



MICHIGAN STRATEGIC FUND

BOARD MEETING AGENDA October 24, 2023 10:00AM

I. CALL TO ORDER & ROLL CALL

II. PUBLIC COMMENT – PLEASE LIMIT PUBLIC COMMENT TO THREE (3) MINUTES

III. COMMUNICATIONS

- a. FY2023 Q4 Report of the Chief Compliance Officer 3

IV. CONSENT AGENDA

- a. Proposed Meeting Minutes: September 26, 2023 Meeting Minutes 5
- b. Queen Lillian – 381 Work Plan Amendment..... 11
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- e. Strand Theater Owner, LLC and West Development Financial, Inc. – MCRP Direct Loan Agreement Amendment 34
- f. CHN Annex Limited Partnership and Community Housing Network, Inc. – MCRP Direct Loan Agreement Amendment 41
- g. LJ, Inc. – Reauthorization of MBDP Performance-Based Grant Request 47
- h. Small Business Development Center – MSF Grant Amendment 54
- i. BBCetc Federal Funding Support Program – 2024 Funding Allocation 67
- j. City of Sault Ste. Marie – Business Incubator Grant Reassignment 73
- k. 351 W Western, LLC and Great Lakes Development Investments, Inc. – MCRP Other Economic Assistance-Loan Participation Agreement Amendment 80
- l. City of Saginaw: Michigan Strategic Fund Performance-Based Grant..... 86
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V. DEVELOP ATTRACTIVE PLACES

- a. City of Grand Rapids Brownfield Redevelopment Authority – Factory Yards Transformational Brownfield Plan: A resolution to approve a Transformational Brownfield Plan in the aggregate amount of \$102,989,119 and approval of the factors that will be used to calculate the safe harbor amounts for income tax capture and approve an amendment to existing Michigan Community Revitalization Program withholding tax capture if elected by the developer. 98
Location: City of Grand Rapids
- b. Uptown Reinvestment Corporation: A resolution to approve a Michigan Community Revitalization Program Performance-Based Grant in the amount of \$3.4 million and amend the existing Michigan Community Revitalization Program investment to split the existing parcel into two newly created parcels. 122
Location: City of Flint
- c. Clairmount Apartments LLC and City of Detroit Brownfield Redevelopment Authority (BRA): A resolution to approve a Michigan Community Revitalization Program performance-based grant in an amount of up to \$1,500,000 and a Brownfield Act 381 work plan with state tax capture for eligible activities capped at the amount of \$204,269..... 136
Location: City of Detroit

- d. Y Site, LLC: A resolution to approve an amendment to the existing Michigan Community Revitalization Program Other Economic Assistance Equity Agreement and any ancillary agreements to waive existing accrued returns due to the MSF in the amount of approximately \$751,570 and amend the equity repayment structure to a 35/65 split, to be applied retroactively to the time of the MSF disbursements. 156
Location: City of Lansing

VI. ATTRACT, RETAIN, AND GROW BUSINESS

- a. Calumet Electronics Corporation: A resolution to approve a Michigan Business Development Program Grant in the amount of \$7,500,000 and a 15-year, 100% State Essential Services Assessment Exemption with an estimated value of up to \$758,877 with an investment requirement waiver. 162
Location: Charter Township of Calumet
- b. DENSO Manufacturing Michigan Inc.: A resolution to approve a 15-year, 100% State Essential Services Assessment Exemption with an estimated value of up to \$1,433,250 with an investment requirement waiver. 178
Location: City of Battle Creek

VII. ADMINISTRATIVE

- a. Michigan Strategic Fund Consent Agenda Policy: A resolution to amend and restate the existing Michigan Strategic Fund Consent Agenda Policy to add requests from the State Historic Preservation Office for the approval of an expenditure, funding of an award, contract, grant, or other agreement..... 185

VIII. SUPPORT SMALL BUSINESS

- a. Facility for Rare Isotope Beams Project: A resolution to authorize the issuance of the issuance of the Michigan Strategic Fund Limited Obligation Revenue Refunding Bonds for the Facility for Rare Isotope Beams Project at Michigan State University in an amount not to exceed \$47,420,000. 192

IX. INFORMATIONAL

- a. Delegation of Authority Report..... 203

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GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
OFFICE OF THE CHIEF COMPLIANCE OFFICER
LANSING

KEVIN FRANCCART, ESQ.
CHIEF COMPLIANCE OFFICER

MEMORANDUM

October 10, 2023

TO: Honorable Gretchen Whitmer
Governor and Chairperson of the State Administrative Board.

Quentin L. Messer Jr.
President
Michigan Strategic Fund Board

FROM: Kevin L. Francart
Chief Compliance Officer

RE: FY2023 Q4 Report of the Chief Compliance Officer. (July 1, 2023 – September 30, 2023)

The Chief Compliance Officer is required to report quarterly to the State Administrative Board and the Michigan Strategic Fund Board regarding compliance with internal policies and procedures as well as applicable laws related to 21st century jobs fund programs. I am pleased to report that all compliance matters addressed during the fourth quarter of the 2023 fiscal year were either successfully resolved, are being appropriately addressed, or are undergoing review and are currently being evaluated.

With respect to the Michigan Strategic Fund Board, the Michigan Strategic Fund Act requires the Chief Compliance Officer to review and evaluate compliance with internal policies and procedures along with applicable state and federal law.

The Chief Compliance Officer (CCO), along with the AG and MEDC Legal, assisted with the Finance and Investment Subcommittee and the Policy and Planning Subcommittee. New subcommittee charters were adopted to accommodate the new Board structure. The review of the relationship with and the economic incentives provided to Michigan Community Capitol as reported previously continued. The CCO along with the AG, MEDC Legal, and MSF Fund Manager presented amended and restated Bylaws and rules of order to the MSF Board, the bylaws and rules of order were adopted. The CCO continued to assist the Department of Technology, Management, and Budget with the workgroup to implement the requirements of the Economic Development Incentive Evaluation Act, MCL 18.1751 *et seq.* The Evaluation for MSF's Entrepreneurship and Innovation (E&I) programs was published. The contract for the next evaluation has been executed and will cover Capital Access programs. The CCO advised the MSF Fund Manager and Associate Fund Manager to implement the recommendation in the MSF E&I Program Evaluation to collect the tax identification number/employer identification numbers (TIN/EIN) for all of the participants in the program. This would allow for the ability to track participant's long term survival and overall success and to monitor participants over the entire program to assist in detection of fraud, waste, and abuses. The CCO and AG discussed issues regarding the structure and terms of the \$10 Million loan to the Illinois Facilities Fund

(IFF) to create a Workforce Housing Loan Fund to invest in housing projects in Allegan, Ottawa, and Kent Counties. The CCO was advised by the AG that an analysis of Board delegations and guidelines was being conducted and this office will be included in those as relevant to the OCCO's jurisdiction. The Michigan Office of the Auditor General (OAG) conducted a Fraud Risk Interview of the CCO as part of the OAG's audit of the Community Revitalization Program. The AG requested that the CCO assist the MSF Board with the creation, implementation, monitoring, and enforcement of an Investment Policy. The CCO, along with the chairs of both the Finance and Investment Subcommittee and the Policy and Planning Subcommittee, are drafting an Investment Policy for presentation and review by both subcommittees and eventual adoption by the Board. The CCO assisted the AG with obtaining the oaths of office and appointments of reappointed Board Members from the Office of the Great Seal and in coordinating with the Office of the Great Seal to establish an arrangement for the requesting and delivery of oaths of office and appointments in the future. The question previously referred to the AG regarding MCL 423.321 *et sec.*, and *Wisconsin Dept of Indus, Labor & Human Relations v Gould Inc*, 475 US 282; 106 S Ct 1057; 89 L Ed 2d 223 (1986), remains outstanding. As reported previously, the site visit guidelines were changed by the MEDC compliance section to no longer require a minimum number of site visits, thus, site visits are being performed pursuant to the site visit guidelines.

The Chief Compliance Officer provided informal advice regarding various issues arising this quarter concerning such topics as the conflict of interest determination, authorized use of 21st century job fund funds, and compliance with established Board policy and limitations.

**MICHIGAN STRATEGIC FUND
APPROVED MEETING MINUTES
SEPTEMBER 26, 2023**

Member Present

Quentin L. Messer, Jr.

Members joined remotely.

Britany Affolter-Caine

Director Corbin

Wesley Eklund

Treasurer Eubanks

Dimitrius Hutcherson

Michael B. Kapp (on behalf of Director Wieferich)

Dan Meyering

Leon Richardson

Charles P. Rothstein

Randy Thelen

Cindy Warner

I. CALL TO ORDER & ROLL CALL

Mr. Messer called the meeting to order at 10:06 a.m. The meeting was held in person in the Lake Michigan Conference Room at the MEDC headquarters building in Lansing with optional participation remotely.

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

II. PUBLIC COMMENT

Ms. Wilcox Surmann explained the process for members of the public to participate. Dan Eriksson, Owner of Hoffman Brothers, Bob Lyng, Marshall Township Board Member, Sue Damron, President and CEO of Schulers, Rebecca Jones, Superintendent of Marshall Public Schools, Michael Lounds, Resident of Marshall, Mark Behnke, Mayor of Battle Creek, Jim Schwartz, Mayor of Marshall and Dr. Paul Watson II, President, Kellogg Community College offered remarks in support of MAEDA. Glenn Kowalksi, resident of Marshall, Barry Wayne Adams, Marjorie Steele and Brandi offered remarks opposing MAEDA.

Mike Kapp leaves at 10:16am

III. COMMUNICATIONS

Ms. Wilcox Surmann reported communications received were shared with MSF Board members, Friday, September 22, 2023.

Mike Kapp rejoins at 10:18am

MSF Subcommittee Reports

Dimitrius Hutcherson, Chair of the MSF Finance and Investment Subcommittee, indicated movement on the SSBCI Bills and will have more to report next month.

Cindy Warner, Chair of the MSF Policy and Planning Subcommittee, nothing to report.

IV. ATTRACT, RETAIN, AND GROW BUSINESS

- a. **Resolution 2023-149 Marshall Area Economic Development Alliance: Strategic Site Readiness Program Grant (SSRP).** Josh Hundt, supported by Jim Durian and Mr. Lindsay of MAEDA provided the Board with information regarding this action item. This action involves approval of a resolution to approve a SSRP performance-based grant in the amount of \$65 million to MAEDA for land acquisition, site studies and preparation, water and wastewater upgrades, road enhancements, professional fees, administration and other necessary public infrastructure improvements. After much discussion, Quentin Messer, Jr. motioned for the approval of Resolution 2023-149, SSRP. Leon Richardson seconded the motion. **The motion carried: 11 ayes; 1 nays; 0 recused.**

ROLL CALL VOTE: Ayes: Britany Affolter-Caine, Director Corbin, Treasurer Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Randy Thelen, Cindy Warner; Nays: Wesley Eklund; Recused: None.

Randy Thelen, recused, and Dimitrius Hutcherson, leave the meeting at 11:20am

- b. **Resolution 2023-150 Strategic Site Readiness Program Grants (SSRP) to Prosperity Region Economic Development Organization.** Josh Hundt provided the board with information regarding this action item. This action involves approval of a resolution to approve SSRP grants to 11 economic development organizations located within the 10 prosperity regions. After discussion, Director Corbin motioned to approve Resolution 2023-150, SSRP Grants. Quentin Messer, Jr. seconded the motion. **The motion carried: 10 ayes; 0 nays; 1 recused.**

ROLL CALL VOTE: Ayes: Britany Affolter-Caine, Director Corbin, Wesley Eklund, Treasurer Eubanks, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Cindy Warner; Nays: None; Recused: Randy Thelen.

V. CONSENT AGENDA

Resolution 2023-151 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, Dimitrius Hutcherson motioned for the approval of the following:

- a) Proposed Meeting Minutes: August 22, 2023 Meeting Minutes
- b) Veridea Group: Brownfield Act 381 Work Plan **2023-152**
- c) Lofts on Louis: MCRP Amendment **2023-153**
- d) Exchange Building, LLC-The Exchange: MCRP Amendment **2023-154**
- e) Billerud: APRZ Amendment **2023-155**
- f) Contractual Small Business Solutions/Services: FY24 Funding Allocations **2023-156**
- g) International Trade Centers: JEC Recommendations and FY24 Funding Allocations **2023-157**
- h) Michigan Israel Business Accelerator (MIBA): New Contract Approval **2023-158**
- i) Business Marketing Lambert Contract Amendment **2023-159, 2023-160**
- j) FY 2024 Memorandum of Understanding MSF & MEDC **2023-161**
- k) Lear Corporation: Reauthorization of Performance-Based Grant Request **2023-162**

Mike Kapp motioned for the approval of the consent agenda. Quentin Messer, Jr. seconded the motion. **The motion carried: 10 ayes; 0 nays; 1 recused.**

ROLL CALL VOTE: Ayes: Britany Affolter-Caine, Director Corbin, Wesley Eklund, Treasurer Eubanks, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Cindy Warner; Nays: None; Recused: Randy Thelen.

Randy Thelen rejoins the meeting at 11:31am

VI. DEVELOP ATTRACTIVE PLACES

a. Resolutions 2023-163 Olympia Development of Michigan – Henry Street: a Michigan Community Revitalization Program performance-based direct loan to Henry Street Renaissance, LLC. Julius Edwards, David Howell, City of Detroit, DEGC, and Ms. Tyler Hardy, Olympia Development, provided the Board with information regarding this action item. This action involves approval of a resolution to approve a Michigan Community Revitalization Program performance-based direct loan to Henry Street Renaissance, LLC in the amount of \$6,493,000. This project is in the City of Detroit and is expected to result in total capital investment of \$40,533,873. After discussion, Britany Affolter-Cain motioned for approval of Resolution 2023-163. Charlie P. Rothstein seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

ROLL CALL VOTE: Ayes: Britany Affolter-Caine, Director Corbin, Wesley Eklund, Treasurer Eubanks, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richarson, Charles P. Rothstein, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

b. Resolution 2023-164 CDBG Public Gathering Spaces Initiative Competitive Funding Round Project Recommendation. Paula Holtz provided the Board with information regarding this action item. This action involves approval of a resolution to award a total of \$20,000,000 in CDBG funds for the expansion and creation of public gathering spaces for 16 units of general local government and up to \$800,000 in CDBG funds to provide administrative services to assist these communities with relevant compliance and administrative requirements. After discussion, Randy Thelen motion for approval of Resolution 2023-164. Leon Richardson seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

ROLL CALL VOTE: Ayes: Britany Affolter-Caine, Director Corbin, Wesley Eklund, Treasurer Eubanks, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richarson, Charles P. Rothstein, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

VII. ATTRACT, RETAIN AND GROW BUSINESS

c. Resolution 2023-165 and 2023-166 Proton Energy Systems, Inc. dba Nel Hydrogen U.S. Sarah Bishop, Hakon, Senior Executive, Nel Hydrogen and Maureen Krauss, Detroit Regional Partnership provided the Board with information regarding these action items. These actions involve approval of resolutions for a Michigan Business Development Program Grant in the amount of \$10,000,000 and a 15-year 100% State Essential Services Assessment (SESA) Exemption and a waiver of the EDA and Commencement requirements. This project, in Plymouth Township, Wayne County is expected to create up to 517 jobs and \$413,738,400 in capital investment. Quentin Messer, Jr motioned for the approval of Resolution 2023-165, MPDP Grant. Cindy Warner seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

ROLL CALL VOTE: Ayes: Britany Affolter-Caine, Director Corbin, Wesley Eklund, Treasurer Eubanks, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richarson, Charles P. Rothstein, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

Quentin Messer, Jr motioned for the approval of Resolution 2023-166, SESA. Cindy Warner seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

ROLL CALL VOTE: Ayes: Britany Affolter-Caine, Director Corbin, Wesley Eklund, Treasurer Eubanks, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

Leon Richardson and Cindy Warner leave the meeting at 12:03pm

- a. **Resolution 2023-167 Samsung SDI America, Inc.: Michigan Business Development Program Grant.** Britney Mizer, Joe Pittel, Samsung, and Michael Abdallah, Oakland County provided the Board with information regarding this action item. This action involves approval of a Michigan Business Development Program Grant in the amount of \$5,000,000. This project is expected to create up to 368 jobs and \$41,000,000 of capital investment in the Auburn Hills, Oakland County. Quentin Messer, Jr. Motioned for the approval of Resolution 2023-167. Director Corbin seconded the motion. **The motion carried: 9 ayes; 0 nays; 0 recused.**

ROLL CALL VOTE: Ayes: Britany Affolter-Caine, Director Corbin, Wesley Eklund, Treasurer Eubanks, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Charles P. Rothstein, Randy Thelen; Nays: None; Recused: None

VIII. ADMINISTRATIVE

- a. **Resolution 2023-168 Michigan Strategic Fund By-Laws: A resolution to approve revised Michigan Strategic Fund By-Laws.** By-laws were previously shared and discussed. Charlie P. Rothstein motioned for the approval of Resolution 2023-168. Quentin Messer, Jr. seconded the motion. **The motion carried: 9 ayes; 0 nays; 0 recused.**

ROLL CALL VOTE: Ayes: Britany Affolter-Caine, Director Corbin, Wesley Eklund, Treasurer Eubanks, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Charles P. Rothstein, Randy Thelen; Nays: None; Recused: None

IX. INFORMATIONAL

Mr. Messer noted the MSF Delegated Authority Report for the period August 1 to 31, 2023, 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 12:15pm

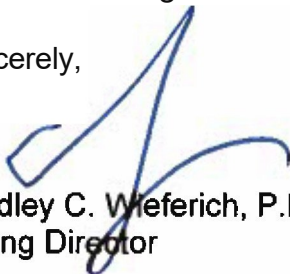
January 3, 2023

Ms. Rhonda Bishop
Board Relations Liaison
Michigan Strategic Fund Office
300 N. Washington Square
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael 8. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,



Bradley C. Wieferich, P.E.
Acting Director

cc: M. Kapp
Executive File

September 20, 2023

MSF Fund Manager
MEDC
300 N. Washington Square
Lansing, Michigan

Dear Fund Manager,

This is to advise that I am recusing myself from voting and excuse myself during the discussion of the following items on the Michigan Strategic Fund Board Meeting Agenda on September 26, 2023.

- Contractual Small Business Solutions and Services
- Strategic Site Readiness program

The reason for my recusal is I have a potential conflict with these items due to a potential MSF grant to RPI related to this project.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Thelen". The signature is written in a cursive style with a long horizontal stroke at the end.

Randy Thelen



MEMORANDUM

Date: October 24, 2023
To: Michigan Strategic Fund Board
From: Rob Garza, Manager, Statutory Analysis
Subject: Request for Approval of an Act 381 Work Plan Amendment #2
City of Detroit Brownfield Redevelopment Authority
The Woodward at Midtown Project

Request

The City of Detroit Brownfield Redevelopment Authority (the “BRA”) is requesting approval of an amendment to the Act 381 Work Plan (the “Work Plan”) for The Woodward at Midtown Project (“Project”). The amended Work Plan includes a request to shift eligible activity costs previously approved for Interest to the Site Preparation category and remove the approval for Interest. The maximum eligible activity amount and maximum state tax capture amounts will remain unchanged.

Background

The Michigan Strategic Fund Board approved a Work Plan on December 20, 2016 and a Work Plan amendment on May 19, 2020, for the purpose of creating a five-story, mixed-use building consisting of up to 204 residential units and ground floor retail.

Upon completion of the project, it was determined that there was a need to shift previously approved costs from Interest and reallocate them to the Site Preparation category. The maximum eligible activity costs and state portion of tax capture remain unchanged and the Interest line item will be removed. This amendment will allow the BRA to reimburse for the appropriate completed eligible activities.

ORIGINAL PROJECT

State tax capture	(36.74%)	\$ 900,841
Local tax capture	(63.26%)	\$ <u>1,551,050</u>
TOTAL		\$ 2,451,891

AMENDED PROJECT

State tax capture	(36.74%)	\$ 900,841
Local tax capture	(63.26%)	\$ <u>1,551,050</u>
TOTAL		\$ 2,451,891

The City of Detroit BRA is currently compliant with Act 381 Brownfield Reporting.

Recommendation

The MEDC staff recommends approval of an amendment to the Act 381 Work Plan to shift eligible activity costs from Interest to Site Preparation and remove approval for Interest.

MICHIGAN STRATEGIC FUND

RESOLUTION 2023 - 170

**APPROVAL OF A BROWNFIELD ACT 381 WORK PLAN
CITY OF DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
THE WOODWARD AT MIDTOWN PROJECT
AMENDMENT #2**

WHEREAS, the Michigan Economic Growth Authority (“MEGA”) has been established by 1995 PA 24, as amended (the “Act”);

WHEREAS, 2002 PA 727 amended 1996 PA 381, MCL 125.2651 et seq, to empower local brownfield redevelopment authorities to request the MEGA Board to approve a brownfield project work plan and, thereby, capture taxes levied for school operating purposes for the project;

WHEREAS, Executive Order 2012-9 transferred all the authority, powers, duties, functions, responsibilities, records, personnel, property, unexpended balances of appropriations, allocations or other funds of the MEGA to the MSF;

WHEREAS, the MSF Board approved a work plan (“Brownfield Work Plan”) request for The Woodward at Midtown Project (the “Project”), by Resolution 2016-066 on December 20, 2016, and amended by Resolution 2020-061 on May 19, 2020, authorizing the Authority to capture taxes levied for school operating purposes based on a maximum of \$2,451,891 in eligible activities;

WHEREAS, the City of Detroit Brownfield Redevelopment Authority (the “Authority”) wishes to amend the scope of the Project by reallocating the amount originally approved for interest to the site preparation category. The maximum amount for eligible costs and amount of taxes levied for school operating purposes being captured for the reimbursement of those eligible costs will remain unchanged; and

WHEREAS, the Michigan Economic Development Corporation (“MEDC”) provides administrative services to the MSF, and has reviewed the application and recommends approval of the amended Brownfield Work Plan by the MSF Board.

NOW, THEREFORE, BE IT RESOLVED, the MSF Board authorizes the Authority to capture taxes levied for school operating purposes in substantially the same proportion as 36.74% to 63.26% ratio currently existing between school and local taxes for non-homestead properties, to reimburse the cost of site preparation, demolition, and infrastructure improvements as presented in the revised Brownfield Work Plan dated May 15, 2023. Any change in millage that increases the capture percentage of school taxes in the ratio above by more than 5 percentage points must be approved by the MSF Board. The authorization is based on the Authority capturing all available local operating mills for the term of the capture period. The authorization for the capture of taxes levied for school operating purposes is based on costs of MSF eligible activities with a maximum of \$2,421,891 for the principal activity costs of non-environmental activities and a contingency, a maximum of \$15,000 for brownfield and work plan implementation, and a maximum of \$15,000 for brownfield and work plan preparation, and with the capture of taxes levied for school operating purposes being limited to a maximum of \$900,841.

BE IT FURTHER RESOLVED, that the MSF Board authorizes the MSF Fund Manager, to provide written notification to the Authority, in the form of a letter which incorporates the terms set forth in this Resolution and consistent with the limitations of the Act, and that this approval is further conditioned upon the Authority, or the City as appropriate, maintaining adequate records regarding: a) all taxes captured for the project; and b) receipts or other appropriate documentation of the cost of eligible activities. The records shall be made available for review upon request by MSF or MEDC staff.

BE IT FURTHER RESOLVED, that no taxes levied for school operating purposes shall be used to reimburse interest costs related to the eligible activities for the Project.

BE IT FURTHER RESOLVED, that all other provisions of Resolutions 2016-066 and 2020-061 are reaffirmed and the MSF authorizes the MSF Fund Manager to implement the terms of this resolution.

Ayes: Britany L. Affolter-Caine, John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached) Quentin L. Messer, Jr., Dan Meyering, Susan Tellier, Randy Thelen, Cindy Warner

Nays: None

Recused: None

Lansing, Michigan
October 24, 2023



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

January 6, 2023

Valerie Hoag
MSF Fund Manager
Michigan Economic Development Corporation
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting and Michigan Strategic Fund Finance
and Investment Subcommittee Designee for Treasurer Eubanks

Dear Ms. Hoag:

I hereby designate Andrew Lockwood to attend all Michigan Strategic Fund Board Meetings and Michigan Strategic Fund Finance and Investment Subcommittee meetings that I am unable to attend in 2023.

If you need anything additional, please contact Kara Kabia at (517) 241-2624.

Sincerely,

A handwritten signature in cursive script that reads "Rachael Eubanks".

Rachael Eubanks
State Treasurer

Cc: Eric Bussis
Andrew Lockwood



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

GRETCHEN WHITMER
GOVERNOR

BRADLEY C. WIEFERICH, P.E.
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop
Board Relations Liaison
Michigan Strategic Fund Office
300 N. Washington Square
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bradley C. Wieferich".

Bradley C. Wieferich, P.E.
Acting Director

cc: M. Kapp
Executive File



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
LANSING

SUSAN CORBIN
DIRECTOR

January 21, 2022

Ms. Katelyn Wilcox
Board Relations Liaison
Michigan Strategic Fund
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting Designees

Dear Ms. Wilcox:

Pursuant to MCLA 16.51, I hereby confirm my designation of John Groen and Jonathan Smith as the persons authorized and empowered to act in my stead as a member of the Michigan Strategic Fund Board for scheduled meetings or portions thereof that I am unable to attend.

If you need anything additional, please contact Diane Burton at (517) 230-5454.
Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Susan R. Corbin".

Susan R. Corbin
Director



MEMORANDUM

Date: October 24, 2023

To: Michigan Strategic Fund Board

From: Rob Garza, Manager, Statutory Analysis

Subject: Request for Approval of an Act 381 Work Plan Amendment #1
City of Warren Brownfield Redevelopment Authority (BRA)
Warren Transmission Redevelopment Project

REQUEST

The City of Warren Brownfield Redevelopment Authority (BRA) is requesting an amendment to a Brownfield Act 381 Work Plan most recently approved for state tax capture for MSF eligible activities in the amount \$7,271,381. The amendment proposes to add new eligible activities and increase the authorized capture to \$9,181,715.

PROJECT BACKGROUND

The project was originally approved for state tax capture for Act 381 eligible activities in the amount of \$7,271,381 by the Michigan Strategic Fund (MSF) Board on April 26, 2022. The project consists of the construction of three new buildings containing approximately 1,400,000 square feet of industrial space on 117 acres that previously housed the former General Motors (GM) Warren Transmission Plant.

Shortly after construction began in Fall of 2022, additional demolition and site improvement eligible activities were identified that were necessary to complete the project. This amendment request incorporates those new eligible activities and costs for reimbursement.

TAX CAPTURE SUMMARY

In order to alleviate brownfield conditions and prepare the site for redevelopment, the City of Warren, a Qualified Local Governmental Unit, has duly approved a brownfield plan for this property on November 7, 2007, and amended on February 6, 2019. The property has been determined to be a facility as verified by the Michigan Department of Environment, Great Lakes, and Energy (EGLE).

There are currently 61.3122 non-homestead mills available for capture, with State mills from school operating and SET millages equaling 22.6410 mills (36.93%) and local millage equaling 38.6712 mills (63.07%). Tax increment capture will begin in 2023 and is estimated to continue for 20 years. The state tax capture is recommended to be capped at \$9,181,715, which is the amount of tax increment revenue anticipated to be generated in 20 years. Total MSF eligible activities are estimated at \$23,380,500. The tax capture ratio is impacted by an Industrial Facilities Tax abatement, and the blended ratio is shown below. MSF eligible activities breaks down as follows:

CURRENT PROJECT

State tax capture	(40.23%)	\$ 7,271,381
Local tax capture	(59.77%)	\$ <u>10,802,094</u>
TOTAL		\$ 18,073,475

AMENDED PROJECT

State tax capture	(39.27%)	\$ 9,181,715
Local tax capture	(60.73%)	\$ <u>14,198,785</u>
TOTAL		\$ 23,380,500

COST OF MSF ELIGIBLE ACTIVITIES (CURRENT PROJECT)

Demolition		9,368,000
Lead and Asbestos Abatement		3,153,500
Infrastructure Improvements		1,860,000
Site Preparation	+	<u>1,315,000</u>
Sub-Total	\$	15,696,500
Contingency (15%)	+	<u>2,354,475</u>
Sub-Total	\$	18,050,975
Brownfield/Work Plan Preparation		15,000
Brownfield/Work Plan Implementation	+	<u>7,500</u>
TOTAL	\$	18,073,475

COST OF MSF ELIGIBLE ACTIVITIES (AMENDED PROJECT)

Demolition	\$	9,921,000
Lead and Asbestos Abatement		1,542,000
Infrastructure Improvements		1,147,000
Site Preparation		<u>10,748,000</u>
Sub-Total	\$	23,358,000
Brownfield/Work Plan Preparation		15,000
Brownfield/Work Plan Implementation	+	<u>7,500</u>
TOTAL	\$	23,380,500

In addition, the project is requesting from EGLE \$47,000 in TIF to assist with environmental eligible activities.

The background review process was completed in accordance with the MSF Background Review Policy on September 20, 2023.

RECOMMENDATION

MEDC staff recommends approval of state tax capture for Act 381 eligible activities capped at \$9,181,715, utilizing the current state to local capture ratio.

MICHIGAN STRATEGIC FUND

RESOLUTION 2023 - 171

**APPROVAL OF A BROWNFIELD ACT 381 WORK PLAN
CITY OF WARREN BROWNFIELD REDEVELOPMENT AUTHORITY
WARREN TRANSMISSION REDEVELOPMENT PROJECT
AMENDMENT #1**

WHEREAS, the Michigan Economic Growth Authority (“MEGA”) has been established by 1995 PA 24, as amended (the “Act”);

WHEREAS, 2002 PA 727 amended 1996 PA 381, MCL 125.2651 et seq, to empower local brownfield redevelopment authorities to request the MEGA Board to approve a brownfield project work plan and, thereby, capture taxes levied for school operating purposes for the project;

WHEREAS, Executive Order 2012-9 transferred all the authority, powers, duties, functions, responsibilities, records, personnel, property, unexpended balances of appropriations, allocations or other funds of the MEGA to the MSF;

WHEREAS, the MSF Board approved a work plan (“Brownfield Work Plan”) request for Warren Transmission Redevelopment Project (the “Project”), by Resolution 2022-070 on April 26, 2022, authorizing the Authority to capture taxes levied for school operating purposes based on a maximum of \$18,073,475 in eligible activities;

WHEREAS, the City of Warren Brownfield Redevelopment Authority (the “Authority”) wishes to amend the scope of the Project by including additional demolition and site preparation costs and increasing the maximum amount for eligible costs;

WHEREAS, the Authority is requesting MSF approval to capture additional taxes levied for school operating purposes to provide for the reimbursement of the cost of eligible activities on an eligible property; and

WHEREAS, the Michigan Economic Development Corporation (“MEDC”) provides administrative services to the MSF, and has reviewed the application and recommends approval of the amended Brownfield Work Plan by the MSF Board.

NOW, THEREFORE, BE IT RESOLVED, the MSF Board authorizes the Authority to capture taxes levied for school operating purposes in substantially the same proportion as 39.27% to 60.73% ratio currently existing between school and local taxes for non-homestead properties, to reimburse the cost of site preparation, demolition, lead and asbestos abatement and infrastructure improvements as presented in the revised Brownfield Work Plan dated September 26, 2023. Any change in millage that increases the capture percentage of school taxes in the ratio above by more than 5 percentage points must be approved by the MSF Board. The authorization is based on the Authority capturing all available local operating mills for the term of the capture period. The authorization for the capture of taxes levied for school operating purposes is based on costs of MSF eligible activities with a maximum of \$23,358,000 for the principal activity costs of non-environmental activities and a contingency, a maximum of \$7,500 for brownfield and work plan implementation, and a maximum of \$15,000 for brownfield and work plan preparation, and with

the capture of taxes levied for school operating purposes being limited to a maximum of \$9,181,715.

BE IT FURTHER RESOLVED, that the MSF Board authorizes the MSF Fund Manager, to provide written notification to the Authority, in the form of a letter which incorporates the terms set forth in this Resolution and consistent with the limitations of the Act, and that this approval is further conditioned upon the Authority, or the City as appropriate, maintaining adequate records regarding: a) all taxes captured for the project; and b) receipts or other appropriate documentation of the cost of eligible activities. The records shall be made available for review upon request by MSF or MEDC staff.

BE IT FURTHER RESOLVED, that no taxes levied for school operating purposes shall be used to reimburse interest costs related to the eligible activities for the Project.

BE IT FURTHER RESOLVED, that all other provisions of Resolution 2022-070 are reaffirmed and the MSF authorizes the MSF Fund Manager to implement the terms of this resolution.

Ayes: Britany L. Affolter-Caine, John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached) Quentin L. Messer, Jr., Dan Meyering, Susan Tellier, Randy Thelen, Cindy Warner

Nays: None

Recused: None

Lansing, Michigan
October 24, 2023



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
LANSING

SUSAN CORBIN
DIRECTOR

January 21, 2022

Ms. Katelyn Wilcox
Board Relations Liaison
Michigan Strategic Fund
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting Designees

Dear Ms. Wilcox:

Pursuant to MCLA 16.51, I hereby confirm my designation of John Groen and Jonathan Smith as the persons authorized and empowered to act in my stead as a member of the Michigan Strategic Fund Board for scheduled meetings or portions thereof that I am unable to attend.

If you need anything additional, please contact Diane Burton at (517) 230-5454.
Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Susan R. Corbin".

Susan R. Corbin
Director



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

GRETCHEN WHITMER
GOVERNOR

BRADLEY C. WIEFERICH, P.E.
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop
Board Relations Liaison
Michigan Strategic Fund Office
300 N. Washington Square
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bradley C. Wieferich".

