



## MICHIGAN STRATEGIC FUND

### BOARD MEETING AGENDA

February 25, 2025

9:00am

#### I. CALL TO ORDER & ROLL CALL

#### II. PUBLIC COMMENT

#### III. COMMUNICATIONS

#### IV. CONSENT AGENDA

- a. Proposed January 28, 2025, Meeting Minutes .....2
- b. SSBCI 2.0 MBGF Small Business Venture Capital Program: eLab Capital Partners III, Michigan Innovation Fund LP Amendment.....10
- c. SSBCI 2.0 MBGF Small Business Venture Capital Program: The Future Heritage Fund, LP Amendment.....22
- d. Business Incubator Program: Gateway Representative Grant Amendments ..33
- e. 3820 West End, LLC: Michigan Community Revitalization Program Loan Amendment .....86
- f. City of Lansing Brownfield Redevelopment Authority: 501 S. Capitol Ave Act 381 Amendment .....97
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- h. Bedrock Management Services, LLC: Transformational Brownfield Plan Amendment .....119

#### V. ATTRACT, RETAIN, AND GROW BUSINESS

- a. Peterson Brands, LLC: A resolution to approve a 15-year, 100% State Essential Services Assessment (SESA) Exemption, with an estimated value of up to \$576,970 for its \$26,200,000 eligible investment in Eligible Personal Property, to Peterson Brands, LLC.....136  
*Location: Township of Shelby, Oceana County*

#### VI. DEVELOP ATTRACTIVE PLACES

- a. 150NMAINCLAWSON, LLC: A resolution to approve a Michigan Community Revitalization Program (MCRP) performance-based loan in the amount of up to \$3,550,547.....144  
*Location: City of Clawson*

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- a. Delegation of Authority Report.....161

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**MICHIGAN STRATEGIC FUND**  
**APPROVED MEETING MINUTES**  
**January 28, 2025**

**Member Present**

Quentin L. Messer, Jr.

**Members Joined Remotely**

Britany L. Affolter-Caine

Wesley Eklund

Rachael Eubanks

John Groen (on behalf of Director Corbin)

Michael B. Kapp (on behalf of Director Wieferich)

Dan Meyering

Leon Richardson

Charles P. Rothstein

Susan Tellier

Cindy Warner

**Absent**

Randy Thelen

Dimitrius Hutcherson

**I. CALL TO ORDER & ROLL CALL**

Mr. Messer called the meeting to order at 9:01 a.m. The meeting was held in person in the Lake Michigan Conference Room at the MEDC headquarters building in Lansing.

Mr. Messer introduced Ms. Davenport, MSF Board Liaison, who conducted the attendance roll call.

**II. PUBLIC COMMENT**

*Dr. Britany Affolter-Caine joined the meeting remotely at 9:02 a.m.*

Ms. Davenport explained the process for members of the public to participate. Public comment was had.

**III. COMMUNICATIONS**

Ms. Davenport stated that communications were shared with the MSF Board via email on Friday, January 24<sup>th</sup>, and Monday, January 27<sup>th</sup>.

Quentin L. Messer Jr. provided updates on subcommittee activity on behalf of Dimitrius

Hutcherson, Chair of the MSF Finance and Investment Subcommittee.

#### IV. CONSENT AGENDA

##### **Resolution 2025-001, 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, Charles P. Rothstein motioned for the approval of the following:

1. Proposed December 10, 2024, Meeting Minutes
2. Neogen Expansion Brownfield Redevelopment Project Act 381 Work Plan Amendment **2025-002**
3. BorgWarner, Inc. MBDP Grant Amendment **2025-003**
4. CDBG Public Gathering Spaces Initiative Grant Amendments **2025-004**
5. Project DIAMOND Statewide Expansion: Department of Energy Award Acceptance & Allocation of Funds to Automation Alley **2025-005**
6. UL, LLC MBDP Grant Amendment **2025-006**
7. The District Detroit Transformational Brownfield Redevelopment Plan Amendment **2025-007**

Charles P. Rothstein motioned for the approval of Resolution 2025-001 to approve the Consent Agenda. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 10 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Dr. Britany Affolter-Caine, Wesley Eklund, Rachael Eubanks, John Groen (on behalf of Director Corbin, designation attached), Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier; Nays: None; Recused: None.

#### V. DEVELOP ATTRACTIVE PLACES

##### **a. Resolution 2025-008 The Pontiac Exchange Transformational Brownfield Plan.**

Dominic Romano, Senior Community Development Manager, supported by Dennis Griffin of Pontiac OZ I, LLC, Mayor Tim Greimel of the City of Pontiac, Brad Hansen of the Oakland County Brownfield Redevelopment Authority, provided the Board with information regarding this action. The request involves the consideration of a resolution to approve a Transformational Brownfield Plan incentive package in the aggregate amount of \$79,232,145 reimbursed over 30 years to the Oakland County Brownfield Redevelopment Authority and Pontiac OZ I, LLC.

Following discussion, Susan Tellier motioned for the approval of Resolution 2025-008 for the Transformational Brownfield Plan. Leon Richardson seconded the motion. **The motion carried: 10 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Dr. Britany Affolter-Caine, Wesley Eklund, Rachael

Eubanks, John Groen (on behalf of Director Corbin, designation attached), Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier; Nays: None; Recused: None.

a. **Resolution 2025-009 New Vision Lansing Transformational Brownfield Plan.**

Rachel Elsinga, Community Development Manager, supported by Paul Gentilozzi and John Gentilozzi of Gentilozzi Real Estate, and Karl Dorshimer of the Lansing Economic Development Corporation, provided the Board with information regarding the requested action. The request involves the consideration of a resolution to approve a Transformational Brownfield Plan incentive package in the aggregate amount of \$202,225,217 reimbursed over 30 years to the City of Lansing Brownfield Redevelopment Authority and New Vision Lansing, LLC.

Following discussion, Michael B. Kapp motioned for the approval of Resolution 2025-009 to approve the Transformational Brownfield Plan. Charles P. Rothstein seconded the motion. **The motion carried: 10 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Dr. Brittany Affolter-Caine, Wesley Eklund, Rachael Eubanks, John Groen (on behalf of Director Corbin, designation attached), Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier; Nays: None; Recused: None.

b. **Resolution 2025-010 Aria Warren Detroit, LLC, Michigan Community**

**Revitalization Program Loan.** Megan McGreal, Senior Community Development Manager, supported by Emory Matthews of Aria Warren Detroit, LLC, and David Howell of the Detroit Economic Growth Corporation, provided the Board with information regarding this requested action. The request involves the consideration of a resolution to approve a Michigan Community Revitalization Program Loan in the amount of up to \$2,428,000 to Aria Warren Detroit, LLC.

Following discussion, Quentin L. Messer, Jr. motioned for the approval of Resolution 2025-010 for the Michigan Community Revitalization Program Loan. Michael B. Kapp seconded the motion. **The motion carried: 10 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Dr. Brittany Affolter-Caine, Wesley Eklund, Rachael Eubanks, John Groen (on behalf of Director Corbin, designation attached), Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier; Nays: None; Recused: None.

*Cindy Warner joined the meeting remotely at 10:17 a.m.*

## **VI. ATTRACT, RETAIN, AND GROW BUSINESS**

- a. **Resolution 2025-011 Pulse Primary Care Holdings, LLC, Michigan Business Development Program Grant.** Paul Krepps, Senior Foreign Direct Investment Consultant, supported by Dr. Belal Abdallah and Sandy Kronenberg of Pulse Primary Care, and Maureen Donohue Krauss of the Detroit Regional Partnership, provided the Board with information regarding the requested action. The request involves the consideration of a resolution to approve a Michigan Business Development Program Grant in the amount of up to \$3,450,000 to Pulse Primary Care Holdings, LLC.

Following discussion, Quentin L. Messer, Jr. motioned for the approval of Resolution 2025-011 for the Michigan Business Development Program Grant. Leon Richardson seconded the motion. **The motion carried: 11 ayes, 0 nays, 0 recused.**

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

- c. **Resolution 2025-012 Grayling Township Industrial Drive Improvement.** Paul O'Connell, Vice President of Real Estate Development, provided the Board with information regarding the requested action. The request involves the consideration of a resolution to approve the allocation of \$2,800,000 from the Business Attraction and Community Revitalization program to the Build Ready Site Program to support the construction of a road to provide access to the Saab, Inc. project site and other industrialized zone parcels.

Charles P. Rothstein motioned for the approval of Resolution 2025-012 for the Michigan Business Development Program Grant. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 11 ayes, 0 nays, 0 recused.**

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

- d. **Resolution 2025-013 Piston Automotive, LLC, Michigan Business Development Program Grant.** Ericka Swayne, Business Development Project Manager, supported by Sean Kammer, Business Development Project Manager, Jerry Ruskowski of Piston Group, David White of the Detroit Economic Growth Corporation, and Maureen Donohue Krauss of the Detroit Regional Partnership, provided the Board with information regarding this requested action. This request involves the consideration of a resolution to approve a Michigan Business Development Grant in the amount of

up to \$1,500,000 to Piston Automotive, LLC.

Following discussion, Leon Richardson motioned for the approval of Resolution 2025-013 to approve the Michigan Business Development Program Grant. Charles P. Rothstein seconded the motion. **The motion carried: 11 ayes, 0 nays, 0 recused.**

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

## **VII. CAPITAL ACCESS**

- a. Resolution 2025-014 Kraft Avenue Properties, LLC, Private Activity Bond Authorization.** Amber Westendorp, Capital Project and Portfolio Manager, supported by Rob Davies of Warner Norcross & Judd and Scott Geerlings of Kraft Avenue Properties, LLC, provided the Board with information regarding the requested action. The request involves the consideration of a resolution to approve a Private Activity Bond Authorization for Kraft Avenue Properties, LLC.

Charles P. Rothstein motioned for the approval of Resolution 2025-014 for the Private Activity Bond Authorization. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 11 ayes, 0 nays, 0 recused.**

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

## **VIII. INFORMATIONAL**

Mr. Messer noted that the meeting packet included the Michigan Strategic Fund Delegation of Authority Report from December 1, 2024, to December 31, 2024. There were no questions regarding the report. Mr. Messer adjourned the meeting at 10:46 a.m.

## Natalie Davenport (MEDC)

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**From:** Faye Nemer <fnemer@menaachamber.com>  
**Sent:** Saturday, January 25, 2025 5:33 PM  
**To:** Natalie Davenport (MEDC)  
**Subject:** Re: MSF Meeting Follow Up and Public Comment

Hi Natalie, kindly include the below as my amended public comment for this week's meeting to replace the previously emailed comment. Thank you in advance.

On behalf of the MENA American Chamber of Commerce, I want to highlight several innovative projects led by our members that require consideration for state funding. These initiatives align closely with Michigan's strategic priorities and focus on critical emerging technologies, specifically as it relates to the "Make It In Michigan" endeavor.

Our members are working on transformative projects, including:

- Advancing critical mineral recovery to support supply chain resilience.
- Developing lightweight lithium batteries to propel our clean energy goals.
- Supporting EV infrastructure by designing proprietary software for EV Chargers and installing throughout Michigan.
- Addressing Michigan's housing shortage through cutting-edge 3D-printed homes and robust infrastructure solutions.
- Leveraging AI in healthcare to improve outcomes and streamline ambulatory operations.
- Revolutionizing the manufacturing assembly line process with patented technology.
- Locally, our members are transforming main corridors of business districts which have the potential to generate economic prosperity for their respective cities
- Internationally, we are working with manufacturers on expanding their footprint into the US market and are working on supporting MENA partners source and procure American made components for multi billion dollar projects overseas.
- 

Moreover, we are in the process of administering a government and corporate contracting bootcamp, a startup business accelerator, and the first of its kind MENA Supplier Diversity Council Conference later this year.

Our members are looking forward to receiving critical support from the MEDC, as well as feedback from the state's Chief Infrastructure Officer and the Wayne County Economic Development Team on these projects.

In light of the aforementioned, we urge the Michigan Strategic Fund to continue prioritizing these projects and similar initiatives, which have the potential to create jobs, foster sustainability, and position Michigan as a leader in emerging technologies.

Thank you for your time and consideration.

Faye Nemer

January 27, 2025

Michigan Strategic Fund  
Michigan Economic Development Corporation  
300 N. Washington Square  
Lansing, MI 48913

Dear Members of the Michigan Strategic Fund Board,

On behalf of the Lansing Regional Chamber of Commerce, I am writing to express our strong support for the New Vision Lansing Transformational Brownfield Plan, an item on your agenda for consideration on January 28, 2025. This resolution to approve a Transformational Brownfield Plan incentive package in the aggregate amount of \$202,225,217 reimbursed over 30 years to the City of Lansing Brownfield Redevelopment Authority and New Vision Lansing, LLC represents a pivotal investment in the future of Michigan's capital city.

The New Vision Lansing project will serve as a catalyst for growth and development in the heart of Lansing, focusing on critical housing and mixed-use spaces that are essential to the revitalization of our central city. This transformative initiative aligns closely with our community's goals of enhancing quality of life, supporting economic vitality, and meeting the growing demand for modern, accessible housing options.

By approving this plan, the Michigan Strategic Fund Board will enable the City of Lansing to achieve its vision of a vibrant, sustainable downtown that supports residents, businesses, and visitors alike. The proposed incentive package represents a significant and necessary commitment to unlocking the full potential of this development, ensuring long-term benefits not only for Lansing but for the entire state of Michigan.

We are particularly enthusiastic about the scope and impact of this project, which is designed to:

- Create critically needed housing to address growing demands within the city.
- Stimulate economic activity by attracting residents, visitors, and businesses to downtown Lansing.
- Promote sustainable development practices that enhance the urban landscape.

The Lansing Regional Chamber of Commerce is proud to support this critically important project and urges the Michigan Strategic Fund Board to approve the resolution to move it forward. The New Vision Lansing Transformational Brownfield Plan represents an opportunity to ignite continued growth in Michigan's capital city and set a benchmark for innovative urban development across the state.

Thank you for your thoughtful consideration of this vital project. Should you have any questions or require additional information, please do not hesitate to reach out.

Sincerely,



Tim Daman  
President & CEO



## MEMORANDUM

**To:** Michigan Strategic Fund Board

**From:** Chris Cook, Managing Director – Capital Access

**Date:** February 25, 2025

**Subject:** SSBCI 2.0 – MBGF Small Business Venture Capital Program – eLab Capital Partners III, Michigan Innovation Fund LP – Amendment

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### **Request**

To amend the private LP match requirement first closing deadline of the MSF approved SSBCI VC commitment for eLab Capital Partners III, Michigan Innovation Fund LP.

### **History**

On July 9, 2024 the MSF approved an SSBCI 2.0 SBVCP award of up to \$11 million in the form of a limited partner investment to eLab Capital Partners III, Michigan Innovation Fund LP (“Michigan Fund” or “Fund”). The Fund is being formed to make investments in Michigan-based portfolio companies alongside eLab Capital Partners III, L.P. (“Regional Fund” or “Companion Fund”). The Michigan Fund will be operated as a sidecar to the Companion Fund. The Michigan Fund will follow the investment decisions of the Regional Fund but is allocated solely for investments within Michigan. As a sidecar, the Michigan Fund will benefit from the Regional Fund's due diligence and investment expertise while focusing on a targeted subset of investments that meet the SSBCI criteria and objectives. The MSF will be the sole limited partner (“LP”) in the Michigan Fund.

### **Rationale**

SSBCI 2.0 Capital Program Policy Guidelines require that an SSBCI 2.0 funded VC commitment to be catalytic to new private sector commitments. The MSF approved terms require counting private LP commitments in the Regional Fund occurring on or after the signing of the Michigan Fund documents. Based on guidance provided by US Treasury, the MEDC has determined that commitments occurring prior to the 7/9/24 MSF action do meet the US Treasury requirements for being catalytic. The MEDC understands that the Regional Fund completed its first closing in July 2024.

The request also corrects the name of the Management Company entity.

### **Recommendation**

Approval of the investment as detailed in the term sheet in Exhibit A.

## **MICHIGAN STRATEGIC FUND**

### **RESOLUTION**

**2025-016**

#### **AMENDMENT TO A STATE SMALL BUSINESS CREDIT INITIATIVE 2.0 VENTURE CAPITAL PROGRAM INVESTMENT IN ELAB CAPITAL PARTNERS III, MICHIGAN INNOVATION FUND LP**

**WHEREAS**, under the State Small Business Credit Initiative Act of 2010 (title III of the Small Business Jobs Act of 2010, Public Law 111-240, 124 Stat. 2568, 2582 (the “SSBCI”), the United States Congress appropriated funds to the United States Department of Treasury (“US Treasury”) to be allocated and disbursed to states that have applied for and created programs in accordance with the SSBCI to increase the amount of capital made available by private lenders to small businesses;

**WHEREAS**, on March 11, 2021, the American Rescue Plan Act reauthorized and expanded SSBCI to provide \$10 billion to state, the District of Columbia, territories, and Tribal governments to expand access to capital for small businesses, to support opportunity and entrepreneurship, and to create high-quality jobs (the “SSBCI 2.0”);

**WHEREAS**, under the SSBCI 2.0, authorized SSBCI 2.0 Programs include the operation of a state small business capital access program, and other state credit support programs, including state collateral support programs, state loan participation programs, state loan guarantee programs and state venture capital fund programs, in accordance with SSBCI 2.0 requirements;

**WHEREAS**, the State of Michigan (“State”) submitted a Notice of Intent to Apply to receive SSBCI 2.0 funding on May 4, 2021;

**WHEREAS**, the SSBCI 2.0 requires the State to designate a department, agency or political subdivision of the State to implement and participate in the SSBCI 2.0;

**WHEREAS**, in accordance with Michigan Strategic Fund Act, MCL 125.2001, et. seq. (“MSF Act”), and in particular, MCL 125.2005 and MCL 125.2007, the MSF is a public body corporate and politic within the Michigan Department of Labor and Economic Opportunity and has the authority to solicit SSBCI 2.0 funds from the US Treasury to participate in SSBCI 2.0;

**WHEREAS**, by letter dated May 10, 2021 to the US Treasury, Governor Whitmer designated the MSF as the State agency to apply for and receive funds from the SSBCI 2.0;

**WHEREAS**, subject to the control and direction of the MSF Board, the Michigan Economic Development Corporation provides administrative services to the MSF;

**WHEREAS**, on January 25, 2022, the MSF Board approved the creation of the SSBCI 2.0- MBGF-Venture Capital Program (the “SSBCI 2.0-MBGF-VCP”) and adoption of its program guidelines, as such guidelines were further amended on January 23, 2024 (“VC Guidelines”);

**WHEREAS**, eLab Capital Partners III, Michigan Innovation Fund LP (“Fund”) is a sidecar venture capital fund to that of eLab Capital Partners III, L.P. (“Companion Fund”);

**WHEREAS**, by Resolution 2024-110, the MSF approved an SSBCI 2.0-MBGF-VCP commitment in the amount of the lesser of: (i) \$11 million or (ii) an MSF investment of not more than 49% of the Fund’s total investible assets in capital support to the Fund on a combined basis with limited partner commitments the Companion Fund, toward further investments in Michigan by the Fund (collectively, the “VC Award”);

**WHEREAS**, the Fund has requested amendments to the VC Award with the terms set forth on the attached Exhibit A (“Amendments”) and;

**WHEREAS**, the MEDC recommends that the MSF approve the Amendments;

**NOW, THEREFORE, BE IT RESOLVED**, the MSF hereby approves the Amendments.

**BE IT FURTHER RESOLVED**, other than as to the Amendments, Resolution 2024-110 remains in full force and effect.

Ayes: Christin Armstrong (on behalf of Chairman Messer, designation attached), Eric Bussis (on behalf of Treasurer Eubanks, designation attached), Dr. 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), Leon Richardson, Susan Tellier, Cindy Warner

Nays: None

Recused: Randy Thelen

Lansing, Michigan  
February 25, 2025

**EXHIBIT A**  
**TERM SHEET**  
**eLab Capital Partners III, Michigan Innovation Fund LP**  
**Summary of Terms and Conditions**

The following is a summary of the general terms and conditions of eLab Capital Partners III, Michigan Innovation Fund LP

Limited Partnership:	eLab Capital Partners III, Michigan Innovation Fund LP (“Fund”) with MSF as sole limited partner
Companion Fund:	eLab Capital Partners III, L.P.
General Partner:	eLab Capital Associates III, LLC
Manager of the Fund:	<del>eLab Capital Partners</del> <u>eLab Ventures Management Company, LLC</u>
General Partner Commitment:	Cash contribution to the Companion Fund of at least 2% of commitments of Fund and Companion Fund,
Management Fee:	1.85% annually of committed capital during the Investment Period, followed by 1.5% annually of invested capital thereafter during the remaining term of the Fund following the Investment Period.
MSF Investment Source:	SSBCI 2.0-MBGF-Venture Capital Program (“SSBCI 2.0 MBGF-VCP”)
Investment Split:	The maximum contribution by the Fund for any initial investment in an Eligible Investment will be 49% of combined investment of the Fund and Companion Fund.
Purpose:	The Fund’s investments will be Eligible Investments generally focusing on seed thru Series A equity and/or convertible debt instruments that solely support Michigan based companies.

