



## MICHIGAN STRATEGIC FUND

### MEMORANDUM

**DATE:** April 11, 2016

**TO:** The Honorable Rick Snyder  
Governor of Michigan

Members of the Michigan Legislature

**FROM:** Jeremy Hendges  
Deputy Director for Policy and Legislative Relations, Michigan Department of  
Talent & Economic Development

**SUBJECT:** Michigan Strategic Fund Act Annual Report for Fiscal Year 2015

Section 9 of the Michigan Strategic Fund Act, Public Act 270 of 1984, as amended, requires the Michigan Strategic Fund (MSF) to report annually on its activities for the preceding fiscal year for each program operated under the Act. Public Act 503 of 2014 amended the Act and consolidated all reporting requirements under Section 9 (MCL 125.2009). Pursuant to this requirement, attached is the Fiscal Year 2015 report. Some data in this report is cumulative through September 30, 2015.

In addition, this report satisfies the boilerplate requirement in Section 1053 of Public Act 84 of 2015, the General Omnibus Budget, that the MSF provide an annual report to the legislature on the status of projects by award recipient, as required in the MSF Act.

If you have any questions, please contact our MEDC Office of Legislative Affairs at 517.335.1847.

#### Attachment

cc: John Roberts, State Budget Director  
Jeff Cobb, Secretary of the Senate  
Gary Randall, Clerk, Michigan House of Representatives  
Ellen Jeffries, Director, Senate Fiscal Agency  
Mary Ann Cleary, Director, House Fiscal Agency

FISCALLY YEAR 2015

# MICHIGAN STRATEGIC FUND ACT

(Public Act 270 of 1984, as amended)

Annual report  
to the Legislature

(as required by MCL 125.2009)

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**MICHIGAN ECONOMIC**  
DEVELOPMENT CORPORATION

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300 N. Washington Sq., Lansing, MI 48913  
Customer assistance 888.522.0103

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\*Some of the data in this report was previously reported in the MSF/MEDC FY 2015 Annual Activities Report submitted on February 16, 2016, as required by the MSF Act and budget boilerplate.

## EXECUTIVE SUMMARY

The Michigan Strategic Fund (MSF) Act was created in 1984 and amended in 2005 to add the 21st Century Jobs Fund (21st CJF) programs. In more recent years, the act was amended to update and add new programs, including the Michigan Business Development Program (MBDP) and Michigan Community Revitalization Program (MCRP). With these changes, the MSF act and MSF board now oversee the majority of the state's economic development programs.

In late 2014, seven bills were enacted that amended the Michigan Trust Fund Act and the MSF act to extend the end date for tobacco settlement funding to be transferred to the 21st CJF through FY 2019. Other enacted changes were intended to provide greater flexibility, eliminate duplicative efforts and streamline processes. Among the changes is Public Act 503 of 2014 that amended and consolidated all reporting under Sec. 9 of the act (MCL 125.2009), including requirements for MBDP, MCRP, tourism and business marketing and the 21st CJF annual report.

The pages that follow are a comprehensive review of the programs administered by the Michigan Economic Development Corporation, on behalf of the Michigan Strategic Fund, in FY 2015 under the MSF act. The programs summarized in the report are divided into two sections. Active programs include those that are still

actively enrolling incentives. Programs in monitoring are those that are no longer issuing new incentives and had an executed agreement with the MSF prior to January 14, 2015, the effective date of Public Act 503 of 2014. As noted previously, this act amended the legislative reporting requirements of the MSF act. Awardees that had an executed agreement with the MSF prior to January 14, 2015, have contractual reporting obligations that are based on previous MSF act reporting requirements. Accordingly, the report for each of these programs includes metrics as required under the agreement between the awardee and the MSF.

Sec. 9 (4) contains additional requirements related to a 21st century investment made by the MSF board under Chapter 8A, including year-to-year growth and a statement of the amount of money in each loan reserve fund established under the Small Business Capital Access Program. There are other specific reporting requirements within Sec. 9 for tourism and business promotion efforts, MBDP and MCRP awards and business incubators. This information is included in the report as well.

Sec. 9 (1)(j) requires a summary of the approximate administrative costs used to administer the programs and activities authorized under the MSF act. This information is provided in the following table.

MICHIGAN STRATEGIC FUND Fiscal year 2015 expenditures*				
	State FTE (at pay ending 09/26/2015)	State expenditures	Corporate expenditures**	Total expenditures
<b>Program administration</b>				
Business Development, Community Development, Entrepreneurship, Marketing, Energy*** and Arts	76.1	\$21,763,393	\$12,210,796	\$33,974,189
Film Office	4.0	\$741,271	\$7,677	\$748,948
* Cash and accrued expenditures incurred during FY 2015 including payments made against prior year encumbrances and work projects				
** Include MEDC corporate as well as use of other non-appropriated available funds, e.g., SSBCI federal grant				
***The Michigan Energy Office was transferred to the Michigan Agency for Energy by Executive Order 2015-10.				

Finally, beginning July 1, 2015, Sec. 9 (14) requires the report include a copy of the site visit guidelines for each program that provides financial assistance under the act and the number of site visits conducted under that program. This information is available at [www.michiganbusiness.org/michigan-strategic-fund-msf/#section1](http://www.michiganbusiness.org/michigan-strategic-fund-msf/#section1).

For more news, updated stories and statistics about economic development in Michigan, please visit the MEDC newsroom at [www.michiganbusiness.org/#news-intro](http://www.michiganbusiness.org/#news-intro).

# JOBS FOR MICHIGAN INVESTMENT FUND: PERMANENT FUND

(The data in this report was previously reported in the MSF/MEDC FY 2015 Annual Activities Report submitted on February 16, 2016)

<b>JOBS FOR MICHIGAN INVESTMENT FUND: PERMANENT FUND As of September 30, 2015</b>	
This report is a comprehensive report of all payments received (repayment of principal and earnings) as well as funds used or appropriated out of the Permanent Fund.	
<b>Revenue from inception to 09/30/2014</b>	<b>\$153,707,684</b>
<b>Revenues to the Permanent Fund during FY 2015</b>	
21st Century loans and investment programs	\$22,139,181
Casino revenue (Firekeepers Casino)	\$15,380,280
Common cash earnings <sup>1</sup>	\$119,618
	\$37,639,079
<b>Total funds from inception to 09/30/2015</b>	<b>\$191,346,763</b>
<b>Commitments and allocations since Permanent Fund inception</b>	
Accelerator Fund Program	\$4,000,000
Business Incubator Program	\$1,250,000
Capital Conduit Program	\$52,672,028
Komodo and ISSYS award	\$1,160,473
Michigan Supplier Diversification Fund	\$36,064,816
Michigan Promotion Program	\$5,700,000
M1 Rail	\$10,000,000
Pure Michigan Venture Development Fund	\$9,000,000
Pure Michigan Venture Match Fund	\$5,000,000
Small Business Capital Access Program	\$500,000
Community Revitalization Program	\$15,644,559
TechTown Grant	\$36,579
	<b>\$141,028,456</b>
<b>Available funds at 09/30/2015</b>	<b>\$50,318,307</b>
<sup>1</sup> Common cash is the interest earned on the money held in the state's treasury. Per Treasury, the distribution of earnings to participating funds is determined by multiplying the common cash earnings rate paid times the average daily cash balances of the fund less a pro rata amount of monies not available for investments.	

# FISCAL YEAR 2015

## **ACTIVE PROGRAMS**

*(Active programs include those that are still actively enrolling incentives.)*

## MICHIGAN BUSINESS DEVELOPMENT PROGRAM

The Michigan Strategic Fund Act, as amended, requires the MSF to submit a report on the Michigan Business Development Program (MBDP) activities that occurred the previous fiscal year. This report addresses the reporting requirements for FY 2015. It also includes cumulative activity as of September 30, 2015.

On the following pages is a detailed spreadsheet (Exhibit 1) showing the specifics of each approved project. The information contained in this report is based on data submitted by companies. All project milestones and disbursement requests are reviewed and verified through a consistent compliance process. Where applicable, job creation numbers in this report are cross-referenced against recent project milestones and disbursement requests. The MBDP is not a job retention program, therefore, there is no information to report for the number of retained jobs committed or projected, the actual number of retained jobs or the average annual salary for retained jobs.

Since October 1, 2014, 61 projects have been approved by the MSF board or by MSF delegated authority and 61 projects have executed agreements. The members of the MSF board are notified of the approval of delegated projects as they occur and all awards are posted on the MEDC's web site.

The aggregated projected return on investment (ROI) to the State of Michigan for the projects approved in this fiscal year is 10.35. This means that for every \$1 invested, there is a projected return of \$10.35. The formula is based on the anticipated amount of overall cash flow to the state through new personal income generated by the projects divided by the cost of the incentives over the period of the incentive agreements using the Regional Economic Models Inc. (REMI) analysis. This method utilizes projected personal income generated through direct jobs created by the companies, indirect jobs as a result of the projects and projected capital investment.

**MICHIGAN BUSINESS DEVELOPMENT PROGRAM: EXHIBIT 1**  
Michigan Strategic Fund Act, Michigan Business Development Program; Legislative Report for fiscal year 2015 as of September 30, 2015  
MSF BOARD ACTION TAKEN-AGREEMENT EXECUTED

Fiscal year approved	Company name	MSF approval date	Municipality	County	Project type	Incentive type	Approved amount	Cumulative amount disbursed	Total projected investment <sup>1</sup>	Actual private investment <sup>2</sup>	New jobs committed <sup>3</sup>	Actual new jobs created <sup>4</sup>	New jobs created that are not temporary <sup>5</sup>	Average annual salary of new jobs	Other economic assistance	Status of loans/ stage	Duration of economic assistance (years)
2012	Teijin Advanced Composites America Inc.	03/15/12	Auburn Hills	Oakland	New	Grant	\$375,000	\$375,000	\$7,952,000	\$0	25	25	25	\$150,000	\$0	Monitoring	5.97
	Magna Seating of America Inc.	03/26/12	Highland Park	Wayne	Expansion	Grant	\$732,000	\$732,000	\$2,248,000	\$2,248,000	244	263	284	\$36,025	\$0	Monitoring	3.90
	Lacks Enterprises Inc.	03/26/12	Grand Rapids	Kent	Expansion	Grant	\$350,000	\$325,000	\$31,900,000	\$70,988,780	120	124	397	\$25,168	\$0	Monitoring	5.77
	Computerized Facility Integration LLC	03/26/12	Southfield	Oakland	Expansion	Grant	\$434,500	\$110,000	\$908,400	\$12,207,012	79	20	30	\$60,682	\$0	Monitoring	8.03
	Huntington Foam Corporation	04/30/12	Greenville	Montcalm	Expansion	Grant	\$340,000	\$340,000	\$2,564,000	\$12,047,998	30	30	31	\$24,660	\$0	Monitoring	4.26
	Hark Orchids LP	04/30/12	Kalamazoo	Kalamazoo	New	Grant	\$500,000	\$250,000	\$5,000,000	\$9,158,144	80	50	42	\$26,000	\$0	Monitoring	6.67
	HCL America Inc. <sup>8</sup>	04/30/12	Jackson	Jackson	New	Grant	\$875,000	\$700,000	\$3,350,000	\$960,425	200	100	95	\$75,000	\$0	Monitoring	4.92
	Muskegon Castings Corp.	05/02/12	Muskegon	Muskegon	Expansion	Grant	\$540,000	\$540,000	\$10,362,200	\$18,410,000	55	56	160	\$25,116	\$0	Monitoring	5.00
	MedDirect, Inc.	05/21/12	Grand Rapids	Kent	Expansion	Grant	\$250,000	\$250,000	\$2,109,524	\$1,462,465	100	100	138	\$27,040	\$0	Monitoring	5.06
	Hyundai-Kia America Technical Center Inc.	05/23/12	Superior Township	Washtenaw	Expansion	Other	\$2,500,000	\$2,500,000	\$15,000,000	\$0	50	5	39	\$74,247	\$2,500,000	Monitoring	6.01
	Sakthi Auto Group USA	05/23/12	Detroit	Wayne	New	Grant	\$1,500,000	\$1,500,000	\$18,600,000	\$25,000,000	170	172	190	\$40,290	\$0	Monitoring	4.86
	Credit Acceptance Corporation	05/23/12	Southfield	Oakland	Expansion	Grant	\$1,750,000	\$708,957	\$10,218,177	\$1,600,000	274	111	149	\$47,447	\$0	Monitoring	5.75
	AG Simpson Automotive Systems	05/30/12	Sterling Heights	Macomb	Expansion	Grant	\$900,000	\$900,000	\$21,200,000	\$19,499,812	90	90	187	\$35,129	\$0	Monitoring	5.00
	FIAMM Technologies Incorporated	06/13/12	Cadillac	Wexford	Expansion	Grant	\$500,000	\$500,000	\$4,427,875	\$5,010,408	31	35	36	\$30,994	\$0	Monitoring	3.97
	Brose New Boston Inc.	06/27/12	New Boston	Wayne	Expansion	Grant	\$3,500,000	\$3,500,000	\$61,773,500	\$35,552,943	350	350	350	\$25,750	\$0	Monitoring	4.69
	ArcticAX US LLC <sup>6</sup>	06/28/12	Grand Rapids	Kent	New	Grant	\$220,000	\$120,000	\$1,859,500	\$1,836,342	28	9	2	\$0	\$0	Monitoring	5.25
	Cooper Standard Automotive	07/23/12	Leonard	Oakland	Expansion	Grant	\$235,730	\$128,580	\$3,546,940	\$0	55	30	85	\$33,187	\$0	Monitoring	4.69
	Cherry Growers Incorporated <sup>7</sup>	07/25/12	Grawn	Grand Traverse	Expansion	Other	\$2,500,000	\$2,500,000	\$12,499,760	\$5,929,456	72	0	21	\$121,000	\$2,500,000	Monitoring	4.70
	Materne North America	07/25/12	Grawn	Grand Traverse	Expansion	Other	\$3,000,000	\$3,000,000	\$23,472,500	\$22,521,824	65	65	177	\$31,767	\$3,000,000	Monitoring	15.71
	Thai Summit America Corporation	08/09/12	Howell	Livingston	Expansion	Grant	\$300,000	\$300,000	\$34,987,000	\$137,002,909	78	78	332	\$32,834	\$0	Monitoring	4.90
	Pinnacle Foods Corporation/Vlasic Brands	08/15/12	Imlay City	Lapeer	Expansion	Grant	\$800,000	\$800,000	\$14,331,125	\$38,760,000	29	46	52	\$37,900	\$0	Monitoring	3.38
	Jason Incorporated (dba Janesville Acoustics)	08/22/12	Battle Creek	Calhoun	New	Grant	\$1,500,000	\$1,500,000	\$15,050,000	\$12,700,000	225	253	329	\$27,716	\$0	Monitoring	5.41
	Mayser Polymer USA Inc.	08/29/12	Canton	Wayne	Expansion	Grant	\$200,000	\$200,000	\$3,921,600	\$3,800,000	50	50	58	\$27,160	\$0	Monitoring	5.34
Magna Closures-Engineered Glass	09/27/12	Holland	Ottawa	Expansion	Grant	\$1,200,000	\$1,200,000	\$10,148,304	\$2,200,000	177	207	240	\$40,591	\$0	Monitoring	6.26	
Mophie	09/28/12	Kalamazoo	Kalamazoo	Relocation	Grant	\$240,000	\$150,000	\$4,010,000	\$6,474,882	50	53	53	\$35,125	\$0	Monitoring	5.26	
Dieomatic Inc.	09/28/12	Auburn Hills	Oakland	Expansion	Grant	\$690,000	\$270,000	\$25,861,000	\$24,000,000	230	90	127	\$22,400	\$0	Monitoring	5.26	
The Martin-Brower Company LLC <sup>6</sup>	09/28/12	St. Johns	Clinton	Expansion	Grant	\$500,000	\$350,000	\$16,250,000	\$18,953,782	150	126	117	\$0	\$0	Ended	3.51	
2013	Continental Automotive Systems	10/22/12	Auburn Hills	Oakland	Expansion	Grant	\$900,000	\$0	\$1,650,000	\$0	250	0	417	\$85,000	\$0	Monitoring	7.37
	RNFL Acquisition LLC-Biogenic Reagents <sup>8</sup>	10/24/12	Gwinn	Marquette	New	Other	\$2,000,000	\$2,000,000	\$16,985,000	\$7,100,000	27	27	20	\$0	\$2,000,000	Monitoring	4.34
	The Armored Group LLC <sup>9</sup>	10/31/12	Dearborn Heights	Wayne	Expansion	Grant	\$1,000,000	\$400,000	\$1,455,000	\$2,018,470	240	0	28	\$50,469	\$0	Monitoring	5.17
	Undercar Products Group	11/01/12	Wyoming	Kent	Expansion	Grant	\$475,000	\$475,000	\$26,047,023	\$85,000	150	151	157	\$50,000	\$0	Monitoring	4.41
	Henrob Corporation	11/02/12	New Hudson	Oakland	Expansion	Grant	\$300,000	\$200,000	\$68,491,000	\$0	152	129	181	\$42,037	\$0	Monitoring	5.16
	Summit Polymers Inc.	11/8/12	Portage	Kalamazoo	Expansion	Grant	\$370,000	\$370,000	\$9,300,000	\$14,805,537	70	77	326	\$30,463	\$0	Monitoring	4.90
	Dart Container Corporation	11/28/12	Mason	Ingham	Expansion	Grant	\$3,000,000	\$2,000,000	\$47,000,000	\$128,268,847	325	250	470	\$46,730	\$0	Monitoring	5.65
	OPS Solutions	12/06/12	Novi	Oakland	Expansion	Grant	\$400,000	\$300,000	\$268,000	\$1,900,000	25	12	12	\$39,600	\$0	Monitoring	7.22
	Founders Brewing Company	12/19/12	Grand Rapids SW	Kent	Expansion	Other	\$2,000,000	\$2,000,000	\$26,000,000	\$44,700,000	52	38	44	\$42,500	\$2,000,000	Monitoring	5.23
	La-Z-Boy Inc.	12/19/12	Monroe	Monroe	Expansion	Grant	\$3,000,000	\$1,800,000	\$51,500,000	\$118,144,891	50	74	74	\$58,280	\$0	Monitoring	6.04
	Two Men and A Truck International	01/09/13	Lansing Township	Ingham	Expansion	Grant	\$350,000	\$350,000	\$3,951,900	\$5,671,176	70	76	74	\$34,668	\$0	Monitoring	5.08
	Denso Manufacturing Michigan Inc.	01/23/13	Battle Creek	Calhoun	Expansion	Grant	\$1,460,000	\$1,460,000	\$105,440,764	\$191,686,424	266	266	309	\$35,629	\$0	Monitoring	5.44
	Whirlpool Corporation	01/23/13	Benton Harbor	Berrien	Relocation	Grant	\$2,400,000	\$2,400,000	\$18,945,000	\$28,249,848	180	180	189	\$84,247	\$0	Monitoring	4.44
	Dieomatic Inc.	01/23/13	Battle Creek	Calhoun	Expansion	Grant	\$1,600,000	\$200,000	\$162,072,542	\$0	500	55	241	\$40,000	\$0	Monitoring	5.94
	Rigaku Innovative Technologies Inc. <sup>6</sup>	01/23/13	Auburn Hills	Oakland	Expansion	Other	\$2,000,000	\$2,000,000	\$55,700,000	\$0	25	0	0	\$0	\$2,000,000	Monitoring	6.94
	Norplas Industries Inc.-Magna	01/23/13	Brownstown	Wayne	Expansion	Grant	\$1,250,000	\$630,000	\$81,750,485	\$81,750,485	400	214	406	\$43,783	\$0	Monitoring	4.44
	Moran Iron Works Incorporated <sup>8</sup>	01/23/13	Onaway	Cheboygan	Expansion	Grant	\$2,000,000	\$1,000,000	\$16,224,911	\$4,929,942	75	35	0	\$0	\$0	Monitoring	5.03



MICHIGAN BUSINESS DEVELOPMENT PROGRAM: EXHIBIT 1 <i>continued</i>																	
Michigan Strategic Fund Act, Michigan Business Development Program; Legislative Report for fiscal year 2015 as of September 30, 2015																	
MSF BOARD ACTION TAKEN-AGREEMENT EXECUTED																	
Fiscal year approved	Company name	MSF approval date	Municipality	County	Project type	Incentive type	Approved amount	Cumulative amount disbursed	Total projected investment <sup>1</sup>	Actual private investment <sup>2</sup>	New jobs committed <sup>3</sup>	Actual new jobs created <sup>4</sup>	New jobs created that are not temporary <sup>5</sup>	Average annual salary of new jobs	Other economic assistance	Status of loans/stage	Duration of economic assistance (years)
2013	Kirchhoff Van-Rob Tecumseh	01/23/13	Tecumseh	Lenawee	Expansion	Grant	\$5,300,000	\$2,300,000	\$30,682,381	\$55,739,274	450	118	112	\$28,385	\$0	Monitoring	5.94
	Denso International America Inc.	01/23/13	Southfield	Oakland	Expansion	Grant	\$1,540,000	\$1,040,000	\$45,700,000	\$80,598,000	176	123	141	\$78,168	\$0	Monitoring	5.03
	Black & Veatch Corporation <sup>8</sup>	01/25/13	Ann Arbor	Washtenaw	Expansion	Grant	\$435,000	\$265,000	\$13,488,723	\$1,488,024	75	51	41	\$49,256	\$0	Monitoring	4.93
	Baker Aerospace Tooling & Machining Inc.	01/29/13	Macomb	Macomb	Expansion	Grant	\$800,000	\$500,000	\$9,856,650	\$18,900,000	165	95	105	\$50,421	\$0	Monitoring	4.96
	Herbruck Poultry Ranch Inc.	02/14/13	Saranac	Ionia	Expansion	Grant	\$500,000	\$300,000	\$17,150,000	\$21,931,918	50	49	194	\$23,838	\$0	Monitoring	5.35
	Lyons Consulting Group	03/01/13	Ann Arbor	Washtenaw	Expansion	Grant	\$300,000	\$180,000	\$1,142,833	\$3,072,332	30	12	15	\$89,082	\$0	Monitoring	5.08
	Hanwha Advanced Materials America LLC	03/12/13	Monroe	Monroe	Expansion	Grant	\$231,440	\$100,000	\$12,000,000	\$25,083,000	54	18	31	\$39,000	\$0	Monitoring	6.30
	Detroit Thermal Systems LLC	03/21/13	Romulus	Wayne	New	Grant	\$750,000	\$750,000	\$27,073,125	\$0	312	329	503	\$38,000	\$0	Monitoring	4.78
	Southwest Michigan First Corp.	03/27/13	Kalamazoo	Kalamazoo	New	Loan	\$4,000,000	\$4,000,000	\$4,265,000	\$3,785,160	0	0	0	\$0	\$0	Monitoring	5.60
	Newell Rubbermaid	03/27/13	Kalamazoo	Kalamazoo	Relocation	Grant	\$2,000,000	\$1,800,000	\$2,300,000	\$50,000	100	91	102	\$92,894	\$0	Monitoring	4.77
	Rassini Brakes LLC	04/04/13	Flint	Genesee	New	Grant	\$500,000	\$500,000	\$17,310,800	\$21,600,000	55	61	72	\$27,788	\$0	Monitoring	3.83
	Bleistahl North America LP	04/05/13	Battle Creek	Calhoun	New	Grant	\$475,000	\$240,000	\$11,593,900	\$10,145,000	55	26	41	\$43,395	\$0	Monitoring	4.92
	Kay Manufacturing Co.	04/08/13	St. Joseph	Berrien	Expansion	Grant	\$350,000	\$240,000	\$9,290,000	\$18,939,903	80	57	59	\$36,295	\$0	Monitoring	5.15
	Belmont Engineered Plastics LLC	04/15/13	Belmont	Kent	New	Grant	\$900,000	\$675,000	\$5,510,000	\$5,600,000	62	58	52	\$42,985	\$0	Monitoring	5.26
	Grand Rapids Chair Company	04/15/13	Byron Center	Kent	Expansion	Grant	\$200,000	\$100,000	\$2,540,000	\$4,930,000	50	32	30	\$34,718	\$0	Monitoring	5.15
	CDK Global LLC	04/24/13	Detroit	Wayne	Expansion	Grant	\$1,500,000	\$1,500,000	\$3,300,000	\$2,000,000	150	150	150	\$60,000	\$0	Monitoring	4.75
	Rec Boat Holdings LLC	04/25/13	Cadillac	Wexford	Expansion	Grant	\$1,000,000	\$800,000	\$4,785,381	\$3,067,858	135	35	55	\$25,144	\$0	Monitoring	4.95
	JR Automation Technologies LLC	04/29/13	Holland	Ottawa	Expansion	Grant	\$300,000	\$300,000	\$4,166,000	\$0	90	93	150	\$48,807	\$0	Monitoring	5.17
	Kay Automotive Graphics	05/06/13	Lake Orion	Oakland	Expansion	Grant	\$350,000	\$105,000	\$12,915,000	\$13,950,000	50	17	25	\$29,643	\$0	Monitoring	7.99
	SMR	05/22/13	Marysville	St. Clair	Expansion	Grant	\$4,000,000	\$3,000,000	\$40,237,154	\$70,527,174	350	253	312	\$28,150	\$0	Monitoring	5.07
	Merhow Acquisition LLC, dba Merhow Industries	06/03/13	White Pigeon	St. Joseph	Relocation	Grant	\$200,000	\$200,000	\$1,075,000	\$1,016,000	46	49	58	\$33,155	\$0	Monitoring	5.08
	TRMI Inc.	06/03/13	Battle Creek	Calhoun	Expansion	Grant	\$700,000	\$700,000	\$11,100,000	\$16,467,414	150	153	201	\$35,612	\$0	Monitoring	5.04
	Senderra RX Partners LLC	06/14/13	Flint Township	Genesee	Expansion	Grant	\$200,000	\$0	\$675,500	\$51,285	70	72	77	\$30,267	\$0	Monitoring	5.48
	Blissfield Manufacturing Company <sup>6</sup>	06/14/13	Blissfield	Lenawee	Expansion	Grant	\$365,000	\$125,000	\$1,530,735	\$0	68	39	29	\$0	\$0	Monitoring	5.04
	ZYNP International Corporation	06/21/13	Romulus	Wayne	Expansion	Grant	\$350,000	\$175,000	\$9,561,532	\$2,249,939	51	26	32	\$35,000	\$0	Monitoring	5.53
	Integrated Manufacturing & Assembly LLC	06/26/13	Detroit	Wayne	Expansion	Grant	\$4,600,000	\$3,400,000	\$32,454,809	\$63,939,799	851	620	785	\$32,938	\$0	Monitoring	4.94
	GKN Driveline North America Inc.	07/11/13	Auburn Hills	Oakland	Expansion	Grant	\$1,000,000	\$1,000,000	\$5,100,000	\$2,000,000	50	50	64	\$97,244	\$0	Monitoring	4.48
	Detroit Diesel Corporation	07/18/13	Detroit	Wayne	Expansion	Grant	\$250,000	\$0	\$77,200,000	\$0	50	0	572	\$50,000	\$0	Monitoring	5.46
	Fairlife, LLC	07/22/13	Coopersville	Ottawa	New	Grant	\$900,000	\$900,000	\$127,563,150	\$256,295,260	125	130	143	\$46,917	\$0	Monitoring	5.20
	Jackson National Life	07/24/13	Lansing	Ingham	Expansion	Grant	\$3,000,000	\$750,000	\$100,000,004	\$122,400,290	400	100	881	\$41,597	\$0	Monitoring	6.26
Coyote Logistics	08/05/13	Ann Arbor	Washtenaw	Expansion	Grant	\$1,000,000	\$600,000	\$1,200,500	\$280,000	120	75	75	\$52,000	\$0	Monitoring	4.90	
VernDale Products Incorporated	08/28/13	Detroit	Wayne	Expansion	Other	\$436,000	\$436,000	\$15,991,458	\$38,000,000	13	0	14	\$46,181	\$0	Monitoring	5.35	
Firstronic, LLC	09/04/13	Grand Rapids	Kent	Expansion	Grant	\$300,000	\$300,000	\$2,245,000	\$19,437	110	110	125	\$21,800	\$0	Monitoring	4.65	
ADAC Automotive	09/09/13	Muskegon	Muskegon	Expansion	Grant	\$650,000	\$425,000	\$7,903,000	\$7,625,573	90	45	176	\$34,418	\$0	Monitoring	4.64	
Dairy Farmers of America Inc.	09/25/13	Cass City	Tuscola	Expansion	Grant	\$500,000	\$500,000	\$40,000,000	\$83,496,127	25	31	31	\$40,274	\$0	Monitoring	4.27	
2014	JCIM US LLC	10/02/13	Frenchtown	Monroe	Expansion	Grant	\$800,000	\$500,000	\$16,927,000	\$14,689,241	182	130	222	\$35,432	\$0	Monitoring	3.92
	Triumph Gear Systems	10/07/13	Macomb Township	Macomb	Expansion	Grant	\$250,000	\$0	\$15,180,000	\$20,819,462	60	0	19	\$63,577	\$0	Monitoring	6.73
	CHi-Charter House Innovations	10/15/13	Zeeland	Ottawa	Expansion	Grant	\$200,000	\$100,000	\$3,052,000	\$6,367,298	50	30	30	\$34,410	\$0	Monitoring	4.46
	Navitas Advanced Solutions Group <sup>8</sup>	10/17/13	Ann Arbor	Washtenaw	Expansion	Grant	\$1,000,000	\$500,000	\$9,287,000	\$1,135,015	125	57	15	\$60,939	\$0	Monitoring	6.42
	Comprehensive Logistics	10/17/13	Detroit	Wayne	Expansion	Grant	\$800,000	\$480,000	\$18,140,000	\$33,800,000	400	240	300	\$32,300	\$0	Monitoring	5.21
	Aisin Technical Center of North America	10/23/13	Northville	Wayne	Expansion	Grant	\$1,200,000	\$400,000	\$32,724,600	\$0	151	84	74	\$63,173	\$0	Monitoring	7.67
	Pillar Technology Group LLC	11/01/13	Ann Arbor	Washtenaw	Expansion	Grant	\$350,000	\$75,000	\$1,425,000	\$1,056,000	45	14	23	\$108,428	\$0	Monitoring	4.25
	Ventra Grand Rapids 5 LLC	11/05/13	Kentwood	Kent	Expansion	Grant	\$650,000	\$650,000	\$16,296,797	\$33,503,638	150	170	622	\$26,365	\$0	Monitoring	3.32
	Cooper Standard Automotive (Fairview)	11/06/13	Fairview	Oscoda	Expansion	Grant	\$1,000,000	\$700,800	\$6,359,817	\$6,401,294	177	114	64	\$24,355	\$0	Monitoring	4.90