Bradley C. Wieferich, P.E.
Acting Director

cc: M. Kapp
Executive File



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

January 6, 2023

Valerie Hoag
MSF Fund Manager
Michigan Economic Development Corporation
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting and Michigan Strategic Fund Finance
and Investment Subcommittee Designee for Treasurer Eubanks

Dear Ms. Hoag:

I hereby designate Andrew Lockwood to attend all Michigan Strategic Fund Board Meetings and Michigan Strategic Fund Finance and Investment Subcommittee meetings that I am unable to attend in 2023.

If you need anything additional, please contact Kara Kabia at (517) 241-2624.

Sincerely,

A handwritten signature in cursive script that reads "Rachael Eubanks".

Rachael Eubanks
State Treasurer

Cc: Eric Bussis
Andrew Lockwood



MEMORANDUM

Date: October 24, 2023

To: Michigan Strategic Fund Board

From: Rob Garza, Manager, Statutory Analysis

Subject: Request for Approval of an Act 381 Work Plan Amendment #2
City of Holland Brownfield Redevelopment Authority (BRA)
Parking Deck North of 7th Street Between Columbia Avenue and College
Avenue Project

REQUEST

The City of Holland Brownfield Redevelopment Authority (BRA) is requesting an amendment to a Brownfield Act 381 Work Plan previously approved for state tax capture for MSF eligible activities in the amount \$3,557,007. The amendment proposes to add new eligible activities and increase the authorized capture to \$9,120,397.

PROJECT BACKGROUND

The project was originally approved for state tax capture for Act 381 eligible activities in the amount of \$2,067,903 by the Michigan Economic Growth Authority (MEGA) Board on November 13, 2007, and amended on July 23, 2019, to increase state tax capture to \$3,557,007.

The original project consisted of the construction of a 91,336 square foot parking deck and associated site improvement activities and was completed in 2009. The first amendment included the construction of a privately-owned 3-story, 20,000 square foot, multi-tenant commercial building along with approximately 3,300 square feet of publicly maintained snowmelt-equipped sidewalks. The infrastructure improvements and the commercial building are complete. The current request includes the construction of a privately-owned, three-story, approximately 15,000 square foot multi-tenant commercial building. The City of Holland will also complete public infrastructure improvements that will support the eligible property including snowmelt-equipped sidewalks and roadway improvements. These eligible activities are anticipated to be complete by Fall of 2024.

Act 381 of 1996 (the “Act”), as amended, authorizes the MSF to approve Work Plans that include the capture of the School Operating Millage and State Education Tax millages for the purpose of supporting projects statewide. On March 23, 2021, the MSF Board approved the Brownfield Tax Increment Financing MSF Program Guidelines (“Guidelines”). As required under the Act, all statutory criteria for the project have been considered when making the recommendations in this memo. The project meets the Brownfield TIF Guidelines and programmatic requirements, and a financial review has been completed. An MSF Eligible Activities and Tax Capture Summary are included in Appendix A.

Applicant Background / Qualifications

Lakeshore Advantage is a non-profit economic development organization that connects businesses to the resources they need to grow in Allegan and Ottawa counties. A rendering is provided in Appendix B.

The background review process was completed in accordance with the MSF Background Review Policy on September 20, 2023.

RECOMMENDATION

MEDC staff recommends approval of state tax capture for Act 381 eligible activities capped at \$9,120,397, utilizing the current state to local capture ratio.

APPENDIX A – MSF ELIGIBLE ACTIVITIES SUMMARY

TAX CAPTURE SUMMARY

In order to alleviate brownfield conditions and prepare the site for redevelopment, the City of Holland, a Qualified Local Governmental Unit, has duly approved a brownfield plan for this property on November 7, 2007, amended on February 6, 2019, and amended again on April 12, 2023. The property has been determined to be a facility as verified by the Michigan Department of Environment, Great Lakes, and Energy (EGLE).

There are currently 49.9390 non-homestead mills available for capture, with State mills from school operating and SET millages equaling 24 mills (48.06%) and local millage equaling 25.9390 mills (51.94%). Tax increment capture began in 2006 and is estimated to continue for 25 years. The state tax capture is recommended to be capped at \$9,120,397, which is the amount of tax increment revenue anticipated to be generated in 25 years. Total MSF eligible activities are estimated at \$17,862,118. The available millages have varied since the initial approval of this Work Plan, which has impacted the tax capture ratio and the blended ratio is shown below. MSF eligible activities breaks down as follows:

<u>CURRENT PROJECT</u>		
State tax capture	(51.54%)	\$ 3,557,007
Local tax capture	(48.46%)	\$ <u>3,344,443</u>
TOTAL		\$ 6,901,450

<u>AMENDED PROJECT</u>		
State tax capture	(51.06%)	\$ 9,120,397
Local tax capture	(48.94%)	\$ <u>8,741,721</u>
TOTAL		\$ 17,862,118

COST OF MSF ELIGIBLE ACTIVITIES (CURRENT PROJECT)

Demolition (approved)		60,000
Asbestos Abatement (approved)		10,000
Infrastructure Improvements		6,050,450
Site Preparation	+	<u>700,000</u>
Sub-Total	\$	6,820,450
Contingency	+	<u>51,000</u>
Sub-Total	\$	6,871,450
Brownfield/Work Plan Preparation	+	<u>30,000</u>
TOTAL	\$	6,901,450

COST OF MSF ELIGIBLE ACTIVITIES (AMENDED PROJECT)

Demolition (approved)	\$	60,000
Demolition (new)		43,500
Asbestos Abatement (approved)		10,000
Infrastructure Improvements (approved)		6,050,450
Infrastructure Improvements (new)		9,083,968
Site Preparation (approved)		700,000
Site Preparation (new)		<u>387,500</u>
Sub-Total	\$	16,335,418

Contingency	+	<u>1,496,700</u>
Sub-Total	\$	17,832,118
Brownfield/Work Plan Preparation	+	<u>30,000</u>
TOTAL	\$	17,862,118

In addition, the project is requesting from EGLE \$47,000 in TIF to assist with environmental eligible activities.

Key Statutory Criteria

Per section 15 of Act 381, the Michigan Strategic Fund shall consider the following criteria to the extent reasonably applicable to the type of activities proposed as part of that work plan when approving or denying a work plan:

a) Overall Benefit to the Public:

The public will benefit from the additional public infrastructure that will support a more walkable downtown and the additional density from the newly constructed building.

b) Jobs Created (Excluding Construction and other Indirect Jobs):

The number of jobs anticipated to be created by the Lakeshore Advantage project is unknown at this time and will be in the innovation and entrepreneurship industry.

c) Area of High Unemployment:

The City of Holland seasonally unadjusted jobless rate was 4.0% in July 2023.

d) Level and Extent of Contamination Alleviated:

The project is occurring on a parcel that is adjacent and contiguous to a facility, although they will incur approximately \$21,500 of environmental costs.

e) Reuse of Functionally Obsolete Buildings and/or Redevelopment of Blighted Property:

The project is not qualifying as functionally obsolete or blighted.

f) Whether Project will Create a New Brownfield Property in the State:

No new Brownfields will be created by this project.

g) Whether the Project is Financially and Economically Sound:

From the materials received, the MEDC infers that the project is financially and economically sound.

h) Other Factors Considered:

No additional factors need to be considered for this project.

APPENDIX B – PROJECT RENDERING



MICHIGAN STRATEGIC FUND

RESOLUTION 2023 - 172

**APPROVAL OF A BROWNFIELD ACT 381 WORK PLAN
CITY OF HOLLAND BROWNFIELD REDEVELOPMENT AUTHORITY
PARKING DECK NORTH OF 7TH STREET BETWEEN COLUMBIA AVENUE AND
COLLEGE AVENUE PROJECT
AMENDMENT #2**

WHEREAS, the Michigan Economic Growth Authority (“MEGA”) has been established by 1995 PA 24, as amended (the “Act”);

WHEREAS, 2002 PA 727 amended 1996 PA 381, MCL 125.2651 et seq, to empower local brownfield redevelopment authorities to request the MEGA Board to approve a brownfield project work plan and, thereby, capture taxes levied for school operating purposes for the project;

WHEREAS, Executive Order 2012-9 transferred all the authority, powers, duties, functions, responsibilities, records, personnel, property, unexpended balances of appropriations, allocations or other funds of the MEGA to the MSF;

WHEREAS, the MSF Board approved a work plan (“Brownfield Work Plan”) request for Parking Deck North of 7th Street Between Columbia Avenue and College Avenue Project (the “Project”), by Resolution 2007-93 on November 13, 2007, and amended on July 23, 2019, authorizing the Authority to capture taxes levied for school operating purposes based on a maximum of \$6,901,450 in eligible activities;

WHEREAS, the City of Holland Brownfield Redevelopment Authority (the “Authority”) wishes to amend the scope of the Project to include the construction of a 3-story multi-tenant office building and additional infrastructure improvements in the public right of way and increasing the maximum amount for eligible costs;

WHEREAS, the Authority is requesting MSF approval to capture additional taxes levied for school operating purposes to provide for the reimbursement of the cost of eligible activities on an eligible property; and

WHEREAS, the Michigan Economic Development Corporation (“MEDC”) provides administrative services to the MSF, and has reviewed the application and recommends approval of the amended Brownfield Work Plan by the MSF Board.

NOW, THEREFORE, BE IT RESOLVED, the MSF Board authorizes the Authority to capture taxes levied for school operating purposes in substantially the same proportion as 51.06% to 48.94% ratio currently existing between school and local taxes for non-homestead properties, to reimburse the cost of site preparation, demolition, asbestos abatement and infrastructure improvements as presented in the revised Brownfield Work Plan dated September 14, 2023, of Work Plan. Any change in millage that increases the capture percentage of school taxes in the ratio above by more than 5 percentage points must be approved by the MSF Board. The authorization is based on the Authority capturing all available local operating mills for the term of the capture period. The authorization for the capture of taxes levied for school operating purposes is based on costs of MSF eligible activities with a maximum of \$17,832,118 for the principal activity costs of

non-environmental activities and a contingency, and a maximum of \$30,000 for brownfield and work plan preparation, and with the capture of taxes levied for school operating purposes being limited to a maximum of \$9,120,397.

BE IT FURTHER RESOLVED, that the MSF Board authorizes the MSF Fund Manager, to provide written notification to the Authority, in the form of a letter which incorporates the terms set forth in this Resolution and consistent with the limitations of the Act, and that this approval is further conditioned upon the Authority, or the City as appropriate, maintaining adequate records regarding: a) all taxes captured for the project; and b) receipts or other appropriate documentation of the cost of eligible activities. The records shall be made available for review upon request by MSF or MEDC staff.

BE IT FURTHER RESOLVED, that no taxes levied for school operating purposes shall be used to reimburse interest costs related to the eligible activities for the Project.

BE IT FURTHER RESOLVED, that all other provisions of Resolution 2007-93 and Resolution 2019-119 are reaffirmed and the MSF authorizes the MSF Fund Manager to implement the terms of this resolution.

Ayes: Britany L. Affolter-Caine, John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached) Quentin L. Messer, Jr., Dan Meyering, Susan Tellier, Randy Thelen, Cindy Warner;

Nays: None

Recused: None

Lansing, Michigan
October 24, 2023



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
LANSING

SUSAN CORBIN
DIRECTOR

January 21, 2022

Ms. Katelyn Wilcox
Board Relations Liaison
Michigan Strategic Fund
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting Designees

Dear Ms. Wilcox:

Pursuant to MCLA 16.51, I hereby confirm my designation of John Groen and Jonathan Smith as the persons authorized and empowered to act in my stead as a member of the Michigan Strategic Fund Board for scheduled meetings or portions thereof that I am unable to attend.

If you need anything additional, please contact Diane Burton at (517) 230-5454.
Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Susan R. Corbin".

Susan R. Corbin
Director



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

GRETCHEN WHITMER
GOVERNOR

BRADLEY C. WIEFERICH, P.E.
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop
Board Relations Liaison
Michigan Strategic Fund Office
300 N. Washington Square
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bradley C. Wieferich".

Bradley C. Wieferich, P.E.
Acting Director

cc: M. Kapp
Executive File



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

January 6, 2023

Valerie Hoag
MSF Fund Manager
Michigan Economic Development Corporation
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting and Michigan Strategic Fund Finance
and Investment Subcommittee Designee for Treasurer Eubanks

Dear Ms. Hoag:

I hereby designate Andrew Lockwood to attend all Michigan Strategic Fund Board Meetings and Michigan Strategic Fund Finance and Investment Subcommittee meetings that I am unable to attend in 2023.

If you need anything additional, please contact Kara Kabia at (517) 241-2624.

Sincerely,

A handwritten signature in cursive script that reads "Rachael Eubanks".

Rachael Eubanks
State Treasurer

Cc: Eric Bussis
Andrew Lockwood



MEMORANDUM

Date: October 24, 2023

To: Michigan Strategic Fund Board

From: Julius L. Edwards

Subject: Request for Approval of a Michigan Community Revitalization Program Direct Loan Agreement Amendment #5
Strand Theater Owner, LLC and West Development Financial, Inc.
Strand Theater Project

Request

Strand Theater Owner, LLC and West Development Financial, Inc. (“Company”) is requesting approval of an amendment to the Michigan Community Revitalization Program Direct Loan Agreement and any related ancillary agreements (“Agreement”). The amendment request includes requests to consent to the sale of ownership interests in the Company and removal of managing members Kyle and Brent Westberg of obligations associated with the Agreement.

Background

The Michigan Strategic Fund Board approved a \$4,500,000 Loan, with \$1,500,000 forgivable upon construction, on October 27, 2015, to the Company for the purpose of renovating the historic Strand Theater in downtown Pontiac into a performing arts and community center and destination restaurant. The MCRP award helped to complete the renovation embarked upon by the City of Pontiac from 2002 to 2005, in which they invested over \$7.6 million. Despite the City’s efforts, they were unable to complete the renovation.

An amendment to the project was approved on November 24, 2015, to make a minor change to the repayment terms on the MCRP loan as requested by the senior lender.

An amendment to the MCRP Agreement was approved on October 26, 2016, to allow the Historic Tax Credit Investor to switch funds in which the project was funded through.

A consent under the terms of the Agreement was approved on February 5, 2018, to allow for a PACE loan to take out their senior debt financing from DMI. The development team never closed on the original PACE financing request.

A consent under the terms of the Agreement was approved on December 1, 2020, to allow for a \$1,850,000 PACE loan to take out their senior debt financing from IFF and DMI.

The development team completed construction and the project was placed in service in December of 2016. Since completion the project has experienced some operational challenges due to lagging performance offerings and the impacts of the COVID 19 pandemic. The development team is requesting consent from the MSF to sell the ownership interest of the property to Pontiac Church. As part of the transaction, they are also requesting the managing members Kyle and Brent Westberg be released from guarantee obligations related to the property. All other terms of the Agreement would remain in place.

The project is compliance with the Agreement.

Recommendation

The MEDC staff recommends approval of consent to the sale of ownership interests in the Company and amendment to the Agreement to remove managing members Kyle and Brent Westberg of obligations associated with the Agreement.

MICHIGAN STRATEGIC FUND

RESOLUTION 2023 - 173

**APPROVAL OF AN AMENDMENT TO A MICHIGAN COMMUNITY
REVITALIZATION PROGRAM DIRECT LOAN
AWARD FOR
STRAND THEATER OWNER, LLC and WEST DEVELOPMENT FINANCIAL, INC.**

WHEREAS, the Michigan legislature amended the Michigan Strategic Fund Act, MCL 125.2001 et. seq. (the “Act”), to add Chapter 8C (being MCL 125.2090 – MCL 125.2090d) to enable the Michigan Strategic Fund (the “MSF”) to create and operate the Michigan Community Revitalization Program (the “MCRP”) to provide incentives in the form of grants, loans and other economic assistance for redevelopment of communities in Michigan;

WHEREAS, the Michigan Economic Development Corporation (the “MEDC”) provides administrative services to the MSF for the MCRP;

WHEREAS, on December 21, 2011, by Resolution 2011-185, the MSF (i) created the MCRP, (ii) adopted the guidelines for the MCRP, as later amended on January 25, 2022 (the “Guidelines”);

WHEREAS, pursuant to SFCR 125.2090-1, (the “Delegation”) the MSF approved the MSF Fund Manager or the MSF President to negotiate the terms and conditions and execute all final documents necessary to effectuate awards and decisions approved under the MCRP; (the “Transactional Documents”)

WHEREAS, the Act and the Delegation require that MCRP awards over \$1 million must be approved by the MSF Board;

WHEREAS, by Resolution 2020-039 on April 14, 2020, the MSF Board approved the MSF Awardee Relief Initiative and associated Guidelines (the “Awardee Guidelines”) due to COVID-19, as amended by Resolution 2021-035 on March 23, 2021, and by Resolution 2020-040 on April 14, 2020, delegated to the MSF President, the MSF Fund Manager, and State Treasurer (with any two required to act) the authority to amend any award consistent with the Awardee Guidelines (the “MSF Board Delegates”), as amended by Resolution 2021-036 on March 23, 2021;

WHEREAS, by Resolution 2015-163 on October 27, 2015, the MSF Board awarded a MCRP Performance-Based Direct Loan to Strand Theater Manager, LLC or such entities formed or to be formed in the furtherance of the Strand Project (“Applicant” or “Borrower”) of up to \$4,500,000 (the “Award”);

WHEREAS, by Resolution 2015-168 on November 24, 2015, the MSF Board approved a MCRP amendment to Performance-Based Direct Loan to adjust the repayment terms;

WHEREAS, on February 5, 2018, the MSF Delegates approved a consent to replace a portion of project financing from Develop Michigan Inc. (DMI) with a PACE loan from Petros PACE Finance;

WHEREAS, on December 1, 2020, the MSF Fund Manager and MSF President under the Awardee Relief Initiative approved a to replace project financing from Develop Michigan Inc. (DMI) and IFF with a PACE loan from Petros PACE Finance;

WHEREAS, the Company is requesting and MEDC is recommending that the MSF amend the Award to remove Kyle and Brent Westberg from guarantee obligation associated with the MCRP Direct Loan and consent to sell their ownership interests in the project, with all other requirements remaining in place for the Award (the “MCRP Amendment Recommendation”).

NOW, THEREFORE, BE IT RESOLVED, the MSF Board approves the MCRP Amendment Recommendation.

BE IT FURTHER RESOLVED, the MSF Board approves the MSF Fund Manager or the MSF President to negotiate the terms and conditions and execute all final documents necessary to effectuate the above approved MCRP Amendment Recommendation.

Ayes: Britany L. Affolter-Caine, John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached) Quentin L. Messer, Jr., Dan Meyering, Susan Tellier, Randy Thelen, Cindy Warner;

Nays: None

Recused: None

Lansing, Michigan
October 24, 2023



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
LANSING

SUSAN CORBIN
DIRECTOR

January 21, 2022

Ms. Katelyn Wilcox
Board Relations Liaison
Michigan Strategic Fund
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting Designees

Dear Ms. Wilcox:

Pursuant to MCLA 16.51, I hereby confirm my designation of John Groen and Jonathan Smith as the persons authorized and empowered to act in my stead as a member of the Michigan Strategic Fund Board for scheduled meetings or portions thereof that I am unable to attend.

If you need anything additional, please contact Diane Burton at (517) 230-5454.
Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Susan R. Corbin".

Susan R. Corbin
Director



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

GRETCHEN WHITMER
GOVERNOR

BRADLEY C. WIEFERICH, P.E.
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop
Board Relations Liaison
Michigan Strategic Fund Office
300 N. Washington Square
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bradley C. Wieferich".

Bradley C. Wieferich, P.E.
Acting Director

cc: M. Kapp
Executive File



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

January 6, 2023

Valerie Hoag
MSF Fund Manager
Michigan Economic Development Corporation
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting and Michigan Strategic Fund Finance
and Investment Subcommittee Designee for Treasurer Eubanks

Dear Ms. Hoag:

I hereby designate Andrew Lockwood to attend all Michigan Strategic Fund Board Meetings and Michigan Strategic Fund Finance and Investment Subcommittee meetings that I am unable to attend in 2023.

If you need anything additional, please contact Kara Kabia at (517) 241-2624.

Sincerely,

A handwritten signature in cursive script that reads "Rachael Eubanks".

Rachael Eubanks
State Treasurer

Cc: Eric Bussis
Andrew Lockwood



MEMORANDUM

Date: October 24, 2023

To: Michigan Strategic Fund Board

From: Julius L. Edwards, Director, Commercial Real Estate Investment

Subject: Request for Approval of a Michigan Community Revitalization Program Grant Agreement Amendment #1
CHN Annex Limited Partnership and Community Housing Network, Inc.

Request

CHN Annex Limited Partnership and Community Housing Network, Inc (the “Company”) is requesting approval of an amendment to the Michigan Community Revitalization Program Grant Agreement and any related ancillary agreements (the “Agreement”). The amendment request dated September 6, 2023, includes a request to extend Milestone One due date from August 31, 2023, to December 31, 2023, and Milestone Two from August 31, 2024, to August 31, 2025. All other terms of the current Agreement will remain the same.

Background

The Michigan Strategic Fund Board approved a \$1,363,000 MCRP performance-based Grant (the “Award”) on June 28, 2022, to the Company for the purpose of rehabilitating a historic building into 11 market rate apartments, activating 14,250 square feet of currently vacant space in downtown Sault Ste. Marie.

A 180-day time extension to effectuate the MCRP written agreement with CHN Annex LP and Community Housing Network, Inc., was approved by the MSF Fund Manager on September 27, 2023.

Currently, only predevelopment expenses have been incurred. There were delays in the approval of the Historic Preservation Certification Application Part 2 by the National Park Service and in the execution of the MCRP grant execution. These delays contributed to increases in construction costs. As well, the original Historic Tax Credit (HTC) investor backed out. The Company value engineered the project to reduce the size of the new gap, secured the necessary gap financing and a new HTC investor.

Recommendation

MEDC staff recommends approval of an amendment to the Agreement to extend Milestone One due date from August 31, 2023, to December 31, 2023, and Milestone Two from August 31, 2024, to August 31, 2025.

MICHIGAN STRATEGIC FUND

RESOLUTION 2023 - 174

**APPROVAL OF AN AMENDMENT TO A MICHIGAN COMMUNITY
REVITALIZATION PROGRAM GRANT AWARD FOR
CHN ANNEX LIMITED PARTNERSHIP AND COMMUNITY HOUSING NETWORK,
INC.**

WHEREAS, the Michigan legislature amended the Michigan Strategic Fund Act, MCL 125.2001 et. seq. (the “Act”), to add Chapter 8C (being MCL 125.2090 – MCL 125.2090d) to enable the Michigan Strategic Fund (the “MSF”) to create and operate the Michigan Community Revitalization Program (the “MCRP”) to provide incentives in the form of grants, loans and other economic assistance for redevelopment of communities in Michigan;

WHEREAS, the Michigan Economic Development Corporation (the “MEDC”) provides administrative services to the MSF for the MCRP;

WHEREAS, on December 21, 2011, by Resolution 2011-185, the MSF (i) created the MCRP, (ii) adopted the guidelines for the MCRP, as later amended on January 25, 2022 (the “Guidelines”);

WHEREAS, pursuant to SFCR 125.2090-1, (the “Delegation”) the MSF approved the MSF Fund Manager or the MSF President to negotiate the terms and conditions and execute all final documents necessary to effectuate awards and decisions approved under the MCRP; (the “Transactional Documents”);

WHEREAS, the Act and the Delegation require that MCRP awards over \$1 million must be approved by the MSF Board;

WHEREAS, by Resolution 2022-096 on June 28, 2022, the MSF Board awarded a MCRP performance-based Grant to CHN Annex Limited Partnership and Community Housing Network, Inc. (the “Company”), in furtherance of the project of up to \$1,363,000 (the “Award”);

WHEREAS, the Company is requesting, and MEDC is recommending, that the MSF Board amend the Award to allow a due date extension for Milestone One to December 31, 2023 and Milestone Two to August 31, 2025, with all other requirements remaining in place for the Award (collectively, the “MCRP Amendment Recommendation”).

NOW, THEREFORE, BE IT RESOLVED, the MSF Board approves the MCRP Amendment Recommendation.

Ayes: Britany L. Affolter-Caine, John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferrich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached) Quentin L. Messer, Jr., Dan Meyering, Susan Tellier, Randy Thelen, Cindy Warner;

Nays: None

Recused: None

Lansing, Michigan
October 24, 2023



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
LANSING

SUSAN CORBIN
DIRECTOR

January 21, 2022

Ms. Katelyn Wilcox
Board Relations Liaison
Michigan Strategic Fund
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting Designees

Dear Ms. Wilcox:

Pursuant to MCLA 16.51, I hereby confirm my designation of John Groen and Jonathan Smith as the persons authorized and empowered to act in my stead as a member of the Michigan Strategic Fund Board for scheduled meetings or portions thereof that I am unable to attend.

If you need anything additional, please contact Diane Burton at (517) 230-5454.
Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Susan R. Corbin".

Susan R. Corbin
Director



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

GRETCHEN WHITMER
GOVERNOR

BRADLEY C. WIEFERICH, P.E.
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop
Board Relations Liaison
Michigan Strategic Fund Office
300 N. Washington Square
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bradley C. Wieferich".

Bradley C. Wieferich, P.E.
Acting Director

cc: M. Kapp
Executive File



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

January 6, 2023

Valerie Hoag
MSF Fund Manager
Michigan Economic Development Corporation
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting and Michigan Strategic Fund Finance
and Investment Subcommittee Designee for Treasurer Eubanks

Dear Ms. Hoag:

I hereby designate Andrew Lockwood to attend all Michigan Strategic Fund Board Meetings and Michigan Strategic Fund Finance and Investment Subcommittee meetings that I am unable to attend in 2023.

If you need anything additional, please contact Kara Kabia at (517) 241-2624.

Sincerely,

A handwritten signature in cursive script that reads "Rachael Eubanks".

Rachael Eubanks
State Treasurer

Cc: Eric Bussis
Andrew Lockwood



MEMORANDUM

Date: October 24, 2023

To: Michigan Strategic Fund (“MSF”) Board Members

From: Joseph McCulloch, Business Development Manager
Jennifer Wood, Business Development Project Manager

Subject: Reauthorization of Performance-based Grant Request
Michigan Business Development Program (“MBDP”)
LJ, Inc. (“Company” or “Applicant”)

Background

On March 31, 2023, the MSF approved a MBDP performance-based grant in the amount of \$2,500,000 for the Company. The MBDP approval required that an Agreement be entered into within 120 days of the date of the approval and may be extended for an additional 60 days with approval from the MSF Fund Manager.

On August 22, 2023, the MSF approved reauthorization of the MBDP performance-based grant and the addition of the Company’s Swartz Creek facility as eligible to satisfy the Qualified New Job (“QNJ”) requirements.

Due to unexpected construction delays, and equipment supplier backlogs the project scope and completion timeline have shifted. This has forced the Company to adjust the timeline of anticipated Qualified New Jobs creation.

The Company is still committed to the project and the creation of 250 Qualified New Jobs but needs to adjust the timing of the job creation. The project is also anticipated to create \$18,250,000 in capital investment. The required timeline of Qualified New Jobs and the term of the agreement has been amended as outlined in the attached revised term sheet.

Recommendation

MEDC Staff recommends the following (collectively, “Recommendation”):

- a) Reauthorization of the MBDP Proposal as outlined in the attached term sheet (collectively, “MBDP Proposal”);
- b) Closing the MBDP Proposal, subject to available funding under the MBDP at the time of closing (“Available Funding”), satisfactory completion of due diligence, (collectively, “Due Diligence”), finalization of all MBDP transaction documents; and
- c) Commitment will remain valid for 120 days with approval for the MSF Fund Manager to extend the commitment an additional 60 days.

MICHIGAN STRATEGIC FUND

RESOLUTION 2023-175

**REAUTHORIZATION OF A MICHIGAN BUSINESS DEVELOPMENT PROGRAM GRANT TO
LJ, INC.**

WHEREAS, the Michigan legislature passed legislation establishing the 21st Century Jobs Trust Fund initiative that was signed into law;

WHEREAS, the Michigan Economic Development Corporation (the “MEDC”) provides administrative services to the Michigan Strategic Fund (the “MSF”) for 21st Century Jobs Trust Fund programs;

WHEREAS, pursuant to MCL 125.2088r, the MSF shall create and operate the Michigan Business Development Program (the “MBDP”) to provide grants, loans and other economic assistance to qualified businesses that make qualified investments or provide qualified new jobs in Michigan;

WHEREAS, on December 21, 2011, by Resolution 2011-184, the MSF Board (i) created the MBDP, and (ii) adopted the guidelines for the MBDP, as later amended on December 8, 2020 by Resolution 2020-146 (the “Guidelines”);

WHEREAS, pursuant to SFCR 125.2088r-1 (the “Delegation”), the MSF Board approved the MSF Fund Manager or the MSF President to negotiate the terms and conditions and execute all final documents necessary to effectuate awards and decisions approved under the MBDP in accordance with the Guidelines (the “Transaction Documents”);

WHEREAS, the MSF Act, MCL 125.2001 et seq. and the Delegation require that MBDP awards over \$1 million must be approved by the MSF Board;

WHEREAS, the MSF Board approved a \$2,500,000 MBDP performance-based grant to LJ, Inc. (the “Company”) on April 25, 2023 by Resolution 2023-071 to establish the manufacturing of autonomous dredges and with the creation of up to 250 Qualified New Jobs and investment of \$18,250,000 in Venice Township, Shiawassee County (the “Project”);

WHEREAS, pursuant to the Guidelines, the Company is a Qualified Business and the Project is eligible as a Micro MBDP because the Applicant operates within Advanced Manufacturing, an MEDC Strategic Focus Industry;

WHEREAS, the Company requests that the MSF Board approve a reauthorization of the \$2,500,000 MBDP performance-based grant as outlined in the revised term sheet attached as Exhibit A (the “Term Sheet”), which includes updating the due dates and Qualified New Job requirements for each Milestone and extending the Term of the Agreement (the “MBDP Grant Request”); and

WHEREAS, the MEDC recommends that the MSF Board approve the MBDP Grant Request in accordance with the Term Sheet, subject to: (i) available funding; (ii) final due diligence performed to the satisfaction of the MEDC; and (iii) execution of the Transaction Documents, within 120 days of the date of this Resolution (“Time Period”), or this Resolution shall have no effect; provided however, at the sole discretion of the MSF Fund Manager, the Time Period may be extended for up to an additional 60 days (collectively, the “MBDP Award Recommendation”).

NOW, THEREFORE, BE IT RESOLVED, the MSF Board approves the MBDP Award Recommendation.

Ayes: Britany L. Affolter-Caine, John Groen (on behalf of Director Corbin, designation attached)
Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached),
Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached) Quentin L. Messer, Jr.,
Dan Meyering, Susan Tellier, Randy Thelen, Cindy Warner;

Nays: None

Recused: None

Lansing, Michigan
October 24, 2023



EXHIBIT A
MICHIGAN BUSINESS DEVELOPMENT PROGRAM
Performance Based Incentive - Term Sheet - Summary

The following is a summary of the highlights of the project and basic terms for which the Company desires grant support from the Michigan Strategic Fund (“MSF”) under the Michigan Business Development Program (“MMBDP”).

Date: October 24, 2023

Company Name:	LJ, Inc. and/or its affiliates and subsidiaries
Project Location:	11040 Brooks Rd. Venice Township, MI 48449 6359 Miller Rd. Swartz Creek, MI 48473
MMBDP Incentive Type:	Performance Based Grant
Maximum Amount of MMBDP Incentive:	Up to \$2,500,000
Base Employment Level:	At least 115 at the time of first disbursement of funds and thereafter
Maximum Number of Qualified New Jobs (“QNJ”):	Up to 250 Full-Time Jobs at the Project Location
Municipality Supporting Project:	Shiawassee Economic Development Partnership has agreed to provide staff, financial or economic assistance in support of the project.
Start Date for Measurement of Creation of Qualified New Jobs:	December 21, 2022 (date of signed offer letter)
Term of the Agreement:	June 30, 2027
Milestone Based Incentive:	Disbursements will be made over a 4-year period and each are contingent upon compliance with the Agreement and performance based on job creation, as follows: \$10,000 per QNJ for the creation of a minimum of 25 jobs up to a maximum of 35 jobs. \$10,000 per QNJ for the creation of a minimum of 64 jobs up to a maximum of 90 jobs. \$10,000 per QNJ for the creation of a minimum of 117 jobs up to a maximum of 165 jobs. \$10,000 per QNJ for the creation of a minimum of 177 jobs up to a maximum of 250 jobs.

The detailed numbers, and statutorily required repayment and reporting provisions, will be reflected in the subsequent transaction documents.



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
LANSING

SUSAN CORBIN
DIRECTOR

January 21, 2022

Ms. Katelyn Wilcox
Board Relations Liaison
Michigan Strategic Fund
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting Designees

Dear Ms. Wilcox:

Pursuant to MCLA 16.51, I hereby confirm my designation of John Groen and Jonathan Smith as the persons authorized and empowered to act in my stead as a member of the Michigan Strategic Fund Board for scheduled meetings or portions thereof that I am unable to attend.

If you need anything additional, please contact Diane Burton at (517) 230-5454.
Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Susan R. Corbin".

Susan R. Corbin
Director



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

GRETCHEN WHITMER
GOVERNOR

BRADLEY C. WIEFERICH, P.E.
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop
Board Relations Liaison
Michigan Strategic Fund Office
300 N. Washington Square
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bradley C. Wieferich".

Bradley C. Wieferich, P.E.
Acting Director

cc: M. Kapp
Executive File



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

January 6, 2023

Valerie Hoag
MSF Fund Manager
Michigan Economic Development Corporation
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting and Michigan Strategic Fund Finance
and Investment Subcommittee Designee for Treasurer Eubanks

Dear Ms. Hoag:

I hereby designate Andrew Lockwood to attend all Michigan Strategic Fund Board Meetings and Michigan Strategic Fund Finance and Investment Subcommittee meetings that I am unable to attend in 2023.

