

**MICHIGAN STRATEGIC FUND  
APPROVED MEETING MINUTES  
December 9, 2025**

**Member Present**

Christin Armstrong (on behalf of Chairman Messer, designation attached)

**Members Joined Remotely**

Britany Affolter-Caine  
Susan Corbin  
Rachael Eubanks  
Wesley Eklund  
Dimitrius Hutcherson  
Michael B. Kapp (on behalf of Director Wieferich, designation attached)  
Lynda Rossi  
Susan Tellier  
Randy Thelen

**Absent**

Dan Meyering  
Leon Richardson

**I. CALL TO ORDER & ROLL CALL**

Christin Armstrong called the meeting to order at 9:01 a.m. The meeting was held in person in the Lake Michigan Conference Room at the MEDC headquarters building in Lansing.

Christin Armstrong introduced Natalie Davenport, MSF Administrator, who conducted the attendance roll call.

**II. PUBLIC COMMENT**

Natalie Davenport explained the process for members of the public to participate. Public comment was had.

**III. COMMUNICATIONS**

Natalie Davenport stated that twenty-five communications were shared with the MSF Board on Friday, December 5<sup>th</sup> and Monday, December 8<sup>th</sup>.

Dimitrius Hutcherson and Dr. Britany Affolter-Caine provided updates on MSF Subcommittee activities in November.

*Dr. Britany Affolter-Caine and Randy Thelen, recused, left the meeting at 9:15 a.m.*

**IV. CONSENT AGENDA**

**Resolution 2025-133, Approval of Consent Agenda Items**

Christin Armstrong asked if there were any questions from Board Members regarding items under

the Consent Agenda. There being none, Susan Corbin motioned for approval of the following:

- a. Proposed November 13, 2025, Meeting Minutes
- b. A2 Zeeb Holdings, LLC: Act 381 Work Plan Approval **2025-134**
- c. Flint Commerce Center Redevelopment Project: Act 381 Work Plan **2025-135**
- d. Pulse Primary Care Holdings, LLC: MBDP Grant Amendment **2025-136**
- e. 2026 University Early-Stage Proof of Concept Fund Designation and Funding **2025-137**
- f. Fisher 21 Lofts LLC: MCRP Reauthorization **2025-138**
- g. HM Ventures Group 6, LLC: CRP Amendment **2025-139**
- h. Business Incubator Program Gateway Representative: Headwaters North Corporation **2025-140**
- i. Michigander Scholars Program: Contract Extensions for Michigan State University and Wayne State University and Additional Allocation of Funding for Michigan State University **2025-141**
- j. Revitalization and Placemaking Program: Delegation of Authority **2025-142**

Susan Corbin motioned for the approval of Resolution 2025-133 to approve the Consent Agenda. Dimitrius Hutcherson seconded the motion. **The motion carried: 8 ayes; 0 nays; 2 recused.**

**ROLL CALL VOTE:** Ayes: Christin Armstrong (on behalf of Quentin L. Messer, Jr., designation attached), Susan Corbin, Wesley Eklund, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Lynda Rossi, Susan Tellier; Nays: None; Recused: Dr. Britany Affolter-Caine, Randy Thelen.

*Dr. Britany Affolter-Caine and Randy Thelen rejoined the meeting virtually at 9:18 a.m.*

## V. ATTRACT, RETAIN, AND GROW BUSINESS

### a. **Resolution 2025-143 Michigan Business Development Program Grant Award to Teradyne, Inc.**

Madison Sorsen, Senior Business Development Manager, supported by Brittney Mizer, Senior Business Development Project Manager, provided the Board with information regarding the requested action. The request involves consideration of a resolution to approve a Michigan Business Development Program Grant award to Teradyne, Inc.