**MICHIGAN BUSINESS DEVELOPMENT PROGRAM: EXHIBIT 1** *continued*  
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 MSF BOARD ACTION TAKEN-AGREEMENT EXECUTED

Fiscal year approved	Company name	MSF approval date	Municipality	County	Project type	Incentive type	Approved amount	Cumulative amount disbursed	Total projected investment <sup>1</sup>	Actual private investment <sup>2</sup>	New jobs committed <sup>3</sup>	Actual new jobs created <sup>4</sup>	New jobs created that are not temporary <sup>5</sup>	Average annual salary of new jobs	Other economic assistance	Status of loans/stage	Duration of economic assistance (years)
2014	Lauren Plastics	11/15/13	Spring Lake	Ottawa	Expansion	Grant	\$300,000	\$225,000	\$7,063,000	\$0	70	50	50	\$28,262	\$0	Monitoring	5.32
	SRI International	11/20/13	Plymouth	Wayne	Expansion	Grant	\$800,000	\$192,000	\$624,535	\$0	25	6	6	\$72,800	\$0	Monitoring	7.46
	HTC Global Services Incorporated	11/20/13	Troy	Oakland	Expansion	Grant	\$1,750,000	\$430,000	\$3,372,500	\$606,825	203	102	52	\$68,692	\$0	Monitoring	5.32
	Spartan Stores	11/20/13	Byron Center	Kent	Expansion	Grant	\$2,750,000	\$1,000,000	\$18,271,496	\$3,146,797	372	36	87	\$82,665	\$0	Monitoring	7.20
	Niowave Inc.	11/20/13	Lansing	Ingham	Expansion	Other	\$3,000,000	\$1,000,000	\$79,000,000	\$0	90	10	11	\$46,364	\$3,000,000	Monitoring	6.55
	Mahindra GenZe	11/25/13	Ann Arbor	Washtenaw	New	Grant	\$300,000	\$70,000	\$2,010,000	\$3,862,196	34	13	11	\$71,723	\$0	Monitoring	6.35
	Circuit Controls Corporation	12/11/13	Petoskey	Emmet	Expansion	Grant	\$180,000	\$90,000	\$21,722,000	\$24,816,214	36	31	37	\$30,094	\$0	Monitoring	4.81
	Vectorform LLC	12/12/13	Royal Oak	Oakland	Expansion	Grant	\$375,000	\$0	\$2,240,455	\$0	75	0	13	\$70,000	\$0	Monitoring	6.14
	Medimpact Healthcare Systems Inc.	12/19/13	Van Buren Township	Wayne	New	Grant	\$150,000	\$0	\$2,074,000	\$0	75	0	54	\$33,535	\$0	Monitoring	5.32
	MANN+HUMMEL USA Inc.	01/31/14	Portage	Kalamazoo	Expansion	Grant	\$325,000	\$140,000	\$17,425,000	\$7,153,240	70	40	69	\$41,886	\$0	Monitoring	5.33
	ThinkTech Inc.	02/06/14	Ann Arbor	Washtenaw	Expansion	Grant	\$500,000	\$150,000	\$2,938,551	\$568,495	50	17	31	\$116,348	\$0	Monitoring	5.16
	Advance Engineering Company	02/06/14	Canton	Wayne	Expansion	Grant	\$400,000	\$200,000	\$6,554,000	\$8,528,653	150	78	94	\$32,579	\$0	Monitoring	3.90
	Futuramic (Detroit location)	02/24/14	Detroit	Wayne	Relocation	Grant	\$600,000	\$180,000	\$20,030,000	\$4,700,000	100	30	40	\$46,500	\$0	Monitoring	4.96
	Kalitta Air	02/25/14	Oscoda	Iosco	Expansion	Grant	\$2,000,000	\$1,000,000	\$9,730,431	\$10,434,051	200	100	100	\$42,658	\$0	Monitoring	6.24
	Eberspacher North America Inc.	02/25/14	Brighton	Livingston	Expansion	Grant	\$4,500,000	\$0	\$122,000,000	\$20,208,000	545	0	150	\$38,244	\$0	Monitoring	8.25
	Xanedu	02/26/14	Ann Arbor	Washtenaw	Expansion	Grant	\$325,000	\$0	\$1,030,000	\$125,000	50	0	12	\$38,000	\$0	Monitoring	6.52
	Proos Manufacturing Inc. <sup>6</sup>	03/05/14	Grand Rapids	Kent	Expansion	Grant	\$200,000	\$75,000	\$5,665,370	\$360,000	50	20	0		\$0	Monitoring	5.28
	Avon Protection Systems Incorporated	03/06/14	Cadillac	Wexford	Expansion	Grant	\$100,000	\$100,000	\$925,500	\$934,508	29	29	29	\$25,000	\$0	Monitoring	2.99
	Nyloncraft, Inc.	03/14/14	Jonesville	Hillsdale	Expansion	Grant	\$150,000	\$150,000	\$4,693,000	\$1,200,000	40	41	46	\$26,000	\$0	Monitoring	4.08
	Hirata	03/24/14	New Hudson	Oakland	Expansion	Grant	\$200,000	\$0	\$2,065,380	\$57,080	39	0	10	\$61,008	\$0	Monitoring	5.02
	BorgWarner Inc.–Powertrain Technical Center	03/25/14	Auburn Hills	Oakland	Expansion	Grant	\$3,200,000	\$3,200,000	\$11,000,000	\$6,354,000	180	180	187	\$71,642	\$0	Monitoring	5.29
	M1 Rail	03/25/14	Detroit	Wayne	New	Loan	\$10,000,000	\$5,000,000	\$131,957,023	\$17,507,106	0	0	0	\$0	\$0	Monitoring	14.78
	Oerlikon Balzers Coatings USA Inc.	03/28/14	Lake Orion	Oakland	Expansion	Grant	\$250,000	\$0	\$6,038,000	\$40,000	50	0	8	\$35,000	\$0	Monitoring	4.76
	Fuyao Automotive North America Inc.	04/08/14	Lake Orion	Oakland	Expansion	Grant	\$1,000,000	\$500,000	\$15,390,000	\$0	100	51	85	\$20,800	\$0	Monitoring	5.89
	Molina Healthcare of Michigan	04/22/14	Troy	Oakland	Expansion	Grant	\$2,296,000	\$750,000	\$20,323,311	\$0	462	164	150	\$55,851	\$0	Monitoring	4.73
	NOVO <sup>1,8</sup>	04/24/14	Grand Rapids	Kent	Expansion	Grant	\$550,000	\$272,000	\$1,500,000	\$0	287	143	0	\$0	\$0	Monitoring	5.36
	INGlass USA	04/24/14	Byron Center	Kent	New	Grant	\$300,000	\$123,000	\$17,668,890	\$10,953,027	73	30	33	\$42,832	\$0	Monitoring	5.47
	Herbruck Poultry Ranch Inc.	04/25/14	Lake Odessa	Ionia	Expansion	Grant	\$750,000	\$187,000	\$76,500,000	\$23,820,241	100	60	141	\$23,399	\$0	Monitoring	5.49
	Mahindra Vehicle Manufacturers Limited	04/28/14	Troy	Oakland	New	Grant	\$500,000	\$280,000	\$1,912,854	\$25,469,067	112	50	56	\$123,296	\$0	Monitoring	4.68
	Toyoda Gosei North America Corporation	05/14/14	Troy	Oakland	Expansion	Grant	\$250,000	\$115,000	\$7,951,500	\$2,100,000	51	26	59	\$70,839	\$0	Monitoring	4.87
	AvaSure	05/14/14	Belmont	Kent	Expansion	Grant	\$550,000	\$0	\$1,896,400	\$200,000	110	0	30	\$61,000	\$0	Monitoring	5.20
	Challenge Manufacturing Company	05/27/14	Pontiac	Oakland	Expansion	Grant	\$2,238,000	\$0	\$50,000,000	\$47,667,815	450	0	0	\$0	\$0	Monitoring	5.35
	SolarBos	06/04/14	Walker	Kent	New	Grant	\$250,000	\$160,000	\$884,000	\$1,300,000	50	35	36	\$41,600	\$0	Monitoring	4.99
	JanSar Inc.	06/04/14	Battle Creek	Calhoun	New	Grant	\$950,000	\$0	\$22,842,000	\$10,957,778	186	0	97	\$31,997	\$0	Monitoring	5.66
	Cascade Die Casting Group	06/05/14	Sparta and Grand Rapids	Kent	Expansion	Grant	\$275,000	\$115,000	\$5,336,000	\$352,000	50	23	35	\$32,175	\$0	Monitoring	5.58
	Ventra Ionia Main LLC	06/09/14	Ionia	Ionia	Expansion	Grant	\$500,000	\$180,000	\$8,504,539	\$8,541,998	144	242	85	\$31,361	\$0	Monitoring	3.98
	Hirotec America Inc.	07/01/14	Auburn Hills	Oakland	Expansion	Grant	\$1,000,000	\$375,000	\$26,000,000	\$427,166	110	35	35	\$70,000	\$0	Monitoring	4.50
	Medbio Inc.	07/08/14	Caledonia	Kent	Expansion	Grant	\$180,000	\$60,000	\$3,393,000	\$2,500,000	45	15	16	\$35,000	\$0	Monitoring	5.08
	NEMO Capital Partners LLC	07/11/14	Southfield	Oakland	New	Grant	\$750,000	\$300,000	\$2,607,300	\$1,900,000	175	55	55	\$47,520	\$0	Monitoring	5.73
	S & P Data LLC <sup>8</sup>	07/14/14	Troy	Oakland	New	Grant	\$1,000,000	\$600,000	\$4,380,546	\$150,000	400	100	40	\$31,500	\$0	Monitoring	4.96
Walbro Engine Management	07/14/14	Cass City	Tuscola	Expansion	Grant	\$165,000	\$33,000	\$4,150,000	\$954,000	25	8	4	\$24,500	\$0	Monitoring	4.72	
Eissmann Automotive Port Huron LLC	07/15/14	Port Huron	St. Clair	New	Grant	\$850,000	\$105,000	\$13,550,000	\$6,900,000	225	33	97	\$38,351	\$0	Monitoring	4.79	
Roush Industries Inc.	07/18/14	Livonia	Wayne	Expansion	Grant	\$1,000,000	\$500,000	\$8,700,775	\$0	210	100	199	\$33,962	\$0	Monitoring	4.46	
Suniva Inc.	07/22/14	Saginaw	Saginaw	New	Grant	\$2,500,000	\$1,050,000	\$12,225,000	\$17,500,000	350	100	160	\$32,000	\$0	Monitoring	4.78	

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MSF BOARD ACTION TAKEN-AGREEMENT EXECUTED

Fiscal year approved	Company name	MSF approval date	Municipality	County	Project type	Incentive type	Approved amount	Cumulative amount disbursed	Total projected investment <sup>1</sup>	Actual private investment <sup>2</sup>	New jobs committed <sup>3</sup>	Actual new jobs created <sup>4</sup>	New jobs created that are not temporary <sup>5</sup>	Average annual salary of new jobs	Other economic assistance	Status of loans/stage	Duration of economic assistance (years)
2014	Brembo North America Inc.	07/22/14	Homer	Calhoun	Expansion	Grant	\$2,000,000	\$0	\$78,428,651	\$23,990,537	254	0	52	\$50,000	\$0	Monitoring	5.70
	HA Automotive Systems Inc.	07/22/14	Troy	Oakland	New	Grant	\$2,250,000	\$0	\$28,800,000	\$11,800,000	368	0	8	\$104,000	\$0	Monitoring	7.69
	Anchor Coupling, Inc.	07/24/14	Menominee	Menominee	Expansion	Grant	\$1,000,000	\$253,333	\$9,056,000	\$7,107,415	110	22	58	\$30,000	\$0	Monitoring	4.44
	Celia Corporation	07/28/14	Sparta	Kent	Expansion	Grant	\$233,000	\$0	\$4,175,000	\$0	50	0	30	\$27,223	\$0	Monitoring	5.08
	Flow-Rite Controls, Ltd.	07/30/14	Byron Center	Kent	Expansion	Grant	\$224,000	\$105,000	\$6,055,552	\$0	64	30	48	\$32,957	\$0	Monitoring	5.13
	Middleville Tool & Die Company Inc.	07/30/14	Middleville	Barry	Expansion	Grant	\$350,000	\$100,000	\$6,300,000	\$0	35	17	26	\$43,680	\$0	Monitoring	5.01
	Duffey Petrosky	08/04/14	Farmington Hills	Oakland	Expansion	Grant	\$1,000,000	\$0	\$912,708	\$0	204	0	0	\$0	\$0	Monitoring	5.41
	Unified Business Technologies Inc.	08/08/14	Troy	Oakland	Expansion	Grant	\$650,000	\$300,000	\$17,174,800	\$3,253,743	150	25	25	\$49,997	\$0	Monitoring	4.40
	Transform Automotive LLC	08/08/14	Shelby Charter Township	Macomb	Expansion	Grant	\$550,000	\$175,000	\$41,946,000	\$14,000,000	77	25	31	\$32,780	\$0	Monitoring	4.56
	Toyota Motor Engineering & Manufacturing, N.A. Inc.	08/26/14	Ann Arbor Charter Township	Washtenaw	Expansion	Grant	\$5,000,000	\$0	\$107,650,000	\$0	335	0	138	\$84,604	\$0	Monitoring	8.35
	Neogen Corporation	08/28/14	Lansing	Ingham	Expansion	Grant	\$100,000	\$32,000	\$1,035,000	\$940,446	25	127	154	\$32,385	\$0	Monitoring	4.93
	CDK Global LLC	09/01/14	Detroit	Wayne	Expansion	Grant	\$1,000,000	\$250,000	\$3,590,000	\$1,000,000	100	25	51	\$60,000	\$0	Monitoring	3.75
	American Axle & Manufacturing	09/05/14	Detroit	Wayne	Expansion	Grant	\$1,000,000	\$0	\$15,400,000	\$5,000,000	75	0	34	\$107,033	\$0	Monitoring	4.99
	Costco	09/08/14	Belleville	Wayne	New	Grant	\$450,000	\$0	\$47,890,000	\$42,415,500	126	0	4	\$92,551	\$0	Monitoring	5.32
	Hannigan Insurance Agency	09/12/14	Ann Arbor	Washtenaw	Expansion	Grant	\$400,000	\$81,000	\$516,000	\$105,000	75	16	15	\$30,000	\$0	Monitoring	4.63
	Android Industries	09/17/14	Detroit	Wayne	Expansion	Grant	\$500,000	\$500,000	\$16,487,341	\$11,000,000	100	0	52	\$46,351	\$0	Monitoring	4.79
	Dicastal North America Inc.	09/17/14	Greenville	Montcalm	New	Grant	\$3,500,000	\$3,000,000	\$139,616,538	\$50,000,000	300	0	32	\$65,390	\$0	Monitoring	5.54
	Plasan Carbon Composites Inc. <sup>10</sup>	09/17/14	Walker	Kent	Expansion	Other	\$6,000,000	\$4,800,000	\$29,022,000	\$8,550,000	620	418	373	\$27,500	\$6,000,000	Monitoring	5.79
	Nexthermal Corporation	09/19/14	Battle Creek	Calhoun	Expansion	Grant	\$250,000	\$50,000	\$1,964,000	\$578,565	50	10	12	\$45,000	\$0	Monitoring	4.99
Harman–Novi	09/30/14	Novi	Oakland	Expansion	Grant	\$800,000	\$0	\$44,889,000	\$0	150	0	78	\$99,911	\$0	Monitoring	6.26	
2015	SL America Corporation	10/06/14	Auburn Hills	Oakland	Expansion	Grant	\$615,000	\$250,000	\$8,011,214	\$6,112	72	10	15	\$66,782	\$0	Monitoring	5.33
	Summit Polymers Inc.	10/09/14	Vicksburg	Kalamazoo	Expansion	Grant	\$800,000	\$250,000	\$7,290,552	\$5,524,528	198	74	134	\$27,573	\$0	Monitoring	5.07
	NBJX	10/16/14	Canton	Wayne	Expansion	Grant	\$300,000	\$0	\$8,053,000	\$363,222	75	0	2	\$22,880	\$0	Monitoring	5.54
	Lippert Components Manufacturing Inc.	10/16/14	Sterling Heights	Macomb	Expansion	Grant	\$200,000	\$100,000	\$1,668,000	\$891,813	102	0	54	\$37,131	\$0	Monitoring	4.21
	Greenfield Die & Manufacturing Corp.	10/28/14	Plymouth	Wayne	Expansion	Grant	\$2,000,000	\$460,000	\$42,968,954	\$0	128	30	57	\$65,000	\$0	Monitoring	6.21
	Magna International of America, Mimco Inc.	10/28/14	Plymouth Township	Wayne	Expansion	Grant	\$3,000,000	\$0	\$59,227,000	\$0	466	0	100	\$37,000	\$0	Monitoring	4.18
	Thomson Reuters (Tax & Accounting) Inc.	10/28/14	Pittsfield Township	Washtenaw	Expansion	Grant	\$2,400,000	\$0	\$19,866,000	\$1,309,050	300	0	19	\$49,933	\$0	Monitoring	7.18
	Mobis North America LLC	10/28/14	Plymouth	Wayne	Expansion	Grant	\$1,250,000	\$250,000	\$26,570,000	\$14,200,000	121	28	62	\$84,500	\$0	Monitoring	4.34
	LTC Roll & Engineering	10/29/14	Cottrellville	St. Clair	Expansion	Grant	\$450,000	\$0	\$8,550,000	\$0	90	0	2	\$35,608	\$0	Monitoring	5.09
	Fullerton Tool Company Inc.	10/31/14	Saginaw	Saginaw	Expansion	Grant	\$430,000	\$0	\$8,044,884	\$795,936	58	0	7	\$28,950	\$0	Monitoring	5.17
	Shanghai SIIC Automotive Electric Company STEC	11/05/14	Madison Heights	Oakland	New	Grant	\$700,000	\$0	\$15,097,200	\$1,605,665	176	0	7	\$104,700	\$0	Monitoring	8.16
	TG Fluid Systems USA Corporation	11/21/14	Brighton	Livingston	Expansion	Grant	\$150,000	\$0	\$12,934,128	\$12,000,000	36	0	53	\$27,990	\$0	Monitoring	4.58
	Founders Brewing Company	11/25/14	Grand Rapids	Kent	Expansion	Grant	\$250,000	\$0	\$40,400,000	\$30,000,000	72	0	22	\$42,200	\$0	Monitoring	5.02
	Covisint, L.L.C.	11/25/14	Southfield	Oakland	Expansion	Grant	\$1,500,000	\$0	\$5,500,000	\$2,786,600	50	0	14	\$92,800	\$0	Monitoring	6.10
	Alcoa Howmet	11/26/14	Whitehall	Muskegon	Expansion	Grant	\$285,000	\$0	\$16,734,500	\$2,205,297	25	0	0	\$0	\$0	Monitoring	6.10
	DAVID Corporation	12/5/14	Livonia	Wayne	Expansion	Grant	\$150,000	\$69,000	\$418,180	\$1,113,594	26	13	16	\$84,812	\$0	Monitoring	4.95
	Loc Performance Products Inc.	12/16/14	Plymouth	Wayne	Expansion	Grant	\$600,000	\$400,000	\$12,140,000	\$2,161,665	95	50	54	\$32,271	\$0	Monitoring	5.13
	Paslin Company	12/16/14	Warren	Macomb	Expansion	Grant	\$1,700,000	\$1,000,000	\$20,612,000	\$8,000	200	100	80	\$63,014	\$0	Monitoring	5.67
	Brose North America Inc.	12/16/14	New Boston	Wayne	Expansion	Grant	\$4,250,000	\$1,250,000	\$97,600,000	\$3,720,701	475	154	112	\$25,750	\$0	Monitoring	7.52
	Fori Automation	12/19/14	Shelby Township	Macomb	Expansion	Grant	\$250,000	\$0	\$9,900,000	\$9,036,748	52	0	25	\$65,158	\$0	Monitoring	5.04
	NHK International Corporation	12/29/14	Novi	Oakland	Expansion	Grant	\$150,000	\$0	\$9,000,000	\$0	26	0	10	\$63,981	\$0	Monitoring	5.01
Irwin Seating Company	12/30/14	Grand Rapids	Kent	Expansion	Grant	\$300,000	\$0	\$1,900,000	\$0	60	0	40	\$28,080	\$0	Monitoring	4.93	
TI Automotive LLC	01/20/15	Auburn Hills	Oakland	Expansion	Grant	\$500,000	\$0	\$7,033,133	\$0	97	0	2	\$79,500	\$0	Monitoring	6.17	
Forest River Products	01/27/15	White Pigeon	St. Joseph	New	Grant	\$350,000	\$0	\$7,080,000	\$0	396	0	0	\$0	\$0	Monitoring	5.93	

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 Michigan Strategic Fund Act, Michigan Business Development Program; Legislative Report for fiscal year 2015 as of September 30, 2015  
 MSF BOARD ACTION TAKEN-AGREEMENT EXECUTED

Fiscal year approved	Company name	MSF approval date	Municipality	County	Project type	Incentive type	Approved amount	Cumulative amount disbursed	Total projected investment <sup>1</sup>	Actual private investment <sup>2</sup>	New jobs committed <sup>3</sup>	Actual new jobs created <sup>4</sup>	New jobs created that are not temporary <sup>5</sup>	Average annual salary of new jobs	Other economic assistance	Status of loans/ stage	Duration of economic assistance (years)
2015	Cargill Kitchen Solutions	01/30/15	Lake Odessa	Ionia	Expansion	Grant	\$262,500	\$0	\$27,512,000	\$14,815,539	35	0	33	\$32,489	\$0	Monitoring	4.17
	Orbtec 3D Technology International Inc.	02/3/15	Troy	Oakland	New	Grant	\$300,000	\$0	\$3,228,118	\$679,960	40	0	4	\$50,000	\$0	Monitoring	6.05
	OMT VEYHL USA Corporation	02/11/15	Holland	Ottawa	Expansion	Grant	\$750,000	\$0	\$9,831,700	\$1,680,596	206	0	47	\$33,124	\$0	Monitoring	4.91
	Sensient Flavors	02/11/15	Harbor Beach	Huron	Expansion	Grant	\$150,000	\$0	\$31,850,000	\$0	28	0	16	\$45,276	\$0	Monitoring	6.93
	MIG Molding	02/12/15	Almont	Lapeer	Expansion	Grant	\$105,000	\$0	\$1,242,422	\$0	32	0	16	\$27,125	\$0	Monitoring	2.44
	Gentherm Incorporated	02/19/15	Northville	Oakland	Expansion	Grant	\$750,000	\$0	\$8,442,500	\$5,477,515	150	0	51	\$97,265	\$0	Monitoring	6.10
	Denso Manufacturing Michigan Inc.	02/26/15	Battle Creek	Calhoun	Expansion	Grant	\$640,000	\$640,000	\$56,635,500	\$90,433,048	100	100	207	\$31,052	\$0	Monitoring	2.74
	3Con Corporation	02/26/15	Wixom	Oakland	New	Grant	\$550,000	\$0	\$6,417,500	\$0	136	0	6	\$45,000	\$0	Monitoring	5.02
	KUKA Systems North America LLC	03/03/15	Clinton Township	Macomb	Expansion	Grant	\$900,000	\$0	\$14,400,000	\$7,130,255	116	0	29	\$53,414	\$0	Monitoring	4.83
	Superior Industries International Inc.	03/16/15	Southfield	Oakland	Relocation	Grant	\$900,000	\$336,000	\$2,517,000	\$0	75	24	29	\$122,435	\$0	Monitoring	7.54
	Detroit Diesel Corporation	03/24/15	Detroit	Wayne	Expansion	Grant	\$1,300,000	\$0	\$208,000,000	\$106,000,000	245	0	210	\$86,000	\$0	Monitoring	5.04
	Emhart Teknologies	03/27/15	Chesterfield	Macomb	Expansion	Grant	\$350,000	\$0	\$32,871,000	\$11,700,000	83	0	27	\$45,229	\$0	Monitoring	5.11
	Plasan North America	03/30/15	Walker	Kent	New	Grant	\$850,000	\$0	\$12,330,000	\$0	121	0	10	\$60,050	\$0	Monitoring	5.01
	Atomic Object LLC	04/13/15	Grand Rapids	Kent	Expansion	Grant	\$250,000	\$0	\$2,942,700	\$0	33	0	4	\$68,764	\$0	Monitoring	5.29
	Sakthi Auto Group USA	04/28/15	Detroit	Wayne	Expansion	Grant	\$3,500,000	\$0	\$31,865,000	\$0	350	0	190	\$40,290	\$0	Monitoring	6.68
	Terryberry Company	05/01/15	Grand Rapids	Kent	Expansion	Grant	\$250,000	\$0	\$2,650,000	\$0	53	0	27	\$29,312	\$0	Monitoring	5.06
	Harloff Manufacturing Company	05/04/15	Paw Paw	Van Buren	Relocation	Grant	\$158,000	\$30,000	\$920,250	\$653,000	38	5	5	\$31,752	\$0	Monitoring	4.66
	Hearthside Food Solutions	05/06/15	Kentwood	Kent	Expansion	Grant	\$450,000	\$0	\$10,698,400	\$10,316,018	91	0	129	\$22,360	\$0	Monitoring	2.66
	Bmax USA	05/11/15	Pontiac	Oakland	New	Grant	\$250,000	\$0	\$1,348,900	\$250,000	26	0	1	\$50,000	\$0	Monitoring	5.06
	Michigan Brand	06/4/15	Frankenmuth	Saginaw	Expansion	Grant	\$250,000	\$0	\$4,785,000	\$0	94	0	30	\$21,000	\$0	Monitoring	3.91
	Magna Cosma International	06/8/15	New Hudson	Oakland	New	Grant	\$1,600,000	\$0	\$56,088,310	\$0	250	0	0	\$0	\$0	Monitoring	4.90
	Ferrous CAL Co.	06/8/15	Gibraltar	Wayne	Expansion	Other	\$6,000,000	\$2,000,000	\$50,200,000	\$0	25	0	0	\$0	\$6,000,000	Monitoring	35.95
	Magna Seating of America Inc.	06/19/15	Novi	Oakland	Expansion	Grant	\$984,000	\$0	\$65,191,000	\$0	164	0	0	\$0	\$0	Monitoring	5.46
	Mico Industries	06/19/15	Kentwood	Kent	Expansion	Grant	\$350,000	\$0	\$8,186,955	\$0	81	0	0	\$0	\$0	Monitoring	5.22
	Agape Plastics Inc.	06/19/15	Grand Rapids	Ottawa	Expansion	Grant	\$300,000	\$0	\$14,715,000	\$3,706,130	54	0	10	\$26,520	\$0	Monitoring	5.10
	ZF North America Inc.	06/23/15	Northville	Wayne	New	Grant	\$4,000,000	\$0	\$71,198,290	\$0	571	0	0	\$0	\$0	Monitoring	7.54
	Spirit Airlines	06/23/15	Romulus	Wayne	New	Grant	\$1,000,000	\$0	\$31,710,000	\$2,210,139	84	0	7	\$55,028	\$0	Monitoring	4.44
	Shepherd Caster Corporation	07/07/15	St. Joseph	Berrien	Expansion	Grant	\$350,000	\$0	\$1,549,000	\$1,300,000	50	0	30	\$47,840	\$0	Monitoring	4.49
	Shift Digital	07/15/15	Birmingham	Oakland	Expansion	Grant	\$465,000	\$0	\$2,481,687	\$0	93	0	0	\$0	\$0	Monitoring	5.19
	YFS Automotive Systems Inc.	07/28/15	Romulus	Wayne	New	Grant	\$1,300,000	\$0	\$26,900,000	\$0	162	0	2	\$90,000	\$0	Monitoring	4.93
	CW Bearing USA Inc.	08/12/15	Northville Township	Wayne	New	Grant	\$550,000	\$0	\$24,900,000	\$0	125	0	0	\$0	\$0	Monitoring	6.97
Magna Dexsys (Norplas)	08/26/15	Delta Township	Eaton	Expansion	Grant	\$640,000	\$0	\$10,555,252	\$0	192	0	0	\$0	\$0	Monitoring	4.02	
Hearthside Food Solutions	08/26/15	Kentwood	Kent	Expansion	Grant	\$300,000	\$0	\$15,678,894	\$0	66	0	0	\$0	\$0	Monitoring	3.35	
Coyote Logistics	09/01/15	Ann Arbor	Washtenaw	Expansion	Grant	\$320,000	\$0	\$990,800	\$0	80	0	0	\$0	\$0	Monitoring	5.34	
Valiant International Inc.	09/22/15	Auburn Hills	Oakland	Expansion	Grant	\$2,300,000	\$0	\$32,690,000	\$0	223	0	0	\$0	\$0	Monitoring	5.61	
Carhartt Inc.	09/22/15	Dearborn	Wayne	Expansion	Grant	\$1,350,000	\$0	\$19,340,000	\$0	215	0	0	\$0	\$0	Monitoring	3.02	
Neapco Drivelines LLC	09/22/15	Belleville	Wayne	Expansion	Grant	\$1,500,000	\$0	\$57,700,000	\$0	167	0	0	\$0	\$0	Monitoring	6.47	
<b>TOTAL:</b>							<b>\$233,340,170</b>	<b>\$108,534,670</b>	<b>\$4,676,849,748</b>	<b>\$2,986,774,111</b>	<b>29,578</b>	<b>11,485</b>	<b>19,254</b>	<b>\$48,786</b>	<b>\$29,000,000</b>		<b>5.49*</b>

FY 2015 total projects: 61  
 FY 2015 total executed agreements: 61  
<sup>1</sup> The amount of investment the company stated on its application and what is expected to occur by the completion of the project.  
<sup>2</sup> The actual investment reported by the company that has been made at the project site.  
<sup>3</sup> The number of new jobs the company has committed to create at the project site.  
<sup>4</sup> The actual number of qualified new jobs created and verified through milestone applications submitted through 09/30/15. In accordance with MCL 125.2088r(7)(d) and the MBDP program guidelines adopted by the MSF board, a qualified new job means a job performed for the qualified business for consideration by an individual who is a resident of Michigan, and whose Michigan income taxes are withheld by an employer, or an employee leasing company or a professional employer organization on behalf of the employer, that is in excess of the number of jobs maintained by the qualified business maintained in this state prior to the expansion or location. The MSF may also consider full time equivalent or hours worked as a method to count a job as a qualified new job, and may impose other terms and conditions, including without limitation that the qualified new job may not count if it includes a job transferred from any qualified business facility in Michigan to another qualified business facility located, or to be located, in Michigan.  
<sup>5</sup> The number of new jobs created that are not temporary employees as self-reported by the company on its annual progress report.  
<sup>6</sup> Company is in default of its agreement and has triggered repayment of previously disbursed funds. Company is currently repaying grant funds to the MSF.  
<sup>7</sup> Company is in default of its agreement and is in discussions with the MSF regarding possible restructure options.  
<sup>8</sup> Company is in default of its agreement and is in a cure period as of September 30, 2015.  
<sup>9</sup> Company is in default of its agreement and has triggered repayment of previously disbursed funds. The MSF board approved a forbearance on the default, provided that the company maintains a minimum of fifty (50) jobs at its facility in the city of Dearborn Heights through December 31, 2017.  
<sup>10</sup> Company is in default of its agreement and has triggered repayment of previously disbursed funds. The MSF board approved a forbearance on the default ending the sooner of 1) cure of the event of default or 2) June 30, 2017.  
 \* On average, the duration of an MBDP incentive is 5.49 years.