If you need anything additional, please contact Kara Kabia at (517) 241-2624.

Sincerely,

A handwritten signature in cursive script that reads "Rachael Eubanks".

Rachael Eubanks
State Treasurer

Cc: Eric Bussis
Andrew Lockwood



MEMORANDUM

Date: October 24, 2023
To: Michigan Strategic Fund Board
From: Margaret McCammon, Senior Entrepreneurial Technology Program Manager
Subject: 2024 Funding Allocations for the Michigan SBDC

Request

The Michigan Economic Development Corporation (“MEDC”) requests that the Michigan Strategic Fund (“MSF”) Board approve funding allocations for the Michigan Small Business Development Center (SBDC) Emerging Technology Fund (“ETF”), Business Acceleration Fund (“BAF”) and Business Consulting Services (“BCS”) totaling \$5,703,720 for FY 2024 (the “Request”).

Background

On August 22, 2023, the MSF Board approved the MSF Annual Allocation of the 21st Century Jobs Trust Fund Appropriations, allocating \$14,241,500 for FY 2024 Entrepreneurial Programs and Grants, which includes the high-tech entrepreneurial programs administered by the SBDC on behalf of the MEDC. These programs provide expertise and funding to assist companies and institutions in commercializing competitive-edge technologies, building successful, innovative businesses with the potential for high-growth and job retention, and promoting a culture of entrepreneurship in Michigan.

Michigan SBDC ETF - \$2,250,000

The ETF program makes Michigan more competitive in attracting federal dollars into the State, primarily in the form of Small Business Innovation Research (“SBIR”) and Small Business Technology Transfer Research (“STTR”) awards, which can be worth up to several million dollars each. The ETF provides matching funds of up to \$25,000 for Phase I and \$125,000 for Phase II clinical studies associated with these awards.

On December 17, 2019, the MSF Board approved an allocation of \$2,155,000 to the MI-SBDC to support the ETF for an initial term of one year, with the option to allocate additional funding at the sole discretion of the MSF (the “ETF Grant”). On August 25, 2020, the MSF Fund Manager, on behalf of the MSF, approved a transfer of \$700,000 from the ETF to the BAF. On October 27, 2020, the MSF approved an allocation of \$1,155,000 with a 1-year extension. On October 26, 2021, the MSF approved an allocation of \$1,700,000 and on January 19, 2022, the MSF Fund Manager, on behalf of the MSF, approved a no cost extension of the term to December 31, 2025. On September 27, 2022, the MSF approved an allocation of \$2,250,000.

Michigan SBDC BAF - \$1,500,000

The BAF provides a series of small grants (up to a maximum of \$50,000 per company) for high tech businesses to access the required specialized services they need to grow and compete. These

funds are used toward the delivery of specialized commercialization services that are not otherwise available from business accelerators, to assist advanced technology companies regardless of the company's geography. A participating business accelerator will engage a third-party specialist to help advance the client's path to commercialization, company success, and economic impact for the state of Michigan. BAF requests are reviewed and awarded through a competitive process.

On December 17, 2019, the MSF authorized an allocation of \$1,430,000 to the MI-SBDC to support the BAF for an initial term of one year, with the option to extend for an additional five years and to allocate additional funding at the sole discretion of the MSF (the "BAF Grant"). On August 25, 2020, the MSF Fund Manager, on behalf of the MSF, approved a transfer of \$700,000 from the ETF to the BAF. On October 27, 2020, the MSF approved an allocation of \$1,430,000 with a 1-year extension. On October 26, 2021, the MSF approved an allocation of \$1,430,000 and on January 19, 2022, the MSF Fund Manager, on behalf of the MSF, approved a no cost extension of the term to December 31, 2025. On September 27, 2022, the MSF approved an allocation of \$1,500,000.

Michigan SBDC BCS - \$1,953,720

The BCS Program provides specialized assistance to tech start-up companies, the vast majority of which are very early-stage, primarily pre-revenue and often pre-proof of concept. These services include business plan review, marketing strategies, management team development and providing connection to other statewide resources, including early-stage capital.

On October 22, 2019, the MSF authorized an allocation of \$1,910,000 to the MI-SBDC to support the BCS for a term of January 1, 2020, to December 31, 2022, with the option to extend the term for an additional five years and allocate additional funding at the sole discretion of the MSF. On October 27, 2020, the MSF approved an allocation of \$1,720,000 with a 1-year extension. On October 26, 2021, the MSF approved an allocation of \$1,800,000 and on January 19, 2022, the MSF Fund Manager, on behalf of the MSF, approved a no cost extension of the term to December 31, 2027. On September 27, 2022, the MSF approved an allocation of \$1,953,720.

Results

Michigan SBDC ETF

Since January 1, 2020, the program served 81 companies, leveraged over \$300 million in funding, led to the creation of six new companies, and generated 449 new jobs. The MEDC recommends that the MSF allocate \$2,250,000 in additional funding to continue the ETF program.

Michigan SBDC BAF

Since January 1, 2020, the program served 245 companies, leveraged over \$150 million in funding, led to the creation of 57 new companies and generated 514 new jobs. The MEDC recommends that the MSF allocate \$1,500,000 in additional funding to continue the BAF program.

Michigan SBDC BCS

Since January 1, 2020, the program has supported the creation of 198 companies, leveraged almost \$500 million in investments, and generated 851 jobs. The MEDC recommends that the MSF allocate \$1,953,720 in additional funding to continue the BCS program.

Recommendation

MEDC staff recommends the MSF Board approve the Request.

**MICHIGAN STRATEGIC FUND
RESOLUTION**

2023-176

SMALL BUSINESS DEVELOPMENT CENTER GRANT AMENDMENT

WHEREAS, the Michigan Legislature enacted the Michigan Strategic Fund Act, MCL 125.2001 et. seq., (the “MSF Act”) to authorize the Michigan Strategic Fund (“MSF”) to provide incentives in the form of grants, loans, and other economic assistance for the development and improvement of Michigan’s economy;

WHEREAS, the Michigan Economic Development Corporation (“MEDC”) provides administrative services to the MSF;

WHEREAS, pursuant to Section 88b(2)(c) of the MSF Act, MCL 125.2088b(2)(c), funds appropriated to the MSF for purposes of carrying out the MSF Act shall be expended or invested for activities authorized under the MSF Act as long as those activities provide for repayment for breach of the written agreement or the failure to meet measurable outcomes;

WHEREAS, pursuant to Section 7(c) of the MSF Act, MCL 125.2007(c), the MSF has the power to make grants;

WHEREAS, the Small Business Development Center (“SBDC”) provides small business support services to companies throughout the State of Michigan, including business counseling, market education, grant writing assistance, talent development, access to business capital, and acceleration of innovative technologies (the “SBDC Services”);

WHEREAS, on October 22, 2019, the MSF Board approved a grant of \$3,855,000 to support the SBDC Services with an initial term of January 1, 2020 to December 31, 2022, with the option to extend the term for up to an additional five years and allocate additional funding at the sole discretion of the MSF (the “SBDC Grant”);

WHEREAS, on October 27, 2020, the MSF Board extended the term of the SBDC Grant by one year and allocated \$1,720,000 in additional funding;

WHEREAS, on October 26, 2021, the MSF Board extended the term of the SBDC Grant by one year and allocated \$1,800,000 in additional funding;

WHEREAS, on January 19, 2022, the MSF Fund Manager authorized a no cost extension of the SBDC Grant to December 31, 2027;

WHEREAS, on September 27, 2022, the MSF Board allocated \$1,953,720 in additional funding; and

WHEREAS, MEDC staff recommends that the MSF Board 1) ratify actions taken by the MSF Fund Manager to authorize a no-cost extension of the SBDC Grant term to December 31, 2027 and 2) allocate \$1,953,720 in additional funding to the SBDC Grant (the aforementioned, collectively, the “Request”); and

WHEREAS, the MSF Board wishes to approve the Request.

NOW, THEREFORE, BE IT RESOLVED, that the MSF Board approves the Request; and

BE IT FURTHER RESOLVED, the MSF authorizes the MSF Fund Manager to negotiate the final terms and conditions and execute all final documents necessary to effectuate the Request.

Ayes: Britany L. Affolter-Caine, John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached) Quentin L. Messer, Jr., Dan Meyering, Susan Tellier, Randy Thelen, Cindy Warner

Nays: None

Recused: None

Lansing, Michigan
October 24, 2023



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
LANSING

SUSAN CORBIN
DIRECTOR

January 21, 2022

Ms. Katelyn Wilcox
Board Relations Liaison
Michigan Strategic Fund
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting Designees

Dear Ms. Wilcox:

Pursuant to MCLA 16.51, I hereby confirm my designation of John Groen and Jonathan Smith as the persons authorized and empowered to act in my stead as a member of the Michigan Strategic Fund Board for scheduled meetings or portions thereof that I am unable to attend.

If you need anything additional, please contact Diane Burton at (517) 230-5454.
Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Susan R. Corbin".

Susan R. Corbin
Director



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

GRETCHEN WHITMER
GOVERNOR

BRADLEY C. WIEFERICH, P.E.
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop
Board Relations Liaison
Michigan Strategic Fund Office
300 N. Washington Square
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bradley C. Wieferich".

Bradley C. Wieferich, P.E.
Acting Director

cc: M. Kapp
Executive File



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

January 6, 2023

Valerie Hoag
MSF Fund Manager
Michigan Economic Development Corporation
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting and Michigan Strategic Fund Finance
and Investment Subcommittee Designee for Treasurer Eubanks

Dear Ms. Hoag:

I hereby designate Andrew Lockwood to attend all Michigan Strategic Fund Board Meetings and Michigan Strategic Fund Finance and Investment Subcommittee meetings that I am unable to attend in 2023.

If you need anything additional, please contact Kara Kabia at (517) 241-2624.

Sincerely,

A handwritten signature in cursive script that reads "Rachael Eubanks".

Rachael Eubanks
State Treasurer

Cc: Eric Bussis
Andrew Lockwood

**MICHIGAN STRATEGIC FUND
RESOLUTION**

2023-177

**ALLOCATION OF FUNDING TO SMALL BUSINESS DEVELOPMENT CENTER FOR
EMERGING TECHNOLOGY FUND AND THE BUSINESS ACCELERATOR FUND**

WHEREAS, the Michigan Legislature enacted the Michigan Strategic Fund Act, MCL 125.2001 et. seq., (the “MSF Act”) to authorize the Michigan Strategic Fund (“MSF”) to provide incentives in the form of grants, loans, and other economic assistance for the development and improvement of Michigan’s economy;

WHEREAS, the Michigan Economic Development Corporation (“MEDC”) provides administrative services to the MSF;

WHEREAS, pursuant to Section 88b(2)(c) of the MSF Act, MCL 125.2088b(2)(c), funds appropriated to the MSF for purposes of carrying out the MSF Act shall be expended or invested for activities authorized under the MSF Act as long as those activities provide for repayment for breach of the written agreement or the failure to meet measurable outcomes;

WHEREAS, pursuant to Section 7(c) of the MSF Act, MCL 125.2007(c), the MSF has the power to make grants;

WHEREAS, the Small Business Development Center (“SBDC”) provides support to individual companies and entrepreneurs seeking through administration of the Emerging Technology Fund (“ETF”) and the Business Accelerator Fund (“BAF”) on behalf of the MSF (the “SBDC Services”);

WHEREAS, on December 17, 2019, the MSF Board authorized a grant to the Michigan Small Business Development Center (“SBDC”) in an initial amount of \$3,585,000 to support the SBDC Services;

WHEREAS, the MSF Fund Manager, on behalf of the MSF Board, negotiated and executed grant agreements in the amount of \$2,155,000 for the ETF program (the “ETF Grant Agreement”) and in the amount of \$1,430,000 for the BAF program (the “BAF Grant Agreement”);

WHEREAS, on August 25, 2020, the MSF Board authorized reallocation of \$700,000 from the ETF Grant Agreement to the BAF Grant Agreement;

WHEREAS, on October 27, 2020, the MSF Board extended the term of the ETF Grant Agreement by one year and allocated \$1,155,000 in additional funding;

WHEREAS, on October 27, 2020, the MSF Board extended the term of the BAF Grant Agreement by one year and allocated \$1,430,000 in additional funding;

WHEREAS, on October 26, 2021, the MSF Board extended the term of the ETF Grant Agreement by one year and allocated \$1,700,000 in additional funding;

WHEREAS, on October 26, 2021, the MSF Board extended the term of the BAF Grant Agreement by one year and allocated \$1,430,000 in additional funding;

WHEREAS, on January 19, 2022, the MSF Fund Manager authorized a no cost extension of term for both the ETF Grant Agreement and the BAF Grant Agreement to December 31, 2025;

WHEREAS, on September 27, 2022, the MSF Board allocated \$2,250,000 in additional funding the ETF Grant Agreement;

WHEREAS, on September 27, 2022, the MSF Board allocated \$1,500,000 in additional funding to the BAF Grant Agreement; and

WHEREAS, MEDC staff recommends that the MSF Board 1) ratify actions taken by the MSF Fund Manager to authorize no-cost extensions of the ETF Grant Agreement and BAF Grant Agreement terms to December 31, 2025; 2) allocate \$2,250,000 in additional funding to the ETF Grant Agreement; and 3) allocate \$1,500,000 in additional funding to the BAF Grant Agreement (the aforementioned, collectively, the “Request”).

WHEREAS, the MSF Board wishes to approve the Request.

NOW, THEREFORE, BE IT RESOLVED, that the MSF Board approves the Request; and

BE IT FURTHER RESOLVED, the MSF authorizes the MSF Fund Manager to negotiate the final terms and conditions and execute all final documents necessary to effectuate the Request.

Ayes: Britany L. Affolter-Caine, John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached) Quentin L. Messer, Jr., Dan Meyering, Susan Tellier, Randy Thelen, Cindy Warner

Nays: None

Recused: None

Lansing, Michigan
October 24, 2023



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
LANSING

SUSAN CORBIN
DIRECTOR

January 21, 2022

Ms. Katelyn Wilcox
Board Relations Liaison
Michigan Strategic Fund
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting Designees

Dear Ms. Wilcox:

Pursuant to MCLA 16.51, I hereby confirm my designation of John Groen and Jonathan Smith as the persons authorized and empowered to act in my stead as a member of the Michigan Strategic Fund Board for scheduled meetings or portions thereof that I am unable to attend.

If you need anything additional, please contact Diane Burton at (517) 230-5454.
Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Susan R. Corbin".

Susan R. Corbin
Director



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

GRETCHEN WHITMER
GOVERNOR

BRADLEY C. WIEFERICH, P.E.
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop
Board Relations Liaison
Michigan Strategic Fund Office
300 N. Washington Square
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bradley C. Wieferich".

Bradley C. Wieferich, P.E.
Acting Director

cc: M. Kapp
Executive File



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

January 6, 2023

Valerie Hoag
MSF Fund Manager
Michigan Economic Development Corporation
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting and Michigan Strategic Fund Finance
and Investment Subcommittee Designee for Treasurer Eubanks

Dear Ms. Hoag:

I hereby designate Andrew Lockwood to attend all Michigan Strategic Fund Board Meetings and Michigan Strategic Fund Finance and Investment Subcommittee meetings that I am unable to attend in 2023.

If you need anything additional, please contact Kara Kabia at (517) 241-2624.

Sincerely,

A handwritten signature in cursive script that reads "Rachael Eubanks".

Rachael Eubanks
State Treasurer

Cc: Eric Bussis
Andrew Lockwood



MEMORANDUM

Date: October 24, 2023
To: Michigan Strategic Fund Board
From: Margaret McCammon, Senior Entrepreneurial Technology Program Manager
Subject: 2024 Funding Allocation for BBCetc Federal Funding Support Program

Request

The Michigan Economic Development Corporation (“MEDC”) requests that the Michigan Strategic Fund (“MSF”) Board approve a funding allocation of \$600,000 for the BBCetc Federal Funding Support Program for FY 2024 (the “Request”).

Background

On August 22, 2023, the MSF Board approved the MSF Annual Allocation of the 21st Century Jobs Trust Fund Appropriations, allocating \$14,241,500 for FY 2024 Entrepreneurial Programs and Grants, which includes the Federal Funding Support program administered by BBCetc on behalf of the MEDC. BBCetc provides consulting services to individual companies and entrepreneurs seeking federal funding from programs such as the Small Business Innovation Research (“SBIR”) and Small Business Technology Transfer (“STTR”) awards.

On December 17, 2019, the MSF Board approved an allocation of \$480,000 to BBCetc to support the program for an initial term of January 1, 2020, to December 31, 2020, with the option to extend the term for an additional five years and allocate additional funding at the sole discretion of the MSF (the “BBCetc Grant”). On October 27, 2020, the MSF approved an allocation \$500,000 with a 1-year extension. On October 26, 2021, the MSF approved an allocation of \$500,000 with a 1-year extension. On September 27, 2022, the MSF approved an allocation of \$500,000 with a 1-year extension.

Results

Since January 1, 2020, BBCetc has supported 229 MI companies in securing over \$85 million in federal SBIR/STTR awards.

Recommendation

MEDC staff recommends the MSF Board approve the Request

**MICHIGAN STRATEGIC FUND
RESOLUTION**

2023-178

AMENDMENT TO BBCetc GRANT

WHEREAS, the Michigan Legislature enacted the Michigan Strategic Fund Act, MCL 125.2001 et. seq., (the “MSF Act”) to authorize the Michigan Strategic Fund (“MSF”) to provide incentives in the form of grants, loans, and other economic assistance for the development and improvement of Michigan’s economy;

WHEREAS, the Michigan Economic Development Corporation (“MEDC”) provides administrative services to the MSF;

WHEREAS, pursuant to Section 88b(2)(c) of the MSF Act, MCL 125.2088b(2)(c), funds appropriated to the MSF for purposes of carrying out the MSF Act shall be expended or invested for activities authorized under the MSF Act as long as those activities provide for repayment for breach of the written agreement or the failure to meet measurable outcomes;

WHEREAS, pursuant to Section 7(c) of the MSF Act, MCL 125.2007(c), the MSF has the power to make grants;

WHEREAS, BBCetc provides consulting support to individual companies and entrepreneurs seeking federal Small Business Innovation Research (“SBIR”) and Small Business Technology Transfer (“STTR”) awards (the “BBCetc Services”);

WHEREAS, on December 17, 2019, the MSF Board approved a grant of \$480,000 to support the BBCetc Services with an initial one year term, with the option to extend the term for an additional five years and allocate additional funding at the sole discretion of the MSF (the “BBCetc Grant”);

WHEREAS, on October 27, 2020, the MSF Board extended the BBCetc Grant for one year and allocated \$500,000 in additional funding;

WHEREAS, on October 26, 2021, the MSF Board extended the BBCetc Grant for one year and allocated \$500,000 in additional funding;

WHEREAS, on September 27, 2022, the MSF Board extended the BBCetc Grant for one year and allocated \$500,000 in additional funding;

WHEREAS, MEDC staff recommends that the MSF Board 1) extend the term of the BBCetc Grant for one year and 2) allocate \$600,000 in additional funding (the aforementioned, collectively, the “Request”); and

WHEREAS, the MSF Board wishes to approve the Request.

NOW, THEREFORE, BE IT RESOLVED, that the MSF Board approves the Request;
and

BE IT FURTHER RESOLVED, the MSF authorizes the MSF Fund Manager to negotiate the final terms and conditions and execute all final documents necessary to effectuate the Request.

Ayes: Britany L. Affolter-Caine, John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached) Quentin L. Messer, Jr., Dan Meyering, Susan Tellier, Randy Thelen, Cindy Warner

Nays: None

Recused: None

Lansing, Michigan
October 24, 2023



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
LANSING

SUSAN CORBIN
DIRECTOR

January 21, 2022

Ms. Katelyn Wilcox
Board Relations Liaison
Michigan Strategic Fund
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting Designees

Dear Ms. Wilcox:

Pursuant to MCLA 16.51, I hereby confirm my designation of John Groen and Jonathan Smith as the persons authorized and empowered to act in my stead as a member of the Michigan Strategic Fund Board for scheduled meetings or portions thereof that I am unable to attend.

If you need anything additional, please contact Diane Burton at (517) 230-5454.
Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Susan R. Corbin".

Susan R. Corbin
Director



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

GRETCHEN WHITMER
GOVERNOR

BRADLEY C. WIEFERICH, P.E.
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop
Board Relations Liaison
Michigan Strategic Fund Office
300 N. Washington Square
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bradley C. Wieferich".

Bradley C. Wieferich, P.E.
Acting Director

cc: M. Kapp
Executive File



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

January 6, 2023

Valerie Hoag
MSF Fund Manager
Michigan Economic Development Corporation
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting and Michigan Strategic Fund Finance
and Investment Subcommittee Designee for Treasurer Eubanks

Dear Ms. Hoag:

I hereby designate Andrew Lockwood to attend all Michigan Strategic Fund Board Meetings and Michigan Strategic Fund Finance and Investment Subcommittee meetings that I am unable to attend in 2023.

If you need anything additional, please contact Kara Kabia at (517) 241-2624.

Sincerely,

A handwritten signature in cursive script that reads "Rachael Eubanks".

Rachael Eubanks
State Treasurer

Cc: Eric Bussis
Andrew Lockwood



MEMORANDUM

Date: October 24, 2023

To: Michigan Strategic Fund Board

From: Margaret McCammon, Senior Entrepreneurial Technology Program Manager

Subject: Transfer of Gateway Representative Award administration from the City of Sault Ste Marie to Headwaters North Corporation

Request

Michigan Economic Development Corporation (“MEDC”) staff requests that the Michigan Strategic Fund (“MSF”) Board approve the assignment of the Sault Ste Marie SmartZone Gateway grant from the City of Sault Ste Marie (the “City”) to Headwaters North Corporation (“Headquarters”).

Background

On February 22, 2022, the MSF Board approved 19 Gateway Representative grants across Michigan’s SmartZone network. The Sault Ste Marie Gateway grant was awarded to the Sault Ste Marie Economic Development Corporation, which at that time was administering the Sault Ste Marie SmartZone.

On May 2, 2022, the Sault Ste Marie City Commission voted unanimously to terminate the lease agreement with the Sault Ste Marie EDC for the management of the SmartZone Breeder Building, transfer all SmartZone operations to the City, and to designate the City Manager or his designee as the Staff liaison to the SmartZone LDFA Board. This request was approved at the July 2022 MSF Board Meeting.

On July 25, 2023, the LDFA in Sault Ste Marie signed an Agency Agreement with Headwaters North Corporation to execute the mission of the SmartZone. From this point onwards, LDFA funds have gone to Headwaters to provide services to high-tech startups and companies in Sault Ste. Marie. As a consequence, the SmartZone has requested that the Gateway Representative funding go directly to Headwaters North instead of the city of Sault Ste. Marie (“the Request”).

Recommendation

MEDC staff recommends that the MSF Board approve the Request.

MICHIGAN STRATEGIC FUND

**RESOLUTION
2023-179**

**BUSINESS INCUBATOR GRANT ASSIGNMENT FROM CITY OF SAULT STE. MARIE
TO HEADWATERS NORTH CORPORATION**

WHEREAS, Public Acts 215 and 225 of 2005, as amended, established the 21st Century Jobs Fund initiative;

WHEREAS, the Michigan Economic Development Corporation (“MEDC”) provides administrative services for the Michigan Strategic Fund (“MSF”) for the 21st Century Jobs Fund initiative;

WHEREAS, pursuant to Section 88b(2)(c) of the MSF Act, MCL 125.2088b(2)(c), funds appropriated to the MSF for purposes of carrying out the MSF Act shall be expended or invested for activities authorized under the MSF Act as long as those activities provide for repayment for breach of the written agreement or the failure to meet measurable outcomes;

WHEREAS, pursuant to Section 7(c) of the MSF Act, the MSF Board has the power to make grants;

WHEREAS, on February 23, 2021, the MSF Board authorized a business incubator program grant of \$100,000 to the Economic Development Corporation of the City of Sault Ste. Marie (the “Sault Ste. Marie EDC”) with an initial term of April 1, 2021 to March 31, 2022, with the option to extend for an additional four years and allocate additional funding at the sole discretion of the MSF (the “Sault Ste. Marie EDC Incubator Grant”);

WHEREAS, on February 22, 2022, the MSF Board exercised its first option to extend the term of the Sault Ste. Marie EDC Incubator Grant to March 31, 2023, and allocated \$100,000 in additional funding;

WHEREAS, on May 2, 2022, the Sault Ste. Marie City Commission voted to terminate its lease agreement with the Sault Ste. Marie EDC and transfer all SmartZone operations to the City of Sault Ste. Marie (the “City”);

WHEREAS, on July 26, 2022, the MSF Board approved assignment of the Sault Ste. Marie EDC Incubator Grant to the City;

WHEREAS, the City wishes to assign all of its right, title, interest and obligations under the Sault Ste. Marie EDC Incubator Grant to the Headwaters North Corporation (“Headwaters”) and Headwaters agrees to assume, perform and discharge all right, title, interest and obligations of the City under the Sault Ste. Marie EDC Incubator Grant (the “Grant Assignment”);

WHEREAS, the Sault Ste. Marie EDC Incubator Grant prohibits the City from assigning its rights or obligations under the Sault Ste. Marie EDC Incubator Grant without the prior written consent of the MSF;

WHEREAS, the MEDC recommends that the MSF Board approve the Grant Assignment; and

WHEREAS, the MSF wishes to approve the Grant Assignment.

NOW, THEREFORE, BE IT RESOLVED, that the MSF Board approves the Grant Assignment;
and

BE IT FURTHER RESOLVED, that MSF Fund Manager is authorized to negotiate the final terms and conditions of the Grant Assignment and to execute all documents necessary to effectuate the Grant Assignment.

Ayes: Britany L. Affolter-Caine, John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached) Quentin L. Messer, Jr., Dan Meyering, Susan Tellier, Randy Thelen, Cindy Warner

Nays: None

Recused: None

Lansing, Michigan
October 24, 2023

Incubator/Accelerator	Governmental Unit	Score	Recommendation Amount
Michigan Tech Enterprise Corporation (MTEC)	Houghton	80	\$750,000
Grand Rapids SmartZone Local Development Financing Authority	Kent	69	\$500,000
Macomb OU Incubator	Macomb	66	\$500,000
Automation Alley	Oakland	73	\$625,000
Ann Arbor Spark	Washtenaw	73	\$500,000
Wayne State University Research & Technology Park, TechTown	Detroit - a city with a population greater than 650,000	78	\$875,000
Mid Michigan Innovation Center (MMIC)	Midland County satellite site of an incubator located in Isabella County	69	\$500,000
Lansing Regional SmartZone Local Development Financing Authority	Lansing, Ingham County	63	\$150,000
Kettering University	Flint, Genesee County	66	\$150,000
Central Michigan University Research Center (CMURC)	Mt. Pleasant, Isabella County	71	\$350,000
West Central Michigan Collaborative (The Starting Block & The Stream)	Hart, Oceana County Newaygo, Newaygo County	74	\$500,000
Southwest Michigan Innovation Center (SMIC)	Kalamazoo, Kalamazoo County	83	\$600,000
TOTAL			\$6,000,000

Exhibit A



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
LANSING

SUSAN CORBIN
DIRECTOR

January 21, 2022

Ms. Katelyn Wilcox
Board Relations Liaison
Michigan Strategic Fund
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting Designees

Dear Ms. Wilcox:

Pursuant to MCLA 16.51, I hereby confirm my designation of John Groen and Jonathan Smith as the persons authorized and empowered to act in my stead as a member of the Michigan Strategic Fund Board for scheduled meetings or portions thereof that I am unable to attend.

If you need anything additional, please contact Diane Burton at (517) 230-5454. Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Susan R. Corbin".

Susan R. Corbin
Director



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

GRETCHEN WHITMER
GOVERNOR

BRADLEY C. WIEFERICH, P.E.
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop
Board Relations Liaison
Michigan Strategic Fund Office
300 N. Washington Square
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bradley C. Wieferich".

Bradley C. Wieferich, P.E.
Acting Director

cc: M. Kapp
Executive File



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

January 6, 2023

Valerie Hoag
MSF Fund Manager
Michigan Economic Development Corporation
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting and Michigan Strategic Fund Finance
and Investment Subcommittee Designee for Treasurer Eubanks

Dear Ms. Hoag:

I hereby designate Andrew Lockwood to attend all Michigan Strategic Fund Board Meetings and Michigan Strategic Fund Finance and Investment Subcommittee meetings that I am unable to attend in 2023.

If you need anything additional, please contact Kara Kabia at (517) 241-2624.

Sincerely,

A handwritten signature in cursive script that reads "Rachael Eubanks".

Rachael Eubanks
State Treasurer

Cc: Eric Bussis
Andrew Lockwood



MEMORANDUM

Date: October 24, 2023

To: Michigan Strategic Fund Board

From: Julius L. Edwards, Director, Commercial Real Estate Investment

Subject: Request for Approval of a Michigan Community Revitalization Program Other Economic Assistance-Loan Participation Agreement Amendment #1
351 W Western, LLC and Great Lakes Development Investments, Inc.

Request

351 W Western, LLC and Great Lakes Development Investments, Inc (“Company”) is requesting approval of an amendment to the Michigan Community Revitalization Program Other Economic Assistance Loan Participation Agreement (“Agreement”) and any related ancillary agreements. The amendment request dated July 28, 2023 includes a request to extend the maturity date by 90 days from August 3, 2023. All other terms of the current Agreement will remain the same.

Background

The Michigan Strategic Fund Board approved a \$1,500,000 Other Economic Assistance Loan Participation on May 22, 2018 to the Company for the purpose of construction of a six-story, mixed-use building on .17 acres located at 351 West Western Avenue in the City of Muskegon.

The project was completed successfully, and the residential portion has been well-received by the community with full occupancy and at least an occasional wait list. The first floor had been occupied by a small grocery store until it went out of business sometime in 2022. The Company has been looking for the right tenant for the first floor since then. A successful local business is looking for a second location and is in negotiations with the Company to occupy the first floor in Fall 2023.

Due to the negative impact the commercial vacancy has had on cash flow for an extended period, the Company is currently unable to pay off. The senior lender has been working with the Company and has approved a 90-day extension to allow time to underwrite a transitional loan with terms yet to be determined.

Staff believes that 90 days is not enough time for the senior lender to complete the underwriting as well as obtain approval from the MSF for a possible short-term refinancing of the incentive. All Milestones have been met and the company is current with reporting requirements.

Recommendation

The MEDC staff recommends approval of an amendment to the MCRP Other Economic Assistance Loan Participation Agreement and any related ancillary agreements to extend the August 3, 2023 maturity date up to 180 days, to match the senior lender, instead of 90 days per the Company’s request dated July 28, 2023.

MICHIGAN STRATEGIC FUND

RESOLUTION 2023 -180

APPROVAL OF AN AMENDMENT TO A MICHIGAN COMMUNITY REVITALIZATION PROGRAM LOAN PARTICIPATION AWARD FOR 351 W. WESTERN, LLC AND GREAT LAKES DEVELOPMENT INVESTMENTS, INC.

WHEREAS, the Michigan legislature amended the Michigan Strategic Fund Act, MCL 125.2001 et. seq. (the “Act”), to add Chapter 8C (being MCL 125.2090 – MCL 125.2090d) to enable the Michigan Strategic Fund (the “MSF”) to create and operate the Michigan Community Revitalization Program (the “MCRP”) to provide incentives in the form of grants, loans and other economic assistance for redevelopment of communities in Michigan;

WHEREAS, the Michigan Economic Development Corporation (the “MEDC”) provides administrative services to the MSF for the MCRP;

WHEREAS, on December 21, 2011, by Resolution 2011-185, the MSF (i) created the MCRP, (ii) adopted the guidelines for the MCRP, as later amended on January 25, 2022 (the “Guidelines”);

WHEREAS, pursuant to SFCR 125.2090-1, (the “Delegation”) the MSF approved the MSF Fund Manager or the MSF President to negotiate the terms and conditions and execute all final documents necessary to effectuate awards and decisions approved under the MCRP; (the “Transactional Documents”);

WHEREAS, the Act and the Delegation require that MCRP awards over \$1 million must be approved by the MSF Board;

WHEREAS, by Resolution 2018-077 on May 22, 2018 the MSF Board awarded a MCRP Other Economic Assistance award to 351 W. Western and Great Lakes Development Investments, Inc. (the “Company”), in furtherance of the project of up to \$1,500,000 (the “Award”);

WHEREAS, the Company is requesting an amendment to the Award to allow for an extension to the Maturity Date, and MEDC is recommending that the MSF Board amend the Award to allow an extension of the Maturity Date to match the senior lender for up to 180 days, with all other requirements remaining in place for the Award (collectively, the “MCRP Amendment Recommendation”).

NOW, THEREFORE, BE IT RESOLVED, the MSF Board approves the MCRP Amendment Recommendation.

BE IT FURTHER RESOLVED, the MSF Board approves the MSF Fund Manager or the MSF President to negotiate the terms and conditions and execute all final documents necessary to effectuate the above approved MCRP Amendment Recommendation.

Ayes: Britany L. Affolter-Caine, John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached) Quentin L. Messer, Jr., Dan Meyering, Susan Tellier, Randy Thelen, Cindy Warner

Nays: None

Recused: None

Lansing, Michigan
October 24, 2023



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
LANSING

SUSAN CORBIN
DIRECTOR

January 21, 2022

Ms. Katelyn Wilcox
Board Relations Liaison
Michigan Strategic Fund
300 N. Washington Square
Lansing, MI 48913

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Dear Ms. Wilcox:

Pursuant to MCLA 16.51, I hereby confirm my designation of John Groen and Jonathan Smith as the persons authorized and empowered to act in my stead as a member of the Michigan Strategic Fund Board for scheduled meetings or portions thereof that I am unable to attend.