Michigan Investments: The Fund will invest in Eligible Investments on a concurrent basis with the Companion Fund only in Michigan-based companies.

Eligible Investments: The Fund will invest only in operating companies deriving or projecting to derive at least 50% of gross revenue from operations related to the following industries: artificial intelligence, cybersecurity, enterprise software, SaaS/cloud, internet of things, or such other industries approved by the partners of the Fund in accordance with the Fund documents, which must include the affirmative written approval of the MSF Fund Manager.

MSF Commitment: The Michigan Strategic Fund will provide the lesser of (i) \$11 million or (ii) 49% of the Fund's total investible assets in capital support to the Fund from the MSF Investment Source combined with ~~concurrent or subsequent~~ private sector limited partner commitments in the Companion Fund, in the form of a limited partner ("LP") investment, occurring on or after July 9, 2024.

The MSF will make eligible for call of its committed investment from the Investment Source based on a schedule of concurrent or subsequent private sector LP commitments to the Companion Fund:

- \$2.75 million upon the first \$2.875 million commitment of other private sector LP investment
- An additional \$2.75 million (aggregate of \$5.5 million) upon the aggregate commitment of \$5.75 million of other private sector LP investment
- An additional \$2.75 million (aggregate of \$8.25 million) upon the aggregate commitment of \$8.625 million of other private sector LP investment
- An additional \$2.75 million (aggregate of \$11 million) upon the aggregate commitment of \$11.5 million of other private sector LP investment

MSF capital shall be called and contributed in installments and pro rata based on the Companion Fund LP's respective commitments and calls. Commitments funded by any State of Michigan managed funds will not count toward the matching LP commitments for the purpose of matching by the MSF.

**Initial Closing:**

The initial closing shall not occur until the Companion Fund has raised an aggregate of LP commitments for the Companion Fund in the amount of at least \$2.875 million, which shall occur no later than March 31, 2025.

**Investment Period:**

The investment period will begin at the first close of the Fund and end on the fifth anniversary of the earlier of (i) the last closing date of the admission of any LP to the Companion Fund or the increase of a commitment of any LP or General Partner of the Companion Fund, or (ii) the first anniversary of first close of the Companion Fund.

**Term of the Fund:**

The Fund term shall continue until the tenth anniversary of the final closing date (the "Fund Term"), which Fund Term may be extended for up to three additional one-year periods at the discretion of the General Partner.

**SSBCI 2.0 MBGF-VCP Requirements:**

The Fund and, with respect to Eligible Investments including the MSF Investment Source, the GP, and the Companion Fund and its partners, will comply with all federal, state, and MSF guidelines and requirements of the SSBCI 2.0 MBGF-VCP, including but not limited to, execution and provision of all SSBCI 2.0 MBGF-VCP assurances and disclosures, the conflict-of-interest rules and disclosures, reporting requirements, State of Michigan required terms, including execution of all documents deemed necessary or appropriate by the MSF Fund Manager related to the Fund, MSF Investment Source, Eligible Investments of the Fund and Companion Fund contributions thereto, and all other documents arising out of or related to any of the foregoing.

Distributions:	Fund distributions to partners shall first be in proportion to their respective capital commitments until each has received a return of its contributed capital and shall thereafter be made 80% to the LPs and 20% to the General Partner (in respect of its carried interest). Distributions paid to the MSF may not be recalled.
MSF Funding Claw Back:	MSF reserves the right to require a return of capital back to the MSF on the pro rata share of any investment which is determined does not comply with SSBCI 2.0 MBGF-VCP statutory requirements, rules, regulations and guidelines, or there is an event which otherwise does not comply with the Fund documents.
Other:	The Fund documents will include the partnership agreement, private placement memorandum, subscription agreements, and may include a management agreement and other documents and agreements customary to a Fund of this nature. The partnership agreement shall include representations, covenants, and other transaction provisions required by the MSF and SSBCI 2.0-MBGF-VCP rules and regulations, including without limitation, indemnification in favor of the MSF, non-discrimination and unfair labor practices, termination of funding, annual reporting, and access to records requirements. The Fund documents will include other terms and conditions deemed necessary or appropriate by the MSF Fund Manager or MSF President, such as key person provisions, side letter provisions, limitations on capital calls for expenses, and investment and/or advisory or other management committee provisions, and other terms and conditions customary to a fund of this nature.

February 18, 2025

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 of February 25, 2025.

- Business Incubator Program (amendment to an existing award for the City of Grand Rapids SmartZone LDFA)

The reason for my recusal is to avoid the appearance of a conflict with this item.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Thelen", with a stylized flourish at the end.

Randy Thelen



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

RACHAEL EUBANKS  
STATE TREASURER

December 5, 2024

Natalie Davenport  
Michigan Strategic Fund Administrator  
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 Designees for Treasurer Eubanks

Dear Ms. Davenport:

I hereby designate Jeff Guilfoyle, Eric Bussis, and 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 2025.

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: Jeff Guilfoyle  
Eric Bussis  
Andrew Lockwood



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



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

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 be "B. Wieferich", written over the printed name.

Bradley C. Wieferich, P.E.  
Acting Director

cc: M. Kapp  
Executive File



**MICHIGAN ECONOMIC**  
DEVELOPMENT CORPORATION

February 3, 2025

Michigan Strategic Fund  
300 N. Washington Square  
Lansing, MI 48913

RE: Designation of Christin Armstrong

To Whom It May Concern:

I hereby confirm my designation of Christin Armstrong as the person authorized and empowered to act in my stead as a member of the Michigan Strategic Fund Board for scheduled meetings I am unable to attend.

Sincerely,



Quentin L. Messer, Jr.  
Chief Executive Officer, Michigan Economic Development Corporation





## MEMORANDUM

**To:** Michigan Strategic Fund Board

**From:** Chris Cook, Managing Director – Capital Access

**Date:** February 25, 2025

**Subject:** SSBCI 2.0 – MBGF Small Business Venture Capital Program – The Future Heritage Fund, LP  
– Amendment

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### **Request**

To amend the first closing deadline of the MSF approved SSBCI 2.0 VC commitment to The Future Heritage Fund, LP (“Future Heritage” or “Fund”).

### **Background**

On March 26, 2024 the MSF approved an SSBCI 2.0 SBVCP award of up to \$11 million in the form of a limited partner commitment to The Future Heritage Fund, LP (“Future Heritage” or “Fund”). Future Heritage is being launched as a venture capital investment fund with a general purpose of realizing long-term appreciation from early-stage venture capital investments in private companies which are primarily led by underrepresented and/or socially and economically disadvantaged founders or provide a product/service that addresses an issue that disproportionately affects SEDI populations. The Fund has a target size of \$25 million and will operate exclusively within the State of Michigan. The proposed MSF investment will constitute no more than 44% of the Michigan Fund.

### **Rationale**

The MSF approved terms require that the fund completes a first closing no later than February 28, 2025. Based on the time necessary to complete the Fund documents and secure matching private LP commitments, staff is seeking to amend the deadline for a first closing to no later than 5/31/25.

### **Recommendation**

Approval of the investment as detailed in the term sheet in Exhibit A.

## **MICHIGAN STRATEGIC FUND**

### **RESOLUTION 2025-017**

#### **AMENDMENT #1 TO STATE SMALL BUSINESS CREDIT INITIATIVE 2.0 VENTURE CAPITAL PROGRAM INVESTMENT IN THE FUTURE HERITAGE FUND, LP**

**WHEREAS**, under the State Small Business Credit Initiative Act of 2010 (title III of the Small Business Jobs Act of 2010, Public Law 111-240, 124 Stat. 2568, 2582 (the “SSBCI”), the United States Congress appropriated funds to the United States Department of Treasury (“US Treasury”) to be allocated and disbursed to states that have applied for and created programs in accordance with the SSBCI to increase the amount of capital made available by private lenders to small businesses;

**WHEREAS**, on March 11, 2021, the American Rescue Plan Act reauthorized and expanded SSBCI to provide \$10 billion to state, the District of Columbia, territories, and Tribal governments to expand access to capital for small businesses, to support opportunity and entrepreneurship, and to create high-quality jobs (the “SSBCI 2.0”);

**WHEREAS**, under the SSBCI 2.0, authorized SSBCI 2.0 Programs include the operation of a state small business capital access program, and other state credit support programs, including state collateral support programs, state loan participation programs, state loan guarantee programs and state venture capital fund programs, in accordance with SSBCI 2.0 requirements;

**WHEREAS**, the State of Michigan (“State”) submitted a Notice of Intent to Apply to receive SSBCI 2.0 funding on May 4, 2021;

**WHEREAS**, the SSBCI 2.0 requires the State to designate a department, agency or political subdivision of the State to implement and participate in the SSBCI 2.0;

**WHEREAS**, in accordance with Michigan Strategic Fund Act, MCL 125.2001, et. seq. (“MSF Act”), and in particular, MCL 125.2005 and MCL 125.2007, the MSF is a public body corporate and politic within the Michigan Department of Labor and Economic Opportunity and has the authority to solicit SSBCI 2.0 funds from the US Treasury to participate in SSBCI 2.0;

**WHEREAS**, by letter dated May 10, 2021 to the US Treasury, Governor Whitmer designated the MSF as the State agency to apply for and receive funds from the SSBCI 2.0;

**WHEREAS**, subject to the control and direction of the MSF Board, the Michigan Economic Development Corporation provides administrative services to the MSF;

**WHEREAS**, on January 25, 2022, the MSF Board approved the creation of the SSBCI 2.0- MBGF-Venture Capital Program (the “SSBCI 2.0-MBGF-VCP”) and adoption of its program guidelines, as such guidelines were further amended on January 23, 2024 (“VC Guidelines”);

**WHEREAS**, on March 26, 2024, by Resolution 2024-052, the MSF Board approved an SSBCI 2.0 MBGF-VCP commitment to The Future Heritage Fund, LP (the “Fund”) in an amount equal to the lesser of: (i) \$11 million or (ii) an MSF investment of not more than 44% of the Fund’s total investible assets, toward further investments in Michigan by the Fund (collectively, the “VC Award”);

**WHEREAS**, the Fund has requested an amendment to the VC Award with the terms set forth on the attached Exhibit A (the “Amendment”) and;

**WHEREAS**, the MEDC recommends that the MSF Board approve the Amendment;

**NOW, THEREFORE, BE IT RESOLVED**, the MSF Board hereby approves the Amendment.

**BE IT FURTHER RESOLVED** other than as to the Amendment, Resolution 2024-052 remains in full force and effect.

Ayes: Christin Armstrong (on behalf of Chairman Messer, designation attached), Eric Bussis (on behalf of Treasurer Eubanks, designation attached), Dr. 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), Leon Richardson, Susan Tellier, Cindy Warner

Nays: None

Recused: Randy Thelen

Lansing, Michigan  
February 25, 2025

**EXHIBIT A**  
**TERM SHEET**  
**The Future Heritage Fund, LP**

**Summary of Terms and Conditions**

The following is a summary of the general terms and conditions of The Future Heritage Fund, LP

Limited Partnership:	The Future Heritage Fund, LP (“Fund”)
General Partner:	Future Heritage Fund GP, LLC
Manager of the Fund:	Union Heritage Venture Partners, LLC
General Partner Commitment:	Cash contribution of at least 1% of Fund
Management Fee:	0.5625% per quarter (2.25% annually) of committed capital during the Investment Period. The average annual management fee over the initial ten-year term of the Fund paid by MSF will not exceed 1.7% of MSF’s capital commitment to the Fund, after applying any fee offsets that reduce the average annual management fee actually paid by MSF in respect to its commitment.
MSF Investment Source:	SSBCI 2.0-MBGF-Venture Capital Program (“SSBCI 2.0 MBGF-VCP”)
Purpose:	The Fund’s investments will generally focus on pre-seed and seed equity and/or convertible debt investments in Michigan based companies. The Fund’s investment strategy involves sourcing companies with underrepresented founders or addressing the challenges of underrepresented communities. Initial investments will generally be \$50,000 to \$150,000, and in no case will exceed \$1.5 million.
Michigan Investments:	The Fund will invest only in Michigan-based companies.
Eligible Investments:	The Fund will invest only in operating companies deriving or projecting to derive at least 50% of gross revenue from operations related to the following industries: IT, consumer, agribusiness, life science, technology, media, mobility, and advanced manufacturing, or such other industries approved by the partners of the Fund in accordance with the Fund documents, which must

include the affirmative written approval of the MSF Fund Manager.

**MSF Commitment:**

The Michigan Strategic Fund will provide the lesser of (i) \$11 million or (ii) 44% of the Fund's total investible assets in capital support to the Fund from the MSF Investment Source, in the form of a limited partner ("LP") investment.

The MSF will make eligible for call of its committed investment from the MSF Investment Source based on a schedule of other LP commitments to the Fund:

- \$2.36 million upon the first \$3 million commitment of other LP investment
- An additional \$2.36 million (aggregate of \$4.72 million) upon the aggregate commitment of \$6 million of other LP investment
- An additional \$2.36 million (aggregate of \$7.08 million) upon the aggregate commitment of \$9 million of other LP investment
- An additional \$2.36 million (aggregate of \$9.44 million) upon the aggregate commitment of \$12 million of other LP investment
- An additional \$1.56 million (aggregate of \$11 million) upon the aggregate commitment of \$14 million of other LP investment

MSF capital shall be called and contributed in installments and pro rata based on the other LP's respective commitments and calls.

**Initial Closing:**

The initial closing shall occur as soon as reasonably possible, provided however, the Fund shall raise the aggregate of LP commitments (other than the MSF commitment) in the amount of at least \$3 million no later than ~~February 28, 2025~~ May 31, 2025.

**Investment Period:**

The investment period will be for a term of five years from initial closing.

**Term of the Fund:**

Not more than 10 years from the initial closing, which may be extended for up to two additional periods of one year each. The first extension may be approved at the sole discretion of the GP. The second extension shall require majority consent of all LPs of the Fund, so long as such majority includes the MSF.

**SSBCI 2.0 MBGF-VCP Requirements:** The Fund and GP will comply with all federal, state, and MSF guidelines and requirements of the SSBCI 2.0 MBGF-VCP,

including but not limited to, execution and provision of all SSBCI 2.0 MBGF-VCP assurances and disclosures, the conflict-of-interest rules and disclosures, and reporting requirements, and including State of Michigan required terms.

Distributions:

Fund distributions to partners shall first be in proportion to their respective capital commitments and may thereafter also include a carried interest consideration for the GP. The GP's carried interest shall not be more than 20% of the Fund's net profits up to a 3x return. Thereafter, carried interest shall be 25% of net profits (with a 100% catch-up to the GP once the 3x return has been achieved). Distributions paid to the MSF may not be recalled.

MSF Funding Claw Back:

MSF reserves the right to require a return of capital back to the MSF on the pro rata share of any investment which is determined does not comply with SSBCI 2.0 MBGF-VCP statutory requirements, rules, regulations and guidelines, or there is an event which otherwise does not comply with the Fund documents.

Other:

The Fund documents will include the partnership agreement, private placement memorandum, subscription agreements, and may include a management agreement and other documents and agreements customary to a Fund of this nature. The partnership agreement shall include representations, covenants, and other transaction provisions required by the MSF and SSBCI 2.0-MBGF-VCP rules and regulations, including without limitation, indemnification in favor of the MSF, non-discrimination and unfair labor practices, termination of funding, annual reporting, and access to records requirements. The Fund documents will include other terms and conditions deemed necessary or appropriate by the MSF Fund Manager or MSF President, such as key person provisions, side letter provisions, limitations on capital calls for expenses, and investment and/or advisory or other management committee provisions, and other terms and conditions customary to a fund of this nature.

February 18, 2025

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 of February 25, 2025.

- Business Incubator Program (amendment to an existing award for the City of Grand Rapids SmartZone LDFA)

The reason for my recusal is to avoid the appearance of a conflict with this item.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Thelen", with a stylized flourish at the end.

Randy Thelen



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

GRETCHEN WHITMER  
GOVERNOR

RACHAEL EUBANKS  
STATE TREASURER

December 5, 2024

Natalie Davenport  
Michigan Strategic Fund Administrator  
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 Designees for Treasurer Eubanks

Dear Ms. Davenport:

I hereby designate Jeff Guilfoyle, Eric Bussis, and 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 2025.

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: Jeff Guilfoyle  
Eric Bussis  
Andrew Lockwood



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



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

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 be "B. Wieferich", written over the printed name.

Bradley C. Wieferich, P.E.  
Acting Director

cc: M. Kapp  
Executive File



**MICHIGAN ECONOMIC**  
DEVELOPMENT CORPORATION

February 3, 2025

Michigan Strategic Fund  
300 N. Washington Square  
Lansing, MI 48913

RE: Designation of Christin Armstrong

To Whom It May Concern:

I hereby confirm my designation of Christin Armstrong as the person authorized and empowered to act in my stead as a member of the Michigan Strategic Fund Board for scheduled meetings I am unable to attend.

Sincerely,



Quentin L. Messer, Jr.  
Chief Executive Officer, Michigan Economic Development Corporation

PURE  MICHIGAN®



## MEMORANDUM

**Date:** February 25, 2025

**To:** Michigan Strategic Fund Board

**From:** Margaret McCammon, Senior Entrepreneurial Technology Program Manager

**Subject:** Business Incubator Program (Gateway Representative) Amendments

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### **Request**

The Michigan Economic Development Corporation (“MEDC”) requests that the Michigan Strategic Fund (“MSF”) Board: 1) exercise options to extend and allocate additional funding for Gateway Representative (“GWR”) awards totaling \$1,500,000 for the 15 existing nonprofit/university SmartZone (“SZ”) administrating organizations set forth in the Amendments table below; and 2) award new grants totaling \$700,000 to those entities and in those initial amounts as set forth in the New Grant Awards table, below, for an initial one-year term, each with four one-year extension options exercisable by the MSF contingent on programmatic funding through annual allocation and Fund Manager approval (the aforementioned, collectively, the “Request”).

### **Amendments to Existing Awards:**

<b>SmartZone Location</b>	<b>Grantee (SmartZone Administrator)</b>	<b>Amount of Increase</b>	<b>New End Date</b>	<b>Status</b>
Marquette	Innovate Marquette Enterprise Corporation	\$100,000	3/31/26	Contract Extension
Holland	Lakeshore Advantage	\$100,000	3/31/26	Contract Extension
Adrian/Tecumseh	Lenawee Now	\$100,000	3/31/26	Contract Extension
Houghton/Hancock	Michigan Tech Enterprise Corporation (MTEC)	\$100,000	3/31/26	Contract Extension
Sault Ste. Marie	City of Sault Ste. Marie	\$100,000	3/31/26	Contract Extension
Rochester Hills	Oakland University Incubator (“OUInc”)	\$100,000	3/31/26	Contract Extension
Port Huron	Economic Development Alliance of St. Clair County	\$100,000	3/31/26	Contract Extension
Battle Creek	Battle Creek Unlimited	\$100,000	3/31/26	Contract Extension
Traverse City	20Fathoms	\$100,000	3/31/26	Contract Extension

<b>SmartZone Location</b>	<b>Grantee (SmartZone Administrator)</b>	<b>Amount of Increase</b>	<b>New End Date</b>	<b>Status</b>
Sterling Heights	City of Sterling Heights	\$100,000	3/31/26	Contract Extension
Ann Arbor/ Ypsilanti	Ann Arbor SPARK	\$100,000	3/31/26	Contract Extension
Troy	Automation Alley	\$100,000	3/31/26	Contract Extension
Detroit	TechTown Detroit	\$100,000	3/31/26	Contract Extension
Grand Rapids	The City of Grand Rapids SmartZone LDFA	\$100,000	3/31/26	Contract Extension
Jackson	Lean Rocket Lab	\$100,000	3/31/26	Contract Extension
	<b>Total</b>	<b>\$1,500,000</b>		

#### **New Grant Awards:**

<b>SmartZone Location</b>	<b>Grantee (SmartZone Administrator)</b>	<b>Initial Award Amount</b>	<b>Initial Term</b>
Mt. Pleasant	Central Michigan University Research Corporation ("CMURC")	\$100,000	4/1/25 - 3/31/26
Lansing	Lansing Economic Area Partnership ("LEAP")	\$100,000	4/1/25 - 3/31/26
Southfield	Lawrence Technological University	\$100,000	4/1/25 - 3/31/26
Midland	Midland Business Alliance	\$100,000	4/1/25 - 3/31/26
Muskegon Innovation Hub	Muskegon Innovation Hub	\$100,000	4/1/25 - 3/31/26
Kalamazoo	WMU Homer Stryker M.D. School of Medicine	\$100,000	4/1/25 - 3/31/26
Flint	Ferris Wheel Innovation Center dba 100k Ideas	\$100,000	4/1/25 - 3/31/26
	<b>Total</b>	<b>\$700,000</b>	

#### **Background**

Since 2009 the MSF has provided funding to business incubators to stimulate the creation and continued growth of technology-based businesses and jobs by capitalizing on the State of Michigan's growing base of

high technology industry, its skilled labor force, its nationally recognized university system, and MEDC-designated SmartZones, and business incubators.

In 2015, the GWR (formerly Gatekeeper) Business Incubator grant program (“Business Incubator Grant”) was established. The Business Incubator Grant is designed to support the SmartZones spread across Michigan. Only SmartZones or those organizations associated with a SmartZone or SmartZone satellite are eligible to receive the Business Incubator Grant. The program was developed in response to the need for a key point of contact at the SmartZones experienced in working with high tech start-ups and with an understanding of the statewide high-tech entrepreneurial ecosystem. The goal of the Business Incubator Grant is to support a GWR at each SmartZone. The Business Incubator Grant pays a portion of the salary, expenses and travel of the GWR for one or two support staff and requires a 1:1 match.

### **Gateway Representative Responsibilities**

The GWR is responsible for all local SmartZone client services, including: welcoming and introducing the tech company to the local ecosystem, providing an overview of the MSF-funded Michigan statewide tech ecosystem, recruitment and development of other tech companies in the local SmartZone, local SmartZone business development activities, vetting of local tech companies, providing strategic business guidance, helping companies with fundraising efforts, and connecting local tech companies to the various MSF-funded entrepreneurial resources available to innovative companies across the State of Michigan. Examples of MSF-funded resources are the Small Business Development Center (SBDC Tech team) and BBCetc for SBIR/STTR federal grant application support. The GWR is also responsible for supporting the companies’ applications to other MSF-funded tech entrepreneurial programs such as the Business Accelerator Fund (BAF), and the Michigan Innovate Capital Fund. Lastly, the GWR is responsible for the semi-annual performance metric reports due to the MEDC. This performance metric data is then used in the annual Legislative report. The geographic distribution of the SmartZones across both peninsulas of the state allows for easier access to MSF-funded programs by all tech and innovative entrepreneurs regardless of company location.

There are currently twenty-one funded GWRs statewide, all with Business Incubator Grants ending March 31, 2025. Fifteen of these GWRs are eligible to have their current Business Incubator Grants extended. The Ferris Wheel Innovation Center dba 100K Ideas SZ was established in 2017 and had a GWR grant until March 31, 2022. The MEDC would like to renew its support of their efforts by offering a new grant award as outlined below.

The funding requested will support services in 22 regions spread across Michigan through March 31, 2026.

### **Results**

In FY 2024, the GWRs reported the following performance metrics:

High tech companies served	1,538
High tech companies created	143
New jobs created	780
Retained jobs	3,773
Follow-on Funding	\$782,5893,900
New Sales/increase in revenue	\$345,657,999

Diversity data (reported since April 2020) tracks percentage assistance to: a) businesses located in an SBA designated HubZone or an Opportunity Zone, and b) diverse businesses (minority-, women-, socially/economically disadvantaged- or veteran-owned) with at least 51% ownership.

Detailed below are individual results for each of the 21 current Business Incubator Grants by initial grant date. Civil and criminal background checks for all 22 GWRs for which funding is being requested have been completed in accordance with the MSF Background Review Policy.

## **Results:**

### **FY21 Business Incubator Gateway Representative Grants**

On February 23, 2021 the MSF Board approved new award agreements for the following GWRs whose original contracts had run full term: Innovate Marquette Enterprise Corporation (IMQT), Lakeshore Advantage, Lenawee Now, Michigan Tech Enterprise Corporation (MTEC) and the Sault Sainte Marie Economic Development Corporation (SSM). To date, the MSF Board has exercised three of its four options to extend the term of these grants beyond the initial one-year term and to provide additional funding.

- **Innovate Marquette Enterprise Corporation (IMQT), Marquette SmartZone (\$100,000 over 12 months):** IMQT was awarded \$100,000 for a one-year grant to March 31, 2022, then awarded \$100,000 extending the grant to March 31, 2023, then awarded \$100,000 extending the grant to March 31, 2024, and then awarded \$100,000 extending the grant to March 31, 2025.

From October 1, 2023 through September 30, 2024, IMQT has achieved the following metrics:

- New companies formed: 7
- New jobs created: 44
- Traditional companies served: 52
- Tech companies served: 42
- Follow on funding: \$3,922,500 with an additional \$2,673,100 in new sales

They also reported the following diversity data for FY 2024:

Assistance to businesses located in an SBA designated HubZone /Opportunity Zone	50%
Assistance to diverse businesses	30%

Below is a testimonial from one of their clients:

*"IMQT has been instrumental in supporting startups across the Marquette area. IMQT time and time again has punched way above their weight class in providing us resources, network, mentorship, strategy guidance and so much more. Their combined team is one of the most complete teams I've ever worked with. Specifically, their ability to jump in at the drop of a hat and guide us on our journey is something we've only seen elite venture capital firms provide. Syncurrent, our product, customer, strategy and survival have all been a result of this tremendous resource and it's in large part through the MEDC and its funding, that this is made possible." -Dhruv C. Patel, Syncurrent*

- **Lakeshore Advantage, Holland SmartZone (\$100,000 over 12 months):** Lakeshore Advantage was awarded \$100,000 for a one-year grant to March 31, 2022, then awarded \$100,000 extending the grant to March 31, 2023, then awarded \$100,000 extending the grant to March 31, 2024, and then awarded \$100,000 extending the grant to March 31, 2025.

From October 1, 2023 through September 30, 2024, Lakeshore Advantage has achieved the following metrics:

- New companies formed: 4
- New jobs created: 31
- Traditional companies served: 9
- Tech companies served: 65
- Follow on funding: \$3,413,000 with an additional \$2,158,000 in new sales

They also reported the following diversity data for FY 2024:

Assistance to businesses located in an SBA designated HubZone /Opportunity Zone	4.5%
Assistance to diverse businesses	30%

Below is a testimonial from one of their clients:

*“Virtual Sandtable revolutionizes tactical planning by creating precise digital environment simulations for high-security operations. Our technology enables military and law enforcement to conduct detailed scenario planning, optimizing resource deployment and participant safety. SURGE/Lakeshore Advantage has been crucial to our growth through strategic funding, industry connections, and access to an engaged community of entrepreneurs and mentors. Their support has accelerated our market presence and commercialization capabilities significantly”.* **Aaron Schradin, Founder**

- **Lenawee Now, Adrian and Tecumseh SmartZone (\$100,000 over 12 months):** Lenawee Now was awarded \$100,000 for a one-year grant to March 31, 2022, then awarded \$100,000 extending the grant to March 31, 2023, then awarded \$100,000 extending the grant to March 31, 2024, and then awarded \$100,000 extending the grant to March 31, 2025.

From October 1, 2023 through September 30, 2024, Lenawee Now has achieved the following metrics:

- New companies formed: 3
- New jobs created: 4
- Traditional companies served: 10
- Tech companies served: 10
- Follow on funding: \$0 with an additional \$1,980,000 in new sales

They also reported the following diversity data for FY 2024:

Assistance to businesses located in an SBA designated HubZone /Opportunity Zone	0%
Assistance to diverse businesses	20%

Below is a testimonial from one of their clients:

*"I am writing to express my profound gratitude and to share the impact that the Michigan Economic Development Corporation, through Lenawee NOW and the Michigan Strategic Fund, has had on our project to develop an educational training app for neurodivergent students. Your commitment to fostering innovative business solutions has been a cornerstone of our development process. With the strategic guidance, training feedback, and connections facilitated by Lenawee NOW, our project has significantly advanced. The access to the Small Business Development Center (SBDC) tech team, supported by MSF funds, has been especially valuable to produce our minimal viable product. Their expert advice has not only enhanced our app's foundation but also ensured it is aligned with the specific learning needs of neurodivergent students. This tailored support has been critical in turning our vision into a viable educational vision that promises to make a difference once implemented. "***Steven Albee-Scott, PhD Founder MindfulMate**

- **Michigan Tech Enterprise Corporation (MTEC), Houghton/Hancock SmartZone (\$100,000 over 12 months):** MTEC was awarded \$100,000 for a one-year grant to March 31, 2022, then awarded \$100,000 extending the grant to March 31, 2023, then awarded \$100,000 extending the grant to March 31, 2024, and then awarded \$100,000 extending the grant to March 31, 2025.

From October 1, 2023, through September 30, 2024, MTEC has achieved the following metrics:

- New companies formed: 8
- New jobs created: 24
- Traditional companies served: 18
- Tech companies served: 44
- Follow on funding: \$54,656,482 with an additional \$4,571,371 in new sales

They also reported the following diversity data for FY 2024:

Assistance to businesses located in an SBA designated HubZone /Opportunity Zone	33.5%
Assistance to diverse businesses	18%

Below is a testimonial from one of their clients:

*"Patrick Visser and David Rowe of the Houghton SmartZone were integral in Waldo's first fundraising efforts. By providing key deal insights and sharing access to angel and venture investors, the UP-based startup has successfully raised multiple rounds of early-stage capital."* **Brady Bekkala, Waldo Solutions**

- **City of Sault Ste. Marie, Sault Ste. Marie SmartZone, (\$100,000 over 12 months):** Sault Ste. Marie Economic Development Corporation (SSM EDC) was awarded \$100,000 for a one-year grant to March 31, 2022, then awarded \$100,000 extending the grant to March 31, 2023, then awarded \$100,000 extending the grant to March 31, 2024, and then awarded \$100,000 extending the grant to March 31, 2025. In July 2022 the MSF approved the transfer of the Gateway grant from the SSM EDC to the City of Sault Ste. Marie.

From October 1, 2023 through September 30, 2024, SSM has achieved the following metrics:

- New companies formed: 0
- New jobs created: 1
- Traditional companies served: 0
- Tech companies served: 2
- Follow on funding: \$0

They also reported the following diversity data for FY 2024:

Assistance to businesses located in an SBA designated HubZone /Opportunity Zone	35%
Assistance to diverse businesses	25%

Below is a testimonial from one of their clients:

*“The Gateway funding has made it possible for Headwaters North to work with me to develop plans for two biological innovations I believe have commercial applications. Headwaters North has reconnected me with the entrepreneurial ecosystem across the state and is launching programs such as a local I-Corps this spring. I was first introduced to the entrepreneurial ecosystem 10 years ago when I was the faculty advisor for the student team developing Superior AquaSystems. The students were selected to present at Accelerate Michigan Innovation Competition and participated in the Michigan Clean Energy Venture Challenge. I also participated in the I-Corps program. I’m very pleased entrepreneurial support resources continue to be available in Sault Ste. Marie”.*  
**Barbara Evans, PhD, Professor, School of Biological Sciences, LSSU**

### **FY22 Business Incubator Gateway Representative Grants**

On February 22, 2022 the MSF Board approved new award agreements for the following GWRs whose original contracts had run full term: Oakland University Incubator (OUInc), Rochester Hills SmartZone, and the Economic Development Alliance of St. Clair County, Port Huron SmartZone. To date, the MSF Board has exercised two of its four options to extend the term of these grants beyond the initial one-year term and to provide additional funding.

- **Oakland University Incubator (OUInc), Rochester Hills SmartZone (\$100,000 over 12 months):** OUInc was initially awarded \$100,000 to March 31, 2023, then awarded \$100,000 extending the grant to March 31, 2024, and then awarded \$100,000 extending the grant to March 31, 2025.

From October 1, 2023 through September 30, 2024, OUInc has achieved the following metrics:

- New companies formed: 4
- New jobs created: 15
- Traditional companies served: 0
- Tech companies served: 71
- Follow on funding: \$5,119,560 with an additional \$6,373,200 in new sales

They also reported the following diversity data for FY 2024:

Assistance to businesses located in an SBA designated HubZone /Opportunity Zone	13%
Assistance to diverse businesses	50%

Below is a testimonial from one of their clients:

*“Since partnering with OU Inc in November 2022 we’ve expanded to a number of leading customers and partners, and expanded and refined our product line. We’ve also hired Oakland University students and alumni. The OU Inc team, as well as support staff from Oakland University, have been essential in enabling us to realize this growth. Additionally, as Deepview has grown, OU Inc. has made it very easy for us to rent the additional space required. The location on the campus of the Oakland University has also proven ideal in establishing credibility in working with leading automotive customers.”* **Eliyahu Davis President Deepview Corp.”**

- **Economic Development Alliance of St. Clair County, Port Huron SmartZone (\$100,000 over 12 months):** EDA of St. Clair County was initially awarded \$100,000 to March 31, 2023, then awarded \$100,000 extending the grant to March 31, 2024, and then awarded \$100,000 extending the grant to March 31, 2025.

From October 1, 2023 through September 30, 2024, EDA has achieved the following metrics:

- New companies formed: 5
- New jobs created: 31
- Traditional companies served: 99
- Tech companies served: 42
- Follow on funding: \$1,077,600 with an additional \$159,500 in new sales

They also reported the following diversity data for FY 2024:

Assistance to businesses located in an SBA designated HubZone /Opportunity Zone	30%
Assistance to diverse businesses	53%

Below is a testimonial from one of their clients:

*“Over the past year I have been involved with many of the events put on by the Region 6 Smart Zone and have received many services from them. I first got involved with this program when they hosted “Catapult Student Tech Pitch Competition”. This allowed many students to present their ideas for a chance to win seed funding to start a business using this idea. It took an idea I had, then researched, processed and created a business model for which I could then present and gain funds to make it into a reality. Through this, I became involved with their business incubator program which helped me go through the steps of evaluating my idea, LLC formation and many other steps along the way. By going through these processes, I was able to become a member of the 2024 Small Business Cohort in which I received funding to be used at service providers within the Smartzone area. This allowed me to get services that I needed to start my business while supporting other small businesses and startups in the local area. While in total I haven't received a large amount of funding, the way that the Region 6 Smartzone ran their programs, I was able to get a very wide range of other types of assistance. Without this assistance I would not have taken the steps to create this business and be where I am today.”* **Noah Ducher Founder of On-Targen Precision**

- **Battle Creek Unlimited Inc. (BCU), Battle Creek SmartZone (\$100,000 over 12 months):** BCU was initially awarded \$100,000 from April 1, 2022 through March 31, 2023, then awarded

\$100,000 extending the grant to March 31, 2024, and then awarded \$100,000 extending the grant to March 31, 2025.

From October 1, 2023 through September 30, 2024, BCU has achieved the following metrics:

- New companies formed: 0
- New jobs created: 1
- Traditional companies served: 50
- Tech companies served: 7
- Follow on funding: \$10,000

They also reported the following diversity data for FY 2024:

Assistance to businesses located in an SBA designated HubZone /Opportunity Zone	0%
Assistance to diverse businesses	66%

Note: Battle Creek is one of the original SZ's with its initial approval date back in 2002. They have pivoted their local objectives with a new focus on Food-Tech. They are new to the SZ GWR Program as of April 2022 and are still building their programming and team. They recently received a federal grant for \$522,750 which will allow them to ramp up their Food-Tech incubator/accelerator. They leveraged the current MSF Gateway grant in their federal grant application.

#### **FY23 Business Incubator Gateway Representative Grants**

- **20Fathoms, Traverse City (\$100,000 over 12 months):** On September 27, 2022, the MSF Board awarded 20Fathoms an initial award of \$50,000 for a six-month term from October 1, 2022 through March 31, 2023. The MSF Board subsequently exercised two of its four options to extend the term of the grant for additional one-year terms through March 31, 2024 and March 31, 2025, respectively, and awarded an additional \$100,000 each year.

From October 1, 2023 through September 30, 2024, 20Fathoms has achieved the following metrics:

- New companies formed: 3
- New jobs created: 23
- Traditional companies served: 378
- Tech companies served: 40
- Follow on funding: \$7,615,514 with an additional \$1,983,162 in new sales

They also reported the following diversity data for FY 2024:

Assistance to businesses located in an SBA designated HubZone /Opportunity Zone	13%
Assistance to diverse businesses	29%

Below is a testimonial from one of their clients:

*"Working with Cameron as our Gateway Representative was a game-changer. His guidance helped simplify the BAF application process, and the SBDC Tech Team's expertise provided the added support we needed to secure our funding through the program. Together, their dedication and step-by-step assistance gave us the ability to secure funding and grow our business."*

***Vernon Lalone of Wave Lumina LLC***

- **City of Sterling Heights, Sterling Heights SmartZone (\$100,000 over 12 months):** On March 28, 2023, the MSF Board awarded the City of Sterling Heights, Sterling Heights SmartZone an initial award of \$100,000 from April 1, 2023 through March 31, 2024. The MSF Board subsequently exercised the first of its four options to extend the term of the grant for an additional year, to March 31, 2025, and to award an additional \$100,000 of funding.

From October 1, 2023 through September 30, 2024, Sterling Heights SmartZone has achieved the following metrics:

- New companies formed: 7
- New jobs created: 27
- Traditional companies served: 20
- Tech companies served: 83
- Follow on funding: \$7,086,784 with an additional \$3,761,887 in new sales

They also reported the following diversity data for FY 2024:

Assistance to businesses located in an SBA designated HubZone /Opportunity Zone	12%
Assistance to diverse businesses	9%

Below is a testimonial from one of their clients:

*“The Velocity Accelerator Program has been a catalyst for growth at IMAGIO Glass Design. The team’s support and expertise, combined with access to key resources and networking opportunities, has allowed us to elevate our business strategy and build momentum toward achieving our goals. Their impact on our journey has been nothing short of transformative.”* **Paula Badalamente, Co-Founder, President IMAGIO Glass Design**

**FY24 Business Incubator Gateway Representative Grants**

On January 23, 2024 the MSF Board approved new award agreements for the following GWRs whose original contracts had run full term: Ann Arbor SPARK (SPARK), Automation Alley, Techtown Detroit, the City of Grand Rapids SmartZone LDFA and The Lean Rocket Lab for a one-year GWR award with the option to extend for an additional four years and to allocate additional funding.

**Ann Arbor SPARK (SPARK), Ann Arbor/Ypsilanti SmartZone (\$100,000 over 12 months):** SPARK was initially awarded \$100,000 from April 1, 2024 through March 31, 2025.

From October 1, 2023 through September 30, 2024, SPARK has achieved the following metrics:

- New companies formed: 40
- New jobs created: 146
- Traditional companies served: 0
- Tech companies served: 327
- Follow on funding: \$238,746,954 with an additional \$75,340,616 in new sales

They also reported the following diversity data for FY 2024:

Assistance to businesses located in an SBA designated HubZone /Opportunity Zone	10%
Assistance to diverse businesses	50%

Below is a testimonial from one of their clients:

*"(SPARK) helps me navigate and get connected to critical resources, tools, and networks and has introduced me to several local opportunities (e.g., the Michigan Life Science Entrepreneurs pitch competition, Biotech Commercialization Program, SPARK's boot camp), all of which will help me gain visibility, increase funding prospects, build connections, and establish product-market-fit."*  
**Siew-Ging Gong, Founder of SaliBiotics.**

- **Automation Alley, Troy SmartZone (\$100,000 over 12 months):** Automation Alley was initially awarded \$100,000 from April 1, 2024 through March 31, 2025.

From October 1, 2023 through September 30, 2024, Automation Alley has achieved the following metrics:

- New companies formed: 7
- New jobs created: 41
- Traditional companies served: 118
- Tech companies served: 61
- Follow on funding: \$6,700,000 with an additional \$10,659,821 in new sales

They also reported the following diversity data for FY 2024:

Assistance to businesses located in an SBA designated HubZone /Opportunity Zone	14%
Assistance to diverse businesses	49%

Below is a testimonial from one of their clients:

*"As the CEO and Founder of Livsee, I've experienced firsthand the immense value of the support from Automation Alley SmartZone and the Michigan Small Business Development Center (MI SBDC) Tech Team. After founding Livsee in mid-2024, I quickly engaged with these two organizations, and they played a pivotal role in our growth. Their guidance helped us develop a successful application for the Business Accelerator Fund (BAF) program, which provided crucial support for our business. The BAF program allowed us to work with Sandpaper Creative in Grayling, where we developed a compelling brand identity that has been instrumental in our marketing efforts. Additionally, the grant funded essential legal work with Bodman Law Offices, helping us build the legal framework necessary for growth and partnerships. These resources have been critical as we aim to become the premier platform for the rental market in 2025, generating strong interest from property managers, consumers, and industry professionals. Launching a startup is never easy, but Automation Alley and the MI SBDC provided more than just funding-they offered expertise, mentorship, and connections that helped refine our message and secure investor backing. Thanks to their support, we've achieved meaningful progress in a short period of time."*  
**Andrea Taylor, CEO & Founder of Livsee**

- **Techtown Detroit, Detroit SmartZone (\$100,000 over 12 months):** TechTown Detroit was initially awarded \$100,000 from April 1, 2024 through March 31, 2025.

