



MICHIGAN STRATEGIC FUND

BOARD MEETING AGENDA September 28, 2021 10:00 a.m.

I.	CALL TO ORDER & ROLL CALL	
II.	PUBLIC COMMENT – PLEASE LIMIT PUBLIC COMMENT TO THREE (3) MINUTES	
III.	COMMUNICATIONS	
IV.	CONSENT AGENDA	
	a. Proposed Meeting Minutes: August 24, 2021.	2
	b. Ford Motor Company: SESA Amendment.....	8
	c. Ratification of Federal Funding Applications	12
V.	COMMUNITY VITALITY	
	a. CDBG Water Related Infrastructure (WRI) Projects: A resolution to approve CDBG funds in the amount of \$14,937,512 for 11 units of general local government for infrastructure improvements in their communities and up to \$550,000 in CDBG funds to provide administrative services to the designated communities.....	17
VI.	BUSINESS INVESTMENT	
	a. Sartorius BioAnalytical Instruments, Inc: A resolution to approve a Michigan Business Development Program Performance-Based Grant in the amount of \$1,200,000. <i>Capital Investment: up to \$57,010,000; Job Creation: up to 160 jobs; Location: Ann Arbor</i>	22
VII.	IMAGE BRANDING	
	a. Business Marketing RFP: A resolution to approve the Business Marketing Joint Evaluation Committee award of the Business Marketing RFP.....	27
VIII.	INFORMATIONAL	
	a. Delegation of Authority Report.....	31

*NOTE: Hyperlinked bookmarks are included on this page to aid document navigation - click on the project title to access the project memo.

**MICHIGAN STRATEGIC FUND
APPROVED MEETING MINUTES
August 24, 2021**

Members joined remotely

Britany L. Affolter-Caine, participating from Grand Rapids, MI
Ronald W. Beebe, participating from Bay City, MI
Susan Corbin, participating from Grand Rapids, MI
Rachael Eubanks, participating from Lansing, MI
September Hargrove, participating from Detroit, MI
Michael B. Kapp (on behalf of Director Ajegba), participating from Wheatfield Township, MI
Quentin L. Messer, Jr., participating from Grand Rapids, MI
Charles P. Rothstein, participating from Farmington Hills, MI
Susan Tellier, participating from Grand Rapids, MI
Cindy Warner, participating from Albany, NY

Member absent

Paul Gentilozzi

I. CALL TO ORDER & ROLL CALL

Mr. Messer called the meeting to order at 10:00 a.m. The meeting was held in person in the Lake Michigan Conference Room at the MEDC headquarters building in Lansing with an option to participate virtually via Microsoft Teams.

Mr. Messer introduced Katelyn Wilcox Surmann, MSF Board Liaison, who reminded members participating in the meeting virtually to identify their physical location by stating the county, city, township, or village and state from which the Board member is attending the meeting remotely, as required under the Open Meetings Act. Ms. Wilcox Surmann then conducted the attendance roll call.

II. PUBLIC COMMENTS

Ms. Wilcox Surmann explained the process for members of the public to participate. Dorothy Bennick and Debra Walker, former members of the Neighborhood Advisory Council, and Bob Roberts, President of the Corktown Business Association Executive Board, spoke in support of the Corktown Mixed-Use Project in Detroit. Heather Baker, Managing Partner of Southwest Michigan First, spoke in support of the Graphics Packaging International project in Kalamazoo.

III. COMMUNICATIONS

Ms. Wilcox Surmann advised Board members that a letter was received from State Representative Tyrone Carter in support of the Lafayette West Project in Detroit. The letter is attached to the minutes.

IV. CONSENT AGENDA

Resolution 2021-111 Approval of Consent Agenda Items

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

- a. Proposed July 27, 2021 Meeting Minutes
- b. L. Perrigo Company: MBDP Grant Reauthorization – **2021-112**
- c. International Trade Small Business Service Agreements: No-Cost Contract Extension – **2021-113**
- d. Automation Alley: No-Cost Contract Extension – **2021-114**
- e. Michigan Manufacturing Technology Center: No-Cost Contract Extension – **2021-115**
- f. Annual MEDC-MSF Administrative Services MOU Renewal – **2021-116**

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

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

V. ADMINISTRATIVE

a. Resolutions 2021-117 & 2021-118 MSF Subcommittees Adoption

*Valerie Hoag, MSF Fund Manager, provided the Board with information regarding these action items. These actions involve establishment and adoption of two Subcommittee Charters, one a Finance and Investment Subcommittee and the other a Policy and Planning Subcommittee, that will serve as the governing documents for the subcommittees, and the nomination and appointment of no less than three and no more than five Board members to serve on each of the subcommittees. Following discussion, Charles P. Rothstein motioned for the approval of Resolution 2021-117. Cindy Warner seconded the motion. **The motion carried: 10 ayes; 0 nays; 0 recused.***

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

Michael B. Kapp then motioned for the approval of Resolution 2021-118. September Hargrove seconded the motion. **The motion carried: 10 ayes; 0 nays; 0 recused.**

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

Mr. Messer explained the process for the nomination and appointment of Board members to the two subcommittees. He asked for volunteers to serve on the Finance and Investment Subcommittee. Mr. Rothstein, Mr. Beebe, Ms. Eubanks, and Ms. Hargrove volunteered to serve. Mr. Messer nominated Mr. Rothstein, Mr. Beebe, Ms. Eubanks, and Ms. Hargrove to serve on the Finance and Investment Subcommittee and each volunteer accepted the nomination. Mr. Messer asked if there were any further nominations; none being heard Mr. Messer closed the nominations. A roll call vote was conducted to appoint the four Board members to the Finance and Investment Subcommittee. **The appointments were adopted: 10 ayes; 0 nays; 0 recused.**

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

Mr. Messer asked for volunteers to serve on the Policy and Planning Subcommittee. Ms. Warner, Ms. Corbin, Ms. Tellier, Ms. Affolter-Caine, and Mr. Kapp on behalf of Paul Ajegba volunteered to serve. Mr. Messer nominated Ms. Warner, Ms. Corbin, Ms. Tellier, Ms. Affolter-Caine, and Mr. Ajegba to serve on the Policy and Planning Subcommittee and each volunteer accepted the nomination. Mr. Messer asked if there were any further nominations; none being heard Mr. Messer closed the nominations. A roll call vote was conducted to appoint the five Board members to the Policy and Planning Subcommittee. **The appointments were adopted: 10 ayes; 0 nays; 0 recused.**

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

Mr. Beebe expressed appreciation to Valerie Hoag for her work on the establishment of the two subcommittees and other Board members concurred.