If you need anything additional, please contact Diane Burton at (517) 230-5454.
Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Susan R. Corbin".

Susan R. Corbin
Director



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

GRETCHEN WHITMER
GOVERNOR

BRADLEY C. WIEFERICH, P.E.
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop
Board Relations Liaison
Michigan Strategic Fund Office
300 N. Washington Square
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

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Bradley C. Wieferich, P.E.
Acting Director

cc: M. Kapp
Executive File



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

January 6, 2023

Valerie Hoag
MSF Fund Manager
Michigan Economic Development Corporation
300 N. Washington Square
Lansing, MI 48913

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and Investment Subcommittee Designee for Treasurer Eubanks

Dear Ms. Hoag:

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If you need anything additional, please contact Kara Kabia at (517) 241-2624.

Sincerely,

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Rachael Eubanks
State Treasurer

Cc: Eric Bussis
Andrew Lockwood



MEMORANDUM

Date: October 24, 2023

To: Michigan Strategic Fund Board

From: Jake Winder, Manager, Community Development Incentives
Joe Frost, Community Development Manager, Region 5

Subject: City of Saginaw – Memorial Cup Legacy Project – Request for Approval of a Michigan Strategic Fund (MSF) Performance-Based Grant

Request

The City of Saginaw is requesting a \$1 million MSF Performance-Based Grant under MCL 125.2088b(2)(c) of the MSF Act, based on performance requirements, as outlined on the term sheet attached to the resolution (the “MSF Grant Request”).

The MSF Grant request will be used to redesign and enhancement of 300 feet segment of Symphony Lane, a city owned street, in downtown Saginaw, near the Dow Event Center. entertainment district. The street will be rebuilt and transformed into vibrant a public gathering space with bump outs and infrastructure for food trucks, electric access, Edison style street lighting, pedestrian friendly crossing, and Memorial Cup Sculpture, and connections to nearby Dow Event Center and public space, lighting, and landscaping.

Background

Earlier this year, it was announced by the Canadian Hockey League (CHL) that Saginaw and the Saginaw Spirit hockey team will host the 2024 Memorial Cup games. The City of Saginaw is a key partner for this unique international event. In the 100 plus year history of the Memorial Cup this is the 1st time it has been hosted in Michigan, and only the 5th time in the United States. The local regional economic benefit from the Memorial Cup games is anticipated to be more than 6000 plus overnight stays/hotel rooms, with an estimate \$20 million of economic impact within the region.

The City of Saginaw and community groups are commemorating the 2024 Memorial Cup event with several public works projects including the Memorial Cup Legacy Project at Symphony Lane. At the Henry Marsh Bridge (I-675), adjacent to Symphony Lane, a mural has been commissioned to honor the legacy and contributions Mayor, Henry G. Marsh. At Hoyt Park, additional park infrastructure will be installed to enhance the usability of the park. These Signature placemaking projects ensure residents and visitors can be proud of telling the story of their city on an international stage.

Symphony Lane is adjacent to Washington Avenue, a key commercial corridor in Downtown Saginaw. The proposed project is located near Washington Avenue, and the Down Event Center, on the north side of the city adjacent to the 675 overpass which serves as a gateway to Downtown Saginaw. Improving this entrance to the downtown will enhance the image of the entire downtown business district which includes

place-based and service businesses, financial institutions, and community organizations such as the Saginaw Community Foundation, Great Lake's Bay Convention and Visitors Bureau and Saginaw Future. With the proposed improvements, Symphony Lane will become a community asset that will aid in attraction and retention of quality talent by improving the quality of life in the City of Saginaw. In addition to the Memorial Cup, this project's long-standing legacy beyond the event will serve the community as a public gathering place. This project will have a particularly impactful effect on the city's Riverfront Entertainment District in which it is located. The project is across the street from the DOW Event Center and down the street from the Jolt Event Park and historic Temple Theatre. This project will be extremely impactful for these venues as it allows for additional food vendors to be present during the event, and for years to come.

Recommendation

MEDC staff recommends approval of the transfer of \$1 million from the MCRP program for a Performance-Based Grant-Other to the City of Saginaw for the redesign and enhancement of Symphony Lane of pedestrian-friendly infrastructure that will enhance safety and accessibility for attendees and the community at-large in downtown Saginaw.

**MICHIGAN STRATEGIC FUND
RESOLUTION 2023 -181**

CITY OF SAGINAW GRANT AWARD

WHEREAS, the Michigan legislature enacted the Michigan Strategic Fund Act, MCL 125.2001 et. seq., to enable the Michigan Strategic Fund (the “MSF”) to provide incentives in the form of grants, loans and other economic assistance for the development and improvement of Michigan’s economy, including through blight removal and job creation;

WHEREAS, the Michigan Economic Development Corporation (the “MEDC”) provides administrative services to the MSF;

WHEREAS, pursuant to MCL 125.2088b(2)(c), funds appropriated to the MSF for purposes of carrying out the MSF Act shall be expended or invested for activities authorized under the act, as long as those activities provide for repayment for breach of the written agreement or the failure to meet measurable outcomes;

WHEREAS, pursuant to MCL 125.2007(c), the MSF has, among other things, the power to make grants and investments;

WHEREAS, on September 27, 2022, the MSF Board allocated \$58,942,251 for Business and Community Development Programs and Activities (the “FY23 Funding Allocation”)

WHEREAS, the City of Saginaw has requested funds to support the redevelopment of vacant and underutilized public space in downtown Saginaw into a pedestrian-friendly public space (the “Grant Request”);

WHEREAS, the MEDC recommends that the MSF Board approve a grant to the City of Saginaw to support the Grant Request with an allocation of \$1,000,000 from the FY23 Funding Allocation and a term of one year with the option to extend the term up to an additional 24 months at the discretion of the MSF Fund Manager year (the “Grant”) as detailed in the term sheet attached as Exhibit A; and

WHEREAS, the MSF Board wishes to approve the Grant.

NOW THEREFORE, BE IT RESOLVED, the MSF Board approves the Grant; and

BE IT FURTHER RESOLVED, the MSF Fund Manager is authorized to negotiate the final terms and conditions of the Grant and to execute all documents necessary to effectuate the Grant, consistent with the terms of this Resolution.

Ayes:

Nays:

Recused:

Lansing, Michigan
October 24, 2023

EXHIBIT A

“Term Sheet”

Grant Terms

MSF Facility:	MSF Performance-based grant
Grantee:	City of Saginaw
Grant Amount:	Not to exceed \$1,000,000
Total Capital Investment:	Estimated to be approximately \$3,600,000
Term:	An initial term of one year with the option to extend the term up to an additional 24 months at the discretion of the MSF Fund Manager
Grant Activities:	Public infrastructure improvements to an underutilized public space
Disbursement of Funds:	\$1,000,000 to be disbursed from the MSF following MSF approval
Repayment Event:	Award is subject to repayment if the Grantee does not expend funds as described for public infrastructure by July 31, 2024



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
LANSING

SUSAN CORBIN
DIRECTOR

January 21, 2022

Ms. Katelyn Wilcox
Board Relations Liaison
Michigan Strategic Fund
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting Designees

Dear Ms. Wilcox:

Pursuant to MCLA 16.51, I hereby confirm my designation of John Groen and Jonathan Smith as the persons authorized and empowered to act in my stead as a member of the Michigan Strategic Fund Board for scheduled meetings or portions thereof that I am unable to attend.

If you need anything additional, please contact Diane Burton at (517) 230-5454.
Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Susan R. Corbin".

Susan R. Corbin
Director



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

GRETCHEN WHITMER
GOVERNOR

BRADLEY C. WIEFERICH, P.E.
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop
Board Relations Liaison
Michigan Strategic Fund Office
300 N. Washington Square
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bradley C. Wieferich".

Bradley C. Wieferich, P.E.
Acting Director

cc: M. Kapp
Executive File



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

January 6, 2023

Valerie Hoag
MSF Fund Manager
Michigan Economic Development Corporation
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting and Michigan Strategic Fund Finance
and Investment Subcommittee Designee for Treasurer Eubanks

Dear Ms. Hoag:

I hereby designate Andrew Lockwood to attend all Michigan Strategic Fund Board Meetings and Michigan Strategic Fund Finance and Investment Subcommittee meetings that I am unable to attend in 2023.

If you need anything additional, please contact Kara Kabia at (517) 241-2624.

Sincerely,

A handwritten signature in cursive script that reads "Rachael Eubanks".

Rachael Eubanks
State Treasurer

Cc: Eric Bussis
Andrew Lockwood

MICHIGAN STRATEGIC FUND
Michigan Economic Development Corporation
300 N. Washington Square, Lansing, Michigan 48913
*Lake Michigan Conference Room, 1st Floor**

2024 Meeting Dates

Tuesday, January 23, 2024
10:00am

Tuesday, February 27, 2024
10:00am

Tuesday, March 26, 2024
10:00am

Tuesday, April 23, 2024
10:00am

Tuesday, May 21, 2024
10:00am

Tuesday, June 25, 2024
10:00am

Tuesday, July 23, 2024
10:00am

Tuesday, August 27, 2024
10:00am

Tuesday, September 24, 2024
10:00am

Tuesday, October 22, 2024
10:00am

Tuesday, December 10, 2024
10:00am

**Combined November/December Meeting*

**MICHIGAN STRATEGIC FUND
RESOLUTION**

2023-169

**APPROVAL OF THE October 24, 2023 CONSENT
AGENDA FOR THE MICHIGAN STRATEGIC FUND
BOARD**

WHEREAS, on November 20, 2013, Michigan Strategic Fund (“MSF”) approved use of consent agendas at MSF Board meetings, pursuant to defined consent agenda guidelines (the “Consent Agenda”);

WHEREAS, on February 25, 2014, the MSF Board approved Guidelines for Preparation and Approval of Consent Agendas for the MSF, which were subsequently amended and restated by the MSF Board on December 13, 2022;

WHEREAS, the Michigan Economic Development Corporation (“the MEDC”) provides administrative services to the MSF and

WHEREAS, pursuant to the recommendation of the MEDC, the MSF Board wishes to approve the Consent Agenda items listed below.

NOW, THEREFORE, BE IT RESOLVED, the MSF approves the Consent Agenda items listed below and identified in the final Consent Agenda for this Board meeting:

Consent Agenda Items:

- a. Proposed Meeting Minutes: September 26, 2023 Meeting Minutes
- b. Queen Lillian – 381 Work Plan Amendment
- c. Warren Transmission – 381 Work Plan Amendment
- d. Holland Parking Deck – 381 Work Plan Amendment
- e. Strand Theater Owner, LLC and West Development Financial, Inc. – MCRP Direct Loan Agreement Amendment
- f. CHN Annex Limited Partnership and Community Housing Network, Inc. – MCRP Direct Loan Agreement Amendment
- g. LJ, Inc. – Reauthorization of MBDP Performance-Based Grant Request
- h. Small Business Development Center – MSF Grant Amendment
- i. BBCetc Federal Funding Support Program – 2024 Funding Allocation
- j. City of City of Sault Ste. Marie – Business Incubator Grant Reassignment
- k. 351 W Western, LLC and Great Lakes Development Investments, Inc. – MCRP Other Economic Assistance-Loan Participation Agreement Amendment
- l. City of Saginaw: Michigan Strategic Fund Performance-Based Grant
- m. MSF 2024 Board Dates

Ayes: Britany L. Affolter-Caine, John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached) Quentin L. Messer, Jr., Dan Meyering, Susan Tellier, Randy Thelen, Cindy Warner

Nays: None

Recused: None

Lansing, Michigan
October 24, 2023



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

January 6, 2023

Valerie Hoag
MSF Fund Manager
Michigan Economic Development Corporation
300 N. Washington Square
Lansing, MI 48913

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Dear Ms. Hoag:

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If you need anything additional, please contact Kara Kabia at (517) 241-2624.

Sincerely,

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Rachael Eubanks
State Treasurer

Cc: Eric Bussis
Andrew Lockwood



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

GRETCHEN WHITMER
GOVERNOR

BRADLEY C. WIEFERICH, P.E.
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop
Board Relations Liaison
Michigan Strategic Fund Office
300 N. Washington Square
Lansing, Michigan 48913

Dear Ms. Bishop:

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Sincerely,

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Bradley C. Wieferich, P.E.
Acting Director

cc: M. Kapp
Executive File



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
LANSING

SUSAN CORBIN
DIRECTOR

January 21, 2022

Ms. Katelyn Wilcox
Board Relations Liaison
Michigan Strategic Fund
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting Designees

Dear Ms. Wilcox:

Pursuant to MCLA 16.51, I hereby confirm my designation of John Groen and Jonathan Smith as the persons authorized and empowered to act in my stead as a member of the Michigan Strategic Fund Board for scheduled meetings or portions thereof that I am unable to attend.

If you need anything additional, please contact Diane Burton at (517) 230-5454.
Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Susan R. Corbin".

Susan R. Corbin
Director



MEMORANDUM

Date: October 24, 2023

To: Michigan Strategic Fund Board

From: Mackenzie Miller, Community Development Manager
Debbie Stehlik, Commercial Real Estate Investment Manager
Rob Garza, Manager, Statutory Analysis

Subject: Request for Approval of a Transformational Brownfield Plan
City of Grand Rapids Brownfield Redevelopment Authority (BRA)
655 Godfrey, LLC
Factory Yards Transformational Brownfield Plan

Project Summary & Request

The proposed Transformational Brownfield Plan (the “Plan”) consists of five buildings and more than \$146 million in investment in the southwest side of Grand Rapids, fostering connectivity from the Godfrey Corridor to Downtown and the riverfront. The redevelopment of the property will occur on 10 parcels and consists of the scope detailed below:

- Component 1 will consist of the redevelopment of an existing three-story building and five-story building, including a ½ acre outdoor public plaza, an existing ancillary building, and a two-story parking deck. The ground floor of the five-story building is anticipated to include a locally curated food hall, bar, and event space as well as tenant-oriented self-storage space. Floors 2-5 will contain approximately 164 multifamily units. The three-story building will contain ground floor commercial space in the southern portion of the building, and approximately 218 residential units on floors one, two, and three. The single-story ancillary building will be redeveloped to support restaurant or commercial use.
- Component 2 will consist of the redevelopment of an existing, single-story warehouse/flex building to include commercial climate-controlled self-storage units and fitness/recreational space.
- Component 3 will include the new construction of two, single-story commercial use buildings.
- Component 4 will consist of the new construction of a 4-story, multi-family building containing approximately 85 units. The building will include dedicated on-site parking totaling 86 spaces.

A project map and project renderings are included in Appendix C.

PROJECT SUMMARY	
Project Eligibility	Facility and Functionally Obsolete
Total Approximate Square Feet Revitalized	611,340
Total Approximate Acres Activated	15.61
Estimated # of Residential Units	467
Estimated Full-Time Equivalent Jobs Created	226
Estimated Commercial Square Footage	156,669
Estimated Residential Square Footage	331,096
Current Taxable Value	\$2,384,335
Projected Taxable Value at Completion	\$134,376,385
Total Anticipated Capital Investment	\$146,770,893
Transformational Brownfield Revenue Request	\$102,989,119

655 Godfrey, LLC (the “Developer”) and the City of Grand Rapids Brownfield Redevelopment Authority (“BRA”) are requesting the approval of a TBP incentive package in the aggregate amount of \$102,989,119 and divided by revenue type as follows:

- Local and school property tax capture in the amount of \$34,594,809, with state capture limited to \$18,619,897.
- A maximum of \$1,679,672 in construction period withholding tax capture revenues.
- A maximum of \$4,105,917 in construction period sales and use tax exemptions.
- A maximum of \$62,608,721 in income tax capture revenues and withholding tax capture revenues (post-construction) to be reimbursed over 20 years.

The series of projects seeks to reinforce the Godfrey Corridor as a gateway to the city’s downtown by proposing mixed-use redevelopment on the site of a vacant and blighted former furniture warehouse. The project will bring an influx of new residents and commercial activity to an area of the City that has been underutilized. The original brick structures on this site were built in the 1890s by LUCE Furniture and at its height, was the largest furniture manufacturing site in the world. The property was purchased by McNerny Spring and Wire in the 1930s. McNerny was a neighborhood factory, employing many who lived nearby and was one of the first factories to employ women. The site has remained mostly vacant since the 1980s. The site will feature connectivity to the Oxford Trail, a walking, running, and biking path, as well as connections to Roberto Clemente Park directly across the street from the project via the installation of multiple rapid flashing beacons which will enhance pedestrian safety. The planned urban density and modern design of planned residential and commercial will be competitive class A space comparable to other urban markets. These buildings will be highly attractive to current members of the community as well as new individuals seeking to re-locate to Grand Rapids. In total, the entire series of projects are planned to generate approximately 226 post-construction, full-time equivalent jobs.

Through an Affordable Housing Agreement between the Developer, City of Grand Rapids and the Grand Rapids Brownfield Redevelopment Authority (GRBRA), the planned residential portion of the Project includes 10% of units being income-restricted and rented affordably to households earning at or below 60% of Area Median Income (AMI) and an additional 10% to be income restricted and rented affordably to households earning at or below 80% of AMI. This will result in a total of 94 affordable units. The affordable

units will be spread throughout the buildings and will be allocated across all unit types to ensure an equal distribution of affordability throughout the Project.

Following construction completion and occupancy of the completed buildings, the project will undergo a re-evaluation based on the certified construction costs which may require the incentive to be adjusted down (“true up”). The incentive award will be decreased if the actual construction costs are less than 90 percent of the amount estimated in the Act 381 Work Plan. The associated MSF Board resolution includes the authorization for this modification per Section 14a(8) of Act 381.

Statutory and Policy Considerations

Act 381 of 1996 (the “Act”), as amended, authorizes the MSF to approve Transformational Brownfield Plans that include state and local property tax capture in conjunction with the Local Unit of Government, sales and use tax exemptions, construction period tax capture revenues, income tax capture revenues, and withholding tax capture revenues for the purpose of supporting projects statewide. On July 25, 2017, the MSF Board approved the Transformational Brownfield Program Guidelines (“Guidelines”). The Guidelines have been amended by the MSF Board on September 26, 2017, April 23, 2019, March 22, 2022, and July 19, 2023, respectively. As required under the Act, all statutory criteria for the project have been considered when making the recommendations in this memo. The project meets the Guidelines and programmatic requirements, and an underwriting analysis has been completed by MEDC underwriting staff. A summary of the completed underwriting analysis is included in Appendix A. An MSF Eligible Activities Table, Transformational Brownfield Program (“TBP”) Revenue Summary, and key statutory criteria are included in Appendix D.

The project qualifies as a TBP as defined under Act 381 as it exceeds the threshold for capital investment (based on the population of the city, which in this case is \$100 million) and will have a transformational impact on local economic development and community revitalization based on the extent of brownfield redevelopment and growth in population, commercial activity, and employment that will result from the plan. The project is a mixed-use development with planned integration of retail, residential, and commercial uses.

The request includes the use of up to 100% of income tax capture revenues, which is allowed under statute and Guidelines, subject to a written affordable housing agreement between the local governmental unit and the developer. This agreement will be fully executed upon approval of the TBP request by the MSF Board.

The request also includes a safe harbor calculation for income and withholding tax capture revenues, which may be elected for an individual project or the entire series of projects. The developer must elect whether to use the safe harbor calculation prior to the first disbursement of income tax capture revenues for a particular project. Once disbursement of income and withholding tax capture revenues commences, the Developer may not change the election for that individual project.

Demonstrated Need

Due to environmental conditions, existing building conditions, the high cost of construction, cost of debt, and area rents, this urban infill, adaptive re-use development is infeasible to finance or complete without incentive assistance, given projected returns even with the requested support. The location of the Project in an unproven market within the city presents further challenges as there is no comparable commercial space within the immediate vicinity to utilize when projecting rents for the planned commercial spaces. Furthermore, the Project will help to address a critical housing shortage in the City of Grand Rapids, which has been documented and quantified in detail within the 2022 Grand Rapids/Kent County Housing Needs Assessment and will also include 94 units of affordable housing. This Housing Needs Assessment

completed by Bowen National Research concluded there is an estimated overall housing gap of 7,951 rental units over the next five years and rental and for-sale housing gaps in the city exist among all affordability levels and future housing efforts should address this broad need.

The underwriting and financial analysis was completed by MEDC staff to evaluate the reasonableness of Project assumptions, the financial feasibility of the Project, and structure of TBP assistance required to make the Project financially feasible under TBP guidelines. Specifically, staff evaluated the project against TBP underwriting criteria, summarized below, and evaluated the reasonableness of key pro forma assumptions by benchmarking the Applicant's assumed costs, revenues, expenses and financing assumptions against industry standards and similar projects in Grand Rapids and throughout the larger MSF portfolio. In addition, staff evaluated the TBP tax revenue projection assumptions.

1. Evaluation of specific underwriting criteria, including at a minimum the following:
 - Assessment of how much traditional debt the project should be able to support/attract.
 - Developer and consultant fees limited to 4% of the total development cost of the project.
 - Reasonableness assessment of any related-party costs and expenses.
 - Minimum Owner Equity Investment: 20% of Total Development Costs (net of developer and consulting fees). Deferred fees will not be counted in the calculation.
 - Minimum Debt Service Coverage Ratio: 1.20:1.00, calculated based on all scheduled debt service requirements following stabilization and conversion to permanent financing.
 - Returns in relation to the land use mix, location, size and complexity of the project and the risk involved. Unleveraged IRR and yield on cost will be evaluated if financing is preliminary. If financing term sheets are provided, leveraged IRR and cash on cash return will be evaluated. Average annual return metrics will be for the first three years following project stabilization.
2. Reasonableness assessment of the proposed rental structure and assumptions.
3. Reasonableness assessment of the proposed operating expenses.
4. Reasonableness assessment of the proposed development costs.
5. Process conducted to analyze and determine the project's economic viability.

Local Support

The City of Grand Rapids is supporting the project with an Obsolete Property Rehabilitation Act ("OPRA") tax abatement valued at \$10,155,093 over 12 years, as well as the local portion of the property tax capture component of the Brownfield TIF valued at \$15,974,912.

Applicant Background / Qualifications

The development team consists of real estate professionals with deep experience in development and investment, including both ground-up and adaptive re-use projects. Collectively, they have developed, owned, and managed hundreds of residential units, hundreds of thousands of square feet of office, retail, and industrial space, several mixed-use/hospitality projects, and more. The team possesses higher education and advanced degrees in various disciplines including business, finance, real estate development, urban planning, and architecture. Many of their projects have involved MEDC support, primarily in the form of Brownfield TIF. Prior to this experience, the team has achieved professional experience in brokerage, real estate development and finance, asset management, and real estate private equity, overseeing well in excess of \$1 billion in real estate transactions, investments, and developments. Select project experience is listed below:

- Milwaukee Lofts (Detroit, MI)
 - This project is an adaptive reuse of a foreclosed property into a mixed-use building in the Milwaukee Junction neighborhood consisting of 8 luxury condominium units and several commercial spaces, including a European-inspired walk-up cafe and an award-winning cocktail bar.
- Iron Ridge (Ferndale, MI)
 - This project is the culmination of the assemblage of parcels and rehabilitation of the former Walker Wire processing plant that resulted in a mixed-use complex consisting of multiple commercial users and residential apartments across approximately 300,000 square feet.
- M1 District (Ferndale, MI)
 - This project involves the rehabilitation of nearly 200,000 square feet encompassing multiple buildings to include multiple commercial users such as Urbanrest Brewing, Farm Field Table and Drifter Coffee.

Jay Alix, the majority investor in the project, is a successful business executive and philanthropist. He has extensive experience in private equity and management consulting, Jay also has over three decades of experience as a real estate investor. In his capacity as a limited partner in the Factory Yards project, he is an investor and strategic advisor on an as needed basis to the project.

An Organizational Chart for 655 Godfrey, LLC is provided in Appendix B. The background review process was completed in accordance with the MSF Background Review Policy on August 23, 2023.

Financial Highlights

- Total Development Cost ranges from \$157 to \$319 per square foot with a project average of \$240.
- Residential rental rates average \$2.32 per square foot, including 20% affordable units. 20% of residential units will be considered affordable, with 10% affordable to households earning 60% of Area Median Income (AMI) and an additional 10% at 80% of AMI.
- Projected commercial rents are on the low end of the range for market rents for comparable space, between \$10.00 and \$14.00 per square foot, with triple net lease terms. The property is located within an emerging neighborhood on the periphery of downtown Grand Rapids and commercial rents are not straightforward to project given the lack of comparables in the immediate vicinity. Most data for comparable spaces came from in and near the downtown core so appropriate adjustments were made to reflect the location and unproven nature of the market for commercial space immediately surrounding the project.
- Anticipated equity contribution of 20.3%.
- Projected return (IRR) of 7.9% over a 20-year time horizon.

An MSF Eligible Activities and Tax Capture Summary are included in Appendix D.

Recommendation

MEDC staff recommends approval of the following (the “Recommendation”):

- a) Approval of a TBP in the aggregate amount of \$102,989,119, which consists of the following revenue maximums:
 - a. Local and school property tax capture in the amount of \$34,594,809, to be reimbursed over 30 years.

- b. A maximum of \$1,679,672 in construction period withholding tax capture revenues.
 - c. A maximum of \$4,105,917 in construction period sales and use tax exemptions.
 - d. A maximum of \$62,608,721 in income tax capture revenues and withholding tax capture revenues (post-construction) to be reimbursed over 20 years.
- a) Approval of the factors that will be used to calculate the safe harbor amounts for income tax capture and withholding tax capture if elected by the developer. This election may be made on an individual project site or all project sites and must be made prior to the first distribution of income tax capture or withholding tax capture revenues. This information is included in Appendix E.

APPENDIX A – Underwriting Analysis Executive Summary

Underwriting Analysis

The underwriting and financial analysis was completed by MEDC staff to evaluate the reasonableness of Project assumptions, the financial feasibility of the Project, and structure of TBP assistance required to make the Project financially feasible under TBP guidelines. Specifically, staff evaluated the project against TBP underwriting criteria and evaluated the reasonableness of key pro forma assumptions by benchmarking the assumed costs, revenues, expenses and financing assumptions against industry standards and similar projects in Grand Rapids and throughout the larger MSF portfolio. In addition, staff evaluated the Applicant's TBP tax revenue projection assumptions. A variety of sources were used to conduct this evaluation, including data from the Applicant, MEDC's in-house database with detailed underwriting metrics for similar projects reviewed, and various industry and market sources. Additional clarifying information was provided by the Applicant through correspondence, conversations, and written materials.

The underwriting analysis was guided by the MSF approved TBP Guidelines which include the following assessment criteria:

1. Evaluation of specific underwriting criteria, including at a minimum the following:
 - Assessment of how much traditional debt the project should be able to support/attract.
 - Developer and consultant fees limited to 4% of the total development cost of the project.
 - Reasonableness assessment of any related-party costs and expenses.
 - Minimum Owner Equity Investment: 20% of Total Development Costs (net of developer and consulting fees). Deferred fees will not be counted in the calculation.
 - Minimum Debt Service Coverage Ratio: 1.20:1.00, calculated based on all scheduled debt service requirements following stabilization and conversion to permanent financing.
 - Returns in relation to the land use mix, location, size and complexity of the project and the risk involved. Unleveraged IRR and yield on cost will be evaluated if financing is preliminary. If financing term sheets are provided, leveraged IRR and cash on cash return will be evaluated. Average annual return metrics will be for the first three years following project stabilization.
2. Reasonableness assessment of the proposed rental structure and assumptions.
3. Reasonableness assessment of the proposed operating expenses.
4. Reasonableness assessment of the proposed development costs.
5. Process conducted to analyze and determine the project's economic viability.

Financial Justification and Need

Due to environmental conditions, existing building conditions, the high cost of construction, cost of debt, and area rents, this urban infill, adaptive re-use development is challenging to finance or complete without incentive assistance, given projected returns even with the requested support. The location of the Project in an unproven market within the city presents further challenges as there is no comparable commercial space within the immediate vicinity to utilize when projecting rents for the planned commercial spaces. Furthermore, the Project will help to address a critical housing shortage in the City of Grand Rapids, which has been documented and quantified in detail within the 2022 Grand Rapids/Kent County Housing Needs Assessment and will also include 94 units of affordable housing. This Housing Needs Assessment completed by Bowen National Research concluded there is an estimated overall housing gap of 7,951 rental units over the next five years and rental and for-sale housing gaps in the city exist among all affordability levels and future housing efforts should address this broad need.

The successful construction of the Project will make a transformational impact, accelerating development of the neighborhood, creating broader residential, business, entrepreneurial, and retail uses in the area surrounding the Project as well as eliminating the health and safety concerns associated with a vacant industrial building in a largely residential area.

Conclusions and Recommendations

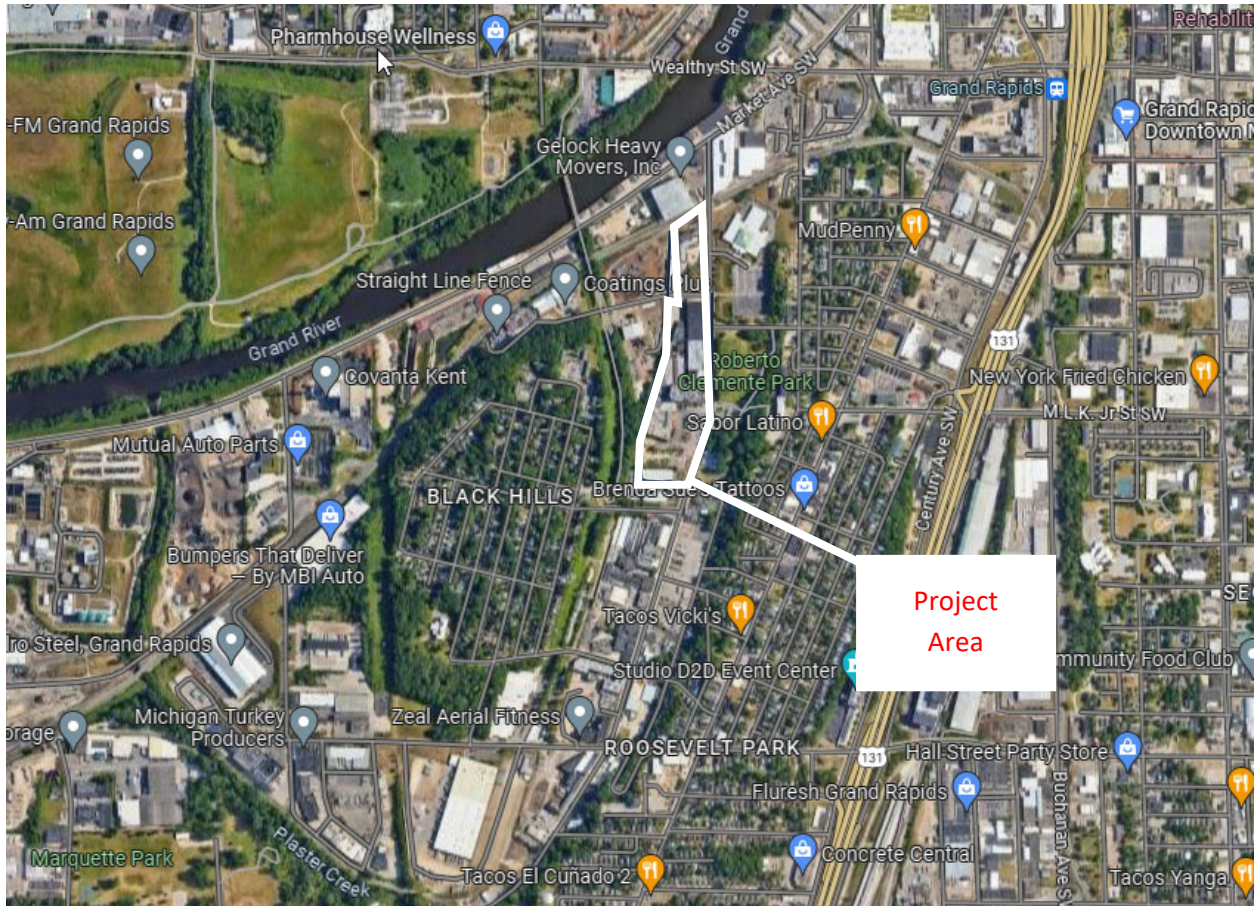
The Developer's proposed Project is likely to be transformative to downtown Grand Rapids, bringing a density of new construction and renovated products that are expected to attract new employees, residents and tourists to this region of downtown. While the projected operating revenues associated with the Project are generally expected to meet or near rents currently achieved in existing downtown area developments, the Project rents appear to be insufficient to support the significant construction costs associated with the Project's mix of uses, parking, public spaces, affordable housing efforts and extraordinary infrastructure costs. MEDC staff has found Applicant assumptions to be reasonable based on information provided to date and the level of TBP assistance requested appears reasonable and appropriate to ensure the financial feasibility of the proposed Project.

The proposed Project is in preliminary stages of pre-development, with all Project components in the development design phase. Given this, it is likely development costs will continue to evolve as the Project moves through the development phases. Staff recommends that a single post construction re-evaluation be conducted per Section 14a(8) of Act 381 to adjust for the actual construction costs. Following construction completion, the project will undergo a re-evaluation based on the certified construction costs which may require the incentive to be adjusted down ("true up"). The incentive award will be decreased if the actual construction costs are less than 90 percent of the amount estimated in the Act 381 Work Plan.

APPENDIX B – Organizational Charts

Organizational Structure					
		Company Name: 655 Godfrey, LLC			
		Employer Identification Number: 88-2669039			
		MANAGER: Benjamin R. Smith/Scott R. Magaluk			
	Member		Ownership Interest Totals	EINs - No Soc Sec numbers	State of Organization
655 Godfrey QOF, LLC			95.00%	88-2699846	Michigan
	Jay Alix Living Trust	34.20%			
	Jay Alix		100%	044-46-8958	
	Lakeview Family LLC	60.80%		26-1454793	
	Jay Alix		100.00%		
Factory Yards Development, LLC			5.00%	87-4745820	Michigan
	Benjamin Smith		33.33%		
	Scott Magaluk		33.33%		
	Dennis Griffin		33.33%		
			100.00%		

APPENDIX C – Project Maps and Renderings







APPENDIX D – MSF Eligible Activities Summary

In order to alleviate brownfield conditions and prepare the site for redevelopment, the City of Grand Rapids, a Qualified Local Governmental Unit, has duly approved a brownfield plan for this property on October 10, 2023. The property has been determined to be a facility as verified by the Michigan Department of Environment, Great Lakes, and Energy (EGLE) on June 6, 2023 and deemed functionally obsolete as verified by a Michigan Master Assessing Officer (MMAO) assessor on July 14, 2022.

There are 47.4908 non-homestead mills available for capture, with State mills from school operating and SET millages equaling 24 mills (50.54%) and local millage equaling 23.4908 mills (49.46%). Tax increment capture will begin in 2026 and is estimated to continue for 25 years. The state tax capture is recommended to be capped at \$18,619,897, which is the amount of tax increment revenue anticipated to be generated in 25 years. Total MSF eligible activities are estimated at \$102,989,119. The tax capture ratio is impacted by the OPRA tax abatement, and the blended ratio is shown below. The property tax reimbursement only represents a portion of the award needed to fully reimburse the developer for eligible activity costs. MSF eligible activities breaks down as follows:

Tax Capture Summary:

State tax capture	(53.82%)	\$ 18,619,897
Local tax capture	(46.18%)	\$ <u>15,974,912</u>
TOTAL		\$ 34,594,809

Total TBP Revenue Breakdown

Property Tax Capture	\$	34,594,809
Construction Period Sales and Use Tax Exemption		4,105,917
Construction Period Tax Capture		1,679,672
Income Tax Capture (post-construction)		56,067,866
Withholding Tax Capture (post-construction)	+	6,540,855
ANTICIPATED TOTAL	\$	<u>102,989,119</u>

The project is not requesting EGLE Work Plan support for this project to assist with environmental eligible activities.

Statutory Criteria

It is the role of the Project Management staff (MEDC Staff) to review the information provided by the applicant for eligibility, completeness, and adherence to program guidelines, and to manage the MSF’s investment. Explanatory and background information is supplied in summary form to provide context for the request and is drawn exclusively from materials submitted by the applicant, and, as applicable, from other relevant third-party sources utilized by staff.

As required under Act 381, the following statutory criteria is being considered by the MSF:

A. The importance of the project to the community in which it is located:

The project is situated at the southern end of the downtown Grand Rapids corridor, in an area where this development is appropriate and meets many of the city and community’s priorities. The project will be an important component of the establishment of a new district in south downtown, where residents, tenants, and members of the community can enjoy natural resources, urban amenities,

and unique space to live, work, and play all within walking distance to downtown Grand Rapids. The site is a 10-minute walk to the core of the central business district and is only a few blocks away from the planned riverfront redevelopment. It is located between the Roosevelt Park and Black Hills neighborhoods in the Neighborhoods of Focus, which are comprised of 17 census tracts that are prioritized by the city for reinvestment. As identified in the 2022 (updated in 2023) Housing Needs Assessment conducted by Bowen National Research, housing demand in Grand Rapids has increased 59% since 2020, resulting in a shortage of 7,951 rental units in Grand Rapids with an additional 5,107 rental units throughout Kent County. The affordable housing component of the Development will allow access to housing for an economically diverse tenant base and contribute to meeting the high demand for additional housing in the city.

B. If the project will act as a catalyst for additional revitalization of the community in which it is located:

The Project will create a new district in south downtown and will have a significant positive impact on the City's economy, tax base and population growth—benefiting not only Grand Rapids but the entire State of Michigan by adding new tax revenue to the State, City, and Kent County. The Project will act as a catalyst for even more revitalization of the community and will greatly increase the density of the area, create support and demand for services from existing surrounding businesses, foster demand for additional businesses and economic opportunity, and provide additional entertainment, shopping and dining destinations and opportunities. The Project will create a dynamic mixed-use district which will support various types of use and activity throughout the day. new commercial, residential, and retail space will add to this dynamic community as well as create new jobs and generate opportunities for people that live and work in the surrounding area.

C. The amount of local community and financial support for the project:

The City of Grand Rapids is supporting the project with an Obsolete Property Rehabilitation Act (“OPRA”) tax abatement valued at \$10,155,093 over 12 years, as well as the local portion of the property tax capture component of the Brownfield TIF valued at \$15,974,912.

D. The applicant's financial need for a community revitalization incentive:

The TBP proposes that the Developer will invest over \$146 million to develop the combined proposed TBP project. Based on the underwriting analysis, the full TBP request is required. Staff considers a projected return of 15% or less to be acceptable for projects of this size, scope and complexity. Using the assumptions provided during the underwriting of the Project, it was determined that the Developer could achieve a projected levered Internal Rate of Return (IRR) on average of 7.9% and a Return on Equity of 11.6%, both over a 20-year horizon.

E. The extent of reuse of vacant buildings, reuse of historical buildings, and redevelopment of blighted property:

The plan includes extensive rehabilitation of existing vacant structures.

F. Creation of jobs:

In total, the entire series of projects are planned to generate 226 post construction, full-time equivalent jobs at an average hourly wage of \$29.31.

G. The level of private sector and other contributions, including, but not limited to, federal funds and federal tax credits:

The Developer is providing equity that is required under the TBP Guidelines of 20%. It is anticipated that the developer's equity contribution will be over 20.3% of the projected total development cost.

H. Whether the project is financially and economically sound:

A comprehensive underwriting and financial analysis was completed by MEDC staff to evaluate the reasonableness of project assumptions, the financial feasibility of the project, and structure of TBP assistance required to make the Project financially feasible under TBP guidelines. Staff consider the project to be financially and economically sound.

I. Whether the project increases the density of the area:

All components of the project contemplated in this TBP are proposed to be constructed on vacant or underutilized Brownfield sites, shifting them to a higher-density mixture of uses. The resulting developments are expected to spark economic activity in the neighborhood.

J. Whether the project promotes mixed-use development and walkable communities:

The project will enhance the area by renovating a significant amount of previously unused or underutilized property into a walkable community, which is an essential part of building the City of Grand Rapids' population and economy. A portion of the existing building will be demolished to allow for the construction of a common area greenspace/community amenity, and the site will feature connectivity to the Oxford Trail, a walking, running, and biking path as well as Roberto Clemente Park which is located directly across the street from the Development. Together, these important developments will create a new district in south downtown, where residents, tenants, and members of the community can enjoy natural resources, urban amenities, and unique space to live, work, and play all within walking distance to downtown Grand Rapids.

K. Whether the project converts abandoned public buildings to private use:

No public buildings will be converted to private use as a part of the TBP.

L. Whether the project promotes sustainable development:

The essence of the existing design is preservation, where possible, of existing structures and materials. The reuse of building materials involves saving a high percentage of embodied energy. Finding new uses for old buildings significantly reduces the energy consumption associated with demolishing a structure and building a new one to replace it. This is especially true as a large portion of a building's carbon emissions comes from its materials, from fabrication and delivery to assembly. The Developer's track record reflects its commitment to environmentally sustainable development practices that are economically sound and feasible. The Development will implement engineering controls to mitigate environmental contamination concerns, and the Developer is working with its engineering and construction teams to pursue solar and geothermal systems to power portions of the project.

M. Whether the project involves the rehabilitation of a historic resource:

This project does not involve the rehabilitation of a historic resource.

N. Whether the project addresses area-wide redevelopment:

The project is situated at the southern end of the downtown Grand Rapids corridor, in an area which has not experienced significant development, and which has a large amount of underutilized

property. The project is a 10-minute walk to the central business district and is only a few blocks away from the recently announced riverfront development and the recently redeveloped former warehouse known as the Boxboard Lofts at 470 Market Avenue SW. Together, these important developments will create a new district in south downtown, where residents, tenants, and members of the community can enjoy natural resources, urban amenities, and unique space to live, work, and play all within walking distance to downtown Grand Rapids.

O. Whether the project addresses underserved markets of commerce:

The project is in one of the City's Neighborhoods of Focus (NOFs), which are 17 census tracts in the near west and south side of Grand Rapids which, due to systemic and historic inequities, experience the most disparate outcomes related to income, educational attainment opportunities, home ownership, and wealth accumulation, when compared to the city, as a whole. The NOFs are priority investment areas for the City of Grand Rapids.

P. The level and extent of environmental contamination:

Soil and/or groundwater contamination associated with historical use is present throughout the Property. Demolition and construction activities, which include excavation of unsuitable soils, will result in partial remediation. In addition, rehabilitated and new structures will implement due care activities and engineering controls to alleviate exposure pathways to contamination, all as required by Michigan law.

Q. If the rehabilitation of the historic resource will meet the federal Secretary of the Interior's standards for rehabilitation and guidelines for rehabilitating historic buildings (36 CFR 67):

Not applicable

R. Whether the project will compete with or affect existing Michigan businesses within the same industry:

This TBP is not anticipated to compete with or adversely affect existing Michigan businesses.

S. Any other additional criteria approved by the board that are specific to each individual project and are consistent with the findings and intent of this chapter:

The Development will endeavor to create opportunities for local entrepreneurs to establish new businesses. The Development will bring service oriented commercial and retail establishments to serve the neighborhood.

T. Describe how does the TBP includes provisions for affordable housing:

Through an Affordable Housing Agreement between the Developer, City of Grand Rapids and the Grand Rapids Brownfield Redevelopment Authority (GRBRA), the planned residential portion of the Project includes 10% of units being income-restricted and rented affordably to households earning at or below 60% of Area Median Income (AMI) and an additional 10% to be income restricted and rented affordably to households earning at or below 80% of AMI. This will result in a total of 94 affordable units. The affordable units will be spread throughout the buildings and will be allocated across all unit types to ensure an equal distribution of affordability throughout the Project.

APPENDIX E – Income and Withholding Tax Capture Safe Harbor Revenue Tables

Table 7.1
 Income and Withholding Tax Safe Harbor Estimates
 655 Godfrey Redevelopment Project
 Grand Rapids Michigan
 SME Project 088876.00

Year	Taxable Income (Residents)	Safe Harbor Taxable Income - Residents (90% of Total)	Withholding Income	Safe Harbor Withholding Income (90% of Total)	Safe Harbor Tax Capture		
					4.25% Incremental Income Taxes	2.50% Incremental Withholding Taxes	Total
2023	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2024	-	-	-	-	-	-	-
2025	-	-	-	-	-	-	-
2026	37,474,200	33,726,780	11,895,000	10,705,500	1,433,388	187,346	1,620,734
2027	38,785,797	34,907,217	12,311,325	11,080,193	1,483,557	193,903	1,677,460
2028	49,318,985	44,387,086	12,742,221	11,467,999	1,886,451	200,690	2,087,141
2029	51,045,149	45,940,634	13,188,199	11,869,379	1,952,477	207,714	2,160,191
2030	52,831,729	47,548,556	13,649,786	12,284,807	2,020,814	214,984	2,235,798
2031	54,680,840	49,212,756	14,127,529	12,714,776	2,091,542	222,509	2,314,051
2032	56,594,669	50,935,202	14,621,992	13,159,793	2,164,746	230,296	2,395,042
2033	58,575,483	52,717,935	15,133,762	13,620,386	2,240,512	238,357	2,478,869
2034	60,625,625	54,563,062	15,663,443	14,097,099	2,318,930	246,699	2,565,629
2035	62,747,522	56,472,769	16,211,664	14,590,498	2,400,093	255,334	2,655,426
2036	64,943,685	58,449,316	16,779,072	15,101,165	2,484,096	264,270	2,748,366
2037	67,216,714	60,495,042	17,366,340	15,629,706	2,571,039	273,520	2,844,559
2038	69,569,299	62,612,369	17,974,162	16,176,746	2,661,026	283,093	2,944,119
2039	72,004,224	64,803,802	18,603,257	16,742,932	2,754,162	293,001	3,047,163
2040	74,524,372	67,071,935	19,254,371	17,328,934	2,850,557	303,256	3,153,814
2041	77,132,725	69,419,453	19,928,274	17,935,447	2,950,327	313,870	3,264,197
2042	79,832,370	71,849,133	20,625,764	18,563,188	3,053,588	324,856	3,378,444
2043	82,626,503	74,363,853	21,347,666	19,212,899	3,160,464	336,226	3,496,689
2044	85,518,431	76,966,588	22,094,834	19,885,351	3,271,080	347,994	3,619,074
2045	88,511,576	79,660,419	22,868,153	20,581,338	3,385,568	360,173	3,745,741
2046	17,043,735	15,339,362	-	-	651,923	-	651,923
2047	17,640,266	15,876,240	-	-	674,740	-	674,740
TOTAL					\$ 50,461,079	\$ 5,298,092	\$ 55,759,172

MICHIGAN STRATEGIC FUND

RESOLUTION 2023 -182

**APPROVAL OF A BROWNFIELD ACT 381 COMBINED TRANSFORMATIONAL
BROWNFIELD PLAN
CITY OF GRAND RAPIDS BROWNFIELD REDEVELOPMENT AUTHORITY
FACTORY YARDS MIXED-USE DEVELOPMENT TRANSFORMATIONAL
BROWNFIELD PLAN**

WHEREAS, the Michigan Economic Growth Authority (“MEGA”) has been established by 1995 PA 24, as amended (the “Act”);

WHEREAS, 2002 PA 727 amended 1996 PA 381, MCL 125.2651 et seq (“Act 381”), to empower local brownfield redevelopment authorities to request the MEGA Board to approve a brownfield project work plan and, thereby, capture taxes levied for school operating purposes for the project;

WHEREAS, Executive Order 2012-9 transferred all the authority, powers, duties, functions, responsibilities, records, personnel, property, unexpended balances of appropriations, allocations or other funds of the MEGA to the Michigan Strategic Fund (“MSF”);

WHEREAS, Public Act 46 of 2017 amended Act 381 to allow a governing body and the MSF to approve transformational brownfield plans (“TBP”) and was further amended by Public Act 135 of 2021 modifying criteria for transformational brownfield plans;

WHEREAS, The MSF Board adopted the Transformational Brownfield Plan Guidelines (the “TBP Guidelines”) by Resolution 2017-109

WHEREAS, the MSF Board amended the TBP Guidelines by Resolution 2017-152 on September 26, 2017, by Resolution 2019-062 on April 23, 2019, by Resolution 2022-055 on March 22, 2022, and by Resolution 2023-132 on July 25, 2023;

WHEREAS, captured school operating tax revenues, construction period tax capture revenues, sales and use tax exemption, income tax capture revenues, withholding tax capture revenues, sales and use tax capture revenues may be used under 1996 PA 381 as amended, for demolition, construction, restoration, alteration, renovation or improvement of buildings, or site improvements on eligible property, including infrastructure improvements that directly benefit eligible property, or for lead, asbestos, or mold abatement, and for demolition and that are not response activities under the Natural Resources and Environmental Protection Act, 1994 PA 451;

WHEREAS, the City of Grand Rapids Brownfield Redevelopment Authority (the “Authority”) has submitted a combined transformational brownfield plan (the “Plan”) for property located at 655 Godfrey Avenue SW, 620 Chestnut Street SW, 835 Godfrey Avenue SW, 644 Chestnut Street SW, 943 Godfrey Avenue SW, 640 Chestnut Street SW, 700 Martin Luther King Jr Street SW, 573 Godfrey Avenue SW, 615 Chestnut Street SW, and 565 Godfrey Avenue SW within the City of Grand Rapids, known as Factory Yards Mixed-Use Development Transformational Brownfield Plan (the “Project”);

WHEREAS, the City of Grand Rapids is a “qualified local governmental unit” and is eligible to provide for a) demolition; b) lead, asbestos, or mold abatement; c) public infrastructure

improvements; d) site preparation; e) brownfield and work plan preparation; f) brownfield and work plan implementation and g) interest as provided under 2007 PA 204;

WHEREAS, the Authority and 655 Godfrey, LLC (the “Developer”) are requesting MSF approval of the following actions:

- 1) capture of \$34,594,809 in local and school property tax capture revenues, with state tax capture limited to \$18,619,897;
- 2) a sales and use tax exemption of up to \$4,105,917 during the construction period of the Project;
- 3) capture up to \$1,679,672 in construction period tax capture revenues; and
- 4) capture up to \$62,608,721 in post-construction income tax capture revenues and post-construction withholding tax capture revenues.

(the aforementioned, collectively, the “Transformational Brownfield Plan Designation”);

WHEREAS, the safe harbor calculation for income and withholding tax capture revenues may be elected for an individual project site, but once disbursement of income and withholding tax capture revenues commences, the Developer shall use the safe harbor calculation for that project site until disbursement is complete;

WHEREAS, the factors that will be used to calculate the safe harbor amounts for income tax capture and withholding tax capture, if elected by the developer, are included in Appendix A;

WHEREAS, capture of up to 100% of income tax capture revenues may occur subject to a written binding affordable housing agreement between the local governmental unit and the Developer;

WHEREAS, following construction completion and occupancy of the completed buildings, the project will undergo a re-evaluation based on the certified construction costs which may require the incentive to be adjusted down (“true up”). The incentive award will be decreased if the actual construction costs are less than 90 percent of the amount estimated in the Act 381 Transformational Brownfield Plan; and

WHEREAS, the Michigan Economic Development Corporation (“MEDC”) provides administrative services to the MSF, and has reviewed the application and recommends approval of the Transformational Brownfield Plan Designation by the MSF Board.

NOW, THEREFORE, BE IT RESOLVED, the MSF Board authorizes the Transformational Brownfield Plan Designation; and

BE IT FURTHER RESOLVED, that no taxes levied for school operating purposes shall be used to reimburse interest costs related to the eligible activities for the Project; and

BE IT FURTHER RESOLVED, the MSF Fund Manager is authorized to authorized negotiate all final terms and conditions and execute all documents necessary to effectuate the Transformational Brownfield Plan Designation in accordance with the terms set forth in this Resolution and consistent with the requirements of Act 381, as amended.

Ayes: Britany L. Affolter-Caine, Wesley Eklund, John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Dan Meyering, Susan Tellier, Randy Thelen, Cindy Warner

Nays: None

Recused: None

Lansing, Michigan
October 24, 2023

APPENDIX A - Income and Withholding Tax Capture Safe Harbor Revenue Tables

Table 7.1
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655 Godfrey Redevelopment Project
Grand Rapids Michigan
SME Project 088876.00

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2047	17,640,266	15,876,240	-	-	674,740	-	674,740
TOTAL					\$ 50,461,079	\$ 5,298,092	\$ 55,759,172



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
LANSING

SUSAN CORBIN
DIRECTOR

January 21, 2022

Ms. Katelyn Wilcox
Board Relations Liaison
Michigan Strategic Fund
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting Designees

Dear Ms. Wilcox:

Pursuant to MCLA 16.51, I hereby confirm my designation of John Groen and Jonathan Smith as the persons authorized and empowered to act in my stead as a member of the Michigan Strategic Fund Board for scheduled meetings or portions thereof that I am unable to attend.

If you need anything additional, please contact Diane Burton at (517) 230-5454.
Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Susan R. Corbin".

Susan R. Corbin
Director



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

GRETCHEN WHITMER
GOVERNOR

BRADLEY C. WIEFERICH, P.E.
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop
Board Relations Liaison
Michigan Strategic Fund Office
300 N. Washington Square
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bradley C. Wieferich".

Bradley C. Wieferich, P.E.
Acting Director

cc: M. Kapp
Executive File



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

January 6, 2023

Valerie Hoag
MSF Fund Manager
Michigan Economic Development Corporation
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting and Michigan Strategic Fund Finance
and Investment Subcommittee Designee for Treasurer Eubanks

Dear Ms. Hoag:

I hereby designate Andrew Lockwood to attend all Michigan Strategic Fund Board Meetings and Michigan Strategic Fund Finance and Investment Subcommittee meetings that I am unable to attend in 2023.

If you need anything additional, please contact Kara Kabia at (517) 241-2624.

Sincerely,

A handwritten signature in cursive script that reads "Rachael Eubanks".

Rachael Eubanks
State Treasurer

Cc: Eric Bussis
Andrew Lockwood



MEMORANDUM

Date: October 24, 2023

To: Michigan Strategic Fund Board

From: Chuck Donaldson, Managing Director, Regional Prosperity
Jake Winder, Manager, Community Development Incentives

Subject: Uptown Reinvestment Corporation – MSU CHM Department of Public Health Expansion at Flint Campus – Request for Approval of a Michigan Strategic Fund (MSF) Performance-Based Grant

Request

Uptown Reinvestment Corporation (the “Applicant”) is requesting a \$3.4 million MSF Performance-Based Grant under MCL 125.2088b(2)(c) of the MSF Act, based on performance requirements, as outlined on the term sheet attached to the resolution (the “MSF Grant Request”).

The MSF Grant request will be used to construct a new three-story approximately 40,000 sq. ft. building for Michigan State University’s (MSU) College of Human Medicine (CHM) Department of Public Health that will have office spaces for research, administrative, and instruction. The property is located at 200 E 1st St., in downtown Flint.

The project scope includes splitting the existing parcel (41-18-126-20) of the Flint Journal Building into two newly created parcels. In 2013 the MSF supported the property with a \$5.6M performance based equity investment to redevelop four city blocks in Downtown Flint to create an emerging health and wellness district.

Background

The MSU College of Human Medicine (CHM) Department of Public Health Expansion at Flint Campus project would be the newest addition to the Flint Health & Wellness District. In 2013 the MSF supported the Flint Health & Wellness District project with a \$5.6M performance-based equity investment to redevelop four city blocks in Downtown Flint to create an emerging health and wellness district. This project created a new urban plaza, relocation of the Flint Farmer’s Market, and a new Michigan State University Flint Public Health & Medical Campus.

The current project is located at 200 E 1st St., in downtown Flint. The project scope includes splitting the existing parcel (41-18-126-20) of the Flint Journal Building into two newly created parcels. The location of the new building expansion currently serves as the parking lot for the Flint Journal Building. This parcel has a history of lot combinations and splits. The proposed development will occur on a newly created parcel disaggregated from the historic Flint Journal building. The previously completed (2014) Flint Journal Building project was an adaptive reuse of a former Flint Journal office building into educational, office and research space for Michigan State University College of Human Medicine. The building also contains 16 residential loft apartments.

The new three-story facility will host research, administrative, and instructional spaces. The first floor will be



13,975 square feet of multiple office functions, including interview rooms for research, presentation and conference rooms, and staff offices. The second floor entails 12,450 square feet of similar features with small and large offices, conference rooms, a kitchenette, and multipurpose spaces for research. The third floor is the smallest, with 11,733 square feet, but it has an identical program and layout to the second floor.

MSU anticipates creating 129 additional jobs at the Flint location through 2028, when the new addition will be fully implemented. In addition, MSU anticipates attracting an additional \$10 million annually in direct and indirect federal funds. Thus far, the MSU College of Human Medicine has attracted \$80 million.

The MSU campus extension would also build upon the College of Human Medicine's work as the leading public health institution on the Flint Water Crisis. The downtown campus is led by endowed professors, such as the Associate Dean, Dr. Mona Hanna-Attisha, who was instrumental in uncovering the elevated lead levels in Flint youth. Additionally, the campus is home to the Flint Registry, a Center for Community Disease Control and Prevention-funded initiative that has enrolled 21,000 participants with ongoing public assistance referrals. Lastly, MSU plans to expand its current public health research at the new location to include domestic violence and suicide prevention.

Total development costs are estimated at approximately \$24.5M. The Foundation for Uptown Reinvestment Corporation, a supporting organization controlled by Uptown Reinvestment Corporation, received a grant commitment from the C.S. Mott Foundation for \$15.0 million for the new construction of the building. Michigan State University (MSU) has also committed to funding any tenant improvement allowances for technology, security, and furniture, above the \$750,000 currently allocated in the budget and provided for in the lease. They are currently anticipating providing approximately \$1,300,000. Lastly, MSU will enter into a market-rate lease at the building for 15 years. Uptown Reinvestment Corporation is currently reviewing loan proposals for \$2,600,000.

The project will result in significant new job creation in downtown Flint. By year 4 of the project, MSU anticipates hiring 129 people of which 103 are continuing full-time positions. The 103 positions are all professional level roles: 18 primary investigators, 8 faculty, 36 managers, 18 research analysts, 18 research associates, and 5 administrative staff. The average estimated hourly wage for these jobs is \$37.35.

Recommendation

MEDC staff recommends approval of the transfer of \$3.4 million from the MCRP program for a Performance-Based Grant to the Applicant for the construction of a new three-story approximately 40,000 sq. ft. building that will have office spaces for research, administrative, and instruction.

The recommendation also includes splitting the existing parcel (41-18-126-20) of the Flint Journal Building into two newly created parcels. In 2013 the MSF supported the property with a \$5.6M performance based equity investment to redevelop four city blocks in Downtown Flint to create an emerging health and wellness district.

**MICHIGAN STRATEGIC FUND
RESOLUTION 2023 - 183**

**UPTOWN REINVESTMENT CORPORATION AND HWD ON SECOND, INC.
GRANT AWARD**

WHEREAS, the Michigan legislature enacted the Michigan Strategic Fund Act, MCL 125.2001 et. seq., to enable the Michigan Strategic Fund (the “MSF”) to provide incentives in the form of grants, loans and other economic assistance for the development and improvement of Michigan’s economy, including through blight removal and job creation;

WHEREAS, the Michigan Economic Development Corporation (the “MEDC”) provides administrative services to the MSF;

WHEREAS, pursuant to MCL 125.2088b(2)(c), funds appropriated to the MSF for purposes of carrying out the MSF Act shall be expended or invested for activities authorized under the act, as long as those activities provide for repayment for breach of the written agreement or the failure to meet measurable outcomes;

WHEREAS, pursuant to MCL 125.2007(c), the MSF has, among other things, the power to make grants and investments;

WHEREAS, on September 27, 2022, the MSF Board allocated \$58,942,251 for Business and Community Development Programs and Activities (the “FY23 Funding Allocation”)

WHEREAS, Uptown Reinvestment Corporation and HWD on Second, Inc. (collectively the “Grantee”) has requested funds to support the new construction of a new three-story approximately 40,000 sq. ft. building for Michigan State University’s (MSU) College of Human Medicine (CHM) Department of Public Health (the “the Grant Request”);

WHEREAS, the MEDC recommends that the MSF Board approve a grant to the Grantee to support the Grant Request with an allocation of \$3,400,000 from the FY23 Funding Allocation and a term of four years with the option to extend the term up to an additional 24 months at the discretion of the MSF Fund Manager (the “Grant”) as detailed in the term sheet attached as Exhibit A; and

WHEREAS, the MSF Board wishes to approve the Grant.

NOW THEREFORE, BE IT RESOLVED, the MSF Board approves the Grant; and

BE IT FURTHER RESOLVED, the MSF Fund Manager is authorized to negotiate the final terms and conditions of the Grant and to execute all documents necessary to effectuate the Grant, consistent with the terms of this Resolution.

Ayes: John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Dan Meyering, Susan Tellier, Randy Thelen, Cindy Warner

Nays: None

Recused: Britany L. Affolter-Caine

Lansing, Michigan
October 24, 2023

EXHIBIT A
“Term Sheet”

Grant Terms

MSF Facility:	MSF Performance-based grant
Grantee:	Uptown Reinvestment Corporation or HWD on Second, Inc., as determined by the MSF Fund Manager
Grant Amount:	Not to exceed \$3,400,000
Total Capital Investment:	Estimated to be approximately \$24,300,000 incurred by one or more of the entities listed above
Term:	An initial term of four years with the option to extend the term up to an additional 24 months at the discretion of the MSF Fund Manager
Disbursement of Funds:	Up to \$3,400,000 to be disbursed from the MSF on a reimbursement basis upon project completion



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
LANSING

SUSAN CORBIN
DIRECTOR

January 21, 2022

Ms. Katelyn Wilcox
Board Relations Liaison
Michigan Strategic Fund
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting Designees

Dear Ms. Wilcox:

Pursuant to MCLA 16.51, I hereby confirm my designation of John Groen and Jonathan Smith as the persons authorized and empowered to act in my stead as a member of the Michigan Strategic Fund Board for scheduled meetings or portions thereof that I am unable to attend.

If you need anything additional, please contact Diane Burton at (517) 230-5454.
Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Susan R. Corbin".

Susan R. Corbin
Director



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

GRETCHEN WHITMER
GOVERNOR

BRADLEY C. WIEFERICH, P.E.
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop
Board Relations Liaison
Michigan Strategic Fund Office
300 N. Washington Square
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bradley C. Wieferich".

Bradley C. Wieferich, P.E.
Acting Director

cc: M. Kapp
Executive File



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

January 6, 2023

Valerie Hoag
MSF Fund Manager
Michigan Economic Development Corporation
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting and Michigan Strategic Fund Finance
and Investment Subcommittee Designee for Treasurer Eubanks

Dear Ms. Hoag:

I hereby designate Andrew Lockwood to attend all Michigan Strategic Fund Board Meetings and Michigan Strategic Fund Finance and Investment Subcommittee meetings that I am unable to attend in 2023.

If you need anything additional, please contact Kara Kabia at (517) 241-2624.

Sincerely,

A handwritten signature in cursive script that reads "Rachael Eubanks".

Rachael Eubanks
State Treasurer

Cc: Eric Bussis
Andrew Lockwood

October 18, 2023

MSF Fund Manager
MEDC
300 N. Washington Square
Lansing, Michigan

Dear Fund Manager,

This is to advise that I am recusing myself from voting and excuse myself during the discussion of the following item on the Michigan Strategic Fund Board Meeting Agenda on Tuesday, October 24, 2023.

- Uptown Reinvestment Corporation – MSU CHM Department of Public Health Expansion at Flint Campus – Request for Approval of a Michigan Strategic Fund (MSF) Performance-Based Grant
- Bond Authorization—Not to Exceed \$47,420,000 Limited Obligation Revenue Refunding Bonds (Facility for Rare Isotope Beams Project at Michigan State University), Series 2023 (the “Series 2023 Bonds”) to refund Michigan Strategic Fund (the “MSF”) Limited Obligation Revenue Bonds (Facility for Rare Isotope Beams Project at Michigan State University), Series 2014 (the “Bonds To Be Refunded”)

The reason for my recusal is that I have a potential conflict of interest with respect to the proposed funding projects for MSU.

Sincerely,



Britany Affolter-Caine
Executive Director
Michigan’s University Research Corridor

MICHIGAN STRATEGIC FUND

RESOLUTION 2023 - 184

**APPROVAL OF AN AMENDMENT TO A MICHIGAN COMMUNITY
REVITALIZATION PROGRAM OTHER ECONOMIC ASSISTANCE AWARD FOR
UPTOWN REINVESTMENT CORPORATION AND URC FJ, LLC**

WHEREAS, the Michigan legislature amended the Michigan Strategic Fund Act, MCL 125.2001 et. seq. (the “Act”), to add Chapter 8C (being MCL 125.2090 – MCL 125.2090d) to enable the Michigan Strategic Fund (the “MSF”) to create and operate the Michigan Community Revitalization Program (the “MCRP”) to provide incentives in the form of grants, loans and other economic assistance for redevelopment of communities in Michigan;

WHEREAS, the Michigan Economic Development Corporation (the “MEDC”) provides administrative services to the MSF for the MCRP;

WHEREAS, on December 21, 2011, by Resolution 2011-185, the MSF (i) created the MCRP, (ii) adopted the guidelines for the MCRP, as later amended on January 25, 2022 (the “Guidelines”);

WHEREAS, pursuant to SFCR 125.2090-1, (the “Delegation”) the MSF approved the MSF Fund Manager or the MSF President to negotiate the terms and conditions and execute all final documents necessary to effectuate awards and decisions approved under the MCRP; (the “Transactional Documents”)

WHEREAS, the Act and the Delegation require that MCRP awards over \$1 million must be approved by the MSF Board;

WHEREAS, by Resolution 2013-096 on June 26, 2013, the MSF Board awarded a MCRP grant award to Uptown Reinvestment Corporation and URC FJ, LLC (the “Companies”), in furtherance of the project of up to \$1,000,000 (the “Award”);

WHEREAS, by Resolution 2013-097 on June 26, 2013, the MSF Board awarded a MCRP loan award to Uptown Reinvestment Corporation and URC FJ, LLC, in furtherance of the project of up to \$4,649,071 (the “Loan”);

WHEREAS, by Resolution 2013-133 on August 28, 2013, the MSF Board approved a MCRP amendment to change the Loan to an Other Economic Assistance Equity Award (the “Equity Award”);

WHEREAS, by delegate approval on March 24, 2020, the MSF Fund Manager approved a MCRP amendment to change the fiscal year-end from September 30 to December 31;

WHEREAS, the Companies are requesting and MEDC is recommending that the MSF amend the Equity Award to (1) split the current parcel being used as collateral for the Equity Award, (2) release one of the parcels from the Equity Award Collateral, and (3) authorize transfer of the parcel to the Applicant, with all other requirements remaining in place for the Award (the “MCRP Amendment Recommendation”).

NOW, THEREFORE, BE IT RESOLVED, the MSF Board approves the MCRP Amendment Recommendation.

