



# MICHIGAN

OFFICE OF THE AUDITOR GENERAL

## AUDIT REPORT



THOMAS H. MCTAVISH, C.P.A.  
AUDITOR GENERAL

The auditor general shall conduct post audits of financial transactions and accounts of the state and of all branches, departments, offices, boards, commissions, agencies, authorities and institutions of the state established by this constitution or by law, and performance post audits thereof.

– Article IV, Section 53 of the Michigan Constitution

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Michigan  
*Office of the Auditor General*  
**REPORT SUMMARY**

*Performance Audit*

Report Number:  
271-0425-11

*Renaissance Zone Program*

*Michigan Economic Development Corporation*

Released:  
January 2013

*The Michigan Renaissance Zone Act, Act 376, P.A. 1996, as amended, established the Renaissance Zone Program to foster economic opportunities in the State; facilitate economic development; stimulate industrial, commercial, and residential improvements; prevent physical and infrastructure deterioration of defined areas; and provide for the reuse of unproductive or abandoned industrial properties.*

***Audit Objective:***

To assess the effectiveness of the Michigan Economic Development Corporation's (MEDC's) efforts to evaluate the Renaissance Zone Program's impact on creating new jobs, retaining jobs, and stimulating capital investment within the State.

***Audit Conclusion:***

We concluded that MEDC's efforts to evaluate the Renaissance Zone Program's impact on creating new jobs, retaining jobs, and stimulating capital investment within the State were not effective. We noted one material condition (Finding 1) and one reportable condition (Finding 2).

***Material Condition:***

MEDC had not established a comprehensive process to evaluate the effectiveness of the Renaissance Zone Program (Finding 1).

***Reportable Condition:***

MEDC did not ensure that all information required by statute in relation to the

Renaissance Zone Program was completely and accurately reported to the Michigan Legislature (Finding 2).

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***Audit Objective:***

To assess the effectiveness of MEDC's efforts to monitor Renaissance Zones for compliance with development agreement requirements.

***Audit Conclusion:***

We concluded that MEDC's efforts to monitor Renaissance Zones for compliance with development agreement requirements were moderately effective. We noted one material condition (Finding 3) and one reportable condition (Finding 4).

***Material Condition:***

MEDC did not adequately monitor Renaissance Zones' compliance with the requirements of their development agreements (Finding 3).

**Reportable Condition:**

MEDC had not established a structured process to ensure that instances of Renaissance Zones' noncompliance with development agreement requirements were appropriately addressed (Finding 4).

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**Agency Response:**

Our audit report contains 4 findings and 4 corresponding recommendations. MEDC's preliminary response indicates that MEDC agrees with all of the recommendations and either has taken steps to comply or will comply with them.

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A copy of the full report can be obtained by calling 517.334.8050 or by visiting our Web site at: <http://audgen.michigan.gov>



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THOMAS H. MCTAVISH, C.P.A.  
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January 23, 2013

Mr. Michael A. Finney, President and Chief Executive Officer  
and  
Mr. Doug Rothwell, Executive Committee Chair  
Michigan Economic Development Corporation  
300 North Washington Square  
Lansing, Michigan

Dear Mr. Finney and Mr. Rothwell:

This is our report on the performance audit of the Renaissance Zone Program, Michigan Economic Development Corporation.

This report contains our report summary; description of program; audit objectives, scope, and methodology and agency responses; comments, findings, recommendations, and agency preliminary responses; five exhibits, presented as supplemental information; and a glossary of acronyms and terms.

Our comments, findings, and recommendations are organized by audit objective. The agency preliminary responses were taken from the agency's response subsequent to our audit fieldwork. The *Michigan Compiled Laws* and administrative procedures require that the audited agency develop a plan to comply with the audit recommendations and submit it within 60 days after release of the audit report to the Office of Internal Audit Services, State Budget Office. Within 30 days of receipt, the Office of Internal Audit Services is required to review the plan and either accept the plan as final or contact the agency to take additional steps to finalize the plan.

We appreciate the courtesy and cooperation extended to us during this audit.

Sincerely,

A handwritten signature in black ink that reads "Thomas H. McTavish".

Thomas H. McTavish, C.P.A.  
Auditor General



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## Description of Program

### Statutory Authority

The Michigan Renaissance Zone Act, Act 376, P.A. 1996, as amended (Sections 125.2681 - 125.2696 of the *Michigan Compiled Laws*), established the Renaissance Zone Program to foster economic opportunities in the State; facilitate economic development; stimulate industrial, commercial, and residential improvements; prevent physical and infrastructure deterioration of identified areas; and provide for the reuse of unproductive or abandoned industrial properties.

As of June 2011, there were 21 Geographic Renaissance Zones (with 157 active subzones\*), 50 specialty Renaissance Zones, and 28 Tool & Die Recovery Zones. Excluding the Tool & Die Recovery Zones, Renaissance Zones cover approximately 25,000 acres of the total 36.3 million acres composing the State of Michigan. In general, the maximum duration of a Renaissance Zone is 15 years. Businesses within existing geographic subzones may apply for a time extension covering specific land parcels that could increase the total Renaissance Zone duration for those parcels to 30 years.

### Renaissance Zone Program

The Renaissance Zone Program is only one economic development incentive program offered by the Michigan Economic Development Corporation (MEDC) and the Michigan Strategic Fund (MSF) to retain, expand, and attract business in Michigan. Originally, Renaissance Zones were regions designated as virtually tax free for any business or individual presently residing in or moving into the region. The evolution of the Michigan Renaissance Zone Act has shifted away from geographic area designations and now focuses on company and parcel specific designations.

In conjunction with a local governmental unit or an economic development group, a company interested in staying, expanding, or locating in Michigan can meet with MEDC staff to discuss the proposed project. If convinced that the project will have a positive economic impact on the local area and State, MEDC staff work with that company, local governmental units, and State agencies to develop an overall incentive package and application for MSF and, in some instances, the Michigan Agricultural Commission and

\* See glossary at end of report for definition.

State Administrative Board, to approve. Prior to submission of an application for a Renaissance Zone, approval is required from the local governmental units as there is a local funding commitment through the local income and property tax abatements. All Renaissance Zones receive the same tax abatement benefits, including:

- Michigan Business Tax (MBT)
- Michigan Individual Income Tax (IIT)
- Michigan State Education Tax (SET)
- Local real and personal property tax
- Local income tax
- Utility users tax (Detroit only)

Taxes not abated are those mandated by the federal government, local bond obligations, school sinking fund, any special assessments, and Michigan sales or use tax. In all cases, the tax abatement benefits are phased out in 25% increments during the last three years of the Renaissance Zone designation.

In addition to forgone State tax revenue and subject to annual appropriation, the State of Michigan reimburses intermediate school districts (ISDs), local school districts, community college districts, and public libraries for abated taxes. The State does not replace the tax revenue lost to the local governmental units.

Beginning in 2012, only businesses operating within an existing Renaissance Zone as of December 31, 2011, with a certificated credit\*, can elect to continue receiving the Renaissance Zone credit for business tax purposes by continuing to file an MBT return for the duration of the Renaissance Zone status, as opposed to filing under the recently enacted Corporate Income Tax (CIT). The CIT replaced the MBT for most taxpayers effective January 1, 2012. For purposes of the Renaissance Zone credit, certificated credits apply only to Renaissance Zones subject to a development agreement\* and the Tool & Die Recovery Zones. The other tax abatement benefits listed earlier (IIT, SET, local real and personal property tax, local income tax, and utility users tax) remain in place.

\* See glossary at end of report for definition.

Renaissance Zone statistics, by type of zone, are shown in Exhibit 1, presented as supplemental information. There are 8 types of Renaissance Zone agreements between the State and local governmental units and companies:

1. Geographic Renaissance Zones - These are the original group of Renaissance Zones established through Act 376, P.A. 1996 (the Act). The zones are located in both urban and rural areas and include three former military bases. The zones are defined by geographic location, as opposed to being specific to a company's facility. Within the boundaries of each zone, the local governmental unit could request up to 10 subzone areas in which the tax incentives of the Program would apply. These zones required approval by the MSF Board of Directors with final designation by the State Administrative Board.
2. MSF Designated Renaissance Zones - In 1999, the Act was amended to allow for the designation of additional Renaissance Zones by the MSF Board. As of June 2011, MSF had designated 15 of the 27 zones authorized by statute.
3. Agricultural Processing Renaissance Zones - Established in 2000, these zones are made up of one or more facilities or operations that transform, package, sort, or grade livestock or livestock products, agricultural commodities, or plants or plant products, excluding forest products, into goods that are used for intermediate or final consumption, including goods for nonfood use, and surrounding property. As of June 2011, the State Administrative Board had designated 25 of the 30 zones authorized by statute.
4. Tool & Die Recovery Zones - Established in 2004, these zones were created to assist the tool and die industry in the State by encouraging collaboration among tool and die companies to help them retain existing jobs and strengthen the companies to make them more competitive in the global marketplace. A Tool & Die Recovery Zone is not geographic in nature but rather based on collaborative agreements between at least four tool and die companies. As of June 2011, MSF had designated 28 of the 35 zones authorized by statute.

5. Renewable Energy Renaissance Zones - Established in 2006, these zones consist of a facility that:

- Creates energy, fuels, or chemicals directly from the wind, sun, trees, grasses, biosolids, algae, agricultural commodities, processed products from agricultural commodities, or residues from agricultural processes, wood or forest processes, food production and processing, or the paper products industry;
- Creates energy, fuels, or chemicals from solid biomass, animal wastes, or landfill gases;
- Focuses on research, development, or manufacturing of systems or components of systems used to create energy, fuel, or chemicals from the items described in this subdivision; or
- Focuses on research, development, or manufacturing of systems or components of systems that involve the conversion of chemical energy for advanced battery technology.

As of June 2011, the State Administrative Board had designated 9 of the 15 zones authorized by statute.

6. Forest Products Processing Renaissance Zones - Established in 2006, these zones consist of one or more facilities or operations that transform, package, sort, recycle, or grade forest or paper products into goods that are used for intermediate or final use or consumption or for the creation of biomass or alternative fuels through the utilization of forest products or forest residue, and surrounding property. They cannot include an existing facility or operation that is located in the State that relocates or engages primarily in retail sales. As of June 2011, the State Administrative Board had designated 1 of the 10 zones authorized by statute.

7. Border Crossing Renaissance Zones - Established in 2010, these zones consist of a business that was located in a qualified border local governmental unit and was displaced or otherwise negatively affected by the development of an international border crossing and is unable to recover from the displacement or negative effect

without the establishment of a Renaissance Zone. Border crossing facilities also include businesses associated with international trade, shipping, or freight hauling, including but not limited to customs brokers, distribution centers, and truck supply and repair. The MSF Board is authorized by statute to designate 25 Border Crossing Renaissance Zones. As of June 2011, no applications had been presented to MSF for designation as Border Crossing Renaissance Zones.

8. Next Michigan Renaissance Zones - Legislation also amended the Act in 2010 to establish Next Michigan Renaissance Zones for eligible Next Michigan businesses. To qualify as a Next Michigan business, the company must be engaged in the shipment of tangible personal property via two or more of the following modes of transportation: air, road, rail, or water. Next Michigan businesses may be a supply chain business providing a majority of its services to businesses engaged in the shipment of tangible personal property; a manufacturing or assembly facility receiving and/or shipping a majority of its production components; or a light manufacturing or assembly facility that packages, kits, labels, or customizes products and ships products via multimodal commerce. The MSF Board may not certify more than 25 eligible businesses as qualified Next Michigan businesses. As of June 2011, no applications had been presented to MSF for designation as Next Michigan Renaissance Zones.

The county location of each Renaissance Zone is shown on the maps in Exhibit 2, presented as supplemental information. Program data regarding each Renaissance Zone, including the type of zone; the company associated with the zone, if applicable; the beginning and ending dates of Renaissance Zone status; and the projected amount of capital investment and number of direct jobs to be created within each zone, is presented in Exhibit 3. Program statistics regarding the IIT and MBT exemption and credit amounts claimed, along with the number of taxpayers associated with these exemptions and credits, are presented in Exhibit 4.

In its 2010 annual report to the Legislature, MEDC attributed the creation of approximately 11,000 jobs and \$3.1 billion of capital investment to activity within the Geographic Renaissance Zones from the beginning of the Program through December 31, 2010. A chart of the estimated forgone tax revenue in relation to the Program over its existence appears in Exhibit 5.

## Audit Objectives, Scope, and Methodology and Agency Responses

### Audit Objectives

Our performance audit\* of the Renaissance Zone Program, Michigan Economic Development Corporation (MEDC), had the following objectives:

1. To assess the effectiveness\* of MEDC's efforts to evaluate the Renaissance Zone Program's impact on creating new jobs, retaining jobs, and stimulating capital investment within the State.
2. To assess the effectiveness of MEDC's efforts to monitor Renaissance Zones for compliance with development agreement requirements.

### Audit Scope

Our audit scope was to examine the program and other records of the Renaissance Zone Program. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. Our audit procedures, conducted from June through September 2011, generally covered the period October 1, 2008 through September 30, 2011.

As part of our audit, we compiled supplemental information about the Renaissance Zone Program based on information obtained from the Department of Treasury, State accounting records, and MEDC records, including Renaissance Zone project listings and annual reports submitted to the Legislature. Our audit was not directed toward expressing a conclusion on this information and, accordingly, we express no conclusion on it.

\* See glossary at end of report for definition.

The scope of this audit did not include examination of procedures utilized by the Department of Treasury to ensure that only eligible taxpayers received the Michigan Individual Income Tax (IIT) and Michigan Business Tax (MBT) benefits associated with the Renaissance Zone Program.

### Audit Methodology

We conducted a preliminary review of the Renaissance Zone Program to formulate a basis for developing our audit objectives and defining our audit scope. Our preliminary review included interviewing staff with Program responsibilities at MEDC; reviewing applicable laws, internal policies, guidelines, and other information; analyzing available records and data; and obtaining an understanding of the Program's operational activities and related internal control\*. Also, we conducted research related to similar tax incentive programs in other states.

To accomplish our first objective, we interviewed MEDC staff to determine whether MEDC had developed metrics and performed analyses to evaluate and assess the effectiveness of the Program. We identified and reviewed evaluations of the Program performed by an external consultant. We examined MEDC's procedures for obtaining and compiling Program outcome\* information from the Renaissance Zones. We compared information included within MEDC's annual report to the Legislature with the reporting requirements contained within the *Michigan Compiled Laws*. We also compared the job creation and capital investment information included within the annual report to supporting schedules prepared by MEDC and documentation provided to MEDC by the Renaissance Zones. In addition, we obtained job creation and capital investment information from MEDC, along with estimated forgone tax revenue amounts from the Department of Treasury.

To accomplish our second objective, we identified the Renaissance Zones subject to a development agreement and obtained an understanding of MEDC's process to monitor the Renaissance Zones' compliance with development agreement requirements. We reviewed a sample of Renaissance Zones identified by MEDC as compliant with their requirements and compared the information reported by the Renaissance Zones to the requirements. We also reviewed MEDC's process to identify Renaissance Zones that were out of compliance with development agreement requirements and analyzed

\* See glossary at end of report for definition.

MEDC's efforts to address and resolve instances of noncompliance, including revocation of the Renaissance Zone status. In addition, we performed a comparison of employment figures reported to MEDC by selected Renaissance Zones to the employment figures reported by the Renaissance Zones to the Michigan Unemployment Insurance Agency.

When selecting activities or programs for audit, we use an approach based on assessment of risk and opportunity for improvement. Accordingly, we focus our audit efforts on activities or programs having the greatest probability for needing improvement as identified through a preliminary review. Our limited audit resources are used, by design, to identify where and how improvements can be made. Consequently, we prepare our performance audit reports on an exception basis.

### Agency Responses

Our audit report contains 4 findings and 4 corresponding recommendations. MEDC's preliminary response indicates that MEDC agrees with all of the recommendations and either has taken steps to comply or will comply with them.

The agency preliminary response that follows each recommendation in our report was taken from the agency's written comments and oral discussion subsequent to our audit fieldwork. Section 18.1462 of the *Michigan Compiled Laws* and the State of Michigan Financial Management Guide (Part VII, Chapter 4, Section 100) require MEDC to develop a formal response to our audit findings and recommendations within 60 days after release of the audit report to the Office of Internal Audit Services, State Budget Office. Within 30 days of receipt, the Office of Internal Audit Services is required to review the plan and either accept the plan as final or contact the agency to take additional steps to finalize the plan.



COMMENTS, FINDINGS, RECOMMENDATIONS,  
AND AGENCY PRELIMINARY RESPONSES

## **EFFORTS TO EVALUATE THE RENAISSANCE ZONE PROGRAM'S IMPACT ON CREATING JOBS, RETAINING JOBS, AND STIMULATING CAPITAL INVESTMENT WITHIN THE STATE**

### **COMMENT**

**Background:** The measurement data that the various types of Renaissance Zones are required to report to the Michigan Economic Development Corporation (MEDC) is not consistent within the Michigan Renaissance Zone Act or MEDC's administration of the Renaissance Zone Program. There are no reporting requirements for the Tool & Die Recovery Zones. For other zone types, reporting requirements are generally absent unless the zone was designated under a written development agreement. However, MEDC does request job creation and capital investment data from Geographic Renaissance Zone representatives. MEDC includes the data provided by these zones in its annual report to the Legislature with caveats that it is provided voluntarily by the zones; that not all zones provided a response to MEDC's request; and that there is an underreporting of development activity as it is difficult for the zones to track the businesses or residents that move into the zones.

**Audit Objective:** To assess the effectiveness of MEDC's efforts to evaluate the Renaissance Zone Program's impact on creating new jobs, retaining jobs, and stimulating capital investment within the State.

**Audit Conclusion:** We concluded that MEDC's efforts to evaluate the Renaissance Zone Program's impact on creating new jobs, retaining jobs, and stimulating capital investment within the State were not effective. Our audit disclosed one material condition\*. MEDC had not established a comprehensive process to evaluate the effectiveness of the Renaissance Zone Program (Finding 1). Our audit also disclosed one reportable condition\* related to annual reports to the Legislature (Finding 2).

\* See glossary at end of report for definition.

## **FINDING**

### **1. Renaissance Zone Program Evaluation**

MEDC had not established a comprehensive process to evaluate the effectiveness of the Renaissance Zone Program. As a result, MEDC, the Michigan Strategic Fund (MSF), and other policymakers could not assess the strengths, weaknesses, needs, and overall effectiveness of the Program. Based primarily on information provided by the Department of Treasury, we estimate that approximately \$820 million in State and local tax revenue was abated in relation to the Program from its inception in fiscal year 1996-97 through fiscal year 2009-10. Therefore, it is imperative that MEDC be able to determine the true value of the Program.