MICHIGAN BUSINESS DEVELOPMENT PROGRAM *continued*

REPAYMENT, REVENUE AND PROPERTY RETURNED TO THE FUND			
Payment due date	Company name	Payment type	Amount received
04/01/14	Southwest Michigan First Corp	Annual interest payment	\$40,000
06/30/14	RNFL Acquisition LLC–Biogenic Reagents	Revenue participation	\$2,366
04/01/15	Southwest Michigan First Corp.	Annual interest payment	\$40,000
04/30/15	M1 Rail	Loan payment	\$1,000,000
05/31/15	Materne North America	Revenue participation	\$87,509
08/06/15	The Martin-Brower Company LLC	Grant repayment	\$26,667
09/01/15	Rigaku Innovative Technologies Inc.	Grant repayment	\$175,000
<b>TOTAL</b>			<b>\$1,371,542</b>

## MICHIGAN COMMUNITY REVITALIZATION PROGRAM

The Michigan Strategic Fund Act, as amended, requires the MSF to submit a report on the Michigan Community Revitalization Program (MCRP) activities that occurred in the previous fiscal year. This report addresses the reporting requirements for FY 2015. It also includes cumulative activity as of September 30, 2015.

The program's purpose is to accelerate private investment in Michigan's communities through the redevelopment of functionally obsolete properties, reduction of blight and the reuse of brownfield and historic properties. Job creation is not a focus of this program. FY 2015 represents the fourth full year of the transition from brownfield tax credits to MCRP, a grant and loan program. MCRP functions as a deal closing mechanism to address cost gaps and market deficiencies. The program provides grants for projects that offset the excess costs of the redevelopment opportunity. Loans and other investment vehicles also are provided in conjunction with senior lenders and are required for any incentive over \$1.5 million.

Exhibit 1 shows the specifics of each approved project. During the fiscal year, 27 projects were approved by the MSF board or by delegated authority. Of the 27 projects that were approved, 15 projects were awarded grants, two projects were awarded a loan originated by the MSF and no projects were awarded a combination of loan and grant funds. Additionally, the MSF authorized 10 awards of other forms of economic assistance as allowed by the statute. These awards include loan participations and collateral support in conjunction with a senior lender as well as equity contributions through a partnership with the development entity. Job creation is not a primary

objective of MCRP, therefore, there is no information to report for the number of new jobs committed or projected, the number of retained jobs committed or projected, the actual number of new jobs, the actual number of retained jobs, the average annual salary for new jobs created or the average annual salary for retained jobs. All data reported is cumulative from program inception.

As required to be reported under the statute, the details of two MSF-originated loans that have been approved by the MSF board are provided in Exhibit 2.

All awards are posted on the MEDC's web site.

The typical duration of a MCRP grant is a 24-month construction period after the agreement is signed prior to funding at the end of the project. This is then followed by approximately 36 months of post-funding compliance. For a MCRP loan or other investment loan vehicles such as participations and collateral support, the term typically matches the bank, which acts as the senior lender for the project. These loans and other investment loan supports are typically 5–7 years in length, including the construction period. Equity investments are typically longer term investments and the MSF must give consent to the sale of property prior to being paid out for their investment.

The total administrative costs for MCRP in FY 2015 were \$1,487,420.

In the beginning of FY 2015, the program had 51 finalized written agreements; 20 agreements were executed during the reporting period.

Additionally, no waiver to the MCRP guidelines was granted in FY 2015.

**MICHIGAN COMMUNITY REVITALIZATION PROGRAM: EXHIBIT 1**  
Michigan Strategic Fund Act, Michigan Community Revitalization Program; Legislative Report for fiscal year 2015 as of September 30, 2015  
MSF BOARD ACTION TAKEN – AGREEMENT EXECUTED

Fiscal year approved	Company name	Municipality	County	Project type	Incentive type	MSF approval date	Award amount	Actual amount disbursed	Proposed private investment amount <sup>1</sup>	Minimum eligible investment <sup>2</sup>	Verified eligible investment <sup>3</sup>	Actual private investment attracted as reported to the MSF <sup>4</sup>	Commercial: square footage revitalized/ added	Residential: square footage revitalized/ added	Retail: square footage revitalized/ added	Number of residential units revitalized/added	Status of loans/stage	Duration of economic assistance (years)
2012	Woodward Theater LLC *	Detroit	Wayne	New	Loan participation	04/17/12	\$750,000	\$750,000	\$11,639,857	\$3,250,000	\$3,250,000	\$11,880,713	32,000	0	0	0	Monitoring	10
	Ellington WF LLC (GP Woodward Millennium) *	Detroit	Wayne	New	Grant	06/04/12	\$1,000,000	\$1,000,000	\$13,847,904	\$6,433,369	\$9,224,378	\$12,286,508	0	0	21,506	0	Monitoring	5
	Ionia Ventures LLC	Grand Rapids	Kent	New	Grant	06/11/12	\$361,500	\$361,500	\$6,138,000	\$2,000,000	\$6,538,609	\$6,576,914	12,500	24,000	5,000	25	Monitoring	4
	Arcadia Brewing Company	Kalamazoo	Kalamazoo	New	Grant	06/25/12	\$575,000	\$575,000	\$1,725,000	\$2,000,000	\$2,445,492	\$4,020,000	25,500	0	4,500	0	Monitoring	4
	Enmar LLC	Kalamazoo	Kalamazoo	New	Grant	06/25/12	\$425,000	\$425,000	\$2,740,000	\$2,200,000	\$3,432,517	\$4,020,000	25,500	0	4,500	0	Monitoring	4
	313 East Grand River, LLC (Michigan Historic Preservation Network)	Lansing	Ingham	New	Grant	09/24/12	\$68,187	\$68,187	\$614,097	\$248,841	\$365,723	\$639,324	1,859	0	450	0	Monitoring	4
	Uptown RDA LLC	Flint	Genesee	New	Grant	09/24/12	\$625,000	\$625,000	\$3,099,778	\$2,668,794	\$3,011,974	\$3,431,048	22,116	0	0	0	Monitoring	4
Sherbrooke Land Company LLC	Detroit	Wayne	New	Grant	09/26/12	\$599,412	\$599,412	\$2,910,203	\$1,918,119	\$2,397,649	\$3,126,220	0	19,260	0	14	Monitoring	5	
2013	Shiawassee Center (Owosso Community Players) *	Owosso	Shiawassee	New	Grant	10/23/12	\$446,000	\$446,000	\$6,939,496	\$3,498,838	\$5,533,545	\$6,729,000	16,830	0	0	0	Monitoring	14
	Detroit Mutt LLC <sup>5</sup>	Detroit	Wayne	New	Grant	10/23/12	\$38,000	\$0	\$448,414	\$125,161	\$0	\$0	0	0	0	0	Monitoring	0
	614 First Street Partners LLC *	Grand Rapids	Kent	Relocation	Grant	11/14/12	\$1,000,000	\$1,000,000	\$6,935,000	\$4,631,805	\$7,573,672	\$7,870,346	68,283	0	0	0	Monitoring	4
	Veridea Group *	Marquette	Marquette	New	Loan participation	11/28/12	\$1,857,151	\$1,857,151	\$7,882,281	\$7,428,604	\$7,467,100	\$6,574,462	28,406	0	0	0	Monitoring	6
	Lofts on Monroe LLC	Grand Rapids	Kent	New	Grant	12/14/12	\$475,000	\$475,000	\$2,985,723	\$1,777,600	\$2,047,246	\$3,025,000	3,100	7,100	3,120	12	Monitoring	5
	833 Michigan Street LLC *	Grand Rapids	Kent	New	Grant	12/27/12	\$922,552	\$922,552	\$4,956,868	\$2,952,165	\$3,715,234	\$5,847,000	11,000	7,500	7,500	8	Monitoring	4
	Whitney Partners LLC *	Detroit	Wayne	New	Loan; grant	01/23/13	\$8,500,000	\$1,000,000	\$74,037,141	\$34,000,000	\$69,984,631	\$93,455,412	0	0	7,000	0	Monitoring	10
	Heart of Howell	Howell	Livingston	New	Grant	01/30/13	\$375,868	\$375,868	\$2,122,374	\$1,503,473	\$1,882,343	\$2,972,932	17,282	0	3,088	0	Monitoring	6
	1205 West Fulton LLC *	Grand Rapids	Kent	New	Grant	02/20/13	\$207,190	\$207,190	\$1,022,850	\$828,762	\$1,065,528	\$1,022,850	0	0	10,000	0	Monitoring	4
	521 LLC	Spring Lake	Ottawa	New	Grant	02/21/13	\$70,535	\$70,535	\$369,627	\$282,138	\$352,672	\$580,616	3,289	1,894	0	1	Monitoring	5
	Grand Rapids Downtown Market Holdings LLC *	Grand Rapids	Kent	New	Loan participation	02/27/13	\$3,000,000	\$3,000,000	\$27,165,835	\$12,000,000	\$22,348,686	\$26,818,049	137,200	0	1,200	0	Monitoring	8
	Blue Star 2 LLC	Benton Harbor	Berrien	New	Grant	03/05/13	\$823,250	\$823,250	\$2,939,750	\$2,634,400	\$3,309,204	\$4,903,650	5,000	9,845	4,845	8	Monitoring	5
	Gulf Shore Investments LLC *	Bay City	Bay	New	Grant	03/27/13	\$1,000,000	\$1,000,000	\$6,727,593	\$5,339,584	\$6,027,092	\$7,522,226	14,114	34,928	0	24	Monitoring	5
	Corlin Builders Inc.	Fenton	Genesee	New	Grant	04/30/13	\$880,000	\$880,000	\$4,299,250	\$3,484,600	\$4,191,599	\$4,693,244	0	35,000	12,000	23	Monitoring	6
	The Historic Vogue Theatre of Manistee	Manistee	Manistee	New	Grant	04/30/13	\$503,592	\$503,592	\$1,851,232	\$1,611,493	\$2,121,418	\$1,196,011	0	0	6,931	0	Monitoring	7
	Eastern Market Corporation	Detroit	Wayne	Expansion	Grant	05/16/13	\$1,000,000	\$625,000	\$7,224,030	\$4,000,000	\$4,045,734	\$5,583,000	20,000	0	22,000	0	Monitoring	7
	1212 Griswold Street LLC *	Detroit	Wayne	New	Loan participation	05/22/13	\$6,000,000	\$6,000,000	\$31,619,260	\$24,000,000		\$35,000,000	44,849	45,609	0	56	Monitoring	5
	HWD Investors, LLC (URC FJ, LLC and Uptown Reinvestment Corporation Inc.)	Flint	Genesee	New	Equity investment	06/26/13	\$5,649,071	\$5,649,071	\$25,004,952	\$22,596,284	\$23,004,774	\$30,766,147	60,000	16,000	45,000	16	Monitoring	N/A**
	Kirco CH Distribution, LLC and Henry Ford Health System *	Detroit	Wayne	New	Grant	06/26/13	\$1,000,000	\$1,000,000	\$28,866,172	\$18,237,430	\$20,376,283	\$26,103,012	0	0	0	0	Monitoring	7
	618 South Main LLC *	Ann Arbor	Washtenaw	New	Loan	07/24/13	\$3,000,000	\$0	\$34,047,208	\$12,000,000	\$26,187,015	\$39,200,000	48,000	130,000	0	164	Monitoring	40
NewGAR LLC	Detroit	Wayne	New	Collateral support	07/24/13	\$660,000	\$660,000	\$3,779,000	\$2,677,132		\$5,074,481	0	0	0	0	Monitoring	6	
Harbor Village at Harbor Shores *	St. Joseph	Berrien	New	Grant	07/24/13	\$900,000	\$0	\$18,802,465	\$14,336,180	\$16,333,477	\$25,795,500	66,848	29,249	9,426	67	Monitoring	4	
Ben's 314 LLC	Port Huron	St. Clair	New	Grant	07/25/13	\$217,500	\$217,500	\$912,500	\$664,000	\$894,177	\$1,177,635	0	12,000	8,000	11	Monitoring	6	
609 E Kirby Lofts LLC *	Detroit	Wayne	New	Loan participation	07/26/13	\$1,000,000	\$1,000,000	\$5,562,627	\$4,000,000		\$5,950,340	0	0	0	0	Monitoring	22	
Dwelling Place of Grand Rapids	Grand Rapids	Kent	New	Grant	08/27/13	\$293,659	\$293,659	\$1,193,851	\$1,190,000	\$1,577,908	\$1,577,908	14,500	0	0	0	Monitoring	5	
Herkimer Apartments LDHA LP	Grand Rapids	Kent	Expansion	Grant	08/27/13	\$305,157	\$305,157	\$16,760,612	\$8,815,412	\$11,144,888	\$17,354,577	10,346	67,675	0	55	Monitoring	5	

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2013	Mid Towne Hospitality LLC *	Grand Rapids	Kent	New	Loan participation	08/28/13	\$3,000,000	\$3,000,000	\$24,018,173	\$12,000,000		\$25,959,177	0	0	0	0	Monitoring	9
	Woodward Brown Associates LLC	Birmingham	Oakland	New	Loan participation	09/25/13	\$3,278,890	\$3,278,890	\$24,511,394	\$14,153,000		\$22,028,194	0	0	0	0	Monitoring	7
	Parkland Muskegon LLC *	Muskegon	Muskegon	New	Loan	09/25/13	\$1,950,000	\$0	\$8,750,000	\$6,500,000		\$8,750,000	0	0	0	0	Monitoring	25
	Downtown Muskegon Development Corporation *	Muskegon	Muskegon	Relocation	Grant	09/27/13	\$710,000	\$710,000	\$3,261,900	\$2,285,520	\$3,857,999	\$3,143,774	0	0	4,400	0	Monitoring	5
	Harbortown Riverside LLC and Harbortown Riverside Financing Inc. *	Detroit	Wayne	New	Grant	09/27/13	\$1,000,000	\$0	\$18,936,653	\$12,773,322		\$18,936,653	0	196,425	0	134	Monitoring	6
2014	Hall Street Partners Inc.	Grand Rapids	Kent	New	Grant	10/09/13	\$310,000	\$310,000	\$1,070,234	\$996,987	\$1,240,000	\$1,635,085	6,000	2,400	6,000	2	Monitoring	4
	CWD 50 Louis LLC	Grand Rapids	Kent	New	Grant	11/06/13	\$1,000,000	\$500,000	\$8,356,604	\$4,226,374	\$6,003,410	\$10,221,051	72,000	0	2,000	0	Monitoring	5
	3411 E. Michigan LLC	Lansing	Ingham	New	Grant	11/14/13	\$450,000	\$448,570	\$7,023,541	\$5,263,270	\$6,408,151	\$7,200,663	0	47,800	1,785	66	Monitoring	5
	Ashley Owner LLC and Ashley Developer Inc. *	Detroit	Wayne	New	Grant	02/25/14	\$1,000,000	\$1,000,000	\$7,248,415	\$4,838,968	\$5,792,009	\$7,700,000	0	66,000	1,000	67	Monitoring	4
	Midland DTH LLC *	Midland	Midland	New	Loan	02/25/14	\$4,780,000	\$0	\$17,990,249	\$16,658,199		\$25,396,244	0	0	0	0	Monitoring	15
	Strathmore Apartments LDHA LLC	Detroit	Wayne	New	Other	02/25/14	\$3,500,000	\$3,500,000	\$24,946,000	\$14,000,000		\$9,550,372	0	94,014	2,031	0	Monitoring	N/A**
	Landmark Port Huron LLC *	Port Huron	St. Clair	New	Grant	03/06/14	\$100,000	\$0	\$943,763	\$699,010		\$658,056	0	6,300	9,060	0	Monitoring	5
	Bancroft Project Saginaw LLC	Saginaw	Saginaw	New	Grant	03/12/14	\$1,000,000	\$1,000,000	\$4,496,673	\$3,200,000	\$4,310,756	\$4,500,000	0	97,256	34,015	126	Monitoring	6
	Alex and Beck LLC	Detroit	Wayne	New	Grant	03/19/14	\$178,000	\$178,000	\$661,084	\$570,521	\$746,632	\$621,045	0	2,206	992	3	Monitoring	6
	Diamonds and Rifles LLC and Gold Cash Gold LLC	Detroit	Wayne	New	Grant	03/19/14	\$200,000	\$200,000	\$1,690,314	\$1,142,834	\$1,570,914	\$2,347,000	0	6,000	3,000	0	Monitoring	5
	Arena Place Development LLC	Grand Rapids	Kent	New	Loan participation	03/25/14	\$4,500,000	\$4,500,000	\$39,500,000	\$18,000,000		\$40,500,000	0	0	0	0	Monitoring	9
	Woodward Willis LLC	Detroit	Wayne	New	Grant	04/01/14	\$745,000	\$0	\$5,684,399	\$4,019,205		\$951,713	24,098	0	2,222	0	Monitoring	6
	Marquette Food Co-Op	Marquette	Marquette	New	Grant	04/28/14	\$615,000	\$615,000	\$2,760,416	\$2,460,000	\$3,778,896	\$4,623,509	11,230		9,000	0	Monitoring	5
	Ransom Real Estate LLC	Kalamazoo	Kalamazoo	New	Grant	04/30/14	\$411,000	\$384,314	\$1,945,461	\$1,634,561	\$1,921,571	\$1,637,257	8,485	4,500	0	5	Monitoring	6
	Wesener LLC *	Owosso	Shiawassee	New	Grant	05/18/14	\$560,000	\$0	\$2,137,783	\$1,790,400		\$586,000	0	0	0	0	Monitoring	6
	NY Jefferson LLC	Detroit	Wayne	New	Grant	06/20/14	\$834,800	\$601,807	\$4,355,053	\$2,407,229	\$2,407,229	\$3,300,000	0	0	69,500	0	Monitoring	5
	Du Charme Place LLC *	Detroit	Wayne	New	Other	08/26/14	\$5,700,000	\$5,700,000	\$32,763,308	\$22,800,000		\$8,884,727	0	153,710	0	0	Monitoring	N/A**
	Lofts on Michigan LLC *	Grand Rapids	Kent	New	Other	08/26/14	\$2,450,000	\$2,450,000	\$12,700,000	\$8,206,800		\$7,771,000	0	0	0	0	Monitoring	10
	Rivertown Phase I LLC *	Detroit	Wayne	New	Other	08/26/14	\$8,110,000	\$8,110,000	\$52,925,220	\$32,440,000		\$11,582,000	0	320,000	10,500	0	Monitoring	N/A**
	1400 Wealthy LLC *	Grand Rapids	Kent	New	Grant	09/12/14	\$800,000	\$800,000	\$4,700,000	\$3,510,400	\$4,259,939	\$5,179,939	0	37,510	2,500	35	Monitoring	6
	Hallmark Ventures LLC *	Dearborn	Wayne	New	Grant	09/17/14	\$1,000,000	\$0	\$7,641,020	\$5,255,776		\$5,695,000	0	0	0	0	Monitoring	6
	Lofts on 820, LLC	Grand Rapids	Kent	New	Loan participation	09/17/14	\$3,100,000	\$3,100,000	\$18,700,000	\$12,808,000		\$14,851,044	0	0	0	0	Monitoring	10
	751 Griswold Detroit, LLC	Detroit	Wayne	New	Grant	09/19/14	\$682,279	\$0	\$3,773,516	\$2,366,104		\$474,539	17,115	0	9,450	0	Monitoring	6
Artspace Projects Inc.	Dearborn	Wayne	New	Grant	09/22/14	\$1,000,000	\$0	\$14,807,762	\$4,021,815		\$7,733,567	19,510	80,496	0	53	Monitoring	7	
5734 Woodward LLC	Detroit	Wayne	New	Grant	09/26/14	\$240,625	\$0	\$1,324,575	\$770,000		\$1,297,000	0	700,000	200,000	0	Monitoring	5	
West Fort Street Properties LLC	Detroit	Wayne	New	Grant	09/26/14	\$1,000,000	\$0	\$3,398,897	\$3,313,988		\$1,928,151	100,740	0	0	1	Monitoring	5	
Stocking Street Properties LLC	Grand Rapids	Kent	New	Grant	09/29/14	\$89,574	\$0	\$1,075,619	\$358,300	\$466,868	\$1,602,543	0	0	0	0	Monitoring	5	
TFG Building LLC	Grand Rapids	Kent	New	Grant	09/30/14	\$136,527	\$136,527	\$1,152,655	\$728,145	\$956,569	\$1,454,759	3,600	7,200	0	8	Monitoring	5	



**MICHIGAN COMMUNITY REVITALIZATION PROGRAM: EXHIBIT 1**  
Michigan Strategic Fund Act, Michigan Community Revitalization Program; Legislative Report for fiscal year 2015 as of September 30, 2015  
MSF BOARD ACTION TAKEN – AGREEMENT EXECUTED

Fiscal year approved	Company name	Municipality	County	Project type	Incentive type	MSF approval date	Award amount	Actual amount disbursed	Proposed private investment amount <sup>1</sup>	Minimum eligible investment <sup>2</sup>	Verified eligible investment <sup>3</sup>	Actual private investment attracted as reported to the MSF <sup>4</sup>	Commercial: square footage revitalized/ added	Residential: square footage revitalized/ added	Retail: square footage revitalized/ added	Number of residential units revitalized/added	Status of loans/stage	Duration of economic assistance (years)
2015	TC 555 Michigan LLC *	Grand Rapids	Kent	New	Grant	12/16/14	\$1,000,000	\$0	\$6,399,671	\$4,308,797		\$726,471	0	22,500	5,600	26	Monitoring	5
	1145 Griswold Street LLC *	Detroit	Wayne	New	Other	01/30/15	\$1,000,000	\$0	\$21,682,898	\$4,000,000		\$0	0	0	0	0	Monitoring	8
	Roebuck Residential, LLC	Wyandotte	Wayne	New	Grant	02/05/15	\$798,000	\$0	\$4,252,000	\$3,192,000		\$1,100,000	24,960	9,600	12,400	9	Monitoring	5
	Cedar Springs Brewing Company LLC *	Cedar Springs	Kent	New	Grant	02/18/15	\$285,614	\$0	\$1,278,956	\$1,146,456	\$1,942,263	\$935,000	0	0	0	0	Monitoring	5
	KWA I Residential LLC *	Detroit	Wayne	New	Grant	02/18/15	\$1,000,000	\$0	\$11,765,896	\$7,643,774	\$9,554,718	\$11,767,482	0	0	0	0	Monitoring	6
	Veridea Group	Marquette	Marquette	New	Other	02/24/15	\$4,100,000	\$4,100,000	\$16,258,038	\$14,800,000	\$18,498,204	\$3,102,242	0	0	0	0	Monitoring	5
	Wright Opera Block LLC	Alma	Gratiot	New	Grant	02/24/15	\$1,000,000	\$0	\$5,703,829	\$4,113,260		\$4,300,000	0	20,500	14,500	14	Monitoring	4
	George F. Eyde Family LLC	Lansing	Ingham	New	Grant	03/25/15	\$289,250	\$0	\$1,376,950	\$925,600		\$1,200,000	0	0	0	0	Monitoring	5
	Wabash & Main LLC	Milan	Washtenaw	New	Grant	03/25/15	\$873,601	\$0	\$4,391,517	\$2,795,523		\$3,545,360	0	0	0	0	Monitoring	7
	207 East Baltimore LLC	Detroit	Wayne	New	Grant	04/01/15	\$225,000	\$0	\$1,562,300	\$1,058,960		\$95,000	0	13,200	0	0	Monitoring	6
	Paradise Valley Real Estate Holdings LLC	Detroit	Wayne	New	Grant	04/22/15	\$413,000	\$0	\$2,742,006	\$1,321,627		\$3,155,000	0	0	0	0	Monitoring	6
	Moso Village LLC *	Sturgis	St. Joseph	New	Grant	04/28/15	\$1,000,000	\$0	\$5,693,668	\$4,010,726		\$500,000	0	0	0	0	Monitoring	7
	Lofts on Alabama LLC *	Grand Rapids	Kent	New	Other	06/08/15	\$3,000,000	\$3,000,000	\$17,000,000	\$10,870,000		\$4,577,831	0	0	0	0	Monitoring	7
	678 Selden LLC	Detroit	Wayne	New	Grant	06/16/15	\$670,210	\$0	\$3,018,791	\$2,153,484		\$3,268,578	0	0	0	0	Monitoring	6
	Fulton and Seward *	Grand Rapids	Kent	New	Loan participation	06/23/15	\$3,000,000	\$3,000,000	\$30,775,000	\$20,021,000		\$0	0	0	0	0	Monitoring	10
Casamira Detroit LLC *	Detroit	Wayne	New	Grant	08/25/15	\$1,000,000	\$0	\$9,176,032	\$5,494,324		\$0	0	0	0	0	Monitoring	6	
<b>TOTAL</b>							<b>\$118,614,994</b>	<b>\$83,338,732</b>	<b>\$875,499,183</b>	<b>\$529,388,443</b>	<b>\$345,566,696</b>	<b>\$719,747,151</b>	<b>976,260</b>	<b>2,327,677</b>	<b>576,021</b>	<b>1,033</b>		<b>6.87***</b>

**MICHIGAN COMMUNITY REVITALIZATION PROGRAM: EXHIBIT 1**  
Michigan Strategic Fund Act, Michigan Community Revitalization Program; Legislative Report for fiscal year 2015 as of September 30, 2015  
MSF BOARD ACTION TAKEN – NO AGREEMENT EXECUTED

Fiscal year approved	Company name	Municipality	County	Project type	Incentive type	MSF approval date	Award amount	Actual amount disbursed	Proposed private investment amount <sup>2</sup>	Minimum eligible investment	Verified eligible investment	Actual private investment attracted as reported to the MSF	Commercial: square footage revitalized/ added	Residential: square footage revitalized/ added	Retail: square footage revitalized/ added	Number of residential units revitalized/ added
2013	Hotel Sterling II LLC * <sup>5</sup>	Wyandotte	Wayne	New	Grant	09/25/13	\$445,000	\$0	\$2,070,938							
2014	Detroit Economic Growth Corporation	Detroit	Wayne	New	Other	03/25/14	\$6,000,000	\$0	\$18,000,000							
	Griswold Capitol Park LLC	Detroit	Wayne	Expansion	Equity investment	09/17/14	\$4,798,000	\$0	\$18,008,250							
2015	250 West Larned LLC	Detroit	Wayne	New	Other	10/28/14	\$5,840,000	\$0	\$23,107,940							
	Outfield Partners LLC	Lansing	Ingham	New	Other	12/16/14	\$2,455,000	\$0	\$8,749,213							
	55 Ionia Partners LLC	Grand Rapids	Kent	New	Other	02/24/15	\$4,325,000	\$0	\$20,953,140							
	Port Huron Citadel	Port Huron	St. Clair	New	Grant	09/17/15	\$200,000	\$0	\$1,010,970							
	Woodward and Erskine LLC	Detroit	Wayne	New	Loan	06/08/15	\$1,500,000	\$0	\$52,285,309							
	1215 Griswold LLC	Detroit	Wayne	New	Loan	07/07/15	\$1,000,000	\$0	\$7,638,247							
	Downtown Albion Hotel LLC	Albion	Calhoun	New	Grant	07/28/15	\$1,000,000	\$0	\$6,033,555							
	Trailhead RO LLC	Royal Oak	Oakland	New	Other	07/28/15	\$4,500,000	\$0	\$37,262,161							
HM Ventures Group 6 LLC	Detroit	Wayne	New	Other	09/22/15	\$3,500,000	\$0	\$10,879,657								
OMH LLC	Grand Rapids	Kent	New	Other	09/22/15	\$5,400,000	\$0	\$16,915,631								
<b>TOTAL</b>							<b>\$40,963,000</b>	<b>\$0</b>	<b>\$222,915,011</b>							
<b>GRAND TOTAL</b>							<b>\$159,577,994</b>	<b>\$83,338,732</b>	<b>\$1,098,414,194</b>	<b>\$529,388,443</b>	<b>\$345,566,696</b>	<b>\$719,747,151</b>	<b>976,260</b>	<b>2,327,677</b>	<b>576,021</b>	<b>1,033</b>

# MICHIGAN COMMUNITY REVITALIZATION PROGRAM

## EXHIBIT 1 *continued*

**Total projects: 98**

**Total written agreements: 83**

**Aggregate increase in taxable value: \$78,211,496 (as self-reported by the companies on their annual progress reports)**

<sup>1</sup> The "Proposed Private Investment Amount" may include other sources of non-MSF public dollars in the form of tax credits, grants, federally insured loans or other funding. It does not include the MSF's CRP contribution.