Ayes: John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferrich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Dan Meyering, Susan Tellier, Randy Thelen, Cindy Warner

Nays:

Recused: Britany L. Affolter-Caine

Lansing, Michigan
October 24, 2023



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
LANSING

SUSAN CORBIN
DIRECTOR

January 21, 2022

Ms. Katelyn Wilcox
Board Relations Liaison
Michigan Strategic Fund
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting Designees

Dear Ms. Wilcox:

Pursuant to MCLA 16.51, I hereby confirm my designation of John Groen and Jonathan Smith as the persons authorized and empowered to act in my stead as a member of the Michigan Strategic Fund Board for scheduled meetings or portions thereof that I am unable to attend.

If you need anything additional, please contact Diane Burton at (517) 230-5454.
Thank you.

Sincerely,

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Susan R. Corbin
Director



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

GRETCHEN WHITMER
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BRADLEY C. WIEFERICH, P.E.
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop
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Michigan Strategic Fund Office
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Bradley C. Wieferich, P.E.
Acting Director

cc: M. Kapp
Executive File



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

January 6, 2023

Valerie Hoag
MSF Fund Manager
Michigan Economic Development Corporation
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting and Michigan Strategic Fund Finance
and Investment Subcommittee Designee for Treasurer Eubanks

Dear Ms. Hoag:

I hereby designate Andrew Lockwood to attend all Michigan Strategic Fund Board Meetings and Michigan Strategic Fund Finance and Investment Subcommittee meetings that I am unable to attend in 2023.

If you need anything additional, please contact Kara Kabia at (517) 241-2624.

Sincerely,

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Rachael Eubanks
State Treasurer

Cc: Eric Bussis
Andrew Lockwood

October 18, 2023

MSF Fund Manager
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300 N. Washington Square
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- Uptown Reinvestment Corporation – MSU CHM Department of Public Health Expansion at Flint Campus – Request for Approval of a Michigan Strategic Fund (MSF) Performance-Based Grant
- Bond Authorization—Not to Exceed \$47,420,000 Limited Obligation Revenue Refunding Bonds (Facility for Rare Isotope Beams Project at Michigan State University), Series 2023 (the “Series 2023 Bonds”) to refund Michigan Strategic Fund (the “MSF”) Limited Obligation Revenue Bonds (Facility for Rare Isotope Beams Project at Michigan State University), Series 2014 (the “Bonds To Be Refunded”)

The reason for my recusal is that I have a potential conflict of interest with respect to the proposed funding projects for MSU.

Sincerely,



Britany Affolter-Caine
Executive Director
Michigan’s University Research Corridor



MEMORANDUM

Date: October 24, 2023

To: Michigan Strategic Fund Board

From: Dominic Romano, Senior Community Development Manager, Region 10
Debbie Stehlik, Commercial Real Estate Investment Manager
Sarah McKinley, Community Development Incentives Program Specialist

Subject: Request for Approval of a Michigan Community Revitalization Program (MCRP) Grant and a Request for Approval of an Act 381 Work Plan
Clairmount Apartments LLC and City of Detroit Brownfield Redevelopment Authority (BRA) – The Claire

Project Summary & Request

The project is the rehabilitation of a vacant multifamily building in the Boston Edison neighborhood of Detroit. Upon completion, the currently functionally obsolete property will offer 42 mixed income residential units, 60% that will rent between 50% and 80% of Area Median Income (AMI) and 40% of units that will rent at 120% AMI, per the terms of the LISC senior financing. LISC will monitor the affordability for the life of its loan.

PROJECT SUMMARY	
Project Eligibility	Functionally Obsolete
Total Approximate Square Feet Revitalized	26,018
Total Approximate Acres Activated	0.217
Estimated # of Residential Units	42
Estimated Commercial Square Footage	0
Current Taxable Value	\$268,900
Projected Taxable Value at Completion	\$1,350,000
Total Anticipated Capital Investment	\$8,412,249
Brownfield TIF / MSF Eligible Activities or State Capture Request	\$204,269
MCRP Grant	\$1,500,000

On December 21, 2011, the MSF Board approved the Michigan Community Revitalization Program (MCRP) and on January 25, 2022, the MSF Board approved its restated program guidelines. As required under the MCRP, all statutory criteria for the project have been considered when making the recommendations in this memo. The project meets the MCRP Guidelines and programmatic requirements, and a financial review has been completed.

Demonstrated Needs

A financing need exists due to the City and development team's interest in preserving affordability in a changing neighborhood immediately adjacent to the Woodward corridor. This limitation on revenue generated by the inclusion of affordable housing merged with the high cost of construction associated with redevelopment of a long vacant, functionally obsolete building in Detroit, limits the amount of traditional debt the project can secure. Multiple financing sources have been explored and maximized, including loans from Detroit's Housing for the Future Fund (LISC) and Team Financial/MiSaves and both a loan and a grant from the Detroit Brownfield Redevelopment Authority. The project is also leveraging an equity investment from the Ebiara Fund, a Neighborhood Enterprise Zone tax abatement and Brownfield TIF. The proposed MCRP incentive will fill the remaining financing gap and allow the project to remain financially feasible. Even with MCRP support, the projected return over the 20-year time horizon is projected to be 5.4%.

Local Support

The City of Detroit is supporting the project with a Neighborhood Enterprise Zone tax Abatement with an anticipated value of \$1,400,680 over 15 years and the local portion of the Brownfield TIF valued at \$256,981. The project is also being financed in part through LISC's Detroit Housing for the Future Fund which is a fund raised in partnership with the City of Detroit and designed to support the creation of affordable housing units across the city.

Applicant Background / Qualifications

Project is being led by Clairmount Apartments LLC; a single purpose entity owned by Century Partners LLC for the purposes of this project. Century Partners was founded in 2014 by Andrew Colom and David Alade who have largely focused on residential assets with high impact and value-added investment in Detroit neighborhoods. They currently have over 200 units across metro Detroit in their portfolio. This is Century Partners' first MSF request.

An Organizational Chart for Clairmount Apartments LLC is provided in Appendix A. A background check has been completed in accordance with the MSF Background Review Policy and the project may proceed for MSF consideration.

Financial Highlights

- Construction per square foot is \$221.44.
- Rental rates are projected at \$875 for Studio units, \$1,075 for one-bedroom units, \$1,492 for two-bedroom units, and \$1,900 for three-bedroom units, with an average of \$2.22 per square foot.
- Rental rates will be restricted as follows:
 - 10% of units at 50% AMI
 - 10% of units at 60% AMI
 - 40% of units at 80% AMI
 - 40% of units at 120% AMI
- The projected debt service coverage ratio is 1.18 to 1.0 with an average of 1.34 to 1.0.
- Equity contribution of approximately \$841,000 or 10%.
- Developer return over a 20-year timeframe is projected at 5.4%

From the materials received and reviewed, staff considers the project to be financially and economically sound. A detailed Sources and Uses and financial terms for the MCRP Incentive are included in Appendix C.

Recommendation

MEDC staff recommends approval of the following (the “Recommendation”):

- a) State tax capture for Act 381 eligible activities capped at \$204,269, utilizing the current state to local capture ratio.
- b) A MCRP performance-based Grant in an amount up to \$1,500,000 for Clairmount Apartments LLC.

APPENDIX A – Organizational Chart

Organizational Structure

Company Name: Clairmount Apartments LLC
 Employer Identification Number: 88-1728482
 MANAGER: David Alade

	Member	Ownership Interest Totals	EINs -No Soc Sec numbers	State of Organization
Century Partners	David Alade	45.00%	47-2130391	Michigan
	Andrew Colom	45.00%		
	Wilbur Colom	10.00%		
DOA Consulting	David Alade	80.00%	47-4812543	New York
		100.00%		

APPENDIX B – Project Map and Renderings



APPENDIX C – Financial Terms

Summary of Development Sources:

DHFF/LISC	\$	4,972,500	59.11%
Team Financial/MiSaves	\$	500,000	5.94%
Detroit BRA Loan	\$	397,750	4.73%
Detroit BRA Grant	\$	75,000	.89%
MSF Grant	\$	1,500,000	17.83%
Deferred Developer Fee	\$	125,921	1.50%
Developer Equity	\$	841,078	10.00%
TOTAL	\$	8,412,249	100.00%

Summary of Development Uses:

Acquisition	\$	1,075,000
Hard Construction Costs	\$	5,761,515
Eligible Soft Costs	\$	331,371
Other	\$	1,244,363
TOTAL	\$	8,412,249

Grant Terms

- MSF Incentive:** MCRP Performance-Based Grant
- Grantee:** Clairmount Apartments LLC
- Total Capital Investment:** Currently estimated at \$8,412,249
- MSF Eligible Investment:** Currently estimated at \$6,092,886
- Minimum Eligible Investment:** Currently estimated at \$4,874,310
- MSF Share:** Up to the lesser of 25% of “Eligible Investment” or \$1,500,000.
- Funding/Disbursement:** The MSF will fund up to \$1,500,000 to be disbursed following construction completion and achievement of other to be determined performance criteria.
- Other Conditions:** Project completion will be a required term of the MSF Agreement. If requested by Lender, MSF may allow for the assignment of the Grant rights and responsibilities to the Lender, per section 8.8 of the Grant Agreement.

MCRP Programmatic Requirements

MCRP Program and Guidelines

On December 21, 2011, the MSF Board approved the Michigan Community Revitalization Program (MCRP) and on January 25, 2022, the MSF Board approved its restated program guidelines. The primary intended objective of the MCRP is to provide incentives to persons that make eligible investments on eligible property in Michigan. It is the role of the MEDC staff to review eligibility, completeness, and adherence to the program, the information provided by the applicant and to manage the MSF's investment. As required under the MCRP, all statutory criteria for the project have been considered. The project meets the MCRP Guidelines, and a financial review has been completed.

As required under the MCRP, the following statutory criteria have been reviewed:

A. The importance of the project to the community in which it is located:

The project addresses a blighted building in a downtown adjacent neighborhood. Upon completion, the project will offer 42 mixed-income units within a short distance to downtown and New Center which function as employment centers in the City. The additional units will move the City closer to meeting the goals outlined in the City of Detroit's Multi-Family Affordable Housing Plan.

B. If the project will act as a catalyst for additional revitalization of the community in which it is located:

The residential neighborhoods immediately adjacent to downtown are experiencing considerable investment. This project will begin to draw this investment deeper into the residential neighborhoods and encourage infill missing middle housing along the Clairmount corridor.

C. The amount of local community and financial support for the project:

The project is one more step closer to the City of Detroit achieving the affordable housing goals outlined in its Multi Family Affordable Housing Plan. Due to this, the City is supporting the project through its Detroit Housing for the Future fund through a loan valued at \$4.97 million, and a local TIF in the amount of \$256,981. The City is further supporting the project through a Neighborhood Enterprise Zone tax abatement with an anticipated value of \$1,400,680.

D. The applicant's financial need for a community revitalization incentive:

A financing gap exists due to the limited revenue generated by the inclusion of affordable housing merged with the high cost of construction associated with redevelopment of a long vacant, functionally obsolete building in Detroit. This limits the amount of traditional debt the project can secure. Multiple financing sources have been explored and maximized, including loans from Detroit's Housing for the Future Fund (LISC) and Team Financial/MiSaves, and both a loan and a grant from the Detroit Brownfield Redevelopment Authority. The project is also leveraging an equity investment from the Ebiara Fund, a Neighborhood Enterprise Zone tax abatement and Brownfield TIF. The proposed MCRP incentive will fill the remaining financing gap and allow the project to remain financially feasible. Even with MCRP support, the projected return over a 20-year time horizon is projected to be 5.4%.

E. The extent of reuse of vacant buildings, reuse of historical buildings, and redevelopment of blighted property:

The project will rehabilitate a property that has been vacant for over 15 years. Due to long standing deferred maintenance by the previous owner, the property is now blighted. The building was built in the 1920's but is not located within a National Register District or Local Historic District.

F. Creation of jobs:

There will be three full-time jobs created as a result of this project associated with property management and maintenance. The average hourly wage is estimated to be \$20.

G. The level of private sector and other contributions, including, but not limited to, federal funds and federal tax credits:

Project is being financed by national CDFI LISC with subordinate debt from MI Saves and the City of Detroit Brownfield Redevelopment Authority. The development team is also contributing approximately \$841,000 in equity.

H. Whether the project is financially and economically sound:

The Applicant is contributing approximately \$841,000 or 10% equity to the project and has maximized all financing sources with multiple loan and grant funders. Proforma debt service coverage is projected at 1.18 to 1.0 with a 30-year average of 1.34 to 1.0. Staff consider the project to be financially and economically sound.

I. Whether the project increases the density of the area:

The project will increase the density of the neighborhood by creating high quality multifamily housing that will attract 55 new individuals to the neighborhood increasing foot traffic and demand for surrounding businesses.

J. Whether the project promotes mixed-use development and walkable communities:

The project is located in a neighborhood immediately adjacent to greater downtown Detroit and walkable to the Woodward corridor. While the project only includes residential units, the additional residents to the area will have access to existing neighborhood businesses and transit options including DDOT and QLine.

K. Whether the project converts abandoned public buildings to private use:

The project does not convert an abandoned public building to private use.

L. Whether the project promotes sustainable development:

The development team plans to incorporate downspout disconnections, electric vehicle charging stations and planter boxes to assist with storm water. Upon completion, the development team anticipates an Energy Star Certification.

M. Whether the project involves the rehabilitation of a historic resource

This project rehabilitates a building that is over 50 years of age, but not listed in a National Register District or a Local Historic District.

N. Whether the project addresses area-wide redevelopment:

The project addresses area-wide redevelopment as one of four active projects within one block. These four projects represent approximately \$42 million in residential and mixed-use development and will deliver 151 new units of residential housing, 7,000 square feet of public facing commercial space and approximately 133,000 square feet of total development. The broader area has seen significant investment as approximately 80% of the area's vacant and dilapidated residential housing stock has been rehabbed and restored since 2015. The other projects have already or are near opening.

O. Whether the project addresses underserved markets of commerce:

The project addresses underserved markets of commerce as most of Detroit's neighborhoods do not have viable, high quality commercial offerings. This project, along with the other above mentioned development projects, will help create the demand necessary to make the new high quality commercial offerings sustainable by driving commercial demand and supporting all of the new business that have opened in the area within the last 24 months.

P. The level and extent of environmental contamination:

There are no concerning environmental contaminations on the property. However, the building will require significant demolition and removal of existing lead paint.

Q. If the rehabilitation of the historic resource will meet the federal Secretary of the Interior's standards for rehabilitation and guidelines for rehabilitating historic buildings (36 CFR 67):

The structure rehabilitation will not be held to meet the federal Secretary of the Interior's standards for rehabilitation and guidelines for rehabilitating historic buildings.

R. Whether the project will compete with or affect existing Michigan businesses within the same industry:

The project will not compete with or affect existing Michigan businesses within the same industry.

S. Any other additional criteria approved by the board that are specific to each individual project and are consistent with the findings and intent of this chapter:

There is no other additional criteria specific to the project.

APPENDIX D – MSF Eligible Activities Summary

In order to alleviate brownfield conditions and prepare the site for redevelopment, the City of Detroit, a Qualified Local Governmental Unit, has duly approved a brownfield plan for this property on August 23, 2023. The property has been determined to be functionally obsolete as verified by a Michigan Master Assessing Officer (MMAO) on August 22, 2023.

There are 64.2532 non-homestead mills available for capture, with State mills from school operating and SET millages equaling 23.0430 mills (44.3%) and local millage equaling 41.2102 mills (55.6%). Tax increment capture will begin in 2025 and is estimated to continue for 20 years. The state tax capture is recommended to be capped at \$204,269, which is the amount of tax increment revenue anticipated to be generated in 20 years. The Neighborhood Enterprise Zone tax abatement impacts the total capture, so the blended ratio is shown below. Total MSF eligible activities are estimated at \$461,250. MSF eligible activities breaks down as follows:

Tax Capture Summary:

State tax capture	(44.3%)	\$	204,269
Local tax capture	(55.6%)	\$	256,981
TOTAL		\$	461,250

Cost of MSF Eligible Activities

Demolition	\$	325,000
Lead, Asbestos, or Mold Abatement		25,000
Infrastructure Improvements		25,000
Sub-Total	\$	375,000
Contingency (15%)	+	56,250
Sub-Total	\$	431,250
Brownfield/Work Plan Preparation	+	\$30,000
TOTAL	\$	461,250

In addition, the project is requesting \$11,500 in TIF from EGLE to assist with environmental eligible activities.

Brownfield Act 381 Program Additional Project Information:

A. Area of High Unemployment:

The City of Detroit seasonally adjusted jobless rate was 8.3% in July 2023.

A. Reuse of functionally obsolete buildings and/or redevelopment of blighted property:

This project involves the reuse of an existing functionally obsolete building that has been vacant since 2005. The building will be completely rehabilitated, creating residential housing rental units with an average rent range between 50-80% AMI.

B. Whether project will create a new brownfield property in the State:

No new Brownfields will be created by this project.

MICHIGAN STRATEGIC FUND

RESOLUTION 2023 - 185

**APPROVAL OF A MICHIGAN COMMUNITY REVITALIZATION PROGRAM
GRANT AWARD TO
CLAIRMOUNT APARTMENTS LLC**

WHEREAS, the Michigan legislature amended the Michigan Strategic Fund Act, MCL 125.2001 et. seq. (the “Act”), to add Chapter 8C (being MCL 125.2090 – MCL 125.2090d), to enable the Michigan Strategic Fund (the “MSF”) to create and operate the Michigan Community Revitalization Program (the “MCRP”) to provide incentives in the form of grants, loans and other economic assistance for redevelopment of communities in Michigan;

WHEREAS, the Michigan Economic Development Corporation (the “MEDC”) provides administrative services to the MSF for the MCRP;

WHEREAS, on December 21, 2011, by Resolution 2011-185, the MSF (i) created the MCRP and (ii) adopted the guidelines for the MCRP, as later amended on January 25, 2022 (the “Guidelines”);

WHEREAS, pursuant to SFCR 125.2090-1 (the “Delegation”), the MSF approved the MSF Fund Manager or the MSF President to negotiate the terms and conditions and execute all final documents necessary to effectuate awards and decisions approved under the MCRP (the “Transaction Documents”);

WHEREAS, the Act and the Delegation require that MCRP awards over \$1 million must be approved by the MSF Board;

WHEREAS, Clairmount Apartments LLC (the “Company”) has requested a performance-based Grant of up to \$1,500,000 (the “Award Request”), along with other general terms and conditions which are outlined in the term sheet attached as Exhibit A (the “Term Sheet”); and

WHEREAS, the MEDC has recommended that the MSF approve the Award Request, in accordance with the Term Sheet, subject to: (i) available funding; (ii) final due diligence performed to the satisfaction of the MEDC; and (iii) execution of the Transaction Documents within 180 days of the date of this Resolution (the “Time Period”), or this Resolution shall have no effect; provided however, at the sole discretion of the MSF Fund Manager, the Time Period may be extended for up to an additional 120 days (collectively, the “MCRP Award Recommendation”).

NOW, THEREFORE, BE IT RESOLVED, the MSF Board approves the MCRP Award Recommendation.

Ayes: Britany L. Affolter-Caine, John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Dan Meyering, Susan Tellier, Randy Thelen, Cindy Warner

Nays: None

Recused: None

Lansing, Michigan
October 24, 2023

EXHIBIT A
“TERM SHEET”

Grant Terms

MSF Incentive:	MCRP Performance-Based Grant
Grantee:	Clairmount Apartments LLC
Total Capital Investment:	Currently estimated at \$8,412,249
MSF Eligible Investment:	Currently estimated at \$6,092,886
Minimum Eligible Investment:	Currently estimated at \$4,874,310
MSF Share:	Up to the lesser of 25% of “Eligible Investment” or \$1,500,000.
Funding/Disbursement:	The MSF will fund up to \$1,500,000 to be disbursed following construction completion and achievement of other to be determined performance criteria.
Other Conditions:	Project completion will be a required term of the MSF Agreement. If requested by Lender, MSF may allow for the assignment of the Grant rights and responsibilities to the Lender, per section 8.8 of the Grant Agreement.



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
LANSING

SUSAN CORBIN
DIRECTOR

January 21, 2022

Ms. Katelyn Wilcox
Board Relations Liaison
Michigan Strategic Fund
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting Designees

Dear Ms. Wilcox:

Pursuant to MCLA 16.51, I hereby confirm my designation of John Groen and Jonathan Smith as the persons authorized and empowered to act in my stead as a member of the Michigan Strategic Fund Board for scheduled meetings or portions thereof that I am unable to attend.

If you need anything additional, please contact Diane Burton at (517) 230-5454.
Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Susan R. Corbin".

Susan R. Corbin
Director



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

GRETCHEN WHITMER
GOVERNOR

BRADLEY C. WIEFERICH, P.E.
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop
Board Relations Liaison
Michigan Strategic Fund Office
300 N. Washington Square
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bradley C. Wieferich".

Bradley C. Wieferich, P.E.
Acting Director

cc: M. Kapp
Executive File



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

January 6, 2023

Valerie Hoag
MSF Fund Manager
Michigan Economic Development Corporation
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting and Michigan Strategic Fund Finance
and Investment Subcommittee Designee for Treasurer Eubanks

Dear Ms. Hoag:

I hereby designate Andrew Lockwood to attend all Michigan Strategic Fund Board Meetings and Michigan Strategic Fund Finance and Investment Subcommittee meetings that I am unable to attend in 2023.

If you need anything additional, please contact Kara Kabia at (517) 241-2624.

Sincerely,

A handwritten signature in cursive script that reads "Rachael Eubanks".

Rachael Eubanks
State Treasurer

Cc: Eric Bussis
Andrew Lockwood

MICHIGAN STRATEGIC FUND

RESOLUTION 2023 - 186

**APPROVAL OF A BROWNFIELD ACT 381 WORK PLAN
CITY OF DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
CLAIRMOUNT REDEVELOPMENT PROJECT**

WHEREAS, the Michigan Economic Growth Authority (“MEGA”) has been established by 1995 PA 24, as amended (the “Act”);

WHEREAS, 2002 PA 727 amended 1996 PA 381, MCL 125.2651 et seq, to empower local brownfield redevelopment authorities to request the MEGA Board to approve a brownfield project work plan and, thereby, capture taxes levied for school operating purposes for the project;

WHEREAS, Executive Order 2012-9 transferred all the authority, powers, duties, functions, responsibilities, records, personnel, property, unexpended balances of appropriations, allocations or other funds of the MEGA to the Michigan Strategic Fund (“MSF”);

WHEREAS, captured school operating tax revenues may be used under 1996 PA 381 as amended, for infrastructure improvements that directly benefit eligible property, for lead, asbestos, or mold abatement, and for demolition and site preparation that are not response activities under the Natural Resources and Environmental Protection Act, 1994 PA 451;

WHEREAS, the City of Detroit Brownfield Redevelopment Authority (the “Authority”) has submitted a work plan (the “Brownfield Work Plan”) dated September 5, 2023, for property located at 100 Clairmount Avenue within the City of Detroit, known as Clairmount Redevelopment Project (the “Project”);

WHEREAS, the City of Detroit is a “qualified local governmental unit” and is eligible to provide for a) demolition; b) lead, asbestos, or mold abatement; c) public infrastructure improvements; d) site preparation; e) brownfield and work plan preparation; f) brownfield and work plan implementation and g) interest as provided under 2007 PA 204; and

WHEREAS, the Authority is requesting MSF approval to capture additional taxes levied for school operating purposes to provide for the reimbursement of the cost of eligible activities on an eligible property; and

WHEREAS, the Michigan Economic Development Corporation (“MEDC”) provides administrative services to the MSF, and has reviewed the application and recommends approval of the Brownfield Work Plan by the MSF Board.

NOW, THEREFORE, BE IT RESOLVED, the MSF Board approves the Brownfield Work Plan and authorizes the Authority to capture taxes levied for school operating purposes in substantially the same proportion as 44.3% to 55.6% ratio currently existing between school and local taxes for non-homestead properties, to reimburse the cost of demolition, lead, asbestos, or mold abatement and infrastructure improvements as presented in the Brownfield Work Plan. Any change in millage that increases the capture percentage of school taxes in the ratio above by more than 5 percentage points must be approved by the MSF Board. The authorization is based on the Authority capturing all available local operating mills for the term of the capture period. The

authorization for the capture of taxes levied for school operating purposes is based on costs of MSF eligible activities with a maximum of \$431,250 for the principal activity costs of non-environmental activities and a contingency, a maximum of \$30,000 for brownfield and work plan preparation, and with the total capture of state school taxes capped at a maximum of \$204,269.

BE IT FURTHER RESOLVED, that the MSF Board authorizes the MSF Fund Manager, to provide written notification to the Authority, in the form of a letter which incorporates the terms set forth in this Resolution and consistent with the limitations of the Act, and that this approval is further conditioned upon the Authority, or the City, as appropriate, maintaining adequate records regarding: a) all taxes captured for the project; and b) receipts or other appropriate documentation of the cost of eligible activities. The records shall be made available for review upon request by MSF or MEDC staff.

BE IT FURTHER RESOLVED, that no taxes levied for school operating purposes shall be used to reimburse interest costs related to the eligible activities for the Project.

Ayes: Britany L. Affolter-Caine, John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Dan Meyering, Susan Tellier, Randy Thelen, Cindy Warner

Nays: None

Recused: None

Lansing, Michigan
October 24, 2023



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
LANSING

SUSAN CORBIN
DIRECTOR

January 21, 2022

Ms. Katelyn Wilcox
Board Relations Liaison
Michigan Strategic Fund
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting Designees

Dear Ms. Wilcox:

Pursuant to MCLA 16.51, I hereby confirm my designation of John Groen and Jonathan Smith as the persons authorized and empowered to act in my stead as a member of the Michigan Strategic Fund Board for scheduled meetings or portions thereof that I am unable to attend.

If you need anything additional, please contact Diane Burton at (517) 230-5454.
Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Susan R. Corbin".

Susan R. Corbin
Director



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

GRETCHEN WHITMER
GOVERNOR

BRADLEY C. WIEFERICH, P.E.
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop
Board Relations Liaison
Michigan Strategic Fund Office
300 N. Washington Square
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bradley C. Wieferich".

Bradley C. Wieferich, P.E.
Acting Director

cc: M. Kapp
Executive File



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

January 6, 2023

Valerie Hoag
MSF Fund Manager
Michigan Economic Development Corporation
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting and Michigan Strategic Fund Finance
and Investment Subcommittee Designee for Treasurer Eubanks

Dear Ms. Hoag:

I hereby designate Andrew Lockwood to attend all Michigan Strategic Fund Board Meetings and Michigan Strategic Fund Finance and Investment Subcommittee meetings that I am unable to attend in 2023.

If you need anything additional, please contact Kara Kabia at (517) 241-2624.

Sincerely,

A handwritten signature in cursive script that reads "Rachael Eubanks".

Rachael Eubanks
State Treasurer

Cc: Eric Bussis
Andrew Lockwood



MEMORANDUM

Date: October 24, 2023

To: Michigan Strategic Fund Board

From: Julius L. Edwards, Director, Commercial Real Estate Investment

Subject: Request for Approval of a Michigan Community Revitalization Program
Other Economic Assistance – Equity Investment Agreement Amendment #2
Y Site, LLC

Request

Y Site, LLC (“Company”) is requesting approval of an amendment to the Michigan Community Revitalization Program Other Economic Assistance Equity Agreement and any related ancillary agreements (“Agreement”). The amendment request includes a request to waive existing accrued returns due to the MSF in the amount estimated to be approximately \$751,570 and amend the equity repayment structure to a 35/65 split, with 35% of distributable cash flow going to MSF and 65% going to the development team. The 35/65 split will be applied retroactively to the time of the MSF disbursement. All other terms of the current Agreement will remain materially unchanged.

Background

The Michigan Strategic Fund Board approved a \$2,957,000 Michigan Community Revitalization Program (MCRP) Other Economic Assistance – Equity Investment award on February 27, 2018, to the Company for the purpose of demolishing the vacant, severely deteriorated YMCA building at 301 W. Lenawee in the City of Lansing and construct a new four-story mixed use building on 2.23 acres featuring 145 loft-style apartments and approximately 6,925 square feet of commercial and retail space on the ground level.

An amendment to the project was approved on October 23, 2018, to extend the deadline for Milestone Two of the Agreement from October 31, 2018, to April 30, 2019.

Construction of the development was completed in the Spring of 2020 at the onset of the COVID 19 pandemic which led to a slower than anticipated residential lease up and made leasing of the commercial space very challenging. Additionally, during construction the project experienced unanticipated environmental conditions leading to construction delays and cost overruns. The circumstances have led to lost revenues and owner contributions of well over \$1 million. Additionally, it is anticipated that the development team will need to contribute an additional \$900,000 to convert the existing commercial space to live work units.

MEDC staff is recommending waiving accrued returns due to the MSF and amend the equity repayment structure to a 35/65 split between the MSF and the development team. The proposed changes to the equity repayment structure are detailed in EXHIBIT A of the resolution in **BOLDED ALL CAPS** and ~~strikethrough~~ font.

The proposed changes will allow the MSF to achieve an anticipated 6% return and provide a long-term solution for the project if it experiences future challenges.

The project is in compliance with its current Agreement.

Recommendation

The MEDC staff recommends approval of an amendment to the MCRP Other Economic Assistance Equity Investment Agreement to change the repayment structure to a 35/65 split between the MSF and the development team and waive existing accrued returns to the MSF, estimated at approximately \$751,570. The 35/65 split will be applied retroactively to the MSF's original disbursement date.

MICHIGAN STRATEGIC FUND

RESOLUTION 2023 -

**APPROVAL OF AN AMENDMENT TO A MICHIGAN COMMUNITY
REVITALIZATION PROGRAM OTHER ECONOMIC ASSISTANCE EQUITY
AWARD FOR
Y SITE, LLC**

WHEREAS, the Michigan legislature amended the Michigan Strategic Fund Act, MCL 125.2001 et. seq. (the “Act”), to add Chapter 8C (being MCL 125.2090 – MCL 125.2090d) to enable the Michigan Strategic Fund (the “MSF”) to create and operate the Michigan Community Revitalization Program (the “MCRP”) to provide incentives in the form of grants, loans and other economic assistance for redevelopment of communities in Michigan;

WHEREAS, the Michigan Economic Development Corporation (the “MEDC”) provides administrative services to the MSF for the MCRP;

WHEREAS, on December 21, 2011, by Resolution 2011-185, the MSF (i) created the MCRP, (ii) adopted the guidelines for the MCRP, as later amended on January 25, 2022 (the “Guidelines”);

WHEREAS, pursuant to SFCR 125.2090-1, (the “Delegation”) the MSF approved the MSF Fund Manager or the MSF President to negotiate the terms and conditions and execute all final documents necessary to effectuate awards and decisions approved under the MCRP; (the “Transactional Documents”)

WHEREAS, the Act and the Delegation require that MCRP awards over \$1 million must be approved by the MSF Board;

WHEREAS, by Resolution 2018-033 on February 27, 2018, the MSF Board awarded a MCRP Other Economic Assistance Equity award to Y Site, LLC (the “Company”), in furtherance of the project of up to \$2,957,000 (the “Award”);

WHEREAS, by Resolution 2018-165 on October 23, 2018, the MSF Board approved a MCRP amendment to extend Milestone Two due date October 31, 2018, to April 30, 2019;

WHEREAS, the Company is requesting and MEDC is recommending that the MSF amend the Award to waive existing accrued returns due the MSF estimated at approximately \$751,570 and change the equity repayment structure to a 35/65 split, with all other requirements remaining materially in place for the Award (the “MCRP Amendment Recommendation”). The amendment to the repayment structure is detailed in EXHIBIT A “TERM SHEET” in **BOLDED ALL CAPS** and ~~strikethrough~~ font.

NOW, THEREFORE, BE IT RESOLVED, the MSF Board approves the MCRP Amendment Recommendation.

BE IT FURTHER RESOLVED, the MSF Board approves the MSF Fund Manager or the MSF President to negotiate the terms and conditions and execute all final documents necessary to effectuate the above approved MCRP Amendment Recommendation.

Ayes:

Nays:

Recused:

Lansing, Michigan
October 24, 2023

EXHIBIT A

“TERM SHEET”

MCRP EQUITY INVESTMENT

Applicant(s):
“Applicant”)

Y Site, LLC or a related entity (“Company” or

Investor Investment Amount:

Owner equity investment of not less than \$2,475,000
 (“Investor Equity”)

MSF Investment Amount:

Up to the lesser of 20% of “Eligible Investment” or
 \$2,957,000. The structure of the MSF Investment will
 be subject to the HUD insured loan structure. (“MSF
 Equity”)

Interest Purchased:

MSF will acquire an equity interest in Y Site, LLC or
 related entity to be determined. The MSF will provide no
 guarantees on the debt or accept any recourse obligation.

“Put” Right:

The MSF will receive a “Put” right for among other
 things failure to adhere to MSF statutory requirements.
 If exercised, Y Site, LLC or another entity or individual
 to be determined shall repay in full the entire
 contribution provided to the partnership and any earned
 but unpaid profits available at the time of the “Put” on
 terms and conditions acceptable to the MSF. The owners
 of the project will be required to guarantee the “Put”
 right obligation.

“Exit” Right:

The MSF will have the option to exit the project after
 480 months following disbursement of its proceeds. At
 time of exit the MSF will be due any remaining unpaid
 returns and the remaining balance of its principal equity
 investment.

Net Cash Flows:

To be determined at a later date that will include the
 following considerations:

1. Senior debt service requirements;
2. Annual escrowed replacement reserves;
3. Capital expenditures above and beyond what has
 been escrowed for replacement reserves;
4. Other restrictions placed on the property by the
 Senior Lender.

Split of Net Cash Flows:

1. ~~MSF to receive 100% of available distributable cash flow until a 5% annual cash on cash return has been received on its original investment. This return will be cumulative but non-compounding.~~
2. ~~Investors to receive 100% of remaining available cash flow until a 10% annual cash on cash return has been received on its original investment.~~
3. ~~Thereafter, a 30/70~~ **35/65** split of ~~remaining~~ available cash flow with ~~30%~~ **35%** going to the MSF and ~~70%~~ **65%** going to the Investors. Proceeds to be applied towards payment of the MSF and Investors equity investments.