Program effectiveness can often be evaluated by having a comprehensive evaluation process. Such a process should include performance indicators for measuring outcomes related to a program's goals\* and objectives\*; performance benchmarks\* for each performance indicator that describe the desired level of outcomes based on management expectations or commitments specified within formal development agreements; a management information system to accurately gather and compile relevant outcome data on a timely basis; a comparison of actual data with desired or contractually committed outcomes; a complete and accurate reporting of the evaluation results to management and other policymakers; and recommendations to improve effectiveness or change desired performance standards\*.

MEDC gathered and compiled jobs created and capital investment data reported by Renaissance Zone companies and representatives and, on an individual basis for Renaissance Zones subject to a development agreement, compared the reported outcome data to the projected commitments. Also, MEDC prepared an annual report to the Legislature that presented the actual job creation and capital investment outcomes reported by Geographic Renaissance Zones. Our review of MEDC's processes and efforts to evaluate the effectiveness of the Program noted:

- a. MEDC had not established individual benchmarks for the Geographic Renaissance Zones designated prior to May 2008 and had not established overall benchmarks as a means to measure Program success on a Statewide level.

\* See glossary at end of report for definition.

- b. MEDC had not established program indicators or benchmarks for the Tool & Die Recovery Zones. The focus of the Tool & Die Recovery Zones was to retain existing jobs and strengthen the companies to make them more competitive in the global marketplace, rather than job creation and capital investment.
- c. MEDC had not gathered tax abatement data associated with the Program. Tax abatements are revenues forgone by State and local governmental units and represent the vast majority of the costs of the Program.
- d. MEDC had not verified the job creation or capital investment data reported by the Renaissance Zone companies or representatives. This weakness is addressed in Finding 3, part a.
- e. MEDC had not gathered and compiled complete outcome data for all Renaissance Zones. Using the data compiled by MEDC, we attempted to analyze the program outcomes. The data compiled by MEDC indicated that 12,632 new jobs were created and \$4.5 billion was invested in the State of Michigan, within the Renaissance Zones, from the inception of the Program in 1997 through 2010. However, because MEDC did not compile complete outcome data for all Renaissance Zones and did not verify the data reported, we could not be assured of the accuracy of the data and, therefore, could not analyze program outcomes. Our review disclosed:
  - (1) MEDC did not compile outcome data for all of the Geographic Renaissance Zones because Geographic Renaissance Zones were not required to, and some did not, report data to MEDC. For example, we determined that 5 (23.8%), 4 (19.0%), and 10 (47.6%) of the 21 Geographic Renaissance Zones did not report data to MEDC for calendar years 2008, 2009, and 2010, respectively.
  - (2) MEDC did not compile outcome data reported by any of the non-Geographic Renaissance Zones prior to calendar year 2009. We determined that there were 29 non-Geographic Renaissance Zones (excluding Tool & Die Recovery Zones) designated from 2001 through 2008.

- (3) MEDC's compilation of outcome data reported by non-Geographic Renaissance Zones for calendar years 2009 and 2010 did not include 6 (16.7%) and 8 (19.5%) of the 36 and 41 non-Geographic Renaissance Zones (excluding Tool & Die Recovery Zones), respectively.

Without establishing benchmarks, gathering program cost data, and compiling complete and accurate outcome data, MEDC could not fully evaluate the effectiveness of the Program.

### **RECOMMENDATION**

We recommend that MEDC establish a comprehensive process to evaluate the effectiveness of the Renaissance Zone Program.

### **AGENCY PRELIMINARY RESPONSE**

MEDC agrees with the recommendation to establish a comprehensive process to evaluate the Renaissance Zone Program's effectiveness. MEDC informed us that it has taken steps to expand overall reporting to capture the percentage of completion toward job creation, job retention, and private investment goals and that it will be able to measure projected vs. actual jobs and private investment for those entities subject to development agreements. Entities without development agreements are asked to report voluntarily without statutory requirement to do so; MEDC agrees to make a best effort to obtain voluntary reporting. In addition, MEDC informed us that, for calendar year 2012, it has established a process to request reporting earlier in the year and is now requiring selected Renaissance Zone companies to submit copies of their UIA 1020s. MEDC further informed us that it has established and is testing a new database to capture data reported by the Renaissance Zones. Furthermore, MEDC informed us that it will evaluate and make recommendations to improve effectiveness.

### **FINDING**

#### **2. Annual Reports to the Legislature**

MEDC did not ensure that all information required by statute in relation to the Renaissance Zone Program was completely and accurately reported to the Legislature. As a result, users of the annual report did not have complete and accurate information regarding the Program.

We reviewed the reporting requirements along with the annual reports prepared by MEDC and noted the following:

- a. MEDC did not properly report all information required by Section 125.2695 of the *Michigan Compiled Laws* in the calendar year 2008, calendar year 2009, and calendar year 2010 annual reports to the Legislature.

Section 125.2695 of the *Michigan Compiled Laws* requires MEDC to report Renaissance Zone economic effects annually to the Legislature, including the following minimum information for each Renaissance Zone:

- The number of new jobs created within the zone.
- The percentage change in aggregate taxable value and State equalized value within the zone.
- The average wage of the new jobs created within the zone.
- The percentage change of adjusted gross income of residents within the zone.

Our review of MEDC's annual reports for calendar years 2008, 2009, and 2010 disclosed:

- (1) MEDC did not report the actual number of jobs created or retained during the period for any of the non-Geographic Renaissance Zones (MSF Designated Renaissance Zones, Agricultural Processing Renaissance Zones, Renewable Energy Renaissance Zones, and Forest Products Processing Renaissance Zones). Instead, MEDC reported the number of jobs expected or anticipated to be created and/or retained over the life of the Renaissance Zone. Although the statutory language does not require MEDC to report the number of jobs expected or anticipated to be created or retained over the life of the Renaissance Zone, presentation of this information along with the actual jobs created and retained would provide for a more meaningful evaluation of the effectiveness of each zone.

- (2) MEDC did not compile and report the percentage change in aggregate taxable value and State equalized value within any of the Renaissance Zones. Further, MEDC did not obtain taxable value or State equalized value information from Geographic Renaissance Zones.
  - (3) MEDC did not obtain and report the average wage of the new jobs created within any of the Renaissance Zones.
  - (4) MEDC did not obtain and report the percentage change of adjusted gross income of residents within any of the Renaissance Zones. MEDC informed us that it had never pursued obtaining this information from the Department of Treasury because MEDC expected that the Department would be nonresponsive to its request because the Department was not mandated to provide the information.
- b. MEDC did not have an internal control process to ensure the accuracy of the information reported to the Legislature. Our review of MEDC's processes and documentation relating to its preparation of the annual reports disclosed:
- (1) MEDC did not verify the job creation or capital investment data reported by the Renaissance Zones and included within the annual report. This weakness is addressed in Finding 3, part a.
  - (2) MEDC did not adequately review data that it compiled from the Renaissance Zones to ensure the completeness and accuracy of the report data. We determined that MEDC mistakenly omitted job creation and capital investment totals reported by a group of geographic subzone businesses for the calendar year 2010 report. As a result of this omission and other errors, we determined that the self-reported, actual number of jobs created for this period was understated by 523 and the self-reported, actual capital investment reported for this period was understated by \$146 million. MEDC informed us that spot-checks were performed, but its reporting process did not include a comprehensive review of the preparation of the report.

- (3) Several Geographic Renaissance Zones did not provide a response to MEDC's request for job creation and capital investment figures. We noted that 5 (24%), 4 (19%), and 10 (48%) of the 21 urban, rural, and military Geographic Renaissance Zones within the State did not reply to MEDC's requests for information for the calendar year 2008, 2009, and 2010 reporting periods, respectively. MEDC noted that the Act does not require these zones to provide the information to MEDC and that MEDC lacks an enforcement mechanism to compel a response from the zones. In addition, these zones are not bound by a development agreement to provide MEDC with the information, making MEDC's efforts to comply with the reporting requirements of Section 125.2695 of the *Michigan Compiled Laws* more difficult.
- (4) MEDC did not determine and denote the amount of job creation and capital investment being attributed to the Program that overlapped with the amounts being attributed to other tax incentive programs (e.g., the MEGA Tax Credit Program, Brownfield Redevelopment Financing Program, and Community Development Block Grant Program). MEDC informed us that businesses, especially within the past couple of years, have received assistance through more than one program and that MEDC had not analyzed this overlap through the calendar year 2010 reporting period. As a result, MEDC acknowledged that an undetermined amount of the job creation and capital investment figures reported for the Program were also likely reported within the annual reports for other incentive programs, thereby overstating total job creation and investment figures for the State as a whole.
- (5) MEDC did not provide adequate guidance to the Geographic Renaissance Zones as to the economic activity information requested. MEDC provided a reporting template to the contact individual representing each zone, but no instructions were forwarded along with the template. Further, development agreements do not exist for these types of zones that would provide additional guidance. For example, the reporting template used through the calendar year 2009 reporting period did not instruct the zone representative to exclude economic development activity associated with businesses under a separate subzone time



extension agreement. As a result, the possibility exists that zone representatives may have mistakenly included activity related to these subzones and, without verification procedures by MEDC, MEDC may have unknowingly double-counted and reported the amounts in its annual report to the Legislature.

- c. MEDC had not arranged for a State university to prepare the annual report required by Section 125.2695 of the *Michigan Compiled Laws* to help ensure the accuracy and completeness of economic effects included within the report prepared by the MEDC.

Section 125.2696 of the *Michigan Compiled Laws* requires that a State research university prepare an independent annual report to the Legislature that includes the same economic effect measures as required for the MEDC-prepared report. We determined that such a report has never been commissioned.

### **RECOMMENDATION**

We recommend that MEDC ensure that all information required by statute in relation to the Renaissance Zone Program be completely and accurately reported to the Legislature.

### **AGENCY PRELIMINARY RESPONSE**

MEDC agrees with the overall recommendation but disagrees with part c. of the finding. MEDC informed us that it will make a best effort to ensure complete and accurate reporting. Accordingly, MEDC informed us that in the annual report to the Legislature, MEDC will report on actual jobs created or retained, percentage change in aggregate taxable value year over year, and the average wage of new jobs created. Also, MEDC informed us that it will take all reasonable steps to work with the Department of Treasury to obtain information related to the percentage change in adjusted gross income of residents within any Renaissance Zone.

In addition, MEDC informed us that it has improved processes to ensure the accuracy of reporting, it has standardized the method of storing data, it plans to add a compliance review component to the program in 2013, and it has improved reporting templates with instructions/guidelines for Renaissance Zone companies and representatives.

MEDC also informed us that it has taken steps to clarify, in Legislative reporting, instances in which multiple tax incentive programs exist.

MEDC disagrees with part c. of the finding and informed us that the Renaissance Zone Act is an unfunded mandate and that there are no resources available within MEDC to conduct this type of study. Also, MEDC indicated that the Act does not direct MSF to undertake this project.

## **OFFICE OF THE AUDITOR GENERAL EPILOGUE**

In regard to MEDC's disagreement with part c. of the finding, we agree that the university study is not specifically appropriated. However, MEDC receives funding through MSF's State appropriations to support its various activities, and there is nothing in the current funding structure that prohibits MEDC from using existing funding to comply with the statutory requirement.

Also, although Section 125.2696 of the *Michigan Compiled Laws* does not specify who should coordinate the preparation of the university report, we contend that MEDC's other responsibilities within the Renaissance Zone Program, including preparation of the legislative report required by Section 125.2695 of the *Michigan Compiled Laws*, make MEDC the logical party to coordinate preparation of the statutorily required report by a State research university.

## **EFFORTS TO MONITOR RENAISSANCE ZONES FOR COMPLIANCE WITH DEVELOPMENT AGREEMENT REQUIREMENTS**

### **COMMENT**

**Background:** MEDC administers the Renaissance Zone Program on behalf of MSF. As part of its administrative responsibilities, MEDC monitors Renaissance Zone activity, including identifying zones that had not complied with the requirements of their development agreements. The requirements of each development agreement can vary but typically include the number of new jobs and capital investment amount that the zone must attain and a date by which these commitments must be realized. Other requirements might include the number of jobs the zone is required to retain; deadlines for the purchase of a property, construction of facilities, or beginning of operations; and

due dates for progress report submissions to MEDC. The development agreement explains the process for remedy if the company fails to comply with the requirements and typically includes a provision that forgone taxes may have to be paid. MEDC's primary mechanism for monitoring compliance is through review of the annual progress reports submitted by the individual Renaissance Zones.

Not all Renaissance Zones are subject to a development agreement. Whether a Renaissance Zone has a development agreement depends primarily on the type of zone and the date the zone was designated under the Act. The following is a listing of zone types and whether they are subject to development agreements:

- Geographic Renaissance Zones - This type of zone can be divided into four subgroups:
  - Original subzones are not subject to a development agreement.
  - Time extensions for entire original subzones are not subject to a development agreement.
  - Additional subzones within an existing zone are not required by statute to have a development agreement, but MEDC may have required one if the new subzone was designated after April 28, 2008.
  - Time extensions for specific land parcels within an existing subzone are required by statute to have a development agreement, but only if the extension is executed after April 28, 2008.
- MSF Designated Renaissance Zones - Although not required by statute, MEDC has required that the companies associated with some of these zones enter into a development agreement.
- Agricultural Processing Renaissance Zones - Zones designated after July 10, 2006 are required by statute to have a development agreement. Those designated on or before this date were not required by statute to enter into a development agreement, but MEDC may have required one.

- Tool & Die Recovery Zones - These zones operate within a collaborative agreement, not a development agreement. The collaborative agreement does not impose job creation, job retention, or capital investment requirements.
- Renewable Energy Renaissance Zones - These zones are required by statute to operate under a development agreement.
- Forest Products Renaissance Zones - These zones are required by statute to operate under a development agreement.

**Audit Objective:** To assess the effectiveness of MEDC's efforts to monitor Renaissance Zones for compliance with development agreement requirements.

**Audit Conclusion:** We concluded that MEDC's efforts to monitor Renaissance Zones for compliance with development agreement requirements were moderately effective. Our audit disclosed one material condition. MEDC did not adequately monitor Renaissance Zones' compliance with the requirements of their development agreements (Finding 3). Our audit also disclosed one reportable condition related to MEDC's efforts to address noncompliance (Finding 4).

## **FINDING**

### 3. Overall Compliance Monitoring Process

MEDC did not adequately monitor Renaissance Zones' compliance with the requirements of their development agreements. As a result, MEDC lacks assurance that the zones are actually meeting the terms of their development agreements. Also, Renaissance Zones that were out of compliance with the requirements of their development agreements continued to take advantage of the tax incentives provided by the Program while providing little or no employment and economic impact to the State.

The majority of Renaissance Zones subject to a development agreement are required to submit annual progress reports to MEDC. The reports cover a one-year period and, in most cases, are due by January 31 of the year following the close of the calendar year. MEDC uses the information provided in the reports to monitor compliance with development agreement requirements, such as job creation, job retention, and capital investment.

We reviewed MEDC's process for monitoring Renaissance Zones' compliance with the development agreements and noted the following:

- a. MEDC did not validate the accuracy of the economic activity reported by the Renaissance Zones in their progress reports.

MEDC had not requested supporting documentation, conducted routine site visits, or performed other procedures to verify the data submitted, such as utilizing data collected by other State departments (e.g., employment data from the Michigan Unemployment Insurance Agency [UIA] and capital investment data from the Department of Treasury).

We compared the employment data reported to MEDC by 15 Renaissance Zones to employment data obtained from UIA for calendar year 2010. Our comparison noted 5 instances in which the number of employees reported to MEDC by the Renaissance Zones exceeded the number of employees reported to UIA by the Renaissance Zones, ranging from 4 to 18 additional employees.

- b. MEDC had not identified all Renaissance Zones that had failed to meet the agreed-upon requirements contained in their respective development agreements.

Although MEDC had identified Renaissance Zones as being out of compliance with development agreement requirements, we identified 2 additional zones that provided information to MEDC in their annual progress reports indicating noncompliance with the terms of their development agreements. MEDC did not flag these zones as being out of compliance and, therefore, had not taken any action to address the noncompliance with these Renaissance Zones.

- c. MEDC did not follow up overdue annual progress reports in a timely manner.

MEDC received 4 (7%) of the 56 and 8 (15%) of the 54 reports for the calendar year 2010 and 2009 reporting periods, respectively, from 35 to 261 days after their due date. We noted that 4 of these late reports were from Renaissance Zones that MEDC had identified as being "currently out of

compliance." For these 4 Renaissance Zones, we noted that MEDC waited from 15 to 149 days after the due date before contacting the Renaissance Zones for their overdue progress reports.

- d. MEDC had not established controls to ensure that Renaissance Zones or local governmental units reported instances of noncompliance with development agreement requirements to MEDC in a timely manner.

We examined project files for the 5 Renaissance Zones that MEDC identified as "currently out of compliance" with development agreement requirements as of July 2011 and 7 Renaissance Zones for which MEDC revoked their status or eliminated tax benefits during our audit period. As shown in the following table, our review of the 12 Renaissance Zones disclosed that existing monitoring procedures were not always effective in bringing instances of noncompliance to MEDC's attention within a reasonable amount of time:

Range of Days From the Date the Renaissance Zone Became Noncompliant to the Date It Was Reported to MEDC	Number of Renaissance Zones	Percentage of Total
Less than 31	4	33.3%
68 - 177	3	25.0%
213 - 294	3	25.0%
535	1	8.3%
858	1	8.3%
Total	12	100.0%

- e. MEDC did not compile the job creation and capital investment figures reported by the Renaissance Zones from year to year within a centralized location.

Many of the development agreements contain job creation and investment requirements that are cumulative over a span of years. For example, a development agreement may require the Renaissance Zone to create 50 new full-time jobs by the third year of the zone's designation. However, because MEDC's progress report tracking database was only designed to capture activity for one year, MEDC had to manually accumulate the data from

different sources to determine whether compliance with the job creation requirement was satisfied. This negatively impacted MEDC's ability to effectively monitor the Renaissance Zones' compliance in a timely manner.

### **RECOMMENDATION**

We recommend that MEDC adequately monitor Renaissance Zones' compliance with the requirements of their development agreements.

### **AGENCY PRELIMINARY RESPONSE**

MEDC agrees with the recommendation. MEDC informed us that it will identify instances of noncompliance in a timelier manner and that Renaissance Zone staff will establish a process to report instances of noncompliance to a subcommittee of the MSF Board in a timelier manner. MEDC also informed us that this subcommittee shall make the decision whether to advance the instance of noncompliance to the full MSF Board.

### **FINDING**

#### **4. MEDC's Efforts to Address Noncompliance**

MEDC had not established a structured process to ensure that instances of Renaissance Zones' noncompliance with development agreement requirements were appropriately addressed. As a result, noncompliant Renaissance Zones continued to receive the tax benefits provided by Renaissance Zone status for years after failing to deliver the agreed upon economic impact, including expected job creation. Specifically, we determined that 7 Renaissance Zones received estimated tax abatement benefits totaling \$5.9 million prior to their status being revoked or tax benefits eliminated.