VI. COMMUNITY VITALITY

a. **Resolution 2021-119 City of Detroit Brownfield Redevelopment Authority: Brownfield Act 381 Work Plan (Corktown Mixed Use Project)**

Brittney Hoszkiw, Senior Community Assistance Team Specialist, provided the Board with information regarding this action item. The action involves approval of state tax capture for Act 381 eligible activities capped at \$5,882,898 to support a redevelopment project in the City of Detroit. The project is expected to result in total capital investment of \$93,033,930. Following discussion, Cindy Warner motioned for the approval of Resolution 2021-119. Susan Corbin seconded the motion. **The motion carried: 10 ayes; 0 nays; 0 recused.**

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

b. **Resolution 2021-120 City of Detroit Brownfield Redevelopment Authority: Brownfield Act 381 Work Plan (Lafayette West Project)**

Brittney Hoszkiw, Senior Community Assistance Team Specialist, provided the Board with information regarding this action item. The action involves approval of state tax capture for Act 381 eligible activities capped at \$5,034,365 to support a redevelopment project in the City of Detroit. The project is expected to result in total capital investment of \$133,108,443. Following discussion, Quentin L. Messer, Jr. motioned for the approval of Resolution 2021-120. Susan Corbin and Michael B. Kapp seconded the motion. **The motion carried: 10 ayes; 0 nays; 0 recused.**

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

VII. CAPITAL ACCESS

a. **Resolution 2021-121 Graphic Packaging International: Bond Authorization**

Chris Cook, Director of Capital Access, provided the Board with information regarding this action item. The action involves adoption of a resolution to approve private activity bond financing not to exceed \$125,000,000 for a solid waste disposal facility project located at the company's existing pulp and paper mill in the City of Kalamazoo and Kalamazoo Charter Township. Following discussion, Ronald W. Beebe motioned for the approval of Resolution 2021-121. September Hargrove seconded the motion. **The motion carried: 10 ayes; 0 nays; 0 recused.**

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

- b. **Resolution 2021-122 Van Andel Research Institute: Reissuance MSF Series 2013A Bonds**
*Chris Cook, Director of Capital Access, provided the Board with information regarding this action item. The action involves adoption of a resolution to approve reissuance of the Series 2013A Bonds in order to substitute the bond purchaser and make certain modifications to the Trust Indenture, as amended, for the Series 2013A Bonds. The current bondholder, U.S. Bancorp Municipal Lending and Finance, Inc., will be replaced with Wells Fargo Municipal Capital Strategies, LLC. Following discussion, Charles P. Rothstein motioned for the approval of Resolution 2021-122. Cindy Warner and Rachael Eubanks seconded the motion. **The motion carried: 10 ayes; 0 nays; 0 recused.***

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

VIII. BUSINESS INVESTMENT

- a. **Resolutions 2021-123 & 2021-124 SK Siltron CSS, LLC, Monitor Township: Michigan Business Development Program Grant and State Essential Services Assessment Exemption**
*Erik Wilford, Senior Business Development Project Manager, provided the Board with information regarding these action items. These actions involve approval of a \$1,500,000 Michigan Business Development Program performance-based grant and a 100% State Essential Services Exemption valued at up to \$4,488,423 for up to fifteen years to support a business expansion project. The project is expected to result in the creation of 150 jobs and \$302,655,000 in total capital investment in Monitor Township, Bay County. Following discussion, Ronald W. Beebe motioned for the approval of Resolution 2021-123. Susan Corbin seconded the motion. **The motion carried: 10 ayes; 0 nays; 0 recused.***

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

Ronald W. Beebe then motioned for the approval of Resolution 2021-124. Britany L. Affolter-Caine seconded the motion. **The motion carried: 10 ayes; 0 nays; 0 recused.**

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

IX. INFORMATIONAL

Mr. Messer noted the MSF delegated authority report for the period July 1 to July 31, 2021, was included in the meeting packet. He asked if there were any questions from Board members regarding the information; there were none.

Mr. Messer adjourned the meeting at 11:27 a.m.



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

GRETCHEN WHITMER
GOVERNOR

PAUL AJEGBA
DIRECTOR

February 3, 2020

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

Dear Ms. Bishop:

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

Sincerely,

A handwritten signature in blue ink that reads "Paul C. Ajegba".

Paul C. Ajegba, P.E.
Director

cc: M. Kapp
Executive File



6TH DISTRICT
STATE CAPITOL
P.O. BOX 30014
LANSING, MI 48909-7514
PHONE: (517) 373-0823
FAX: (517) 373-5993
TyroneCarter@house.mi.gov

MICHIGAN HOUSE OF REPRESENTATIVES

TYRONE A. CARTER

ASSISTANT DEMOCRATIC LEADER

COMMITTEES:
APPROPRIATIONS
SUBCOMMITTEES:
CORRECTIONS, M-VC
MILITARY AND VETERANS AFFAIRS
AND STATE POLICE, M-VC
JUDICIARY

July 26, 2021

Quentin L. Messer, Jr
Chairperson of the Michigan Strategic Fund Board
300 N. Washington Square
Lansing, Michigan 48913
Phone: 888-522-0103

Mr. Messer,

I am writing today to offer my support for the Lafayette West project. The Lafayette West project will be a remarkable addition to the City of Detroit's Lafayette Neighborhood. The welcomed project will construct residential rental apartments and for-sale condominiums on a currently vacant, underutilized 5.2-acre parcel of land. Three of the six buildings will include for-rent apartments along Chrysler Drive, two of the structures will include condominiums along Rivard Street, and a third condo building will be placed in the center of the northern portion of the property. There will be 230 studio, one-, and two-bedroom residential apartments; 88 studio, one-, and two-bedroom residential condominiums; and six 600 square foot commercial spaces across the property. Additionally, each building will include integrated podium parking decks and provide a total of 272 parking spaces for the development, along with additional amenities such as a pool, clubhouse, and greenspace. Located in Lafayette Detroit, this developmental project will also come with numerous public improvements such as landscaping, curbs and gutters, public lighting, sidewalks, an underground stormwater retention system and water mains.

As a member of the State House of Representatives, I strongly recommend the Michigan Strategic Fund Board grant Lafayette Acquisition Partners, LLC, the request for approval of a Brownfield Act 381 Work Plan including state tax capture in the amount of \$5,034,365 to reimburse for MSF eligible activities to support the Lafayette West Project. The transformation of this property will help stimulate local economic activity and house the citizens of our community. The additional public improvements will also continue to enhance the Lafayette area and encourage further developmental projects in the area. If you have further questions, feel free to contact my office at 517-373-0823.

Sincerely,

Representative Tyrone Carter
6th District



MEMORANDUM

Date: September 28, 2021
To: Michigan Strategic Fund (“MSF”) Board Members
From: Stacy Bowerman, Senior Vice President, Business Development Projects & Services
Erik Wilford, Senior Business Development Project Manager
Subject: Exemption Amendment Request
State Essential Services Assessment (“SESA”)
Ford Motor Company (“Company” or “Applicant”)

Request Summary

This is a request from the Company to amend the SESA Agreement (“Agreement”) to change the Qualified Investment in Eligible Personal Property from \$140,000,000 to \$265,000,000 (“SESA Amendment Request”).

Company Background

The Company was founded in Michigan in 1903 and incorporated in Delaware in 1919. Based in Dearborn, Michigan, the Company is among the world’s largest producers of cars and trucks. With about 200,000 employees, of which approximately 40,000 employees are located in Michigan, and 62 plants worldwide. Its core business includes designing, manufacturing, marketing, financing, and servicing Ford cars, trucks, and SUVs, as well as Lincoln luxury vehicles. The Company continues to pursue emerging opportunities through investments in mobility, electrification and autonomous vehicles.

The Michigan Economic Development Corporation (“MEDC”) has completed civil and criminal background checks in accordance with the MSF Background Review Policy.

On December 17, 2019 the MSF Board approved a 100% SESA Exemption for up to 15 years valued at up to \$3,185,000 for up to \$140,000,000 in Qualified Investment in Eligible Personal Property at its Dearborn Truck Plant (“DTP”) location in support of a project the Company was planning at two of its key manufacturing sites in Michigan that was expected to ultimately result in nearly \$1,500,000,000 investment and 3,000 new jobs.

In addition to the SESA Exemption for the DTP facility, the MSF Board approved a 100% Good Jobs for Michigan (“GJFM”) Withholding Tax Capture for up to 10 years valued at up to \$26,000,000 and a 100% SESA Exemption for up to 15 years valued at up to \$6,109,740 for up to \$268,560,000 in Qualified Investment in Eligible Personal Property for its Michigan Assembly Plant (“MAP”) location in support of the project.

The expansion was to support the Company’s efforts in rolling out new products including the Bronco, an all-new Ranger, an autonomous vehicle, as well as the F-150 hybrid and battery electric vehicle. Those projects are currently underway.