Split of Proceeds from Sale or Refinance:

1. ~~100% of remaining proceeds to the MSF until any accumulated unpaid returns have been paid.~~
2. ~~100% of remaining proceeds to the Investors until any accumulated unpaid returns have been paid.~~
3. ~~Pro Rata split of proceeds until the remaining original principal equity investments have been repaid to the MSF and the Investors.~~
4. ~~Thereafter, a 30/70~~ **35/65** split of ~~remaining~~ available proceeds with ~~30%~~ **35%** going to the MSF and ~~70%~~ **65%** going to the Investors, **UNTIL THE MSF HAS RECEIVED A 6% IRR. THEREAFTER, THE REMAINING PROCEEDS WILL GO TO THE INVESTORS.**

Membership Change:

The MSF will have certain rights to block or consent to any material change in the membership of the project owner entity, except with respect to changes made for estate planning purposes.

Sale/Liquidation:

The MSF will have certain rights to block or consent to any material liquidation or sale event (e.g. sale to a non-qualified third party).



MEMORANDUM

Date: October 24, 2023
To: Michigan Strategic Fund (“MSF”) Board Members
From: Vicki Schwab, Managing Director, Regional Prosperity
Brittney Mizer, Business Development Project Manager
Subject: Incentives Request
Michigan Business Development Program (“MBDP”) Grant Request
State Essential Services Assessment (“SESA”) Exemption Request
Calumet Electronics Corporation (“Company” or “Applicant”)

Request Summary

This is a request from the Applicant for (collectively, the “Incentives Request”):

- Approval of a \$7,500,000 MBDP Grant, as outlined in the attached Term Sheet (“MBDP Request”).
- Approval of a 15-year, 100% SESA Exemption with an estimated value of up to \$758,877 for its \$32,613,252 eligible investment in Eligible Personal Property (“SESA Request”).
 - In accordance with the SESA and Alternative SESA Program Guidelines (“Program Guidelines”), projects that result in qualifying investments greater than \$100 million qualify for a SESA Exemption or Alternative SESA of up to 15 years. As part of the SESA Request, staff is recommending the MSF waive the \$100 million investment requirement for a 100%, 15-year exemption (“Investment Requirement Waiver”).
- This project involves the retention of 269 Jobs, upskilling of up to 40 of the retained Jobs, and a capital investment of up to \$50,984,840 in Charter Township of Calumet, Houghton County.
- This project is building long-term resilience for the Company by adding a substrate factory to their facility in Calumet positioning the Company to apply for Department of Defense (“DoD”) contracts and grants.

Applicant History

Founded in 1968, the Company specializes in delivering zero field failure printed circuit board solutions in North America, strengthening the domestic industrial, power, aerospace, defense, medical, and commercial industries. The Applicant is American-owned and performs all of its own engineering and manufacturing in the United States. The Company has grown through onboarding of highly talented early-career engineers, continual investment in advanced manufacturing equipment, and building deep partnerships with customers and suppliers. The Company currently employs 351 full-time, part-time, and probationary employees at its facility in the Charter Township of Calumet.

The background review process was completed in accordance with the MSF Background Review Policy on September 7, 2023, and the project may proceed for MSF consideration.

The Applicant entered into an MBDP agreement with the MSF in 2022. The Company is currently working on a request to receive the disbursement for Key Milestone Number Two ahead of schedule, eliminate Key Milestone Number Three and pull the term of the grant forward. Due to the unexpected opportunity for the current project with the DoD, the Company wants to only focus on one grant agreement and project at a time, rather than split its energy between the two.

Project Description

The Company is building resilience and proposing to construct a new, first of its kind in the United States, manufacturing facility (also known as the Substrate Factory), up to 60,000 square feet, adjacent to its current facility in the Charter Township of Calumet. The Substrate Factory would include Class 1000 Clean Rooms to expand organic substrate production for the country, especially as it relates to communication and electronic warfare. This facility would house equipment to meet the current and growing demands for state-of-the-practice and state-of-the-art organic substrates. Currently, there are no onshore suppliers of advanced organic substrates in the United States.

The Company is in the process of applying for Title III Defense Production Act (“DPA”) funding and is competing with companies in New Hampshire and New York for the same funds and contracts. If the Company can secure the funding and contracts, it will become a DoD trusted foundry. There are only 80 total foundries on this list in the United States, but none are in Michigan and very few produce electronic components. As a result, in some instances, the Company will be the sole supplier for the DoD.

As a result of this project, the Company will be shifting their operational focus from commodity manufacturing to highly sophisticated organic substrate manufacturing and additional work for the DoD and the aerospace industry. This will allow the Company to increase margins, upskill current employees and increase wages. Throughout this transitional phase, the Company will continue to work closely with Northrop Grumman as a mentor. This pivot represents a sea-change in manufacturing opportunities for Michigan and would result in the first-of-its-kind substrate manufacturing facility in the United States. This will allow the Company to be the sole source for these substrates for various military and aerospace applications where substrates cannot be sourced from foreign sources.

The Company is considering Charter Township of Calumet for the project and anticipates the project will result in capital investment of up to \$50,984,840 (including the DPA funding). The project will result in the upskilling of up to 40 positions for the new Substrate Factory, with pay rates averaging \$21 per hour, plus benefits. All individuals switching to the Substrate Factory must receive extensive training, estimated at \$15,000 per employee. To establish a resilient supply chain for electronics, a crucial factor is a well-trained workforce with continually evolving industrial skills and experience. This workforce is needed to drive manufacturing forward, develop new processes, materials, and techniques, and keep the U.S. at the forefront of Advanced Packaging. The ability to continue moving forward requires not only brilliant engineers but also competent technicians and highly skilled manufacturing professionals. Annual payroll has been increasing for the past few years and is expected to continue to trend upward from \$16,180,000 million (inclusive of shift bonuses and overtime) in 2022.

In early 2022, the Company overhauled its hiring, onboarding, training, mentoring, review, and feedback processes, resulting in reduced employee turnover and an increase in employee satisfaction. The Company offers \$1 per hour supplemental income for attendance and shift premiums, and focuses on careers as opposed to jobs, with an emphasis on onboarding, training, stackable credentials, apprenticeships, and upscaling of talent. The Company also emphasizes team culture through shift huddles, cross functional lunch and learns, company picnics, benefits, Employee Assistance Program for employees struggling with addiction and mental health issues, and more. Additionally, the Company has been increasing High School and College engagement across the Upper Peninsula to educate young adults on career opportunities in electronics and offer a summer internship for K-12 teachers. The Company regularly takes advantage of the Going Pro Talent fund program. The Company highlights diversity and inclusion efforts in all that they do.

Demonstrated Need

Currently, all organic substrates are manufactured overseas. The Company has the capability to complete the work the DoD needs; however, must invest in additional space, equipment, and workforce training. The equipment is very specialized in nature, resulting in long lead times and significant investment. Additionally, the Company will be custom building a new facility for these contracts. In order to make the project a reality, the Company is competing for Title III Funds and DoD Contracts with companies in New Hampshire and New York. Title III Funding requires match funds and State support is crucial in establishing the match funds.

In addition to MSF support, Charter Township of Calumet anticipates approval of a real property tax abatement in support of the project. The MEDC also authorized a State Education Tax abatement to be used in conjunction with the locally approved abatement. Additionally, pending receipt of Title III Funding, the Federal Match Program has offered additional support for the project.

Request

In order to secure the project, the Incentives Request is imperative. These funds will contribute towards the match requirement that is part of the Title III Funding through the DoD. Obtaining these match funds is critical to securing the Title III Funds over other companies applying for the same contracts.

This project aligns with the MEDC's strategic focus area of supporting a business in the target industry of technology and positions the state to become a leader in the future of organic substrate manufacturing. The project will result in job retention and upskilling, as well as up to \$50,984,840 in capital investment in the Charter Township of Calumet, Houghton County, a geographically disadvantaged area, and a certified HUB Zone.

This project will allow the Company to diversify its operational portfolio from being solely invested in the commodity industry to have the capability to complete projects for the DoD, the aerospace industry, the communications industry, and other high-tech industries in need of these organic substrates and other advanced manufacturing capabilities. This diversification will allow the Company to increase overall margins and pass those benefits down to its employees through higher wages. While the Company fully intends to meet or exceed the 351 full-time, part-time, and probationary employees it currently has in Michigan, with the diversification outside of commodity products, it is uncertain, especially since the commodity jobs are hard to fill and maintain, and the turnover is high. Therefore, the Company has requested to use a base of 269 employees for the project which represents the Company's net full-time employees, excluding 82 part-time and/or probationary employees.

Recommendation

MEDC Staff recommends approval of the Incentives Request, as outlined in the attached resolutions.

MICHIGAN STRATEGIC FUND

RESOLUTION 2023-188

**APPROVAL OF A MICHIGAN BUSINESS DEVELOPMENT PROGRAM GRANT TO
CALUMET ELECTRONICS CORPORATION**

WHEREAS, the Michigan legislature passed legislation establishing the 21st Century Jobs Trust Fund initiative that was signed into law;

WHEREAS, the Michigan Economic Development Corporation (the “MEDC”) provides administrative services to the Michigan Strategic Fund (the “MSF”) for 21st Century Jobs Trust Fund programs;

WHEREAS, pursuant to MCL 125.2088r, the MSF shall create and operate the Michigan Business Development Program (the “MBDP”) to provide grants, loans and other economic assistance to qualified businesses that make qualified investments or provide qualified new jobs in Michigan;

WHEREAS, on December 21, 2011, by Resolution 2011-184, the MSF Board (i) created the MBDP, and (ii) adopted the guidelines for the MBDP, as later amended on December 8, 2020 by Resolution 2020-146 (the “Guidelines”);

WHEREAS, pursuant to SFCR 125.2088r-1 (the “Delegation”), the MSF Board approved the MSF Fund Manager or the MSF President to negotiate the terms and conditions and execute all final documents necessary to effectuate awards and decisions approved under the MBDP in accordance with the Guidelines (the “Transaction Documents”);

WHEREAS, the MSF Act, MCL 125.2001 et seq. and the Delegation require that MBDP awards over \$1 million must be approved by the MSF Board;

WHEREAS, Calumet Electronics Corporation (the “Company”) has requested a performance based MBDP grant of up to \$7,500,000 (the “Request”), along with other general terms and conditions which are outlined in the term sheet attached as Exhibit A (the “Term Sheet”) to construct up to a 60,000 square foot manufacturing facility adjacent to its current facility to produce organic substrates in the Charter Township of Calumet (the “Project”);

WHEREAS, pursuant to the Guidelines, the Company is a Qualified Business, and the Project is eligible because it involves Qualified Investment in Michigan;

WHEREAS, the MEDC has completed the background review process in accordance with the MSF Background Review Policy on September 7, 2023, and the project may proceed for MSF consideration; and

WHEREAS, the MEDC recommends that the MSF Board approve the Request in accordance with the Term Sheet, subject to: (i) available funding; (ii) final due diligence performed to the satisfaction of the MEDC; and (iii) execution of the Transaction Documents, within 120 days of the date of this Resolution (“Time Period”), or this Resolution shall have no effect; provided however, at the sole discretion of the MSF Fund Manager, the Time Period may be extended for up to an additional 60 days (collectively, the “MBDP Award Recommendation”).

NOW, THEREFORE, BE IT RESOLVED, the MSF Board approves the MBDP Award Recommendation.

Ayes: Britany L. Affolter-Caine, John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Dan Meyering, Susan Tellier, Randy Thelen, Cindy Warner

Nays: None

Recused: None

Lansing, Michigan
October 24, 2023

Michigan Business Development Program (“MBDP”) Grant Term Sheet

This term sheet (the “Term Sheet”) sets forth key terms of a potential grant by the Michigan Strategic Fund (the “MSF”) in favor of Calumet Electronics Corporation (the “Company”). The proposed terms and conditions herein will not be construed as binding upon either party until the mutual execution of a written grant agreement. Any obligations that may be deemed to arise under this Term Sheet are contingent on the approval of the MSF Board.

PROJECT SUMMARY

Scope of the Project: The Company is proposing to construct a new manufacturing facility (also known as the Substrate Factory), up to 60,000 square feet adjacent to its current facility to produce organic substrates in Charter Township of Calumet (the “Project Site”). The Company expects to ramp up over the course of the next three (3) years resulting in an expected retention and upskilling of at least 40 jobs at the Project Site and a projected investment of \$50,984,840 by January 31, 2027, at the Project Site (collectively, the “Project”).

Award Amount: A maximum grant of \$7,500,000 (the “Award”), all or a portion of which is also referred to as the “Grant”).

Term of the Agreement: Effective Date of the Grant Agreement through April 30, 2027 (the “Term”).

Overall Investment Commitment: Investment by the Company of no less than a total of \$44,000,000 (including the DPA Funds) for the Project by January 31, 2027 (the “Investment Performance Deadline”), which the Company shall invest at the Project Site (collectively, the “Investment Commitment”).

Base Retention Commitment: Retention of a minimum of 269 jobs in Michigan by the Company on the Investment Performance Deadline based on data submitted by the Company to the MEDC (collectively, the “Base Retention Commitment”).

GRANT DISBURSEMENTS

Grant funds will be disbursed for Eligible Expenses (defined below) and in accordance with the requirements set forth below. Requests for reimbursement will be verified by the MEDC Compliance Unit of the Legal and Compliance division of the MEDC prior to release of any funds.

“Eligible Expenses” means the actual expenditure by the Company on or after September 30, 2023 for the Project, at the Project Site, in Hard Costs for construction related to the Project, and infrastructure, machinery, equipment, tooling, computers, furniture, fixtures, costs related to talent recruitment and job training including, but not limited to, employee recruitment expenses, development of customized training development plans, and instructor and training materials costs. Certain costs, to be more particularly described in the grant agreement, such as administrative costs, debt and lease payments, meals and entertainment expense and on-the-job training, are not eligible for reimbursement.

The Company may request disbursements on a reimbursement basis for 50 percent of Eligible Expenses, related to the Project and paid by the Company. The Company shall submit one or more reimbursement requests, at its discretion, but no more frequently than quarterly, no later than October 31, 2026, together with a certification of the Company’s compliance with the grant agreement.

In the event that all Grant funds have been disbursed and the Overall Investment Commitment have been achieved, the MSF Fund Manager may, at its discretion, terminate the Agreement ahead of the Term.

CLAWBACK PROVISIONS AND REPAYMENT EVENTS

The Company may be required to repay all or a portion of the Grant disbursements made under the Award upon the occurrence of one or more of the following events (each resulting in a “Repayment Amount”), and repayment is subject to the highest applicable Repayment Amount if one or more of the same circumstances give rise to such events.

- **Failure to Meet Investment Commitment:** The Company’s failure to satisfy the Investment Commitment by the Project Completion Milestone deadline will result in the Company’s obligations to repay a proportionate amount of the Grant funds received by the Company to the MSF.
- **Failure to Meet Base Retention Commitment:** The Company’s failure to meet the Base Retention Commitment on the Investment Performance Deadline will result in the Company’s obligations to repay a proportionate amount of the Grant funds received by the Company to the MSF (or the remainder of which following any repayment required by the failure to meet the Investment Commitment).
- **Default of Project Contracts:** The fully executed written agreement will include repayment and remedy language for events of default in other contracts with the MSF, MEDC, or State of Michigan arising out of the Project.
- **Failure to Submit Commitment Documentation:** If the Company fails to submit, when due, required documentation described in the Agreement to verify achievement of the Overall Investment Commitment, it will be required to repay all of the Grant funds received by the Company.
- **Mass Relocation:** If the Company transfers to another State more than 50% of the total number of jobs at the Project on or before the end of the Term, it will be required to repay all or a portion of Grant disbursements made under the Award.
- **Project Abandonment:** If the Company abandons Eligible Expense activities or production at the Project at one or more of the Project Sites for a period of one hundred twenty (120) consecutive days after the Award is disbursed and on or before the end of the Term it will be required to repay the amount of Grant disbursements made under the Award.
- **Company Bankruptcy or Insolvency:** If the Company files for bankruptcy or otherwise becomes insolvent on or before the end of the Term, with any such proceedings against the Company not being set aside within sixty (60) calendar days from the date of institution thereof and results in the material reduction to the Company’s operations at the Project, it will be required to repay 100% of Grant disbursements made under the Award. The MSF would be entitled to foreclose on any security interest and, in the case of bankruptcy, submit a proof of claim in any such bankruptcy proceedings and seek recovery of the Award.
- **Material Misrepresentation:** If the Company makes any material misrepresentation under the grant agreement, any required submissions thereunder, or any reimbursement request to the MSF on or before the end of the Term, it will be required to repay 100% of grant disbursements made under the Award.
- **Misuse of Funds:** If the Company uses the Award for a prohibited purpose during the Term it will be required to repay 100% of grant disbursements made under the Award.

ADDITIONAL STATE REQUIRED TERMS

- **Annual Progress Report:** During the Term, the Company will be required to submit annual progress reports, which shall include the total number of jobs at the Project, the average annual salary of the Base Jobs, and the total investment into the Project. This information will be transmitted to the Legislature as required under Section 9 of the MSF Act, MCL 125.2009.
- **Access to Records & Audit Rights:** During the Term and for a period of three years after the Term, and upon reasonable advance notice, the Company is required to permit the MSF, MEDC, the Office of the Auditor General, the Department of Technology, Management and Budget, and the MSF Chief Compliance Officer to visit the Company, and any other location where books and records of the Company are normally kept, to inspect the books and records, including financial records and all other information and data relevant to the terms of the grant, all at times and locations mutually agreed upon by the parties.
- **Other Provisions:** The grant agreement will include standard representations, covenants, and other provisions required by the MSF, including without limitation, indemnification, non-discrimination and unfair labor practices, termination of funding, any other requirements of the Business Development Program Guidelines, as approved by the MSF, and any requirements of the Michigan Strategic Fund Act.

Acknowledged as received by:

Calumet Electronics Corporation

By: *Stephen D. Vairo*
Printed Name: STEPHEN VAIRO
Its: President/CEO

Michigan Economic Development Corporation

By: *Brittney Mizer*
Printed Name: Brittney Mizer
Its: BDPM



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
LANSING

SUSAN CORBIN
DIRECTOR

January 21, 2022

Ms. Katelyn Wilcox
Board Relations Liaison
Michigan Strategic Fund
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting Designees

Dear Ms. Wilcox:

Pursuant to MCLA 16.51, I hereby confirm my designation of John Groen and Jonathan Smith as the persons authorized and empowered to act in my stead as a member of the Michigan Strategic Fund Board for scheduled meetings or portions thereof that I am unable to attend.

If you need anything additional, please contact Diane Burton at (517) 230-5454.
Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Susan R. Corbin".

Susan R. Corbin
Director



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

GRETCHEN WHITMER
GOVERNOR

BRADLEY C. WIEFERICH, P.E.
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop
Board Relations Liaison
Michigan Strategic Fund Office
300 N. Washington Square
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bradley C. Wieferich".

Bradley C. Wieferich, P.E.
Acting Director

cc: M. Kapp
Executive File



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

January 6, 2023

Valerie Hoag
MSF Fund Manager
Michigan Economic Development Corporation
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting and Michigan Strategic Fund Finance
and Investment Subcommittee Designee for Treasurer Eubanks

Dear Ms. Hoag:

I hereby designate Andrew Lockwood to attend all Michigan Strategic Fund Board Meetings and Michigan Strategic Fund Finance and Investment Subcommittee meetings that I am unable to attend in 2023.

If you need anything additional, please contact Kara Kabia at (517) 241-2624.

Sincerely,

A handwritten signature in cursive script that reads "Rachael Eubanks".

Rachael Eubanks
State Treasurer

Cc: Eric Bussis
Andrew Lockwood

MICHIGAN STRATEGIC FUND

RESOLUTION 2023-189

APPROVAL OF A STATE ESSENTIAL SERVICES ASSESSMENT EXEMPTION TO CALUMET ELECTRONICS CORPORATION

WHEREAS, the Michigan Legislature passed legislation, 2014 PA 80, to revise the personal property tax system so as to allow individuals, small businesses, and large businesses to thrive and create jobs in the State of Michigan, but which needed to be approved by the qualified electors of the State of Michigan;

WHEREAS, on August 5, 2014, the qualified electors of the State of Michigan approved the legislation to revise the personal property tax system. The approval enacted 2014 PA 92 and 2014 PA 93, the State Essential Services Assessment Act (the “SESA”) and the Alternative State Essential Services Assessment Act (the “Alternative SESA”);

WHEREAS, the SESA and the Alternative SESA authorized the creation and operation of the SESA Exemption and the Alternative SESA Exemption Program by the Michigan Strategic Fund (the “MSF”) pursuant to MCL 211.1059;

WHEREAS, on October 28, 2014, by Resolution 2014-176, the MSF Board approved (i) the SESA Exemption (the “SESA Program”) and Alternative SESA Exemption Program (the “Alt SESA Program”) (“collectively, the “SESA Exemption Program”) and (ii) program guidelines for the SESA Exemption Program (the “Program Guidelines”);

WHEREAS, on October 28, 2014, by Resolution 2014-177, the MSF Board approved the MSF Fund Manager or the MSF President to negotiate the terms and conditions and execute all final documents necessary to effectuate awards and decisions approved under the SESA Exemption Program;

WHEREAS, the Michigan Economic Development Corporation (the “MEDC”) provides administrative services to the MSF for the SESA Exemption Program;

WHEREAS, Calumet Electronics Corporation (the “Company”) is an Eligible Claimant, as defined in MCL 211.1053(d), which will claim an exemption for Eligible Personal Property, as defined in MCL 211.1053(e);

WHEREAS, the Program Guidelines require that qualifying investments be greater than \$100 million in order to qualify for the SESA Program for up to 15 years (the “Investment Requirement”);

WHEREAS, the Company has requested that the MSF Board approve a 100%, fifteen-year SESA exemption estimated to be worth \$758,877 for up to \$32,613,252 in qualified investment in Eligible Personal Property, as defined in the Program Guidelines, in the Charter Township of Calumet, Houghton County (“SESA Exemption Recommendation”);

WHEREAS, the MEDC is requesting the MSF Board approve a waiver of the Investment Requirement due to the transformational nature of the project (the “Investment Requirement Waiver”);

WHEREAS, the MEDC recommends the MSF Board approve: (i) the SESA Exemption Recommendation, (ii) the Investment Requirement Waiver, and (iii) require a one-time administrative fee

in the amount of \$7,588.77 payable to the MSF upon completion of the first performance milestone (collectively, the “Request”);

NOW, THEREFORE, BE IT RESOLVED, that the MSF Board approves the Request.

Ayes: Britany L. Affolter-Caine, John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Dan Meyering, Susan Tellier, Randy Thelen, Cindy Warner

Nays: None

Recused: None

Lansing, Michigan
October 24, 2023



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
LANSING

SUSAN CORBIN
DIRECTOR

January 21, 2022

Ms. Katelyn Wilcox
Board Relations Liaison
Michigan Strategic Fund
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting Designees

Dear Ms. Wilcox:

Pursuant to MCLA 16.51, I hereby confirm my designation of John Groen and Jonathan Smith as the persons authorized and empowered to act in my stead as a member of the Michigan Strategic Fund Board for scheduled meetings or portions thereof that I am unable to attend.

If you need anything additional, please contact Diane Burton at (517) 230-5454.
Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Susan R. Corbin".

Susan R. Corbin
Director



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

GRETCHEN WHITMER
GOVERNOR

BRADLEY C. WIEFERICH, P.E.
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop
Board Relations Liaison
Michigan Strategic Fund Office
300 N. Washington Square
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bradley C. Wieferich".

Bradley C. Wieferich, P.E.
Acting Director

cc: M. Kapp
Executive File



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

January 6, 2023

Valerie Hoag
MSF Fund Manager
Michigan Economic Development Corporation
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting and Michigan Strategic Fund Finance
and Investment Subcommittee Designee for Treasurer Eubanks

Dear Ms. Hoag:

I hereby designate Andrew Lockwood to attend all Michigan Strategic Fund Board Meetings and Michigan Strategic Fund Finance and Investment Subcommittee meetings that I am unable to attend in 2023.

If you need anything additional, please contact Kara Kabia at (517) 241-2624.

Sincerely,

A handwritten signature in cursive script that reads "Rachael Eubanks".

Rachael Eubanks
State Treasurer

Cc: Eric Bussis
Andrew Lockwood



MEMORANDUM

Date: October 24, 2023
To: Michigan Strategic Fund (“MSF”) Board Members
From: Matt Chasnis, Senior Business Development Project Manager
Subject: Incentive Request
Michigan Business Development Program (“MBDP”)
Denso Manufacturing Michigan Inc. (“Company” or “Applicant”)

Request Summary

This is a request from the Applicant for (“Incentive Request”)

- Approval of a 15-year, 100% SESA Exemption with an estimated value of up to \$1,433,250 for its \$63,000,000 eligible investment in Eligible Personal Property (“SESA Request”).
 - Additionally, due to the competitive nature of the project and the desire to capture as much investment as possible, the Applicant is requesting the following waivers to the SESA Guideline requiring qualified investments to be greater than \$100,000,000.
- This project involves a capital investment of up to \$63,000,000 in the City of Battle Creek, Washtenaw County.

Applicant History

The Applicant, established in 1984 as the first North American location for Denso, is the lead production facility for DENSO’s North American Thermal (TAC) business. Operations at the Battle Creek facility focus on manufacturing automotive air conditioning and engine cooling components and systems. The Battle Creek campus comprises more than 1,380,000 square feet of manufacturing, warehouse and administrative floor space in 6 buildings on over 100 acres of land. The Applicant has more than 4,000 employees at several locations across the state, including its North American headquarters and technical center in Southfield. More than 2,100 employees are based at the thermal facility in Battle Creek

A background check has been completed in accordance with the MSF Background Review Policy, and the project may proceed for MSF consideration.

Project Description

The applicant intends to transform its manufacturing footprint & product offerings as the automotive industry migrates from Internal Combustion Engine (ICE) to Battery Electric Vehicle (BEV). The investment includes a new production line to supply BEV compatible products to an OEM who is expanding BEV production in North America. The project would be housed within the Battle Creek campus. This business expands DENSO’s customer base in North America, while protecting jobs in Battle Creek, and helping the existing workforce transition their skills with the changing needs of the industry. This investment also positions the company well to appeal its Battle Creek manufacturing location as an ideal candidate for future investment in mobility & electrification.

Denso anticipates the project will result in capital investment of up to \$63,000,000 in its Battle Creek facility.

Demonstrated Need

The Company is considering locations in North Carolina and Tennessee for this project. The states would provide incentive assistance to support the investment if they were chosen. Additionally, the Company’s

existing operations in Tennessee has capacity to accommodate this investment. Lastly, with the shift of OEMs locating in the Southeast and Mexico, the Applicant's other facilities in Mexico and Arkansas are becoming equally attractive. The Battle Creek facility is the oldest facility in the applicant's portfolio. This investment is critical to the long term viability of the facility. Without this investment, leadership may start considering other facilities that are newer and more efficient for future investments.

The Company is attracted to locating this investment in Michigan because of its long history and strong relationship with Michigan. The Applicant's parent company, Denso International America, Inc., is also located in Southfield. Lastly, choosing Michigan is in close proximity to the OEMs across the state and provides efficiencies through engineering and logistics.

Request

In order to secure the project, the Applicant is requesting approval of a 15-year, 100% SESA Exemption with an estimated value of up to \$1,433,250. The incentive request will help offset the investment cost of the project and make the Battle Creek facility more competitive for this and future projects.

This project aligns with the MEDC's strategic focus area of supporting a business in the target industry of mobility and builds on the state's work to position itself as the global leader in the future of mobility and vehicle electrification. The proposed project will bring significant investment to the region with a large and expanding automotive supplier. This facility will result in \$63,000,000 of capital investment in the City Battle Creek, Calhoun County, a geographically disadvantaged area, and would solidify the Company's presence and future business in the state.

Recommendation

MEDC Staff recommends approval of the MBDP Request, as outlined in the attached resolution.

MICHIGAN STRATEGIC FUND

RESOLUTION 2023-190

APPROVAL OF A STATE ESSENTIAL SERVICES ASSESSMENT EXEMPTION TO DENSO MANUFACTURING MICHIGAN, INC.

WHEREAS, the Michigan Legislature passed legislation, 2014 PA 80, to revise the personal property tax system so as to allow individuals, small businesses, and large businesses to thrive and create jobs in the State of Michigan, but which needed to be approved by the qualified electors of the State of Michigan;

WHEREAS, on August 5, 2014, the qualified electors of the State of Michigan approved the legislation to revise the personal property tax system. The approval enacted 2014 PA 92 and 2014 PA 93, the State Essential Services Assessment Act (the “SESA”) and the Alternative State Essential Services Assessment Act (the “Alternative SESA”);

WHEREAS, the SESA and the Alternative SESA authorized the creation and operation of the SESA Exemption and the Alternative SESA Exemption Program by the Michigan Strategic Fund (the “MSF”) pursuant to MCL 211.1059;

WHEREAS, on October 28, 2014, by Resolution 2014-176, the MSF Board approved (i) the SESA Exemption (the “SESA Program”) and Alternative SESA Exemption Program (the “Alt SESA Program”) (“collectively, the “SESA Exemption Program”) and (ii) program guidelines for the SESA Exemption Program (the “Program Guidelines”);

WHEREAS, on October 28, 2014, by Resolution 2014-177, the MSF Board approved the MSF Fund Manager or the MSF President to negotiate the terms and conditions and execute all final documents necessary to effectuate awards and decisions approved under the SESA Exemption Program;

WHEREAS, the Michigan Economic Development Corporation (the “MEDC”) provides administrative services to the MSF for the SESA Exemption Program;

WHEREAS, Denso Manufacturing Michigan, Inc. (the “Company”) is an Eligible Claimant, as defined in MCL 211.1053(d), which will claim an exemption for Eligible Personal Property, as defined in MCL 211.1053(e);

WHEREAS, the Program Guidelines require that qualifying investments be greater than \$100 million in order to qualify for the SESA Program of up to 15 years (the “Investment Requirement”);

WHEREAS, the Company is requesting a waiver to the Investment Requirement (the “Investment Requirement Waiver”);

WHEREAS, the Company has requested that the MSF Board approve a fifteen-year SESA exemption estimated to be worth \$1,433,250 for up to \$63,000,000 in qualified investment in Eligible Personal Property, as defined in the Program Guidelines, in the City of Battle Creek, Calhoun County (“SESA Exemption Recommendation”);

WHEREAS, the MEDC recommends the MSF Board approve the SESA Exemption Recommendation, the Investment Requirement Waiver, and require a one-time administrative fee in the

amount of \$10,000 payable to the MSF upon completion of the first performance milestone (collectively, the “Request”);

NOW, THEREFORE, BE IT RESOLVED, that the MSF Board approves the Request.

Ayes: Britany L. Affolter-Caine, John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Dan Meyering, Randy Thelen, Cindy Warner

Nays: None

Recused: None

Lansing, Michigan
October 24, 2023



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
LANSING

SUSAN CORBIN
DIRECTOR

January 21, 2022

Ms. Katelyn Wilcox
Board Relations Liaison
Michigan Strategic Fund
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting Designees

Dear Ms. Wilcox:

Pursuant to MCLA 16.51, I hereby confirm my designation of John Groen and Jonathan Smith as the persons authorized and empowered to act in my stead as a member of the Michigan Strategic Fund Board for scheduled meetings or portions thereof that I am unable to attend.

If you need anything additional, please contact Diane Burton at (517) 230-5454.
Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Susan R. Corbin".

Susan R. Corbin
Director



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

GRETCHEN WHITMER
GOVERNOR

BRADLEY C. WIEFERICH, P.E.
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop
Board Relations Liaison
Michigan Strategic Fund Office
300 N. Washington Square
Lansing, Michigan 48913

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Sincerely,

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Bradley C. Wieferich, P.E.
Acting Director

cc: M. Kapp
Executive File



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

January 6, 2023

Valerie Hoag
MSF Fund Manager
Michigan Economic Development Corporation
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting and Michigan Strategic Fund Finance
and Investment Subcommittee Designee for Treasurer Eubanks

Dear Ms. Hoag:

I hereby designate Andrew Lockwood to attend all Michigan Strategic Fund Board Meetings and Michigan Strategic Fund Finance and Investment Subcommittee meetings that I am unable to attend in 2023.

If you need anything additional, please contact Kara Kabia at (517) 241-2624.

Sincerely,

A handwritten signature in cursive script that reads "Rachael Eubanks".

Rachael Eubanks
State Treasurer

Cc: Eric Bussis
Andrew Lockwood



MICHIGAN STRATEGIC FUND

MEMORANDUM

Date: October 24, 2023

To: Michigan Strategic Fund Board

From: Valerie Hoag, MSF Fund Manager

Subject: Amended and Restated Consent Agenda Policy

REQUEST

In collaboration with the Department of Attorney General, MSF Fund Manager, and the Chief Compliance Officer we are requesting that the Michigan Strategic Fund (the “MSF”) Board approve an Amended and Restated Consent Agenda Policy, a redline draft of which is hereby attached to this memo as Exhibit A (the “Request”).

BACKGROUND

On November 20, 2013, the MSF Board approved use of a consent agenda in order to increase the efficiency of the monthly MSF Board meetings (the “Consent Agenda”). On February 25, 2014, the MSF Board approved guidelines to the Consent Agenda to assist MEDC staff in the development of the monthly MSF Board agenda (the “Consent Agenda Guidelines”).

On December 19, 2017, the MSF Board approved revisions to the Consent Agenda Guidelines to address the types of actions that were more frequently prepared for the consent agenda and on December 13, 2022, the MSF Board approved the Amended and Restated Consent Agenda Policy (the “Consent Agenda Policy”).