From October 1, 2023 through September 30, 2024, TechTown has achieved the following metrics:

- New companies formed: 14
- New jobs created: 16
- Traditional companies served: 32
- Tech companies served: 71
- Follow on funding: \$564,803 with an additional \$979,635 in new sales

They also reported the following diversity data for FY 2024:

Assistance to businesses located in an SBA designated HubZone /Opportunity Zone	49%
Assistance to diverse businesses	87%

Below is a testimonial from one of their clients:

*“The ongoing support of TechTown has been invaluable along my journey as an entrepreneur. Most recently, and more quantifiable, though, the team at TT provided me and JustAir strategic advice and support as we prepared and executed our fundraise, which has now exceeded \$1M in investment. ... I’m incredibly proud of my entire team who have worked tirelessly to give JustAir the chance to truly progress enough to achieve this stage of growth. Still, given our raise timing that investment would likely not have happened without the guidance and connectivity from TechTown”* **Darren Riley CEO JustAir**

- **The City of Grand Rapids SmartZone LDFA, Grand Rapids SmartZone (\$100,000 over 12 months):** The City of Grand Rapids was initially awarded \$100,000 from April 1, 2024 through March 31, 2025, with MSU as the service provider and the GWR based at MSU Innovations.

From October 1, 2023 through September 30, 2024, GR has achieved the following metrics:

- New companies formed: 12
- New jobs created: 65
- Traditional companies served: 2
- Tech companies served: 83
- Follow on funding: \$3,816,748 with an additional \$6,606,956 in new sales

They also reported the following diversity data for FY 2024:

Assistance to businesses located in an SBA designated HubZone /Opportunity Zone	50%
Assistance to diverse businesses	50%

Below is a testimonial from one of their clients:

*“Through the BAF, Reel Free has received patent assistance and regulatory services. These engagements have been critical to our growth and will help us reach our milestone of fulfilling first sales of Reelmate Remote, our motorized, remote-controlled Class I medical device, to durable medical equipment suppliers. Without the support of Spartan Innovations, the Grand Rapids SmartZone, and the BAF, our team would not have been able to bridge the gap between an early prototype to a seed fundraising round.”* **Austin Pollock, Co-Founder of Reel Free, LLC**

- **Lean Rocket Lab (LRL) Jackson SmartZone (\$100,000 over 12 months):** Lean Rocket Lab was initially awarded \$100,000 from April 1, 2024 through March 31 2025.

From October 1, 2023 through September 30, 2024, LRL has achieved the following metrics:

- New companies formed: 4
- New jobs created: 60
- Traditional companies served: 52
- Tech companies served: 66
- Follow on funding: \$16,674,720 with an additional \$10,649,824 in new sales

They also reported the following diversity data for FY 2024:

Assistance to businesses located in an SBA designated HubZone /Opportunity Zone	64%
Assistance to diverse businesses	33%

Below is a testimonial from one of their clients:

*“Lean Rocket Lab has been an invaluable partner in CrossBraining’s journey as a startup in Michigan. Their unwavering support and resources have played a significant role in our growth and success. From assisting with grant writing to introducing us to the Michigan Manufacturing Association, Lean Rocket Lab has consistently provided critical connections and opportunities. Their support helped us secure funding that allowed me to refine my leadership and team management skills.*

*Lean Rocket Lab has also been instrumental in keeping me informed about pitch events and providing CrossBraining the chance to showcase our work across Michigan. Their Sales and Marketing Accelerator not only equipped us with effective strategies but also introduced us to a community of founders with whom I’ve built lasting relationships and collaborated on impactful projects.” Josh Nichols, CEO CrossBraining*

### **FY25 Business Incubator Gateway Representative Grants**

On February 25, 2020, the MSF Board selected Central Michigan University Research Corporation (“CMURC”), Lansing Economic Area Partnership (“LEAP”), Lawrence Technological University, Midland Business Alliance, Muskegon Innovation Hub, and WMU Homer Stryker M.D. School of Medicine for one-year GWR awards with the option to extend and re-fund the grants for up to four additional one-year periods. The MSF subsequently approved to extend and refund the grants for additional one-year terms on February 23, 2021, February 22, 2022, March 28, 2023, and, lastly, on January 23, 2024. This exhausts the amendments allowed under the current agreements, which expire on March 31, 2025. In order to continue GWR activities at these SmartZones, new grants to each of the following entities for an initial one-year term and in the initial amounts set forth below, each with four one-year extension options exercisable by the MSF contingent on programmatic funding through annual allocation and Fund Manager approval, are requested.

- **Central Michigan University Research Corporation (CMURC), Mt. Pleasant SmartZone (New Contract: \$100,000 over 12 months):** CMURC was awarded a total of \$500,000 over the duration of the current 5-year grant period, which expires on March 31, 2025.

From October 1, 2023 through September 30, 2024, CMURC has achieved the following metrics:

- New companies formed: 3
- New jobs created: 23
- Traditional companies served: 400
- Tech companies served: 63
- Follow on funding: \$449,000 with an additional \$655,000 in new sales

They also reported the following diversity data for FY 2024:

Assistance to businesses located in an SBA designated HubZone /Opportunity Zone	36%
Assistance to diverse businesses	44%

Below is a testimonial from one of their clients:

*“Working with CMURC has supported my team’s expansion and space needs, as well as collaboration efforts with CMU and other statewide resources for recruiting and retaining high quality, high paying advanced technology positions within the Great Lakes Bay Region. CMURC has made it easier to develop and conduct business.” Tina McCormick, Owner of Enterprise Tax Solutions, Inc.*

- **Lansing Economic Area Partnership (LEAP), Lansing SmartZone (New Contract: \$100,000 over 12 months):** LEAP was awarded a total of \$500,000 over the duration of the current 5-year grant period, which expires on March 31, 2025.

From October 1, 2023 through September 30, 2024, LEAP has achieved the following metrics:

- New companies formed: 10
- New jobs created: 39
- Traditional companies served: 0
- Tech companies served: 195
- Follow on funding: \$19,177,955 with an additional \$2,762,410 in new sales

They also reported the following diversity data for FY 2024:

Assistance to businesses located in an SBA designated HubZone /Opportunity Zone	13%
Assistance to diverse businesses	38%

Below is a testimonial from one of their clients:

*“My experience with receiving services from LEAP and the LRSZ has been nothing but great. The team is super helpful even with some of the processes being overwhelming. They’re patient and understanding.” Douglas Salazar, Co-Founder of Mowr Technologies*

- **Muskegon Innovation Hub (MIH), Muskegon SmartZone (New Contract: \$100,000 over 12 months):** MIH was awarded a total of \$421,000 over the duration of the current 5-year grant period, which expires on March 31, 2025.

From October 1, 2023 through September 30, 2024, MIH has achieved the following metrics:

- New companies formed: 2
- New jobs created: 8

- Traditional companies served: 127
- Tech companies served: 26
- Follow on funding: \$1,105,988 with an additional \$3,688,595 in new sales

They also reported the following diversity data for FY 2024:

Assistance to businesses located in an SBA designated HubZone /Opportunity Zone	18%
Assistance to diverse businesses	40%

Below is a testimonial from one of their clients:

*"The Muskegon Innovation Hub was the starting point for USAMR with creating a business plan and a vision. The Hub was knowledgeable, responsive, and patient with us...Something we certainly appreciated as we were trying to articulate what we were setting out to create!" – Nick Saur, Founder, USAMR.*

- **Midland Business Alliance, Midland SmartZone (New Contract: \$100,000 over 12 months):** MBA subcontracts with CMURC, with 1/3 of the funding going to MBA and 2/3 going to CMURC. MBA was awarded a total of \$500,000 over the duration of the current 5-year grant period, which expires on March 31, 2025.

From October 1, 2023 through September 30, 2024, MBA has achieved the following metrics:

- New companies formed: 4
- New jobs created: 13
- Traditional companies served: 480
- Tech companies served: 75
- Follow on funding: \$4,146,449 with an additional \$674,418 in new sales

They also reported the following diversity data for FY 2024:

Assistance to businesses located in an SBA designated HubZone /Opportunity Zone	30%
Assistance to diverse businesses	23%

Below is a testimonial from one of their clients:

*"Working with the MBA and CMU Research Corporation has been an invaluable resource for the preliminary business planning and launch phases of our company. The expertise and guidance provided has been instrumental when making critical decisions for the strategic future of the business." Dave Dzioba, Managing Partner of MiPlexxus LLC*

- **Western Michigan University Homer Stryker M.D. School of Medicine (WMed), Kalamazoo SmartZone (New Contract: \$100,000 over 12 months):** WMed was awarded a total of \$500,000 over the duration of the current 5-year grant period, which expires on March 31, 2025.

From October 1, 2023 through September 30, 2024, WMed has achieved the following metrics:

- New companies formed: 1
- New jobs created: 17
- Traditional companies served: 0
- Tech companies served: 41

- Follow on funding: \$613,860 with an additional \$190,123,339 in new sales

They also reported the following diversity data for FY 2024:

Assistance to businesses located in an SBA designated HubZone /Opportunity Zone	0%
Assistance to diverse businesses	69%

Below is a testimonial from one of their clients:

*“The WMed Innovation Center is a top-notch facility offering security, high-quality laboratories, conference rooms, a loading dock, and well-maintained communal spaces that have been instrumental to the success of Proteos. Every client company that has visited has been impressed with the facility and services offered. It’s truly a gem in the Kalamazoo community!” --M. Shuck, President, Proteos*

- **Lawrence Technological University Centrepolis Accelerator (LTU), Southfield SmartZone (New Contract: \$100,000 over 12 months):** LTU was awarded a total of \$500,000 over the duration of the current 5-year grant period, which expires on March 31, 2025.

From October 1, 2023 through September 30, 2024, LTU has achieved the following metrics:

- New companies formed: 5
- New jobs created: 157
- Traditional companies served: 15
- Tech companies served: 116
- Follow on funding: \$272,605,016 with an additional \$21,535,702 in new sales

They also reported the following diversity data for FY 2024:

Assistance to businesses located in an SBA designated HubZone /Opportunity Zone	43%
Assistance to diverse businesses	40%

Below is a testimonial from one of their clients:

*"Centrepolis Accelerator has been very helpful to Marel Power since our first meeting. We would not be connected with so many Michigan based businesses who can support our project without the connections made by Centrepolis. The investments and grants provided by MEDC through Centrepolis have allowed us to progress our business beyond what we could have done without the funding. Besides the great connections and funding, Centrepolis has always been a great supporter of our business and become an extremely valuable partner." Amrit Vivekanand, CEO Marel Power*

- **Ferris Wheel Innovation Center dba 100K Ideas, Flint SmartZone (New Contract: \$100,000 over 12 months):** Ferris Wheel Innovation Center was established in 2017 and awarded a Gateway Representative award that same year. Due to a lack of additional funding, MSF support of Ferris Wheel Innovation Center’s GWR activities was not continued upon the expiration of that agreement on March 31, 2022. During the course of the grant term, Ferris Wheel Innovation Center created 46 companies, served 143 companies, and attracted over \$1.8M in follow-on funding, proving its ability to successfully steward the funding and administration of the grant. The MEDC would like

to renew its support of Ferris Wheel Innovation Center's GWR activities by offering a new one-year grant, with four one-year extension options exercisable by the MSF contingent on programmatic funding through annual allocation and Fund Manager approval.

**Recommendation**

MEDC Staff recommends that the MSF Board approve the Request.

**MICHIGAN STRATEGIC FUND  
RESOLUTION**

**2025-018**

**2025 BUSINESS INCUBATOR GRANT AWARDS**

**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 Michigan Strategic Fund (“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**, the MEDC recommends that the MSF Board approve grants for the purpose of performing regional business incubator Gateway Representative activities to the following entities for an initial one-year term, in the initial amounts set forth in the table below, each with four one-year extension options exercisable by the MSF contingent on programmatic funding through annual allocation and Fund Manager approval.

<b>Grantee</b>	<b>Initial Term</b>	<b>Initial Award Amount</b>
Central Michigan University Research Corporation	4/1/25-3/31/26	\$100,000
Lansing Economic Area Partnership	4/1/25-3/31/26	\$100,000
Lawrence Technological University	4/1/25-3/31/26	\$100,000
Midland Business Alliance	4/1/25-3/31/26	\$100,000
Muskegon Innovation Hub	4/1/25-3/31/26	\$100,000
WMU Homer Stryker M.D. School of Medicine	4/1/25-3/31/26	\$100,000
Ferris Wheel Innovation Center dba 100k Ideas	4/1/25-3/31/26	\$100,000

(the aforementioned, collectively, the “2025 Business Incubator Grants”); and

**WHEREAS**, the MSF Board wishes to approve the 2025 Business Incubator Grants.

**NOW, THEREFORE, BE IT RESOLVED**, that the MSF Board approves the 2025 Business Incubator Grants; 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 2025 Business Incubator Grants.

Ayes: Christin Armstrong (on behalf of Chairman Messer, designation attached), Eric Bussis (on behalf of Treasurer Eubanks, designation attached), Dr. 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), Leon Richardson, Susan Tellier, Cindy Warner

Nays: None

Recused: Randy Thelen

Lansing, Michigan  
February 25, 2025

February 18, 2025

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 of February 25, 2025.

- Business Incubator Program (amendment to an existing award for the City of Grand Rapids SmartZone LDFA)

The reason for my recusal is to avoid the appearance of a conflict with this item.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Thelen", with a stylized flourish at the end.

Randy Thelen



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

GRETCHEN WHITMER  
GOVERNOR

RACHAEL EUBANKS  
STATE TREASURER

December 5, 2024

Natalie Davenport  
Michigan Strategic Fund Administrator  
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 Designees for Treasurer Eubanks

Dear Ms. Davenport:

I hereby designate Jeff Guilfoyle, Eric Bussis, and 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 2025.

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: Jeff Guilfoyle  
Eric Bussis  
Andrew Lockwood



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



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

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 be "B. Wieferich", written over the printed name.

Bradley C. Wieferich, P.E.  
Acting Director

cc: M. Kapp  
Executive File



**MICHIGAN ECONOMIC**  
DEVELOPMENT CORPORATION

February 3, 2025

Michigan Strategic Fund  
300 N. Washington Square  
Lansing, MI 48913

RE: Designation of Christin Armstrong

To Whom It May Concern:

I hereby confirm my designation of Christin Armstrong as the person authorized and empowered to act in my stead as a member of the Michigan Strategic Fund Board for scheduled meetings I am unable to attend.

Sincerely,



Quentin L. Messer, Jr.  
Chief Executive Officer, Michigan Economic Development Corporation

**MICHIGAN STRATEGIC FUND  
RESOLUTION**

**2025-019**

**2022 BUSINESS INCUBATOR GRANT AMENDMENTS**

**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, the MSF Board has the power to make grants;

**WHEREAS**, on February 22, 2022, the MSF Board authorized grants to the following entities for the initial terms and in the initial amounts listed, with the option to extend for an additional four years and allocate additional funding at the sole discretion of the MSF:

<b>Grantee</b>	<b>Initial Term</b>	<b>Initial Award Amount</b>
Battle Creek Unlimited	4/1/22-3/31/23	\$100,000
Economic Development Alliance of St. Clair County	4/1/22-3/31/23	\$100,000
Oakland University Incubator	4/1/22-3/31/23	\$100,000

(the aforementioned, collectively, the “2022 Business Incubator Grants”);

**WHEREAS**, on March 28, 2023, the MSF Board exercised its first option to extend and allocate additional funds to the 2022 Business Incubator Grants for the terms and amounts listed below:

<b>Grantee</b>	<b>Extension</b>	<b>Amount of Increase</b>
Battle Creek Unlimited	4/1/22-3/31/24	\$100,000
Economic Development Alliance of St. Clair County	4/1/22-3/31/24	\$100,000
Oakland University Incubator	4/1/22-3/31/24	\$100,000

**WHEREAS**, on January 23, 2024, the MSF Board exercised its second option to extend and allocate additional funds to the 2022 Business Incubator Grants for the terms and amounts listed below:

<b>Grantee</b>	<b>Extension</b>	<b>Amount of Increase</b>
Battle Creek Unlimited	4/1/22-3/31/25	\$100,000
Economic Development Alliance of St. Clair County	4/1/22-3/31/25	\$100,000
Oakland University Incubator	4/1/22-3/31/25	\$100,000

**WHEREAS**, the MEDC recommends that the MSF Board exercise its third option to extend and allocate additional funds to the 2022 Business Incubator Grants for the terms and amounts listed below:

<b>Grantee</b>	<b>Extension</b>	<b>Amount of Increase</b>
Battle Creek Unlimited	4/1/22-3/31/26	\$100,000
Economic Development Alliance of St. Clair County	4/1/22-3/31/26	\$100,000
Oakland University Incubator	4/1/22-3/31/26	\$100,000

(the aforementioned, collectively, the “2022 Business Incubator Grants Amendment Request”); and

**WHEREAS**, the MSF Board wishes to approve the 2022 Business Incubator Grants Amendment Request.

**NOW, THEREFORE, BE IT RESOLVED**, that the MSF Board approves the 2022 Business Incubator Grants Amendment 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 2022 Business Incubator Grants Amendment Request.

Ayes: Christin Armstrong (on behalf of Chairman Messer, designation attached), Eric Bussis (on behalf of Treasurer Eubanks, designation attached), Dr. 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), Leon Richardson, Susan Tellier, Cindy Warner

Nays: None

Recused: Randy Thelen

Lansing, Michigan  
February 25, 2025

February 18, 2025

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 of February 25, 2025.

- Business Incubator Program (amendment to an existing award for the City of Grand Rapids SmartZone LDFA)

The reason for my recusal is to avoid the appearance of a conflict with this item.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Thelen", with a stylized flourish at the end.

Randy Thelen



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

RACHAEL EUBANKS  
STATE TREASURER

December 5, 2024

Natalie Davenport  
Michigan Strategic Fund Administrator  
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 Designees for Treasurer Eubanks

Dear Ms. Davenport:

I hereby designate Jeff Guilfoyle, Eric Bussis, and 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 2025.

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

Sincerely,

A handwritten signature in cursive script, reading "Rachael Eubanks".

Rachael Eubanks  
State Treasurer

Cc: Jeff Guilfoyle  
Eric Bussis  
Andrew Lockwood



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



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

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 be "B. Wieferich", written over the printed name.

Bradley C. Wieferich, P.E.  
Acting Director

cc: M. Kapp  
Executive File



**MICHIGAN ECONOMIC**  
DEVELOPMENT CORPORATION

February 3, 2025

Michigan Strategic Fund  
300 N. Washington Square  
Lansing, MI 48913

RE: Designation of Christin Armstrong

To Whom It May Concern:

I hereby confirm my designation of Christin Armstrong as the person authorized and empowered to act in my stead as a member of the Michigan Strategic Fund Board for scheduled meetings I am unable to attend.

Sincerely,



Quentin L. Messer, Jr.  
Chief Executive Officer, Michigan Economic Development Corporation

**MICHIGAN STRATEGIC FUND  
RESOLUTION**

**2025-020**

**2021 BUSINESS INCUBATOR GRANT AMENDMENTS**

**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, the MSF Board has the power to make grants;

**WHEREAS**, on February 23, 2021, the MSF Board authorized grants to the following entities for the initial terms and in the initial amounts listed, with the option to extend for an additional four years and allocate additional funding at the sole discretion of the MSF:

<b>Grantee</b>	<b>Initial Term</b>	<b>Initial Award Amount</b>
Economic Development Corporation of the City of Sault Ste. Marie	4/1/21-3/31/22	\$100,000
Innovation Marquette Enterprise Corporation	4/1/21-3/31/22	\$100,000
Lakeshore Advantage	4/1/21-3/31/22	\$100,000
Lenawee Now	4/1/21-3/31/22	\$100,000
Michigan Tech Enterprise Corporation	4/1/21-3/31/22	\$100,000

(the aforementioned, collectively, the “2021 Business Incubator Grants”); and

**WHEREAS**, on February 22, 2022, the MSF Board exercised its first option to extend and allocate additional funds to the 2021 Business Incubator Grants for the terms and amounts listed below:

<b>Grantee</b>	<b>Extension</b>	<b>Amount of Increase</b>
Economic Development Corporation of the City of Sault Ste. Marie	4/1/21-3/31/23	\$100,000
Innovation Marquette Enterprise Corporation	4/1/21-3/31/23	\$100,000
Lakeshore Advantage	4/1/21-3/31/23	\$100,000
Lenawee Now	4/1/21-3/31/23	\$100,000
Michigan Tech Enterprise Corporation	4/1/21-3/31/23	\$100,000

**WHEREAS**, on July 26, 2022, the MSF Board approved assignment of the 2021 Business Incubator Grant with the Economic Development Corporation of the City of Sault Ste. Marie to the City of Sault Ste. Marie;

**WHEREAS**, on March 28, 2023, the MSF Board exercised its second option to extend and allocate additional funds to the 2021 Business Incubator Grants for the terms and amounts listed below:

<b>Grantee</b>	<b>Extension</b>	<b>Amount of Increase</b>
City of Sault Ste. Marie	4/1/21-3/31/24	\$100,000
Innovation Marquette Enterprise Corporation	4/1/21-3/31/24	\$100,000
Lakeshore Advantage	4/1/21-3/31/24	\$100,000
Lenawee Now	4/1/21-3/31/24	\$100,000
Michigan Tech Enterprise Corporation	4/1/21-3/31/24	\$100,000

**WHEREAS**, on January 23, 2024, the MSF Board exercised its third option to extend and allocate additional funds to the 2021 Business Incubator Grants for the terms and amounts listed below:

<b>Grantee</b>	<b>Extension</b>	<b>Amount of Increase</b>
City of Sault Ste. Marie	4/1/21-3/31/25	\$100,000
Innovation Marquette Enterprise Corporation	4/1/21-3/31/25	\$100,000
Lakeshore Advantage	4/1/21-3/31/25	\$100,000
Lenawee Now	4/1/21-3/31/25	\$100,000
Michigan Tech Enterprise Corporation	4/1/21-3/31/25	\$100,000

**WHEREAS**, the MEDC recommends that the MSF Board exercise its fourth and final option to extend and allocate additional funds to the 2021 Business Incubator Grants for the terms and amounts listed below:

<b>Grantee</b>	<b>Extension</b>	<b>Amount of Increase</b>
City of Sault Ste. Marie	4/1/21-3/31/26	\$100,000
Innovation Marquette Enterprise Corporation	4/1/21-3/31/26	\$100,000
Lakeshore Advantage	4/1/21-3/31/26	\$100,000
Lenawee Now	4/1/21-3/31/26	\$100,000
Michigan Tech Enterprise Corporation	4/1/21-3/31/26	\$100,000

(the aforementioned, collectively, the “2021 Business Incubator Grants Amendment Request”); and

**WHEREAS**, the MSF Board wishes to approve the 2021 Business Incubator Grants Amendment Request.

**NOW, THEREFORE, BE IT RESOLVED**, that the MSF Board approves the 2021 Business Incubator Grants Amendment 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 2021 Business Incubator Grants Amendment Request.