Project Background

The Company is exploring a project to expand production of the F-150 Lightning battery electric vehicle at its DTP facility. Ford intends to spend \$200 million in the expansion project to support approximately 300 to 400 new manufacturing jobs. Investment of \$125,000,000 for new manufacturing machinery &

equipment is expected. Total capital investment, including building expansion and infrastructure is \$175,000,000. The project is expected to be completed in the third quarter of 2023. This investment is in addition to the existing project which includes \$140,000,000 in Qualified Investment in Eligible Personal Property with a completion date of December 17, 2022. The Company is requesting to include the additional investment in the agreement. By amending the Qualified Investment in Eligible Personal Property to \$265,000,000 the estimated value of the SESA Exemption would increase from \$3,185,000 to \$6,028,750.

The proposed project will further expand the Company's massive footprint in Michigan and create an extended ripple effect that will benefit Tier 1 suppliers, the Tier 1 supply base and several communities. By creating a pathway for current hourly/temporary employees to move to full time status, the Company provides secured wages and benefits that offer a sense of permanency to its employees. Incentive assistance continues to ensure the Company considers Michigan first to expand their indelible imprint. Additionally, the Company's decision to locate the additional project in Michigan will have a substantial ripple effect and investment in Michigan plants will result in significant sourcing opportunities from local Michigan Tier 1 suppliers and their supply base as well.

Recommendation

MEDC Staff recommends approval of the SESA Amendment Request, as outlined in the attached Resolution.

MICHIGAN STRATEGIC FUND

**RESOLUTION
2021-126**

**FORD MOTOR COMPANY (the “Company”)
STATE ESSENTIAL SERVICE ASSESSMENT EXEMPTION AMENDMENT APPROVAL**

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

WHEREAS, the Michigan legislature passed legislation, 2014 PA 80, to revise the personal property tax system so as to allow individuals, small businesses and large businesses to thrive and create jobs in the State of Michigan, but which needed to be approved by the qualified electors of the State of Michigan;

WHEREAS, on August 5, 2014, the qualified electors of the State of Michigan approved the legislation to revise the personal property tax system. This revision shall take effect January 1, 2015. The approval also enacted 2014 PA 92 and 2014 PA 93, the State Essential Services Assessment Act (“SESA”) and the Alternative State Essential Services Assessment Act (“Alternative SESA”);

WHEREAS, the SESA and the Alternative SESA authorized the creation and operation of the SESA and Alternative SESA Exemption Program by the Michigan Strategic Fund (“MSF”) pursuant to MCL 211.1059;

WHEREAS, on October 28, 2014, the MSF Board approved the SESA and Alternative SESA Exemption Program Guidelines.

WHEREAS, on December 17, 2019, the MSF Board approved a SESA exemption of up to fifteen (15) years for qualifying investment of up to \$140,000,000 in eligible personal property, as defined in the SESA Exemption and Alternative SESA Program Guidelines, in the City of Dearborn (the “SESA Exemption Request”);

WHEREAS, the Company requests that the MSF Board approve an amendment to the SESA Exemption to increase the qualified investment to up to \$265,000,000 in eligible personal property, as defined in the SESA Exemption and Alternative SESA Program Guidelines, in the City of Dearborn (the “SESA Exemption Amendment Request”);

WHEREAS, the MEDC recommends that the MSF Board approve the SESA Exemption Amendment Request; and

WHEREAS, the MSF Board desires to approve the SESA Exemption Amendment Request.

NOW, THEREFORE, BE IT RESOLVED, the MSF Board approves the SESA Amendment Exemption Request.

Ayes: Britany L. Affolter-Caine, Susan Corbin, Rachael Eubanks, Paul Gentilozzi, September Hargrove, Michael B. Kapp (on behalf of Director Ajegba, designation attached), Quentin L. Messer, Jr., Charles P. Rothstein, Susan Tellier, Cindy Warner

Nays: None

Recused: None

Lansing, Michigan
September 28, 2021



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

GRETCHEN WHITMER
GOVERNOR

PAUL AJEGBA
DIRECTOR

February 3, 2020

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

Dear Ms. Bishop:

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

Sincerely,

A handwritten signature in blue ink that reads "Paul C. Ajegba".

Paul C. Ajegba, P.E.
Director

cc: M. Kapp
Executive File



MEMORANDUM

Date: September 28, 2021
To: Michigan Strategic Fund Board
From: Valerie Hoag, MSF Fund Manager
Subject: Ratification of Federal Funding Applications

Request

The Michigan Economic Development Corporation (“MEDC”) requests that the Michigan Strategic Fund (“MSF”) Board ratify actions taken by Jennifer Tebedo, Director of the Office of Grants and Acquisition within the Department of Labor and Economic Opportunity (“LEO”), to submit application materials for federal funding on behalf of the MSF (the “Request”).

Background

The Office of Grants and Acquisitions in LEO assists with the development and submission of federal grants. Subject matter experts work with Ms. Tebedo to create and submit grant proposals through the federal grant application portals. There are two federal funding opportunities for which the MSF is eligible to apply:

Economic Development Administration (“EDA”)

The EDA is offering funding in the amount of \$10,307,303 to support the travel, tourism, and outdoor recreation sectors in Michigan, as part of EDA’s implementation of the American Rescue Plan. The funding is to be used to prevent, prepare for, and respond to coronavirus and for necessary expenses related to economic injury due to the coronavirus.

Governor Whitmer designated the MSF as the as the official applicant, fiscal agent, and administrator of the award. The EDA will fund the award at a 100 percent federal grant rate with no matching funds required from the MSF. Once the funding is approved, the funds will be used to help the travel, tourism and outdoor recreation sectors recover from the effects of coronavirus through the development of targeted marketing techniques. The funding will also be used to help local destination marketing organizations with diversity, equity, inclusion and accessibility efforts. In order to apply for these funds, the MSF Board must ratify actions taken by Jennifer Tebedo, Director of the Office of Grants and Acquisition within the Department of Labor and Economic Opportunity (“LEO”), to submit application materials for federal funding on behalf of the MSF.

The powers of the MSF are exercised by the MSF Board. Under Section 5(7) of the MSF Act, MCL 125.2005(7), the MSF Board may delegate to its president, vice-president, staff, or others, including the MEDC, those functions and authority that the MSF Board deems necessary or appropriate. MEDC staff recommends that the MSF Board ratify actions taken to date by Ms. Tebedo in connection with the EDA and SBA funding opportunities described above and to act as the MSF’s Authorized Representative through completion of the grant application process.

Recommendation

The MEDC recommends that the MSF Board approve the Request.

MICHIGAN STRATEGIC FUND

**RESOLUTION
2021-127**

**DESIGNATION OF AUTHORIZED REPRESENTATIVE FOR
FEDERAL GRANT FUNDING OPPORTUNITY**

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

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

WHEREAS, under Section 5 of the MSF Act, MCL 125.2005(2), the purposes, powers and duties of the MSF are vested in and shall be exercised by the MSF Board.

WHEREAS, under Section 5 of the MSF Act, MCL 125.2005(7), the MSF Board may delegate to its president, vice-president, staff, the MEDC, or others those functions and authority the MSF Board deems necessary or appropriate, unless otherwise prohibited by law;

WHEREAS, the federal Economic Development Administration (“EDA”) invited Michigan to apply to the Economic Adjustment Assistance-ARPA State Tourism Grant to support the long-term recovery of the tourism industry in Michigan (the “EDA Funding Opportunity”);

WHEREAS, Jennifer Tebedo, Director, Office of Grants and Acquisition within the Department of Labor and Economic Opportunity (“LEO”) signed and submitted the Application for Economic Adjustment Assistance-ARPA State Tourism Grant on behalf of the MSF, seeking \$10,307,393 in grant funds (the “Application”);

WHEREAS, the MEDC recommends that the MSF Board ratify the execution and submission of the Application and designate Jennifer Tebedo, Director, Office of Grants and Acquisition within LEO to act as the MSF’s Authorized Representative (“Authorized Representative Designation”) for this Application only; and

WHEREAS, the MSF Board desires to ratify the Application and approve the Authorized Representative Designation.