<sup>2</sup> "Minimum Eligible Investment" means the minimum amount of eligible investment required to be spent by the company on the project.

<sup>3</sup> "Verified Eligible Investment" means the actual hard costs incurred and paid by the company on the project. Hard costs include demolition, construction, alteration, rehabilitation or improvement of buildings, site improvements, the addition of machinery, equipment or fixtures to the property, or professional fees or costs for the project for architectural services, engineering services, Phase I environmental site assessment, Phase II environmental site assessment, baseline environmental assessment or surveying services.

<sup>4</sup> If a company meets all of its contractually required milestones and makes its minimum eligible investment for the project, the company will receive disbursement of its CRP incentive to reimburse those hard costs. Therefore, actual private investment attracted may decrease once the project is complete and after the company has been reimbursed for its hard costs. Actual private investment attracted for direct loans, loan participations, collateral support and equity totals funds secured for the project as a whole, not just paid to date, less the CRP incentive amount.

<sup>5</sup> This incentive was dismissed in FY 2014.

\* Project has been approved for additional incentives such as Brownfield TIF, Brownfield MBT or CDBG.

\*\* Project is an equity investment without a specific duration.

\*\*\*On average, the duration of a MCRP incentive is 6.87 years.

MICHIGAN COMMUNITY REVITALIZATION PROGRAM *continued*

<b>MICHIGAN COMMUNITY REVITALIZATION PROGRAM: EXHIBIT 2</b> <b>Legislative Report for fiscal year 2015 as of September 30, 2015</b>	
<b>MSF LOAN SUMMARY</b>	
<b>Project name</b>	<b>Woodward and Erskine LLC</b>
Borrower	Woodward and Erskine LLC
Senior lender	Fifth Third Bank
MSF loan amount	Up to \$1,500,000 not to exceed 20% of Eligible Investment
Interest rate	5%
Closing fee	One-time fee equal to 1% of the MSF's MCRP award
Funding	Certificate of Occupancy and other performance criteria to be contained in final loan documents
Repayment	Interest only monthly, with principal due at the earliest of the project sale, refinance or loan maturity
<b>Project name</b>	<b>1215 Griswold LLC</b>
Borrower	1215 Griswold LLC
Senior lender	Michigan Strategic Fund
MSF loan amount	Not to exceed \$1,000,000
Interest rate	1%
Closing fee	One-time fee equal to 1% of the MSF's MCRP award
Funding	Certificate of Occupancy and other performance criteria to be contained in final loan documents
Repayment	The annual payment shall be equal to 75 percent of cash available for distribution in any single year, less an amount necessary to pay any cumulative and unpaid investor returns equal to 4 percent annual return of the owner/investor's original equity investment (anticipated to be approximately \$4,800,000).

## MICHIGAN PROMOTION PROGRAM: TOURISM MARKETING

### Pure Michigan tourism marketing campaign

The Pure Michigan trademark, which initially began as a travel promotion, is now the brand for statewide marketing activity, including business development, entrepreneurship, talent attraction, and retention. Pure Michigan is on the path to become one of America's most powerful and recognizable state brands.

In FY 2015, the Pure Michigan tourism marketing campaign attracted visitors to the state via three major seasonal campaigns: winter, spring/summer and fall. The vast majority of this advertising was out of state, both regionally and nationally. The amount spent on Travel Michigan out-of-state media was \$13,969,638.

The total amount spent for the Pure Michigan campaign in FY 2015 was \$15,882,887. The types of tourism promoted, including both in-state and out-of-state advertising, were:

- Agriculture related: \$411,331
- Hunting/fishing related: \$3,859,895
- Other (cultural, vacation, recreational, leisure): \$11,611,661

The Travel Michigan media plan on the following page details the spending, types of media purchased and markets for the FY 2015 winter, spring/summer and fall advertising campaigns.

The campaign continues to be recognized by peers in other states and the travel industry. In the annual marketing competition between state tourism offices around the country, Pure Michigan took home the 2015 ESTO Mercury Award for "Google Trekker"; two Adrian Awards for public relations campaigns; and the Silver Honor in the 2015 7th Annual Shorty Awards.

Co-branding relationships continued in FY 2015 with marketing partnerships that included the Detroit Tigers, the Chevrolet Belle Isle Grand Prix, Coca-Cola, Kroger, Hudsonville Ice Cream and Absopure. This year was the fifth year of the Pure Michigan 400, a collaboration between Travel Michigan, Michigan International Speedway and NASCAR.

There were six new commercials produced in FY 2015, including five new radio spots and one new television ad.

Regional markets for FY 2015 included:

Chicago, IL	Green Bay, WI
Cincinnati, OH	Indianapolis, IN
Cleveland, OH	Lansing, MI
Columbus, OH	Milwaukee, WI
Dayton, OH	South Bend, IN
Detroit, MI	Southern Ontario, Canada
Flint, MI	St. Louis, MO
Ft. Wayne, IN	Toledo, OH
Grand Rapids, MI	Toronto, Canada

In 2014, the most recent data available, Michigan hosted 113.4 million visitors in the state; more than 4.1 million trips were made to the state by out-of-state visitors influenced by the award-winning Pure Michigan campaign. Since its launch in 2006, visitors have spent over \$6.5 billion at Michigan businesses and paid \$459.4 million in Michigan taxes, primarily sales tax.

The campaign's 2014 return on investment (ROI) was \$6.87 in state revenue for each Pure Michigan advertising dollar spent—the best ROI to date for the campaign. The cumulative ROI for 2006 through 2014 is \$4.81.

MICHIGAN PROMOTION PROGRAM: TOURISM MARKETING *continued*

TRAVEL WEB ACTIVITY ON MICHIGAN.ORG AND E-NEWSLETTERS Fiscal year 2015: 10/01/2014-09/30/2015	
Month	Number of web visits
October	775,850
November	560,028
December	617,799
January	699,353
February	589,049
March	776,998
April	870,068
May	1,198,606
June	2,019,520
July	1,942,804
August	1,378,652
September	1,346,628
<b>TOTAL</b>	<b>12,775,355</b>

There were 12,775,355 total www.michigan.org web visits in FY 2015. External clicks to Michigan tourism properties numbered 5,253,615. There were 557,334 subscribers to the Pure Michigan consumer e-newsletter; 319,876 subscribers to the featured deals e-newsletter; and 303,531 subscribers to the fall color reports.

### Social media channels

Total fans/followers on the following channels as of September 30, 2015 were:

- Facebook: 1,019,719 likes
- Twitter: 191,003 followers
- Google+: 802,438 individuals have Pure Michigan in their circle
- Instagram: 269,897 fans
- Pinterest: 15,734 followers
- YouTube: 7,431 subscribers

MEDIA DOMESTIC FAMILIARIZATION TOURS Fiscal year 2015: 10/01/2014-09/30/2015	
Dates	Tour details
June 18–22, 2015	“Pure Americana Group” press trip visited Detroit and continued on to one of two tracks on the Sunrise and Sunset Coasts for a taste of the “Lake Effect.”
July 13–17, 2015	“Northern Michigan Golf and Fly Fishing” press trip visited the Orvis Fly-fishing School, the Dave Pelz Short Game Golf School and toured around the Homestead Resort, Sleeping Bear Dunes and the Traverse City area.
July 22–25, 2015	“LGBT Mini FAM” press trip highlighted Michigan’s Sunset Coast (Saugatuck, Douglas and Grand Rapids) as an LGBT-friendly destination that offers LGBT resorts, entertainment, dining, arts and culture.
August 17–20, 2015	“Upper Peninsula Golf and Pictured Rocks” press trip visited Sweetgrass, Timberstone and Greywalls.

### Other travel public relations efforts

- Pure Michigan PhotoWalk: Pure Michigan reached one million fans on May 16, 2015, making Michigan the third state tourism brand to reach this milestone and the first in the Midwest. To celebrate, Pure Michigan partnered with the Detroit RiverFront Conservancy to install more than 1,000 photographs along Detroit’s riverfront, showcasing just some of the beautiful images of Michigan that have been submitted from fans across the U.S. and represent the diversity of Michigan’s four seasons.
- The PR team hosted “NYC Travel Massive” on August 18, 2015, an event that was attended by more than 75 travel writers and bloggers from the New York city area.
- Snow Day Promotion: Coordinated outreach to national and regional, broadcast, print and online, travel, lifestyle and consumer media highlighting Michigan’s winter activities and events.

## MICHIGAN PROMOTION PROGRAM: TOURISM MARKETING *continued*

### Partnership programs

The partnership program is intended to extend the marketing reach of Pure Michigan by leveraging private sector marketing dollars to promote Michigan and participating communities and businesses. All partnership advertising includes the Travel Michigan brand identity and creative strategy to keep the messages consistent. Program participants also receive value-added benefits including a featured web presence and public relations support.

Interest in the program has grown since this program's initial launch in 2002 with three convention and visitors bureau (CVB) partners. In FY 2015, 48 advertising partners committed \$5.6 million in private sector funds for television, radio, billboard and online advertising. Travel Michigan matched the private sector partnerships dollar-for-dollar for a total partnership advertising budget of \$11.2 million.

<b>PURE MICHIGAN PARTNERSHIPS</b> <b>Fiscal year 2015: 10/01/2014-09/30/2015</b>
<b>National cable TV campaign advertising partners</b>
Ann Arbor CVB (\$1,000,000 contribution)
Grand Rapids CVB (\$500,000 contribution)
Great Lakes Bay Region (Bay Run, Birch Run, Chesaning, Frankenmuth, Midland and Saginaw) (\$500,000 contribution)
Traverse City CVB (\$500,000 contribution)
<b>In-state and out-of-state campaign advertising partners</b>
Alpena CVB
Beachtowns (Grand Haven, Holland, Muskegon, St. Joseph, Saugatuck/Douglas, Silver Lake Sand Dunes and South Haven) *
Charlevoix
Cheboygan
Coldwater/Branch County CVB
Escanaba
Frankenmuth CVB
Gaylord CVB
Holland CVB
Keweenaw Peninsula
Lenawee/Irish Hills

Ludington and SS Badger
Manistee CVB
Manistique
Marquette CVB
Michigan Apple Committee
Michigan Snowsports Industries Association
Mt. Bohemia
Mt. Pleasant CVB
Sault Ste. Marie CVB
South Haven CVB
St. Ignace CVB
Sunrise Coast (Alpena, Au Gres, Au Sable/Greenbush/Oscoda, East Tawas/Tawas, Harrisville and Rogers City/Presque Isle)
Tecumseh CVB
<b>In-state campaign advertising partners</b>
Harbor Springs CVB
Mackinac Island
Mackinaw City CVB
Michigan Adventure
<b>Out-of state campaign advertising partners</b>
Battle Creek CVB
Blue Water Area CVB (Algonac/Clay, Harbor Beach, Lexington, Marine City, Marysville, Port Austin, Port Huron, Port Sanilac and St. Clair)
Cadillac CVB
Detroit CVB *
Flint CVB
Jackson CVB
Kalamazoo CVB
Greater Lansing CVB
Michigan Wine Council
Muskegon CVB
Petoskey CVB
Porcupine Mountains CVB
Silver Lake Sand Dunes CVB
The Henry Ford *
Ypsilanti CVB
<i>* One of the first three partners in 2002</i>

## PURE MICHIGAN MEDIA PLAN: TRAVEL

PURE MICHIGAN MEDIA PLAN					
Fiscal year 2015: 10/01/2014-09/30/2015					
Out-of-state markets	Media type	Winter expense (Oct-Feb)	Spring/summer expense (March-July)	Fall expense (Aug-Sept)	Total
National cable	TV	\$0	\$10,000,000	\$0	\$10,000,000
Hunting/fishing	Digital	\$193,096	\$359,275	\$196,709	\$749,080
WeatherChannel.com	Digital	\$75,000	\$0	\$0	\$75,000
Adaptly-Facebook and Twitter	Digital	\$50,000	\$220,000	\$0	\$270,000
Dallas Fort Worth Airport exhibit	Out of home (billboards)	\$0	\$45,000	\$0	\$45,000
Atlanta Hartsfield-Jackson Airport exhibit	Out of home (billboards)	\$0	\$30,000	\$0	\$30,000
Midway Airport exhibit	Out of home (billboards)	\$0	\$15,000	\$0	\$15,000
O'Hare Airport exhibit	Out of home (billboards)	\$0	\$40,000	\$0	\$40,000
New York subway posters	Out of home (billboards)	\$0	\$110,000	\$82,500	\$192,500
Crossings Magazine	Magazine	\$0	\$0	\$3,900	\$3,900
Chicago Total	TV/radio/out of home (billboards/tour bus wrap)	\$286,333	\$340,998	\$330,250	\$957,581
Cincinnati total	TV/radio/outdoor	\$108,956	\$36,157	\$76,576	\$221,689
Cleveland total	TV	\$89,307	\$13,723	\$160,956	\$263,986
Columbus total	TV/radio/outdoor	\$111,416	\$36,114	\$107,989	\$255,519
Dayton total	TV/radio/outdoor	\$0	\$24,777	\$0	\$24,777
Ft. Wayne total	TV/radio/outdoor	\$33,321	\$0	\$34,299	\$67,620
Green Bay total	TV/radio/outdoor	\$20,792	\$4,857	\$46,797	\$72,446
Indianapolis total	TV/radio/outdoor	\$84,390	\$0	\$109,932	\$194,322
Milwaukee total	TV/radio/outdoor	\$84,950	\$24,316	\$84,589	\$193,855
South Bend total	TV/radio/outdoor	\$28,076	\$0	\$29,638	\$57,714
St. Louis total	TV/radio/outdoor	\$0	\$109,925	\$84,418	\$194,343
Toledo total	TV/radio/outdoor	\$18,777	\$0	\$26,529	\$45,306
<b>OUT-OF-STATE TOTAL</b>		<b>\$1,184,414</b>	<b>\$11,410,142</b>	<b>\$1,375,082</b>	<b>\$13,969,638</b>
<b>In-state markets</b>					
Lansing	Out of home (billboards)	\$0	\$0	\$10,448	\$10,448
Grand Rapids	Out of home (billboards)	\$0	\$0	\$22,295	\$22,295
Detroit	Out of home (billboards)	\$0	\$0	\$21,700	\$21,700
Flint	Out of home (billboards)	\$0	\$0	\$14,802	\$14,802
WJR sponsorship	Radio	\$0	\$69,487	\$0	\$69,487
<b>IN-STATE TOTAL</b>		<b>\$0</b>	<b>\$69,487</b>	<b>\$69,245</b>	<b>\$138,732</b>

PURE MICHIGAN MEDIA PLAN: TRAVEL *continued*

PURE MICHIGAN MEDIA PLAN <i>continued</i>					
Fiscal year 2015: 10/01/2014-09/30/2015					
Canadian markets	Media type	Winter expense (Oct-Feb)	Spring/summer expense (March-July)	Fall expense (Aug-Sept)	Total
Ontario TV	TV	\$0	\$884,546	\$87,031	\$971,576
Digital	Digital	\$0	\$98,403	\$0	\$98,403
OOH	Out of home (billboards)	\$0	\$334,374	\$0	\$334,374
Ontario TV	Radio	\$0	\$0	\$7,480	\$7,480
<b>CANADA TOTAL</b>		<b>\$0</b>	<b>\$1,317,322</b>	<b>\$94,511</b>	<b>\$1,411,833</b>
Paid Search: Google + True View	Paid search-digital	\$218,350	\$35,000	\$109,333	\$362,683
<b>GRAND TOTAL</b>		<b>\$1,402,764</b>	<b>\$12,831,951</b>	<b>\$1,648,171</b>	<b>\$15,882,887</b>



## MICHIGAN PROMOTION PROGRAM: BUSINESS MARKETING

In January 2011, the MEDC consolidated its marketing and communications program under the Pure Michigan brand. This brand is now used for the MEDC's corporate identity as well as to promote the state's tourism, business, talent and programs.

Based on the business marketing campaign foundation launched in 2012, the MEDC focused on delivering three key messages important to business marketing in FY 2015: brand attraction, talent attraction and Pure Michigan Business Connect (PMBC). The largest is the business attraction marketing campaign, which seeks to improve perceptions of Michigan, promoting the state as a desirable place to do business in order to increase international, national and in-state business development leads.

The campaign uses the full spectrum of communication vehicles: social media; print, digital and paid search advertising; search engine optimization tactics; trade shows; and the [www.michiganbusiness.org](http://www.michiganbusiness.org) website. It targets site selectors, business decision makers, entrepreneurs and professionals.

Results include:

- To connect buyers to suppliers of Michigan goods and services, the MEDC's PMBC marketing campaign encourages businesses to register for the program on the MEDC's website [www.puremichiganb2b.com](http://www.puremichiganb2b.com). The media campaign drove 110,380 clicks/visits to the website.
- The talent attraction and retention campaign, "Faces of Pure Michigan," drives people, both in-state and out-of-state, to [mitalent.org](http://mitalent.org) to search for jobs. The media campaign drove 649,193 clicks/visits to the website.
- To encourage [michiganbusiness.org](http://michiganbusiness.org) website traffic, a paid search campaign was used to support all the business initiatives outlined above with 3,965,540 impressions and 77,296 clicks served.

Rocketfuel, an advertising technology company, also conducted a survey of out-of-state C-level executives and site selectors to determine the effectiveness of the Pure Michigan business marketing campaign in FY 2015. The purpose of the survey was to gather insights on key decision maker's perspective of the Michigan business environment in comparison to other states.

A key finding showed that of the consumers who think Michigan has a business friendly environment, 35 percent would most likely start a business in Michigan.

### Business public relations

In FY 2015, the MEDC public relations and communications team worked to complement Pure Michigan business marketing efforts through a comprehensive public relations and earned media strategy. The strategy focused on proactive outreach to local, statewide and national business reporters and editors. These proactive efforts, in addition to daily reactive responses to media inquiries, resulted in 1,034 print, online and broadcast impressions (articles, features, columns, opinion-editorials) mentioning the MEDC and its economic development programs, initiatives and tools. In all, 863 (83 percent) of these news stories were positive (favorably highlighting a MEDC program) with 107 (10 percent) neutral (mentions the MEDC but without much context or an overall favorable view).

Coverage highlights include 73 positive impressions in the *Crain's Detroit Business*, 62 in MLive publications (statewide, Bay City, Detroit, Flint, Grand Rapids, Jackson, Kalamazoo, Lansing, Grand Rapids and Saginaw) and 35 in the *Lansing State Journal*. In addition, the MEDC scored 51 positive impressions in national publications, business journals and trade publications like *Area Development*, *Automotive News*, *Business Facilities*, *CNN Money*, *Entrepreneur Magazine*, *Forbes* and *The Washington Post*.

### Media results

Overall, coverage resulting from FY 2015 Weber Shandwick media activities resulted in 90 total hits (31 national) and 120,797,002 impressions including:

- The Weekly Standard: "Back from Bankruptcy"
- Forbes.com: "Tim Allen And 'Pure Michigan' Ad Campaign Prosper Together"
- [WashingtonTimes.com](http://WashingtonTimes.com): "Michigan video campaign to highlight trade jobs to students"
- Bloomberg Business: "Detroit Craftsmen Sift House Rubble in Quest for Treasured Wood"
- Chief Executive: "As Jobs Return, Governors Are Helping Companies Find Trained Employees"
- *Area Development*: "Water: The New Blue Economy?"

## MICHIGAN PROMOTION PROGRAM: BUSINESS MARKETING *continued*

- North American Builders Magazine: “Putting the Pedal to the Metal in the Motor City”
- Global Trade Magazine: “Laws of Attraction—The Top States For Business Incentives”
- Industry Today: Michigan Manufacturing “From Rust Belt to High Tech: How Employment Rebounded in Michigan”
- PORK Network: “Michigan approves funding for new pork processing plant”

Total fans/followers on the following channels as of September 30, 2015 were:

- Instagram: 589 followers
- Facebook: 10,237 likes
- Twitter: 9,737 followers
- LinkedIn: 6,734 followers
- YouTube: 496 subscribers

### Shows, events and sponsorships

Along with advertising, the business marketing program funds events and trade shows in targeted industries in which Michigan has unique strengths. These complement the MEDC’s business attraction and retention efforts. Some of the major shows, events and sponsorships that the MEDC participated in during FY 2015 include:

- The Battery Show: Premier showcase of the latest advanced battery technology.
- Biotechnology Industry Organization (BIO) International 2015: Global event for biotechnology that brings together more than 15,000 industry leaders for partnering discussions and deal-making activities.
- Governor’s Economic and Education Summit: Business and economic development leaders gathered with Governor Rick Snyder to collaborate and brainstorm best practices for creating and retaining talent according to regional needs across the state.
- North American International Auto Show (NAIAS): Detroit’s premier international automotive event is among the most prestigious auto shows in the world.

BUSINESS WEB ACTIVITY ON MICHIGANBUSINESS.ORG AND E-NEWSLETTERS	
Fiscal year 2015: 10/01/2014-09/30/2015	
Month	Number of web visits
October	56,962
November	58,581
December	54,643
January	51,883
February	62,099
March	84,708
April	79,837
May	93,404
June	116,688
July	83,068
August	122,506
September	134,724
<b>TOTAL</b>	<b>999,103</b>

There were 999,103 total web visits in FY 2015. There were 27,260 subscribers to the “MEDC Daily”; 35,394 subscribers to “This Just In”; 507 subscribers to “Inside Edition”; 619,151 subscribers to “Job Connect”; 1,643 subscribers to “Talent Network News”; 30,353 subscribers to “Talent Connect”; 70,089 subscribers to “Veteran Connect”; 148 subscribers to “Legislators”; and 494 subscribers to “Site Selectors.”

The Pure Michigan brand, and MEDC’s support of it, spans across all consumer touch points, boosting awareness and driving business activity to Michigan.

## PURE MICHIGAN MEDIA PLAN: BUSINESS

BUSINESS MARKETING CAMPAIGN*		
Fiscal year 2015: 10/01/2014-09/30/2015		
Media partner	Tactic	Media cost
<b>BUSINESS ATTRACTION CAMPAIGN</b>		
Forbes	Print	\$146,400
Forbes	Digital	\$232,304
Fortune	Digital	\$8,750
Inc.	Print	\$82,500
Inc.	Digital	\$77,387
Entrepreneur	Print	\$81,600
Entrepreneur	Digital	\$165,000
Bloomberg/Business Week	Digital	\$14,773
MSNBC/NBC/CNBC	Digital	\$381,414
Chief Executive	Print	\$40,000
Delta Sky Magazine	Print	\$10,000
American British Trade & Investment	Print	\$2,235
Area Development	Print	\$18,000
Site Selection	Print	\$44,030
Site Selection	Digital	\$2,000
Business Facilities	Print	\$33,500
Business Xpansion	Print	\$7,700
Business Xpansion	Digital	\$2,333
The Leader (Corenet)	Print	\$4,167
The Leader (Corenet)	Digital	\$4,458
Food Engineering	Print	\$5,000
Logistics Management	Print	\$14,000
Logistics Management	Digital	\$4,772
CIO	Print	\$32,000
CIO	Digital	\$4,772
Defense News	Print	\$23,539
Water, Environment & Technology	Print	\$9,602
Gamasutra	Digital	\$12,000
RocketFuel	Behavioral targeted digital	\$559,091
MIPIM	Event sponsorship	\$10,700
WWJ	Spot radio	\$10,179
PBS	Spot TV	\$100,000
Google	Paid search	\$215,964
Marin	Ad serving	\$238
Double Click	Ad serving	\$39,166
<b>GRAND TOTAL</b>		<b>\$2,399,574</b>

PURE MICHIGAN MEDIA PLAN: BUSINESS *continued*

<b>BUSINESS MARKETING CAMPAIGN* <i>continued</i></b>		
<b>Fiscal year 2015: 10/01/2014-09/30/2015</b>		
<b>Media partner</b>	<b>Tactic</b>	<b>Media cost</b>
<b>TALENT ATTRACTION/RETENTION CAMPAIGN</b>		
AOL Career Network	Digital	\$261,365
Facebook	Digital	\$74,659
Twitter	Digital	\$22,500
Jobseeker Video	Digital	\$228,571
LinkedIn	Digital	\$93,182
Buzzfeed	Digital	\$100,000
Monster	Digital	\$82,692
Millennial Mobile	Mobile	\$133,182
Spotify/Pandora	Streaming radio	\$187,500
Google	Paid search	\$180,740
Marin	Ad serving	\$1,910
Double Click	Ad serving	\$4,987
<b>GRAND TOTAL</b>		<b>\$1,371,288</b>
<b>PURE MICHIGAN BUSINESS CONNECT CAMPAIGN</b>		
Real Times Media	Print/digital/event	\$19,090
Pandora	Streaming radio	\$62,903
e-Target	E-mail	\$26,448
Mlive	Digital	\$29,206
MNI Business Network (Bloomberg-Business Week, Entrepreneur, The Week, Forbes, Fortune, Money)	Print	\$21,759
Crain's Pre-Roll Video	Digital	\$20,607
Michigan Chronicle	Digital	\$1,010
RocketFuel	Online video/display	\$116,667
Yahoo! Finance	Digital	\$17,073
Double Click	Ad serving	\$915
<b>GRAND TOTAL</b>		<b>\$315,678</b>
<b>CYBER SECURITY SUMMIT CAMPAIGN: SEPTEMBER 2014-NOVEMBER 2014</b>		
RocketFuel	Digital	\$30,870
Vibrant	Digital	\$22,500
Google	Paid Search	\$4,450
Double Click	Ad Serving	\$630
<b>GRAND TOTAL</b>		<b>\$58,450</b>

PURE MICHIGAN MEDIA PLAN: BUSINESS *continued*

<b>BUSINESS MARKETING CAMPAIGN* <i>continued</i></b>		
<b>Fiscal year 2015: 10/01/2014-09/30/2015</b>		
<b>Media partner</b>	<b>Tactic</b>	<b>Media cost</b>
<b>AUTOMOTIVE CAMPAIGN</b>		
AutoBeat	Digital	\$39,886
Autoline	Digital	\$36,250
Automotive News	Print	\$52,847
Automotive News	Digital	\$3,262
Automobilewoche	Print	\$67,076
Autonews Europe	Digital/eMagazine	\$5,543
ANW.com, ANE.com and ANChina.com	Digital	\$11,611
Nativo	Digital	\$57,143
Double Click	Ad serving	\$1,500
<b>GRAND TOTAL</b>		<b>\$275,118</b>
<b>PAID SEARCH CAMPAIGN–BUSINESS GENERAL</b>		
Google	Paid search	\$122,323
Marin	Ad serving	\$3,330
<b>GRAND TOTAL</b>		<b>\$125,653</b>
<b>GRAND TOTAL MEDIA EXPENSE</b>		<b>\$4,545,761</b>
<i>*No commercials were produced in FY 2015. A majority of business development efforts are aimed at promoting Michigan to a combination of in-state, national and international audiences. Therefore, amounts spent for business development efforts cannot be split between in-state and out-of-state.</i>		

## MICHIGAN SUPPLIER DIVERSIFICATION FUND

The Michigan Supplier Diversification Fund (MSDF) operates three loan enhancement programs designed to help traditional manufacturers capitalize on growth opportunities and add new customers. A loan enhancement program, the Michigan Loan Participation Program (LPP) offsets a borrower's cash flow deficiency by purchasing a portion of a lender's credit facility and offers a grace period on the MSF's portion. A second program, the Michigan Collateral

Support Program (CSP), balances a borrower's collateral shortfall by depositing cash collateral into a lending institution to create an "in policy" loan for the senior lender. The Loan Guarantee Program (LGP) serves to provide a guarantee to the Lender for a portion of the total credit exposure. All three programs are designed to facilitate greater access to capital and are measured according to the leverage they create.