MEDC administers the Renaissance Zone Program on behalf of MSF. As part of its program responsibilities, MEDC monitors Renaissance Zone activity, including identifying and addressing Renaissance Zones that have not complied with the requirements of their development agreements.

As of September 2011, we noted that 6 Renaissance Zones were not in compliance with their development agreement requirements. We also noted that the MSF Board revoked the status or eliminated the tax benefits of 7 Renaissance

Zones during our audit period because of noncompliance. Our review of the noncompliant Renaissance Zones disclosed:

- a. MEDC did not initiate follow-up procedures in a timely manner after it identified that a Renaissance Zone was noncompliant with its development agreement requirements. As shown in the following table, MEDC initiated its follow-up efforts from 1 to 395 days after noncompliance was identified for 10 of the 13 zones and had not initiated follow-up efforts for the 3 remaining noncompliant zones as of September 30, 2011:

Number of Days It Took MEDC to Initiate Follow-Up Efforts After It Was Notified That Renaissance Zone Was Out of Compliance	Number of Renaissance Zones	Percentage of Total
Zones for Which MEDC Had Initiated Follow-Up Efforts:		
Less than 30	4	30.8%
83 - 153	2	15.4%
165 - 195	3	23.1%
395	1	7.7%
Zones for Which MEDC Had Not Yet Initiated Follow-Up Efforts:		
242 - 262 (as of September 30, 2011)	2	15.4%
1,192 (as of September 30, 2011)	1	7.7%
Total	<u>13</u>	<u>100.0%</u>

MEDC should strengthen its monitoring procedures to ensure that it follows up on all instances of noncompliance in a timely manner.

- b. MEDC, in conjunction with the MSF Board, had not established a process to ensure timely revocation of Renaissance Zone status for noncompliant zones.

Guidelines do not exist that prescribe the follow-up actions that MEDC should take in handling instances of noncompliance, or the acceptable time frames involved, prior to presenting the matter to the MSF Board for consideration of



punitive actions including possible revocation. We reviewed Renaissance Zones identified as being out of compliance within our audit period:

- (1) MEDC and the MSF Board took 56 to 1,913 days to revoke Renaissance Zone status or eliminate the tax benefits for 7 Renaissance Zones during our audit period as follows:

Company	Number of Days Between Date of Noncompliance and Date of Revocation or Tax Benefit Elimination	Estimated Amount of Taxes Abated During Renaissance Zone Status
Company 1	56	\$ 534,825
Company 2	111	Not applicable
Company 3	295	\$1,308,750
Company 4	665	\$ 64,543
Company 5	715	\$1,013,868
Company 6	471	\$ 274,463
Company 7	1,913	\$2,752,743

- (2) MEDC had not presented the 6 additional instances of noncompliance to the MSF Board as of the end of our fieldwork:

Company Name	Number of Days Between Date of Noncompliance and End of Audit Fieldwork (September 30, 2011)
Company 1	272
Company 2	273
Company 3	638
Company 4	638
Company 5	1,369
Company 6	1,499

To help ensure equitable treatment, MEDC and the MSF Board should clearly define guidelines under which MEDC is required to notify the MSF Board of instances of noncompliance.

- c. MEDC did not have a process to evaluate whether the State should pursue the repayment of abated taxes from Renaissance Zones.

Based on their application proposals, the 7 Renaissance Zones whose status was revoked or whose tax benefits were eliminated during our audit period had estimated tax abatements totaling \$5.9 million for the years prior to revocation or tax benefit elimination. We noted that MEDC pursued payment of \$2.8 million of the forgone taxes from 1 of the 7 zones. For the other 6 zones, MEDC did not document why it had not pursued or referred the instances to the Department of Treasury for potential repayment of the abated taxes.

Without a structured process to address noncompliance, MEDC cannot timely and consistently initiate follow-up efforts, issue notices of noncompliance, recommend revocation of Renaissance Zones because of noncompliance, or evaluate whether the State should pursue the repayment of abated taxes. In addition, a more timely and consistent follow-up process may increase the overall effectiveness of the Program.

### **RECOMMENDATION**

We recommend that MEDC establish a structured process to ensure that instances of Renaissance Zones' noncompliance with development agreement requirements are appropriately addressed.

### **AGENCY PRELIMINARY RESPONSE**

MEDC agrees with the recommendation to ensure that instances of noncompliance with development agreements are appropriately addressed. MEDC informed us that it will establish a structured process to ensure that staff initiate follow-up efforts; issue notices of noncompliance and recommend revocation or other steps, such as a decrease in the term of a Renaissance Zone, to the MSF subcommittee because of noncompliance where applicable; and evaluate whether the State should pursue repayment of abated taxes.

MEDC commented that, in the instance of the company with 1,913 days of noncompliance, shown in the table in part b. of this finding, the company was

involved in ongoing discussions with MEDC during this time that led to a settlement agreement and significant recovery of abated taxes back to the Department of Treasury.

MEDC also informed us that, because the statutory language is permissive about revocation and the statute is to be "liberally construed" as noted in the Act, MEDC is not compelled to recommend revocation or other steps to the MSF Board on a timetable. In addition, MEDC informed us that, absent statutory direction, MSF and MEDC have the discretion to work with the company and the community to resolve Renaissance Zone noncompliance where possible, bearing in mind the general economic conditions and the value of the company to the economic health of the region, particularly in a distressed area where the closing of a company may be devastating to the community.



## SUPPLEMENTAL INFORMATION

RENAISSANCE ZONE PROGRAM  
Michigan Economic Development Corporation (MEDC)  
Renaissance Zone Statistics by Type of Zone  
As of June 28, 2011

Renaissance Zone Type	Total Number of Renaissance Zones			
	Designated	Expired	Revoked	Active
<b>Geographic:</b>				
Urban	10	0	0	10
Rural	8	0	0	8
Military	3	0	0	3
<b>Non-Geographic:</b>				
MSF Designated	15	0	0	15
Agricultural Processing	25	1	3	21
Tool & Die Recovery	28	0	0	28
Renewable Energy	9	0	1	8
Forest Products Processing	1	0	0	1
Border Crossing	0	0	0	0
Next Michigan	0	0	0	0
<b>Totals</b>	<b>99</b>	<b>1</b>	<b>4</b>	<b>94</b>

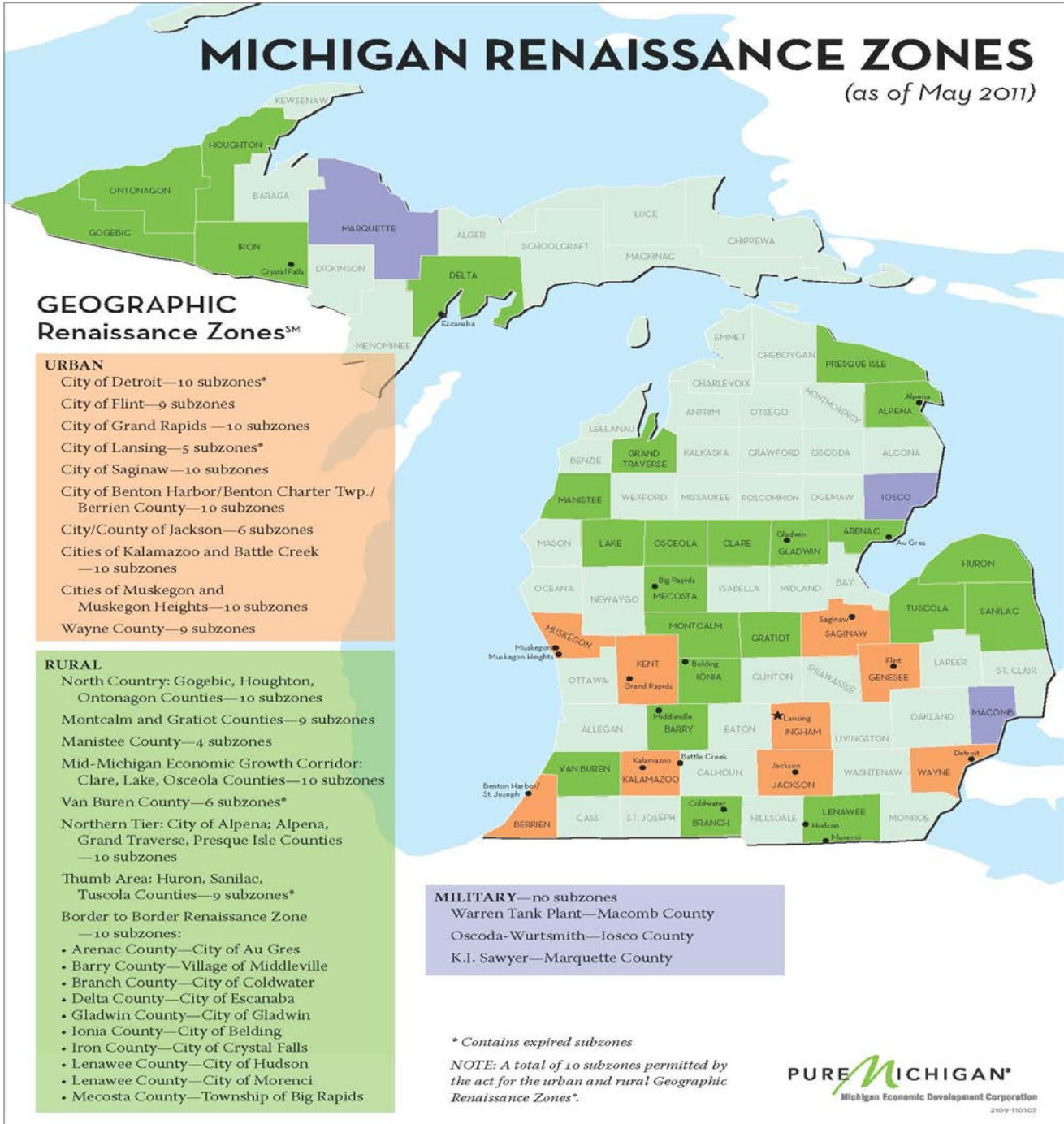
- (a) Of the 9 Geographic Renaissance Zones initially authorized by statute, not more than 6 shall be located in urban areas and not more than 4 of the zones shall be located in rural areas. Statute authorizes 10 subzones per zone.
- (b) Of the 18 Geographic Renaissance Zones currently authorized by statute, not more than 12 shall be located in urban areas and not more than 9 of the zones shall be located in rural areas. Statute authorizes 10 subzones per zone.
- (c) Statute authorized 1 or more additional Geographic Renaissance Zones within local governmental boundaries containing a military installation that was operated by the U.S. Department of Defense and was closed after 1990.
- (d) Statute authorizes 1 or more additional Geographic Renaissance Zones within local governmental boundaries containing a military installation that was operated by the U.S. Department of Defense and was closed in 1977 or after 1990.

N/A = Not applicable.

Source: The Office of the Auditor General prepared this exhibit based on data obtained from MEDC and the Michigan Renaissance Zone Act (Act 376, P.A. 1996, as amended).

Subzones	Total Number of		Fiscal Year That Zone Classification Was Incorporated Into Statute
	Zones Initially Authorized by Statute	Zones Currently Authorized by Statute	
89			1996
68	9 (a)	18 (b)	1996
N/A	(c)	(d)	1996
N/A	5	27	2000
N/A	10	30	2000
N/A	20	35	2004
N/A	10	15	2006
N/A	10	10	2006
N/A	25	25	2010
N/A	25	25	2011
157	114	185	

**RENAISSANCE ZONE PROGRAM**  
Michigan Economic Development Corporation  
Maps of Renaissance Zone Locations by Type of Zone and by County  
Geographic Renaissance Zones



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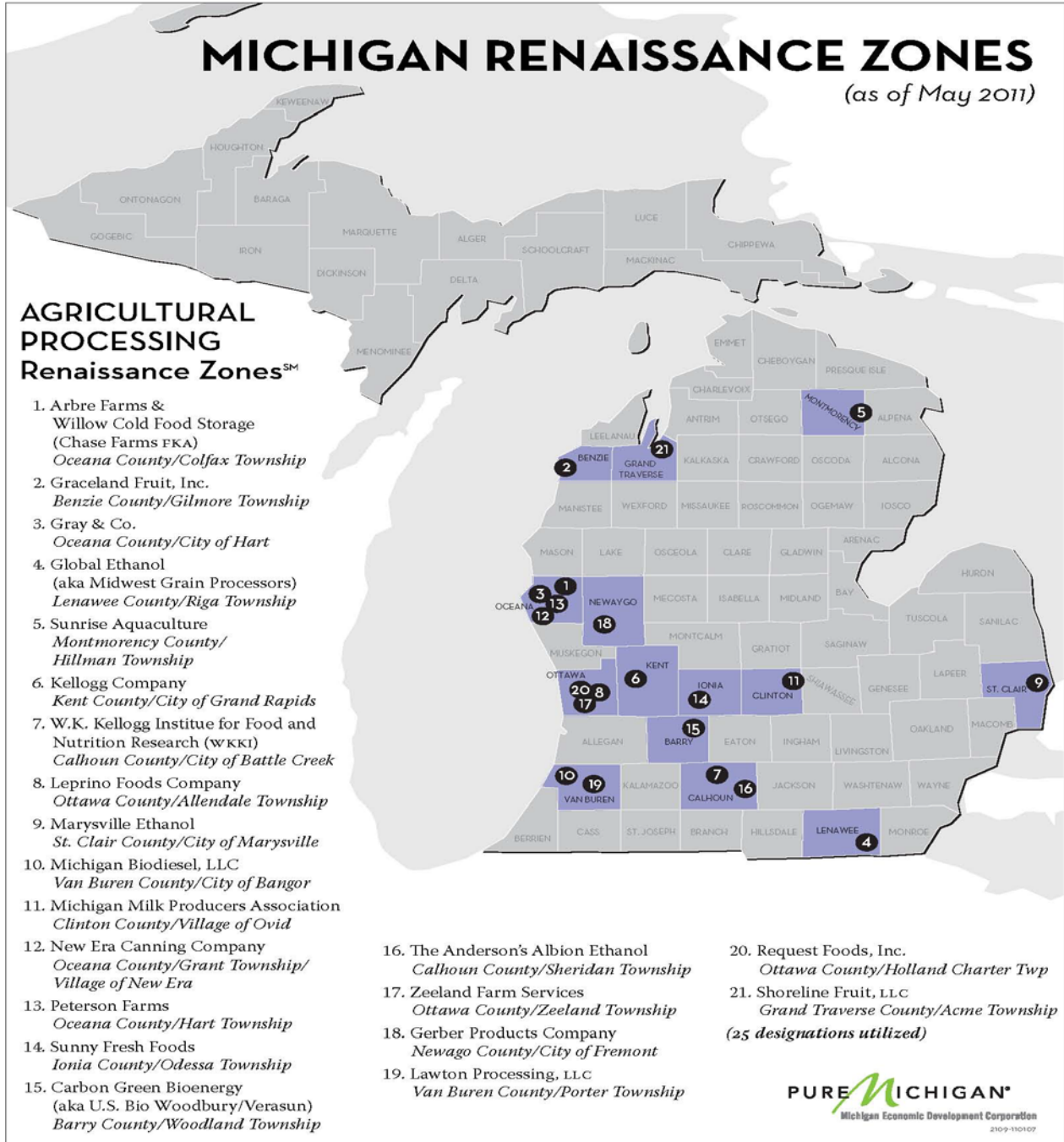


**RENAISSANCE ZONE PROGRAM**  
Michigan Economic Development Corporation  
Maps of Renaissance Zone Locations by Type of Zone and by County  
**MSF Designated Renaissance Zones**  
(Continued)



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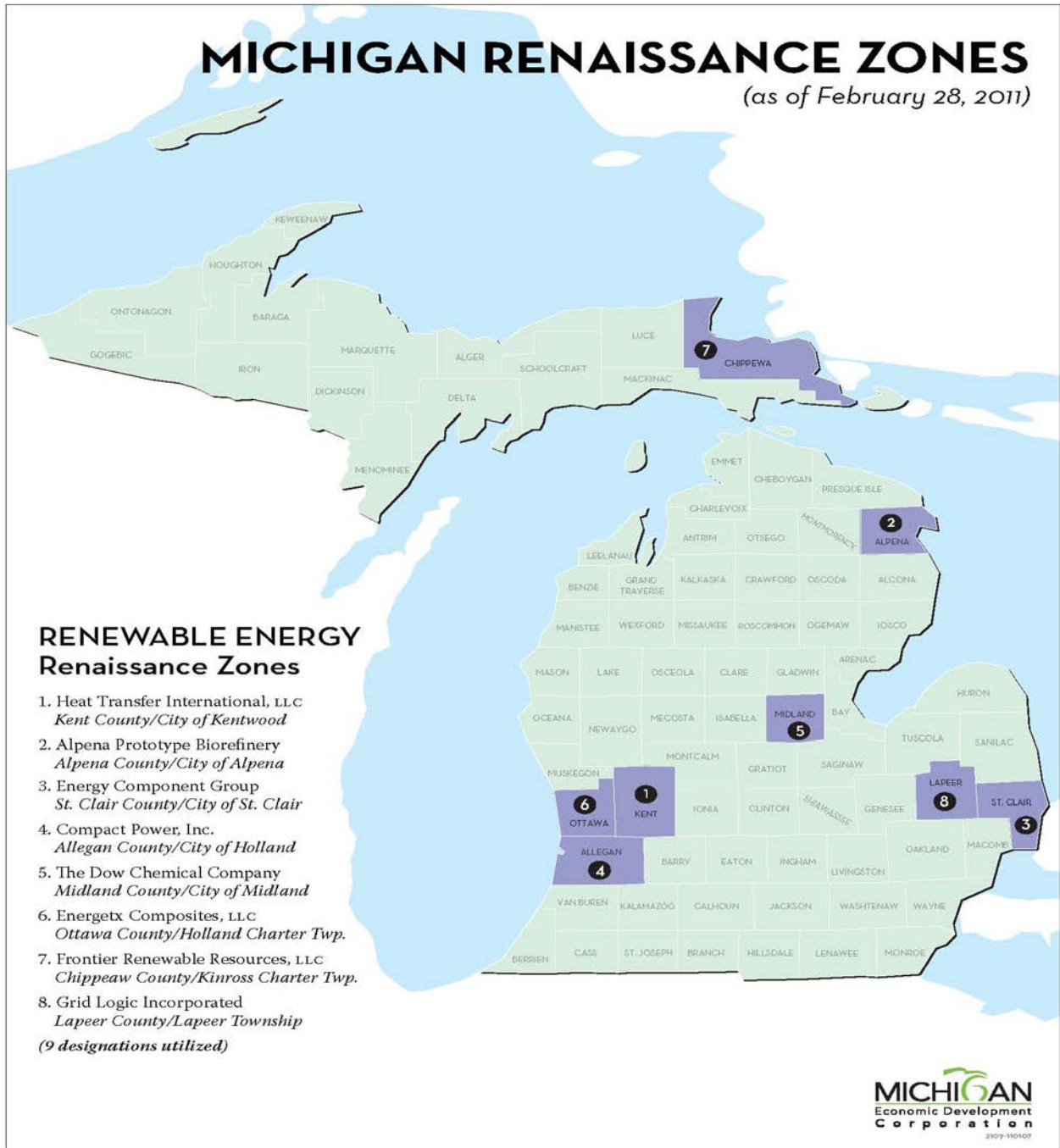
**RENAISSANCE ZONE PROGRAM**  
Michigan Economic Development Corporation  
Maps of Renaissance Zone Locations by Type of Zone and by County  
Agricultural Processing Renaissance Zones  
(Continued)