Lynda Rossi motioned for the approval of Resolution 2025-143 to approve the MBDP Grant Award. Christin Armstrong seconded the motion. **The motion carried: 10 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Dr. Britany Affolter-Caine, Christin Armstrong (on behalf of Quentin L. Messer, Jr., designation attached), Susan Corbin, Wesley Eklund, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Lynda Rossi, Susan Tellier, Randy Thelen; Nays: None; Recused: None.

*Randy Thelen, recused, left the meeting at 9:26 a.m.*

### b. **Resolution 2025-144 Michigan Business Development Program Grant Award to HealthBridge Financial, Inc.**

Sam Sedlecky, Business Development Advisor, supported by Brittney Mizer, Senior Business Development Project Manager, provided the Board with information regarding the requested action. The request involves the consideration of a resolution to approve

Dimitrius Hutcherson motioned for the approval of Resolution 2025-144 to approve the MBDP Grant Award. Susan Corbin seconded the motion. **The motion carried: 9 ayes; 0 nays; 1 recused.**

**ROLL CALL VOTE:** Ayes: Dr. Britany Affolter-Caine, Christin Armstrong (on behalf of Quentin L. Messer, Jr., designation attached), Susan Corbin, Wesley Eklund, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Lynda Rossi, Susan Tellier; Nays: None; Recused: Randy Thelen.

*Randy Thelen rejoined the meeting virtually at 9:38 a.m.*

c. **Resolution 2025-145 Michigan Business Development Program Grant and State Essential Services Assessment Exemptions to Michigan Milk Producers Association**

Kristin Schleman, Business Development Manager, supported by Brittney Mizer, Senior Business Development Project Manager, provided the Board with information regarding the requested action. The request involves consideration of a resolution to approve a Michigan Business Development Program Grant and two State Essential Services Assessment Exemptions to Michigan Milk Producers Association in the City of Ovid and Wheatland Township.

Susan Corbin motioned for the approval of Resolution 2025-145 to approve the MBDP Grant. Dimitrius Hutcherson seconded the motion. **The motion carried: 10 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Dr. Britany Affolter-Caine, Christin Armstrong (on behalf of Quentin L. Messer, Jr., designation attached), Susan Corbin, Wesley Eklund, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Lynda Rossi, Susan Tellier, Randy Thelen; Nays: None; Recused: None.

Randy Thelen motioned for the approval of Resolution 2025-146 to approve the SESA Exemption in the City of Ovid. Michael B. Kapp seconded the motion. **The motion carried: 10 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Dr. Britany Affolter-Caine, Christin Armstrong (on behalf of Quentin L. Messer, Jr., designation attached), Susan Corbin, Wesley Eklund, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Lynda Rossi, Susan Tellier, Randy Thelen; Nays: None; Recused: None.

Christin Armstrong motioned for the approval of Resolution 2025-147 to approve the SESA Exemption in Wheatland Township. Dr. Britany Affolter-Caine seconded the motion. **The motion carried: 10 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Dr. Britany Affolter-Caine, Christin Armstrong (on behalf of Quentin L. Messer, Jr., designation attached), Susan Corbin, Wesley Eklund, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich,

designation attached), Lynda Rossi, Susan Tellier, Randy Thelen; Nays: None; Recused: None.

**d. Resolution 2025-148 Michigan Business Development Program Grant and State Essential Services Assessment Exemption to Eccalon, LLC**

Dylan Luna, Senior Global Attraction Representative, supported by Brittney Mizer, Senior Business Development Project Manager, provided the Board with information regarding the requested action. The request involves the consideration of a resolution to approve a Michigan Business Development Program Grant and a State Essential Services Assessment Exemption to Eccalon, LLC.

Dimitrius Hutcherson motioned for the approval of Resolution 2025-148 to approve the MBDP Grant award. Dr. Britany Affolter-Caine seconded the motion. **The motion carried: 10 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Dr. Britany Affolter-Caine, Christin Armstrong (on behalf of Quentin L. Messer, Jr., designation attached), Susan Corbin, