VOTE: Ayes: Britany L. Affolter-Caine, Ronald W. Beebe, Paul Gentilozzi, John Groen (on behalf of Director Corbin, designation attached), September Hargrove, Michael B. Kapp (on behalf of Director Ajegba, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None

Paul Gentilozzi disconnected from the meeting at 10:15 a.m.

c. **Resolutions 2021-140 & 2021-141 Detroit Food Commons, LLC / City of Detroit Brownfield Redevelopment Authority: Michigan Community Revitalization Program Grant and Brownfield Act 381 Work Plan (Detroit Food Commons Redevelopment Project)**

*Brittney Hoszkiw, Senior Community Assistance Team Specialist, provided the Board with information regarding these action items. The actions involve approval of a \$1,500,000 Michigan Community Revitalization Program performance-based grant and state tax capture for Act 381 eligible activities capped at \$509,634 to support a community development project in the City of Detroit. The project is expected to result in a total capital investment of \$18,440,894. Following discussion, Quentin L. Messer, Jr. motioned for the approval of Resolution 2021-140. John Groen seconded the motion. **The motion carried: 10 ayes; 0 nays; 0 recused.***

ROLL CALL VOTE: Ayes: Britany L. Affolter-Caine, Ronald W. Beebe, John Groen (on behalf of Director Corbin, designation attached), September Hargrove, Michael B. Kapp (on behalf of Director Ajegba, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None

September Hargrove then motioned for the approval of Resolution 2021-141. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 10 ayes; 0 nays; 0 recused.**

ROLL CALL VOTE: Ayes: Britany L. Affolter-Caine, Ronald W. Beebe, John Groen (on behalf of Director Corbin, designation attached), September Hargrove, Michael B. Kapp (on behalf of Director Ajegba, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None

IX. CAPITAL ACCESS

a. **Resolution 2021-142 Michigan Freshwater Oceans, LLC: Bond Inducement**

*Chris Cook, Director of Capital Access, provided the Board with information regarding this action item. The action involves adoption of a resolution to authorize the inducement of private activity bond financing not to exceed \$37,000,000 for a water treatment and aquaculture project in the City of St. Johns. Following discussion, Ronald W. Beebe motioned for the approval of Resolution 2021-142. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 9 ayes; 0 nays; 0 recused; 1 abstained***

ROLL CALL VOTE: Ayes: Britany L. Affolter-Caine, Ronald W. Beebe, John Groen (on behalf of Director Corbin, designation attached), Michael B. Kapp (on behalf of Director Ajegba, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None; Abstained: September Hargrove

X. BUSINESS INVESTMENT

a. Resolutions 2021-143, 2021-144, 2021-145 & 2021-146 Request Foods, Inc. / Holland Charter Township / Ottawa County / Michigan Business Development Program Grant, Community Development Block Grant Program Funding, Agricultural Processing Renaissance Zone, and Alternative State Essential Services Assessment Exemption

Jeremy Webb, Senior Business Development Project Manager, provided the Board with information regarding these action items. The actions involve approval of a \$2,000,000 Michigan Business Development Program performance-based grant, \$6,930,000 Community Development Block Grant Program funding, establishment of a 15-year Agricultural Processing Renaissance Zone for a new Ready to Eat facility, and a 50% Alternative State Essential Services Assessment exemption for up to five years valued at up to \$1,637,850 for \$98,750,000 in eligible personal property to support a business expansion project. The project is expected to result in the creation of up to 198 jobs and up to \$205,000,000 in direct investment in Holland Charter Township. Following discussion, Quentin L. Messer, Jr. motioned for the approval of Resolution 2021-143. Andrew Lockwood seconded the motion. **The motion carried: 10 ayes; 0 nays; 0 recused.**

ROLL CALL VOTE: Ayes: Britany L. Affolter-Caine, Ronald W. Beebe, John Groen (on behalf of Director Corbin, designation attached), September Hargrove, Michael B. Kapp (on behalf of Director Ajegba, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None

Quentin L. Messer, Jr. motioned for the approval of Resolution 2021-144. Michael B. Kapp seconded the motion. **The motion carried: 10 ayes; 0 nays; 0 recused.**

ROLL CALL VOTE: Ayes: Britany L. Affolter-Caine, Ronald W. Beebe, John Groen (on behalf of Director Corbin, designation attached), September Hargrove, Michael B. Kapp (on behalf of Director Ajegba, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None

Cindy Warner motioned for the approval of Resolution 2021-145. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 10 ayes; 0 nays; 0 recused.**

ROLL CALL VOTE: Ayes: Britany L. Affolter-Caine, Ronald W. Beebe, John Groen (on behalf of Director Corbin, designation attached), September Hargrove, Michael B. Kapp (on behalf of Director Ajegba, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None

Finally, Michael B. Kapp motioned for the approval of Resolution 2021-146. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 10 ayes; 0 nays; 0 recused.**

ROLL CALL VOTE: Ayes: Britany L. Affolter-Caine, Ronald W. Beebe, John Groen (on behalf of Director Corbin, designation attached), September Hargrove, Michael B. Kapp (on behalf of Director Ajegba, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None

XI. IMAGE BRANDING

a. Resolution 2021-147 Travel Marketing and Advertising Contract: Award Approval

*Kelly Wolgamott, Director of Travel Advertising, provided the Board with information regarding this action item. The action involves awarding a contract to MMGY Global for travel marketing and advertising initiatives that promote Michigan as a premier four-season destination utilizing state appropriated American Rescue Plan Act federal funds for an initial three year term of November 1, 2021, through October 31, 2024, with two one-year extensions at the sole discretion of the MSF, with a first-year allocation of up to \$20,000,000 for the period of November 1, 2021, to October 31, 2022. Following discussion, Ronald W. Beebe motioned for the approval of Resolution 2021-147. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 10 ayes; 0 nays; 0 recused.***

ROLL CALL VOTE: Ayes: Britany L. Affolter-Caine, Ronald W. Beebe, John Groen (on behalf of Director Corbin, designation attached), September Hargrove, Michael B. Kapp (on behalf of Director Ajegba, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None

XII. INFORMATIONAL

Mr. Messer noted the MSF delegated authority report for the period September 1 to September 30, 2021, was included in the meeting packet. He asked if there were any questions from Board members regarding the information; there were none.

Mr. Messer adjourned the meeting at 11:28 a.m.