MSDF STATE AWARDS									
Fiscal year 2015: 10/01/2014-09/30/2015									
Date of close	Company	Municipality	County	Type of funding	Total loan amount	MSF share	Current industry	Closing fee	Estimated annual fees
04/29/15	Accurate Machine & Tooling	Middleville	Barry	CSP	\$1,300,000	\$500,000	Fabricated metal product manufacturing	\$10,625	\$6,250
01/08/15	Lyons Industries Inc.	Dowagiac	Cass	CSP	\$1,000,000	\$499,000	Plastics product manufacturing	\$12,475	\$6,238
08/31/15	Move Systems	East Lansing	Ingham	CSP	\$2,500,000	\$1,000,000	Transportation equipment manufacturing	\$27,500	\$10,000
05/01/15	Midwest Tool & Die Inc.	Rockford	Kent	CSP	\$350,000	\$171,500	Special die and tool, die set, jig and fixture manufacturing	\$3,430	\$1,248
07/17/15	Detroit Cutlery	Roseville	Macomb	CSP	\$200,000	\$99,800	Hardware merchant wholesalers	\$1,996	\$1,248
07/17/15	Detroit Cutlery	Roseville	Macomb	CSP	\$226,000	\$112,774	Hardware merchant wholesalers	\$2,255	\$1,410
12/30/14	Mol-Son LLC	Mattawan	Van Buren	CSP	\$8,000,000	\$3,000,000	Special die and tool, die set, jig and fixture manufacturing	\$52,500	\$30,000
03/27/15	Applied Dynamics International Inc.	Ann Arbor	Washtenaw	CSP	\$1,800,000	\$898,200	CAD (computer-aided design) systems integration design services	\$20,210	\$11,228
<b>TOTAL</b>					<b>\$15,376,000</b>	<b>\$6,281,274</b>		<b>\$130,991</b>	<b>\$67,622</b>

Additional loans induced by MSDF <sup>1</sup>	\$16,632,470
Total leverage	\$32,008,470
Leverage ratio	5.09
<sup>1</sup> Additional loans induced includes loans that were a part of the total loan package, but did not receive a loan enhancement.	

## SMALL BUSINESS CAPITAL ACCESS PROGRAM

### Progress report as of September 30, 2015

The Small Business Capital Access Program (SBCAP) uses public resources to leverage private bank financing to provide access to capital for small Michigan businesses that might not otherwise be available. Participating banks throughout Michigan offer SBCAP loans directly to companies that need credit enhancement. Similar to a loan loss reserve fund, SBCAP has the bank, the company and the MSF pay a small premium into a

reserve that makes it possible for the company to receive fixed asset and working capital financing.

The total balance of reserve accounts below includes balances transferred from MSF legacy programs, 21st Century Jobs Fund contributions, SSBCI contributions and the matching contributions of participating lenders and small business owners.

ACTIVITY SINCE INCEPTION	
Loans enrolled	2,298
MSF investment	\$4,887,062.83
Funds leveraged	\$140,761,161.66
BALANCE OF RESERVE ACCOUNTS AT BANK	
PARTICIPATING BANK	
Bank of America	\$42,600
Capitol National Bank	\$40,226
Century Bank & Trust	\$45,768
Chelsea State Bank	\$4,286
Chemical Bank	\$520,437
ChoiceOne	\$16,802
Christian Financial Credit Union	\$3,149
Citizens Bank (FirstMerit Bank)	\$429,842
Citizens Bank (FirstMerit Bank)	\$48,052
Comerica Bank	\$118,117
Commercial Bank	\$580,064
Educational Community Credit Union	\$6,220
Fifth Third Bank (Eastern Michigan)	\$230
Fifth Third Bank (Grand Rapids)	\$72,164
Fifth Third Bank (Lansing)	\$403,623
First Federal Bank	\$1,634
First Federal of Northern Michigan	\$3,451
First State Bank of East Detroit	\$36,650
Hillsdale County National Bank	\$248,617
Horizon Bank	\$7,300
Huntington National Bank	\$1,586,863
Independent Bank	\$157,432
Irwin Union Bank (First Financial Bank)	\$56,291
Isabella Bank & Trust	\$644,626
Lake Osceola State Bank	\$160,625

SMALL BUSINESS CAPITAL ACCESS PROGRAM *continued*

<b>PARTICIPATING BANK</b> <i>continued</i>	<b>BALANCE OF RESERVE ACCOUNTS AT BANK</b>
Lake Trust Credit Union (NuUnion Credit Union)	\$16,360
Lapeer County Bank & Trust	\$16,122
Mercantile Bank of Michigan #1	\$29,687
Mercantile Bank of Michigan #2	\$189,589
Michigan First Credit Union	-\$26
Old National Bank (United Bank and Trust)	\$177,243
Option 1 Credit Union	\$24,141
PNC Bank (National City)	\$314,911
Southern Michigan Bank & Trust	\$55,522
Sturgis Bank & Trust	\$7,050
Talmer West Bank (Ann Arbor Commerce)	\$24,564
Talmer West Bank (Bank of Auburn Hills)	\$17,578
Talmer West Bank (Brighton Commerce Bank)	\$14,516
Talmer West Bank (Grand Haven Bank)	\$670
Talmer West Bank (Kent Commerce Bank)	\$39
Talmer West Bank (Muskegon Commerce Bank)	\$60,546
Talmer West Bank (Oakland Commerce Bank)	\$32,720
Talmer West Bank (Portage Commerce Bank)	\$17,406
The Dart Bank	\$35,159
Traverse City State Bank	\$22,943
Upper Peninsula State Bank	\$105,160
Wells Fargo Bank (Iron Mountain)	\$373,351
West Michigan Community Bank	\$12,618
West Shore Bank	\$10,311
<b>TOTAL</b>	<b>\$6,793,249</b>



## PRIVATE ACTIVITY BONDS

Private Activity Bonds (PABs) provide companies with capital cost savings stemming from the difference between taxable and tax-exempt interest rates. The MSF has the authority to provide tax-exempt federal bonds. These bonds finance manufacturing projects, not-for-profit corporation projects and solid or hazardous waste disposal facilities. PABs lower the cost of capital for mature firms and helps address a critical gap in project financing throughout the state. The MSF serves as a conduit for the bonds; there are no MSF reporting requirements for the companies.

TAX-EXEMPT BONDS						
Fiscal year 2015: 10/01/2014-09/30/2015						
Date issued	Date end	Company	Municipality	County	Approved amount	Type
12/13/14	2027	BMT Aerospace	Fraser	Macomb	\$2,508,234	Manufacturing refinancing
10/01/14	2023	Glastender Inc.	Kochville Township	Saginaw	\$5,845,000	Manufacturing refunding
10/15/14	2024	Four Seasons Development LLC	Saginaw	Saginaw	\$2,110,000	Manufacturing new
06/30/15	2022	Master Automatic Machine Company Inc.	Livonia and Plymouth Charter Township	Wayne	\$3,900,000	Manufacturing new
<b>TOTAL</b>					<b>\$11,855,000</b>	

MISCELLANEOUS BONDS						
Fiscal year 2015: 10/01/2014-09/30/2015						
Date issued	Date end	Company	Municipality	County	Approved amount	Type
02/25/15	2047	Michigan Senate Offices	Lansing	Ingham	\$65,025,000 \$3,440,000	Tax-exempt and taxable
12/22/14	2019	YMCA of Lansing	Charter Township of Lansing, Charter Township of Meridian, Garfield Township, Lansing	Ingham, Clare	\$8,310,000	501(c)(3) refunding
12/19/14	2029	The Cascade PACE	Charter Township of Blackman	Jackson	\$4,000,000	501(c)(3) new
12/11/14	2028	Holland Home	Grand Rapids	Kent	\$9,940,000 \$7,900,000 \$5,750,000	501(c)(3) amendments to bond indentures
12/10/14	2045	Events Center	Detroit	Wayne	\$250,000,000 \$200,000,000	Tax-exempt and taxable
12/31/14	2025	Detroit Renewable Energy	Detroit	Wayne	\$6,700,000	Solid waste-new
04/01/15	2027	Community College Skilled Trades Equipment Program	Various	Various	\$40,725,000	Tax-exempt
07/08/15	2040	Lutheran Social Services of Michigan	Saginaw, Detroit, Grand Rapids, Whitewater Township, Charter Township of Bloomfield, Cadillac	Saginaw, Wayne, Kent, Grand Traverse, Oakland, Wexford	\$15,825,000 \$7,000,000	501(c)(3) refunding and new
<b>TOTAL</b>					<b>\$624,615,000</b>	

## PROGRAMS IN MONITORING

Public Act 503 of 2014 amended the legislative reporting requirements of the Michigan Strategic Fund (MSF) Act. Awardees that had an executed agreement with the MSF prior to January 14, 2015 (the effective date of Public Act 503 of 2014), have contractual reporting obligations that are based on previous MSF act reporting requirements. Accordingly, the report for each of these programs includes metrics as required under the agreement between the awardee and the MSF.

## 21ST CENTURY INVESTMENT FUND PROGRAM

### Progress report as of September 30, 2015

The Michigan 21st Century Investment Fund (21st CIF) was created, as per the provisions of Public Act 225 of 2005, through an agreement between Grosvenor and the MSF. The fund encourages the growth of emerging Michigan companies, diversifies the state's economy by creating and retaining knowledge-based jobs and grows a community of investors to create a long-term, sustainable capital ecosystem within Michigan. Grosvenor, a fund management industry leader, manages the 21st CIF. Grosvenor brings expertise in the selection of venture capital, private equity and mezzanine funds to invest in Michigan companies that are creating jobs. Since 2006, the Michigan 21st CIF has committed \$109 million to 13 funds and one company.

As of September 2015, as reported by Grosvenor, the Michigan 21st CIF managers have invested close

to \$225 million into 31 Michigan-based portfolio companies which now have 1,052 Michigan employees. Overall, over \$882 million of equity has been invested into these 31 portfolio companies by all syndicate partners. This represents about 8.95x leverage of the Michigan 21st CIF underlying fund manager investments. These portfolio companies continue to be diversified across sectors, including life sciences, manufacturing, health care, IT, waste services and media.

Public Act 503 of 2014 amended the legislative reporting requirements of the Michigan Strategic Fund (MSF) Act. Awardees that had an executed agreement with the MSF prior to January 14, 2015 (the effective date of Public Act 503 of 2014), have contractual reporting obligations that are based on previous MSF act reporting requirements. Accordingly, the report for this program includes metrics as required under the agreement between the awardee and the MSF.

**21ST CIF AWARDS  
As of September 30, 2015**

Entity receiving funding	City	County	Type of funding	Amount committed <sup>1</sup>	Capital called for investment <sup>2</sup>	Total private commitment	PERFORMANCE OF MICHIGAN INVESTMENTS						Jobs created/ retained	
							Total fund investment in MI companies <sup>3</sup>	Unrealized value	Realized proceeds	Total adjusted value <sup>4</sup>	Year to year growth <sup>5</sup>	Inception to date growth		Leverage
Arboretum II	Ann Arbor	Washtenaw	Venture capital	\$7,500,000	\$7,125,000	\$73,400,000	\$23,800,000	\$7,200,000	\$78,200,000	\$85,400,000	\$26,700,000	\$61,600,000	\$267,447,200	49
Arboretum III	Ann Arbor	Washtenaw	Venture capital	\$10,000,000	\$8,255,500	\$138,200,000	\$40,300,000	\$50,300,000	\$200,000	\$50,500,000	\$4,700,000	\$10,200,000	\$119,947,000	199
Arsenal Venture Partners II	Birmingham	Oakland	Venture capital	\$5,000,000	\$2,630,274	\$64,400,000	\$1,800,000	\$1,800,000	\$0	\$1,800,000	\$600,000	\$0	\$9,508,200	75
Early Stage Partners II	Ann Arbor	Washtenaw	Venture capital	\$6,000,000	\$5,246,354	\$54,500,000	\$5,700,000	\$4,700,000	\$0	\$4,700,000	\$500,000	(\$1,000,000)	\$37,600,000	65
Maranon Mezzanine	Birmingham	Oakland	Mezzanine	\$7,500,000	\$10,552,024	\$209,100,000	\$10,100,000	\$0	\$12,200,000	\$12,200,000	\$0	\$2,100,000	\$69,000,000	166
Microposite, Inc.	Auburn Hills	Oakland	Direct investment	\$1,650,000	\$1,567,293	\$3,600,000	\$1,650,000	\$0	\$55,737	\$55,737	\$0	(\$1,594,263)	\$0	0
Midwest Mezzanine IV	Grand Rapids	Kent	Mezzanine	\$10,000,000	\$9,568,125	\$110,700,000	\$4,200,000	\$0	\$6,300,000	\$6,300,000	\$0	\$2,100,000	\$7,600,000	0
MK Capital II	Ann Arbor	Washtenaw	Venture capital	\$4,500,000	\$3,633,750	\$106,700,000	\$8,400,000	\$23,300,000	\$0	\$23,300,000	\$6,700,000	\$14,900,000	\$10,100,000	187
Nth Power IV	Detroit	Wayne	Venture capital	\$10,000,000	\$8,882,500	\$169,100,000	\$5,800,000	\$0	\$400,000	\$400,000	\$0	(\$5,400,000)	\$18,700,000	0
Pegasus Fund V	Birmingham	Oakland	Private equity	\$10,000,000	\$9,139,793	\$623,700,000	\$94,600,000	\$54,700,000	\$0	\$54,700,000	(\$19,600,000)	(\$39,900,000)	\$220,000,000	250
Quad Partners II	Madison Heights	Oakland	Private equity	\$10,000,000	\$9,809,449	\$82,300,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
Relativity I	Bloomfield Hills	Oakland	Private equity	\$10,000,000	\$6,138,793	\$202,500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0
RPM Ventures II	Ann Arbor	Washtenaw	Venture capital	\$6,000,000	\$5,700,000	\$55,600,000	\$7,800,000	\$7,000,000	\$0	\$7,000,000	\$2,000,000	(\$800,000)	\$47,100,000	37
Venture Investors IV	Ann Arbor	Washtenaw	Venture capital	\$10,850,000	\$10,307,500	\$118,500,000	\$19,200,000	\$12,600,000	\$0	\$12,600,000	(\$3,200,000)	(\$6,600,000)	\$75,330,000	24
<b>TOTAL</b>				<b>\$109,000,000</b>	<b>\$98,556,355</b>	<b>\$2,012,300,000</b>	<b>\$223,350,000</b>	<b>\$161,600,000</b>	<b>\$97,355,737</b>	<b>\$258,955,737</b>	<b>\$18,400,000</b>	<b>\$35,605,737</b>	<b>\$882,332,400</b>	<b>1,052</b>

<sup>1</sup> Represents amount committed by the partnership. MSF commitment constitutes 95 percent of the total and the commitment of the fund manager; Grosvenor commitment constitutes 5 percent of the total.

<sup>2</sup> Commitments remain in MSF account until capital calls are issued. Capital calls are requests from the fund to send a portion of the commitment needed for a specific investment or fee. "Capital Called for Investment" can be greater than the "Amount Committed" if a fund reinvests proceeds into new investments.

<sup>3</sup> Total amount invested by fund(s) into Michigan portfolio companies.

<sup>4</sup> Sum of realized proceeds and unrealized value.

<sup>5</sup> "Year to Year Growth" compares the value increase (decrease) between each funds investments from the third quarterly report of 2014 to the third quarterly report of 2015.

## ACCELERATOR FUND

Since 2011, the Accelerator Fund program has invested \$12 million from the 21st Century Jobs Fund into two early stage venture funds, Huron River Ventures and Michigan Accelerator Fund I. As of September 30, 2015, the funds have leveraged an additional \$247 million from other private investors and have made investments into a total of 16 Michigan early stage companies.

Public Act 503 of 2014 amended the legislative

reporting requirements of the Michigan Strategic Fund (MSF) Act. Awardees that had an executed agreement with the MSF prior to January 14, 2015 (the effective date of Public Act 503 of 2014), have contractual reporting obligations that are based on previous MSF act reporting requirements. Accordingly, the report for this program includes metrics as required under the agreement between the awardee and the MSF.

**ACCELERATOR FUND AWARDS  
As of September 30, 2015**

Entity receiving funding	Type of funding	Award date	Award amount	Capital called for investment <sup>1</sup>	Amount rescinded, withdrawn or reduced <sup>2</sup>	Money, revenue, or property returned	Initial private funds leveraged <sup>3</sup>	New private funds leveraged <sup>4</sup>	New patents, copyrights and trademarks applied for <sup>5</sup>	New patents, copyrights and trademarks issued <sup>5</sup>	New start-up companies <sup>5</sup>	Projected new job growth <sup>5</sup>	Current FTEs-net jobs <sup>5</sup>	NUMBER OF NEW LICENSING AGREEMENTS			Products commercialized <sup>5</sup>
														Total agreements in <sup>6</sup>	Total agreements out <sup>7</sup>	With MI-based companies	
Michigan Accelerator Fund I	Venture capital	09/14/10	\$6,000,000	\$5,326,631	\$0	\$0	\$9,128,370	\$144,329,794	101	41	7	15	164	4	1	0	7
Huron River Ventures	Venture capital	09/14/10	\$6,000,000	\$3,819,794	\$0	\$0	\$5,091,667	\$103,455,824	14	14	9	76	97	0	0	0	18
<b>TOTAL</b>			<b>\$12,000,000</b>	<b>\$9,146,425</b>	<b>\$0</b>	<b>\$0</b>	<b>\$14,220,037</b>	<b>\$247,785,618</b>	<b>115</b>	<b>55</b>	<b>16</b>	<b>91</b>	<b>261</b>	<b>4</b>	<b>1</b>	<b>0</b>	<b>25</b>

<sup>1</sup> Up to 15 percent of these awards may be used for management expenses; these expenses are included in the "Amount Deployed."

<sup>2</sup> This column represents awards that were rescinded by the MSF, requests for funding that were withdrawn by the company or the amount by which an original award amount was later reduced. These funds were reallocated for use in accordance with the MSF Act.

<sup>3</sup> Total additional private investment into funds by other limited partners.

<sup>4</sup> Total amount invested into underlying portfolio companies by other venture capital funds.

<sup>5</sup> These figures are taken from the progress reports submitted to the MEDC by the entities that received funds.

<sup>6</sup> "Licensing Agreements In": Licensing agreements for the project/company to acquire technology from a third party.

<sup>7</sup> "Licensing Agreements Out": Licensing agreements generated by intellectual property from the project/company to a third party.

## BUSINESS INCUBATORS AND ACCELERATORS

In February 2015, the MSF/MEDC issued a “Request for Proposals” (RFP) for business incubators for MSF funding. Of the 11 proposals that were submitted, 11 were approved by the MSF board, nine of which were incubators that received prior MSF funding and two newly awarded grants totaling \$2,756,231. The MSF also entered into a separate “Memorandum of Understanding” agreement with the Michigan Department of Agriculture and Rural Development (MDARD) for an additional business incubator funded by MDARD in the amount of \$500,000. Awardees are required to develop a dashboard of indicators to measure the effectiveness of the business incubator and accelerator program.

Results for FY 2015 are shown on the following page. Columns for FY 2011, FY 2012, FY 2013, FY 2014 and FY 2015 awards are shown, pursuant to the legislation requiring dashboard indicators to be reported for the prior fiscal year and cumulatively if

available. Dollars awarded in one year may be spent beyond the award year. Companies may receive services from more than one incubator.

Cumulative activity to date has resulted in the creation of 466 new companies, 3,638 jobs created and \$977.9 million of new capital received by the companies that the incubators and accelerators serve. These results indicate that the business incubators are leveraging the MSF board-approved funding to accelerate the creation and growth of new companies.

Public Act 503 of 2014 amended the legislative reporting requirements of the Michigan Strategic Fund (MSF) Act. Awardees that had an executed agreement with the MSF prior to January 14, 2015 (the effective date of Public Act 503 of 2014), have contractual reporting obligations that are based on previous MSF act reporting requirements. Accordingly, the report for this program includes metrics as required under the agreement between the awardee and the MSF.

## BUSINESS INCUBATORS AND ACCELERATORS DASHBOARD INDICATORS

### Progress reporting as of September 30, 2015

																							TYPES OF CAPITAL RECEIVED BY CLIENT COMPANIES SERVED BY THE INCUBATOR									
													For client companies served by incubators										Grant funding	Equity financing		Direct investment						
Business incubator	County	City	FY 2011 grants	End date	FY 2012 grants	End date	FY 2013 grants	End date	FY 2014 grants	End date	FY 2015 grants	End date	Dollars leveraged (matching funds received due to MSF grant) <sup>1</sup>	New companies launched <sup>1</sup>	Businesses expanded <sup>2</sup>	Companies served (traditional) <sup>3</sup>	Companies served (tech) <sup>3</sup>	New jobs created <sup>1</sup>	Projected new jobs <sup>1</sup>	Average annual salary of new jobs <sup>1</sup>	Jobs retained <sup>4</sup>	Average annual salary of retained jobs <sup>1*</sup>	SBIR/ STTR/other federal <sup>2</sup>	Venture capital <sup>2</sup>	Angel funds <sup>2</sup>	Bank/loan <sup>2</sup>	Owner investment <sup>2</sup>	New sales (increases in revenue) <sup>3</sup>	Other <sup>2</sup>	Total capital received <sup>5</sup>		
TechWorks / Kettering University *	Genesee	Flint			\$150,000	12/31/12							0	0	0	0	0	0	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Michigan Tech Enterprise Corporation (MTEC) SmartZone	Houghton	Houghton	\$100,000	02/28/12	\$750,000	10/01/14	\$702,000	01/31/16					\$1,550,422	48	72	138	1348	225.5	42	N/A	2,266.8	N/A	\$7,514,045	\$42,000	\$133,420	\$2,106,291	\$1,651,905	\$29,262,750	\$1,500	\$40,711,911		
Lansing/East Lansing SmartZone/Lansing Economic Area Partnership (LEAP)	Ingham	Lansing/East Lansing	\$100,000	02/28/12	\$150,000	06/30/13	\$500,000	09/30/15	\$500,000	09/30/14	\$200,000	04/15/17	\$1,477,000	59	10	231	1009	154	0	\$41,000	0.0	\$44,000	\$1,674,057	\$6,500,000	\$270,000	\$174,000	\$451,966	\$3,021,980	\$442,595	\$12,534,598		
Central Michigan University Research Corporation (CMURC)	Isabella	Mt. Pleasant	\$100,000	02/28/12	\$350,000	12/31/13	\$500,000	04/01/15			\$199,100	03/31/17	\$827,997	52	143	670	1830	408.5	120	\$51,000	2,853.0	\$47,097	\$2,995,483	\$5,060,500	\$17,283,416	\$25,938,011	\$10,911,040	\$21,144,269	\$405,197	\$83,737,916		
Southwest Michigan Innovation Center (SMIC)	Kalamazoo	Kalamazoo	\$100,000	02/28/12	\$600,000	02/28/14					\$200,000	03/31/17	\$69,707	9	17	559	470	51.75	0	\$40,669	1,141.0	\$6,959	\$19,260,966	\$97,471,774	\$21,057,734	\$2,200,000	\$608,500	\$5,892,252	\$0	\$146,491,226		
Grand Valley State University/West Michigan Science & Technology Initiative (WMSTI) Grand Rapids SmartZone <sup>6</sup>	Kent	Grand Rapids	\$100,000	06/30/12	\$500,000	03/31/15	\$840,000	04/15/18					\$1,168,336	58	38	100	1,345	240	12	N/A	1,612.0	N/A	\$3,352,306	\$10,201,000	\$10,478,967	\$1,341,000	\$792,150	\$8,951,048	\$4,448,012	\$39,564,483		
Macomb Oakland University Incubator	Macomb	Sterling Heights	\$250,000	02/28/13	\$500,000	04/01/14	\$500,000	12/31/14			\$195,879	06/30/17	\$0	21	30	42	1,477	334.9	1,735	\$46,333	1,497.0	\$51,920	\$800,800	\$5,035,000	\$5,021,000	\$4,018,150	\$3,628,647	\$9,328,073	\$239,000	\$28,070,670		
Mid-Michigan Innovation Center (MMIC)	Midland	Midland			\$500,000	04/01/13	\$500,000	12/31/14			\$200,000	03/31/17	\$762,476	25	12	949	1,242	246.5	0	\$45,000	420.0	\$45,000	\$50,000	\$9,901,975	\$24,068,123	\$498,800	\$1,908,619	\$35,352,662	\$109,000	\$71,889,179		
Michigan Alternative and Renewable Energy Center (MAREC)	Muskegon	Muskegon	\$100,000	03/31/13							\$111,980	06/30/17	\$983	9	22	122	194	47.5	5	\$36,634	362.0	\$18,909	\$0	\$0	\$0	\$0	\$50,000	\$2,687,255	\$48,036	\$2,785,291		
The Stream*	Newaygo	Newaygo			\$250,000	09/30/14							0	0	0	0	0	0	0	\$0	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Automation Alley <sup>7</sup>	Oakland	Troy	\$250,000	08/31/12	\$625,000	05/31/15	\$2,000,000 \$500,000	03/31/16 12/31/15			\$500,000	04/30/16	\$450,000	3	63	10	1,756	892	0	\$67,000	4,755.0	\$74,750	\$3,468,330	\$31,617,073	\$6,298,499	\$1,229,000	\$3,510,173	\$8,474,430	\$1,124,545	\$55,722,050		
The Starting Block*	Oceana	Hart			\$250,000	09/30/14							0	0	0	0	0	0	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Ann Arbor SPARK*	Washtenaw	Ann Arbor	\$100,000	02/28/12	\$500,000	04/01/15	\$1,000,000	03/31/15			\$350,000	03/31/17	\$560,354	114	144	266	3,056	508.5	0	\$50,000	3,054.1	\$60,000	\$22,608,575	\$326,849,372	\$49,479,333	\$4,526,000	\$4,027,535	\$1,881,041	\$27,171,984	\$436,543,840		
TechTown <sup>9</sup>	Wayne	Detroit			\$875,000	12/31/13	\$1,000,000	10/15/15			\$500,000	03/31/16	\$8,486,853	56	64	4,343	2,066	506	164	\$15,000	1,874.5	\$50,000	\$6,423,689	\$9,825,000	\$3,974,000	\$1,412,000	\$3,252,325	\$28,202,272	\$4,273,315	\$57,362,601		
Lakeshore Advantage	Allegan	Holland							\$1,300,000	12/31/14			\$0	1	4	16.1	131.6	4	6	N/A	295.0	N/A	\$0	\$378,000	\$490,000	\$0	\$98,000	\$627,900	\$0	\$1,593,900		
Detroit Creative Corridor Center	Wayne	Detroit							\$450,000	09/30/16			\$296,952	0	12	153.3	9.1	9	9	N/A	34.0	N/A	\$0	\$0	\$31,500	\$4,814	\$28,472	\$417,689	\$560	\$483,036		
Lawrence Technological University	Oakland	Southfield									\$100,000	03/31/16	\$96,000	4	0	20	8	4	0	\$0	0.0	\$77,150	\$0	\$0	\$0	\$20,000	\$0	\$223,935	\$20,000	\$263,935		
Regents of The University of Michigan/Desai Family Accelerator	Washtenaw	Ann Arbor									\$199,272	04/15/17	\$0	4	0	0	20	6	0	\$28,000	16.0	\$0	\$0	\$0	\$10,000	\$5,000	\$0	\$0	\$125,000	\$140,000		
Great Lakes Agricultural Technology Business Incubator <sup>10</sup>	Ottawa	West Olive									\$500,000	09/30/17	\$72,000	3	0	0	4	0	21	N/A	0.0	N/A	\$0	\$0	\$0	\$0	\$47,000	\$0	\$0	\$47,000		
<b>TOTAL</b>			<b>\$1,200,000</b>		<b>\$6,000,000</b>		<b>\$8,042,000</b>		<b>\$2,250,000</b>		<b>\$2,756,231</b>		<b>\$15,819,080</b>	<b>466</b>	<b>631</b>	<b>7,619</b>	<b>15,966</b>	<b>3,638</b>	<b>2,114</b>	<b>\$30,045</b>	<b>\$20,180</b>	<b>\$33,985</b>	<b>\$68,148,251</b>	<b>\$502,881,694</b>	<b>\$138,595,992</b>	<b>\$43,473,066</b>	<b>\$30,966,332</b>	<b>\$155,467,556</b>	<b>\$38,408,744</b>	<b>\$977,941,635</b>		

<sup>1</sup> These self-reported figures were collected from the incubators' semi-annual progress reports, submitted every April and October by the business incubators with active grant agreements. "New Jobs Created" and "Projected New Jobs" are the cumulative totals to date, over the life of all grant(s) that a business incubator has received.