NOW, THEREFORE, BE IT HEREBY RESOLVED, that the MSF Board ratifies the execution and submission of the Application and approves the Authorized Representative Designation.

Ayes: Britany L. Affolter-Caine, Susan Corbin, Rachael Eubanks, Paul Gentilozzi, September Hargrove, Michael B. Kapp (on behalf of Director Ajegba, designation attached), Quentin L. Messer, Jr., Charles P. Rothstein, Susan Tellier, Cindy Warner

Nays: None

Recused: None

Lansing, Michigan
September 28, 2021



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

GRETCHEN WHITMER
GOVERNOR

PAUL AJEGBA
DIRECTOR

February 3, 2020

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

Dear Ms. Bishop:

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

Sincerely,

A handwritten signature in blue ink that reads "Paul C. Ajegba".

Paul C. Ajegba, P.E.
Director

cc: M. Kapp
Executive File

MICHIGAN STRATEGIC FUND

**RESOLUTION
2021-125**

**APPROVAL OF THE SEPTEMBER 28, 2021 CONSENT AGENDA
FOR THE MICHIGAN STRATEGIC FUND BOARD**

WHEREAS, on February 25, 2014, Michigan Strategic Fund (“MSF”) approved use of consent agendas at MSF Board meetings, pursuant to defined consent agenda guidelines;

WHEREAS, on February 25, 2014, the MSF Board approved Guidelines for Preparation and Approval of Consent Agendas for the MSF, which were subsequently revised by the MSF Board on December 19, 2017 (the “Consent Agenda Guidelines”)

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

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

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

Consent Agenda Items:

Proposed August 24, 2021 Meeting Minutes
Ford Motor Company: SESA Exemption Amendment
Ratification of Federal Funding Applications

Ayes: Britany L. Affolter-Caine, Susan Corbin, Rachael Eubanks, Paul Gentilozzi, September Hargrove, Michael B. Kapp (on behalf of Director Ajegba, designation attached), Quentin L. Messer, Jr., Charles P. Rothstein, Susan Tellier, Cindy Warner

Nays: None

Recused: None

Lansing, Michigan
September 28, 2021



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

GRETCHEN WHITMER
GOVERNOR

PAUL AJEGBA
DIRECTOR

February 3, 2020

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

Dear Ms. Bishop:

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

Sincerely,

A handwritten signature in blue ink that reads "Paul C. Ajegba".

Paul C. Ajegba, P.E.
Director

cc: M. Kapp
Executive File



MEMORANDUM

Date: September 28, 2021

To: Michigan Strategic Fund Board

From: Gregory West, Program Manager, Community Development Block Grant Program

Subject: *Community Development Block Grant Program
2021 Infrastructure Grants*

Request

Eleven (11) units of general local government (UGLG) are requesting a total of \$14,937,512 in Community Development Block Grant (CDBG) funds for infrastructure improvements in their communities. In addition, MEDC staff is requesting up to \$550,000 in CDBG funds to provide administrative services to assist these communities with the compliance and administrative requirements of the awards.

Background

On March 31, 2021, the CDBG Program opened a Water Related Infrastructure competitive funding round in the amount of \$15,000,000. Activities eligible for funding included upgrades or replacement of existing public infrastructure related to water, sewer and wastewater systems. These activities included: water lines and related facilities; sanitary and storm sewer lines and related facilities; and wastewater treatment plants and related activities, with only road replacement activities related to these activities being eligible. The CDBG Program received sixty-one (61) infrastructure applications requesting a total of \$87,570,026.

Program specific requirements and screening guidelines are addressed in **Appendix A**.

A list of the eleven (11) recommended projects is attached as **Appendix B** and totals \$14,937,512. The list includes the CDBG applicants, percentage of low- and moderate-income people living in the community, grant amount requested and local match commitment.

Recommendation

MEDC Staff recommends the MSF to authorize;

- A total of \$14,937,512 for infrastructure construction; and
- Up to \$550,000 for administrative services.

APPENDIX A – Programmatic Requirements & Screening Guidelines

Program Requirements

The projects were evaluated utilizing the CDBG requirements. It has been determined that the projects meet the following requirements to qualify as an eligible project under the CDBG program:

- **National Objective:**
The projects qualify for CBDG funding as the project’s activities will benefit all residents of the project area and at least 51 percent of the residents of the community are low- and moderate-income persons as determined by census data provided by the U.S. Department of Housing and Urban Development or an income survey previously approved by staff. The projects meet a national objective by providing benefit to at least 51 percent low- and moderate-income persons.
- **Eligible Activity:**
The projects involve eligible activities identified in Section 105(a)(2) of Title I of the Housing and Community Development Act of 1974, as amended.

Screening Guidelines

All recommended projects have met the following criteria:

- Located in a Community listed on the CDBG Low-Moderate Income Community Customer list and the project benefits the entire community.
- Shall be for an existing system capital replacement or upgrade, not system maintenance.
- Community has a locally approved Capital Improvements Plan (CIP) and the proposed project is specifically identified within the CIP as a non-maintenance capital expenditure.
- Includes only eligible CDBG activities and Community owns or can acquire easement to the property encompassing the project.
- Community is contributing a minimum cash match equal to 10% of total project costs.
- Community demonstrated a management/maintenance plan for the proposed project for its useful life.
- Timeline of project to be completed by December 31, 2023.
- Grant request between \$500,000 and \$2,000,000. (One grant request per community)
- Community had a set of project plans and specifications.

The MEDC staff has concluded that the projects meet the minimum program requirements and screening guidelines to be eligible under the CDBG program.

Background Check: Background Check: A background check has been completed in accordance with the MSF Background Review Policy and the project may proceed for MSF consideration.

MICHIGAN STRATEGIC FUND

**RESOLUTION
2021-128**

APPROVAL OF 2021 WATER RELATED INFRASTRUCTURE PROJECTS

WHEREAS, Executive Order 1999-1, issued pursuant to Article V of the Michigan Constitution of 1963 and the laws of State of Michigan, consolidated the State’s economic development functions and programs and their accompanying powers of the Michigan Strategic Fund (“MSF”);

WHEREAS, Executive Order 1999-1 transferred from the Michigan Jobs Commission to the MSF all authority, powers, duties, functions, grants, and responsibilities, including the functions of budgeting, procurement, personnel, and management related functions, of the Community Development Block Grant (“CDBG”) program;

WHEREAS, the CDBG program has policies, criteria, and parameters that are enumerated in the 2020 Program Year Funding Guide, as amended (the “Criteria”). The MSF, by Resolution 2015-039, authorized and approved the Consolidated Plan and the MSF, by Resolution 2019-133 and 2020-093 authorized and approved the 2019 Program Year Funding Guide Excerpt which includes guidelines for CDBG grants now known as the 2020 Program Year Funding Guide Excerpt.

WHEREAS, the CDBG program staff reviewed the 2021 Water Related Infrastructure Projects (“Project”) in light of the Criteria and HUD regulations and concluded the activities are eligible;

WHEREAS, staff recommends approval of the Project; and

WHEREAS, pursuant to SFCR 10.1-1, the MSF approved the MSF Fund Manager or the MSF President to negotiate the terms and conditions and execute all final documents necessary to effectuate awards or decisions approved under the CDBG program.