Ayes: Christin Armstrong (on behalf of Chairman Messer, designation attached), Eric Bussis (on behalf of Treasurer Eubanks, designation attached), Dr. 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), Leon Richardson, Susan Tellier, Cindy Warner

Nays: None

Recused: Randy Thelen

Lansing, Michigan  
February 25, 2025

February 18, 2025

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 of February 25, 2025.

- Business Incubator Program (amendment to an existing award for the City of Grand Rapids SmartZone LDFA)

The reason for my recusal is to avoid the appearance of a conflict with this item.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Thelen", with a stylized flourish at the end.

Randy Thelen



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

GRETCHEN WHITMER  
GOVERNOR

RACHAEL EUBANKS  
STATE TREASURER

December 5, 2024

Natalie Davenport  
Michigan Strategic Fund Administrator  
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 Designees for Treasurer Eubanks

Dear Ms. Davenport:

I hereby designate Jeff Guilfoyle, Eric Bussis, and 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 2025.

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: Jeff Guilfoyle  
Eric Bussis  
Andrew Lockwood



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



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

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 "B. Wieferich", written over the printed name.

Bradley C. Wieferich, P.E.  
Acting Director

cc: M. Kapp  
Executive File



**MICHIGAN ECONOMIC**  
DEVELOPMENT CORPORATION

February 3, 2025

Michigan Strategic Fund  
300 N. Washington Square  
Lansing, MI 48913

RE: Designation of Christin Armstrong

To Whom It May Concern:

I hereby confirm my designation of Christin Armstrong as the person authorized and empowered to act in my stead as a member of the Michigan Strategic Fund Board for scheduled meetings I am unable to attend.

Sincerely,



Quentin L. Messer, Jr.  
Chief Executive Officer, Michigan Economic Development Corporation

**MICHIGAN STRATEGIC FUND  
RESOLUTION**

**2025-021**

**BUSINESS INCUBATOR GATEWAY REPRESENTATIVE GRANT AMENDMENT  
TO THE CITY OF STERLING HEIGHTS**

**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**, on March 28, 2023 the MSF Board authorized a grant of \$100,000 the City of Sterling Heights, which an initial term of 12 months, with the option to extend the term for up to an additional four one-year terms and allocate funding at the sole discretion of the MSF Board for the purpose of performing regional business incubator Gateway Representative activities (the “City of Sterling Heights Grant”);

**WHEREAS**, on January 23, 2024, the MSF Board exercised its first option to extend the City of Sterling Heights Grant to March 31, 2025 and allocated \$100,000 in additional funding;

**WHEREAS**, the MEDC recommends that the MSF Board exercise its second option to extend the City of Sterling Heights Grant to March 31, 2026 and allocate \$100,000 in additional funding (the “City of Sterling Heights Grant Amendment Request”); and

**WHEREAS**, the MSF Board wishes to approve the City of Sterling Heights Grant Amendment Request.

**NOW, THEREFORE, BE IT RESOLVED**, that the MSF Board approves the City of Sterling Heights Grant Amendment Request; and

**BE IT FURTHER RESOLVED**, that the MSF Fund Manager is authorized to negotiate final terms and conditions of the City of Sterling Heights Grant Amendment Request and to execute all documents necessary to effectuate the City of Sterling Heights Grant Amendment Request.

Ayes: Christin Armstrong (on behalf of Chairman Messer, designation attached), Eric Bussis (on behalf of Treasurer Eubanks, designation attached), Dr. 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), Leon Richardson, Susan Tellier, Cindy Warner

Nays: None

Recused: Randy Thelen  
Lansing, Michigan  
February 25, 2025

February 18, 2025

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 of February 25, 2025.

- Business Incubator Program (amendment to an existing award for the City of Grand Rapids SmartZone LDFA)

The reason for my recusal is to avoid the appearance of a conflict with this item.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Thelen", with a stylized flourish at the end.

Randy Thelen



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

GRETCHEN WHITMER  
GOVERNOR

RACHAEL EUBANKS  
STATE TREASURER

December 5, 2024

Natalie Davenport  
Michigan Strategic Fund Administrator  
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 Designees for Treasurer Eubanks

Dear Ms. Davenport:

I hereby designate Jeff Guilfoyle, Eric Bussis, and 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 2025.

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: Jeff Guilfoyle  
Eric Bussis  
Andrew Lockwood



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



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
**DEPARTMENT OF TRANSPORTATION**  
LANSING

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 be "B. Wieferich", written over the printed name.

Bradley C. Wieferich, P.E.  
Acting Director

cc: M. Kapp  
Executive File



**MICHIGAN ECONOMIC**  
DEVELOPMENT CORPORATION

February 3, 2025

Michigan Strategic Fund  
300 N. Washington Square  
Lansing, MI 48913

RE: Designation of Christin Armstrong

To Whom It May Concern:

I hereby confirm my designation of Christin Armstrong as the person authorized and empowered to act in my stead as a member of the Michigan Strategic Fund Board for scheduled meetings I am unable to attend.

Sincerely,



Quentin L. Messer, Jr.  
Chief Executive Officer, Michigan Economic Development Corporation

**MICHIGAN STRATEGIC FUND  
RESOLUTION**

**2025-022**

**20FATHOMS BUSINESS INCUBATOR GATEWAY REPRESENTATIVE  
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**, on September 27, 2022, the MSF Board authorized a grant of \$50,000 to 20Fathoms, with an initial term of six months, with the option to extend the term for up to an additional four years and allocate additional funding at the sole discretion of the MSF Board for the purpose of performing regional business incubator Gateway Representative activities (the “20Fathoms Grant”);

**WHEREAS**, on March 28, 2023, the MSF Board exercised its first option to extend the 20Fathoms Grant to March 31, 2024 and allocated \$100,000 in additional funding;

**WHEREAS**, on January 23, 2024, the MSF Board exercised its second option to extend the 20Fathoms Grant to March 31, 2025 and allocated \$100,000 in additional funding;

**WHEREAS**, the MEDC recommends that the MSF Board exercise its third option to extend the 20Fathoms Grant to March 31, 2026 and allocate \$100,000 in additional funding (the “20Fathoms Grant Amendment Request”); and

**WHEREAS**, the MSF Board wishes to approve the 20Fathoms Grant Amendment Request.

**NOW, THEREFORE, BE IT RESOLVED**, that the MSF Board approves the 20Fathoms Grant Amendment Request; and

**BE IT FURTHER RESOLVED**, that the MSF Fund Manager is authorized to negotiate final terms and conditions of the 20Fathoms Grant Amendment Request and to execute all documents necessary to effectuate the 20Fathoms Grant Amendment Request.

Ayes: Christin Armstrong (on behalf of Chairman Messer, designation attached), Eric Bussis (on behalf of Treasurer Eubanks, designation attached), Dr. 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), Leon Richardson, Susan Tellier, Cindy Warner

Nays: None

Recused: Randy Thelen

Lansing, Michigan  
February 25, 2025

February 18, 2025

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 of February 25, 2025.

- Business Incubator Program (amendment to an existing award for the City of Grand Rapids SmartZone LDFA)

The reason for my recusal is to avoid the appearance of a conflict with this item.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Thelen", with a stylized, cursive script.

Randy Thelen



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

GRETCHEN WHITMER  
GOVERNOR

RACHAEL EUBANKS  
STATE TREASURER

December 5, 2024

Natalie Davenport  
Michigan Strategic Fund Administrator  
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 Designees for Treasurer Eubanks

Dear Ms. Davenport:

I hereby designate Jeff Guilfoyle, Eric Bussis, and 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 2025.

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: Jeff Guilfoyle  
Eric Bussis  
Andrew Lockwood



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



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

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 be "B. Wieferich", written over the printed name.

Bradley C. Wieferich, P.E.  
Acting Director

cc: M. Kapp  
Executive File



**MICHIGAN ECONOMIC**  
DEVELOPMENT CORPORATION

February 3, 2025

Michigan Strategic Fund  
300 N. Washington Square  
Lansing, MI 48913

RE: Designation of Christin Armstrong

To Whom It May Concern:

I hereby confirm my designation of Christin Armstrong as the person authorized and empowered to act in my stead as a member of the Michigan Strategic Fund Board for scheduled meetings I am unable to attend.

Sincerely,



Quentin L. Messer, Jr.  
Chief Executive Officer, Michigan Economic Development Corporation

PURE  MICHIGAN®



## MEMORANDUM

**Date:** February 25, 2025

**To:** Michigan Strategic Fund Board

**From:** Julius L. Edwards, Managing Director, Real Estate Investment and Underwriting

**Subject:** Request for Approval of a Michigan Community Revitalization Program  
Direct Loan Agreement Amendment #5  
3820 West End, LLC

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### Request

3820 West End, LLC (the “Company”) is requesting approval of an amendment to the Michigan Community Revitalization Program (MCRP) Direct Loan Agreement and any related ancillary agreements (the “Agreement”). The amendment request dated January 9, 2025, includes a request to amend the MCRP Direct Loan Award to conform with the requirements of the New Market Tax Credit (NMTC) program. The changes will require a cancellation of the current direct loan agreement and the entering of a new loan agreement under the NMTC structure. No MSF funds have been disbursed at this time. See Exhibit A of the Resolution for a detailed explanation of the changes to the loan terms in **BOLD CAPS** and strikethrough text.

### Background

The Michigan Strategic Fund Board approved a \$1,200,000 Loan on January 22, 2020, to the Company for the purpose of constructing a four-story building with 30 residential units and approximately 5,000 square feet of commercial space, and related site improvements.

The MSF Board approved an amendment to the project on December 7, 2021, to subordinate the MSF’s security priority in TIF reimbursements to a new loan by the City of Detroit Brownfield Redevelopment Authority which was needed due to an unforeseen increase in costs.

The MSF Delegates approved an amendment to the Loan Agreement on April 14, 2022, under the Awardee Relief Initiative to extend the due date of Milestone Three Completion of Construction and Disbursement by 24 months from February 28, 2022, to February 28, 2024.

The MSF Fund Manager executed an amendment to the Agreement effective on June 6, 2022, to accurately reflect the lien priorities of the respective Lenders.

On December 1, 2023, the MSF Fund Manager consented to the development team accepting a \$3,000,000 loan from the City of Detroit. That loan paid down \$900,000 of existing debt with priority over the MSF’s position. The new loan is subordinated to MSF’s position.

COVID 19 pandemic related delays and operational discontinuation of the original contractor have caused construction delays that significantly increased project costs. The development has retained a new contractor. The development has also secured a \$10.5 million NMTC allocation which will generate

approximately \$3.9 million in equity for the project. The MSF is being asked to amend its loan structure to assist with facilitating the NMTC equity investment.

Construction completion of the project is anticipated to occur in the third quarter of this year. The Company is current with payment and reporting requirements.

**Recommendation**

The MEDC staff recommends approval of an amendment to the MCRP loan terms to conform with the requirements of the NMTC program. All changes are detailed in Exhibit A of the Resolution.

## **MICHIGAN STRATEGIC FUND**

### **RESOLUTION 2025-023**

#### **APPROVAL OF AMENDMENT #5 TO A MICHIGAN COMMUNITY REVITALIZATION PROGRAM LOAN AWARD FOR 3820 WEST END, LLC OR A RELATED ENTITY**

**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 2020-006 on January 22, 2020, the MSF Board awarded a MCRP Loan award to 3820 West End, LLC (the “Company”), in furtherance of the project of up to \$1,200,000 (the “Award”);

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

**WHEREAS**, by Resolution 2021-150 on December 7, 2021, the MSF Board approved an amendment to the award to subordinate the MSF’s security priority in TIF reimbursements to a new loan by the City of Detroit Brownfield Redevelopment Authority;

**WHEREAS**, on April 14, 2022, the MSF Delegates approved an amendment under the Relief Initiative to extend the due date of Milestone Three Completion of Construction and Disbursement by 24 months from February 28, 2022, to February 28, 2024;

**WHEREAS**, on June 6, 2022, the MSF Fund Manager executed an amendment to the Company’s Award to accurately reflect the lien priorities of the respective lenders;

**WHEREAS**, on December 1, 2023, the MSF Delegates consented to the Company's acceptance a \$3,000,000 loan from the City of Detroit which is subordinated to MSF's position and the Award agreement, was amended to reflect this;

**WHEREAS**, the Company is requesting and MEDC is recommending that the MSF amend the Award terms in accordance with Exhibit A (the "Term Sheet"), 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: Christin Armstrong (on behalf of Chairman Messer, designation attached), Eric Bussis (on behalf of Treasurer Eubanks, designation attached), Dr. 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), Leon Richardson, Susan Tellier, Cindy Warner

Nays: None

Recused: Randy Thelen

Lansing, Michigan  
February 25, 2025

## EXHIBIT A

### “Term Sheet”

#### LOAN TERMS

<b>MSF Facility:</b>	MCRP Performance-Based Direct Loan
<b>Borrower:</b>	3820 West End LLC <b>OR A RELATED ENTITY</b>
<b>Total Capital Investment:</b>	Currently estimated at <del>\$6,641,562</del> <b>\$15,712,803</b>
<b>MSF Eligible Investment:</b>	Currently estimated at <del>\$5,130,628</del> <b>\$10,315,802</b>
<b>Minimum Eligible Investment:</b>	Currently estimated at <del>\$4,105,000</del> <b>\$8,252,642</b>
<b>Loan Amount:</b>	Up to the lesser of 25% of “Eligible Investment” or \$1,200,000.
<b>Term:</b>	Up to <del>48</del> <b>90</b> Months <b>FROM DISBURSEMENT</b>
<b>Amortization:</b>	<del>Up to 300 Months</del> N/A
<b>Interest Rate:</b>	1.00%
<b>Repayment Terms:</b>	<del>Monthly interest only payments for up to 48 months, with principal due at maturity. At maturity, an evaluation will be conducted to determine the financial health of the project. Repayment at maturity will occur up to the point where the projected DSCR is 1.2 to 1 on all debt. Potentially, any portion of the MCRP incentive that would reduce the DSCR below that threshold could be forgiven. The DSCR analysis would be performed using a 1% interest rate and 20-year amortization period on the MCRP loan.</del> <b>INTEREST ONLY FOR 90 MONTHS WITH PRINCIPAL DUE AT MATURITY.</b>
<b>Collateral:</b>	<del>Anticipated to be secured by a third-priority security interest and lien upon the real estate located at 3820 Grand River Avenue, Detroit, Michigan 48208, TIF Reimbursements, and assignment of leases and rents.</del> <b>THIRD PRIORITY SECURITY INTEREST THAT CONFORMS TO THE NMTC PROGRAM REQUIREMENTS.</b>
<b>Guarantee:</b>	To reasonably match that of the Lender, currently anticipated to be Corporate Payment Guaranty by URGE Development Group LLC and N’Namdi Holdings. Personal Payment Guarantees by Roderick Hardamon and George N’Namdi. All guarantees will be joint and several.
<b>Fees:</b>	The MSF shall be paid a one-time fee equal to 1% of the CRP incentive, <b>PLUS ANY OUT OF POCKETS FEES</b>

**INCURRED BY THE MEDC IN CLOSING THE TRANSACTION.**

**Funding:**

The MSF will ~~disburse fund~~-up to \$1,200,000 following ~~construction completion and achievement of other performance criteria.~~ **the simultaneous closing of each of the NMTC funding sources, investments, leverage loans, and QLICI loans.**

February 18, 2025

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 of February 25, 2025.

- Business Incubator Program (amendment to an existing award for the City of Grand Rapids SmartZone LDFA)

The reason for my recusal is to avoid the appearance of a conflict with this item.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Thelen", with a stylized flourish at the end.

Randy Thelen



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

GRETCHEN WHITMER  
GOVERNOR

RACHAEL EUBANKS  
STATE TREASURER

December 5, 2024

Natalie Davenport  
Michigan Strategic Fund Administrator  
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 Designees for Treasurer Eubanks

Dear Ms. Davenport:

I hereby designate Jeff Guilfoyle, Eric Bussis, and 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 2025.

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: Jeff Guilfoyle  
Eric Bussis  
Andrew Lockwood



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



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

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 be "B. Wieferich", written over the printed name.

Bradley C. Wieferich, P.E.  
Acting Director

cc: M. Kapp  
Executive File



**MICHIGAN ECONOMIC**  
DEVELOPMENT CORPORATION

February 3, 2025

Michigan Strategic Fund  
300 N. Washington Square  
Lansing, MI 48913

RE: Designation of Christin Armstrong

To Whom It May Concern:

I hereby confirm my designation of Christin Armstrong as the person authorized and empowered to act in my stead as a member of the Michigan Strategic Fund Board for scheduled meetings I am unable to attend.

Sincerely,



Quentin L. Messer, Jr.  
Chief Executive Officer, Michigan Economic Development Corporation

PURE  MICHIGAN®



## MEMORANDUM

**Date:** February 25, 2025

**To:** Michigan Strategic Fund Board

**From:** Rob Garza, Director, Statutory Analysis

**Subject:** Request for Approval of an Act 381 Work Plan Amendment #1  
City of Lansing Brownfield Redevelopment Authority (BRA)  
501 S. Capitol Redevelopment Project

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### REQUEST

The City of Lansing 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 \$855,628. The amendment proposes to recognize actual costs, and decreases the authorized capture to \$844,639.

### PROJECT BACKGROUND

The project was originally approved for state tax capture for Act 381 eligible activities in the amount of \$855,628 by the MSF Board on July 26, 2022.

The original project was completed in March 2024 and consists of the rehabilitation of a seven-story vacant professional office into a mixed-use building containing residential and commercial space. This Project occurred on eligible property included in a Brownfield Plan that also includes eligible property included in a separate MSF approved Work Plan at 503 S. Capitol. There is a more significant scope change amendment request for that Work Plan, and as a result, the BRA is requesting to amend this work plan to account for the actual costs of the completed project.

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. A MSF Eligible Activities and Tax Capture Summary is included in Appendix A.

### Applicant Background / Qualifications

501 S. Capitol, LLC is a single member, single purpose mixed-use entity created by WestPac Investments (“WestPac”). WestPac is a real estate development and management firm handling a diversified, privately held investment portfolio. At present, WestPac Companies employ over 350 employees and have operations throughout California, New Mexico, Colorado, and Michigan.

**RECOMMENDATION**

MEDC staff recommends approval of state tax capture for Act 381 eligible activities capped at \$844,639, 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 Lansing, a Qualified Local Governmental Unit, has duly approved a brownfield plan for this property on December 2, 2019, and amended on February 26, 2024. The property has been determined to be a facility as verified by the Michigan Department of Environment, Great Lakes, and Energy (EGLE) on June 22, 2022.