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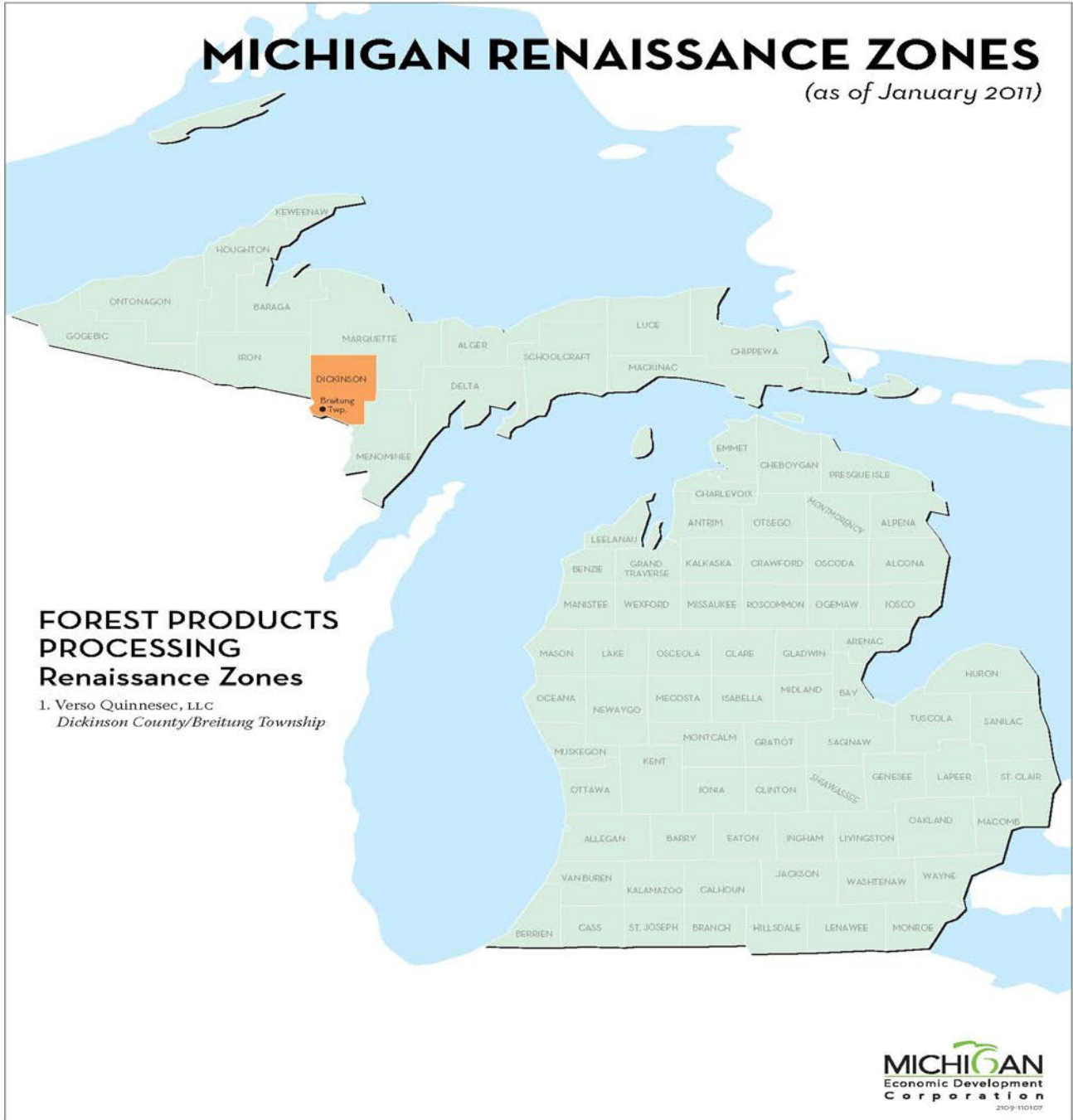


**RENAISSANCE ZONE PROGRAM**  
Michigan Economic Development Corporation  
Maps of Renaissance Zone Locations by Type of Zone and by County  
**Renewable Energy Renaissance Zones**  
(Continued)



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**RENAISSANCE ZONE PROGRAM**  
Michigan Economic Development Corporation  
Maps of Renaissance Zone Locations by Type of Zone and by County  
**Forest Products Processing Renaissance Zones**  
(Continued)



Source: <http://www.michiganadvantage.org/Renaissance-Zones/>.

**RENAISSANCE ZONE PROGRAM**  
Michigan Economic Development Corporation (MEDC)  
Listing of Renaissance Zones  
As of June 28, 2011

**GEOGRAPHIC RENAISSANCE ZONES**

Renaissance Zone Name / (Company Name Associated With the Renaissance Zone)	Renaissance Zone	
	Subzone Name	County Location
<b>MILITARY GEOGRAPHIC RENAISSANCE ZONES</b>		
K.I. Sawyer	N/A	Marquette
K.I. Sawyer / (Frontier Medical)	N/A	Marquette
K.I. Sawyer / (Frontier Medical)	N/A	Marquette
K.I. Sawyer / (Renewafuel, LLC)	N/A	Marquette
Oscoda-Wurtsmith	N/A	Iosco
Warren Tank Plant	N/A	Macomb
Warren Tank Plant / (Oshkosh Corporation)	N/A	Macomb
<b>RURAL GEOGRAPHIC RENAISSANCE ZONES</b>		
Border to Border	Big Rapids Twp.	Mecosta
Border to Border	City of Au Gres	Arenac
Border to Border	City of Belding	Ionia
Border to Border	City of Coldwater	Branch
Border to Border / (JMWingard, LLC)	City of Coldwater	Branch
Border to Border	City of Crystal Falls	Iron
Border to Border	City of Escanaba	Delta
Border to Border	City of Gladwin	Gladwin
Border to Border	City of Hudson	Lenawee
Border to Border	City of Morenci	Lenawee
Border to Border	Village of Middleville	Barry
Manistee County / (Amptech Inc.)	Amptech Inc	Manistee
Manistee County	Eastlake/Filer/ Manistee	Manistee
Manistee County / (American Materials (Reith Riley))	Eastlake/Filer/Manistee	Manistee
Manistee County / (American Materials (Reith Riley))	Eastlake/Filer/ Manistee II	Manistee
Manistee County	Kaleva	Manistee
Mid-Michigan Economic Growth Corridor	Chase Twp.	Lake
Mid-Michigan Economic Growth Corridor	City of Evart	Osceola
Mid-Michigan Economic Growth Corridor	Eden Twp.	Lake
Mid-Michigan Economic Growth Corridor	Freeman Twp.	Clare
Mid-Michigan Economic Growth Corridor	Grant Twp.	Clare
Mid-Michigan Economic Growth Corridor	Hamilton Twp.	Clare
Mid-Michigan Economic Growth Corridor	LeRoy Twp.	Osceola
Mid-Michigan Economic Growth Corridor / (Acme Pallet, Inc.)	LeRoy Twp.	Osceola
Mid-Michigan Economic Growth Corridor	Village of Baldwin	Lake
Mid-Michigan Economic Growth Corridor	Village of Farwell	Clare
Mid-Michigan Economic Growth Corridor / (Woodsman, LLC)	Village of Farwell	Clare
Mid-Michigan Economic Growth Corridor	Yates Twp.	Lake
Montcalm/Gratiot Counties	Carson City/ Bloomer Twp./ North Shade Twp.	Montcalm
Montcalm/Gratiot Counties	City of St. Louis/Bethany Twp.	Gratiot
Montcalm/Gratiot Counties	City of Stanton	Montcalm
Montcalm/Gratiot Counties	Emerson Twp./North Star Twp.	Gratiot
Montcalm/Gratiot Counties	Howard City/Pierson Twp./Reynolds Twp.	Montcalm
Montcalm/Gratiot Counties (Flex-Cable)	Howard City/Pierson Twp./Reynolds Twp.	Montcalm
Montcalm/Gratiot Counties / (Sietsema Farms Feeds)	Howard City/Pierson Twp./Reynolds Twp.	Montcalm

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UNAUDITED  
Exhibit 3

Effective Beginning Date of Renaissance Zone	Actual Ending Year	Projected	
		Capital Investment	Direct Jobs To Be Created
01/01/2000	2014	N/A (a)	N/A (a)
01/01/2000	Revoked	N/A (b)	N/A (b)
01/01/2000	2025	2,400,000	59
01/01/2000	2023	10,000,000	25
01/01/1997	2011	N/A (a)	N/A (a)
01/01/1997	2013	N/A (a)	N/A (a)
01/01/1997	2019	6,500,000	115
01/01/2002	2016	N/A (a)	N/A (a)
01/01/2002	2011	N/A (a)	N/A (a)
01/01/2002	2011	N/A (a)	N/A (a)
01/01/2002	2011	N/A (a)	N/A (a)
01/01/2002	2021	3,075,000	18
01/01/2002	2011	N/A (a)	N/A (a)
01/01/2002	2017	N/A (a)	N/A (a)
01/01/2002	2011	N/A (a)	N/A (a)
01/01/2002	2011	N/A (a)	N/A (a)
01/01/2002	2013	N/A (a)	N/A (a)
01/01/2002	2011	N/A (a)	N/A (a)
01/01/2010	2016	1,380,000	40
01/01/1997	2014	1,380,000	40
01/01/1997	2023	N/A (a)	N/A (a)
01/01/2009	2023	N/A (a)	N/A (a)
01/01/1997	2014	N/A (a)	N/A (a)
01/01/2000	2014	N/A (a)	N/A (a)
01/01/2000	2014	N/A (a)	N/A (a)
01/01/2000	2014	N/A (a)	N/A (a)
01/01/2000	2014	N/A (a)	N/A (a)
01/01/2000	2014	N/A (a)	N/A (a)
01/01/2000	2014	N/A (a)	N/A (a)
01/01/2000	2014	N/A (a)	N/A (a)
01/01/2000	2020	3,150,000	10
01/01/2000	2014	N/A (a)	N/A (a)
01/01/2000	2014	N/A (a)	N/A (a)
01/01/2000	2024	1,100,000	87
01/01/2000	2014	N/A (a)	N/A (a)
01/01/2001	2015	N/A (a)	N/A (a)
01/01/1997	2011	N/A (a)	N/A (a)
01/01/1997	2011	N/A (a)	N/A (a)
01/01/1997	2011	N/A (a)	N/A (a)
01/01/1997	2011	N/A (a)	N/A (a)
01/01/1997	2018	222,000	26
01/01/1997	2023	3,000,000	10

**RENAISSANCE ZONE PROGRAM**  
Michigan Economic Development Corporation (MEDC)  
Listing of Renaissance Zones  
As of June 28, 2011  
(Continued)

**GEOGRAPHIC RENAISSANCE ZONES (Continued)**

Renaissance Zone Name / (Company Name Associated With the Renaissance Zone)	Renaissance Zone	
	Subzone Name	County Location
<b>RURAL GEOGRAPHIC RENAISSANCE ZONES (Continued)</b>		
Montcalm/Gratiot Counties	Montcalm Twp.	Montcalm
Montcalm/Gratiot Counties	S. Ithaca Industrial Park	Gratiot
Montcalm/Gratiot Counties	Village of Breckenridge/ Wheeler Twp.	Gratiot
Montcalm/Gratiot Counties	Village of Edmore	Montcalm
Montcalm/Gratiot Counties / (Apiaries & Orchard, Inc., d.b.a. A&O Equipment)	Village of Edmore	Montcalm
Montcalm/Gratiot Counties / (Ryan's Equipment)	Village of Edmore	Montcalm
North Country	Airport/Ironwood Twp.	Gogebic
North Country	Calumet Twp.	Houghton
North Country	Carp Lake Twp.	Ontonagon
North Country	City of Bessemer	Gogebic
North Country	Franklin Twp./County Airport	Houghton
North Country	Marenisco Twp.	Gogebic
North Country / (Marenisco Hardwoods & Manufacturing, Inc.)	Marenisco Twp.	Gogebic
North Country	McMillan Twp.	Ontonagon
North Country	Ontonagon Village/Twp.	Ontonagon
North Country	Wakefield City/Twp.	Gogebic
North Country	Wakefield Twp.	Gogebic
North Country / (Western UP Recycling Center)	Wakefield Twp.	Gogebic
Northern Tier	Alpena Regional Airport 5	Alpena
Northern Tier	Alpena Regional Airport 6	Alpena
Northern Tier	City of Onaway	Presque Isle
Northern Tier	Commerce Ind. Park	Alpena
Northern Tier	Grand Traverse Commons	Grand Traverse
Northern Tier	National Guard Armory Site	Alpena
Northern Tier	Oxbow Park	Alpena
Northern Tier	Rogers City 7 / Industrial Park	Presque Isle
Northern Tier	Rogers City 8 / Residential	Presque Isle
Northern Tier	SW Residential Site	Alpena
Thumb Area	City of Brown City	Sanilac
Thumb Area	City of Croswell	Sanilac
Thumb Area	City of Sandusky	Sanilac
Thumb Area	Village of Caro	Tuscola
Thumb Area	Village of Cass City / Industrial	Tuscola
Thumb Area	Village of Cass City / Millennium	Tuscola
Thumb Area	Village of Deckerville	Sanilac
Thumb Area	Village of Owendale	Huron
Thumb Area	Village of Port Hope	Huron
Van Buren County	Bangor	Van Buren
Van Buren County	Bloomington	Van Buren
Van Buren County	Covert 1	Van Buren
Van Buren County	Covert 2	Van Buren
Van Buren County	Hartford 1	Van Buren
Van Buren County	Hartford 2	Van Buren
Van Buren County / (AmHawk, LLC)	Hartford 2	Van Buren

This exhibit continued on next page.



UNAUDITED  
Exhibit 3

Effective Beginning Date of Renaissance Zone	Actual Ending Year	Projected	
		Capital Investment	Direct Jobs To Be Created
01/01/2001	2015	N/A (a)	N/A (a)
01/01/1997	2011	N/A (a)	N/A (a)
01/01/2001	2015	N/A (a)	N/A (a)
01/01/2001	2015	N/A (a)	N/A (a)
01/01/2001	2023	302,000	6
01/01/2001	2023	493,000	12
01/01/1997	2011	N/A (a)	N/A (a)
01/01/1997	2011	N/A (a)	N/A (a)
01/01/1997	2011	N/A (a)	N/A (a)
01/01/2003	2017	N/A (a)	N/A (a)
01/01/1997	2011	N/A (a)	N/A (a)
01/01/2001	2015	N/A (a)	N/A (a)
01/01/2001	Revoked	500,000	37
01/01/2001	2011	N/A (a)	N/A (a)
01/01/1997	2011	N/A (a)	N/A (a)
01/01/2003	2017	N/A (a)	N/A (a)
01/01/1997	2011	N/A (a)	N/A (a)
01/01/1997	2024	400,000	15
01/01/2000	2014	N/A (a)	N/A (a)
01/01/2000	2014	N/A (a)	N/A (a)
01/01/2000	2017	N/A (a)	N/A (a)
01/01/2000	2014	N/A (a)	N/A (a)
01/01/2000	2017	N/A (a)	N/A (a)
01/01/2000	2017	N/A (a)	N/A (a)
01/01/2000	2017	N/A (a)	N/A (a)
01/01/2000	2017	N/A (a)	N/A (a)
01/01/2000	2017	N/A (a)	N/A (a)
01/01/2000	2016	N/A (a)	N/A (a)
01/01/2000	2014	N/A (a)	N/A (a)
01/01/2000	2009	N/A (a)	N/A (a)
01/01/2000	2009	N/A (a)	N/A (a)
01/01/2000	2009	N/A (a)	N/A (a)
01/01/2000	2009	N/A (a)	N/A (a)
01/01/2000	2016	N/A (a)	N/A (a)
01/01/2000	2009	N/A (a)	N/A (a)
01/01/2002	2016	N/A (a)	N/A (a)
01/01/2000	2009	N/A (a)	N/A (a)
01/01/2000	2009	N/A (a)	N/A (a)
01/01/2000	2009	N/A (a)	N/A (a)
01/01/2001	2010	N/A (a)	N/A (a)
01/01/2001	2010	N/A (a)	N/A (a)
01/01/2001	2010	N/A (a)	N/A (a)
01/01/2001	2010	N/A (a)	N/A (a)
01/01/2001	2010	N/A (a)	N/A (a)
01/01/2001	2010	N/A (a)	N/A (a)
01/01/2001	2018	900,000	18

**RENAISSANCE ZONE PROGRAM**  
Michigan Economic Development Corporation (MEDC)  
Listing of Renaissance Zones  
As of June 28, 2011  
(Continued)

**GEOGRAPHIC RENAISSANCE ZONES (Continued)**

Renaissance Zone Name / (Company Name Associated With the Renaissance Zone)	Renaissance Zone Subzone Name	County Location
<b>URBAN GEOGRAPHIC RENAISSANCE ZONES</b>		
Berrien Co./Benton Harbor/Benton Twp.	City of Buchanan	Berrien
Berrien Co./Benton Harbor/Benton Twp.	Edgewater Redevelopment Area	Berrien
Berrien Co./Benton Harbor/Benton Twp. / (Whirlpool Corporation)	Edgewater Redevelopment Area	Berrien
Berrien Co./Benton Harbor/Benton Twp.	Elisha Gray Enterprise Park	Berrien
Berrien Co./Benton Harbor/Benton Twp. / (Whirlpool Corporation)	Elisha Gray Enterprise Park	Berrien
Berrien Co./Benton Harbor/Benton Twp.	Fairplane South Development Area	Berrien
Berrien Co./Benton Harbor/Benton Twp.	Graham Avenue Area	Berrien
Berrien Co./Benton Harbor/Benton Twp.	I-94 Industrial Park	Berrien
Berrien Co./Benton Harbor/Benton Twp.	Meadowbrook & Yore	Berrien
Berrien Co./Benton Harbor/Benton Twp.	Miller's Pond	Berrien
Berrien Co./Benton Harbor/Benton Twp. / (Whirlpool Corporation)	Miller's Pond	Berrien
Berrien Co./Benton Harbor/Benton Twp.	North of Main Industrial Area	Berrien
Berrien Co./Benton Harbor/Benton Twp.	Watervliet Industrial Dev.	Berrien
Berrien Co./Benton Harbor/Benton Twp./ (NextGen Energy, LLC)	Watervliet Industrial Dev. 5 Year Time Extension, NextGen	Berrien
City / County of Jackson / (Production Engineering, Inc.)	Production Engineering Subzone	Jackson
City / County of Jackson	Armory Site	Jackson
City / County of Jackson	Former Concrete Tile Mfg. Site (Lester Bros.)	Jackson
City / County of Jackson	Former Goodyear Site	Jackson
City / County of Jackson	Former Jackson Drop Forge Site	Jackson
City / County of Jackson	Harris-McBurney Site	Jackson
City of Detroit	Campus Martius	Wayne
City of Detroit	Central City	Wayne
City of Detroit	Harridon Terminal	Wayne
City of Detroit	I-75 (American Axle)	Wayne
City of Detroit	I-94 Industrial Site	Wayne
City of Detroit	Livernois/Intervale	Wayne
City of Detroit / (Detroit Chrome, Inc., d.b.a. DCI Aerotech)	Livernois/Intervale	Wayne
City of Detroit	Lynch Road	Wayne
City of Detroit / (Detroit Chassis)	Lynch Road	Wayne
City of Detroit	Old Packard Site	Wayne
City of Detroit	Southwest/Delray	Wayne
City of Detroit / (Boasso America Corporation)	Southwest/Delray	Wayne
City of Detroit / (Bridgewater Interiors, LLC)	Southwest/Delray	Wayne
City of Detroit / (Ohio Module Manufacturing Company (OMMC) a.k.a. Mobis North America, LLC)	Southwest/Delray	Wayne
City of Detroit / (Renaissance Global Logistics, LLC)	Southwest/Delray	Wayne
City of Detroit / (The John Johnson Company)	Southwest/Delray	Wayne
City of Detroit	Tiger Stadium	Wayne
City of Flint	Court & Averill	Genesee
City of Flint	Downtown-Office-Retail	Genesee
City of Flint / (500 Block, LLC)	Downtown-Office-Retail	Genesee
City of Flint / (Baker Uptown, LLC)	Downtown-Office-Retail	Genesee
City of Flint / (Community First, LLC)	Downtown-Office-Retail	Genesee
City of Flint	Former Buick City Site	Genesee

This exhibit continued on next page.