NOW, THEREFORE, BE IT RESOLVED, that the MSF approves the Project subject to available CDBG funding; and

BE IT FURTHER RESOLVED, consistent with SFCR 10.1-1(3), the MSF Fund Manager or the MSF President shall negotiate the terms and conditions and execute all final documents necessary to effectuate the Project, subject to available CDBG funding.

Ayes: Britany L. Affolter-Caine, Susan Corbin, Rachael Eubanks, Paul Gentilozzi, September Hargrove, Michael B. Kapp (on behalf of Director Ajegba, designation attached), Quentin L. Messer, Jr., Charles P. Rothstein, Susan Tellier, Cindy Warner

Nays: None

Recused: None

Lansing, Michigan
September 28, 2021

RECOMMENDED PROJECTS

Applicant/Communities	Percent Low/Mod	CDBG Request	Total Local Match
City of Bangor	63.24	969,112	184,593
City of Escanaba	57.6	1,800,000	600,000
Village of Fowlerville	63.54	1,900,000	896,069
City of Hart	65.8	810,000	270,000
City of Hartford	67.55	1,835,900	319,850
City of Houghton	62.79	1,035,000	345,000
Village of Middleville	53.5	750,000	150,000
City of Morenci	56.43	2,000,000	478,452
City of Rogers City	56.3	1,200,000	400,000
Village of Shelby	57.59	637,500	212,500
City of West Branch	59.91	2,000,000	1,500,000
		\$14,937,512	\$5,356,465



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

GRETCHEN WHITMER
GOVERNOR

PAUL AJEGBA
DIRECTOR

February 3, 2020

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

Dear Ms. Bishop:

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

Sincerely,

A handwritten signature in blue ink that reads "Paul C. Ajegba".

Paul C. Ajegba, P.E.
Director

cc: M. Kapp
Executive File



MEMORANDUM

Date: September 28, 2021
To: Michigan Strategic Fund (“MSF”) Board Members
From: Jeremy Webb, Sr. Business Development Project Manager
Subject: Grant Request
Michigan Business Development Program (“MBDP”)
Sartorius BioAnalytical Instruments, Inc. (“Company” or “Applicant”)

Request Summary

- This is a request from the Applicant for a \$1,200,000 MBDP Grant, as outlined in the attached Term Sheet (“MBDP Request”).
- This project involves the creation of a minimum of 67 Qualified New Jobs up to a maximum of 160 Qualified New Jobs and a capital investment of up to \$57,010,000 in the city of Ann Arbor, Washtenaw County.

Applicant History

The Company was established in 1870 in Gottingen Germany and provides the essential products, technologies and expertise to produce biopharmaceuticals reliably and efficiently. The Company has been pioneering and setting the standards for single-use products that are currently used throughout all biopharmaceutical manufacturing processes. The Company helps its customers to bring medications safely and quickly to the patient. The Company's parent, Sartorius AG, is a German publicly traded company with 11,000 employees worldwide, 132 of which are located across four sites located in Washtenaw County.

A background check has been completed in accordance with the MSF Background Review Policy, and the project may proceed for MSF consideration.

Project Description

The Company is looking to construct a new build to suit 130,000 square feet center of excellence facility that will house the Company’s lab processing services, bio analytics business manufacture and assemble highly technical instruments, reagents, research and development, marketing, instrument repair services, warehouse, logistics marketing, human resources, accounting, training, customer visit center. The new facility will consolidate existing business operations in Washtenaw County to create a center of excellence in Ann Arbor for the Laboratory and Bioprocess Products and Services in North America, which focus on providing innovative solutions to help customers develop drugs that cure, prevent, and halt the progression of diseases.

The Company is considering the city of Ann Arbor for the project and anticipates the project will result in capital investment of up to \$57,010,000. The project will also result in the creation of up to 160 new jobs paying an average wage of \$1,611 per week plus benefits.

The Company supports personal growth of its employees by fostering a mindset that recognizes people development as crucial for business success and growth. Continuing professional development, assumption of responsibility, and opportunities to advance within the Company are important for its employees' satisfaction. As diverse as its workforce is, the individual drives what their career path looks like. The Company will utilize Michigan Works! and Ann Arbor SPARK to reach local talent in disadvantaged areas

and underrepresented employees and is open to helping employees obtain access to its facility for career positions.

Demonstrated Need

The Company is considering facilities in Colorado and New York. The Company has operations in these states and regardless of the location, the Company will be building the center of excellence and relocation of highly paid individuals would occur. With the Company having locations spread throughout the U.S. and 11,000 employees globally, it is positioned to locate wherever it sees the best fit. With active negotiations in Michigan, New York and Colorado, the Company is looking for each state to put its best foot forward. Each state has employees to lose with the location of this project and Michigan stands to lose the most.

The Company sees Michigan as a strong contender based on the economic growth it has seen since the economic downturn, its focus on small businesses during COVID and beyond, its diverse workforce, and the schools surrounding the Michigan location. Cost of housing in Ann Arbor and surrounding areas are relatively high with higher car insurance rates for its relocating employees. Even though the Company would like to locate in Michigan, incentive assistance is necessary to ensure the project moves forward in Michigan.

In addition to MSF support, the city of Ann Arbor is working on an application submission to the Michigan Department of Transportation (“MDOT”) for Transportation Economic Development Fund (“TEDF”) support for road resurfacing activities. Additionally, the city of Ann Arbor anticipates consideration of a Brownfield TIF Work Plan and potential property tax abatement to support the project. There will be a request of the MSF for state TIF capture at a future MSF Board meeting.

Request

In order to secure the project, the Applicant is requesting a \$1,200,000 MBDP performance-based grant. The MBDP request will help secure the project for Michigan instead of the competing sites outside of Michigan. The MBDP funds will help offset the cost of constructing a new facility allowing the Company to establish its center of excellence facility and become a strong employer in the region.

This project aligns with the MEDC’s strategic focus areas of attract, retain, and support businesses in the target industry of medical device technology; fostering high-wage skills growth; marketing the state; and developing attractive places. This facility will result in the creation of up to 160 new jobs and up to \$57,010,000 in foreign direct investment in the city Ann Arbor, Washtenaw County. Adding 160 new jobs to a geographically disadvantaged area in the State of Michigan would solidify the Company’s presence and future business in the state.

Recommendation

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

MICHIGAN STRATEGIC FUND

**RESOLUTION
2021-129**

**APPROVAL OF A MICHIGAN BUSINESS DEVELOPMENT PROGRAM GRANT TO
SARTORIUS BIOANALYTICAL INSTRUMENTS, INC.**

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

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

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

WHEREAS, on December 21, 2011, by Resolution 2011-184, the MSF (i) created the MBDP, and (ii) adopted the guidelines for the MBDP;

WHEREAS, on December 8, 2020, by Resolution 2020-146, the MSF adopted an amendment to the guidelines for the MBDP (“Guidelines”);

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

WHEREAS, the Guidelines require that MBDP awards over \$1 million must be approved by the MSF Board;

WHEREAS, pursuant to the Guidelines, the project is eligible as an Innovation MBDP because Sartorius BioAnalytical Instruments, Inc. (“Company”) has committed to the creation of at least 25 Qualified New Jobs and the project falls within navigation, measurement, and control instruments, an innovation industry;

WHEREAS, the MEDC has completed the background check in accordance with the MSF policy, and the project may proceed for MSF consideration;

WHEREAS, the Company has requested a performance based MBDP Grant of up to \$1,200,000 (“Grant Request”), along with other general terms and conditions which are outlined in the term sheet attached as Exhibit A (“Term Sheet”); and

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

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

Ayes: Britany L. Affolter-Caine, Susan Corbin, Rachael Eubanks, Paul Gentilozzi, September Hargrove, Michael B. Kapp (on behalf of Director Ajegba, designation attached), Quentin L. Messer, Jr., Charles P. Rothstein, Susan Tellier, Cindy Warner

Nays: None

Recused: None

Lansing, Michigan
September 28, 2021



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

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

Date: August 12, 2021

Company Name: Sartorius BioAnalytical Instruments, Inc. and/or its affiliates and subsidiaries.