There are currently 71.3723 non-homestead mills available for capture, with state mills from school operating and SET millages equaling 23.4478 mills (32.85%) and local millage equaling 47.9245 mills (67.15%). Tax increment capture began in 2023 and is estimated to continue for 10 years. The state tax capture is recommended to be capped at \$844,639, which is the amount of tax increment revenue anticipated to be generated in 10 years. Total MSF eligible activities are estimated at \$2,570,979. 10% of the captured revenue will pass through to all of the taxing jurisdictions and 90% will be used to reimburse the developer. MSF eligible activities break down as follows:

#### CURRENT PROJECT

State tax capture	(32.55%)	\$	855,628
Local tax capture	(67.45%)	\$	<u>1,772,831</u>
<b>TOTAL</b>		<b>\$</b>	<b><u>2,628,459</u></b>

#### AMENDED PROJECT

State tax capture	(32.85%)	\$	844,639
Local tax capture	(67.15%)	\$	<u>1,726,340</u>
<b>TOTAL</b>		<b>\$</b>	<b><u>2,570,979</u></b>

### COST OF MSF ELIGIBLE ACTIVITIES (CURRENT PROJECT)

Demolition	\$	518,792
Lead, Asbestos, or Mold Abatement		1,318,306
Infrastructure Improvements		43,423
Site Preparation	+	<u>68,693</u>
Sub-Total	\$	<u>1,949,214</u>
Contingency (15%)	+	<u>292,382</u>
Sub-Total	\$	<u>2,241,596</u>
Interest (3%)	+	<u>368,113</u>
Sub-Total	\$	<u>2,609,709</u>
Brownfield/Work Plan Preparation	+	15,000
Brownfield/Work Plan Implementation	+	<u>3,750</u>
<b>TOTAL</b>	<b>\$</b>	<b><u>2,628,459</u></b>

### COST OF MSF ELIGIBLE ACTIVITIES (AMENDED PROJECT)

Demolition	\$	300,609
Lead, Asbestos, or Mold Abatement		1,762,062
Infrastructure Improvements		45,660
Site Preparation	+	<u>68,772</u>
Sub-Total	\$	<u>2,177,103</u>
Interest (5%)	+	<u>375,126</u>
Sub-Total	\$	<u>2,552,229</u>

Brownfield/Work Plan Preparation	+	15,000
Brownfield/Work Plan Implementation	+	3,750
<b>TOTAL</b>	<b>\$</b>	<b>2,570,979</b>

In addition, the project is requesting \$125,779 in tax capture EGLE 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 project has reactivated a formerly vacant site into a mixed-use building containing commercial and residential space.

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

The project created 9 full-time equivalent (FTE) jobs with an average hourly wage of \$14.43.

**c) Area of High Unemployment:**

The County of Ingham's jobless rate was 4.0% in October 2024.

**d) Level and Extent of Contamination Alleviated:**

Contaminated materials were excavated and removed from the property.

**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.

**MICHIGAN STRATEGIC FUND**

**RESOLUTION 2025-024**

**APPROVAL OF A BROWNFIELD ACT 381 WORK PLAN  
CITY OF LANSING BROWNFIELD REDEVELOPMENT AUTHORITY  
501 S. CAPITOL 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 Michigan Strategic Fund;

**WHEREAS**, the MSF Board approved a work plan request for 501 S. Capitol Redevelopment Project (the “Project”), by Resolution 2022-108 on July 26, 2022, authorizing the Authority to capture taxes levied for school operating purposes based on a maximum of \$2,628,459 in eligible activities;

**WHEREAS**, the City of Lansing Brownfield Redevelopment Authority (the “Authority”) wishes to amend the scope of the Project by finalizing the actual costs of the completed project and decreasing the maximum amount for eligible costs (the “Revised Brownfield Work Plan”);

**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 approves the Revised Brownfield Work Plan and authorizes the Authority to capture taxes levied for school operating purposes in substantially the same proportion as 32.85% to 67.15% ratio currently existing between school and local taxes for non-homestead properties, to reimburse the cost of site preparation, demolition, lead, asbestos, or mold abatement and infrastructure improvements as presented in the Revised Brownfield Work Plan dated December 13, 2024. 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 \$2,177,103 for the principal activity costs of non-environmental activities, a maximum of \$375,126 in interest, a maximum of \$3,750 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 \$844,639.

**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 all other provisions of Resolution 2022-108 are reaffirmed and the MSF authorizes the MSF Fund Manager to implement the terms of this resolution.

Ayes: Christin Armstrong (on behalf of Chairman Messer, designation attached), Eric Bussis (on behalf of Treasurer Eubanks, designation attached), Dr. 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), Leon Richardson, Susan Tellier, Cindy Warner

Nays: None

Recused: Randy Thelen

Lansing, Michigan  
February 25, 2025

February 18, 2025

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 of February 25, 2025.

- Business Incubator Program (amendment to an existing award for the City of Grand Rapids SmartZone LDFA)

The reason for my recusal is to avoid the appearance of a conflict with this item.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Thelen", with a stylized flourish at the end.

Randy Thelen



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

GRETCHEN WHITMER  
GOVERNOR

RACHAEL EUBANKS  
STATE TREASURER

December 5, 2024

Natalie Davenport  
Michigan Strategic Fund Administrator  
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 Designees for Treasurer Eubanks

Dear Ms. Davenport:

I hereby designate Jeff Guilfoyle, Eric Bussis, and 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 2025.

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: Jeff Guilfoyle  
Eric Bussis  
Andrew Lockwood



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



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

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 "B. Wieferich", written over the printed name.

Bradley C. Wieferich, P.E.  
Acting Director

cc: M. Kapp  
Executive File



**MICHIGAN ECONOMIC**  
DEVELOPMENT CORPORATION

February 3, 2025

Michigan Strategic Fund  
300 N. Washington Square  
Lansing, MI 48913

RE: Designation of Christin Armstrong

To Whom It May Concern:

I hereby confirm my designation of Christin Armstrong as the person authorized and empowered to act in my stead as a member of the Michigan Strategic Fund Board for scheduled meetings I am unable to attend.

Sincerely,



Quentin L. Messer, Jr.  
Chief Executive Officer, Michigan Economic Development Corporation



## MEMORANDUM

**Date:** February 25, 2025

**To:** Michigan Strategic Fund Board

**From:** Rob Garza, Director, Statutory Analysis

**Subject:** Request for Approval of an Act 381 Work Plan Amendment #1  
City of Lansing Brownfield Redevelopment Authority (BRA)  
520 S. Washington Avenue/110 W. Hillsdale Street Redevelopment Project

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### REQUEST

The City of Lansing 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 \$427,482 over 7 years. The amendment proposes to change the scope of the project, add new eligible activities, and increase the authorized capture to \$5,275,932 which will be realized over 30 years.

### PROJECT BACKGROUND

The project was originally approved for state tax capture for Act 381 eligible activities in the amount of \$427,482 by the MSF Board on July 26, 2022.

The original project was completed in July 2023 and consists of the new construction of a five-story, mixed-use building with residential and commercial space. The City of Lansing will also now construct a 77,054 square foot, three-story performing arts building that will also be the home of the Lansing Public Media Center.

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. A MSF Eligible Activities and Tax Capture Summary is included in Appendix A.

### Applicant Background / Qualifications

503 S. Capitol, LLC, the originally approved developer, completed the mixed-use building. The City of Lansing is the development entity that will undertake the new project included in this amendment request.

The background review process was completed in accordance with the MSF Background Review Policy on January 14, 2025.

**RECOMMENDATION**

MEDC staff recommends approval of state tax capture for Act 381 eligible activities capped at \$5,275,932, 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 Lansing, a Qualified Local Governmental Unit, has duly approved a brownfield plan for this property on December 2, 2019, and amended on February 26, 2024. The property has been determined to be a facility as verified by the Michigan Department of Environment, Great Lakes, and Energy (EGLE) on June 22, 2022.

There are currently 71.3723 non-homestead mills available for capture, with state mills from school operating and SET millages equaling 23.4478 mills (32.85%) and local millage equaling 47.9245 mills (67.15%). Tax increment capture began in 2023 and is estimated to continue for 10 years. The state tax capture is recommended to be capped at \$5,275,932, which is the amount of tax increment revenue anticipated to be generated in 10 years. Total MSF eligible activities are estimated at \$16,060,676. 10% of the captured revenue will pass through to all of the taxing jurisdictions and 90% will be used to reimburse the developer. The tax capture ratio is impacted by the contribution to the Local Brownfield Revolving Fund. MSF eligible activities break down as follows:

#### **CURRENT PROJECT**

State tax capture	(32.55%)	\$	427,482
Local tax capture	(67.45%)	\$	885,727
<b>TOTAL</b>		<b>\$</b>	<b>1,313,210</b>

#### **AMENDED PROJECT**

State tax capture	(32.85%)	\$	5,275,932
Local tax capture	(67.15%)	\$	10,784,744
<b>TOTAL</b>		<b>\$</b>	<b>16,060,676</b>

### **COST OF MSF ELIGIBLE ACTIVITIES (CURRENT PROJECT)**

Demolition	\$	211,027
Lead, Asbestos, or Mold Abatement		23,956
Infrastructure Improvements		246,911
Site Preparation	+	560,535
Sub-Total	\$	1,042,429
Contingency (15%)	+	156,364
Sub-Total	\$	1,198,793
Interest (3%)	+	95,667
Sub-Total	\$	1,294,460
Brownfield/Work Plan Preparation	+	15,000
Brownfield/Work Plan Implementation	+	3,750
<b>TOTAL</b>	<b>\$</b>	<b>1,313,210</b>

### **COST OF MSF ELIGIBLE ACTIVITIES (AMENDED PROJECT)**

Demolition	\$	266,074
Lead, Asbestos, or Mold Abatement		197,713
Relocation of Public Buildings for Economic Development Purposes		7,000,000
Infrastructure Improvements		426,778
Site Preparation	+	1,629,949

Sub-Total	\$	9,520,514
Contingency (5%)	+	1,281,078
Sub-Total	\$	10,801,592
Interest (5%)	+	5,240,334
Sub-Total	\$	16,041,926
Brownfield/Work Plan Preparation	+	15,000
Brownfield/Work Plan Implementation	+	3,750
<b>TOTAL</b>	<b>\$</b>	<b>16,060,676</b>

In addition, the project is requesting \$103,900 in tax capture EGLE 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 project resulted in the construction of a five-story mixed-use building with residential and commercial space and will also include the new construction of a performance arts facility.

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

The project created 13 full-time equivalent (FTE) jobs and retained 6 FTE jobs with an average hourly wage of \$26.87.

**c) Area of High Unemployment:**

The County of Ingham's jobless rate was 4.0% in October 2024.

**d) Level and Extent of Contamination Alleviated:**

Contaminated materials were excavated and removed from the property.

**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.

**MICHIGAN STRATEGIC FUND**

**RESOLUTION 2025-025**

**APPROVAL OF A BROWNFIELD ACT 381 WORK PLAN  
CITY OF LANSING BROWNFIELD REDEVELOPMENT AUTHORITY  
520 S. WASHINGTON AVENUE/110 W. HILLSDALE STREET 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 Michigan Strategic Fund (the “MSF”);

**WHEREAS**, the MSF Board approved a work plan request for 520 S. Washington Avenue/110 W. Hillsdale Street Redevelopment Project (the “Project”), by Resolution 2022-109 on July 26, 2022, authorizing the Authority to capture taxes levied for school operating purposes based on a maximum of \$1,313,210 in eligible activities;

**WHEREAS**, the City of Lansing Brownfield Redevelopment Authority (the “Authority”) wishes to amend the scope of the Project by adding a project that involves the construction of a 77,054 square foot performance arts venue and increasing the maximum amount for eligible costs (the “Revised Brownfield Work Plan”);

**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 approves the Revised Brownfield Work Plan and authorizes the Authority to capture taxes levied for school operating purposes in substantially the same proportion as 32.85% to 67.15% ratio currently existing between school and local taxes for non-homestead properties, to reimburse the cost of site preparation, demolition, lead, asbestos, or mold abatement, relocation of public buildings for economic development purposes and infrastructure improvements as presented in the Revised Brownfield Work Plan dated December 18, 2024. 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 \$10,801,592 for the

principal activity costs of non-environmental activities and a contingency, a maximum of \$5,240,334 in interest, a maximum of \$3,750 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 \$5,275,932.

**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 all other provisions of Resolution 2022-109 are reaffirmed and the MSF authorizes the MSF Fund Manager to implement the terms of this resolution.

Ayes: Christin Armstrong (on behalf of Chairman Messer, designation attached), Eric Bussis (on behalf of Treasurer Eubanks, designation attached), Dr. 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), Leon Richardson, Susan Tellier, Cindy Warner

Nays: None

Recused: Randy Thelen

Lansing, Michigan  
February 25, 2025

February 18, 2025

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 of February 25, 2025.

- Business Incubator Program (amendment to an existing award for the City of Grand Rapids SmartZone LDFA)

The reason for my recusal is to avoid the appearance of a conflict with this item.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Thelen", with a stylized flourish at the end.

Randy Thelen



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

GRETCHEN WHITMER  
GOVERNOR

RACHAEL EUBANKS  
STATE TREASURER

December 5, 2024

Natalie Davenport  
Michigan Strategic Fund Administrator  
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 Designees for Treasurer Eubanks

Dear Ms. Davenport:

I hereby designate Jeff Guilfoyle, Eric Bussis, and 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 2025.

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

Sincerely,

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Rachael Eubanks  
State Treasurer

Cc: Jeff Guilfoyle  
Eric Bussis  
Andrew Lockwood



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



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

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 "B. Wieferich", written over the printed name.

Bradley C. Wieferich, P.E.  
Acting Director

cc: M. Kapp  
Executive File



**MICHIGAN ECONOMIC**  
DEVELOPMENT CORPORATION

February 3, 2025

Michigan Strategic Fund  
300 N. Washington Square  
Lansing, MI 48913

RE: Designation of Christin Armstrong

To Whom It May Concern:

I hereby confirm my designation of Christin Armstrong as the person authorized and empowered to act in my stead as a member of the Michigan Strategic Fund Board for scheduled meetings I am unable to attend.

Sincerely,



Quentin L. Messer, Jr.  
Chief Executive Officer, Michigan Economic Development Corporation



## MEMORANDUM

**Date:** February 25, 2025

**To:** Michigan Strategic Fund Board

**From:** Rob Garza, Director, Statutory Analysis

**Subject:** Request for Approval of a Transformational Brownfield Plan Amendment #2  
City of Detroit Brownfield Redevelopment Authority and  
Bedrock Management Services, LLC  
Transformational Brownfield Plan for the Hudson's Site, Monroe Blocks, One  
Campus Martius Expansion, and Book Building and Book Tower Redevelopment  
Projects

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### Request

The City of Detroit Brownfield Redevelopment Authority (the “BRA”) and Bedrock Management Services, LLC (the “Developer”) are requesting approval of an amendment to the Developer’s Transformational Brownfield Plan (the “TBP”) and Reimbursement Agreement that will not increase the total amount of the previously approved award. The amendment request includes the approval of sales and use tax capture estimated to be \$163,231,177 and reduction of income and withholding tax capture in an equal and offsetting amount from two of the project sites.

The request will not impact the existing maximum award amount approved by the Michigan Strategic Fund Board (“MSF”) or the maximum amount of approved post-construction revenues. All other terms of the current Reimbursement Agreement will remain the same.

### Background

The MSF approved the TBP in May 2018 with a total award of up to \$618,019,167 in reimbursement to Bedrock Management Services, LLC for the rehabilitation and new construction of four distinct projects in the City of Detroit. The TBP was also amended in August 2022 to incorporate administrative changes that did not impact the award amount.

The Brownfield Redevelopment Act (Act 381 of 1996 as amended) was amended effective July 2023 to include Sales and Use Tax Capture as a revenue that may be requested by the developer for the purpose of reimbursement for eligible costs. Since the approval of the TBP, office space leasing has been impacted by increased availability in the market. As a result, the scope of the project has previously been amended and it is unlikely that all of the originally projected withholding tax will be realized. In order to ensure the project is still economically viable, the inclusion of sales and use tax capture is necessary to replace a portion of the income tax capture and withholding tax capture. The overall incentive amount and post-construction amount will remain unchanged since an equal and offsetting amount of income tax capture will be reduced to accommodate the inclusion of the new sales and use tax capture amount.

A statutorily required third-party sales and use tax analysis was completed for the purpose of this amendment request, and that analysis concluded the sales and use tax assumptions were reasonable and fall within an acceptable range.

**Recommendation**

MEDC staff recommends approval of an amendment to the TBP and Reimbursement Agreement to include sales & use tax capture estimated to be \$163,231,177 provided that an equal and offsetting amount is reduced from withholding and income tax capture from the project sites identified in the tables provided in the amendment application.

## **MICHIGAN STRATEGIC FUND**

### **RESOLUTION 2025-026**

#### **APPROVAL OF A BROWNFIELD ACT 381 TRANSFORMATIONAL BROWNFIELD PLAN AMENDMENT #2**

#### **CITY OF DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY TRANSFORMATIONAL BROWNFIELD PLAN FOR THE HUDSON'S SITE, MONROE BLOCKS, ONE CAMPUS MARTIUS EXPANSION, AND BOOK BUILDING AND BOOK TOWER REDEVELOPMENT**

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

**WHEREAS**, 2002 PA 727 amended 1996 PA 381, MCL 125.2651 et seq, (the “Brownfield Act”) 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 (the “MSF”);

**WHEREAS**, Public Act 46 of 2017 amended the Brownfield Act to allow a governing body and the MSF to approve transformational brownfield plans (“TBP”) and the Brownfield Act was further amended by Public Act 138 of 2021 modifying criteria for TBP;

**WHEREAS**, the MSF Board adopted the Transformational Brownfield 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, by Resolution 2023-132 on July 25, 2023, and by Resolution 2023-144 on December 12, 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, may be used under the Brownfield Act 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 MSF approved a Transformational Brownfield Plan and Work Plan (the “Plan”) on May 22, 2018, for projects located at 1208 Woodward Avenue, 1000 Woodward Avenue, 1265, 1249, and 1201 Washington Boulevard; and 32, 100, 118, and 126 Monroe, 725 and 815 Bates, and 1000 Farmer Street within the City of Detroit, known as The transformational Brownfield Plan for the Hudson’s Site, Monroe Blocks, One Campus Martius Expansion, and Book Building and Book Tower Redevelopment (the “Project”);

**WHEREAS**, the MSF, City of Detroit Brownfield Redevelopment Authority (the “BRA”), Michigan Department of Treasury, and Bedrock Management Services, LLC entered into a reimbursement agreement for the project effective April 21, 2020 (the “Reimbursement Agreement”);

**WHEREAS**, the Plan was amended on August 23, 2022 to allow for modifications to the square footages and programming for the Hudson Building site and Book Building/Book Tower site, allow for use of the safe harbor; allow for up to 100% Income Tax Capture provided that the maximum of \$307,977,593 in cumulative income tax capture revenues and withholding tax capture revenues (post-construction) remain unchanged for the TBP and to allow for updating of the anticipated completion dates for three of the four sites;

**WHEREAS**, the Reimbursement Agreement was amended to reflect amendments to the Plan effective May 3, 2023;

**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 the Brownfield Act;

**WHEREAS**, the BRA and Bedrock Management Services, LLC (the “Company”) are requesting MSF Board approval of the following amendments to the existing Plan and Reimbursement Agreement (the “Amendment Request”):

- 1) Include sales & use tax capture estimated to be \$163,231,177 provided that an equal and offsetting amount is reduced from withholding and income tax capture from the project sites identified in the tables provided in the amendment application.

**WHEREAS**, the Michigan Economic Development Corporation (the “MEDC”) provides administrative services to the MSF, and has reviewed the application and recommends the Amendment Request.

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

**BE IT FURTHER RESOLVED**, that all other provisions of Resolution 2018-079 and Resolution 2022-126 are reaffirmed and the MSF authorizes the MSF Fund Manager to implement the terms of this resolution.

Ayes: Christin Armstrong (on behalf of Chairman Messer, designation attached), Eric Bussis (on behalf of Treasurer Eubanks, designation attached), Dr. 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), Leon Richardson, Susan Tellier, Cindy Warner

Nays: None

Recused: Randy Thelen

Lansing, Michigan

February 25, 2025

February 18, 2025

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 of February 25, 2025.

- Business Incubator Program (amendment to an existing award for the City of Grand Rapids SmartZone LDFA)

The reason for my recusal is to avoid the appearance of a conflict with this item.

Sincerely,

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Randy Thelen



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

GRETCHEN WHITMER  
GOVERNOR

RACHAEL EUBANKS  
STATE TREASURER

December 5, 2024

Natalie Davenport  
Michigan Strategic Fund Administrator  
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 Designees for Treasurer Eubanks

Dear Ms. Davenport:

I hereby designate Jeff Guilfoyle, Eric Bussis, and 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 2025.

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: Jeff Guilfoyle  
Eric Bussis  
Andrew Lockwood



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



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
**DEPARTMENT OF TRANSPORTATION**  
LANSING

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 "B. Wieferich", written over the printed name.

Bradley C. Wieferich, P.E.  
Acting Director

cc: M. Kapp  
Executive File



**MICHIGAN ECONOMIC**  
DEVELOPMENT CORPORATION

February 3, 2025

Michigan Strategic Fund  
300 N. Washington Square  
Lansing, MI 48913

RE: Designation of Christin Armstrong

To Whom It May Concern:

I hereby confirm my designation of Christin Armstrong as the person authorized and empowered to act in my stead as a member of the Michigan Strategic Fund Board for scheduled meetings I am unable to attend.