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Effective Beginning Date of Renaissance Zone	Actual Ending Year	Projected	
		Capital Investment	Direct Jobs To Be Created
01/01/2001	2011	N/A (a)	N/A (a)
01/01/1997	2011	N/A (a)	N/A (a)
01/01/1997	2023	175,000	0
01/01/1997	2011	N/A (a)	N/A (a)
01/01/1997	2023	21,538,996	0
01/01/1997	2011	N/A (a)	N/A (a)
01/01/1997	2011	N/A (a)	N/A (a)
01/01/2000	2011	N/A (a)	N/A (a)
01/01/2000	2017	N/A (a)	N/A (a)
01/01/2000	2017	N/A (a)	N/A (a)
01/01/2000	2023	65,325,843	0
01/01/1997	2011	N/A (a)	N/A (a)
01/01/2000	2011	N/A (a)	N/A (a)
01/01/2000	Revoked	140,000,000	50
01/01/2009	2022	11,200,000	68
01/01/2000	2014	N/A (a)	N/A (a)
01/01/2000	2017	N/A (a)	N/A (a)
01/01/2000	2014	N/A (a)	N/A (a)
01/01/2000	2014	N/A (a)	N/A (a)
01/01/2000	2014	N/A (a)	N/A (a)
01/01/2000	2014	N/A (a)	N/A (a)
01/01/2003	2017	N/A (a)	N/A (a)
01/01/1997	2008	N/A (a)	N/A (a)
01/01/2001	2012	N/A (a)	N/A (a)
01/01/2002	2013	N/A (a)	N/A (a)
01/01/1997	2017	N/A (a)	N/A (a)
01/01/1997	2008	N/A (a)	N/A (a)
01/01/1997	2021	5,000,000	20
01/01/1997	2008	N/A (a)	N/A (a)
01/01/1997	2021	2,000,000	80
01/01/1997	2008	N/A (a)	N/A (a)
01/01/1997	2011	N/A (a)	N/A (a)
01/01/1997	2018	1,515,000	36
01/01/1997	2018	2,700,000	17
01/01/1997	2016	21,900,000	200
01/01/1997	2020	2,000,000	108
01/01/1997	2016	173,000	13
01/01/2001	2012	N/A (a)	N/A (a)
01/01/2000	2011	N/A (a)	N/A (a)
01/01/1997	2011	N/A (a)	N/A (a)
01/01/1997	2023	20,000,000	0
01/01/1997	2023	5,200,000	0
01/01/1997	2023	3,000,000	0
01/01/2001	2017	N/A (a)	N/A (a)

**RENAISSANCE ZONE PROGRAM**  
Michigan Economic Development Corporation (MEDC)  
Listing of Renaissance Zones  
As of June 28, 2011  
(Continued)

**GEOGRAPHIC RENAISSANCE ZONES (Continued)**

Renaissance Zone Name / (Company Name Associated With the Renaissance Zone)	Renaissance Zone	
	Subzone Name	County Location
<b>URBAN GEOGRAPHIC RENAISSANCE ZONES (Continued)</b>		
City of Flint / (Diplomat & IINN)	Great Lakes Medical Complex	Genesee
City of Flint	Great Lakes Tech Area	Genesee
City of Flint	Historic-Industrial-Housing	Genesee
City of Flint / (River City Developments, LLC)	Historic-Industrial-Housing	Genesee
City of Flint / (General Motors)	Historic-Industrial-Housing	Genesee
City of Flint	University Park	Genesee
City of Flint / (Genesee Packaging, Inc.)	University Park	Genesee
City of Flint	Webster Light Industrial	Genesee
City of Flint	Windcliff New Housing	Genesee
City of Grand Rapids	A-Tek Manufacturing	Kent
City of Grand Rapids	Division & Buchanan	Kent
City of Grand Rapids	Furniture Center	Kent
City of Grand Rapids / (Hotel Holdings)	Furniture Center	Kent
City of Grand Rapids / (Israel)	Furniture Center	Kent
City of Grand Rapids / (607 Dewey, LLC (True North))	Furniture Center	Kent
City of Grand Rapids / (American Seating)	Furniture Center	Kent
City of Grand Rapids	Grandville	Kent
City of Grand Rapids / (Via Design, Inc)	Grandville	Kent
City of Grand Rapids	Madison Square	Kent
City of Grand Rapids	Metropolitan Hospital	Kent
City of Grand Rapids	Monroe Center	Kent
City of Grand Rapids	Railroad Junction	Kent
City of Grand Rapids	Terra Firma	Kent
City of Grand Rapids	Wealthy-Eastern-Franklin	Kent
City of Grand Rapids / (Wealthy Street Historical Development, LLC)	Wealthy-Eastern-Franklin	Kent
City of Lansing / (Grand River Tower, LLC)	Capital Club Tower	Ingham
City of Lansing	Martin Luther King Area	Ingham
City of Lansing / (Phoenix Development Partners, LLC & Accident Fund)	Ottawa Station	Ingham
City of Lansing	Seven Block Area	Ingham
City of Lansing / (George F Eyde & Louis J Eyde Limited Family Partnership)	Knapp's Centre	Ingham
City of Saginaw	Agape Child Care Center	Saginaw
City of Saginaw	Central Business District	Saginaw
City of Saginaw / (Gateway Financial Services, Inc. & Downtown Area Development LLC, III)	Central Business District	Saginaw
City of Saginaw / (Midwestern Surgical Associates & Downtown Area Development LLC)	Central Business District	Saginaw
City of Saginaw / (SSP & Associates, Inc.)	Central Business District	Saginaw
City of Saginaw	Covenant Health Care	Saginaw
City of Saginaw	Davenport Inn	Saginaw
City of Saginaw	Former Delphi Plant 2	Saginaw
City of Saginaw	Lufkin Rule/Hess Avenue/Fairgrounds	Saginaw
City of Saginaw / (Hausbeck Pickle Company)	Lufkin Rule/Hess Avenue/Fairgrounds	Saginaw
City of Saginaw	Northeast Saginaw	Saginaw
City of Saginaw	Northwest Saginaw	Saginaw
City of Saginaw / (Midwest Manufacturing, a division of Menard, Inc.)	Northeast Saginaw	Saginaw

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Effective Beginning Date of Renaissance Zone	Actual Ending Year	Projected	
		Capital Investment	Direct Jobs To Be Created
01/01/2011	2025	\$ 27,900,000	1,139
01/01/2000	2011	N/A (a)	N/A (a)
01/01/1997	2011	N/A (a)	N/A (a)
01/01/1997	2023	350,000	15
01/01/1997	2023	5,000,000	50
01/01/1997	2011	N/A (a)	N/A (a)
01/01/1997	2015	600,000	58
01/01/1997	2011	N/A (a)	N/A (a)
01/01/1997	2011	N/A (a)	N/A (a)
01/01/2003	2017	N/A (a)	N/A (a)
01/01/1997	2011	N/A (a)	N/A (a)
01/01/1997	2011	N/A (a)	N/A (a)
01/01/1997	2023	N/A (a)	N/A (a)
01/01/1997	2023	N/A (a)	N/A (a)
01/01/1997	2023	1,900,000	0
01/01/1997	2023	N/A (a)	N/A (a)
01/01/1997	2011	N/A (a)	N/A (a)
01/01/1997	2023	300,000	1
01/01/1997	2011	N/A (a)	N/A (a)
01/01/2003	2017	N/A (a)	N/A (a)
01/01/2003	2017	N/A (a)	N/A (a)
01/01/1997	2011	N/A (a)	N/A (a)
01/01/2003	2017	N/A (a)	N/A (a)
01/01/1997	2011	N/A (a)	N/A (a)
01/01/1997	2024	650,000	12
01/01/2009	2023	N/A (a)	N/A (a)
01/01/1997	2008	N/A (a)	N/A (a)
01/01/2010	2024	94,000,000	0
01/01/1997	2008	N/A (a)	N/A (a)
01/01/2012	2026	22,000,000	0
01/01/2003	2017	N/A (a)	N/A (a)
01/01/1997	2014	N/A (a)	N/A (a)
01/01/1997	2020	1,800,000	30
01/01/1997	2020	1,500,000	10
01/01/1997	2021	6,148,000	12
01/01/2001	2015	N/A (a)	N/A (a)
01/01/2002	2016	N/A (a)	N/A (a)
01/01/2003	2017	N/A (a)	N/A (a)
01/01/1997	2014	N/A (a)	N/A (a)
01/01/1997	2020	1,500,000	0
01/01/1997	2014	N/A (a)	N/A (a)
01/01/1997	2014	N/A (a)	N/A (a)
01/01/1997	2020	5,700,000	25

**RENAISSANCE ZONE PROGRAM**  
Michigan Economic Development Corporation (MEDC)  
Listing of Renaissance Zones  
As of June 28, 2011  
(Continued)

**GEOGRAPHIC RENAISSANCE ZONES (Continued)**

Renaissance Zone Name / (Company Name Associated With the Renaissance Zone)	Renaissance Zone	
	Subzone Name	County Location
<b>URBAN GEOGRAPHIC RENAISSANCE ZONES (Continued)</b>		
City of Saginaw	Old Saginaw City Bus. Dist.	Saginaw
City of Saginaw	Salina Business Area	Saginaw
Kalamazoo/Battle Creek	Eastside Neighborhood	Kalamazoo
Kalamazoo/Battle Creek	Enterprise Center	Kalamazoo
Kalamazoo/Battle Creek	Former BCHS Community Site/Youth Bldg	Calhoun
Kalamazoo/Battle Creek	Former Consumers North/Ampersee	Kalamazoo
Kalamazoo/Battle Creek	Kraft Foods	Calhoun
Kalamazoo/Battle Creek	Midlink Bus. Pk.	Kalamazoo
Kalamazoo/Battle Creek / (Kaiser Aluminum Fabricated Products, LLC)	Midlink Bus. Pk.	Kalamazoo
Kalamazoo/Battle Creek	Northside Commercial	Kalamazoo
Kalamazoo/Battle Creek	Portage Creek Corridor	Kalamazoo
Kalamazoo/Battle Creek	Sullivan Barn/Hart Hotel/ Equipment Center	Calhoun
Kalamazoo/Battle Creek	Transamerica Tower/BC Tower	Calhoun
Kalamazoo/Battle Creek / (The Hinman Company)	BC Tower	Calhoun
Muskegon/Muskegon Heights	Former Muskegon Mall	Muskegon
Muskegon/Muskegon Heights / (Heritage Square Development, LLC)	Former Muskegon Mall	Muskegon
Muskegon/Muskegon Heights / (Parkland Muskegon, LLC)	Muskegon Mall/Rook Project (Parkland Muskegon)	Muskegon
Muskegon/Muskegon Heights	Former Shaw Walker Furniture (AKA Watermark)	Muskegon
Muskegon/Muskegon Heights	Hoyt Street	Muskegon
Muskegon/Muskegon Heights	Intra City Dispatch	Muskegon
Muskegon/Muskegon Heights	Mona View/Old Wastewater Plant	Muskegon
Muskegon/Muskegon Heights	Muskegon Bus. Park North (Cordova Chemical Site)	Muskegon
Muskegon/Muskegon Heights	Sanford Village	Muskegon
Muskegon/Muskegon Heights	Seaway Drive	Muskegon
Muskegon/Muskegon Heights	Western Avenue	Muskegon
Muskegon/Muskegon Heights	Whittaker Electric	Muskegon
Wayne County	Atwater Street (River East)	Wayne
Wayne County	Central Avenue	Wayne
Wayne County	East Jefferson Office Site	Wayne
Wayne County	Industrial Park-East Side	Wayne
Wayne County	Jefferson Avenue (Tower 500/EDS)	Wayne
Wayne County	Michigan Avenue (Book Cadillac Hotel)	Wayne
Wayne County / (VHS of Michigan, Inc (Vanguard/DMC))	Midtown Hospital Campus	Wayne
Wayne County	Pleasant Street	Wayne
Wayne County	Woodward Avenue (Old Hudson's Bldg.)	Wayne

Total for All Geographic Renaissance Zones

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Exhibit 3

Effective Beginning Date of Renaissance Zone	Actual Ending Year	Projected	
		Capital Investment	Direct Jobs To Be Created
01/01/2002	2016	N/A (a)	N/A (a)
01/01/1997	2014	N/A (a)	N/A (a)
01/01/2001	2015	N/A (a)	N/A (a)
01/01/2001	2015	N/A (a)	N/A (a)
01/01/2001	2015	N/A (a)	N/A (a)
01/01/2001	2015	N/A (a)	N/A (a)
01/01/2001	2015	N/A (a)	N/A (a)
01/01/2001	2017	N/A (a)	N/A (a)
01/01/2001	2024	50,000,000	150
01/01/2001	2015	N/A (a)	N/A (a)
01/01/2001	2015	N/A (a)	N/A (a)
01/01/2001	2015	N/A (a)	N/A (a)
01/01/2001	2015	N/A (a)	N/A (a)
01/01/2001	2024	1,050,000	0
01/01/2003	2014	N/A (a)	N/A (a)
01/01/2003	2023	N/A (a)	N/A (a)
01/01/2003	2022	N/A (a)	N/A (a)
01/01/2003	2014	N/A (a)	N/A (a)
01/01/2000	2014	N/A (a)	N/A (a)
01/01/2002	2016	N/A (a)	N/A (a)
01/01/2000	2014	N/A (a)	N/A (a)
01/01/2003	2014	N/A (a)	N/A (a)
01/01/2000	2014	N/A (a)	N/A (a)
01/01/2000	2014	N/A (a)	N/A (a)
01/01/2000	2014	N/A (a)	N/A (a)
01/01/2000	2014	N/A (a)	N/A (a)
01/01/2000	2014	N/A (a)	N/A (a)
01/01/2000	2014	N/A (a)	N/A (a)
01/01/2003	2017	N/A (a)	N/A (a)
01/01/2001	2015	N/A (a)	N/A (a)
01/01/2001	2015	N/A (a)	N/A (a)
01/01/2001	2015	N/A (a)	N/A (a)
01/01/2003	2017	N/A (a)	N/A (a)
01/01/2003	2017	N/A (a)	N/A (a)
01/01/2011	2025	400,000,000	0
01/01/2001	2015	N/A (a)	N/A (a)
01/01/2003	2017	N/A (a)	N/A (a)
		<u>\$956,927,839</u>	<u>2,612</u>

**RENAISSANCE ZONE PROGRAM**  
Michigan Economic Development Corporation (MEDC)  
Listing of Renaissance Zones  
As of June 28, 2011  
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**MSF DESIGNATED RENAISSANCE ZONES**

Company Name Associated With the Renaissance Zone / Renaissance Zone Name	Local Governmental Unit Associated With the Renaissance Zone	Renaissance Zone County Location
A123 Systems, Inc.	City of Romulus	Wayne
Dow Chemical Company	City of Midland	Midland
Dow Kokam MI, LLC	City of Midland	Midland
Johnson-Controls Saft APS	City of Holland	Allegan
Magna Mirror Systems	Bowne Twp.	Kent
Marathon Petroleum Company	City of Detroit	Wayne
Motown Motion Picture Studios, LLC	City of Pontiac	Oakland
NextEnergy	City of Detroit	Wayne
United Solar Ovonix, LLC	City of Battle Creek	Calhoun
MPI Research, Inc.	City of Kalamazoo	Kalamazoo
Alpinist Endeavors Dev.	City of Walker	Kent
Autodie, LLC	City of Grand Rapids	Kent
Dow Corning Corporation	City of Midland	Midland
Eaton Aeroquip, LLC	City of Jackson	Jackson
Greenville Industrial Park	City of Greenville	Montcalm