N/A indicates the incubator is not required to report salaries.

<sup>2</sup> These self-reported figures were collected from the Incubators' monthly metrics, submitted to the MEDC every month, and are the cumulative totals to date over the life of all grant(s) that a business incubator has received.

<sup>3</sup> The "Companies Served (Tech)" and "Companies Served (Traditional)" figures are the cumulative totals to date over the life of the Business Incubator award(s), collected from the monthly metrics submitted by the Incubators.

<sup>4</sup> "Jobs Retained" figures were taken from the last monthly metrics report submitted by business incubators that received a FY 2015 grant; this metric was not statutorily required for prior year awards.

<sup>5</sup> The "Total Capital Received" excludes the amount of MSF Funds awarded to client companies of the business incubators, as MSF Funds are not counted as leveraged funds.

<sup>6</sup> The city of Grand Rapids LDEA, received an amendment to their 2013 award, extending the end date from March 31, 2017, to April 15, 2018.

<sup>7</sup> The applicant, Automation Alley, received two awards. The second award for \$500,000 is split between Automation Alley and Oakland University Incubator.

Automation Alley received an amendment to their 2012 award extending the end date from February 28, 2015, to May 31, 2015.

Automation Alley received an amendment to their 2013 award for \$2,000,000 for a time extension.

<sup>8</sup> A portion of the FY 2012 funding was allocated to, and work performed by, the Ann Arbor SPARK East Business Incubator.

<sup>9</sup> The applicant, TechTown, received a single award of \$875,000 in FY 2012 that was split between TechTown and its partner, Bizdom U. This fulfills the legislative requirement that one award be given to an incubator or accelerator in a city with a population greater than 650,000.

TechTown received an amendment to their 2013 award extending the end date from April 15, 2015, to October 15, 2015.

<sup>10</sup> The Great Lakes Agricultural Technology Business Incubator entered into a "Memorandum of Understanding" agreement between the MSF and MDARD from October 1, 2014 through September 30, 2017. The grant is managed by the MSF/MEDC. The funding was provided by MDARD.

\* This incubator is no longer active.



## CAPITAL CONDUIT PROGRAM

The Capital Conduit program was created to make mission investments into public/private partnerships. The program was structured with two initiatives under it: a real estate initiative and an operating company initiative. These structures were approved by the MSF board in 2011 and applications under a “Request for Applications” were received, reviewed and awarded in January 2012. Two investments were made into two awardees: Grow Michigan LLC for the operating company initiative; and Develop Michigan Inc. for the real estate initiative. These investments are conditioned upon the awardee raising minimum levels of private capital with success measured by attaining specific leverage goals. For Grow Michigan LLC, the goal is 5:1 and for Develop Michigan Inc., it is 2:1.

Designed to address growth and transition for small businesses, Grow Michigan, LLC is a public/private partnership between the MEDC, MSF, Crescent Capital LLC and more than 10 large and small Michigan banks. The fund is designed to operate below the traditional mezzanine markets offering loans from \$500,000 to approximately \$3 million in a subordinated, or secondary, collateral position at attractive rates. The capital, delivered in conjunction with a senior bank lender, can help a business grow into new contracts or finance succession/

acquisition events. The fund’s projects must meet public policy goals including supporting job creation and investment in Michigan.

Develop Michigan Inc. (DMI) is a public/private partnership between the MEDC, MSF, Great Lakes Capital Fund and Development Finance Group. A non-profit development finance organization, DMI is designed to finance commercial real estate projects throughout the state to stimulate community and economic development. The organization received a commitment from the MSF of up to \$20 million, which is aimed at leveraging private capital at a ratio of five private dollars for every one MSF-contributed dollar once fundraising is completed. The core activities of the fund include senior and mezzanine loans to high-value community development projects.

Public Act 503 of 2014 amended the legislative reporting requirements of the Michigan Strategic Fund (MSF) Act. Awardees that had an executed agreement with the MSF prior to January 14, 2015 (the effective date of Public Act 503 of 2014), have contractual reporting obligations that are based on previous MSF act reporting requirements. Accordingly, the report for this program includes metrics as required under the agreement between the awardee and the MSF.

### CAPITAL CONDUIT AWARDS As of September 30, 2015

Entity receiving funding	Municipality	County	Type of funding	Amount committed	Capital called for investment <sup>1</sup>	Total private investment <sup>2</sup>	Companies invested in	Jobs created
Grow Michigan LLC <sup>3</sup>	Plymouth	Wayne	Loan	\$500,000	\$500,000	N/A	N/A	N/A
Grow Michigan LLC <sup>4</sup>	Plymouth	Wayne	Investment	\$9,500,000	\$5,980,563	\$272,144,000	22	451
Develop Michigan Inc. <sup>3</sup>	Lansing	Ingham	Loan	\$500,000	\$500,000	N/A	N/A	N/A
Develop Michigan, Inc. <sup>5</sup>	Lansing	Ingham	Loan	\$19,500,000	\$10,515,791	\$79,780,000	10	N/A
<b>TOTAL</b>				<b>\$30,000,000</b>	<b>\$17,496,354</b>	<b>\$351,924,000</b>	<b>32</b>	<b>451</b>

<sup>1</sup> Commitments remain in an MSF account until capital calls are issued. Capital calls are requests from the fund to send a portion of the commitment needed to fund a specific investment or fee. “Capital Called for Investment” can be greater than the “Amount Committed” if a fund reinvests proceeds into new investments.

<sup>2</sup> Total private investment is the actual amount of capital issued by the fund to an operating company or real estate project along with any other investment received concurrent to the funding provided by DMI or GMI.

<sup>3</sup> Both Grow Michigan LLC and Develop Michigan Inc. received two separate awards; the \$500,000 loans to each organization are to be used for start-up and administrative costs.

<sup>4</sup> Grow Michigan LLC received a commitment from the MSF of up to \$9.5 million contingent upon private investment subscriptions to the fund. As of September 30, 2015, Grow Michigan LLC could access up to \$7 million of the total MSF commitment based on its private investment subscriptions.

<sup>5</sup> Develop Michigan Inc. received a loan from the MSF in the amount of \$19.5 million contingent upon raising at least \$25.5 million dollars in private investment. The minimum leverage threshold to close the fund and activate 100 percent of the \$19.5 million loan has been achieved. The fund, however, remains open to additional fundraising with a fund target size of \$100 million.

## MICHIGAN EARLY STAGE FUNDING PROGRAMS

Early stage, innovative companies require seed capital to help bridge critical stages of development. Through the Michigan Early Stage Funding programs, the MSF sought to bridge this capital gap and help early stage companies develop technologies, grow innovative companies, diversify Michigan's economy and create economic wealth in the state. The Early Stage Funding programs allocate funding to non-profit organizations to capitalize funds that invest in pre-seed and start-up stage competitive edge technologies that require capital to transition from research to the earliest stages of the commercialization process.

Public Act 503 of 2014 amended the legislative reporting requirements of the Michigan Strategic Fund (MSF) Act. Awardees that had an executed agreement with the MSF prior to January 14, 2015 (the effective date of Public Act 503 of 2014), have contractual reporting obligations that are based on previous MSF act reporting requirements. Accordingly, the report for this program includes metrics as required under the agreement between the awardee and the MSF.

**MICHIGAN EARLY STAGE FUNDING PROGRAMS**  
**Progress reporting as of September 30, 2015**

Entity receiving funding	Type of funding and award status	Award date	Award amount	Amount rescinded, withdrawn or reduced <sup>1</sup>	Money, revenue or property returned	New funds leveraged <sup>2</sup>	New patents, copyrights and trademarks applied for <sup>2</sup>	New patents, copyrights and trademarks issued <sup>2</sup>	New start-up companies <sup>2</sup>	Projected new job growth <sup>3</sup>	NUMBER OF NEW LICENSING AGREEMENTS <sup>2</sup>			Products commercialized <sup>2</sup>
											Total agreements in <sup>4</sup>	Total agreements out <sup>5</sup>	With MI-based companies	
Ann Arbor SPARK–Pre-Seed Capital Fund II <sup>6</sup>	Grant–ended	07/02/09	\$6,800,000	\$0	\$0	\$0	0	0	0	2,162	0	0	0	0
Ann Arbor SPARK–Pre-Seed Capital Fund III <sup>6,7</sup>	Grant–ended	10/07/11	\$10,170,000	\$0	\$33,184	\$7,080,099	0	1	0	2,288	0	0	0	0
Biosciences Research and Commercialization Center–BRCC II Fund <sup>8</sup>	Grant–ended	10/18/11	\$3,830,000	\$0	\$0	\$12,545,275	8	15	1	0	0	0	0	0
Invest Michigan	Grant	03/24/14	\$7,958,000	\$0	\$0	\$11,846,422	27	12	0	6	9	0	9	17
<b>TOTAL:</b>			<b>\$28,758,000</b>	<b>\$0</b>	<b>\$33,184</b>	<b>\$31,471,796</b>	<b>35</b>	<b>28</b>	<b>1</b>	<b>4,456</b>	<b>9</b>	<b>0</b>	<b>9</b>	<b>17</b>

<sup>1</sup> This column represents awards that were rescinded by the MSF, requests for funding that were withdrawn by the company, or the amount by which an original award amount was later reduced. These funds were reallocated for use in accordance with the MSF Act.

<sup>2</sup> These figures are self-reported by the entities receiving funding in progress reports that are submitted to the MEDC.

<sup>3</sup> These figures are taken from the original proposals submitted to the MEDC by the entities that received funds.

<sup>4</sup> "Licensing Agreements In": Licensing agreements for the project/company to acquire technology from a third party.

<sup>5</sup> "Licensing Agreements Out": Licensing agreements generated by intellectual property from the project/company to a third party.

<sup>6</sup> Microloan investments are funded as a subprogram of the Pre-Seed II and Pre-Seed III grants from the MSF; as such, reporting metrics for Microloan Investments are included in the Pre-Seed II and Pre-Seed III metrics.

<sup>7</sup> The grant agreement with Ann Arbor SPARK was originally for \$9,170,000. The agreement was amended on December 9, 2013, and the award amount was increased by \$1,000,000, bringing the total amount of grants funds available under the agreement to \$10,170,000.

<sup>8</sup> The New Patents, Copyrights & Trademarks Applied For and Issued have been validated by the BRCC; these figures were underreported in previous years.





**MICHIGAN EARLY STAGE FUNDING PROGRAMS** continued  
Progress reporting as of September 30, 2015

Entity receiving funding	Industry sector	Sponsoring SmartZone	FTEs retained in MI <sup>5</sup>	Current FTEs <sup>5</sup>	PRE-SEED CAPITAL FUND II <sup>1</sup>				PRE-SEED CAPITAL FUND III <sup>1</sup>				MICROLOAN INVESTMENTS <sup>1,2</sup>			BRCC-II <sup>3</sup>				INVEST MICHIGAN (MI PRE-SEED 2.0) <sup>4</sup>			
					Date of investment	Type of investment	Amount invested	Matching investment	Date of investment	Type of investment	Amount invested	Matching investment	Date of investment	Type of investment	Amount invested	Date of investment	Type of investment	Amount invested	Matching investment	Date of investment	Type of investment	Amount invested	Matching investment
ePaySelect Inc.	E-commerce	Mount Pleasant / Center for Applied Research & Technology	2.0	1.0						2/22/12	Equity	\$115,500	\$134,500										
Epsilon Imaging Inc.	Life science		4.0	9.0												3/13/14	Equity	\$250,000	\$8,707,083				
EXO Dynamics	Life science/ advanced materials	Ann Arbor - Ypsilanti	2.0	2.0										5/14/13	Loan	\$10,000							
First Sense Medical (aka Angott Medical Products LLC)	Life science	Detroit / Woodward Technology Corridor	1.0	12.0						2/22/12	Equity	\$250,000	\$300,000										
FlockTAG LLC	IT	Ann Arbor - Ypsilanti	2.0	10.5						4/13/12	Equity	\$250,000	\$250,000										
FoodCircles LLC	IT	Muskegon Lakeshore	3.0	15.0										7/26/12 1/21/13	Loan Loan	\$27,330 \$22,670							
FreeStride Therapeutics Inc.	Life science	Ann Arbor - Ypsilanti	1.0	2.0						5/1/12	Loan	\$200,000	\$200,000	8/31/09	Loan	\$50,000							
Fusion Coolant Systems Inc.	Advanced materials	Ann Arbor - Ypsilanti	3.0	3.0						12/13/12	Equity	\$250,000	\$250,000							12/18/15	Equity	\$125,000	\$1,246,218
GeLo LLC	IT	Muskegon Lakeshore	1.0	3.0										12/15/11	Loan	\$50,000							
Gemphire	Life science	Northville	0.0	5.0												1/15/15	Loan	\$250,000	0				
GeneMarkers LLC	Life science		6.0	8.0												11/27/12	Loan	\$250,000	\$100,000				
Genomenon	Life science	Ann Arbor	0.0	2.0																8/7/15	Equity	\$50,000	\$355,000
Green Flag Credit LLC	Advanced automotive	Sterling Heights	3.0	1.0										2/16/12	Loan	\$50,000							
GreenSand Corporation Inc.	Advanced materials	Houghton/Michigan Tech EnterPrise	5.0	6.0										8/6/10	Loan	\$50,000							
Hygia, LLC <sup>7</sup>	IT	Detroit/Woodward Technology Corridor	0.0	0.0										9/12/12	Loan	\$40,000							
I Pillbox LLC	Life science	Ann Arbor - Ypsilanti	3.0	1.0										3/6/12	Loan	\$24,300							
InPore Technologies Inc.	Advanced materials	Lansing Regional	2.0	0.0	6/30/10 10/4/10	Loan Loan	\$100,000 \$150,000	\$0 \$300,000															
Interleaved Magnetic Products	Advanced materials	Ann Arbor - Ypsilanti	2.0	2.0										4/1/13	Loan	\$50,000							
Intervention Insights LLC	Life science	Grand Rapids	2.0	9.0	2/11/10	Equity	\$250,000	\$125,000															
Inventure Enterprises Inc.	Homeland security	Lansing Regional	4.0	0.0	12/17/10	Equity	\$250,000	\$125,000						4/6/10	Loan	\$46,000							
IROA Technologies	Life science	Ann Arbor - Ypsilanti	2.0	2.0						4/15/13	Equity	\$250,000	\$450,000										
Kontextual	IT	Ann Arbor - Ypsilanti	2.0	0.0						9/17/13	Loan	\$250,000	\$250,000										
Larky Inc.	IT	Ann Arbor - Ypsilanti	2.0	8.0						6/11/12	Equity	\$250,000	\$300,000	2/21/12	Loan	\$35,000							
Law Enforcement Intelligent Device LLC	Homeland security	Oakland University Incubator	3.0	4.0	6/10/11	Equity	\$250,000	\$125,000															
LED Optical Solutions LLC	Advanced materials	Oakland University Incubator	4.0	5.0										3/18/10	Loan	\$50,000							
Michelle's Miracle	Life science	Mount Pleasant / Center for Applied Research & Technology	3.0	4.0	12/14/09	Equity	\$250,000	\$300,000															
Minu Interactive Inc.	Life science	Ann Arbor - Ypsilanti	4.0	3.0										12/30/13	Loan	\$50,000							
Motor City Wipers LLC	Advanced automotive	Sterling Heights	2.0	4.0										12/17/09	Loan	\$50,000							
My Repair Facts Inc.	Advanced automotive	Ann Arbor - Ypsilanti	6.0	6.0										12/8/11	Loan	\$50,000							
nanoRETE Inc.	Life science	Lansing	2.0	2.0																1/27/15	Equity	\$50,000	\$85,000



**MICHIGAN EARLY STAGE FUNDING PROGRAMS** continued  
Progress reporting as of September 30, 2015

Entity receiving funding	Industry sector	Sponsoring SmartZone	FTEs retained in MI <sup>5</sup>	Current FTEs <sup>5</sup>	PRE-SEED CAPITAL FUND II <sup>1</sup>				PRE-SEED CAPITAL FUND III <sup>1</sup>				MICROLOAN INVESTMENTS <sup>1,2</sup>			BRCC-II <sup>3</sup>				INVEST MICHIGAN (MI PRE-SEED 2.0) <sup>4</sup>					
					Date of investment	Type of investment	Amount invested	Matching investment	Date of investment	Type of investment	Amount invested	Matching investment	Date of investment	Type of investment	Amount invested	Date of investment	Type of investment	Amount invested	Matching investment	Date of investment	Type of investment	Amount invested	Matching investment		
Terra-Telesis Inc.	Alternative energy	Oakland University Incubator	2.0	0.0									6/9/10	Loan	\$50,000										
Tetra	Life science		2.0	4.0												7/1/13 7/28/14	Loan Loan	\$250,000 \$100,000	\$2,564,156 \$0						
Throughpoint Technologies LLC <sup>7</sup>	IT	Grand Rapids	0.0	0.0									8/23/13	Loan	\$50,000										
TM3 Systems	Alternative energy	Ann Arbor - Ypsilanti	1.0	3.0					4/29/13	Loan	\$250,000	\$250,000													
Tolera Therapeutics Inc.	Life science		1.0	1.0												6/1/12 8/10/12 9/3/13 11/19/14	Loan Loan Loan Loan	\$47,151 \$150,000 \$40,000 \$40,000	\$23,519,979 \$0 \$0 \$0						
Transcorp Spine Inc. <sup>6</sup>	Life science		1.0	1.0												8/30/13	Equity	\$250,000	\$5,421,015						
TRIG Tires and Wheels LLC <sup>7</sup>	Advanced automotive	Automation Alley	0.0	0.0									2/23/10	Charge Off	\$50,000										
Varsity News Network LLC	IT	Grand Rapids	4.0	31.0					2/23/12 2/4/14	Equity Equity	\$250,000 \$250,000	\$260,000 \$0													
Ventech LLC	Advanced automotive	Automation Alley	11.0	11.0					4/13/12	Equity	\$150,000	\$150,000													
Vestaron Inc.	Life science		10.0	10.0												1/16/14	Loan	\$50,000	\$19,137,654						
Waste Water Heat Transfer Systems LLC	Alternative energy	Oakland University Incubator	2.0	2.0									5/25/10	Loan	\$25,000										
Weinreich Labs LLC	Advanced manufacturing	Ann Arbor - Ypsilanti	3.0	2.0									9/13/12	Loan	\$30,000										
Zon Labs LLC	IT	Lansing Regional	1.0	1.5									11/7/12	Loan	\$37,100										
<b>TOTAL</b>			<b>329.0</b>	<b>578.8</b>														<b>\$3,979,966</b>	<b>\$74,610,366</b>					<b>\$925,000</b>	<b>\$8,539,718</b>

<sup>1</sup> The Pre-Seed Capital Fund II, Pre-Seed Capital Fund III, and Microloan Investments are managed by Ann Arbor SPARK (SPARK).

<sup>2</sup> The microloan investments do not require a matching investment from the company.

<sup>3</sup> The BRCC-II Fund is managed by the Biosciences Research and Commercialization Center (BRCC), located at Western Michigan University.

<sup>4</sup> The Michigan Pre-Seed 2.0 program is administered by Invest Michigan.

<sup>5</sup> These figures are taken from the progress reports that are self-reported by SPARK and BRCC. SPARK and BRCC obtain the number of full-time equivalents (FTEs) retained and current FTEs in Michigan from companies in which they have invested.

<sup>6</sup> Due to reporting modifications, this company's BRCC-II award was not included in previous reporting.

<sup>7</sup> The company has ceased substantially all operations.

<sup>8</sup> The company has moved out of state; any retained FTEs or current FTEs numbers have been accordingly reduced to zero to reflect only jobs located in Michigan.



## ENERGY ACCELERATION SERVICES

The purpose of the Energy Acceleration Services is to provide funding for energy acceleration services to qualified Michigan businesses. These services include supply chain road mapping, value chain road mapping, technology demonstration and commercialization.

In December 2013, the MSF board issued a “Request for Proposals” (RFP) in the amount of \$1,500,000, which sought proposals from non-profit entities in the state of Michigan that specialize in energy acceleration services. After a joint evaluation committee’s (JEC) review, the MSF accepted the JEC’s recommendation to

select NextEnergy as the grant awardee.

Public Act 503 of 2014 amended the legislative reporting requirements of the Michigan Strategic Fund (MSF) Act. Awardees that had an executed agreement with the MSF prior to January 14, 2015 (the effective date of Public Act 503 of 2014), have contractual reporting obligations that are based on previous MSF act reporting requirements. Accordingly, the report for this program includes metrics as required under the agreement between the awardee and the MSF.

**ENERGY ACCELERATION SERVICES AWARD**  
**Fiscal year 2015: 10/01/2014-09/30/2015**

Entity receiving funding	County	City	Description	Type	Award date	Total award amount	Amount rescinded, withdrawn or reduced <sup>1</sup>	Money, revenue, or property returned	Funds to be leveraged <sup>2,3</sup>	New patents, copyrights and trademarks applied for <sup>2</sup>	New patents, copyrights and trademarks issued <sup>2</sup>	New start-up companies <sup>2</sup>	Projected new job growth <sup>2</sup>	Jobs created <sup>2</sup>	New licensing agreements <sup>2</sup>	Licensing agreements with MI-based companies <sup>2</sup>	Products commercialized <sup>2</sup>
NextEnergy	Wayne	Detroit	Amendment completed in April 2015 to pre-existing Energy Acceleration Services grant to increase grant amount by \$1,500,000 and extend end date of grant from March 31, 2015, to March 31, 2016.	Grant	03/25/14	\$3,000,000	\$0	\$0	\$66,000,000	0	0	8	0	122	0	0	0
<b>TOTAL</b>						<b>\$3,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$66,000,000</b>	<b>0</b>	<b>0</b>	<b>8</b>	<b>0</b>	<b>122</b>	<b>0</b>	<b>0</b>	<b>0</b>

<sup>1</sup> This column represents awards that were rescinded by the MSF, requests for funding that were withdrawn by the company, or the amount by which an original award amount was later reduced.

<sup>2</sup> These figures are self-reported by the program administrators' in semi-annual progress reports that are submitted to the MEDC. These metrics are cumulative to date over the life of the grant and reflect the activities of client companies served by the grantees.

<sup>3</sup> Funds leveraged includes SBIR/STTR/other federal grants, angel fund investments, owner investments, venture capital invested, bank/loans.

## CENTERS OF INNOVATION

### Progress reporting as of September 30, 2015

In June 2012, the Centers of Innovation (COI) program was established by Public Act 221 of 2012. The program's goals are to accelerate the commercialization of innovative technologies in Michigan through the development of partnerships between the private sector, university and national labs, non-profit and government entities. It is intended to help stimulate the development of innovative technology clusters in areas where the state has competitive advantages in natural resources, workforce, supply chain, intellectual capital and other assets.

The MSF board allocated \$7 million to the program

and named the MEDC as the COI's program center manager. In August 2012, the MSF began accepting applications for the COI program. In September 2012, the MSF approved one grant award for a period of five years.

Public Act 503 of 2014 amended the legislative reporting requirements of the Michigan Strategic Fund (MSF) Act. Awardees that had an executed agreement with the MSF prior to January 14, 2015 (the effective date of Public Act 503 of 2014), have contractual reporting obligations that are based on previous MSF act reporting requirements. Accordingly, the report for this program includes metrics as required under the agreement between the awardee and the MSF.

Entity receiving funding	County	City	Type of funding and award status	Award date	Award amount	Amount disbursed	Projected private investment <sup>1</sup>	Total actual private investment <sup>2</sup>	Projected jobs <sup>1</sup>	Current direct jobs <sup>2</sup>
SRI International	Wayne	Plymouth	Grant-active	09/27/12	\$5,000,000	\$2,500,000	\$8,000,000	\$170,000	14	13.0
<b>TOTAL</b>					<b>\$5,000,000</b>	<b>\$2,500,000</b>	<b>\$8,000,000</b>	<b>\$170,000</b>	<b>14</b>	<b>13.0</b>
<p><sup>1</sup> This figure was taken from the grantee's COI proposal.  <sup>2</sup> This figure is self-reported by the entity receiving funding in progress reports that are submitted to the MEDC; it is cumulative to date over the life of the grant.</p>										

## CHOOSE MICHIGAN FUND

### Progress reporting as of October 1, 2008, to September 30, 2015

The Choose Michigan Fund Program invested in loans from the Jobs for Michigan Investment Fund for qualified businesses to promote and enhance job creation or retention within the state. Loans under this program are in the monitoring stage only. No new awards have been made since 2009.

The company listed below was only required to report once. Awards that are expired, paid off, written off or otherwise closed will be removed from future reports. At the time of this report, the total amount awarded to this company under this program is

\$5,000,000; money, revenue or property returned is \$2,144,894. Due to a modification to the reporting process, there will be some variations from prior year's reporting.

Public Act 503 of 2014 amended the legislative reporting requirements of the Michigan Strategic Fund (MSF) Act. Awardees that had an executed agreement with the MSF prior to January 14, 2015 (the effective date of Public Act 503 of 2014), have contractual reporting obligations that are based on previous MSF act reporting requirements. Accordingly, the report for this program includes metrics as required under the agreement between the awardee and the MSF.

Entity receiving funding	City	County	Type of funding and award status	Award date	Award amount	Funds leveraged	Money, revenue, or property returned	Current FTEs
Great Lakes Towers LLC dba VenTower Industries <sup>1</sup>	Monroe	Monroe	Loan-in default <sup>2</sup>	09/30/09	\$5,000,000	\$5,000,000	\$2,144,894	165
<b>TOTAL</b>					<b>\$5,000,000</b>	<b>\$5,000,000</b>	<b>\$2,144,894</b>	<b>165</b>

<sup>1</sup> Great Lakes Towers LLC dba VenTower Industries (GLT) has completed the construction of its factory in Monroe to produce towers for commercial-scale wind turbines. GLT has received private investment of \$5,000,000 as well as approval from MEGA for an MBT credit under the Brownfield Redevelopment MBT credit, a brownfield TIF, and a MEGA tax credit.

<sup>2</sup> The company anticipates curing the event of default by May 31, 2016.

## COMPETITIVE EDGE TECHNOLOGY GRANTS AND LOANS DETERMINED BY COMMERCIALIZATION BOARD

**For the period October 1, 2006,  
to September 30, 2015**

The purpose of this program was to encourage the development of competitive edge technologies in the state. The Strategic Economic Investment and Commercialization (SEIC) board established a competitive process to award grants and loans to organizations that research or commercialize products, processes or services for the four competitive edge technology sectors of life sciences technology; advanced automotive, manufacturing and materials technology; homeland security and defense technology; or alternative energy technology and for infrastructure grants related to those technology sectors. In 2006, the SEIC board awarded grants and loans for commercialization activities related to bringing a new product to market and commercialization support services for activities that assist companies bringing a product to market. Grants and loans under this program are in the monitoring stage only. No new awards have been made since 2007.

The SEIC board was abolished by Executive Order 2010-8 and all powers and duties of the SEIC board

were transferred to the Michigan Strategic Fund (MSF). The companies listed on the following page are only required to report once. Companies with multiple incentives will show identical numbers for each program where they received an award. All awards that are expired, paid off, written off, withdrawn, rescinded or otherwise closed will be removed from future reports. At the time of this report, the total loan amount awarded to active companies under this program is \$19,811,508; money, revenue or property returned through September 30, 2015, is \$1,415,592 for the companies listed on the following page. Due to a modification to the reporting process, there will be some variations from prior year's reporting.

Public Act 503 of 2014 amended the legislative reporting requirements of the Michigan Strategic Fund (MSF) Act. Awardees that had an executed agreement with the MSF prior to January 14, 2015 (the effective date of Public Act 503 of 2014), have contractual reporting obligations that are based on previous MSF act reporting requirements. Accordingly, the report for this program includes metrics as required under the agreement between the awardee and the MSF.

