



# MICHIGAN ECONOMIC DEVELOPMENT CORPORATION

## Executive Committee Meeting Minutes

June 19, 2012

10 a.m. – 12 p.m.

MEDC Lansing Office, Lake Michigan Room  
300 North Washington Square, Lansing

**Members present:** David Armstrong  
Lizabeth Ardisana  
Stephen D'Arcy  
Mary Lou Benecke  
Robert S. Collier  
Paul Hillegonds  
Jeff Metts  
D. Jeffrey Noel  
Chris Rizik  
Anmar Sarafa  
David Sowerby

**Members absent:** John W. Brown  
Stephen Forrest  
Kirk Lewis  
Greg Northrup  
John Rakolta, Jr.  
Doug Rothwell  
Marilyn Schlack  
Dayne Walling

**Call in:** Chris MacInnes

**MEDC staff present:** Michael Finney, Minesh Mody, Jennifer Nelson, Carsten Hohnke, Mandy Rossman, Martin Dober, Amy Cell, Mark Morante, Jim McBryde

### Call to order

Mr. D. Jeffrey Noel called the meeting to order at 10:15 a.m. The meeting was held at the MEDC Lansing Office, 300 N Washington Sq, Lake Michigan Room.

### Public comment

Mr. D. Jeffrey Noel asked if anyone in attendance would like to provide public comment. No one responded.

### Chairman report

Mr. Noel began to discuss the July 24 Executive Committee retreat, which will be held in Benton Harbor. He stated he wants the retreat to cover the vision for the MEDC and the core of the work done by the MEDC and the committee, in addition to what the committee can do to support the MEDC.

A motion was made to approve the minutes from the April 24 meeting. Ms. Chris MacInnes clarified the note on the minutes about the audit approval being recommended first by the Audit and Governance Subcommittee, then to the full Executive Committee, then to the Corporation Board. First: M. Benecke; Second: S. D'Arcy. Yays: all. Nays: none. Passed unanimously.

## Presentations

Mr. Carsten Hohnke gave a presentation on the monthly scorecard data, focusing on the cultural shift the state has realized in moving from MEGA-type tax credits to the corporate income tax and Michigan Business Development and Community Revitalization programs. In addition, Mr. Hohnke highlighted results from the “Voice of the Customer” survey which will be sent quarterly to over 20,000 businesses in the state to assess their perception and satisfaction with the MEDC.

## CEO report

Mr. Mike Finney reviewed the Community Ventures program, which received \$10 million from the FY 2013 budget. In order to get the program off the ground, he recommended that the Executive Committee commit \$1,840,250 of corporate dollars to fund the program. The goal is to employ 1,000 in target cities of Detroit, Pontiac, Flint and Saginaw to include veterans, structurally unemployed, and at-risk youth through the program with MEDC and DNR.

A motion was made to approve the \$1,840,250 in corporate funding for Community Ventures.

First: R. Collier; Second: M. Benecke. Yays: all. Nays: none. Passed unanimously.

Mr. Finney gave a brief history of MLSIC (Michigan Life Science Innovation Center) located in Plymouth Township. The former Pfizer site in Wayne County has previously been run by Ann Arbor SPARK, who no longer has the capacity to manage the operations. A major research organization will be moving into the space, maximizing over 30,000 square feet of lab space within the facility. MEDC will take over ownership and management of the facility, with the committee’s approval, with no monetary commitment necessary until another organization is identified to own and operate the facility. MEDC will identify current staff to assist with the facility management going forward.

A motion was made to authorize temporary ownership from Ann Arbor SPARK of the MLSIC on an interim basis, expected not to exceed twelve months, while a new owner is sought to preserve it as a life sciences incubator. First: D. Armstrong; Second: C. Rizik. Yays: all. Nays: none. Passed unanimously.

Mr. Finney also highlighted some of the recent events taking place throughout the state, including site selector consultant events that have taken place statewide, including the Senior PGA, Grand Prix, the Economic Gardening Conference the past week in Grand Rapids which had 180 participants, and the upcoming Pure Michigan 400 race in August.

## Subcommittee updates

Mr. Hohnke’s scorecard update and brief on the “Voice of the Customer” survey included the Strategic Planning Subcommittee’s update.

Mr. Chris Rizik provided a brief update on the budget for the Finance Subcommittee, indicating MEDC is operating with \$9,500,000 surplus.

Mr. Noel stated the Compensation and Personnel Subcommittee has provided the committee with a list of benchmarks for CEO Mike Finney’s annual review. Mr. Finney would like to add benchmarks for organizational development and expectations for professional development to the list.

Mr. D’Arcy provided the update for the Audit and Governance Subcommittee. He stated the clean audit include no pending litigation for MEDC and a clear annual audit. In addition, the subcommittee had federal auditors from the Small Business Administration present to review implementation, processes, and records for the State Small Business Credit Incentive, State Trade Export Program, and new federal programs. Jen Nelson also presented at the subcommittee meeting, noting that MEDC and State Attorney General staff are required to provide a letter to the Auditor General stating all pending legal issues as well as potential exposures for both MEDC and MSF. At this point, there are no pending or potential lawsuits.

## Final comments

The meeting and presentation adjourned at approximately 11:25 a.m.

*Jennifer R.V. Nelson, Secretary*

*July 24, 2012*