Sincerely,



Quentin L. Messer, Jr.  
Chief Executive Officer, Michigan Economic Development Corporation

**MICHIGAN STRATEGIC FUND  
RESOLUTION**

**2025-015**

**APPROVAL OF THE FEBRUARY 25, 2025, 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 October 24, 2023,

**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 MSF Board meeting:

Consent Agenda Items:

- a. Proposed January 28, 2025, Meeting Minutes
- b. SSBCI 2.0 MBGF Small Business Venture Capital Program: eLab Capital Partners III, Michigan Innovation Fund LP Amendment
- c. SSBCI 2.0 MBGF Small Business Venture Capital Program: The Future Heritage Fund, LP Amendment
- d. Business Incubator Program: Gateway Representative Grant Amendments
- e. 3820 West End, LLC: Michigan Community Revitalization Program Loan Amendment
- f. City of Lansing Brownfield Redevelopment Authority: 501 S. Capitol Ave Act 381 Amendment
- g. City of Lansing Brownfield Redevelopment Authority: 520 S. Washington Ave/110 W. Hillsdale St. Act 381 Amendment
- h. Bedrock Management Services, LLC: Transformational Brownfield Plan Amendment

Ayes: Christin Armstrong (on behalf of Chairman Messer, designation attached), Eric Bussis (on behalf of Treasurer Eubanks, designation attached), Dr. Brittany 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), Leon Richardson, Susan Tellier, Cindy Warner

Nays: None

Recused: Randy Thelen

Lansing, Michigan  
February 25, 2025

February 18, 2025

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

Dear Fund Manager,

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The reason for my recusal is to avoid the appearance of a conflict with this item.

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Randy Thelen



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

RACHAEL EUBANKS  
STATE TREASURER

December 5, 2024

Natalie Davenport  
Michigan Strategic Fund Administrator  
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 Designees for Treasurer Eubanks

Dear Ms. Davenport:

I hereby designate Jeff Guilfoyle, Eric Bussis, and 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 2025.

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

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Rachael Eubanks  
State Treasurer

Cc: Jeff Guilfoyle  
Eric Bussis  
Andrew Lockwood



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

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

Sincerely,

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Susan R. Corbin  
Director



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

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



**MICHIGAN ECONOMIC**  
DEVELOPMENT CORPORATION

February 3, 2025

Michigan Strategic Fund  
300 N. Washington Square  
Lansing, MI 48913

RE: Designation of Christin Armstrong

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Sincerely,



Quentin L. Messer, Jr.  
Chief Executive Officer, Michigan Economic Development Corporation

PURE  MICHIGAN®



## MEMORANDUM

**Date:** February 25, 2025  
**To:** Michigan Strategic Fund (“MSF”) Board Members  
**From:** Darryl Todd, Business Development Manager  
Brittney Mizer, Senior Business Development Project Manager  
**Subject:** Incentive Request  
State Essential Services Assessment (“SESA”) Exemption Request  
Peterson Brands, LLC (“Company” or “Applicant”)

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### Request Summary

This is a request from the Applicant for (collectively, the “Incentive Request”):

- Approval of a 15-year, 100% SESA Exemption with an estimated value of up to \$576,970 for its \$26,200,000 eligible investment in Eligible Personal Property (“SESA Request”).
  - In accordance with the SESA and Alternative SESA Program Guidelines (“Program Guidelines”), it is required that projects be located in Eligible Distressed Areas, as defined in the Program Guidelines (the “EDA Requirement”) and that projects have at least \$100,000,000 in qualified investment, as defined in the Program Guidelines, in order to be eligible for a 15-year SESA. As part of the SESA Request, staff are recommending the MSF waive the EDA Requirement and the Investment Requirement (“EDA Requirement Waiver and Investment Requirement Waiver” respectively), due to the transformational nature of the project.
- This project involves the creation of up to 96 new jobs and an overall capital investment of up to \$32,200,000 in Shelby Township, Oceana County.

### Applicant History

Peterson Farms, Inc. (“PFI”) was established in 1984 to process tart cherries. The Company grew over time by focusing on customer satisfaction and product quality, eventually processing commodities such as apples, blueberries, and peaches. Peterson Farms Fresh, Inc. was established in 2004 with a focus on producing fresh-cut fruit. Today, the Peterson Farms family of companies (including Peterson Brands, LLC) is a market leader in the US and its products include frozen fruits, juice & concentrate for industrial use, fresh apple slices, applesauce, and bottled juices. The Peterson operations sell to K-12 schools, retail establishments, and industrial customers. The Company has grown to be the largest employer in Oceana County, with 640 Michigan residents employed at its facilities in Shelby Township.

Over the years, the Company has successfully taken advantage of state incentive programs such as the Community Development Block Grant (CDBG). In 2020, the Company received a \$1,000,000 CDBG award to enter the juice bottling market by acquiring and moving to Michigan a juice bottling line from New York, doubling its applesauce production by acquiring an applesauce line from the state of Washington; and increasing its frozen blueberry production by purchasing frozen blueberry processing equipment from Georgia. The Company investment in this project was \$22,000,000, creating 54 new jobs.

PFI is an advocate of wraparound services for its employees. Since 2022, Shelby Township and the Oceana County Development Corporation has received a combined \$4,094,400 in CDBG funding, EGLE funding, and Michigan Economic Development Corporation, Corporate Funds to provide water infrastructure for low to moderate workforce housing in Shelby Township, a project that was advocated for by Peterson Farms. Additionally, the Company provides daycare and transportation services to its employee and this

project provides housing for Company employees. These benefits and services make PFI a welcomed employer to the community, area residents, and others who require such support to remain gainfully employed.

The background review process was completed in accordance with the MSF Background Review Policy on December 16, 2024, and the project may proceed for MSF consideration.

### **Project Description**

The Company acquired Florida-based juice packaging company, King Brands, LLC in August 2024. This acquisition positioned the Company to increase its juice containerization capability. As such, the Company is considering expanding its existing location in Shelby Township to produce and containerize juices in a central location. PFI anticipates that the project will result in a capital investment of at least \$32,200,000, consisting of \$6,000,000 in real property investment and a State Essential Services Assessment Exemption eligible investment of \$26,200,000 in machinery and equipment. The project will also result in the creation of at least 96 new jobs. This expansion is a part of the Company's long-term strategy to vertically integrate, create efficiencies, and grow its business in the Midwest and West Coast regions.

### **Demonstrated Need**

The Company is also contemplating expansion in California or Florida, where it has existing locations able to house the project. As most Company sales emanate from the Midwest and West Coast, Michigan and California are seriously under consideration. Capital investment for Michigan and California are similar. While migrant labor is also competitive in California, the Company enjoys the skills of its workforce in Michigan and supports many of them with housing, transportation, and daycare benefits to help those workers retain employment. Also, the Company was founded in Oceana County and plans to maintain its headquarters in the county. However, as the cost of expanding in Michigan or California is nearly the same, an incentive package will induce the Company's decision to expand production in Michigan.

In addition to MSF support, Shelby Township, which is a geographically disadvantage area, 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. The Michigan Department of Agriculture and Rural Development proposes to support this project, once committed to Michigan, with a \$250,000 Food and Agriculture Investment Fund Grant.

### **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 \$576,970. The Incentive Request will help offset the investment cost of the project and make the Michigan location more competitive for this and future projects.

This project aligns with the MEDC's strategic focus area of supporting a business in the regional impact industry of agribusiness. The proposed project will also impact the local region with immediate job growth. This facility will result in the creation of at least 96 new jobs and at least \$32,200,000 in capital investment in Shelby Township, Oceana County. Adding 96 new jobs to a geographically disadvantaged area in the State of Michigan would continue the Company's growing presence and future business in the state.

### **Recommendation**

MEDC Staff recommends approval of the Incentive Request, as outlined in the attached resolution.

## **MICHIGAN STRATEGIC FUND**

### **RESOLUTION 2025-027**

#### **APPROVAL OF A STATE ESSENTIAL SERVICES ASSESSMENT EXEMPTION TO PETERSON BRANDS, LLC**

**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 Program (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**, Peterson Brands, LLC (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 projects be located in Eligible Distressed Areas, as defined in the Program Guidelines, in order to be eligible for the SESA Program (the “EDA Requirement”);

**WHEREAS**, the Program Guidelines require that projects have at least \$100,000,000 in qualified investment, as defined in the Program Guidelines, in order to be eligible for the 15-year SESA Program (the “Investment Requirement”);

**WHEREAS**, the Company has requested that the MSF Board approve a fifteen-year, 100% SESA exemption estimated to be worth \$576,970 for up to \$26,200,000 in qualified investment in Eligible Personal Property, as defined in the Program Guidelines, in Shelby Township, Oceana County (“SESA Exemption Recommendation”);

**WHEREAS**, the MEDC is requesting the MSF Board approve a 100% exemption under the SESA Program in a non-Eligible Distressed Area for the project by waiving the EDA Requirement due to the transformational nature of the project (the “EDA Requirement Waiver”);

**WHEREAS**, the MEDC is requesting the MSF Board approve a 15-year exemption under the SESA Program for the project by waiving the \$100 Million Investment Requirement due to the transformational nature of the project (the “Investment Requirement Waiver”); and

**WHEREAS**, the MEDC recommends the MSF Board approve the SESA Exemption Recommendation, the EDA Requirement Waiver, the Investment Requirement Waiver, and require a one-time administrative fee in the amount of \$5,780.00 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: Christin Armstrong (on behalf of Chairman Messer, designation attached), Eric Bussis (on behalf of Treasurer Eubanks, designation attached), Dr. 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), Leon Richardson, Susan Tellier, Randy Thelen, Cindy Warner

Nays: None

Recused: None

Lansing, Michigan  
February 25, 2025



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

RACHAEL EUBANKS  
STATE TREASURER

December 5, 2024

Natalie Davenport  
Michigan Strategic Fund Administrator  
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 Designees for Treasurer Eubanks

Dear Ms. Davenport:

I hereby designate Jeff Guilfoyle, Eric Bussis, and 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 2025.

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: Jeff Guilfoyle  
Eric Bussis  
Andrew Lockwood



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



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

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 "B. Wieferich", written over the printed name.

Bradley C. Wieferich, P.E.  
Acting Director

cc: M. Kapp  
Executive File



**MICHIGAN ECONOMIC**  
DEVELOPMENT CORPORATION

February 3, 2025

Michigan Strategic Fund  
300 N. Washington Square  
Lansing, MI 48913

RE: Designation of Christin Armstrong

To Whom It May Concern:

I hereby confirm my designation of Christin Armstrong as the person authorized and empowered to act in my stead as a member of the Michigan Strategic Fund Board for scheduled meetings I am unable to attend.

Sincerely,



Quentin L. Messer, Jr.  
Chief Executive Officer, Michigan Economic Development Corporation

PURE  MICHIGAN®



## MEMORANDUM

**Date:** February 25, 2025

**To:** Michigan Strategic Fund Board

**From:** Dominic Romano, Community Development Manager  
Simon Verghese, Financial Analyst  
Tori LaDuke, Program Specialist

**Subject:** Request for Approval of a Michigan Community Revitalization Program (MCRP) Loan  
150NMAINCLAWSON LLC– 150 North Main

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### Recommendation

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

- a) A MCRP performance-based Loan in the amount of up to \$3,550,547 for 150NMAINCLAWSON LLC on terms and conditions outlined in Exhibit A found in the resolution.
- b) Approval of funds to be transferred from the Investment Fund for the specific purpose of this project through MCL 125.2088h(3)(e) to the MCRP Program for the purpose of the program authorized under MCL 125.2088b(2)(c) as long as the program provides for repayment for breach of the written agreement or the failure to meet measurable outcomes.
- c) Authorize the MSF Fund Manager to extend the award maturity for up to 120 months under the terms and conditions outlined in Exhibit A found in the resolution.

### Financial Highlights

The project is necessary and prioritized by the City of Clawson as it will redevelop blighted, unused property in the community’s downtown in accordance with their master plan, zoning ordinance, and economic development strategy. Due to the condition of the property, the substantial cost of construction associated with redevelopment, and challenging market conditions, including the current interest rate and construction cost environment, a significant financial gap remains after maximizing traditional financing. The development team is contributing over \$4.8 million in equity (27.34% of total development cost) and the city is supporting the project with an approved PA 210 Commercial Rehabilitation Act abatement valued at approximately \$2,215,696 over 10 years.

- Construction costs of \$231.33 per square foot.
- Senior debt financing has been maximized and is approximately 53% of total development cost.
- Projected debt service coverage ratio of 1.20:1.0 with an average 1.33:1.00 over a 30-year period
- Owner equity investment of \$4,821,956 or 27.34%
- Developer returns over a 20-year time horizon is projected at 0.4% IRR from operations.
- Developer fee of \$175,000 or approximately 1% of total development costs.

- Residential rents are projected to range from \$1,344 for a studio unit to \$3,350 for a two-bedroom unit, averaging \$2.74 per square foot. These anticipated rates range from 80% to 150% of Area Median Income (AMI) for Oakland County.

From the materials received and reviewed, staff considers the project to be financially and economically sound. A financial summary including project sources and uses and financial terms for the MCRP Incentive is included in Appendix C.

### **Project Summary & Request**

The applicant, 150NMAINCLAWSON LLC., is proposing to redevelop property located at 150 North Main Street and 36 East Lincoln, an obsolete retail bank building and single-family residential property respectively. Both properties are currently owned fee simple by 150NMAINCLAWSON, LLC. In total, the site is 1.15 acres. The proposed redevelopment is a 56-unit multi-family, mixed-use and mixed-income project, totaling 53,109 SF over three stories. The residential component of the project will be comprised of a mix of 20 studio units, 32 1-bedroom units, and 4 2-bedroom units. In addition, the first floor includes approximately 2,500 SF of amenity and co-working space that will be available on subscription-based model for residents and the public at-large. A total of 74 parking spaces are provided with 66 spaces on site, and 8 on-street parallel spaces along Main Street. In accordance with the City's desire, the on-street spaces will facilitate traffic calming measure and a public improvement for a more pedestrian-oriented environment. Lastly, given the location of the public transit stop that is in front of the proposed redevelopment along Main Street, the redevelopment does not only create a pedestrian-oriented streetscape, but it is also transit-oriented in nature, with multi-modal transportation, including cars, buses, bikes, and the incorporation of EV charging stations.

<b>PROJECT SUMMARY</b>	
Project Eligibility-Blighted	Blighted
Total Approximate Square Feet Revitalized	65,129
Total Approximate Acres Activated	1.16
Estimated # of Residential Units	56
Estimated Commercial Square Footage	2,500
Current Taxable Value	\$265,890
Projected Taxable Value at Completion	\$679,650
Total Anticipated Capital Investment	\$17,634,846
MCRP Loan	\$3,550,547

The three-story project will create an increase in residential density with 56 units with rents ranging from market rates down to 80% area median income rent levels for the county. The property will also have 2,500 square feet of commercial space on the first floor to add to the mix of uses for the property and the downtown. The development team coordinated with the city and Downtown Development Authority (DDA) to program the property in accordance with local planning and zoning. The City of Clawson has also supported the project with a PA 210 Commercial Rehabilitation Act abatement valued at approximately \$2,215,696 over ten years.

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.

**Applicant Background / Qualifications**

The development team is comprised of Michael Khalil and Sandy Kronenberg. Mr. Khalil is a trained real estate / transaction attorney who has facilitated the transactions of over \$750 million in various real estate asset classes, including multi-family, retail, office, industrial, senior housing, etc. He is also Chief Investment Officer of CSC Capital Group, a real estate investment company that owns and has developed over 700,000 SF of industrial buildings, two operating hotels and a third under construction, and a diverse portfolio of grocery-anchored shopping centers throughout Metro-Detroit.

Mr. Kronenberg is the founding Managing Director of Koach Capital who has acquired forty (40) retail properties over the last four years throughout the United States, totaling over \$100 million in Assets Under Management (AUM). In addition, Sandy has experience in value-add office and multi-family projects throughout SE Michigan.

The development team has not previously received any incentives from the Michigan Strategic Fund.

An Organizational Chart for 150NMAINCLAWSON LLC is provided in Appendix A. The background review process was completed in accordance with the MSF Background Review Policy on October 8, 2024.

## APPENDIX A – Organizational Chart

### Organizational Structure

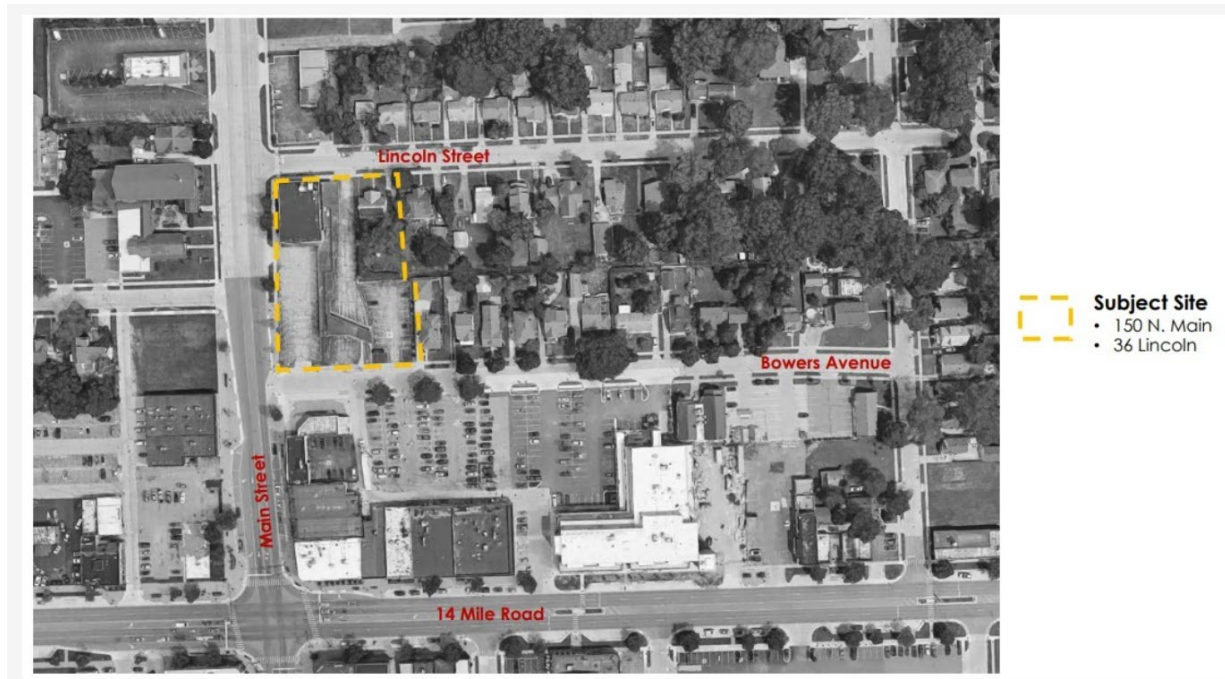
Company Name: **150NMAINCLAWSON, LLC**

Employer Identification Number: 92-3297574

MANAGER: Michael Khalil

	Ownership Interest Totals	EINs -No Soc Sec numbers 92-3297574	State of Organization Michigan
Kronenberg Family LLC	50%		
CSC Capital Group LLC	50%		
	Total: 100%		

## APPENDIX B – Project Map and Renderings



## APPENDIX C – Financial Terms

### **Summary**

The request is for a direct loan with a Construction Loan through Dearborn Financial Credit Union for an initial term of 36 months. After this maturity, the development team will close on a Permanent Loan through a HUD Lender with an anticipated term of 120 months with a different lender that has not been identified at this time.

### **Summary of Development Sources:**

Bank Loan	\$	9,262,343	52.52%
MSF Loan	\$	3,550,547	20.14%
Developer Equity	\$	\$4,821,956	27.34%
<b>TOTAL</b>	<b>\$</b>	<b>\$17,634,846</b>	<b>100.00%</b>

### **Summary of Development Uses:**

Acquisition	\$	\$1,950,000
Hard Construction Costs	\$	\$13,756,544
Eligible Soft Costs	\$	\$563,157
Other	\$	\$1,365,145
<b>TOTAL</b>	<b>\$</b>	<b>17,634,846</b>

### **Loan Terms**

<b>MSF Incentive:</b>	MCRP Performance Based Direct Loan
<b>Borrower:</b>	150NMAINCLAWSON LLC
<b>Total Capital Investment:</b>	Currently estimated at \$17,634,846
<b>MSF Eligible Investment:</b>	Currently estimated at \$14,319,701
<b>Minimum Eligible Investment:</b>	Currently estimated at \$11,455,761
<b>MSF Share:</b>	Up to the lesser of 25% of “Eligible Investment” or \$3,550,547.
<b>Term:</b>	Shall match that of the Construction Lender (Dearborn Financial Credit Union), not to exceed 48 months. Includes an interest only period of up to 36 months. At initial maturity, the Fund Manager may adjust the term by up to 120 months to match the term of the Permanent Lender (TBD).
<b>Amortization:</b>	Shall match that of the Permanent Lender, not to exceed 480 months, following the interest only period with MSF Fund manager authorization following initial loan maturity.
<b>Interest Rate:</b>	1.00% per annum
<b>Repayment Terms:</b>	Currently anticipated to be monthly interest only payments for up to 36 months, followed by monthly principal and interest payments, with principal due at maturity. MSF Fund manager authorization to renew the

note after initial maturity, with equal monthly principal and interest payments.

**Collateral:** Shall match that of the Construction Lender and Permanent Lender, currently anticipated interest in the real estate. MSF collateral will be subordinated to that of the Construction Lender and Permanent Lender.