**COMPETITIVE EDGE TECHNOLOGY GRANTS AND LOANS DETERMINED BY COMMERCIALIZATION BOARD**  
For the period October 1, 2006, to September 30, 2015

													NUMBER OF NEW LICENSING AGREEMENTS			
Entity receiving funding	Type of funding and award status	Award date	Award amount	Amount rescinded, withdrawn or reduced <sup>1</sup>	Money, revenue, or property returned	Initial funds leveraged <sup>2</sup>	New funds leveraged <sup>3</sup>	New patents, copyrights and trademarks applied for <sup>3</sup>	New patents, copyrights and trademarks issued <sup>3</sup>	New start-up companies <sup>3</sup>	Projected new job growth <sup>2</sup>	Current FTEs <sup>3</sup>	Total agreements in <sup>4</sup>	Total agreements out <sup>5</sup>	With MI-based companies	Products commercialized <sup>5</sup>
Ann Arbor SPARK *	Grant-ended	10/16/06	\$8,000,000	\$0	\$0	\$6,600,000	\$153,228,676	83	76	16	645	282.5	29	0	0	0
<b>GRANTS TOTAL</b>			<b>\$8,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,600,000</b>	<b>\$153,228,676</b>	<b>83</b>	<b>76</b>	<b>16</b>	<b>645</b>	<b>282.5</b>	<b>29</b>	<b>0</b>	<b>0</b>	<b>0</b>
Biodiscovery LLC	Loan-in default	09/06/06	\$2,194,675	\$0	\$0	\$623,325	\$1,744,000	9	5	1	10	12.0	1	1	0	12
Everist Genomics	Loan-in default	09/06/06	\$1,569,999	\$0	\$398,297	\$382,998	\$9,067,000	48	11	0	10	6.0	2	4	1	14
Evigia Systems Inc.	Loan	10/16/06	\$1,736,300	\$0	\$0	\$6,330,899	\$8,957,286	14	15	0	5	6.0	2	0	0	13
Integrated Sensing Systems Inc.	Loan-converted	09/06/06	\$974,999	\$0	\$0	\$975,000	\$19,029,659	18	31	0	738	23.0	0	2	0	2
KTM Industries Inc. *	Loan-partially converted	09/06/06	\$2,011,185	\$0	\$434,495	\$3,649,600	\$4,210,384	0	0	0	66	10.0	0	0	0	3
NanoBio Corporation	Loan-partially converted	09/06/06	\$2,377,526	\$0	\$0	\$5,194,828	\$146,805,172	32	15	0	2	15.0	0	1	0	0
ProNAi Therapeutics Inc. <sup>6</sup>	Loan-converted	09/06/06	\$3,297,826	\$0	\$0	\$6,464,090	\$88,925,144	1	4	0	20	5.0	2	0	0	0
Sonetics Ultrasound Inc.	Loan-converted	09/06/06	\$1,214,682	\$0	\$0	\$1,116,273	\$2,207,504	10	5	0	1	0.0	0	0	0	0
Tellurex Corporation	Loan-converted	09/06/06	\$1,263,950	\$0	\$62,210	\$0	\$653,030	4	5	0	20	9.0	0	0	0	5
Translume Inc.	Loan	09/06/06	\$1,650,510	\$0	\$0	\$499,100	\$7,476,418	8	17	0	38	6.0	1	0	0	6
TransMed Systems (fka XB TransMed Solutions LLC) *	Loan-in default	09/06/06	\$508,263	\$123,263	\$283,218	\$594,744	\$14,636,569	2	1	0	4	0.0	1	4	0	1
Zeeland Bio-Based Products LLC	Loan-in default	10/16/06	\$1,011,593	\$0	\$237,372	\$699,490	\$3,460	2	0	0	10	0.0	1	1	2	9
<b>CURRENT OUTSTANDING<sup>7</sup></b>			<b>\$27,811,508</b>	<b>\$123,263</b>	<b>\$1,415,592</b>	<b>\$33,130,347</b>	<b>\$456,944,302</b>	<b>231</b>	<b>185</b>	<b>17</b>	<b>1,569</b>	<b>374.5</b>	<b>39</b>	<b>13</b>	<b>3</b>	<b>65</b>

<sup>1</sup> This column represents awards that were rescinded by the MSF, requests for funding that were withdrawn by the company, or the amount by which an original award amount was later reduced. These funds were reallocated for use in accordance with the MSF Act.

<sup>2</sup> These figures are taken from the original proposals submitted to the Michigan Economic Development Corporation (MEDC) by the entities that received funds.

<sup>3</sup> These figures are taken from the progress reports submitted to the MEDC by the entities that received funds.

<sup>4</sup> "Licensing Agreements In": Licensing agreements for the project/company to acquire technology from a third party.

<sup>5</sup> "Licensing Agreements Out": Licensing agreements generated by intellectual property from the project/company to a third party.

<sup>6</sup> ProNAi Therapeutics, Inc. filed its initial public offering (IPO) in July 2015. The company is no longer obligated to provide progress reports to the MSF as a result of the IPO. The figures shown for this company represent activity through September 30, 2014.

<sup>7</sup> Totals in this row represent the totals for the remaining active companies.

\* No progress report was received for the 2015 reporting year for these companies. The figures shown for these companies represent activity through September 30, 2014.

## COMPETITIVE EDGE TECHNOLOGY GRANTS AND LOANS DETERMINED BY COMMERCIALIZATION BOARD

**For the period October 1, 2009, to September 30, 2015**

The purpose of this program was to encourage the development of competitive edge technologies in the state. The Strategic Economic Investment and Commercialization (SEIC) board established a competitive process to award grants and loans to organizations that research or commercialize products, processes or services for the four competitive edge technology sectors of life sciences technology; advanced automotive, manufacturing and materials technology; homeland security and defense technology; or alternative energy technology and for infrastructure grants related to those technology sectors. In 2008, the SEIC board awarded grants and loans for commercialization activities related to bringing a new product to market and commercialization support services for activities that assist companies bringing a product to market. Loans for this program are in the monitoring stage only. No new awards have been made under this program since 2009.

The SEIC board was abolished by Executive Order 2010-8 and all powers and duties of the SEIC board

were transferred to the Michigan Strategic Fund (MSF). The companies listed on the following page are only required to report once. Companies with multiple incentives will show identical numbers for each program where they received an award. All awards that are expired, paid off, written off or otherwise closed will be removed from future reports. At the time of this report, the total amount awarded to active companies under this program is \$17,992,330; money, revenue or property returned through September 30, 2015, is \$193,035 for the companies listed on the following page. Due to a modification to the reporting process, there will be some variations from prior year's reporting.

Public Act 503 of 2014 amended the legislative reporting requirements of the Michigan Strategic Fund (MSF) Act. Awardees that had an executed agreement with the MSF prior to January 14, 2015 (the effective date of Public Act 503 of 2014), have contractual reporting obligations that are based on previous MSF act reporting requirements. Accordingly, the report for this program includes metrics as required under the agreement between the awardee and the MSF.

**COMPETITIVE EDGE TECHNOLOGY GRANTS AND LOANS DETERMINED BY COMMERCIALIZATION BOARD**  
For the period October 1, 2009, to September 30, 2015

Entity receiving funding	Type of funding and award status	Award date	Award amount	Amount rescinded, withdrawn or reduced <sup>1</sup>	Money, revenue, or property returned	Initial funds leveraged <sup>2</sup>	New funds leveraged <sup>3</sup>	New patents, copyrights and trademarks applied for <sup>3</sup>	New patents, copyrights and trademarks issued <sup>3</sup>	New start-up companies <sup>3</sup>	Projected new job growth <sup>2</sup>	Current FTEs <sup>3</sup>	NUMBER OF NEW LICENSING AGREEMENTS			Products commercialized <sup>3</sup>
													Total agreements in <sup>4</sup>	Total agreements out <sup>5</sup>	With MI-based companies	
Arbor Photonics, Inc. <sup>6</sup>	Loan—converted	10/08/08	\$1,502,000	\$0	\$0	\$1,515,000	\$1,100,000	0	0	0	136	0	0	0	0	1
Critical Signal Technologies, Inc.	Loan—converted	10/08/08	\$2,000,000	\$0	\$0	\$6,599,999	\$24,750,000	19	14	0	366	147	0	0	0	0
CytoPherx Inc. (fka Nephron, Inc.) <sup>*</sup>	Loan	10/08/08	\$2,000,000	\$0	\$193,035	\$2,000,000	\$34,871,466	2	0	0	200	1	0	0	0	0
Limo-Reid Inc. (dba NRG Dynamix) <sup>7</sup>	Loan—converted	10/08/08	\$3,352,704	\$0	\$0	\$11,000,000	\$8,100,000	0	0	0	0	0	0	0	0	0
Metabolic Solutions Development Company	Loan—converted	10/08/08	\$2,450,000	\$0	\$0	\$10,000,000	\$62,013,181	9	7	0	113	13	0	0	0	0
Nanocerox Inc.	Loan—converted	10/08/08	\$1,050,000	\$0	\$0	\$1,057,300	\$14,125,380	0	0	0	25	3	0	0	0	1
Pixel Velocity Incorporated	Loan—partially converted	10/08/08	\$1,808,645	\$0	\$0	\$2,000,000	\$18,950,217	17	10	1	36	18	2	0	0	3
Tolera Therapeutics Inc.	Loan—converted	10/08/08	\$2,000,000	\$0	\$0	\$7,500,000	\$6,923,499	6	2	1	30	1	0	0	0	0
Vestaron Corporation <sup>*</sup>	Loan—converted	03/25/09	\$1,828,981	\$0	\$0	\$5,625,000	\$14,526,900	20	9	0	18	17	0	0	0	0
<b>CURRENT OUTSTANDING<sup>8</sup></b>			<b>\$17,992,330</b>	<b>\$0</b>	<b>\$193,035</b>	<b>\$47,297,299</b>	<b>\$185,360,643</b>	<b>73</b>	<b>42</b>	<b>2</b>	<b>924</b>	<b>200</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>5</b>

<sup>1</sup> This column represents awards that were rescinded by the MSF, requests for funding that were withdrawn by the company, or the amount by which an original award amount was later reduced. These funds were reallocated for use in accordance with the MSF Act.

<sup>2</sup> These figures are taken from the original proposals submitted to the MEDC by the entities that received funds.

<sup>3</sup> These figures are taken from the progress reports submitted to the MEDC by the entities that received funds.

<sup>4</sup> "Licensing Agreements In": Licensing agreements for the project/company to acquire technology from a third party.

<sup>5</sup> "Licensing Agreements Out": Licensing agreements generated by intellectual property from the project/company to a third party.

<sup>6</sup> Arbor Photonics Inc. merged with NP Acquisition Corp., and nLIGHT Photonics Corporation on November 26, 2012. As a result of the merger, Arbor Photonics became a wholly owned subsidiary of nLIGHT Photonics Corporation. Coincident with the merger, the total indebtedness owed by Arbor Photonics Inc. to the MSF was converted into shares of nLIGHT Photonics Corporation common stock.

<sup>7</sup> Limo-Reid was acquired by NRG Enterprises Inc. through an asset purchase agreement dated June 20, 2014. Coincident with the effectiveness of the Asset Purchase Agreement, the total outstanding indebtedness owed by Limo-Reid to the MSF was converted into shares of NRG Enterprises, Inc. Class B Common Stock. NRG Enterprises, Inc. provides the information contained in this report.

<sup>8</sup> Totals in this row represent the totals for the remaining active companies.

<sup>\*</sup> No progress report was received for the 2015 reporting year for these companies. The figures shown for these companies represent activity through September 30, 2014.



## ENTREPRENEURIAL SUPPORT SERVICES AND ENTREPRENEURIAL SERVICE PROVIDERS

### Progress reporting as of September 30, 2015

In 2011, the MSF board approved the Entrepreneurial Support Services program to award grants to non-profit organizations that provide specialized support services to assist companies and institutions in commercializing competitive edge technologies, building successful, innovative businesses with the potential for high-growth and job retention and promoting a culture of entrepreneurship in Michigan. A “Request for Proposals” (RFP) for this program was issued in April 2011. The FY 2011 awards were approved by the MSF board in July 2011.

In August 2012, the MSF board issued an RFP for entrepreneurial service providers as a continuation of the Entrepreneurial Support Services program. In September 2012, the MSF board approved the FY 2012 awards based on recommendations by a joint evaluation committee.

At its October 2013 meeting, the MSF board issued the first FY 2014 Entrepreneurial Support Services

“Request for Proposals.” In February 2014, after review from a joint evaluation committee, the MSF board selected three programs to receive awards which were all administered by the Michigan Small Business Development Center (MI-SBDC).

In April 2014, the MSF board released another RFP for non-profits that provide specialized support services to early stage technological companies. In June 2014, the MSF board approved the remaining FY 2014 awards based on recommendations by a joint evaluation committee.

Public Act 503 of 2014 amended the legislative reporting requirements of the Michigan Strategic Fund (MSF) Act. Awardees that had an executed agreement with the MSF prior to January 14, 2015 (the effective date of Public Act 503 of 2014), have contractual reporting obligations that are based on previous MSF act reporting requirements. Accordingly, the report for this program includes metrics as required under the agreement between the awardee and the MSF.

**ENTREPRENEURIAL SUPPORT SERVICES  
FY 2011 Awards**

Entity receiving funding	Type of funding and award status	Award date	Award amount	Amount rescinded, withdrawn or reduced <sup>1</sup>	Money, revenue, or property returned	Funds leveraged <sup>2,3</sup>	New patents, copyrights and trademarks applied for <sup>2</sup>	New patents, copyrights and trademarks issued <sup>2</sup>	New start-up companies <sup>2</sup>	Projected new job growth <sup>4</sup>	Jobs created <sup>2</sup>	New licensing agreements <sup>2</sup>	Licensing agreements with MI-based companies <sup>2</sup>	Products commercialized <sup>2</sup>
BBC Entrepreneurial Training Corporation	Grant-ended	07/27/11	\$1,575,000	\$0	\$0	\$58,350,000	0	0	0	0	364	0	0	0
MI-SBDC Grand Valley State University <sup>5</sup>	Grant	07/27/11	\$4,282,957	\$0	\$0	\$86,566,040	111	36	23	0	187	0	0	130
Great Lakes Entrepreneur's Quest	Grant	07/27/11	\$1,080,000	\$0	\$0	\$36,506,000	0	0	71	0	86	0	0	0
Ann Arbor SPARK - Michigan Angel Fund	Grant	07/27/11	\$600,000	\$0	\$0	\$68,560,310	157	39	28	0	356	77	77	14
Detroit Creative Corridor Center	Grant	07/27/11	\$375,000	\$0	\$0	\$2,090,454	0	0	45	90	59	0	0	14
Ann Arbor SPARK—Accelerate Michigan Innovation Competition	Grant-ended	07/27/11	\$1,050,000	\$0	\$0	\$30,380,000	9	40	2	0	175	9	1	0
Inforum Center for Leadership	Grant	07/27/11	\$718,197	\$0	\$0	\$17,050,254	5	70	16	0	38	1	31	1
Michigan Venture Capital Association	Grant	07/27/11	\$3,068,846	\$0	\$0	\$130,817,616	0	0	2	0	43	0	0	0
<b>TOTAL</b>			<b>\$12,750,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$430,320,674</b>	<b>282</b>	<b>185</b>	<b>187</b>	<b>90</b>	<b>1,308</b>	<b>87</b>	<b>109</b>	<b>159</b>

**ENTREPRENEURIAL SERVICE PROVIDERS  
FY 2012 Awards**

Entity receiving funding	Type of funding and award status	Award date	Award amount	Amount rescinded, withdrawn or reduced <sup>1</sup>	Money, revenue, or property returned	Funds leveraged <sup>2,3</sup>	New patents, copyrights and trademarks applied for <sup>2</sup>	New patents, copyrights and trademarks issued <sup>2</sup>	New start-up companies <sup>2</sup>	Projected new job growth <sup>4</sup>	Jobs created <sup>2</sup>	New licensing agreements <sup>2</sup>	Licensing agreements with MI-based companies <sup>2</sup>	Products commercialized <sup>2</sup>
Michigan Tech Enterprise Corporation (MTEC)	Grant	09/27/12	\$387,900	\$0	\$0	\$20,915,677	6	0	1	10	43	0	0	15
Mid-Michigan Innovation Center (MMIC)	Grant	09/27/12	\$225,000	\$0	\$0	\$2,437,501	5	4	6	22	16	1	0	1
Institute for Research on Labor, Employment and the Economy, University of Michigan (IRLEE)	Grant	09/27/12	\$999,376	\$0	\$0	\$108,517,889	126	82	0	55	411	42	35	89
Michigan Manufacturing Technology Center (MMTC)	Grant	09/27/12	\$71,997	\$0	\$0	\$3,241,112	0	0	0	0	8	0	0	0
Mi-Light, the Michigan Photonics Cluster <sup>6</sup>	Grant	09/27/12	\$89,000	\$0	\$0	\$263,390,000	45	5	1	20	213	6	0	45
Michigan Medical Device Accelerator	Grant	09/27/12	\$75,000	\$0	\$0	\$0	0	0	0	0	0	0	0	0
Grand Valley State University—MI-SBDC	Grant	09/27/12	\$1,750,000	\$0	\$0	\$37,277,026	46	23	2	25	81	0	0	0
Macomb-OU, Oakland University	Grant	09/27/12	\$766,036	\$0	\$0	\$3,700,000	6	0	1	20	11	0	0	1
NextEnergy Center	Grant	09/27/12	\$700,000	\$0	\$0	\$23,246,863	24	0	0	0	34	0	2	3
<b>TOTAL</b>			<b>\$5,064,309</b>	<b>\$0</b>	<b>\$0</b>	<b>\$462,726,068</b>	<b>258</b>	<b>114</b>	<b>11</b>	<b>152</b>	<b>817</b>	<b>49</b>	<b>37</b>	<b>154</b>

<sup>1</sup> This column represents awards that were rescinded by the MSF, requests for funding that were withdrawn by the company, or the amount by which an original award amount was later reduced. These funds were reallocated for use in accordance with the MSF Act.

<sup>2</sup> These figures are self-reported by the program administrators' in semi-annual progress reports that are submitted to the MEDC. These metrics are cumulative to date over the life of the grant and reflect the activities of client companies served by the grantees.

<sup>3</sup> Funds leveraged includes SBIR/STTR/other federal grants, angel fund investments, owner investments, venture capital invested, bank/loans and sales revenue.

<sup>4</sup> "Projected New Job Growth" figures were taken from the grantee's proposals and reflect the anticipated job creation of client companies served by the grantees.

<sup>5</sup> The grant agreement with the MI-SBDC was amended on April 4, 2014, to increase the Award Amount from \$3,532,957 to \$4,282,957. The MI-SBDC operates as an office of Grand Valley State University.

<sup>6</sup> The original grant agreement with Mi-Light was amended on January 12, 2015, to extend the end date of the agreement from February 14, 2015, to August 14, 2015.

<sup>7</sup> The original grant agreement with the MI-SBDC was amended on April 15, 2015, to increase the grant award from \$1,733,248 to \$3,698,248. The MI-SBDC operates as an office of Grand Valley State University.

<sup>8</sup> The original grant agreement with the MI-SBDC was amended on December 15, 2014, to increase the grant award from \$2,293,472 to \$4,369,972. The MI-SBDC operates as an office of Grand Valley State University.

**ENTREPRENEURIAL SERVICE PROVIDERS  
FY 2014 Awards**

Entity receiving funding	Type of funding and award status	Award date	Award amount	Amount rescinded, withdrawn or reduced <sup>1</sup>	Money, revenue, or property returned	Funds leveraged <sup>2,3</sup>	New patents, copyrights and trademarks applied for <sup>2</sup>	New patents, copyrights and trademarks issued <sup>2</sup>	New start-up companies <sup>2</sup>	Projected new job growth <sup>4</sup>	Jobs created <sup>2</sup>	New licensing agreements <sup>2</sup>	Licensing agreements with MI-based companies <sup>2</sup>	Products commercialized <sup>2</sup>
Ann Arbor Spark–Angel Fund	Grant	6/24/14	\$500,000	\$0	\$0	\$42,026,850	36	3	3	50	79	37	0	8
Biotechnology Business Consultants	Grant	6/24/14	\$960,000	\$0	\$0	\$13,500,000	0	0	0	0	24	0	0	0
Inforum	Grant	6/24/14	\$367,281	\$0	\$0	\$13,901,876	0	0	7	40	58	0	0	0
Invest Detroit–Accelerate Michigan Innovation Competition	Grant	6/24/14	\$1,350,000	\$0	\$0	\$0	0	0	0	45	0	0	0	0
Invest Detroit–Michigan Hacker Fellowship	Grant	6/24/14	\$605,300	\$0	\$0	\$0	2	2	2	20	66	0	0	0
Michigan State University Foundation	Grant	6/24/14	\$500,000	\$0	\$0	\$0	11	0	19	25	19	3	2	14
Michigan Venture Capital Association	Grant	6/24/14	\$987,850	\$0	\$0	\$267,683	0	0	2	4	43	0	0	0
NextEnergy Center	Grant	6/24/14	\$800,000	\$0	\$0	\$25,000	0	0	0	7	0	0	0	0
University of Michigan	Grant	6/24/14	\$582,376	\$0	\$0	\$0	0	0	0	28	0	0	0	0
Grand Valley State University MI-SBDC–Business Accelerator Services Fund <sup>7</sup>	Grant	2/25/14	\$3,698,248	\$0	\$0	\$31,126,976	58	21	11	50	104	0	0	51
Grand Valley State University MI-SBDC–SBIR/STTR Federal Grant Match <sup>8</sup>	Grant	2/25/14	\$4,369,972	\$0	\$0	\$61,267,380	47	25	0	25	83	0	0	0
Grand Valley State University MI-SBDC–consulting and business counseling	Grant	2/25/14	\$2,423,280	\$0	\$0	\$161,513,276	82	36	62	160	258	0	0	76
<b>TOTAL</b>			<b>\$17,144,307</b>	<b>\$0</b>	<b>\$0</b>	<b>\$323,629,041</b>	<b>236</b>	<b>87</b>	<b>106</b>	<b>454</b>	<b>734</b>	<b>40</b>	<b>2</b>	<b>149</b>

<sup>1</sup> This column represents awards that were rescinded by the MSE, requests for funding that were withdrawn by the company, or the amount by which an original award amount was later reduced. These funds were reallocated for use in accordance with the MSF Act.

<sup>2</sup> These figures are self-reported by the program administrators' in semi-annual progress reports that are submitted to the MEDC. These metrics are cumulative to date over the life of the grant and reflect the activities of client companies served by the grantees.

<sup>3</sup> Funds leveraged includes SBIR/STTR/other federal grants, angel fund investments, owner investments, venture capital invested, bank/loans and sales revenue.

<sup>4</sup> "Projected New Job Growth" figures were taken from the grantee's proposals and reflect the anticipated job creation of client companies served by the grantees.

<sup>5</sup> The grant agreement with the MI-SBDC was amended on April 4, 2014, to increase the Award Amount from \$3,532,957 to \$4,282,957. The MI-SBDC operates as an office of Grand Valley State University.

<sup>6</sup> The original grant agreement with Mi-Light was amended on January 12, 2015, to extend the end date of the agreement from February 14, 2015, to August 14, 2015.

<sup>7</sup> The original grant agreement with the MI-SBDC was amended on April 15, 2015, to increase the grant award from \$1,733,248 to \$3,698,248. The MI-SBDC operates as an office of Grand Valley State University.

<sup>8</sup> The original grant agreement with the MI-SBDC was amended on December 15, 2014, to increase the grant award from \$2,293,472 to \$4,369,972. The MI-SBDC operates as an office of Grand Valley State University.

## MICHIGAN FILM INCENTIVES

The Michigan Film and Digital Media Production Incentive provides qualified production companies up to a 25 percent incentive for qualifying Michigan expenditures with the opportunity to earn an additional three percent for filming in one of Michigan's qualified production facilities or 10 percent for utilizing one of Michigan's qualified post-production facilities.

The MEDC Film Review Committee, comprised of senior MEDC staff including the Michigan film commissioner, reviews all completed applications using the statute to guide approval decisions and makes recommendations on whether to approve or deny a project. All projects are required to be approved in concurrence with the president of the MSF.

In FY 2015, 25 projects were approved. The Film Office also has continued to support local film festivals, including Digital Summit Detroit, ArtPrize Onscreen presented by Waterfront Film Festival, Traverse City

Film Festival, Waterfront Film Festival, Cinetopia and the Ann Arbor Film Festival as a way to promote Michigan's filmmakers, developers and projects.

The figures in this report are based on applications approved by the Michigan Film Office and, therefore, are estimates. The Film Office online dashboard can be found at [www.michiganfilmoffice.org/the-film-office/mfo-dashboard](http://www.michiganfilmoffice.org/the-film-office/mfo-dashboard), and is updated quarterly with actual data from approved certificate of completion requests.

Public Act 503 of 2014 amended the legislative reporting requirements of the Michigan Strategic Fund (MSF) Act. Awardees that had an executed agreement with the MSF prior to January 14, 2015 (the effective date of Public Act 503 of 2014), have contractual reporting obligations that are based on previous MSF act reporting requirements. Accordingly, the report for this program includes metrics as required under the agreement between the awardee and the MSF.

### MICHIGAN FILM AND DIGITAL MEDIA PRODUCTION INCENTIVE APPROVALS Fiscal year 2015: 10/01/2014-09/30/2015

Project title	Effective date	End date	Total Michigan spend	Award amount	Description	Locations
To Be Announced	12/26/14	up to 3 year maximum	\$50,736,289	\$16,742,975	Feature film	Detroit, Lansing
North	05/01/15	up to 3 year maximum	\$399,791	\$139,927	Feature film	Detroit
My Soul to Keep (aka Burgly Monster)	01/02/15	up to 3 year maximum	\$601,380	\$210,483	Feature film	Ann Arbor, Grass Lake, Northville, West Bloomfield, Warren
Swish Master	01/02/15	up to 3 year maximum	\$777,525	\$272,134	Feature film	Birmingham, Bloomfield Hills, Fraser, Monroe, Novi, Warren
Golem	01/02/15	up to 3 year maximum	\$2,386,742	\$835,360	Feature film	Houghton, Iron Mountain, Mackinaw, Marquette
The Lake	01/20/15	up to 3 year maximum	\$125,600	\$43,960	Post-production	Southfield
Bug Bites (episodes 2-13)	02/25/15	up to 3 year maximum	\$1,119,701	\$391,895	Animation	Southfield
Bug Bites (episodes 14-26)	02/25/15	up to 3 year maximum	\$1,141,701	\$399,595	Animation	Southfield
The Dunes	03/10/15	up to 3 year maximum	\$196,858	\$68,901	Feature film	Detroit, Inkster, Sleeping Bear Dunes
The Pickle Recipe	03/13/15	up to 3 year maximum	\$1,412,129	\$491,706	Feature film	Detroit, Oakland County
Looking for Alaska	03/27/15	up to 3 year maximum	\$21,790,642	\$7,626,725	Feature film	Ann Arbor, Detroit
Togetherness	03/27/15	up to 3 year maximum	\$433,098	\$151,584	Television episode	Detroit, Hamtramck
Detroiters	04/15/15	up to 3 year maximum	\$1,273,197	\$445,620	Television pilot	Detroit
Elder Island	04/15/15	up to 3 year maximum	\$287,569	\$90,565	Feature film	Beaver Island, Brighton, Grand Rapids, Hersey, Royal Oak
To Be Announced <sup>1</sup>	09/01/15	up to 3 year maximum	\$11,702,671	\$4,095,935	Feature film	Detroit
Ask Dr. Nandi, Season 4	04/29/15	up to 3 year maximum	\$5,310,900	\$1,153,754	Television series	Detroit

MICHIGAN FILM INCENTIVES *continued*

MICHIGAN FILM AND DIGITAL MEDIA PRODUCTION INCENTIVE APPROVALS <i>continued</i>						
Fiscal year 2015: 10/01/2014-09/30/2015						
Project title	Effective date	End date	Total Michigan spend	Award amount	Description	Locations
To Be Announced	05/21/15	up to 3 year maximum	\$2,742,716	\$926,976	Feature film	Berlin, Brooklyn, Grand Rapids, Ludington
To Be Announced	05/21/15	up to 3 year maximum	\$4,968,522	\$1,738,983	Post-production	Manistee
To Be Announced	06/01/15	up to 3 year maximum	\$4,661,741	\$1,539,856	Feature film	Manistee
Royal Family Thanksgiving	06/04/15	up to 3 year maximum	\$502,300	\$175,805	Television feature	Detroit
Royal Family Christmas	06/04/15	up to 3 year maximum	\$493,002	\$157,754	Television feature	Detroit
Rehab Addict	06/08/15	up to 3 year maximum	\$844,125	\$211,031	Television episodes	Detroit
Camp Manna	06/15/15	up to 3 year maximum	\$1,187,708	\$260,357	Feature film	Grand Rapids, Torch Lake, Traverse City
To Be Announced	06/16/15	up to 3 year maximum	\$810,283	\$202,571	Video game	Lansing
To Be Announced	06/16/15	up to 3 year maximum	\$245,550	\$85,943	Feature film	Detroit, Inkster, Traverse City
<b>TOTAL</b>			<b>\$116,151,740</b>	<b>\$38,460,395</b>		

<sup>1</sup> The agreement for this project was fully executed on 06/22/2015; the effective date (when a production company may start qualifying expenditures for an incentive) is 09/01/2015.

## MICHIGAN FILM INCENTIVES: TAX CREDIT PROGRAM

As of December 31, 2011, the Film and Digital Media Production Assistance Program has been operating within the scope of Section 29 of the MSF Act and no longer has the ability to approve new film tax credit applications under Section 455 of the Michigan Business Tax (MBT) Act. However, previously approved projects may be issued a post-production tax credit certificate after the project is complete. There were no post production tax credit certificates

issued in FY 2015. As of December 31, 2015, a total of \$287,299,274 in film tax credits have been paid out by the state with \$29,359,070 in potential film tax credits that remain eligible to be claimed under the tax credit program.

The Michigan Film Office is not aware of other non-state incentives that were provided to a qualified project.

## MICHIGAN FILM INCENTIVES: CASH REBATE PROGRAM

In FY 2015, 16 projects were issued an approved certificate of completion request (COCR) under the new film incentive program. These are listed in the table below. Under Section 29 of the MSF Act, projects approved in 2012 and thereafter are reported in an online dashboard found at [www.michiganfilloffice.org/the-film-office/mfo-dashboard](http://www.michiganfilloffice.org/the-film-office/mfo-dashboard). The dashboard is updated with actual data on a quarterly basis as COCRs are approved. These incentives are cash assistance under appropriated funding. In FY 2015, the total administrative expenses were \$741,271.

