



MICHIGAN ECONOMIC DEVELOPMENT CORPORATION

Executive Committee Meeting Adopted Minutes

May 20, 2014

10:00 a.m. – 12:00 p.m.

Members present:

Lizabeth Ardisana	Tom Moran
David Armstrong	Gerald Poisson
Mary Lou Benecke	Chris Rizik
Robert S. Collier	Anmar Sarafa
Chris MacInnes	Marilyn Schlack
David Meador	Dayne Walling

Members present via phone:

John Brown

Cindy Larsen

Greg Northrup

Members absent:

Stephen Forrest

Jeff Metts

Jeff Noel

Doug Rothwell

David Sowerby

MEDC staff present: Michael Finney, Doug Smith, Christin Armstrong, Karla Campbell, Amy Cell, Lynne Feldpausch, Joel Freeman, Brad Heffner, Val Hoag, Carsten Hohnke, Leslie Hornung, Gary LaRoy, Jim McBryde, Minesh Mody, Jennifer Tebedo and Elaine Jaworsky.

Call to order

Mr. Rizik, serving as chair in Mr. Rothwell's absence, called the meeting to order at 10:01 a.m. The meeting was held at the Michigan Economic Development Corporation, 300 N. Washington Square, Lansing, Michigan.

Public Comment

Mr. Rizik asked if anyone in attendance would like to provide public comment. Mr. Jim Casha, presented his opposition to HB 5573 – annual deposit of money for 21 years of Tobacco Settlement Revenue into the Rainy Day Fund for the purpose of restoring payment



to the Detroit Pension Funds. Also a document which was sent to the Executive Committee from Scott Atchison, was distributed to all Committee members present.

Mr. Rizik requested the CEO Update - Executive Report be presented first.

CEO Update – Executive Report

Mr. Finney introduced new staff member Joel Freeman, Vice President of Government Affairs to the Committee.

[Ms. MacInnes arrives]

Mr. Finney updated the Committee on the search status for George Zimmerman's successor. He also informed the Committee that a resignation had been received from Mark Kinsler. Mr. Finney expressed his gratitude to Mr. Kinsler for his dedication and accomplishments during his tenure at the MEDC.

Mr. Finney reviewed the May MEDC Executive Report with the Committee and the report was discussed.

Chairman's Report

Mr. Rizik introduced new Committee member, David Meador.

[Mr. Sarafa arrives]

A motion was made to approve the minutes from the March 18, 2014 meeting. *It was moved by Ms. Benecke and seconded by Mr. Poisson. Motion passed unanimously.*

A motion was made to approve the Resolution of Tribute for Paul Hillegonds for his service on the Committee. *It was moved by Mr. Poisson and seconded by Ms. MacInnes. Motion passed unanimously.*


CEO Update Resumes

Legislative and Budget Activities

Mr. Smith reviewed the budget information that was provided in the packet and answered questions from the Committee.

Pipeline Review

Ms. Hoag provided the Committee information regarding various projects in the pipeline. She then discussed a project that was lost and presented findings on where are challenges are and how the MEDC is taking steps to be more successful going forward. The Committee discussed.



[Mr. Collier departs and returns during Mr. Hohnke's report.]

Targeting Second Stage Business for Growth

Mr. Hohnke presented to the Committee the methodology the MEDC uses to prioritize Michigan's second stage companies to identify the best prospects for job creation in certain categories. The Committee discussed.

[Mr. Meador returns]

MEDC Grants

Ms. Tebedo presented to the Committee the avenues of competitive grant funding that the MEDC actively pursues to support economic development in Michigan. She advised the Committee on direct federal grant funding awarded to the MEDC as well as grant awards garnered by key partners utilizing MiMatch leveraged funds.

Marketing Activities

Ms. Hornung advised of the strategies the Marketing Department will keep as well as those that will be updated or changed. This plan will attract a younger demographic while keeping current demographics connected.

[Mr. Moran departs]

Subcommittee Reports

Finance

MEDC Guidelines for Corporate Spending

Mr. Rizik and Mr. Mody presented the Guidelines for Corporate Spending and the Committee discussed. A motion was made to approve the Resolution MEDC Guidelines for Corporate Spending Plan. *It was moved by Mr. Collier and seconded by Mr. Poisson. Motion passed unanimously.*

American Lightweight Materials Mfg. Institute (ALMMI)

Mr. Rizik and Mr. Shreffler provided the Committee with information regarding the proposed ALMMI resolution. After discussion a motion was made to approve the Resolution – American Lightweight Materials Manufacturing Institute. *It was moved by Ms. Ardisana and seconded by Ms. MacInnes. Motion passed unanimously.*

Somnio Global L3C

Mr. Rizik and Ms. Hoag provided background for the Committee on the Somnio Global resolution which the Committee discussed. *A motion was made to approve the Resolution – Somnio Global resolution. It was moved by Ms. MacInnes and seconded by Mr. Walling. Motion passed unanimously.*



Tokyo Rope MFG. CP., Ltd.

Mr. Rizik and Ms. Hoag supplied the Committee with background information regarding the Tokyo Rope resolution and it was discussed by the Committee. *A motion was made to approve the Resolution – Tokyo Rope MFG. CP., Ltd. It was moved by Ms. MacInnes and seconded by Ms. Ardisana. Motion passed unanimously.*

Audit and Governance

Mr. Armstrong welcomed the three new members to the Audit and Governance Subcommittee. He noted that the MEDC received an unmodified audit report. There will be a number of program and performance audits and compliance activities which are ongoing and staff will be updating the Committee on a regular basis.

Compensation and Personnel Subcommittee Report

Ms. Feldpausch stated that after discussions at March's meeting and survey sent to all Committee members, the Subcommittee is recommending a 4% merit increase for Mr. Finney. *A motion was made to approve the Resolution to Adjust the Chief Executive Officer's Salary and Approval an Amendment to the Agreement Between the Corporation and the CEO. It was moved by Mr. Collier and seconded by Mr. Walling.*

Open discussion

Mr. Rizik reminded the Committee of the dates for the upcoming Retreat on July 21 and 22, 2014. Mr. Collier asked about the MEDC's opinion on the minimum wage issue and EB5 initiative. The Committee discussed.

The meeting adjourned at 12:15 p.m.