Total for All MSF Designated Renaissance Zones

**AGRICULTURAL PROCESSING RENAISSANCE ZONES**

Arbre Farms & Willow Cold Food Storage	Colfax Twp.	Oceana
Carbon Green BioEnergy, LLC	Woodland Twp.	Barry
Gray & Company / City of Hart	City of Hart	Oceana
Diversified Natural Products	City of Scottville	Mason
Gerber Products Company	City of Fremont	Newaygo
Graceland Fruit, Inc.	Gilmore Twp.	Benzie
Green Plains Holdings II, LLC	Riga Twp.	Lenawee
W.K. Kellogg Institute / Kellogg Company	City of Battle Creek	Calhoun
Kellogg Company	City of Grand Rapids	Kent
Kellogg Company	City of Battle Creek	Calhoun
Lawton Processing, LLC	Porter Twp.	Van Buren
Leprino Foods Company	Allendale Twp.	Ottawa
Marysville Ethanol, LLC	City of Marysville	St. Clair
Michigan Biodiesel, LLC	City of Bangor	Van Buren
Michigan Milk Producers	Village of Ovid	Clinton
New Era Foods, LLC	Village of New Era/Grant Twp	Oceana
Peterson Farms	Hart Twp.	Oceana
Request Foods, Inc.	Holland Twp.	Ottawa
Shoreline Fruit, LLC	Acme Twp.	Grand Traverse
Subterra, LLC	Carp Lake Twp.	Ontonagon
Cargill Kitchen Solutions / Sunny Fresh	Odessa Twp.	Ionia
Sunny Fresh (2 Zones)	Odessa Twp.	Ionia
The Andersons Albion Ethanol, LLC	Sheridan Twp.	Calhoun
Originally Sunrise Aquaculture and Heartland Ingredients / Village of Hillman	Hillman Twp.	Montmorency
Zeeland Farm Services, LLC	Zeeland Twp.	Ottawa

Total for All Agricultural Processing Renaissance Zones

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Effective Beginning Date of Renaissance Zone	Actual Ending Year	Projected	
		Capital Investment	Direct Jobs To Be Created
01/01/2011	2025	\$ 131,000,000	371
01/01/2003	2017	65,000,000	65
01/01/2011	2025	294,000,000	320
01/01/2010	2024	200,000,000	548
01/01/2003	2012	3,000,000	70
01/01/2003	2017	200,000,000	0
01/01/2010	2024	40,000,000	3,600
01/01/2003	2022	0	0
01/01/2009	2023	440,000,000	700
01/01/2009	2023	30,000,000	400
01/01/2007	2021	0	0
01/01/2008	2013	0	0
01/01/2007	2021	0	0
01/01/2008	2021	0	0
01/01/2007	2021	0	0
		<u>\$ 1,403,000,000</u>	<u>6,074</u>

01/01/2006	2015	\$ 21,000,000	55
01/01/2006	2020	55,000,000	33
01/01/2001	2015	8,300,000	150
01/01/2007	Revoked	30,500,000	49
01/01/2009	2023	75,000,000	200
01/01/2003	2017	15,000,000	45
01/01/2006	2020	85,000,000	62
01/01/2009	2018	54,000,000	0
01/01/2003	2017	35,000,000	43
01/01/2005	2009	3,200,000	200
01/01/2010	2024	17,700,000	160
01/01/2006	2015	85,000,000	53
01/01/2006	2012	95,000,000	30
01/01/2007	2016	5,000,000	22
01/01/2009	2023	35,000,000	10
01/01/2003	2017	5,000,000	40
01/01/2001	2015	15,000,000	225
01/01/2011	2025	35,200,000	155
01/01/2012	2026	7,500,000	40
01/01/2003	Revoked	12,500,000	45
01/01/2006	2012	22,000,000	30
01/01/2003	Revoked	9,000,000	30
01/01/2006	2020	70,000,000	30
01/01/2003	2017	2,000,000	15
01/01/2003	2017	4,000,000	30
		<u>\$ 801,900,000</u>	<u>1,752</u>

**RENAISSANCE ZONE PROGRAM**  
Michigan Economic Development Corporation (MEDC)  
Listing of Renaissance Zones  
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(Continued)

**TOOL & DIE RECOVERY ZONES**

Renaissance Zone Name	Renaissance Zone County Location	Company Name Associated With the Renaissance Zone
American Tooling & Manufacturing Coalition	Bay	Cambron Engineering, Inc.
American Tooling & Manufacturing Coalition	Bay	Die Stampco, Inc.
American Tooling & Manufacturing Coalition	Bay	Ideal Tool, Inc.
American Tooling & Manufacturing Coalition	Bay	Linwood Tool Company, Inc.
American Tooling & Manufacturing Coalition	Bay	Modern Machine Company
American Tooling & Manufacturing Coalition	Genesee	Shouse Tool Company
American Tooling & Manufacturing Coalition	Jackson	Maes Tool & Die Company
American Tooling & Manufacturing Coalition	Kent	Deppe Mold & Tooling, Inc.
American Tooling & Manufacturing Coalition	Kent	Hill Machinery Company
American Tooling & Manufacturing Coalition	Macomb	Accurate Injection Molds, Inc.
American Tooling & Manufacturing Coalition	Macomb	Atlantic Tool, Inc.
American Tooling & Manufacturing Coalition	Macomb	Hi-Tech Tool Industries, Inc.
American Tooling & Manufacturing Coalition	Oakland	Bradley-Thompson Tool Company
American Tooling & Manufacturing Coalition	Oakland	MPD Welding, Inc.
American Tooling & Manufacturing Coalition	Wayne	American Gear & Engineering, Inc.
Automation & Tooling Alliance of North America	Jackson	B & R Gear Company
Automation & Tooling Alliance of North America	Jackson	Diversified Precision Products
Automation & Tooling Alliance of North America	Jackson	Hogle Sales & Manufacturing, LLC
Automation & Tooling Alliance of North America	Jackson	Labor Aiding Systems, Inc.
Automation & Tooling Alliance of North America	Jackson	Marathon Weld Group, LLC
Automation & Tooling Alliance of North America	Jackson	NK Designs, Inc.
Automation & Tooling Alliance of North America	Jackson	Northwest Tool & Machine, Inc.
Automation & Tooling Alliance of North America	Jackson	Orbitform, LLC
Automation & Tooling Alliance of North America	Jackson	Wardcraft, Div. of McLaughlin Ward & Co.
Automation & Tooling Alliance of North America	Jackson	Lomar Machine & Tool Company
Automation & Tooling Alliance of North America	Jackson	Industrial Wire EDM Service
Automation & Tooling Alliance of North America	Jackson	AJ Tool Company
Berrien Tooling Coalition	Berrien	Accu Die & Mold, Inc.
Berrien Tooling Coalition	Berrien	Eagle Technologies
Berrien Tooling Coalition	Berrien	Griffin Tool, Inc.
Berrien Tooling Coalition	Berrien	Maximum Mold, Inc.
Berrien Tooling Coalition	Berrien	Shoreline Mold & Engineering, LLC
Berrien Tooling Coalition	Berrien	West Michigan Tool & Die, Inc.
Berrien Tooling Coalition	Berrien	Maximum Mold, second location
Berrien Tooling Coalition	Berrien	Dane Systems, LLC
Berrien Tooling Coalition	Berrien	Michigan Mold, Inc.
Berrien Tooling Coalition	Berrien	Standard Tool & Die, Inc.
Berrien Tooling Coalition	Berrien	Custom Tool & Die Co.
Berrien Tooling Coalition	Berrien	Hanson Mold
Berrien Tooling Coalition	Berrien	Liberty Steel Fabricating, Inc.
Berrien Tooling Coalition	Berrien	Mach Mold, Inc.
Berrien Tooling Coalition	Berrien	Midwest Die Corporation
Berrien Tooling Coalition	Berrien	Quality Mold & Engineering, Inc.
Berrien Tooling Coalition	Berrien	Metal Processors, Inc.
Capital Area Tooling Partnership	Clinton	Eckhart & Associates, Inc.
Capital Area Tooling Partnership	Clinton	Tool Craft Corporation
Capital Area Tooling Partnership	Ingham	Cameron Tool Corporation
Capital Area Tooling Partnership	Ingham	Diamond Engineering, Inc.
Capital Area Tooling Partnership	Ingham	MC Molds, Inc.
Capital Area Tooling Partnership	Ingham	Tool Trend, Inc.
Capital Area Tooling Partnership	Clinton	Franchino Mold & Engineering Co.

*This exhibit continued on next page.*

UNAUDITED  
Exhibit 3

Effective Beginning Date of Renaissance Zone	Actual Ending Year	Projected	
		Capital Investment	Direct Jobs To Be Created
01/01/2009	2015	N/A (c)	N/A (c)
01/01/2009	2015	N/A (c)	N/A (c)
01/01/2009	2015	N/A (c)	N/A (c)
01/01/2009	2023	N/A (c)	N/A (c)
01/01/2009	2015	N/A (c)	N/A (c)
01/01/2009	2023	N/A (c)	N/A (c)
01/01/2009	2020	N/A (c)	N/A (c)
01/01/2009	2023	N/A (c)	N/A (c)
01/01/2009	2013	N/A (c)	N/A (c)
01/01/2009	2018	N/A (c)	N/A (c)
01/01/2009	2023	N/A (c)	N/A (c)
01/01/2009	2013	N/A (c)	N/A (c)
01/01/2009	2023	N/A (c)	N/A (c)
01/01/2009	2023	N/A (c)	N/A (c)
01/01/2009	2018	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2010	2020	N/A (c)	N/A (c)
01/01/2009	Revoked	N/A (c)	N/A (c)
01/01/2009	Revoked	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2011	2020	N/A (c)	N/A (c)
01/01/2007	2020	N/A (c)	N/A (c)
01/01/2007	2020	N/A (c)	N/A (c)
01/01/2007	2020	N/A (c)	N/A (c)
01/01/2010	2020	N/A (c)	N/A (c)
01/01/2010	2019	N/A (c)	N/A (c)
01/01/2010	2019	N/A (c)	N/A (c)
01/01/2010	2014	N/A (c)	N/A (c)
01/01/2010	2014	N/A (c)	N/A (c)
01/01/2010	2014	N/A (c)	N/A (c)
01/01/2011	Revoked	N/A (1)	N/A (1)
01/01/2007	2014	N/A (c)	N/A (c)
01/01/2007	2011	N/A (c)	N/A (c)
01/01/2007	2016	N/A (c)	N/A (c)
01/01/2007	2016	N/A (c)	N/A (c)
01/01/2007	2016	N/A (c)	N/A (c)
01/01/2007	2016	N/A (c)	N/A (c)
01/01/2007	2016	N/A (c)	N/A (c)
01/01/2008	2014	N/A (c)	N/A (c)

**RENAISSANCE ZONE PROGRAM**  
Michigan Economic Development Corporation (MEDC)  
Listing of Renaissance Zones  
As of June 28, 2011  
(Continued)

**TOOL & DIE RECOVERY ZONES (Continued)**

Renaissance Zone Name	Renaissance Zone County Location	Company Name Associated With the Renaissance Zone
Capital Area Tooling Partnership	Macomb	Plasco Corporation
Capital Area Tooling Partnership	Wayne	Future Tool & Machine, Inc.
Central Michigan Collaborative	Montcalm	Aggressive Tooling, Inc.
Central Michigan Collaborative	Montcalm	Edmore Machining, Inc.
Central Michigan Collaborative	Montcalm	Edmore Tool & Grinding, Inc.
Central Michigan Collaborative	Montcalm	Steeplechase Tool & Die, Inc.
Central Michigan Collaborative	Osceola	LeRoy Tool & Die, Inc.
Central Michigan Collaborative	Ottawa	Imperial Laser, Inc.
Central Michigan Collaborative	Allegan	Digitrace, Ltd.
Central Michigan Collaborative	Ionia	D.S. Mold, LLC
Coopersville Tooling Coalition	Ottawa	Philips Machining Company
Coopersville Tooling Coalition	Ottawa	SelfLube
Coopersville Tooling Coalition	Ottawa	Superior Machine Company
Coopersville Tooling Coalition	Ottawa	Superior Press & Automation
Coopersville Tooling Coalition	Kent	H.S. Die & Engineering, Inc.
Coopersville Tooling Coalition	Ottawa	Aggressive Tool & Die, Inc.
Coopersville Tooling Coalition	Ottawa	H.S. Die & Engineering, Inc.
Coopersville Tooling Coalition	Ottawa	H.S. Technologies, Inc.
Coopersville Tooling Coalition	Ottawa	Morren Mold & Machine, Inc.
Custom Design, Inc	Kalamazoo	Custom Design, Inc.
Eastern Michigan Tool & Die Collaborative	Jackson	Contour Tool & Machine, Inc.
Eastern Michigan Tool & Die Collaborative	Jackson	PDF Manufacturing, Inc.
Eastern Michigan Tool & Die Collaborative	Jackson	RTD Manufacturing, Inc.
Eastern Michigan Tool & Die Collaborative	Macomb	Lunar Industries, Inc.
Eastern Michigan Tool & Die Collaborative	Macomb	Mac-Mold Base, Inc.
Eastern Michigan Tool & Die Collaborative	Macomb	Tri-Way Mold & Engineering
Eastern Michigan Tool & Die Collaborative	Oakland	Suburban Tool, Inc.
Eastern Michigan Tool & Die Collaborative	Wayne	Bawden Industries, Inc.
Eastern Michigan Tool & Die Collaborative	Wayne	Euclid Machine & Manufacturing Co.
Eastern Michigan Tool & Die Collaborative	Wayne	Talent Industries, Inc.
Eastern Michigan Tool & Die Collaborative	Macomb	Kimastle Corporation
Eastern Michigan Tool & Die Collaborative	Macomb	Omega Plastics, Inc.
Eastern Michigan Tool & Die Collaborative	Macomb	Precision Boring Company
Eastern Michigan Tool & Die Collaborative	Macomb	True Industries, Inc.
Eastern Michigan Tool & Die Collaborative	Macomb	Proper Group International, Inc.
Eastern Michigan Tool & Die Collaborative	Wayne	CDM Machine Co., Inc.
Eastern Michigan Tool & Die Collaborative	St. Clair	Unity Mold, LLC
Eastern Michigan Tool & Die Collaborative	Macomb	AV Tool & Engineering
Eastern Michigan Tool & Die Collaborative	Macomb	Euro Tech Industries, LLC
First Choice Machining Solutions	Muskegon	Automated Industrial Motion
First Choice Machining Solutions	Muskegon	Eagle Aluminum Cast Products (Pattern Div)
First Choice Machining Solutions	Muskegon	Eagle Aluminum Cast Products (Sand Div)
First Choice Machining Solutions	Muskegon	ITT Gage, Inc.
First Choice Machining Solutions	Muskegon	Westech Corp. dba Eagle CNC Technologies
First Choice Machining Solutions	Muskegon	Muskegon Tool Industries, Inc.
First Choice Machining Solutions	Muskegon	Precision Tool Company, Inc.
First Choice Machining Solutions	Osceola	Reed City Tool, Inc.
First Choice Machining Solutions	Ottawa	Falcon Tool & Die
First Choice Machining Solutions	Muskegon	Beckstrom Mold Technologies, Inc.
Global Tooling Alliance, LLC	Genesee	Century Tool & Gage Company, Inc.

*This exhibit continued on next page.*

UNAUDITED  
Exhibit 3

Effective Beginning Date of Renaissance Zone	Actual Ending Year	Projected	
		Capital Investment	Direct Jobs To Be Created
01/01/2009	2018	N/A (c)	N/A (c)
01/01/2008	2017	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2010	2020	N/A (c)	N/A (c)
01/01/2009	2020	N/A (c)	N/A (c)
01/01/2005	2014	N/A (c)	N/A (c)
01/01/2005	2014	N/A (c)	N/A (c)
01/01/2005	2011	N/A (c)	N/A (c)
01/01/2005	2011	N/A (c)	N/A (c)
01/01/2010	2019	N/A (c)	N/A (c)
01/01/2010	2019	N/A (c)	N/A (c)
01/01/2010	2016	N/A (c)	N/A (c)
01/01/2010	2016	N/A (c)	N/A (c)
01/01/2007	2019	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2015	N/A (c)	N/A (c)
01/01/2006	2015	N/A (c)	N/A (c)
01/01/2006	2015	N/A (c)	N/A (c)
01/01/2006	2015	N/A (c)	N/A (c)
01/01/2006	2015	N/A (c)	N/A (c)
01/01/2006	2015	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2010	2019	N/A (c)	N/A (c)
01/01/2008	2020	N/A (c)	N/A (c)
01/01/2008	2020	N/A (c)	N/A (c)
01/01/2008	2017	N/A (c)	N/A (c)
01/01/2011	2015	N/A (c)	N/A (c)
01/01/2011	2020	N/A (c)	N/A (c)
01/01/2007	Revoked	N/A (c)	N/A (c)
01/01/2010	Revoked	N/A (c)	N/A (c)
01/01/2010	Revoked	N/A (c)	N/A (c)
01/01/2007	2016	N/A (c)	N/A (c)
01/01/2007	2021	N/A (c)	N/A (c)
01/01/2007	2021	N/A (c)	N/A (c)
01/01/2007	2021	N/A (c)	N/A (c)
01/01/2007	2021	N/A (c)	N/A (c)
01/01/2007	2021	N/A (c)	N/A (c)
01/01/2008	2021	N/A (c)	N/A (c)
01/01/2008	2013	N/A (c)	N/A (c)
01/01/2011	2021	N/A (c)	N/A (c)
01/01/2009	2020	N/A (c)	N/A (c)
01/01/2009	Revoked	N/A (c)	N/A (c)
01/01/2008	2022	N/A (c)	N/A (c)

**RENAISSANCE ZONE PROGRAM**  
Michigan Economic Development Corporation (MEDC)  
Listing of Renaissance Zones  
As of June 28, 2011  
(Continued)

