

Michigan Economic Development Corporation
Executive Committee Meeting Minutes
March 19, 2013
1:30 p.m. – 3:30 p.m.
Cobo Hall, *Detroit, MI 48313*

Members present:

Greg Northrup
John Brown
David Armstrong
Lizabeth Ardisana
Doug Rothwell
John Rakolta
Mary Lou Benecke
Stephen Forrest

Paul Hillegonds
Chris MacInnes
Marilyn Schlack
Jeff Noel
Anmar Sarafa
Stephen D'Arcy
Dayne Walling
Chris Rizik

Members Absent:

Robert S. Collier
Jeff Metts
David Sowerby

MEDC Staff Present: Michael Finney, Steve Hilfinger, Jennifer Nelson, Minesh Mody, Doug Smith, Leslie Hornung, Amy Cell, Lynne Feldpausch, Vince Nystrom and Karla Campbell

Call to Order

Mr. Doug Rothwell called the meeting to order at approximately 1:35 p.m. The meeting was held at Cobo Hall, Detroit, Michigan 48313.

Public Comment

Mr. Rothwell asked if anyone in attendance would like to provide public comment.

Mr. Jim Casha from Norwich, Ontario, Canada distributed and read a statement regarding his interest in finding a position in Michigan and using the Fairgrounds as a Regional Transportation Hub.

Chairman's Report

A motion was made to approve the minutes from the January 29, 2013 meeting. *It was moved by Mary Lou Benecke, and seconded by Greg Northrup. Motion passed unanimously.*

Mr. Rothwell stated that the next meeting, May 21, 2013, would be held at the Genesee Regional Chamber of Commerce in Flint.

CEO Update

Mr. Finney shared his comments on the Governor's Economic Summit that focused on Michigan's opportunities and challenges related to talent. The 1-1/2 day summit was a great success with more than 700 participants attending.

Mr. Finney presented MEDC's program highlights encompassing MEDC's leading initiatives. As part of this update, Mr. Finney discussed MEDC's Legislative Outreach and how MEDC is reaching out to various legislators with meetings and luncheons to hear from them on their issues as well as sharing MEDC's challenges. The Committee offered to assist and MEDC Staff will contact Committee members to discuss where help is needed.

Mr. Nystrom gave an overview of Pure Michigan Business Connect. Discussion occurred regarding the various ways the Executive Committee could assist the PMBC team.

Ms. Cell presented an update on the Community Ventures program that assists with Michigan's hard to employ citizens. The University of Michigan's Public Policy group is validating the measures, which will assist in the decision on whether or not to expand this program. Discussion ensued regarding the return on investment with respect to this program as well as other MEDC programs.

Mr. Greg Northrup departed the meeting at 2:15.

Mr. Smith presented a summary of various projects that Michigan lost to other states and why that occurred. Discussion ensued regarding direct follow up with the companies to find out why Michigan was not chosen, if the company was pleased with their location decision, and whether there are new opportunities for Michigan.

Mr. Finney presented a proposal from the Detroit Convention and Visitors Bureau (DCVB) and requested \$500,000 from the Contingency Fund to assist DCVB and other Michigan CVBs in attracting large events to Michigan. If successful, more funds could be requested at a later date. At a future meeting, the Committee asked for updates on the selected events and the ROI of the events. *After deliberation, the item was moved by Chris MacInnes, supported by David Armstrong and passed unanimously.*

Ms. Marilyn Schlack departed the meeting at 3:00 p.m.

Mr. Hilfinger requested funds to assist with the New International Trade Crossing (NITC) for salary and other costs to obtain a Senior Advisor to serve as Project Manager. Also included in these costs are federal match dollars for the Michigan Department of Transportation and any other administrative costs to move forward on the project. The Michigan Strategic Fund, Michigan Department of Transportation and the Governor's office (known as the "Michigan Parties") requested this position to provide oversight on the project and represent the interests of the Michigan Parties. Mr. D'Arcy voiced concern that the funds may be construed as state funds and that approval of this is not appropriate for the MEDC Executive Committee. Ms. Nelson indicated there is legal support for the MEDC to advance corporate funds for these purposes. *After discussion and deliberation, the item was moved by Chris MacInnes and supported by Mr. Armstrong. After further discussion, Ms. MacInnes withdrew her motion and made a new motion and David Armstrong supported the motion for an amended resolution to insert language describing the relationship between the MEDC Executive Committee and job creation with respect to the NITC. Motion passed with Yays: 13 Nays: 1.*

Compensation and Personnel Subcommittee

Ms. Feldpausch and Mr. Noel requested an increase in MEDC benefits for short-term disability, long-term disability and basic life. The overall cost to the MEDC is just over \$10,000. *The item was moved by David Armstrong, supported by Paul Hillegonds and passed unanimously.*

Closed Session

At approximately, 3:05 p.m., Mr. Rothwell requested that the committee move to closed session in order to discuss the periodic CEO Evaluation. *A motion was made to approve the Resolution Authorizing Closed Session by Doug Rothwell and seconded by Mary Lou Benecke and passed unanimously.*

Public Session Resumed

John Rakolta made a motion to come out of Closed Session and David Armstrong seconded. The motion passed unanimously.

The Executive Committee returned to public session at approximately 3:30 p.m. Mr. Rothwell requested that Staff provide a copy of the personnel and compensation charter as well as meeting minutes discussing pay for performance in advance of the next meeting. The meeting was adjourned.