**Guarantee:** Anticipated to be personal guarantees of the owners and any related trusts. MSF collateral will be subordinated to that of the Construction Lender and Permanent Lender.

**MSF Fees:** One-time fee equal to 1% of the MCRP Incentive Award, plus any out-of-pocket costs incurred by the MEDC in closing the loan.

**Funding:** The MSF will fund up to \$3,550,547 to be disbursed following issuance of Certificate of Occupancy.

**Other Conditions:** The MSF's investment will be contingent upon the following:

- Receipt of final construction documents, including a construction contract deemed acceptable
- Evidence of closing on financing of \$12,812,890
- Final Development Budget
- Minimum owner equity investment of approximately \$4,821,956
- Other legal due diligence, as required

## **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 for 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 at 150 North Main Street is important to the City of Clawson. The existing condition of the site includes a blighted and functionally obsolete building along with a single-family home. Given its location within the Clawson DDA and along a major arterial thoroughfare, the site with its mixed-use co-working component and ground floor amenity spaces, is a true infill redevelopment that promotes growth within the DDA and walkability as it furthers the development of the corridor. In addition, the building is designed with minimal setbacks, parking hidden from the street, and enables a larger transect of quality urban design in Downtown Clawson.

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

The project will act a catalyst in the City of Clawson. There are several underutilized sites within half a mile from the subject site that will become new redevelopment investment opportunities for the City of Clawson. This will in turn grow the city's tax base and attract new residents and new businesses to the city.

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

The City of Clawson has demonstrated local support for the project. The city council has shown its backing of this deal through the issuance of a PA 210 Commercial Rehabilitation Act abatement valued at approximately \$2,215,696 over ten years. Also, city and DDA staff have spent their time helping the developers navigate through the local process as well as engage with the MEDC and Oakland County.

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

A financial need exists due to the condition of the property, the substantial cost of construction associated with development, and challenging market conditions, including the current interest rate and construction cost environment. The ownership team is contributing over \$4.8 million in equity and has maximized traditional financing of \$9,262,343. The remaining gap would be filled by the proposed MCRP incentive, allowing the owners to achieve an anticipated return 0.4% from operations. Without the MCRP award the project would not be feasible.

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

The project is redeveloping an abandoned, obsolete, and vacant retail bank building into 56 apartment units with ground floor common area space and commercial/co-working space that will

be utilized by the residents and the public as a whole. In addition, the project is creating needed attainable housing within Clawson's DDA and Central Business District.

**F. Creation of jobs:**

The project will create 5 on-site property management jobs. The average hourly wage is estimated to be \$32.00.

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

The project is leveraging nearly \$14 million in private investment and the City of Clawson is contributing a PA 210 abatement valued at approximately \$2.2 million over a ten-year period.

**H. Whether the project is financially and economically sound:**

It is anticipated that upon reaching stabilized occupancy the project will be able to achieve a debt service coverage ratio of over 1.20:1.00. Per a market study conducted by Baker Tilly Advisory Group, the market for market-rate multi-family units in the City of Clawson is experiencing a very low vacancy rate of 1.7% for over 1,400 comparable units. Additionally, there is an estimated 4,850 qualified rental households in the target area, leading to a capture rate of only 1.2% needed for the project to achieve stabilization. As a result, MEDC staff considers the MCRP loan to be adequately secured and the project to be financially and economically sound.

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

The project will increase residential and commercial density in the area with the addition of 56 units of residential and first floor commercial space in the downtown.

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

The project will promote mixed-use development and walkability in the community's downtown with the addition of residential and commercial uses in a building accompanied by right-of-way improvements along Main Street to enhance and protect the pedestrian experience.

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

The project does not include public buildings.

**L. Whether the project promotes sustainable development:**

The project promotes sustainable development as it incorporates many sustainable features, including low-flow and energy efficient appliances, improvement to the City's existing stormwater management system with an underground detention system to accommodate a 10-Yr. flood, 8 EV Charging Stations, and conduit for future EV Charging stations for both public and private use.

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

The project does not involve a historic resource.

**N. Whether the project addresses area-wide redevelopment**

The project address area-wide redevelopment efforts. Pursuant to both the City of Clawson Master Plan of 2017 and the Downtown Clawson Master Plan of 2015, the redevelopment responds to many area-wide goals of the community, including: (1) Prioritize Development and Revitalization along Main Road Corridors (2) Incorporation of Multiple Family Residential along 14 Mile Road and the Main Street Corridors to attract all age groups, including Baby Boomers and Millennials alike (3) Facilitate Mixed-Use Development within the downtown portion of 14 Mile.

**O. Whether the project addresses underserved markets of commerce:**

The project addresses underserved markets of commerce with adding flexible office/commercial space within the plans. In addition, the potential of attracting 80 new residents will facilitate more spending power within their downtown, thereby increasing the success of the small business community and the emerging restaurant community.

**P. The level and extent of environmental contamination:**

There is no environmental concern with this project.

**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 to this project which does not involve a historic resource.

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

This project does 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 are no other additional criteria for the board to consider with this request.

## **MICHIGAN STRATEGIC FUND**

### **RESOLUTION 2025-028**

#### **APPROVAL OF A MICHIGAN COMMUNITY REVITALIZATION PROGRAM PERFORMANCE BASED DIRECT LOAN AWARD TO 150NMAINCLAWSON 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 (“MSF”) to create and operate the Michigan Community Revitalization Program (“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 (“MEDC”) provides administrative services to the MSF for 21<sup>st</sup> Century Jobs Trust Fund programs and activities and 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**, as part of the 21<sup>st</sup> Century Jobs Trust Fund initiative, and pursuant to MCL 125.2088h(1), the Jobs for Michigan investment fund was created as a permanent fund authorized by the state constitution (“Investment Fund”);

**WHEREAS**, pursuant to MCL 125.2088h(3)(e), the MSF Board shall direct the investment and reinvestment of the Investment Fund as authorized under Chapter 8A for incentives, including, but not limited to, for the purposes of creating incentives in this state for revitalizing Michigan communities;

**WHEREAS**, pursuant to MCL 125.2088b(2)(c), the MSF Board may allocate money for authorized programs to make expenditures or investments from the Investment Fund for programs or activities authorized pursuant to the 21<sup>st</sup> Century Jobs Trust Fund legislation as long as those programs or activities provide for repayment for breach of the written agreement or the failure to meet measurable outcomes;

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

**WHEREAS**, 150NMAIN CLAWSON LLC (the “Company”) has requested a MCRP Performance-based Direct Loan award of up to \$3,550,547 (the “Award Request”), along with other general terms and conditions, which are outlined in the term sheet attached as Exhibit A (the “Term Sheet”);

**WHEREAS**, the MEDC recommends that the MSF Board approve funding of \$3,550,547 from the Investment Fund to fund the Award Request (the “Funding”); and

**WHEREAS**, the MEDC recommends that the MSF Board approve the Award Request and the Funding, and authorize the MSF Fund Manager to extend the award maturity 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 180 days (collectively, the “MCRP Award Recommendation”).

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

Ayes: Christin Armstrong (on behalf of Chairman Messer, designation attached), Eric Bussis (on behalf of Treasurer Eubanks, designation attached), Dr. 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), Leon Richardson, Susan Tellier, Randy Thelen, Cindy Warner

Nays: None

Recused: None

Lansing, Michigan  
February 25, 2025

**EXHIBIT A**  
**“TERM SHEET”**

**Loan Terms**

<b>MSF Incentive:</b>	MCRP Performance Based Direct Loan
<b>Borrower:</b>	150NMAINCLAWSON LLC
<b>Total Capital Investment:</b>	Currently estimated at \$17,634,846
<b>MSF Eligible Investment:</b>	Currently estimated at \$14,319,701
<b>Minimum Eligible Investment:</b>	Currently estimated at \$11,455,761
<b>MSF Share:</b>	Up to the lesser of 25% of “Eligible Investment” or \$3,550,547.
<b>Term:</b>	Shall match that of the Construction Lender (Dearborn Financial Credit Union), not to exceed 48 months. Includes an interest only period of up to 36 months. At initial maturity, the Fund Manager may adjust the term by up to 120 months to match the term of the Permanent Lender (TBD).
<b>Amortization:</b>	Shall match that of the Permanent Lender, not to exceed 480 months, following the interest only period with MSF Fund manager authorization following initial loan maturity.
<b>Interest Rate:</b>	1.00% per annum
<b>Repayment Terms:</b>	Currently anticipated to be monthly interest only payments for up to 36 months, followed by monthly principal and interest payments, with principal due at maturity. MSF Fund manager authorization to renew the note after initial maturity, with equal monthly principal and interest payments.
<b>Collateral:</b>	Shall match that of the Construction Lender and Permanent Lender, currently anticipated interest in the real estate. MSF collateral will be subordinated to that of the Construction Lender and Permanent Lender.
<b>Guarantee:</b>	Anticipated to be personal guarantees of the owners and any related trusts. MSF collateral will be subordinated to that of the Construction Lender and Permanent Lender.
<b>MSF Fees:</b>	One-time fee equal to 1% of the MCRP Incentive Award, plus any out-of-pocket costs incurred by the MEDC in closing the loan.
<b>Funding:</b>	The MSF will fund up to \$3,550,547 to be disbursed following issuance of Certificate of Occupancy.
<b>Other Conditions:</b>	The MSF’s investment will be contingent upon the following: <ul style="list-style-type: none"><li>- Receipt of final construction documents, including a construction contract deemed acceptable</li><li>- Evidence of closing on financing of \$12,812,890</li><li>- Final Development Budget</li><li>- Minimum owner equity investment of approximately \$4,821,956</li><li>- Other legal due diligence, as required</li></ul>



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

GRETCHEN WHITMER  
GOVERNOR

RACHAEL EUBANKS  
STATE TREASURER

December 5, 2024

Natalie Davenport  
Michigan Strategic Fund Administrator  
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 Designees for Treasurer Eubanks

Dear Ms. Davenport:

I hereby designate Jeff Guilfoyle, Eric Bussis, and 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 2025.

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: Jeff Guilfoyle  
Eric Bussis  
Andrew Lockwood



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



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

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 "B. Wieferich", written over the printed name.

Bradley C. Wieferich, P.E.  
Acting Director

cc: M. Kapp  
Executive File



**MICHIGAN ECONOMIC**  
DEVELOPMENT CORPORATION

February 3, 2025

Michigan Strategic Fund  
300 N. Washington Square  
Lansing, MI 48913

RE: Designation of Christin Armstrong

To Whom It May Concern:

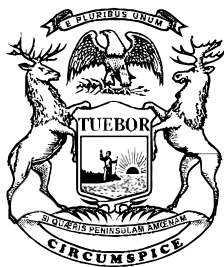
I hereby confirm my designation of Christin Armstrong as the person authorized and empowered to act in my stead as a member of the Michigan Strategic Fund Board for scheduled meetings I am unable to attend.

Sincerely,



Quentin L. Messer, Jr.  
Chief Executive Officer, Michigan Economic Development Corporation

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## MICHIGAN STRATEGIC FUND

### MEMORANDUM

**Date:** February 25, 2025  
**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 January 1, 2025, to January 31, 2025, 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 Matt Casby know if you have any questions or comments about the content 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 January 1, 2025, to January 31, 2025.

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 of 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 January delegate-approved projects continue to represent our emphasis on supporting underserved populations in geographically disadvantaged areas. Throughout January 2025, 41% of the projects approved through delegated authority are in geographically disadvantaged areas. Additionally, all January approved projects through delegated authority have committed to creating just over 250 jobs and nearly \$84.0 million in private investment.

# MSF Report

## Delegate Approvals



Under the authority delegated by the MSF Board, the MSF delegates approved the following projects during January 2025, 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
ITALDESIGN-GIUGIARO USA, LLC	1/7/2025	Bloomfield Hills	\$200,000	The Company is looking to establish a U.S. Headquarters for their engineering and design expertise to plug into the American automotive market. The Company is considering Bloomfield Township for the project and anticipates the project will result in private investment of up to \$20,675,000. The project will also result in the creation of up to 24 new jobs with starting wages at \$28.85, which is above the Regional Median Wage in Southeast Michigan of \$23.73 per hour.
TYC Americas Auto Parts Company, LLC	1/9/2025	Wixom	\$981,000	The Company focuses on manufacturing aftermarket lighting products for two- and four-wheel vehicles to sell to other companies to be integrated into their own products. The Company currently employs 10 Michigan residents at its facility in the city of Troy. The Company is looking to establish a manufacturing facility in the city of Wixom, Oakland County to service current and future original automotive equipment customers in the area. The new facility will manufacture aftermarket components for the auto industry and will bring manufacturing that is currently taking place in China to Michigan. This facility will house much of the Company's production and support its current location in the city of Troy. This project involves the creation of 109 new jobs and a capital investment of \$18.750,000 in the City of Wixom, Oakland County.
Redi-Rock International, LLC dba Aster Brands	1/21/2025	Harbor Springs	\$750,000	The Company plans to acquire and renovate a 110,000 square foot building to house its manufacturing and administrative space under one roof. The project comes with a capital investment of \$7,225,000 and the anticipated creation of 15 new jobs. These jobs pay starting wages of \$21 per hour, which is above the Regional Median Wage of \$20.62 per hour.

## Michigan Business Development Program (MBDP) Cont.

Project Name	Approval Date	Location	Incentive Amount	Project Highlights
Forming Technologies, LLC	1/29/2025	Muskegon	\$500,000	Forming Technologies, LLC was founded in 2004 in Muskegon, MI with the mission of becoming a leader in heavy gauge thermoformed products. The Company was purchased by Duramax Holdings LLC DBA Otto Environmental Systems (OTTO) in 2022. OTTO has six facilities across the US. As a result of acquisitions & growth, OTTO seeks to consolidate to increase efficiency. This would require a 150,000 square foot new building, in the City of Muskegon's Port City Industrial Park, which would also serve as the Company's corporate headquarters. This project involves the creation of up to 70 Qualified New Jobs, retention of 91 jobs, and a capital investment of up to \$18,766,591, in the City of Muskegon, Muskegon County with the support of a \$500,000 Michigan Business Development Program performance-based grant. Michigan was chosen for the project due to access to talent. The Company also works with the local community college & seeks to continue this relationship to grow its talent base.
Midwest Press and Automation, LLC	1/31/2025	Lansing	\$202,500	Established in 2010, Midwest Press and Automation LLC is a solutions-based company servicing the metal forming industry. The Company currently has facilities in Delta Township and the City of Eaton Rapids and is integral to the supply chain of many second-tier OEMs, including companies in the sectors of defense, healthcare, motor laminations, agriculture, building fasteners, and food and beverage services. The Company is looking to expand its footprint in Delta Township to accommodate an additional 27,000 square feet of assembly and machining space. This project involves the creation of at least 15 Qualified New Jobs and a capital investment of up to \$4,000,000 in the Charter Township of Delta, Eaton County.

## 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
Wayne County Neighborhood Legal Services	1/14/2025	Detroit	\$174,650	First Independence Bank is working with the Wayne County Neighborhood Legal Services, a non-profit organization. The Lender is working with the organization on a line of credit for working capital purposes.

### State Small Business Credit Initiative (SSBCI) 2.0 – Loan Guarantee

Project Name	Approval Date	Location	Incentive Amount	Project Highlights
Invest Detroit	1/29/2025	Detroit	\$2,500,000	Invest Detroit is seeking to increase its small business lending activity. The increased loan volume will be focused on 10 neighborhoods identified as in need of investment. Invest Detroit plans to lend up to \$10 million over the next 3 years. Invest Detroit is requesting a 25% pooled guarantee related to this lending.

## Brownfield Tax Increment Financing (TIF)

Through the Brownfield Redevelopment Financing Act, Brownfield TIF allows applicable taxing jurisdictions to receive property taxes on the property at the current level and capture the incremental increase in tax revenue resulting from a redevelopment project.

Project Name	Approval Date	Location	Incentive Amount	Project Highlights
91/99 Arthur Development Company, LLC	1/21/2025	Manistee	\$326,632	An Act 381 Work Plan with state tax capture valued at \$326,632 was awarded to the City of Manistee Brownfield Redevelopment Authority to construct a 5,320 square foot public restaurant, boathouse and amphitheater. The project is expected to generate \$2,219,900 in private investment and 30 full time equivalent jobs.

## Revitalization and Placemaking (RAP) Program

The Revitalization and Placemaking program provides access to gap financing for place-based infrastructure development, real estate rehabilitation and development, and public space improvements.

Project Name	Approval Date	Location	Incentive Amount	Project Highlights
Gemini Capital Management IX, LLC	1/12/2025	Alma	\$1,000,000	Second phase to Cadillac Lofts in downtown Cadillac, the project will include 50 residential units and 1,300 square feet of commercial space.

## Michigan State Trade Expansion Program (MI-STEP)

The MI-STEP program is designed to spur job creation by empowering Michigan small businesses that meet U.S. Small Business Administration guidelines and size standards to export their products.

Project Name	Approval Date	Location	Incentive Amount
ACME Manufacturing Company - IMTEX India	1/6/2025	Auburn Hills	\$11,768
ThermoAnalytics, Inc. - NAFEMS World Congress & Expo	1/6/2025	Calumet	\$6,633
Virtual Sandtable, LLC - IDEX	1/6/2025	Holland	\$4,098
A & B Packing Equipment, Inc. - Fruit Logistica Germany	1/7/2025	Lawrence	\$15,000
Belding Tool & Machine Corporation - Aeromart Montreal	1/7/2025	Belding	\$3,530
G3 Acoustics LLC - Dusseldorf International Boat Show	1/7/2025	Zeeland	\$4,204
Advanced Avionics Inc., dba LaserBlast - SEA Expo Saudi Arabia	1/8/2025	Plymouth	\$3,289
Ghostworks Marine Inc. - FY25 AA Trade Mission to India	1/8/2025	Holland	\$7,000
Buell Motorcycles - MotoCanada Montreal, Vancouver, Toronto & Calgary	1/9/2025	Cascade Township	\$13,084
8 Layer Inc. dba Workhorse Irons - Philadelphia Tatto & Art Expo	1/10/2025	Grandville	\$1,324
Lucerne International Inc - Sales Trip China, Thailand, UAE & AA Trade Mission to India	1/10/2025	Auburn Hills	\$5,670
Control Dekk - AmericanHort Cultivate 25	1/13/2025	Jenison	\$6,136
Helical Lap & Manufacturing Company - Aeromart Montreal	1/15/2025	Mount Clemens	\$383
Step Up Recruiting - VTM Expo Michigan	1/16/2025	West Bloomfield	\$2,550
RoboBuoy, Inc. dba MarkSetBot - Toronto International Boat Show	1/17/2025	Detroit	\$2,691
Jacquart Fabric Products, Inc. - Union Trade Show Berlin	1/22/2025	Ironwood	\$1,500
RoMan Manufacturing, Inc. - AA Trade Mission to India	1/23/2025	Wyoming	\$3,250
Devereaux Sawmill, Inc. - Sales Trip - India	1/28/2025	Lyons Township	\$1,727

# 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. See below for a list of program amendments that received delegated approval from January 1, 2025, to January 31, 2025.

## Michigan Community Revitalization Program (MCRP)

Project Name	MSF Delegate Amended Date	Project Location	Type of Request
55 Ionia Partners, LLLC	1/7/2025	Grand Rapids	Extend the term of the Michigan Strategic Fund's (MSF) share of the Loan Participation by 60 months to match that of the senior lender, Macatawa Bank.
Uptown Reinvestment Corp - Capitol Theatre Redevelopment	1/10/2025	Flint	Consent to dissolve CT Manager, Inc.
Wooden Nickel Properties, LLC	1/14/2025	Zeeland	Extend Milestone One to June 30, 2025.
Anson Building, LLC - 119 W Michigan Ave	1/17/2025	Battle Creek	Milestone One: Remove language "federally insured" and extend the due date March 31, 2025.
Otter Lake Developments, LLC - 6405 & 6409 Detroit Street	1/22/2025	Otter Lake	Extend the Milestone Two due date from December 31, 2024, to December 31, 2025.
Caywood Propane Gas, Inc. - 8 S. Monroe	1/22/2025	Coldwater	Add Gimme Shelter LLC as a co-applicant
Hotel Ventures Manistee, LLC - 101 S. Lakeshore Dr.	1/2/2025	Manistee	Extend the interest only period through July 1, 2025, to align with Lender's interest only period.
50 Capital Ave Development Corporation - Battle Creek DoubleTree	1/29/2025	Battle Creek	Extend Milestone Two Project Completion Status Submission by Lender due date from November 1, 2024, to November 1, 2025.

# Financial Data Overview and Terminations



## Michigan Business Development Program – Terminations

Project Name	Project Location	Incentive Type	Amount	Termination Date	Reason for Termination	Repayment
Speedrack Products Group, Inc.	Grand Rapids	Grant	\$820,000	1/17/2025	Company unable to meet requirements	\$0.00
Navitas Advanced Solutions Group	Ann Arbor	Grant	\$750,000	1/28/2025	Company unable to meet requirements	\$33,784