The reason for the Request is due to the fact that several Federal agencies are now requiring that the State Historic Preservation Officer be the sole signatory on grants and agreements.

RECOMMENDATION

The Department of Attorney General, together with the MSF Fund Manager, and the Chief Compliance Officer, recommend that the MSF Board approve the Request.

Michigan Strategic Fund Amended and Restated Consent Agenda Policy	Eff. February 25, 2014
	Rev. October 24, 2023 December 13, 2022

Background

The Michigan Strategic Fund (“MSF”) Board (the “Board”) adopted the use of a consent agenda (the “Consent Agenda”) on November 20, 2013, via Resolution 2013-203, and approved Consent Agenda Guidelines on February 25, 2014, via Resolution 2014-002, in order to streamline its monthly meetings and assist staff in the development of the MSF Board agenda each month. The Board approved revisions to the Guidelines on December 19, 2017, via Resolution 2017-209, ~~and~~ approved an Amended and Restated Consent Agenda Policy on December 13, 2022 via Resolution 2022-208, and approved an Amended and Restated Consent Agenda Policy on October 24, 2023 via Resolution 2023-###.

Consent Agenda

A Consent Agenda is a tool that streamlines meeting procedures by compiling items that are routine and not expected to prompt discussion or deliberation by the Board into a single group. The items on the Consent Agenda are then approved by the Board through a single Consent Agenda Resolution without discussion or individual motions.

The Consent Agenda allows the Board to efficiently approve such items without discussion or individual motions and therefore facilitates more time for the Board to address more substantial and strategic items.

Supporting documentation for each item on the Consent Agenda, including a resolution for each item, will be enclosed in the Board packet provided to the Board for review prior to the meeting.

Items Eligible to be included on the Consent Agenda

Items appropriate for placement on the Consent Agenda include, but are not limited to, the following:

1. Approval of meeting minutes
2. Amendments to incentives where no Delegation of Authority has been approved, for the following purposes:
 - a. Extension of milestone due dates
 - b. Restructuring of milestone requirements
 - c. Extension of loan grace periods
 - d. Exercise options to extend and allocate additional funding to unexpired, multi-year contracts
 - e. Addition of Qualified Taxpayers
 - f. Project location changes within the same municipality as originally approved
 - g. Loan to equity conversions where the conversion right is triggered under the terms of the loan agreement
 - h. Loan payoffs
 - i. Reduction of incentive amount
 - j. Transfer and/or assignment of an incentive
3. Reauthorization of incentives whose approval has expired and terms remain the same
4. Forbearance agreements for incentives in default status
5. Termination of incentives

Michigan Strategic Fund Amended and Restated Consent Agenda Policy	Eff. February 25, 2014
	Rev. October 24, 2023 December 13, 2022

6. Write off of uncollectable debt for accounting purposes
7. Revocation of benefits such as tax credits or Renaissance Zone designations
8. Issuance of new or amended Memorandums of Understanding and/or Interagency Agreements for which the MSF is a party
9. New Act 381 tax increment financing projects without any other MSF economic incentive being approved
10. New projects with an award amount that is less than or equal to \$1,000,000 in cumulative benefit from the MSF where no Delegation of Authority has been approved
11. New projects with an award amount that is less than or equal to \$1,000,000 where Delegation of Authority has been approved, but where one or more provisions of the applicable program guidelines are being waived
12. Revisions to the MSF Compiled Resolutions
- ~~12-13.~~ Any request from the State Historic Preservation Office for the approval of an expenditure, funding of an award, contract, grant, or other agreement.

Process for using the Consent Agenda

An item must be recommended for placement on the Consent Agenda by either the MSF President or MSF Fund Manager based on their analysis that the item is routine and is not expected to prompt deliberations or discussions by the Board. An item will be removed from the Consent Agenda, before or at a Board meeting upon request of the MSF President, any other Board Member, the MSF Fund Manager, the Attorney General, or the Chief Compliance Officer.

The Consent Agenda will be a separate and distinct item on the MSF Board agenda. The Consent Agenda will be placed on the agenda after Call to Order, Roll Call, Public Comment and Communications. The Consent Agenda items will be approved pursuant to a single Consent Agenda Resolution. If the Consent Agenda is not approved, then all items are moved to the regular agenda and taken up individually.

Before presenting the Consent Agenda Resolution to the Board for approval the Chair (or acting Chair) will inquire if there are any questions or comments on any item on the Consent Agenda. If any questions or comments are offered on an item, that item will be removed from the Consent Agenda and taken up either immediately after the Consent Agenda or placed later on the regular agenda at the discretion of the Chair. If any items are removed from the Consent Agenda, the Chair presents the modified Consent Agenda Resolution to the Board for approval.

Recording Consent Agenda in the Minutes

Consent Agenda items are recorded separately in the minutes with each item described as a separate line item along with the item's resolution number. Upon approval, the minutes should state the Consent Agenda was approved by a majority vote and indicate if any identified items were removed and addressed separately in the regular agenda.

MICHIGAN STRATEGIC FUND

RESOLUTION 2023-191

APPROVAL OF AMENDED AND RESTATED CONSENT AGENDA POLICY

WHEREAS, Public Act 270 of 1984, MCL 125.2001 et seq. (the “MSF Act”), established the Michigan Strategic Fund (the “MSF”);

WHEREAS, the Michigan Economic Development Corporation (the “MEDC”) provides administrative services to the MSF;

WHEREAS, on November 20, 2013, by Resolution 2013-203, the MSF Board approved the use of a consent agenda for its monthly board meetings;

WHEREAS, on February 25, 2014, by Resolution 2014-002, the MSF Board approved consent agenda guidelines to assist MEDC staff in the development of the monthly board agenda, as later amended on December 19, 2017, by Resolution 2017-209, (the “Consent Agenda Guidelines”);

WHEREAS, on December 13, 2022, by Resolution 2022-208, the MSF Board approved the replacement of the Consent Agenda Guidelines with an Amended and Restated Consent Agenda Policy (the “Consent Agenda Policy”);

WHEREAS, the Department of Attorney General, together with the MSF Fund Manager, and the Chief Compliance Officer, recommends that the MSF Board amend the Consent Agenda Policy as attached hereto as Exhibit A (the “Revised Consent Agenda Policy”); and

WHEREAS, the MSF Board wishes to approve and adopt the Revised Consent Agenda Policy.

NOW, THEREFORE, BE IT RESOLVED, the MSF Board approves and adopts the Revised Consent Agenda Policy.

Ayes: Britany L. Affolter-Caine, John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Dan Meyering, Randy Thelen, Cindy Warner

Nays: None

Recused: None

Lansing, Michigan
October 24, 2023



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
LANSING

SUSAN CORBIN
DIRECTOR

January 21, 2022

Ms. Katelyn Wilcox
Board Relations Liaison
Michigan Strategic Fund
300 N. Washington Square
Lansing, MI 48913

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If you need anything additional, please contact Diane Burton at (517) 230-5454.
Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Susan R. Corbin".

Susan R. Corbin
Director



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

GRETCHEN WHITMER
GOVERNOR

BRADLEY C. WIEFERICH, P.E.
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop
Board Relations Liaison
Michigan Strategic Fund Office
300 N. Washington Square
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bradley C. Wieferich".

Bradley C. Wieferich, P.E.
Acting Director

cc: M. Kapp
Executive File



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

January 6, 2023

Valerie Hoag
MSF Fund Manager
Michigan Economic Development Corporation
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting and Michigan Strategic Fund Finance
and Investment Subcommittee Designee for Treasurer Eubanks

Dear Ms. Hoag:

I hereby designate Andrew Lockwood to attend all Michigan Strategic Fund Board Meetings and Michigan Strategic Fund Finance and Investment Subcommittee meetings that I am unable to attend in 2023.

If you need anything additional, please contact Kara Kabia at (517) 241-2624.

Sincerely,

A handwritten signature in cursive script that reads "Rachael Eubanks".

Rachael Eubanks
State Treasurer

Cc: Eric Bussis
Andrew Lockwood



MEMORANDUM

Date: October 24, 2023

To: Michigan Strategic Fund Board

From: Amber Westendorp, Capital Project & Portfolio Manager, Capital Access

Subject: Bond Authorization—Not to Exceed \$47,420,000 Limited Obligation Revenue Refunding Bonds (Facility for Rare Isotope Beams Project at Michigan State University), Series 2023 (the “Series 2023 Bonds”) to refund Michigan Strategic Fund (the “MSF”) Limited Obligation Revenue Bonds (Facility for Rare Isotope Beams Project at Michigan State University), Series 2014 (the “Bonds To Be Refunded”)

Request:

The Michigan Department of Treasury requests the MSF issue the Series 2023 Bonds to refund the Bonds To Be Refunded. The proceeds of the Bonds To Be Refunded were used by the MSF to fund the community share of the construction of the Facility for Rare Isotope Beams which is located on the campus of the Michigan State University in East Lansing, Michigan (the “FRIB”).

The construction of the FRIB project involved direct investment, mainly from the Federal Government, Michigan State University (“MSU”), and the community share referenced above. The FRIB is approximately 220,160 square feet of a newly constructed facility consisting of above and below ground components and is adjoined to the National Superconducting Cyclotron Laboratory (“NSCL”). The operation of the FRIB has created new employment in research and development for the State of Michigan (“State”).

Background:

The FRIB is a national user facility for nuclear science, funded by the U.S. Department of Energy Office of Science (“DOE-SC”), MSU, and the State. The FRIB enables scientists to make discoveries about the properties of rare isotopes in order to understand the physics of nuclei, nuclear astrophysics, fundamental interactions and to explore applications of rare isotopes beneficial for society. The FRIB is the world’s leading rare isotope facility and serves an anticipated user community of approximately 1,500 scientists.

MSU receives financial assistance from the US Department of Energy (“DOE”) through a Cooperative Agreement to design and establish FRIB. The DOE and MSU together provide oversight over the FRIB project. Since the completion of the FRIB project, DOE provides financial assistance to MSU to operate FRIB as a national user facility, where scientists can perform research free of charge as long as their requests

for facility use time are positively reviewed and selected by an international peer advisory panel and as long as the scientists agree to publish their research.

Plan of Finance:

The proceeds of the Series 2023 Bonds, together with other funds on hand with the Trustee, will be used to refund and defease the Bonds To Be Refunded and pay costs of issuance. Like the Bonds to Be Refunded, the Series 2023 Bonds will be secured primarily by an annual appropriation of approximately \$7.3 million or an amount sufficient to serve all payments on the Series 2023 Bonds until they are fully paid.

It should be highlighted that unlike other revenue bonds, a reimbursement agreement among the MSF, the State Budget Office, the Michigan Department of Treasury, and MSU provides that:

- The State Budget Office and the MSF will agree to request an annual appropriation of debt service each year that the Series 2023 Bonds are outstanding; and
- The State Budget Office, the MSF, and Michigan Department of Treasury agree to apply such an appropriation strictly to the payment of the Series 2023 Bonds.

No further contractual obligations exist between the FRIB project, the MSF, and the State which relate to the payment of the Series 2023 Bonds. A failure to appropriate debt service payments will result in the default of the MSF on its obligations, but the default will carry no legal remedy in a manner similar to other revenue bonds issued by the MSF. Series 2023 Bond buyers are assuming the “appropriation risk” when they purchase the Series 2023 Bonds. Some impact to the State’s bond rating could also be expected in the event the state legislature fails to appropriate funds necessary to pay debt service on the Series 2023 Bonds. According to Robert W. Baird, the financial advisor on the transaction, the largest component of debt benefiting the State carries some form of appropriation risk. This risk being viewed collectively by rating agencies and bond buyers creates an incentive for the legislature to appropriate funds in order to protect the rating on that debt and preserve the ability to issue such debt at competitive rates in the future.

The Series 2023 Bonds and the interest thereon will not constitute a debt of the State or a general obligation of the MSF nor a pledge of the faith and credit of the MSF or the State, and will not directly or indirectly obligate the State to levy or pledge any form of taxation whatsoever therefor.

The following firms will provide services for the issuance of the Bonds.

MSF Counsel:	Office of Attorney General
Bond Counsel:	Dickinson Wright PLLC
Financial Advisor:	Robert W. Baird & Co. Incorporated
Trustee:	U.S. Bank Trust Company, National Association
Senior Managing Underwriter:	Ramirez & Co., Inc.
Underwriter’s Counsel:	Dykema Gossett PLLC

Recommendation:

Based upon a determination by Dickinson Wright PLLC (“Bond Counsel”) and the State of Michigan Attorney General’s office (“Issuer’s Counsel”), assuming approval by the MSF, this transaction complies with state and federal law requirements for a bond refinancing and staff recommends the adoption of a resolution authorizing the issuance of the Series 2023 Bonds in an amount not to exceed \$47,420,000 to refund the Bonds To Be Refunded.

RESOLUTION TO AUTHORIZE THE ISSUANCE OF THE MICHIGAN
STRATEGIC FUND LIMITED OBLIGATION REVENUE REFUNDING BONDS
(FACILITY FOR RARE ISOTOPE BEAMS PROJECT AT MICHIGAN STATE
UNIVERSITY),
SERIES 2023 (THE “BONDS”)

Resolution 2023-192

Background

A. The Michigan Strategic Fund (the “Fund”) is authorized by 1984 PA 270, as amended (the “Act”), to issue bonds for the purpose of making grants.

B. Michigan State University (the “University”) has previously requested a grant to assist the University in constructing the Facility for Rare Isotope Beams (the “Project”) which is located on the campus of the University in East Lansing, Michigan. The completed Project is a new national user facility for the research and production of large quantities of a wide variety of rare isotopes.

C. In order to finance the costs of the community share of the Project, the Fund issued its \$82,685,000 Michigan Strategic Fund Limited Obligation Revenue Bonds (Facility for Rare Isotope Beams Project at Michigan State University), Series 2014 (the “Prior Bonds”) on April 9, 2014.

D. The Fund wishes to currently refund the remaining outstanding principal amount of the Prior Bonds by issuing its Michigan Strategic Fund Limited Obligation Revenue Refunding Bonds (Facility For Rare Isotope Beams Project at Michigan State University), Series 2023, in an amount not to exceed \$47,420,000 (the “Bonds”) pursuant to this resolution (the “Resolution”) and a Bond Indenture dated as of December 1, 2023 (the “Indenture”), between the Fund and U.S. Bank Trust Company, National Association, as Trustee (the “Trustee”), which provided funds that were granted to the University pursuant to a Reimbursement Agreement among the Fund, the Michigan Department of Treasury, the Michigan State Budget Office, and the University dated as of April 9, 2014 (the “Prior Reimbursement Agreement”).

E. It is anticipated that the Prior Reimbursement Agreement will be amended and restated with an Amended and Restated Act 59 Reimbursement Agreement among the Fund, the Michigan Department of Treasury, the Michigan State Budget Office, and the University dated as of December 1, 2023 or such other date agreed to by the parties (the “Amended and Restated Reimbursement Agreement”).

F. The proceeds of the Bonds, together with other available funds, will be used for the purposes of (i) refunding the Prior Bonds, (ii) depositing the proceeds of

the Bonds pursuant to an Escrow Agreement (the “Escrow Agreement”) between the Fund and U.S. Bank Trust Company, National Association (the “Escrow Trustee”), and (iii) paying the costs of issuing the Bonds.

G. The Bonds will be issued as fully registered bonds in the denomination of \$5,000 and integral multiples thereof.

H. The Bonds will be underwritten by Ramirez & Co., Inc. (the “Underwriter”) and purchased pursuant to a purchase contract between the Underwriter and the Fund (the “Purchase Contract”).

NOW, THEREFORE, Be It Resolved by the Board of the Fund:

SECTION 1. Issuance of Bonds; Limited Obligation. For the purpose of currently refunding the Prior Bonds, the issuance of the Bonds is authorized.

The terms of the Bonds shall be substantially in the form contained in the Indenture, with the changes permitted or required by action of the Fund or the Indenture. The Bonds shall bear the manual or facsimile signature of a member of the Fund’s Board of Directors (a “Member”) or of a person authorized by Board Resolution to sign Bond documents on behalf of the Fund (an “Authorized Officer”), and the official seal of the Fund (or a facsimile of the seal) shall be impressed or imprinted on the Bonds.

The Bonds and the interest and any premium on the Bonds are not a debt or obligation of the State of Michigan or a general obligation of the Fund within the meaning of any constitutional or statutory limitation and do not constitute a charge against the credit or taxing powers of the State of Michigan or the general funds or assets of the Fund (including funds relating to other Fund loans or activities), but shall be limited obligations of the Fund payable solely and only from the security pledged under the Indenture.

SECTION 2. Approval, Execution and Delivery of Documents. The forms of the following documents, on file with the staff of the Fund and on which have been endorsed by the staff of the Fund the date of adoption of this Resolution, are approved:

- a. Amended and Restated Reimbursement Agreement
- b. Indenture
- c. Purchase Contract
- d. Escrow Agreement

Any Member and Authorized Officer are authorized to execute and deliver the Purchase Contract and any Member or Authorized Officer is authorized to execute and deliver the remaining documents identified in this Section in substantially the forms approved, with any changes as are considered necessary or

desired by him or her, permitted by the Act or otherwise by law, and not materially adverse to the Fund.

SECTION 3. Completion of Document Terms. Any Member may approve the interest rates applicable to the Bonds, which shall not be more than 6.00% per annum, and the principal amount of the Bonds, which shall not be greater than \$47,420,000.

The final maturity for the Bonds shall not be later than March 1, 2031, and shall be payable as otherwise provided in the Indenture.

Approval of those terms shall be evidenced by the Member's and Authorized Officer's execution of the Purchase Contract.

SECTION 4. Sale and Delivery of the Bonds. A Member or an Authorized Officer shall execute, seal, and deliver the Bonds upon receipt of the following documents and payment of the purchase price for the Bonds:

- a. an opinion of bond counsel to the Fund acceptable to the Fund and the Attorney General of the State of Michigan (the "Attorney General"),
- b. an approving opinion of the Attorney General, and
- c. such other opinions required pursuant to the Purchase Contract, unless waived by the Underwriter pursuant to its terms.

Upon receipt, the proceeds of the Bonds shall be paid over to the Trustee to be credited in accordance with the Indenture.

SECTION 5. Designation of Certain Parties. The Trustee's acceptance of duties as trustee shall be evidenced by its execution of the Indenture.

SECTION 6. Preliminary Official Statement and Official Statement. The use and distribution by the Underwriter of a Preliminary Official Statement to solicit offers to purchase the Bonds, in the form on file with the Fund and on which an Authorized Officer shall endorse the date of adoption of this Resolution, is approved. The use and distribution of an Official Statement in substantially the same form as the Preliminary Official Statement is approved. Any Member or Authorized Officer is authorized to approve changes in the Preliminary Official Statement or Official Statement as may be necessary or desirable, permitted by the Act or otherwise by the law, and not materially adverse to the Fund.

SECTION 7. Authorization of Filings, Submissions and Other Documents. Any Member or Authorized Officer, as well as counsel to the Fund, is authorized to apply for or submit, execute, and deliver the other certificates, documents, opinions,

and papers to any party or governmental agency as may be required by the Indenture, the Amended and Restated Reimbursement Agreement, or the Purchase Contract, or as may be necessary to effectuate the valid issuance, sale and delivery of the Bonds as tax-exempt bonds and otherwise as contemplated by those documents. An Authorized Officer may delegate the authority to direct the investment of funds under the Indenture to the State Treasurer or the State Treasurer's designee.

SECTION 8. Conflict and Effectiveness. All resolutions or other proceedings of the Fund in conflict with this Resolution are repealed to the extent of the conflict. This Resolution shall become effective upon adoption. If the Bonds are not delivered to their original purchaser on or before March 31, 2024, the authority granted by this Resolution shall lapse.

Adopted.

Ayes: John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Dan Meyering, Randy Thelen, Cindy Warner

Nays: None

Recused: Britany L. Affolter-Caine

October 24th, 2023 Meeting
Lansing, Michigan



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
LANSING

SUSAN CORBIN
DIRECTOR

January 21, 2022

Ms. Katelyn Wilcox
Board Relations Liaison
Michigan Strategic Fund
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting Designees

Dear Ms. Wilcox:

Pursuant to MCLA 16.51, I hereby confirm my designation of John Groen and Jonathan Smith as the persons authorized and empowered to act in my stead as a member of the Michigan Strategic Fund Board for scheduled meetings or portions thereof that I am unable to attend.

If you need anything additional, please contact Diane Burton at (517) 230-5454.
Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Susan R. Corbin".

Susan R. Corbin
Director



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

GRETCHEN WHITMER
GOVERNOR

BRADLEY C. WIEFERICH, P.E.
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop
Board Relations Liaison
Michigan Strategic Fund Office
300 N. Washington Square
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bradley C. Wieferich".

Bradley C. Wieferich, P.E.
Acting Director

cc: M. Kapp
Executive File



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

January 6, 2023

Valerie Hoag
MSF Fund Manager
Michigan Economic Development Corporation
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting and Michigan Strategic Fund Finance
and Investment Subcommittee Designee for Treasurer Eubanks

Dear Ms. Hoag:

I hereby designate Andrew Lockwood to attend all Michigan Strategic Fund Board Meetings and Michigan Strategic Fund Finance and Investment Subcommittee meetings that I am unable to attend in 2023.

If you need anything additional, please contact Kara Kabia at (517) 241-2624.

Sincerely,

A handwritten signature in cursive script that reads "Rachael Eubanks".

Rachael Eubanks
State Treasurer

Cc: Eric Bussis
Andrew Lockwood

October 18, 2023

MSF Fund Manager
MEDC
300 N. Washington Square
Lansing, Michigan

Dear Fund Manager,

This is to advise that I am recusing myself from voting and excuse myself during the discussion of the following item on the Michigan Strategic Fund Board Meeting Agenda on Tuesday, October 24, 2023.

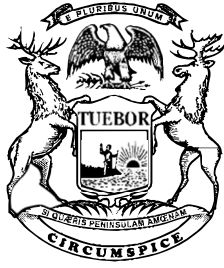
- Uptown Reinvestment Corporation – MSU CHM Department of Public Health Expansion at Flint Campus – Request for Approval of a Michigan Strategic Fund (MSF) Performance-Based Grant
- Bond Authorization—Not to Exceed \$47,420,000 Limited Obligation Revenue Refunding Bonds (Facility for Rare Isotope Beams Project at Michigan State University), Series 2023 (the “Series 2023 Bonds”) to refund Michigan Strategic Fund (the “MSF”) Limited Obligation Revenue Bonds (Facility for Rare Isotope Beams Project at Michigan State University), Series 2014 (the “Bonds To Be Refunded”)

The reason for my recusal is that I have a potential conflict of interest with respect to the proposed funding projects for MSU.

Sincerely,



Britany Affolter-Caine
Executive Director
Michigan’s University Research Corridor



MICHIGAN STRATEGIC FUND

MEMORANDUM

Date: October 24, 2023
To: Michigan Strategic Fund ("MSF") Board Members
From: Quentin Messer, Jr., Chief Executive Officer
Subject: Monthly MSF Delegated Authority and Activities Report

We are pleased to present our monthly report to the MSF Board, featuring a review of our delegated authority activity over the previous month. The following pages provide a narrative centered around the types of projects supported through delegated approval from September 1, 2023, to September 30, 2023, as well as information about the impact that those projects have had on communities across the state.

We remain committed to maintaining transparency in our efforts to communicate with you all about our work to create equitable opportunities throughout the state. Over time, we will continue identifying ways to evolve and grow this report based on the feedback and requests we receive from Board members.

As always, we are committed to evaluating the ways in which we can continue to ensure we are transparent and accountable to Board members moving forward. Please let me or Val Hoag know if you have any questions or comments about this new reporting layout or with the contents of these reports.

Monthly Impacts



To continue providing transparent, intentional, and impactful reporting to the MSF Board members on delegated project approvals and activities, the following report details delegated approval updates from September 1, 2023, to September 30, 2023.

Throughout the Fiscal Year, MSF delegates – with authority granted by the MSF Board – approve various projects within MSF programs in accordance with each program’s guidelines, as approved by the MSF Board. Under no circumstances will MSF delegates approve a project that does not meet the Board- approved guidelines for the program. Furthermore, each project approved through delegated authority must undergo the same rigorous vetting and verification process as do projects that come before the MSF Board for approval. By ensuring consistent safeguards are in place for both delegate-approved and Board-approved projects, we are ensuring fairness and uniformity in our process, as we work to enable long-term economic prosperity for the people of our state.

MONTHLY IMPACTS

We are pleased to share the September delegate-approved projects continue to represent our emphasis on supporting underserved populations in geographically disadvantaged areas. Throughout September 2023, 57% of the projects approved through delegated authority are in geographically disadvantaged areas. Additionally, all September approved projects through delegated authority have committed to creating just over 400 jobs and over \$4 million in private investment.

MSF Report Delegate Approvals



Under the authority delegated by the MSF Board, the MSF delegates approved the following projects during September 2023, which satisfy Board-approved guidelines for each program and have been vetted and approved through the same safeguards as those projects that come before the Board for consideration.

Michigan Business Development Program (MBDP)

The Michigan Business Development Program is available from the MSF, in cooperation with MEDC. The program is designed to provide grants, loans, or other economic assistance to businesses for highly competitive projects in Michigan that create jobs and/or provide investment.

Project Name	Approval Date	Location	Incentive Amount	Project Highlights
Zoetis Inc.	9/5/2023	Kalamazoo	\$295,000	Zoetis is expecting to launch a new product and plans to expand its facility in the city of Kalamazoo, where it will construct a two-story building consisting of manufacturing, lab, support, and packaging space. The project is expected to generate a total capital investment of \$115 million and create 59 well-paying jobs with the support of a \$295,000 Michigan Business Development Program performance-based grant. Michigan was chosen for the project over competing sites in China and Brazil.
Carter Associates	9/8/2023	Burr Oak	\$100,000	The Company was founded in 1984 to provide design consulting and sourcing of plastic products. In 1986 the manufacturing division was established at its headquarters located in the village of Burr Oak. The Company manufactures revolutionary reusable green packaging products including shipping totes, thermoformed packaging and pallets, corrugated plastic signs and produce sleeves. It also utilizes printed graphene nano particles to manufacture electric heating panels for low energy consuming heat sources for customers throughout the world in the agribusiness, construction, and automotive industries. The Company has three locations in Michigan and currently employs 18 residents of Michigan. The Company is looking to consolidate the two Village of Burr Oak locations into one. This project will result in the creation of up to 20 new jobs and up to \$3M in the Village of Burr Oak, Saint Joseph County.
Payload CMS	9/18/2023	Grand Rapids	\$302,500	Payload CMS, Inc. was founded in 2018 to create cutting-edge software frameworks that allow engineering teams to manage digital content on an enterprise scale. The Company currently employs 10 full-time employees in Michigan and is headquartered near downtown Grand Rapids. The Company has seen considerable growth in the last year and the current project involves the conversion of an existing prefabricated steel, single story garage attached to the office space into an additional 1,600 square feet for employees. The project will result in capital investment of up to \$875,000 and the creation of up to 55 new jobs paying an average wage of \$49.52 per hour plus benefits in year one, with the support of a \$302,500 Michigan Business Development Program (MBDP), performance-based grant.

Michigan Business Development Program (MBDP) Continued

Project Name	Approval Date	Location	Incentive Amount	Project Highlights
Goyette Mechanical Company	9/25/2023	Flint	\$500,000	Goyette Mechanical Company has experienced significant growth in its out-of-state operations largely due to its expanding customer base in Ohio, Tennessee, Missouri, and Indiana. As a result, the Company is proposing the acquisition of three buildings located in both the City of Flint and Oscoda Township to expand its warehouse, office, and sheet metal fabrication operations. The project is expected to generate a total capital investment of \$8.8 million and create 60 well-paying jobs with the support of a \$500,000 Michigan Business Development Program performance-based grant. Michigan was chosen for the project over a competing site in Ohio.

Build Michigan Community Grant Initiative

The Build MI Community Grant is an initiative designed to promote private investment in Michigan communities. This tool provides access to real estate development gap financing for small scale, incremental redevelopment projects.

Project Name	Approval Date	Location	Incentive Amount	Project Highlights
P&A Development Group	9/14/2023	Detroit	\$250,000	Rehabilitation of the former Lithuanian Hall in the Mexicantown neighborhood of Detroit into a 15,300 square foot mixed-use building with retail bays and event space. Total capital investment is \$2,835,642.

Capital Access

The Capital Access team partners with lenders to assist in helping small businesses obtain financing that would otherwise not be available.

State Small Business Credit Initiative (SSBCI) 2.0 – Collateral Support Program (CSP)

Project Name	Approval Date	Location	Incentive Amount	Project Highlights
CAA Investments, LLC	9/6/2023	Macomb	\$1,215,880	Fifth Third Bank is working with the company to provide them with working capital and refinance outstanding real estate debt held at another institution. Due to collateral shortfall on the real estate, the bank is requesting support from the SSBCI 2.0 CSP.
Ride Your Way, LLC	9/7/2023	Byron Center	\$122,255	The company is working with Mercantile Bank on two loans. One is to refinance debt from an unaffiliated lender used to originally purchase vehicles and one is to purchase equipment. Due to collateral shortfall, the bank is requesting collateral support from the SSBCI 2.0 CSP for each of these two loans.
Ride Your Way, LLC	9/7/2023	Byron Center	\$124,750	The company is working with Mercantile Bank on two loans. One is to refinance debt from an unaffiliated lender used to originally purchase vehicles and one is to purchase equipment. Due to collateral shortfall, the bank is requesting collateral support from the SSBCI 2.0 CSP for each of these two loans.
Waterford Donuts, Inc.	9/18/2023	Waterford	\$199,600	Fifth Third Bank is working with Waterford Donuts, a Dunkin Donuts Franchise, to complete mandated franchisor improvements. Due to collateral shortfall, the bank is requesting assistance from the MBGF 2.0 CSP.
Great Northern Cooperative Fuels	9/28/2023	Lansing	\$499,000	Great Northern Cooperative operates as a fuel cooperative supporting the timber industry in northern Michigan. Green Stone Farm Credit is working with the Cooperative to finance the construction of their first fuel station in Escanaba. Due to collateral shortfall, the lender is requesting assistance from the SSBCI 2.0 CSP.

State Small Business Credit Initiative (SSBCI) 2.0 – Loan Guaranty Program (LGP)

Project Name	Approval Date	Location	Incentive Amount	Project Highlights
Pop's Restaurant, Inc.	9/11/2023	Walker	\$90,000	Northern Initiatives (NI) is working with Pop's Restaurant on a new loan. NI is enrolling this loan into the LGP.
The Pines Cafe of Ironwood LLC	9/11/2023	Ironwood	\$79,100	Northern Initiatives (NI) is working with The Pines Café of Ironwood on a new loan. NI is enrolling this loan into the LGP.

State Small Business Credit Initiative (SSBCI) 2.0 – Loan Guaranty Program (LGP)

Project Name	Approval Date	Location	Incentive Amount	Project Highlights
EnBiologics, Inc.	9/12/2023	Detroit	\$240,000	Detroit Development Fund (DDF) is working with Enbiologics Inc. on a new loan. DDF is enrolling this loan into their LGP.
EnBiologics, Inc.	9/12/2023	Detroit	\$85,000	Detroit Development Fund (DDF) is working with the borrower on a new loan. DDF is enrolling this loan into their LGP.
Driskill Property Holdings, LLC	9/13/2023	Rose City	\$165,320	Northern Initiatives (NI) is working with Driskill Property Holdings LLC and Northern Bed & Biscuit LLC on a new commercial loan. NI is enrolling this loan in their LGP.
Driskill Property Holdings, LLC	9/13/2023	Rose City	\$5,000	Northern Initiatives (NI) is working with Driskill Property Holdings LLC and Northern Bed & Biscuit LLC on a new commercial loan. NI is enrolling this loan in their LGP.
Passionate Home Real Estate, LLC	9/13/2023	Hubbardston	\$27,000	Northern Initiatives (NI) is working with Passionate Home Real Estate LLC & Passionate Home LLC on a new commercial loan. NI is enrolling this loan into their LGP.
Gemini Rising Style Collective, LLC	9/14/2023	Muskegon	\$20,000	Northern Initiatives (NI) is working with Gemini Rising Style Collective on a new commercial loan. NI is enrolling this loan into their LGP.
The Red Hook Detroit LLC	9/14/2023	Detroit	\$200,000	Detroit Development Fund (DDF) is working with The Red Hook Midtown LLC and The Red Hook Detroit LLC on a new commercial loan. DDF is enrolling this loan into their LGP
Detroit Choices	9/26/2023	Detroit	\$110,500	First Independence Bank (FIB) is working with Detroit Choices on a new commercial loan. FIB is enrolling the loan into their LGP.

Michigan Supplier Diversification Fund – Collateral Support Participation

Project Name	Approval Date	Location	Incentive Amount	Project Highlights
Datawise Consulting, LLC	9/1/2023	Grand Rapids	\$34,930	DataWise Consulting, LLC is a newer entity that was spun off from its 52 yearlong role as the "Center for Social Research" department of Calvin University. First Merchants Bank is working with the company to increase their line of credit. Due to a collateral shortfall, the bank is seeking support from the MSDF CSP.

Program Amendments



For a variety of reasons, projects may return to the MSF requesting an amendment to their previous approvals, at which point the Economic Development Incentives teams evaluate whether those projects would qualify for those amendments. These amendments include, but are not limited to, changes of scope for projects; adjusted milestones; extended or contracted timelines; redefined project sites; and modified award amounts. From September 1, 2023, to September 30, 2023, no amendments were approved via delegate approval.

Financial Data Overview and Terminations



Michigan Business Development Program - Terminations

From September 1, 2023, to September 30, 2023, the Business Development Program had no terminations.