**TOOL & DIE RECOVERY ZONES (Continued)**

Renaissance Zone Name	Renaissance Zone County Location	Company Name Associated With the Renaissance Zone
Global Tooling Alliance, LLC	Kent	Focus Mold & Machining, Inc.
Global Tooling Alliance, LLC	Macomb	Elite Mold & Engineering, Inc.
Global Tooling Alliance, LLC	Macomb	Falcon Industry, Inc.
Global Tooling Alliance, LLC	Macomb	JeMar Tool, Inc.
Global Tooling Alliance, LLC	Macomb	Reliable Concept Management, Inc.
Global Tooling Alliance, LLC	Macomb	RTS Cutting Tools, Inc.
Global Tooling Alliance, LLC	Macomb	Top Craft Tool, Inc.
Global Tooling Alliance, LLC	Oakland	Maple Mold Technologies, Inc.
Global Tooling Alliance, LLC	Oakland	Vicount Industries, Inc.
Global Tooling Alliance, LLC	Saginaw	Saginaw Machine Systems, Inc.
Global Tooling Alliance, LLC	Saginaw	Wright-K Technology, Inc.
Global Tooling Alliance, LLC	Wayne	ArtCraft Pattern Works, Inc.
Global Tooling Alliance, LLC	Macomb	Fori Automation, Inc.
Global Tooling Alliance, LLC	Macomb	Schwab Industries, Inc.
Global Tooling Alliance, LLC	Macomb	Complete Surface Technologies
Global Tooling Alliance, LLC	Macomb	Global Engineering, Inc.
Global Tooling Alliance, LLC	Oakland	Plastic Engineering & Technical Services, Inc
Global Tooling Alliance, LLC	St. Clair	Auto Craft Tool & Die Company, Inc
Global Tooling Alliance, LLC	Oakland	Commerce Industries, Inc.
Global Tooling Alliance, LLC	Wayne	Ronart Industries, Inc.
Global Tooling Alliance, LLC	Macomb	Exceptional Mold & Engineering, Inc.
Great Lakes Tool & Die Collaborative	Allegan	LS Mold, Inc.
Great Lakes Tool & Die Collaborative	Calhoun	Albion Machine & Tool Company
Great Lakes Tool & Die Collaborative	Genesee	EPIC Machine, Inc.
Great Lakes Tool & Die Collaborative	Jackson	Air-Hydraulics, Inc.
Great Lakes Tool & Die Collaborative	Jackson	Mid-America Machining, Inc.
Great Lakes Tool & Die Collaborative	Kent	Classic Die, Inc.
Great Lakes Tool & Die Collaborative	Kent	Marton Tool, Inc.
Great Lakes Tool & Die Collaborative	Kent	Paramount Tool & Die, Inc.
Great Lakes Tool & Die Collaborative	Macomb	T.M. Smith Tool International Corp.
Great Lakes Tool & Die Collaborative	St. Joseph	Sturgis Tool & Die, Inc.
Great Lakes Tool & Die Collaborative	Allegan	STM Manufacturing, Inc.
Great Lakes Tool & Die Collaborative	Kent	MP Components, Inc.
Great Lakes Tool & Die Collaborative	Kent	Pioneer Steel Corporation
Great Lakes Tool & Die Collaborative	Montcalm	K&W Tool & Machine, Inc.
Great Lakes Tool & Die Collaborative	Muskegon	Ravenna Pattern & Mfg., Inc.
Great Lakes Tool & Die Collaborative	Oakland	Precision Optical Mfg. Group, Inc.
Great Lakes Tool & Die Collaborative	Wexford	Mesick Precision Company
Great Lakes Tool & Die Collaborative	Kent	J.S. Die & Mold, Inc.
Michigan Adaptive Coalition	Genesee	Burton Industries, Inc.
Michigan Adaptive Coalition	Kent	Precision Jig & Fixture, Inc.
Michigan Adaptive Coalition	Genesee	Schmald Tool & Die, Inc. (changed coalitions)
Michigan Coast to Coast Tool & Die Collaborative	Dickinson	Eagle Tool Company - 2 separate locations
Michigan Coast to Coast Tool & Die Collaborative	Dickinson	Eagle Tool Company - 2 separate locations
Michigan Coast to Coast Tool & Die Collaborative	Jackson	AccuBilt, Inc.
Michigan Coast to Coast Tool & Die Collaborative	Kent	Michigan Wire EDM Services, Inc.
Michigan Coast to Coast Tool & Die Collaborative	Livingston	Wedge-Mill Tool, Inc.
Michigan Coast to Coast Tool & Die Collaborative	Oakland	Three M Tool & Machine, Inc., 2nd location added
Michigan Coast to Coast Tool & Die Collaborative	Macomb	Diamond Die & Mold Company
Michigan Coast to Coast Tool & Die Collaborative	Macomb	Midwest Mold Services, Inc.

*This exhibit continued on next page.*

UNAUDITED  
Exhibit 3

Effective Beginning Date of Renaissance Zone	Actual Ending Year	Projected	
		Capital Investment	Direct Jobs To Be Created
01/01/2008	2022	N/A (c)	N/A (c)
01/01/2008	2017	N/A (c)	N/A (c)
01/01/2008	2022	N/A (c)	N/A (c)
01/01/2008	2017	N/A (c)	N/A (c)
01/01/2008	2022	N/A (c)	N/A (c)
01/01/2008	2022	N/A (c)	N/A (c)
01/01/2008	2022	N/A (c)	N/A (c)
01/01/2008	2018	N/A (c)	N/A (c)
01/01/2008	2022	N/A (c)	N/A (c)
01/01/2008	2022	N/A (c)	N/A (c)
01/01/2008	2017	N/A (c)	N/A (c)
01/01/2010	2014	N/A (c)	N/A (c)
01/01/2010	2014	N/A (c)	N/A (c)
01/01/2009	2022	N/A (c)	N/A (c)
01/01/2011	2015	N/A (c)	N/A (c)
01/01/2009	2016	N/A (c)	N/A (c)
01/01/2009	2016	N/A (c)	N/A (c)
01/01/2010	Revoked	N/A (c)	N/A (c)
01/01/2010	Revoked	N/A (c)	N/A (c)
01/01/2010	Revoked	N/A (c)	N/A (c)
01/01/2005	2016	N/A (c)	N/A (c)
01/01/2005	2019	N/A (c)	N/A (c)
01/01/2005	2019	N/A (c)	N/A (c)
01/01/2005	2019	N/A (c)	N/A (c)
01/01/2005	2019	N/A (c)	N/A (c)
01/01/2005	2019	N/A (c)	N/A (c)
01/01/2005	2019	N/A (c)	N/A (c)
01/01/2005	2019	N/A (c)	N/A (c)
01/01/2005	2019	N/A (c)	N/A (c)
01/01/2005	2019	N/A (c)	N/A (c)
01/01/2005	2019	N/A (c)	N/A (c)
01/01/2008	2019	N/A (c)	N/A (c)
01/01/2007	2019	N/A (c)	N/A (c)
01/01/2007	2019	N/A (c)	N/A (c)
01/01/2010	2019	N/A (c)	N/A (c)
01/01/2008	2019	N/A (c)	N/A (c)
01/01/2008	2015	N/A (c)	N/A (c)
01/01/2009	Revoked	N/A (c)	N/A (c)
01/01/2009	Revoked	N/A (c)	N/A (c)
01/01/2010	2024	N/A (c)	N/A (c)
01/01/2005	2019	N/A (c)	N/A (c)
01/01/2008	2022	N/A (c)	N/A (c)
01/01/2007	2016	N/A (c)	N/A (c)
01/01/2007	2016	N/A (c)	N/A (c)
01/01/2007	2014	N/A (c)	N/A (c)
01/01/2007	2011	N/A (c)	N/A (c)
01/01/2007	2021	N/A (c)	N/A (c)
01/01/2010	2014	N/A (c)	N/A (c)
01/01/2007	2021	N/A (c)	N/A (c)
01/01/2007	2016	N/A (c)	N/A (c)

**RENAISSANCE ZONE PROGRAM**  
Michigan Economic Development Corporation (MEDC)  
Listing of Renaissance Zones  
As of June 28, 2011  
(Continued)

**TOOL & DIE RECOVERY ZONES (Continued)**

Renaissance Zone Name	Renaissance Zone County Location	Company Name Associated With the Renaissance Zone
Michigan Coast to Coast Tool & Die Collaborative	Macomb	Sharp Model Company
Michigan Coast to Coast Tool & Die Collaborative	Monroe	Premier Industries Corporation
Michigan Coast to Coast Tool & Die Collaborative	Oakland	Avon Broach & Production Company
Michigan Coast to Coast Tool & Die Collaborative	Oakland	Three M Tool & Machine, Inc.
Michigan Coast to Coast Tool & Die Collaborative	Ottawa	Precision Design and Manufacturing, Inc.
Michigan Coast to Coast Tool & Die Collaborative	Wayne	R & A Tool & Engineering Company
Michigan Coast to Coast Tool & Die Collaborative	Gogebic	Extreme Tool & Engineering, Inc.
Michigan Coast to Coast Tool & Die Collaborative	Macomb	C.H. Industries, Inc.
Michigan Coast to Coast Tool & Die Collaborative	Wayne	Tranor Industries, L.L.C.
Michigan Coast to Coast Tool & Die Collaborative	Macomb	American Die Corporation
Michigan Coast to Coast Tool & Die Collaborative	Kent	Mattson Tool & Die Corporation
Michigan Coast to Coast Tool & Die Collaborative	Kent	Metric Die & Engineering, Inc.
Michigan Coast to Coast Tool & Die Collaborative	Ottawa	Kammer Tool & Die, Inc.
Michigan International Tooling Alliance	Genesee	Cole's Machine, Inc.
Michigan International Tooling Alliance	Kent	Arbor Gage & Tooling, Inc.
Michigan International Tooling Alliance	Macomb	Centerless Rebuilders, Inc.
Michigan International Tooling Alliance	Macomb	I & G Tool Company, Inc.
Michigan International Tooling Alliance	Macomb	Innovative Mold Inc.
Michigan International Tooling Alliance	Macomb	KEO Cutters, Inc.
Michigan International Tooling Alliance	Macomb	P.C.S. Company
Michigan International Tooling Alliance	Macomb	PT Tech Stamping, Inc.
Michigan International Tooling Alliance	Macomb	Praet Tool & Engineering, Inc.
Michigan International Tooling Alliance	Macomb	Product & Tooling technologies, Inc.
Michigan International Tooling Alliance	Macomb	Troy Industries, Inc.
Michigan International Tooling Alliance	Monroe	Fischer Tool & Die Corp.
Michigan International Tooling Alliance	Oakland	Carbide Form Master, Incorporated
Michigan International Tooling Alliance	Oakland	Ecco Tool Co. Inc.
Michigan International Tooling Alliance	Oakland	Hommel-Etamic America Corporation
Michigan International Tooling Alliance	Saginaw	M. Curry Corporation
Michigan International Tooling Alliance	Saginaw	Fullerton Tool Company, Inc.
Michigan Tooling Group	Gratiot	Brink's Machine Company, Inc.
Michigan Tooling Group	Gratiot	Momentum Industries, Inc.
Michigan Tooling Group	Kent	Alto Precision, Inc.
Michigan Tooling Group	Kent	Bessey Tool & Die, Inc.
Michigan Tooling Group	Kent	Byrne Tool & Die, Inc.
Michigan Tooling Group	Kent	CG Automation & Fixture, Inc.
Michigan Tooling Group	Kent	Digital Tool & Die, Inc.
Michigan Tooling Group	Kent	Krieger Craftsmen, Inc.
Michigan Tooling Group	Kent	Legacy Precision Molds, Inc.
Michigan Tooling Group	Kent	Midwest Tool & Die, Inc.
Michigan Tooling Group	Kent	Precision Wire EDM Service, Inc.
Michigan Tooling Group	Kent	R & G Mold & Engineering, Inc.
Michigan Tooling Group	Ottawa	Custom Tool and Die Service, Inc.
Michigan Tooling Group	Wexford	Dumbarton Tool, Inc.
Michigan Tooling Group	Allegan	Direct Tooling Group, Inc.
Muskegon Tooling Alliance	Mason	Harrington Tool Company
Muskegon Tooling Alliance	Muskegon	Aero Foil International, Inc.
Muskegon Tooling Alliance	Muskegon	Campbell Grinder Company
Muskegon Tooling Alliance	Muskegon	Dietech
Muskegon Tooling Alliance	Muskegon	Intricate Grinding & Machine Specialties

*This exhibit continued on next page.*





**RENAISSANCE ZONE PROGRAM**  
Michigan Economic Development Corporation (MEDC)  
Listing of Renaissance Zones  
As of June 28, 2011  
(Continued)

**TOOL & DIE RECOVERY ZONES (Continued)**

Renaissance Zone Name	Renaissance Zone County Location	Company Name Associated With the Renaissance Zone
Muskegon Tooling Alliance	Muskegon	Aero Foil International, Inc.
Muskegon Tooling Alliance	Ottawa	Tri-City Pattern Works, Inc.
Northwest Michigan Tooling Coalition	Antrim	Elk Lake Tool Company
Northwest Michigan Tooling Coalition	Antrim	MTD Tool & Die, LLC
Northwest Michigan Tooling Coalition	Grand Traverse	I-del, LLC
Northwest Michigan Tooling Coalition	Grand Traverse	Jade Tool, Inc.
Northwest Michigan Tooling Coalition	Grand Traverse	Tool North, Inc.
Northwest Michigan Tooling Coalition	Grand Traverse	United Engineered Tooling, Inc.
Northwest Michigan Tooling Coalition	Kalkaska	Flannery Machine & Tool, Inc.
Northwest Michigan Tooling Coalition	Leelanau	Master Craft Extrusion Tools, Inc.
Northwest Michigan Tooling Coalition	Wexford	Saber Tool Company, Inc.
Northwest Michigan Tooling Coalition	Wexford	American Tool & Die, Inc.
Northwest Michigan Tooling Coalition	Grand Traverse	Alltech Tool, Inc.
Northwest Michigan Tooling Coalition	Wexford	American Tool & Die, Inc.
Northwest Michigan Tooling Coalition	Grand Traverse	Northland Tool Corporation
Northwest Michigan Tooling Coalition	Grand Traverse	Camtec, Inc.
Precision Tooling Coalition	Kent	CNC Precision Machining, Inc.
Precision Tooling Coalition	Kent	Preferred Tool & Die, Inc.
Precision Tooling Coalition	Kent	Trademark Die & Engineering, Inc.
Precision Tooling Coalition	Kent	Datum Industries, LLC
Precision Tooling Coalition	Ottawa	Competition Engineering, Inc.
Southwest Michigan Tooling Collaborative	Allegan	Plas-Tech Mold & Design, Inc.
Southwest Michigan Tooling Collaborative	Allegan	Travis Creek Tooling, Inc.
Southwest Michigan Tooling Collaborative	Berrien	Dura Mold, Inc.
Southwest Michigan Tooling Collaborative	Branch	Maddox Industries, Inc.
Southwest Michigan Tooling Collaborative	Calhoun	L.S. Precision Tool & Die
Southwest Michigan Tooling Collaborative	Cass	Casey Tool & Die, Inc.
Southwest Michigan Tooling Collaborative	Kalamazoo	Accu-Mold, Inc.
Southwest Michigan Tooling Collaborative	Kalamazoo	Allynn Corporation
Southwest Michigan Tooling Collaborative	Kalamazoo	J.K. Machining
Southwest Michigan Tooling Collaborative	Kalamazoo	Jirgens Modern Tool Corp.
Southwest Michigan Tooling Collaborative	Kalamazoo	LeVannes, Inc.
Southwest Michigan Tooling Collaborative	Kalamazoo	Liberty Molds, Inc.
Southwest Michigan Tooling Collaborative	Kalamazoo	S & K Tool & Die
Southwest Michigan Tooling Collaborative	Kalamazoo	Tri-Mation Industries, Inc.
Southwest Michigan Tooling Collaborative	St. Joseph	Johnson Precision Mold & Eng., Inc.
Southwest Michigan Tooling Collaborative	St. Joseph	Mayer Tool & Engineering, Inc.
Southwest Michigan Tooling Collaborative	Kalamazoo	Whitehead Tool & Die
Strategic Tooling Solutions	Berrien	M & M Polishing, Inc.
Strategic Tooling Solutions	Kalamazoo	A & O Mold and Engineering, Inc.
Strategic Tooling Solutions	Kalamazoo	Concept Molds, Inc.
Strategic Tooling Solutions	Kent	Commercial Tool and Die, Inc.
Strategic Tooling Solutions	Kent	Pyper Tool and Engineering, Inc.
Strategic Tooling Solutions	Kent	Walker Tool and Die, Inc.
Strategic Tooling Solutions	Macomb	CAMmand Machining, LLC
Strategic Tooling Solutions	Macomb	TK Mold and Engineering, Inc.
Strategic Tooling Solutions	Oakland	Delta Tooling Co., dba Delta Technologies Group
Strategic Tooling Solutions	St. Joseph	Michigan Tool Works
Strategic Tooling Solutions	Macomb	International Mold Corporation
Strategic Tooling Solutions	Ottawa	BuhlerPrince, Inc.

*This exhibit continued on next page.*

UNAUDITED  
Exhibit 3

Effective Beginning Date of Renaissance Zone	Actual Ending Year	Projected	
		Capital Investment	Direct Jobs To Be Created
01/01/2008	Revoked	N/A (c)	N/A (c)
01/01/2008	Revoked	N/A (c)	N/A (c)
01/01/2007	2016	N/A (c)	N/A (c)
01/01/2007	2016	N/A (c)	N/A (c)
01/01/2007	2016	N/A (c)	N/A (c)
01/01/2007	2016	N/A (c)	N/A (c)
01/01/2007	2021	N/A (c)	N/A (c)
01/01/2007	2016	N/A (c)	N/A (c)
01/01/2007	2016	N/A (c)	N/A (c)
01/01/2007	2016	N/A (c)	N/A (c)
01/01/2007	2016	N/A (c)	N/A (c)
01/01/2008	2021	N/A (c)	N/A (c)
01/01/2008	2017	N/A (c)	N/A (c)
01/01/2008	Revoked	N/A (c)	N/A (c)
01/01/2008	Revoked	N/A (c)	N/A (c)
01/01/2011	Revoked	N/A (c)	N/A (c)
01/01/2005	2019	N/A (c)	N/A (c)
01/01/2005	2014	N/A (c)	N/A (c)
01/01/2005	2014	N/A (c)	N/A (c)
01/01/2006	2017	N/A (c)	N/A (c)
01/01/2006	2017	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2010	Revoked	N/A (c)	N/A (c)
01/01/2010	2024	N/A (c)	N/A (c)
01/01/2010	2024	N/A (c)	N/A (c)
01/01/2010	2024	N/A (c)	N/A (c)
01/01/2010	2024	N/A (c)	N/A (c)
01/01/2010	2024	N/A (c)	N/A (c)
01/01/2010	2024	N/A (c)	N/A (c)
01/01/2010	2017	N/A (c)	N/A (c)
01/01/2010	2017	N/A (c)	N/A (c)
01/01/2010	2017	N/A (c)	N/A (c)
01/01/2010	2024	N/A (c)	N/A (c)
01/01/2011	2024	N/A (c)	N/A (c)
01/01/2011	2022	N/A (c)	N/A (c)

**RENAISSANCE ZONE PROGRAM**  
Michigan Economic Development Corporation (MEDC)  
Listing of Renaissance Zones  
As of June 28, 2011  
(Continued)