Project Location: Washtenaw County

MBDP Incentive Type: Performance Based Grant

Maximum Amount of MBDP Incentive: Up to \$1,200,000

Base Employment Level: At least 132, at the time of first disbursement of funds and thereafter

Qualified New Jobs ("QNJ"): At least 67 Full-Time Jobs in Michigan

Municipality Supporting Project: City of Ann Arbor has agreed to provide staff, financial or economic assistance in support of the project.

Start Date for Measurement of Creation of Qualified New Jobs: June 23, 2021 (date of accepted offer letter)

Term of the Agreement: December 31, 2025

Milestone Based Incentive: Disbursements will be made over a three-year period and each are contingent upon compliance with the Agreement and performance based on job creation, as follows:
 \$7,500 per QNJ for the creation of a minimum of 39 jobs up to a maximum of 55 jobs.
 \$7,500 per QNJ for the creation of a minimum of 67 jobs up to a maximum of 96 jobs.
 \$7,500 per QNJ for the creation of a minimum of 113 jobs up to a maximum of 160 jobs.

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

Acknowledged as received by:

Sartorius BioAnalytical Instruments, Inc.

By: Mary Lavin

Printed Name: Mary Lavin

Its: President

Michigan Economic Development Corporation

By: Jeremy J. Webb

Printed Name: Jeremy J. Webb

Its: Sr. Business Development Project Mgr

Jodie Haberkam, Treasurer

August 12, 2021 – Sartorius BioAnalytical Instruments, Inc.



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

GRETCHEN WHITMER
GOVERNOR

PAUL AJEGBA
DIRECTOR

February 3, 2020

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

Dear Ms. Bishop:

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

Sincerely,

A handwritten signature in blue ink that reads "Paul C. Ajegba".

Paul C. Ajegba, P.E.
Director

cc: M. Kapp
Executive File



MEMORANDUM

Date: September 28, 2021
To: MSF Board Members
From: Doug Kuiper, Senior Vice President, Marketing & Communications
Subject: Award of Business Marketing RFP

REQUEST

The Michigan Economic Development Corporation (“MEDC”) requests the Michigan Strategic Fund (“MSF”) Board approve the recommendation of the Joint Evaluation Committee to award a contract to Lambert/9th Wonder for business marketing and advertising activities that attract, retain and grow businesses that deliver economic benefit and opportunity to the people of Michigan.

BACKGROUND

The existing contract for Business Marketing Advertising was awarded, with authorization of the Michigan Strategic Fund Board on October 1, 2016. With this contract term ending, including all available extensions, MEDC requested approval to issue a Request for Proposals (RFP) as well as related Joint Evaluation Committee and Scoring Criteria. The MSF board approved these items on March 23, 2021.

The JEC, including internal stakeholders and an external marketing executive from the Detroit Regional Partnership, undertook a rigorous process to review and consider the responses received through the RFP to determine its recommendations. The JEC reviewed scoring and technical proposals, oral proposals for those who received consensus scores greater than 80, and pricing proposals for those who participated in oral presentations. The Business Marketing and Advertising JEC received seven Technical Proposals, of which two received the scores necessary to move to Oral Proposals. Following these presentations, the JEC held a final deliberation to consider the proposals and presentations in their totality to achieve a consensus recommendation awarding the RFP.

RECOMMENDATION

Lambert is a well-known and Michigan founded communications and marketing firm, and founding co-partner in EQUALSIGN, a minority-owned management consultancy that will also service this contract. 9th Wonder is a full-service international branding and advertising agency recognized as one of Adweek’s fastest-growing firms. 9th Wonder is a certified Minority Business Enterprise.

Together, the partners presented a compelling proposal for this RFP. In particular, Lambert/9thWonder demonstrated a strong understanding of the challenges and opportunities we face as a state, with a proposed strategy aligned with MEDC's objectives to promote Michigan's image as a world-class business destination, generate new contacts for business attraction, and produce strong awareness of MEDC services for in-state businesses and communities.

Lambert/9thWonder's past success in developing, deploying, measuring and enhancing integrated paid media marketing campaigns, both nationally and in-state, was affirmed throughout this process. Previous clients of similar or related scope include LEGOLAND RESORT, Valvoline, Ford of Southern California and more. Furthermore, with the strong participation of a Michigan-founded company and local team, Lambert/9thWonder has a deep understanding of and passion for Michigan business and community.

Lambert/9thWonder's expertise and strategy was complimented by a dedicated and qualified staffing structure to exceed our campaign marketing objectives and the standards for performance of this account. Throughout the RFP process Lambert/9thWonder showcased a commitment to diversity, equity and inclusion in their policy, practice and work.

THE CASE FOR CHANGE

Our existing business marketing providers have delivered committed service and outstanding work. These existing partners scored well enough to participate in the oral presentations and acquitted themselves well. Ultimately, the JEC recommendation for changing partners is based on additional and specific expertise in MEDC focus industries; a sound balance of global reach and Michigan roots in a nimble, independent structure; demonstrated dedication to diversity, equity and inclusion; and the hunger, investment and fresh perspective that new partners bring to an account.

We undertake these recommendations with due caution for effectively managing such a meaningful transition, efforts that we believe are justified based on the value Lambert/9th Wonder will bring to our efforts. Change management processes are planned to ensure we protect and maintain campaign continuity and intellectual property.

CONCLUSION

The Business Marketing Joint Evaluation Committee recommends approval of the award of the Business Marketing RFP to Lambert/9th Wonder for an initial three year term of November 1, 2021 through October 31, 2024, with two, one-year extensions at the sole discretion of the MSF, with a first-year allocation of up to \$7,100,000 for the period of November 1, 2021 to October 31, 2022, which is contingent upon an appropriation approved by the State Legislature and signed into law by the Governor. Additional annual appropriations under the authority of the MSF will come before this Board in each subsequent contract year.

MICHIGAN STRATEGIC FUND

**RESOLUTION
2021-130**

BUSINESS MARKETING CONTRACT AWARD

WHEREAS, Public Acts 215 and 225 of 2005 established the 21st Century Jobs Trust Fund initiative within the Michigan Strategic Fund Act, Public Act 27 of 1984, as amended (the “Act”);

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

WHEREAS, under Section 88b(6) of the Act, the MSF may select all vendors for expenditures by issuing a request for proposals;

WHEREAS, on March 23, 2021, the MSF issued a Request for Proposals (“RFP”) to invite proposals from vendors to develop and implement the marketing and advertising efforts for business marketing campaigns (“Business Marketing RFP”);

WHEREAS, a joint evaluation committee (“JEC”) appointed by the MSF Fund Manager evaluated all proposals and determined that the proposal from Lambert/9th Wonder was the most qualified applicant based on the requirements of the Business Marketing RFP;

WHEREAS, the MEDC recommends that the MSF adopt the recommendations of the JEC and select Lambert/9th Wonder as the vendor for the development and implementation of the marketing and advertising efforts for business marketing campaigns; and

WHEREAS, the MSF desires to select Lambert/9th Wonder as the vendor for the development and implementation of the marketing and advertising efforts for the business marketing campaigns.

NOW, THEREFORE, BE IT RESOLVED, that the MSF Board approves the selection of Lambert/9th Wonder as the vendor for development and implementation of the marketing and advertising efforts for the business marketing campaigns for an initial three-year term of November 1, 2021, to October 31, 2024, with up to two, one-year extensions at the sole discretion of the MSF Board.

BE IT FURTHER RESOLVED, that the MSF Board allocate up to \$7,100,000, contingent upon an appropriation approved by the Michigan State Legislature and signed into law by the Michigan Governor.