APPROVED CERTIFICATES OF COMPLETION REQUESTS							
Fiscal year 2015: 10/01/2014-09/30/2015							
Project	Production company	Type of project	Total Michigan spend by production company	Amount of financial assistance (incentive paid)	Duration of financial assistance	Persons employed in state as FTE	Locations
It Follows	It Will Follow Inc.	Feature film	\$786,005	\$183,425	3 years	2	Applegate, Birmingham, Detroit, Clawson, Farmington Hills, Lakeport, Northville, Sterling Heights, Troy
Series One	Pixofactor LLC	Digital animation web series	\$276,506	\$86,055	3 years	2	Royal Oak, Southfield
Dial A Prayer	DAP Productions LLC	Feature film	\$298,925	\$84,084	3 years	1	Armada, Birmingham, Clawson, Detroit, Ferndale, Keego Harbor, Royal Oak, Troy
Dogman 2	Dogman Film Associates, Act II LLC	Feature film	\$322,652	\$99,841	3 years	1	Benzonia, Beulah, Frankfort
Papou	Mother and Midwife Pictures LLC	Feature film	\$175,001	\$54,990	5 years	1	Bloomfield Hills, Detroit, Livonia, Novi, Orion Township, Sterling Heights
The Middle Distance	The Middle Distance, LLC	Feature film	\$133,165	\$36,418	3 years	1	Bridgman, New Buffalo, Three Oaks
Eloise	BHPH Productions 1 LLC	Feature film	\$5,976,871	\$1,761,133	3 years	13	Detroit
Health Games for Kids	Pixofactor LLC	Interactive game	\$128,846	\$44,688	3 years	1	Southfield
Landlord	Landlord Film Project LLC	Feature film	\$119,933	\$34,870	5 years	1	Hamtramck, Detroit, Highland Park
Matter of Faith	MOF Movie LLC	Feature film	\$393,355	\$105,644	3 years	1	Grand Rapids, Lowell
Saugatuck Cures	Saugatuck Cures LLC	Feature film	\$149,685	\$42,608	3 years	1	Saugatuck, South Haven, Allegan, Fennville, Charlotte, Douglas
Needlestick	Needlestick LLC	Feature film	\$236,230	\$67,933	5 years	1	Detroit
The End of the Tour	EOT Film Production LLC	Feature film	\$2,338,439	\$495,380	3 years	4	Grand Rapids, Hudsonville, Zeeland, Nunica, Allendale, Comstock Park, Wayland, Grand Haven, Norton Shores, Muskegon, Rockford, Grandville

MICHIGAN FILM INCENTIVES: CASH REBATE PROGRAM *continued*

APPROVED CERTIFICATES OF COMPLETION REQUESTS <i>continued</i>							
Fiscal year 2015: 10/01/2014-09/30/2015							
Project	Production company	Type of project	Total Michigan spend by production company	Amount of financial assistance (incentive paid)	Duration of financial assistance	Persons employed in state as FTE	Locations
Grain	Tiger Productions LLC	Feature film	\$795,923	\$238,588	3 years	3	Detroit
Low Winter Sun (Season1)	Michigan Sun Productions LLC	Television series	\$5,976,241	\$5,976,241	5 years	44	Detroit, Grosse Pointe Shores, Grosse Pointe Farms, Highland Park, Grosse Pointe Woods
The Adventures of Mickey Matson and the Pirates' Code	Mickey Matson II LLC	Feature film	\$762,406	\$230,270	3 years	1	Manistee, Scottville, Ludington, Muskegon
<b>TOTAL</b>			<b>\$18,870,182</b>	<b>\$9,542,168</b>			



## MICHIGAN TRANSLATIONAL RESEARCH AND COMMERCIALIZATION PROGRAM

Through the 21st Century Jobs Fund program, the MSF provides funding for entrepreneurship and innovation projects. Pursuant to Section 88(o) of the MSF Act, the MSF is charged with creating and operating a program to accelerate technology transfer from Michigan's institutions of higher education to the private sector for commercialization of competitive edge and bioeconomy technologies.

In FY 2013, the MSF approved \$6 million for innovation and entrepreneurship projects through the Michigan Translational Research and Commercialization (M-TRAC) program. M-TRAC is funded by the 21st Century Jobs Fund to create high-tech jobs through commercialization of university research and creation of university spin-offs in focus areas. The program uses the nationally recognized Coulter Process to translate innovations into economic value.

On September 27, 2012, the MSF board issued a "Request for Proposals" (RFP) for the M-TRAC program. In total, seven proposals were received, and on February 27, 2013, the MSF board approved the following seven grant awards

as recommended by a joint evaluation committee. Out of the \$6 million allocated to the program, \$5,448,000 was recommended for the below-listed grant awards. The average duration of these grants is approximately one to three years. An additional award of \$100,000 was made in FY 2015 to provide follow-on funding to the M-TRAC awardees for projects that demonstrated successful completion of certain milestones and objectives under the M-TRAC awards, and that provided at least an equivalent amount of matching funds from private sources (the "M-TRAC Incentive Fund").

Public Act 503 of 2014 amended the legislative reporting requirements of the Michigan Strategic Fund (MSF) Act. Awardees that had an executed agreement with the MSF prior to January 14, 2015 (the effective date of Public Act 503 of 2014), have contractual reporting obligations that are based on previous MSF act reporting requirements. Accordingly, the report for this program includes metrics as required under the agreement between the awardee and the MSF.

### MICHIGAN TRANSLATIONAL RESEARCH AND COMMERCIALIZATION PROGRAM For the period October 1, 2012, to September 30, 2015

Program administrator	Program	Type of funding and award status	Award date	Award amount	Funds to be leveraged
Eastern Michigan University <sup>1</sup>	Technology Transfer Process Improvement	Grant-ended	02/27/13	\$50,000	\$0
Michigan State University	Agro-Biotechnology and Bioprocessing	Grant-active	02/27/13	\$1,092,500	\$1,351,921
Michigan Technological University	Advanced Applied Materials	Grant-active	02/27/13	\$517,500	\$551,234
University of Michigan	Accelerating Life Sciences Discoveries to Market	Grant-active	02/27/13	\$2,415,000	\$5,378,490
Wayne State University <sup>2</sup>	Technology Transfer Process Improvement/BioMedical	Grant-active	02/27/13	\$1,173,000	\$1,207,197
Western Michigan University <sup>1</sup>	Technology Transfer Process Improvement	Grant-ended	02/27/13	\$50,000	\$0
University of Michigan <sup>3</sup>	Advanced Transportation	Grant-active	02/27/13	\$150,000	\$11,250,000
			02/25/14	\$1,000,000	
			08/28/15	\$100,000	
<b>TOTAL</b>				<b>\$6,548,000</b>	<b>\$19,738,842</b>

<sup>1</sup> These universities each received grants to improve their university technology transfer and commercialization processes. It is not expected that any new jobs or companies will be created as a direct result of either of these grants. These awards did not require a match or funds leveraged by the grantee.

<sup>2</sup> The MSF board approved a total grant of \$1,173,000 to Wayne State University. Initially, the university only received a \$100,000 grant contract to improve the university's technology transfer and commercialization processes. Upon successful implementation of process improvement measures, Wayne State University was then eligible to receive a second grant award for the remaining award of \$1,073,000, which required \$1.2 million in funds leveraged by the university. In July 2015, the MSF fund manager approved full award funding after demonstration of successfully completing the milestones related to the improvement of the universities technology transfer and commercialization processes.

<sup>3</sup> The original \$150,000 was awarded to the grantee for a six-month pilot program. After successful completion of the pilot, the MSF board approved an amendment to extend the term of the agreement to permit the Grantee to implement the full program. The MSF board also agreed to increase the grant funds by \$1 million. In August 2015, the MSF fund manager awarded an additional \$100,000 to a new company from the ULM Advanced Transportation MTRAC program upon demonstration of successfully meeting project milestones, new milestones towards further commercialization and proof of a 1:1 match from a private source.

# MICHIGAN UNIVERSITY TECHNOLOGY ACCELERATION AND COMMERCIALIZATION PROGRAM

## Progress reporting as of September 30, 2015

The University Technology Acceleration and Commercialization (UTAC) program facilitates partnerships between universities and the private sector to accelerate the process whereby technology from universities is commercialized. Funding was targeted at two types of projects: University Commercialization Partnerships, where a university or universities partner with the private sector; and federal funding was involved, and University Collaboration Partnerships where two or more universities partner with the private sector to spin-out companies from the universities and/or identify a specific plan to partner with companies to engage the resources of the university or universities.

In July 2011, the MSF created the UTAC program as a result of a Request for Information (RFI) issued in April 2011. The program was allocated \$6.8 million. Nineteen responses were received from single universities,

partnerships between universities and non-profits. The responses were reviewed by a joint evaluation committee and in October 2011, a total of three awards for university partnerships were approved by the MSF.

Three responses were received in reply to the "Request for Proposals" (RFP) that was released on March 25, 2014. The proposals were reviewed by a Joint Evaluation Committee, and in May 2014, all three of the proposals were approved by the MSF.

Public Act 503 of 2014 amended the legislative reporting requirements of the Michigan Strategic Fund (MSF) Act. Awardees that had an executed agreement with the MSF prior to January 14, 2015 (the effective date of Public Act 503 of 2014), have contractual reporting obligations that are based on previous MSF act reporting requirements. Accordingly, the report for this program includes metrics as required under the agreement between the awardee and the MSF.

2011 UTACP AWARDS					
Program administrator	Program	Type of funding and status	Award date	Award amount	Other funds leveraged <sup>1</sup>
University of Michigan	Michigan Corporate Relations Network (MCRN) for Michigan's Research Universities	Grant-ended <sup>2</sup>	10/26/2011	\$1,845,000	\$779,219
University of Michigan	Tech Transfer Talent Network (T3N)	Grant-ended <sup>2</sup>	10/26/2011	\$2,430,000	\$24,899,393
University of Michigan	Michigan Initiative for Innovation & Entrepreneurship (MIIE) and the Michigan Universities Commercialization Initiative (MUCI)	Grant-ended <sup>2</sup>	10/26/2011	\$2,400,000	\$8,121,246
<b>TOTAL</b>				<b>\$6,675,000</b>	<b>\$33,799,858</b>
2014 UTACP AWARDS					
Program administrator	Program	Type of funding and status	Award date	Award amount	Other funds leveraged <sup>1</sup>
University of Michigan	Michigan Corporate Relations Network (MCRN) for Michigan's Research Universities	Grant-active	05/27/14	\$1,450,000	\$56,324,000
University of Michigan	Tech Transfer Network (T3N)	Grant-active	05/27/14	\$1,375,000	\$3,302,319
PrecisEd	Administration and maintenance of the Coulter process for the M-TRAC program	Grant-ended <sup>2</sup>	05/27/14	\$175,000	\$7,332,457
<b>TOTAL</b>				<b>\$3,000,000</b>	<b>\$66,958,776</b>
<p><sup>1</sup> "Other Funds Leveraged" figures are self-reported by the program administrators in semi-annual progress reports submitted to the MEDC. This figure is the sum total of private capital and federal grants received by companies assisted by the above programs and is a cumulative total as reported over the life of the grant.</p> <p><sup>2</sup> The term of the grant expired but grantee has ongoing reporting obligations.</p>					

## PROGRAMS ADMINISTERED BY THE GRANTEE

### Progress reporting as of September 30, 2015

Public Act 503 of 2014 amended the legislative reporting requirements of the Michigan Strategic Fund (MSF) Act. Awardees that had an executed agreement with the MSF prior to January 14, 2015 (the effective date of Public Act 503 of 2014), have contractual reporting obligations that are based on previous MSF act reporting requirements. Accordingly, the report for this program includes metrics as required under the agreement between the awardee and the MSF.

Program administrator	Type of funding and award status	Award date	Award amount	Funds leveraged
Lakeshore Advantage Corporation <sup>1</sup>	Grant-ended	12/19/2012	\$5,500,000	\$2,227,800
	Grant-active	04/22/2014	\$1,300,000	
Van Andel Research Institute <sup>2</sup>	Grant-ended	11/28/2012	\$500,000	\$860,121
	Grant-active	10/10/2014	\$4,500,000	\$2,208,791
<b>TOTAL</b>			<b>\$11,800,000</b>	<b>\$5,296,712</b>

<sup>1</sup> Pursuant to Section 1027 of 2010 PA 191, \$3 million may be appropriated to Lakeshore Advantage Corporation (LAC) from the Jobs for Michigan Investment Program. In December 2012, the MSF board approved an additional \$2.5 million to be allocated to the agreement. In April 2014, the MSF board approved an additional \$1.3 million to LAC, for a total of \$6.8 million. "Funds Leveraged" is the total of leveraged funds for the initial \$3 million award, plus match funds provided by LAC for the additional \$6.8 million in awards and private capital received by companies served by LAC.

<sup>2</sup> Pursuant to Section 1034b of 2012 PA 200, \$500,000 shall be allocated to the Van Andel Institute (VAI) to be used as a match for funding received from the Department of Defense and National Institutes of Health for advanced medical research. "Funds Leveraged" is the total of initial match funds provided by VAI and private donations. In December 2013, the award was amended to extend the end date of the grant until December 31, 2014. In October 2014, the MSF board approved an award for \$4.5 million.

## PURE MICHIGAN VENTURE DEVELOPMENT FUND

### Progress reporting as of September 30, 2015

In FY 2013, the Pure Michigan Venture Development Fund (PMVDF) was created to assist in the growth of the venture industry in Michigan by increasing the number of viable venture funds in the state. The program is designed to invest in first and second generation funds in Michigan for the primary purpose of increasing their ability to raise additional funds and become viable funds that will invest more money into Michigan's venture stage companies.

The MSF committed up to \$9 million from the 21st Century Jobs Fund to split equally between four early stage venture funds. Each fund is required to raise at least \$8 million in additional private investment in

order for the full \$2.25 million investment in each fund to fully vest. As of September 30, 2015, these funds have leveraged an additional \$185.6 million from other private investors and have made investments into 22 early-stage Michigan companies.

Public Act 503 of 2014 amended the legislative reporting requirements of the Michigan Strategic Fund (MSF) Act. Awardees that had an executed agreement with the MSF prior to January 14, 2015 (the effective date of Public Act 503 of 2014), have contractual reporting obligations that are based on previous MSF act reporting requirements. Accordingly, the report for this program includes metrics as required under the agreement between the awardee and the MSF.

**PMVDF AWARDS  
As of September 30, 2015**

														NUMBER OF NEW LICENSING AGREEMENTS <sup>4</sup>			
Entity receiving funding	Type of funding	Award date	Award amount	Capital called for investment	Amount rescinded, withdrawn or reduced <sup>1</sup>	Money, revenue, or property returned	Initial private funds leveraged <sup>2</sup>	New private funds leveraged <sup>3</sup>	New patents, copyrights and trademarks applied for <sup>4</sup>	New patents, copyrights and trademarks issued <sup>4</sup>	New start-up companies <sup>4</sup>	Projected new job growth <sup>4</sup>	Current FTEs-net jobs <sup>4</sup>	Total agreements in <sup>5</sup>	Total agreements out <sup>6</sup>	With MI-based companies	Products commercialized <sup>4</sup>
Michigan eLab	Venture capital	09/12/13	\$2,250,000	\$700,000	\$0	\$0	\$20,750,000	\$16,914,176	4	16	4	56	52	0	1	0	16
Resonant Venture Partners	Venture capital	07/12/13	\$2,250,000	\$1,710,000	\$0	\$0	\$8,355,000	\$63,449,947	9	8	5	115	214	0	0	0	8
Detroit Venture Partners	Venture capital	05/31/14	\$2,250,000	\$1,530,000	\$0	\$0	\$46,747,996	\$29,428,776	0	0	13	151	130	1	0	1	44
Detroit Innovate <sup>7</sup>	Venture capital	09/15/15	\$2,250,000	\$0	\$0	\$0											
<b>TOTAL</b>			<b>\$9,000,000</b>	<b>\$3,940,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$75,852,996</b>	<b>\$109,792,899</b>	<b>13</b>	<b>24</b>	<b>22</b>	<b>322</b>	<b>396</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>68</b>

<sup>1</sup> This column represents awards that were rescinded by the MSF, requests for funding that were withdrawn by the company or the amount by which an original award amount was later reduced. These funds were reallocated for use in accordance with the MSF Act.

<sup>2</sup> Total additional private investment into funds by other limited partners. These funds are subject to increase each year.

<sup>3</sup> Amount invested into underlying portfolio companies (in MI) by other venture capital funds.

<sup>4</sup> These figures are taken from the progress reports submitted to the MEDC by the entities that received funds.

<sup>5</sup> "Licensing Agreements In": Licensing agreements for the project/company to acquire technology from a third party.

<sup>6</sup> "Licensing Agreements Out": Licensing agreements generated by intellectual property from the project/company to a third party.

<sup>7</sup> Due to the timing of the investment, the first progress report from the fund is not due until November 15, 2016.

## PURE MICHIGAN VENTURE MATCH FUND

Under the umbrella of the 21st Century Jobs Fund Initiative, the MSF board has been given the opportunity to foster the growth of innovative companies with the potential for high growth in Michigan by investing in the most promising, nationally competitive, commercialization opportunities. The program objective is to oversee a competitive process to award funds that encourage economic diversification in innovative, competitive edge technology sectors as defined in the MSF Act.

The Strategic Economic Investment and Commercialization (SEIC) board was abolished by Executive Order 2010-8 and all powers and duties of the SEIC board were transferred to the MSF. The companies listed on the following page are only required to report once. Companies with multiple incentives will show identical numbers for each program where they received an award. All awards that are expired, paid off, written off or otherwise closed will be removed from future reports. At the time of this report, the total amount awarded to companies under this program is \$4,523,499 and no money, revenue or property has been returned for the companies listed. Due to a modification to the reporting process, there

will be some variations from prior years' reporting.

On March 28, 2012, the MSF board approved the creation and operation of the Pure Michigan Venture Match Fund (PMVMF). At its August 28, 2013, meeting, the MSF board authorized that companies which previously received an award under the PMVMF may apply for "Follow On" or "Catch Up" funding under the PMVMF. Under MCL 125.2088k(3)(a), which was effective May 30, 2012, initial PMVMF evaluations may be performed by a joint evaluation committee (JEC). To that end, the MSF board delegated to the MSF fund manager the authority to approve PMVMF awards, including "Follow On" and "Catch Up" awards, upon the recommendation of a JEC appointed by the MSF fund manager.

Public Act 503 of 2014 amended the legislative reporting requirements of the Michigan Strategic Fund (MSF) Act. Awardees that had an executed agreement with the MSF prior to January 14, 2015 (the effective date of Public Act 503 of 2014), have contractual reporting obligations that are based on previous MSF act reporting requirements. Accordingly, the report for this program includes metrics as required under the agreement between the awardee and the MSF.

**PURE MICHIGAN VENTURE MATCH FUND**  
**For the period October 1, 2012, to September 30, 2015**

													NUMBER OF NEW LICENSING AGREEMENTS <sup>3</sup>			
Entity receiving funding	Type of funding	Award date	Award amount	Amount rescinded, withdrawn or reduced <sup>1</sup>	Money, revenue, or property returned	Initial funds leveraged <sup>2</sup>	New funds leveraged <sup>3</sup>	New patents, copyrights and trademarks applied for <sup>3</sup>	New patents, copyrights and trademarks issued <sup>3</sup>	New start-up companies <sup>3</sup>	Projected new job growth	Current FTEs <sup>3</sup>	Total agreements in <sup>4</sup>	Total agreements out <sup>5</sup>	With MI-based companies	Products commercialized <sup>3</sup>
Amplifinity (Urefer Inc.) <sup>6</sup>	Equity	12/06/12 01/28/14 07/22/14	\$375,000 \$125,000 \$286,000	\$0	\$0	\$1,125,677	\$5,456,115	0	0	0	0	44.0	0	0	0	1
Gema Diagnostics Inc. <sup>7</sup>	Equity	03/05/13	\$500,000	\$0	\$0	\$1,000,000	\$1,212,500	0	0	0	0	0.0	0	0	0	0
Knew Deal Inc. <sup>8*</sup>	Equity	02/13/13 07/08/14 12/12/14	\$499,999 \$187,500 \$200,000	\$0	\$0	\$1,439,922	\$775,000	1	0	0	0	16.0	0	0	0	4
nanoRETE Inc.*	Equity	12/10/12	\$500,000	\$0	\$0	\$750,000	\$750,000	2	0	0	0	2.0	0	0	0	0
Tissue Regeneration Systems Inc. <sup>9</sup>	Equity	02/01/13 08/06/14	\$500,000 \$500,000	\$0	\$0	\$1,500,000	\$5,344,160	6	1	0	0	6.0	2	2	0	0
Larky Inc.*	Equity	04/30/14	\$500,000	\$0	\$0	\$500,000	\$1,275,700	1	1	0	0	7.0	0	0	0	1
RetroSense Therapeutics*	Equity	12/23/14	\$350,000	\$0	\$0	\$700,000	\$0	0	0	0	0	0.0	0	0	0	0
<b>TOTAL</b>			<b>\$4,523,499</b>	<b>\$0</b>	<b>\$0</b>	<b>\$7,015,599</b>	<b>\$14,813,475</b>	<b>10</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>75</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>6</b>

<sup>1</sup> This column represents awards that were rescinded by the MSF, requests for funding that were withdrawn by the company, or the amount by which an original award amount was later reduced. These funds may be reallocated for use in accordance with the MSF Act.

<sup>2</sup> These figures are taken from the original proposals submitted to the MEDC by the entities that received funds.

<sup>3</sup> These figures are self-reported by the entities receiving funding in progress reports that are submitted to the MEDC.

<sup>4</sup> "Licensing Agreements In": Licensing agreements for the project/company to acquire technology from a third party.

<sup>5</sup> "Licensing Agreements Out": Licensing agreements generated by intellectual property from the project/company to a third party.

<sup>6</sup> The company was approved for a PMVMF award in the amount of \$375,000 on December 12, 2012, a Catch Up award in the amount of \$125,000 in the form of a convertible note on January 28, 2014, and a Follow On award in the amount of \$286,000 on July 22, 2014, to bring the total award amount to \$786,000. The Catch Up award was converted on March 4, 2014.

<sup>7</sup> The company has substantially ceased all operations.

<sup>8</sup> The company was approved for a Follow On award under this program in the amount of \$187,500 on July 8, 2014, and another Follow On award under this program in the amount of \$200,000 on December 12, 2014, to bring the total award amount to \$887,499.

<sup>9</sup> The company was approved for a Follow On award under this program in the amount of \$500,000 on August 6, 2014.

\* No progress report was received for the 2015 reporting year for these companies. The figures shown for these companies represent activity through September 30, 2014.

## RETENTION OF PFIZER ASSETS: COMPANY FORMATION AND GROWTH FUND LOANS

**For the period October 1, 2008, to September 30, 2015**

All Company Formation and Growth Fund (CFGF) awards are in the form of loans to be repaid to the Michigan Strategic Fund (MSF). The loans typically have a grace period of five years from the date the loan agreement was executed. After this grace period has ended, accrued interest is capitalized and loan repayment begins. Since the first loans were executed at the end of 2007, repayment to the MSF was scheduled to begin in 2012 or later. Loans under this program are in the monitoring stage only. No new awards have been made since 2010.

The companies listed on the following page are only required to report once. Companies with multiple incentives will show identical numbers for each program where they received an award. All awards that are expired, paid off, written off, withdrawn,

rescinded or otherwise closed will be removed from future reports. At the time of this report, the total amount awarded to active companies under this program is \$4,330,000; money, revenue, or property returned through September 30, 2015, is \$852,945 for the companies listed. Due to a modification to the reporting process, there will be some variations from prior year's reporting.

Public Act 503 of 2014 amended the legislative reporting requirements of the Michigan Strategic Fund (MSF) Act. Awardees that had an executed agreement with the MSF prior to January 14, 2015 (the effective date of Public Act 503 of 2014), have contractual reporting obligations that are based on previous MSF act reporting requirements. Accordingly, the report for this program includes metrics as required under the agreement between the awardee and the MSF.



**RETENTION OF PFIZER ASSETS: COMPANY FORMATION AND GROWTH FUND LOANS**  
For the period October 1, 2008, to September 30, 2015

Entity receiving funding	Type of funding and award status	Award date	Award amount	Amount rescinded, withdrawn or reduced <sup>1</sup>	Money, revenue, or property returned	New funds leveraged <sup>2</sup>	New patents, copyrights and trademarks applied for <sup>2</sup>	New patents, copyrights and trademarks issued <sup>2</sup>	New start-up companies <sup>2</sup>	Projected new job growth <sup>3</sup>	Current FTEs-net jobs <sup>2</sup>	NUMBER OF NEW LICENSING AGREEMENTS <sup>2</sup>			Products commercialized <sup>2</sup>
												Total agreements in <sup>4</sup>	Total agreements out <sup>5</sup>	With MI-based companies	
Armune BioScience Inc.	Loan-converted	11/28/07	\$100,000	\$0	\$0	\$5,057,700	16	24	0	2	7.0	2	1	1	1
Emiliem Inc.	Loan-in default	11/28/07	\$250,000	\$125,000	\$42,783	\$52,000	2	0	1	5	4.0	0	0	0	2
International Discovery Sourcing Consultants	Loan	01/23/08	\$100,000	\$0	\$52,443	\$915,000	0	0	0	2	3.0	0	0	0	0
JIVA Pharma Inc.	Loan	01/23/08	\$250,000	\$0	\$129,865	\$1,450,000	28	12	3	5	1.0	0	0	0	3
Kalexsyn Inc. <sup>6</sup>	Loan	11/28/07 10/28/09	\$350,000 \$150,000	\$100,000	\$214,078	\$1,666,224	0	0	0	10	28.0	0	0	0	0
Metabolic Solutions Development Company	Loan	06/24/09	\$100,000	\$0	\$17,915	\$57,892,749	6	4	0	5	13.0	0	0	0	0
MuciMed Inc.	Loan	11/28/07	\$50,000	\$0	\$0	\$684,646	4	2	0	1	0.0	1	0	0	0
PharmOptima LLC *	Loan-in default	11/28/07	\$400,000	\$0	\$100,159	\$565,000	1	0	0	8	19.0	0	0	0	0
Phrixus Pharmaceuticals *	Loan	11/28/07	\$350,000	\$0	\$0	\$4,805,307	0	1	0	7	1.0	1	1	0	0
ProNAi Therapeutics Inc. <sup>7</sup>	Loan-converted	11/28/07	\$400,000	\$0	\$0	\$88,925,144	1	4	0	8	5.0	2	0	0	0
Research Essential Services <sup>6</sup>	Loan_written off	10/28/09 08/25/10	\$200,000 \$100,000	\$100,000	\$2,047	\$18,300	0	0	0	4	0.0	0	0	0	0
Single Source Procurement LLC *	Loan-in default	08/25/10	\$80,000	\$0	\$0	\$80,000	0	0	0	0	8.0	0	0	0	0
Empirical Bioscience, Inc. (fka Syzygy Biotech Solutions LLC)	Loan	08/25/10	\$100,000	\$0	\$0	\$880,000	2	0	1	2	7.0	0	0	0	17
TransPharm Preclinical Solutions LLC	Loan-in default	11/28/07	\$400,000	\$0	\$25,130	\$600,000	0	0	0	8	8.0	0	0	0	0
Vesco Pharma Services, LLC <sup>6*</sup>	Loan	1/23/08 06/24/09	\$450,000 \$50,000	\$0	\$250,788	\$500,000	0	0	0	10	9.0	0	0	0	0
Venntis, LLC *	Loan	08/25/10	\$50,000	\$0	\$0	\$450,001	1	1	1	1	2.0	0	0	0	0
Vestaron <sup>6</sup>	Loan-converted	11/28/07 01/27/10	\$50,000 \$150,000	\$100,000	\$0	\$10,526,900	18	8	0	4	9.0	0	0	0	0
Zoltan Laboratories LLC <sup>8</sup>	Loan-in default	01/23/08	\$200,000	\$0	\$17,737	\$205,536	0	0	0	4	0.0	0	0	0	0
<b>CURRENT OUTSTANDING<sup>9</sup></b>			<b>\$4,330,000</b>	<b>\$425,000</b>	<b>\$852,945</b>	<b>\$175,274,507</b>	<b>79</b>	<b>56</b>	<b>6</b>	<b>86</b>	<b>124</b>	<b>6</b>	<b>2</b>	<b>1</b>	<b>23</b>

<sup>1</sup> This column represents awards that were rescinded by the MSF, requests for funding that were withdrawn by the company, or the amount by which an original award amount was later reduced. These funds were reallocated for use in accordance with the MSF Act.

<sup>2</sup> These figures are taken from the progress reports submitted to the MEDC by the entities that received funds.

<sup>3</sup> These figures are taken from the original proposals submitted to the MEDC by the entities that received funds.

<sup>4</sup> "Licensing Agreements In": Licensing agreements for the project/company to acquire technology from a third party.

<sup>5</sup> "Licensing Agreements Out": Licensing agreements generated by intellectual property from the project/company to a third party.

<sup>6</sup> Companies with multiple loans under this program show one row of combined numbers.

<sup>7</sup> ProNAi Therapeutics Inc. filed its initial public offering (IPO) in July 2015. The company is no longer obligated to provide progress reports to the MSF as a result of the IPO. The figures shown for this company represent activity through September 30, 2014.

<sup>8</sup> No metrics were reported because the company has left the state.

<sup>9</sup> Totals in this row represent the totals for the remaining active companies.

\* No progress report was received for the 2015 reporting year for these companies. The figures shown for these companies represent activity through September 30, 2014.