**TOOL & DIE RECOVERY ZONES (Continued)**

Renaissance Zone Name	Renaissance Zone County Location	Company Name Associated With the Renaissance Zone
Third Coast Tooling Alliance	Arenac	Mistequay Group, Ltd - 2 separate locations
Third Coast Tooling Alliance	Genesee	Precision Industries, Inc.
Third Coast Tooling Alliance	Ingham	PCD-Carbide Tool Company d.b.a. Precorp, Inc.
Third Coast Tooling Alliance	Macomb	Baker Machining & Mold Technologies, Inc.
Third Coast Tooling Alliance	Macomb	Carroll Tool and Die Co.
Third Coast Tooling Alliance	Macomb	Dynamic Plastics, Inc.
Third Coast Tooling Alliance	Macomb	Exacto Tool Co. LLC
Third Coast Tooling Alliance	Macomb	Ideal Technology Corporation
Third Coast Tooling Alliance	Macomb	Majestic Industries, Inc.
Third Coast Tooling Alliance	Macomb	TransNav, Inc.
Third Coast Tooling Alliance	Oakland	Brown Jig Grinding Co.
Third Coast Tooling Alliance	Oakland	Kraftwood Engineering Co.
Third Coast Tooling Alliance	Oakland	Posa-Cut Corporation
Third Coast Tooling Alliance	Saginaw	Mistequay Group, Ltd - 2 separate locations
Third Coast Tooling Alliance	Saginaw	Universal/DeVlieg LLC
Third Coast Tooling Alliance	Macomb	Advanced Integrated Tooling Solutions, LLC
Third Coast Tooling Alliance	Saginaw	Mistequay-ISG LLC
Tool Makers Alliance	Kent	Apollo Tool and Engineering
Tool Makers Alliance	Kent	Evans Tool and Engineering
Tool Makers Alliance	Kent	Lasers Unlimited, Inc.
Tool Makers Alliance	Kent	Plastic Mold Technology
Tool Makers Alliance	Ottawa	True Tool CNC Regrinding & Mfg., Inc.
Tool Makers Alliance	Kent	Dietool Engineering Company
Tool Makers Alliance	Kent	Grand Die Engravers, Inc.
Tool Makers Alliance	Kent	Direct Tooling Group, Inc., 2nd location
Tooling Advantage Group	Muskegon	Class-A-Tool & Machine, LLC
Tooling Advantage Group	Muskegon	East River Machine & Tool
Tooling Advantage Group	Muskegon	Freedom Tool & Mfg. Co.
Tooling Advantage Group	Muskegon	Titan Tool & Die, Inc.
Tooling Advantage Group	Muskegon	Wire EDM Technologies
Tooling Advantage Group	Ottawa	Borgia Die & Engineering, Inc.
Tooling Advantage Group	Muskegon	Azko Pattern Manufacturing, Inc.
Tooling Advantage Group	Ottawa	AIM Tool & Die
Tooling Systems Group	Kent	Engineered Tooling Systems, Inc.
Tooling Systems Group	Kent	Mold Tooling Systems, Inc.
Tooling Systems Group	Kent	Specialty Tooling Systems, Inc.
Tooling Systems Group	Kent	Advanced Tooling Systems, 2nd location
Tooling Systems Group	Kent	Advanced Tooling Systems
Tooling Systems Group	Kent	Concept Tooling Systems, Inc.
Tooling Systems Group	Kent	Tooling Systems Group Components, Inc.
United Tooling Coalition	Ingham	Lansing Tool & Engineering, Inc.
United Tooling Coalition	Jackson	Miller Tool & Die, Inc.
United Tooling Coalition	Montcalm	Master Precision Mold Technology
United Tooling Coalition	Kent	Riviera Tool, LLC
United Tooling Coalition	Kent	Enterprise Tool & Die, Inc.
United Tooling Coalition	Van Buren	Mol-Son, LLC
United Tooling Coalition	Macomb	Thunder Bay Pattern Works, Inc
United Tooling Coalition	Oakland	Richard Tool & Die, Inc.
United Tooling Coalition	Oakland	Urgent Plastics Services, Inc
United Tooling Coalition	Berrien	Precision Mold & Engineering

This exhibit continued on next page.

UNAUDITED  
Exhibit 3

Effective Beginning Date of Renaissance Zone	Actual Ending Year	Projected	
		Capital Investment	Direct Jobs To Be Created
01/01/2010	2014	N/A (c)	N/A (c)
01/01/2010	2024	N/A (c)	N/A (c)
01/01/2010	2019	N/A (c)	N/A (c)
01/01/2010	2014	N/A (c)	N/A (c)
01/01/2010	2019	N/A (c)	N/A (c)
01/01/2010	2019	N/A (c)	N/A (c)
01/01/2010	2014	N/A (c)	N/A (c)
01/01/2010	2014	N/A (c)	N/A (c)
01/01/2010	2019	N/A (c)	N/A (c)
01/01/2010	2014	N/A (c)	N/A (c)
01/01/2010	2014	N/A (c)	N/A (c)
01/01/2010	2019	N/A (c)	N/A (c)
01/01/2010	2015	N/A (c)	N/A (c)
01/01/2010	2019	N/A (c)	N/A (c)
01/01/2010	2019	N/A (c)	N/A (c)
01/01/2011	2015	N/A (c)	N/A (c)
01/01/2011	2015	N/A (c)	N/A (c)
01/01/2007	2021	N/A (c)	N/A (c)
01/01/2007	2021	N/A (c)	N/A (c)
01/01/2007	2011	N/A (c)	N/A (c)
01/01/2007	2011	N/A (c)	N/A (c)
01/01/2007	2021	N/A (c)	N/A (c)
01/01/2009	2021	N/A (c)	N/A (c)
01/01/2008	2017	N/A (c)	N/A (c)
01/01/2010	Revoked	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2017	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2017	N/A (c)	N/A (c)
01/01/2006	2017	N/A (c)	N/A (c)
01/01/2006	2017	N/A (c)	N/A (c)
01/01/2010	2014	N/A (c)	N/A (c)
01/01/2007	2017	N/A (c)	N/A (c)
01/01/2005	2019	N/A (c)	N/A (c)
01/01/2005	2019	N/A (c)	N/A (c)
01/01/2005	2019	N/A (c)	N/A (c)
01/01/2007	2019	N/A (c)	N/A (c)
01/01/2007	2019	N/A (c)	N/A (c)
01/01/2007	2019	N/A (c)	N/A (c)
01/01/2009	2019	N/A (c)	N/A (c)
01/01/2005	2014	N/A (c)	N/A (c)
01/01/2005	2019	N/A (c)	N/A (c)
01/01/2005	2019	N/A (c)	N/A (c)
01/01/2010	2019	N/A (c)	N/A (c)
01/01/2007	2019	N/A (c)	N/A (c)
01/01/2010	2019	N/A (c)	N/A (c)
01/01/2009	2019	N/A (c)	N/A (c)
01/01/2007	2016	N/A (c)	N/A (c)
01/01/2009	2013	N/A (c)	N/A (c)
01/01/2008	Revoked	N/A (c)	N/A (c)

**RENAISSANCE ZONE PROGRAM**  
Michigan Economic Development Corporation (MEDC)  
Listing of Renaissance Zones  
As of June 28, 2011  
(Continued)

**TOOL & DIE RECOVERY ZONES (Continued)**

Renaissance Zone Name	Renaissance Zone County Location	Company Name Associated With the Renaissance Zone
United Tooling Coalition	Kent	Precise Engineering
United Tooling Coalition	Ottawa	Tool Ventures
United Tooling Coalition	Kent	Tool Ventures, Inc.
West Coast Tooling Coalition	Allegan	Williams Tooling & Mfg., Inc.
West Coast Tooling Coalition	Kent	Accurate Regrinding Service
West Coast Tooling Coalition	Kent	Alliance CNC
West Coast Tooling Coalition	Kent	Distinctive Machine Corp.
West Coast Tooling Coalition	Kent	Usher Tool & Die, Inc.
West Coast Tooling Coalition	Kent	West Michigan Precision Machining, Inc.
West Coast Tooling Coalition	Kent	Wolverine Special Tool, Inc.
West Coast Tooling Coalition	Kent	ITS Manufacturing Solutions, LLC
West Coast Tooling Coalition	Kent	Unique Model, Inc.
West Coast Tooling Coalition	Ottawa	Custom Tooling Systems, Inc.
West Coast Tooling Coalition	Kent	Distinctive Machine Corporation
West Michigan Tooling Coalition	Allegan	Eclipse Tool & Die
West Michigan Tooling Coalition	Ionia	Wiesen, Inc.
West Michigan Tooling Coalition	Kent	Wolverine Tool & Engineering
West Michigan Tooling Coalition	Kent	Paragon Die & Engineering Company
Whitehall Township Tooling Coalition	Kent	CAD-CAM Services, Inc.
Whitehall Township Tooling Coalition	Ionia	GraphiteXpress, LLC
Whitehall Township Tooling Coalition	Kent	Action Mold & Machining, Inc.
Whitehall Township Tooling Coalition	Kent	CS Tool Engineering, Inc.
Whitehall Township Tooling Coalition	Kent	General Die & Engineering, Inc.
Whitehall Township Tooling Coalition	Muskegon	A.C.E. Tooling, Inc.
Whitehall Township Tooling Coalition	Muskegon	Erdman Machine Company
Whitehall Township Tooling Coalition	Muskegon	Northern Machine Tool Company
Whitehall Township Tooling Coalition	Muskegon	Viking Tool & Engineering Company

Total for All Tool & Die Recovery Zones

*This exhibit continued on next page.*

UNAUDITED  
Exhibit 3

Effective Beginning Date of Renaissance Zone	Actual Ending Year	Projected	
		Capital Investment	Direct Jobs To Be Created
01/01/2009	Revoked	N/A (c)	N/A (c)
01/01/2009	Revoked	N/A (c)	N/A (c)
01/01/2011	Revoked	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2017	N/A (c)	N/A (c)
01/01/2007	2018	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2009	2020	N/A (c)	N/A (c)
01/01/2007	2020	N/A (c)	N/A (c)
01/01/2009	2014	N/A (c)	N/A (c)
01/01/2007	Revoked	N/A (c)	N/A (c)
01/01/2005	2014	N/A (c)	N/A (c)
01/01/2005	2014	N/A (c)	N/A (c)
01/01/2005	2014	N/A (c)	N/A (c)
01/01/2010	2019	N/A (c)	N/A (c)
01/01/2010	Revoked	N/A (c)	N/A (c)
01/01/2006	2017	N/A (c)	N/A (c)
01/01/2006	2017	N/A (c)	N/A (c)
01/01/2006	2017	N/A (c)	N/A (c)
01/01/2006	2020	N/A (c)	N/A (c)
01/01/2006	2017	N/A (c)	N/A (c)
01/01/2006	2017	N/A (c)	N/A (c)
01/01/2006	2017	N/A (c)	N/A (c)
01/01/2006	2017	N/A (c)	N/A (c)
		<u>\$ 0</u>	<u>0</u>

MICHIGAN RENAISSANCE ZONE PROGRAM  
Michigan Economic Development Corporation  
Listing of Renaissance Zones  
As of June 28, 2011  
(Continued)

**RENEWABLE ENERGY RENAISSANCE ZONES**

Company Name Associated With the Renaissance Zone / Renaissance Zone Name	Local Governmental Unit Associated With the Renaissance Zone	Renaissance Zone County Location
Biofuel Industries Group, LLC	City of Adrian	Lenawee
Compact Power, Inc.	City of Holland	Allegan
Energetx Composites, LLC	Holland Twp.	Ottawa
Energy Components Group, LLC	City of St. Clair	St. Clair
Grid Logic Incorporated	Lapeer Twp.	Lapeer
The Dow Chemical Company	City of Midland	Midland
Alpena Prototype Biorefinery, LLC	City of Alpena	Alpena
Frontier Renewable Resources, LLC	Kinross Charter Twp.	Chippewa
Heat Transfer International, LLC	City of Kentwood	Kent

Total for All Renewable Energy Renaissance Zones

**FOREST PRODUCTS PROCESSING RENAISSANCE ZONES**

Verso Quinnesec, LLC	Breitung Twp.	Dickinson
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Total for All Forest Products Processing Renaissance Zones

N/A = Not applicable.

- (a) These Geographic Renaissance Zones are subzones, or time extensions for specific land parcels within a subzone, that are not subject to a development agreement. Therefore, the zones are not subject to job creation, job retention, or capital investment requirements.
- (b) The Renaissance Zone appearing directly below this Renaissance Zone in the exhibit was substituted for this Renaissance Zone.
- (c) Tool & Die Recovery Zones operate within a collaborative agreement, not a development agreement. The collaborative agreement does not impose job creation, job retention, or capital investment requirements.

Note: The Renaissance Zones in **red** represent time extensions of specific land parcels within a previously existing geographic subzone.

Source: The Office of the Auditor General prepared this exhibit from the Master Renaissance Zone Spreadsheet and Renaissance Zone files provided by MEDC.



UNAUDITED  
Exhibit 3

Effective Beginning Date of Renaissance Zone	Actual Ending Year	Projected	
		Capital Investment	Direct Jobs To Be Created
01/01/2008	Revoked	\$ 10,000,000	20
01/01/2011	2025	302,000,000	300
01/01/2011	2025	18,400,000	700
01/01/2010	2015	21,000,000	250
01/01/2012	2026	20,630,000	161
01/01/2011	2025	167,000,000	500
01/01/2010	2024	23,500,000	10
01/01/2011	2025	290,500,000	70
01/01/2010	2024	2,000,000	20
		<u>\$ 855,030,000</u>	<u>2,031</u>
01/01/2011	2025	\$ 43,000,000	0
		<u>\$ 43,000,000</u>	<u>0</u>

RENAISSANCE ZONE PROGRAM  
Michigan Economic Development Corporation (MEDC)  
Michigan Individual Income Tax (IIT) and Michigan Business Tax (MBT) Abatements  
Associated With the Renaissance Zone Program  
For Tax Years 2008 through 2010

IIT Abatements Associated With the Renaissance Zone Program

<u>Tax Year</u>	<u>Exemption Amount Claimed</u>	<u>Number of Tax Returns</u>
2008	\$ 1,560,000	849
2009	\$ 1,420,000	918
2010	\$ 970,000	608

MBT Abatements Associated With the Renaissance Zone Program

<u>Tax Year</u>	<u>Credit Amount Claimed</u>	<u>Number of Tax Returns</u>
2008	\$ 21,670,000	532
2009	\$ 24,000,000	493
2010	\$ 18,350,000	481

Observation: For all types of Renaissance Zones, the tax abatement benefits are phased out in 25% increments during the last three years of the Renaissance Zone designation. Many of the Geographic Renaissance Zones began, or continued, the phase-out stage of the abatement during the time periods included in this exhibit.

Source: The Office of the Auditor General prepared this exhibit based on unaudited summary tax information obtained from the Department of Treasury.

RENAISSANCE ZONE PROGRAM  
Michigan Economic Development Corporation (MEDC)  
Renaissance Zone Forgone Revenue Analysis  
For the Period October 1, 1996 through September 30, 2010

Fiscal Year	Estimated Taxes Abated			Total Estimated Taxes Abated
	SBT/MBT	IIT	Property and Local Taxes	
1996-97	\$ 1,000,000	\$ 700,000	\$ 500,000	\$ 2,200,000
1997-98	5,000,000	1,100,000	10,800,000	16,900,000
1998-99	3,000,000	1,100,000	8,100,000	12,200,000
1999-2000	1,300,000	300,000	10,700,000	12,300,000
2000-01	1,400,000	300,000	12,000,000	13,700,000
2001-02	3,696,000	300,000	18,300,000	22,296,000
2002-03	3,121,000	300,000	32,700,000	36,121,000
2003-04	6,408,000	300,000	52,800,000	59,508,000
2004-05	8,345,000	300,000	63,360,000	72,005,000
2005-06	19,930,000	300,000	80,000,000	100,230,000
2006-07	20,895,000	300,000	100,000,000	121,195,000
2007-08	22,300,000	300,000	120,000,000	142,600,000
2008-09	28,900,000	300,000	75,000,000	104,200,000
2009-10	20,200,000	300,000	84,000,000	104,500,000
<b>Total</b>	<b>\$ 145,495,000</b>	<b>\$ 6,200,000</b>	<b>\$ 668,260,000</b>	<b>\$ 819,955,000</b>
Percentage of Total	18%	1%	81%	

SBT/MBT = Single Business Tax/Michigan Business Tax. Michigan's SBT preceded its MBT.

IIT = Michigan Individual Income Tax.

Source: The Office of the Auditor General prepared this exhibit using unaudited tax abatement estimates from the annual Executive Budget Appendix on Tax Credits, Deductions, and Exemptions created by the Department of Treasury.

# GLOSSARY

## Glossary of Acronyms and Terms

a.k.a.	also known as.
benchmark	A criterion, or standard, by which to measure something.
certificated credit	A tax credit available against the MBT for taxpayers that have a development agreement executed between the taxpayer and MSF before January 1, 2012 or for taxpayers that have entered into a qualified collaborative agreement by that date under the Michigan Renaissance Zone Act.
CIT	Corporate Income Tax.
d.b.a.	doing business as.
development agreement	A written agreement between MSF and the owner of the property located within the Renaissance Zone. Development agreements define obligations that include, but are not limited to, job creation, job retention, and capital investment thresholds.
effectiveness	Success in achieving mission and goals.
goal	An intended outcome for a program or an entity to accomplish its mission.
IIT	Michigan Individual Income Tax.
internal control	The plan, policies, methods, and procedures adopted by management to meet its mission, goals, and objectives. Internal control includes the processes for planning, organizing, directing, and controlling program operations. It includes the systems for measuring, reporting, and

monitoring program performance. Internal control serves as a defense in safeguarding assets and in preventing and detecting errors; fraud; violations of laws, regulations, and provisions of contracts and grant agreements; or abuse.

ISD	intermediate school district.
material condition	A reportable condition that could impair the ability of management to operate a program in an effective and efficient manner and/or could adversely affect the judgment of an interested person concerning the effectiveness and efficiency of the program.
MBT	Michigan Business Tax.
MEDC	Michigan Economic Development Corporation.
MEGA	Michigan Economic Growth Authority.
mission	The main purpose of a program or an entity or the reason that the program or the entity was established.
MSF	Michigan Strategic Fund.
objective	Specific outcome(s) that a program or an entity seeks to achieve its goals.
outcome	An actual impact of a program or an entity.
performance audit	An audit that provides findings or conclusions based on an evaluation of sufficient, appropriate evidence against criteria. Performance audits provide objective analysis to assist management and those charged with governance and oversight in using the information to improve program performance and operations, reduce costs, facilitate decision making by parties with responsibility to oversee or initiate corrective action, and contribute to public accountability.

performance standard	A desired level of output or outcome.
reportable condition	A matter that, in the auditor's judgment, is less severe than a material condition and falls within any of the following categories: an opportunity for improvement within the context of the audit objectives; a deficiency in internal control that is significant within the context of the audit objectives; all instances of fraud; illegal acts unless they are inconsequential within the context of the audit objectives; significant violations of provisions of contracts or grant agreements; and significant abuse that has occurred or is likely to have occurred.
SET	Michigan State Education Tax.
subzone	A distinct geographic area within a Geographic Renaissance Zone.
UIA	Michigan Unemployment Insurance Agency.