BE IT FURTHER RESOLVED, the MSF Board authorizes the MSF Fund Manager to negotiate the final terms and conditions and to execute an agreement with Lambert/9th Wonder so long as the final terms and conditions are not materially adverse to the interests of the MSF.

Ayes: Britany L. Affolter-Caine, Susan Corbin, Rachael Eubanks, Paul Gentilozzi, September Hargrove, Michael B. Kapp (on behalf of Director Ajegba, designation attached), Quentin L. Messer, Jr., Charles P. Rothstein, Susan Tellier, Cindy Warner

Nays: None

Recused: None

Lansing, Michigan
September 28, 2021



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

GRETCHEN WHITMER
GOVERNOR

PAUL AJEGBA
DIRECTOR

February 3, 2020

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

Dear Ms. Bishop:

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Sincerely,

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Paul C. Ajegba, P.E.
Director

cc: M. Kapp
Executive File



MICHIGAN STRATEGIC FUND

MEMORANDUM

Date: September 28, 2021
To: Michigan Strategic Fund (“MSF”) Board Members
From: Quentin L. Messer, Jr., Chief Executive Officer
Subject: Quarterly MSF Delegated Authority and Activities Report

We are pleased to present our monthly report to the MSF Board, featuring a review of our delegated authority activity over the previous month. The following pages provide a narrative centered around the types of projects supported through delegated approval from August 1, 2021 to August 31, 2021, as well as information about the impact that those projects have had on communities across the state.

We remain committed to maintaining transparency in our efforts to communicate with you all about our work to create equitable opportunities throughout the state. Over time, we will continue identifying ways to evolve and grow this report based on the feedback and requests we receive from Board members.

As always, we are committed to evaluating the ways in which we can continue to ensure we are transparent and accountable to Board members moving forward. Please let me or Val Hoag know if you have any questions or comments about this new reporting layout or with the contents of these reports.

Monthly Impacts



To continue providing transparent, intentional and impactful reporting to the MSF Board members on delegated project approvals and activities, the following report details delegated approval updates from August 1, 2021 to August 31, 2021.

Throughout the Fiscal Year, MSF delegates – with authority granted by the MSF Board – approve various projects within MSF programs in accordance with each program’s guidelines, as approved by the MSF Board. Under no circumstances will MSF delegates approve a project that does not meet the Board- approved guidelines for the program. Furthermore, each project approved through delegated authority must undergo the same rigorous vetting and verification process as do projects that come before the MSF Board for approval. By ensuring consistent safeguards are in place for both delegate-approved and Board-approved projects, we are ensuring fairness and uniformity in our process, as we work to enable long-term economic prosperity for the people of our state.

MONTHLY IMPACTS

We are pleased to share the August delegate-approved projects continue to represent our emphasis on supporting underserved populations in geographically disadvantaged areas. Throughout August 2021, 30% of the projects approved through delegated authority are in geographically disadvantaged areas. Additionally, all August approved projects through delegated authority have committed to create over 740 jobs and over \$38 million in private investment.

MSF Quarterly Report

Delegate Approvals



Under the authority delegated by the MSF Board, the MSF delegates approved the following projects during August 2021, which satisfy Board-approved guidelines for each program and have been vetted and approved through the same safeguards as those projects that come before the Board for consideration.

Capital Access

The Capital Access team partners with lenders to assist in helping small businesses obtain financing that would otherwise not be available.

Michigan Supplier Diversification Fund – Collateral Support Participation

Project Name	Approval Date	Location	Incentive Amount	Project Highlights
900 East Michigan, LLC	8/25/2021	Jackson	\$900,000	900 East Michigan, LLC is working with Comerica Bank to obtain financing for real estate, build out of building, and equipment. Due to collateral shortfall on this loan Comerica is requesting support from the collateral support program.

State Small Business Credit Initiative – Collateral Support Participation

Project Name	Approval Date	Location	Incentive Amount	Project Highlights
Chart House Energy	8/24/2021	Muskegon	\$249,500	Chart House Energy is working with United Bank to refinance their current building and receive additional capital for improvements. The company is also seeking a working capital line of credit. Due to collateral shortfall the bank is seeking to use the SSBCI Collateral Support Program.

Michigan Business Development Program (MBDP)

The Michigan Business Development Program is available from the MSF, in cooperation with MEDC. The program is designed to provide grants, loans or other economic assistance to businesses for highly competitive projects in Michigan that create jobs and/or provide investment.

Project Name	Approval Date	Location	Incentive Amount	Project Highlights
Gen3 Defense & Aerospace	8/2/2021	Comstock Park	\$1,000,000	Gen3 recently secured a large five-year contract and needs to grow its West Michigan team to maintain and expand its capabilities in robotics systems development. The company is expanding into a larger facility in Kent County that will allow for increased manufacturing capacity and additional team members. The project is expected to generate a total capital investment of \$8.7 million and create up to 269 high-wage jobs, resulting in a \$1 million Michigan Business Development Program performance-based grant. Michigan was chosen for the project over a competing site in Florida.
Blackmer	8/13/2021	Grand Rapids	\$350,000	Blackmer plans to construct a new manufacturing facility in Grand Rapids where it will house assembly, paint, and shipping functions. Parent company PSG expects to invest more than \$7 million in the project which will create up to 50 high-wage jobs with the support of a \$350,000 Michigan Business Development Program performance-based grant. Michigan was chosen for the project over competing sites in other states.
AGP Group	8/27/2021	Canton	\$550,000	AGP E-GLASS CO. provides high-tech glazing solutions to more than 20 automotive brands that are shaping the future of mobility through electrification and autonomous driving. AGP has an office in Novi where it currently has 31 employees. AGP is preparing for the future of mobility and plans to establish a North American Tech Center in the Charter Township of Canton, where it will develop and exhibit the latest technologies for clients, partners, suppliers and university officials to see the products in use. The project is expected to generate a total capital investment of \$11 million and create 71 high-wage jobs, resulting in a \$550,000 Michigan Business Development Program performance-based grant. The Charter Township of Canton has offered a 50-percent property tax abatement in support of the project.
Rivian Automotive, Inc.	8/27/2021	Plymouth	\$750,000	In order to provide the best service to its customers, Rivian plans to establish a highly technical customer contact center at its existing facility in Plymouth Charter Township. The facility will provide round-the-clock assistance to its North American customers with vehicle questions, roadside requests and service scheduling needs. The project is expected to generate a total capital investment of \$4.6 million and create up to 100 high-wage jobs, resulting in a \$750,000 Michigan Business Development Program performance-based grant. Michigan was chosen for the project over competing sites in California and Illinois.

Jobs Ready Michigan Program

The Jobs Ready Michigan Program is available from the MSF, in cooperation with MEDC. The program is designed to meet the talent needs of companies that are expanding or relocating to Michigan.

Project Name	Approval Date	Location	Incentive Amount	Project Highlights
Serve Electric LLC	8/27/2021	Sterling Heights	\$350,000	Serve Electric LLC, headquartered in Sterling Heights, is a full-service electrical contractor that builds control panels, installs and programs automation lines, and works on manufacturing equipment. The company serves customers in the automotive, material handling and food and beverage industries. Serve Electric has been experiencing growth and needs to expand. The company plans to move its current headquarters into a larger facility in Sterling Heights that will accommodate new staff and house a training center. The project is expected to generate a total capital investment of \$2.7 million and create up to 240 high-wage jobs, resulting in a \$350,000 Jobs Ready Michigan grant that will be used to provide training for 100 employees to become journeyman electricians. Michigan was chosen for the project over competing sites in Kentucky and Tennessee.

Michigan Community Revitalization Program (MCRP)

The Michigan Community Revitalization Program is available from the MSF, in cooperation with MEDC. The program is designed 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.

Project Name	Approval Date	Location	Incentive Amount	Project Highlights
Bright Sky Consulting, LLC	8/24/2021	Cheboygan	\$575,000	A highly visible building on the prominent corner of Main St in Downtown Cheboygan will undergo full building rehabilitation with exterior and interior improvements to create 2,500 square feet of new commercial space and 720 square feet of residential units on the second floor, representing \$593,990 in capital investment. The project received a MCRP program-based grant in the amount of \$216,300.
Caywood Propane Gas, Inc.	8/24/2021	Coldwater	\$444,000	Caywood Propane Gas, Inc. plans to rehabilitate a vacant, three-story building in historic downtown Coldwater representing over \$800,000 in total capital investment. The project will revitalize 4,630 square feet of space, adding 5 new apartment units and bringing 1,541 square feet of commercial space back to active use, while also creating 2-full-time jobs with estimated hourly wages averaging \$20. In support of these outcomes, Caywood Propane Gas, Inc. was awarded a \$250,000 MCRP performance-based grant; the project will also receive support from the City of Coldwater through a 10-year Obsolete Property Rehabilitation Act abatement and local facade grant from the Downtown Development Authority. The rehabilitation of this historic structure into an active, mixed-use development with much needed housing and space for new businesses in the downtown district would not be feasible without the support of the MCRP program, local community and investment by private partners.

Michigan State Trade Expansion Program (MI-STEP)

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

Project Name	Approval Date	Location	Incentive Amount
Bulman Products - Canadian Web Design & Marketing	8/2/2021	Grand Rapids	\$15,000
DCL, Incorporated - International Powder & Bulk Solids Expo	8/2/2021	Charlevoix	\$2,638
Icom North America, LLC - World Trade Research Training Webinar	8/2/2021	New Hudson	\$49
Loc Performance Products - International Defense Industry Exhibition MSPO	8/2/2021	Plymouth	\$10,663
Offshore Spars - Sales Trip to Finland	8/2/2021	Chesterfield	\$3,822
Chrysan Industries, Inc. - SDS Manual Translation	8/4/2021	Plymouth	\$1,875
Fraunhofer USA - Export Control Training	8/4/2021	Plymouth	\$11,250
Benzinga - US Commercial Services Market Check - Hong Kong	8/5/2021	Detroit	\$263
Maelstrom Chemical Technologies, LLC - UK Marketing Campaign Part 3	8/5/2021	Shelby Twp	\$600
Mobile Defenders - ISO Certification	8/5/2021	Kentwood	\$1,050
Vista IT Group - ITAD 2021	8/5/2021	Grand Rapids	\$7,577
Farmer Musical Instruments - International Web Design & EU Marketing	8/6/2021	Cedar	\$13,500
Ausco Products, Inc. - MINEExpo	8/9/2021	Benton Harbor	\$900
Arc Archer LLC - World Dairy Expo	8/11/2021	Kent City	\$15,000
Hyperion Automation, Incorporated - Foreign Language Translation Mexico, French Canadian, Chinese	8/11/2021	Holland	\$2,250
Business-Connect - Africa & Latin America Videography	8/12/2021	Grandville	\$4,875
Phoenix Group LLC - Canadian Marketing Campaign	8/13/2021	Rockford	\$11,618
Dongan Manufacturing - EU Sales Trip - Italy, Netherlands, Germany, Denmark, Czech Republic	8/30/2021	Fraser	\$5,384

Program Amendments



For a variety of reasons, projects may return to the MSF requesting an amendment to their previous approvals, at which point the Business Development and Community Development teams evaluate whether those projects would qualify for those amendments. These amendments include, but are not limited to, changes of scope for projects; adjusted milestones; extended or contracted timelines; redefined project sites; and modified award amounts. See below for a list of program amendments that received delegated approval in August 2021.

Michigan Business Development Program (MBDP)

Project Name	MSF Delegate Amended Date	Project Location	Type of Request
Wacker Chemical - FY2020	8/20/2021	Ann Arbor	Amended to allow job creation on a statewide basis with respect to Qualified New Jobs for Key Milestone Number One and Key Milestone Number Two.
Guardiantrac LLC - Expansion - FY2020	8/17/2021	Sturgis	Change the local support requirement within Key Milestone One from the City of Sturgis approval of a Brownfield tax incremental financing local mills to City of Sturgis approval of a Commercial Rehabilitation Exemption Certificate in support of the Project.

Financial Data Overview and Terminations



Michigan Business Development Program – Terminations

Project Name	Project Location	Incentive Type	Amount	Disbursed	Date	Reason for Termination	Repayment
Cooper-Standard Automotive	Northville Township	Expansion	\$1,300,000	N/A	8/11/2021	Unable to fulfill grant requirements	N/A
Achates Power, Inc.	Farmington Hills	Expansion	\$200,000	N/A	8/11/2021	Unable to fulfill grant requirements	N/A
MOVE Systems	Walker	Expansion	\$65,000	\$65,000	8/20/2021	Unable to fulfill grant requirements	N/A
Location Services LLC	Ann Arbor	New Development	\$500,000	\$353,700	8/27/2021	Unable to fulfill grant requirements	N/A

MSF Awardee Relief Report Grants and Loans



The following include delegated approvals for the MSF Awardee Relief Program from August 1, 2021 to August 31 2021, demonstrating the impact this program has continued to have on providing flexibility, accountability and transparency for those projects previously approved by the MSF Board but are now facing challenges due to COVID-19.

CD Awardee Relief

Project Name	Program Name	Project Location	MSF Delegate Approval Date	Type of Request
Battle Dog, LLC	Community Revitalization Program	Battle Creek	8/2/2021	Extension of Milestone 2 and Pre-Disbursement Due Diligence Conditions by 12 months.
New Baltimore Baker Building, LLC	Community Revitalization Program	New Baltimore	8/2/2021	12-month extension to Milestone 2 and Pre-Grant Disbursement Due Diligence Conditions due dates due to COVID-19 setbacks.

MSF Confidentiality Memos



As a part of the process for negotiating with companies seeking to invest in Michigan, the Michigan Strategic Fund (MSF) receives information of a financial and/or proprietary nature from applicant companies. Avoiding the public disclosure of this information is desirable in order to protect against the potential for significant competitive harm to the applicant companies.

Via MCL 125.2005(9), as amended by Public Act 251 of 2011, information of a financial or proprietary nature considered by the applicant as confidential and acknowledged as confidential by the Michigan Strategic Fund Board or its designee is exempted from disclosure by the Michigan Freedom of Information Act, Public Act 442 of 1976, as amended. On February 27, 2012, the MSF Board approved by resolution the delegation of this authority to the MSF Fund Manager, who acknowledges the confidentiality of eligible information on behalf of the MSF Board by executing a confidentiality memo.

Approvals by Authorized Delegate

During the period between August 1, 2021 and August 31, 2021, the following confidentiality memos were approved by the MSF Fund Manager:

Company Name and Location	Overview of Confidential Information
TEKsystems, Inc. 7437 Race Road Hanover, Maryland 21076	Company's payroll and human resource records
15 Carlyle LLC 15 Carlyle Street Battle Creek, Michigan 49017	Any portion of any documents or record of any kind containing any of the following business or personal information pertaining to any of the Interested Parties to the Proposed Transaction: Financial statements (including without limitation, income statements, balance sheets, statements of cash flow and profit and loss statements), ratio analysis, appraisals and other appraisal reporting, collateral analysis, accounts receivable aging reports, customer names and lists, tax returns, credit reports, social security or other tax identification numbers, and any analysis, report or record of any kind by or on behalf of any of the Interested Parties to the Proposed Transaction containing any of the foregoing information.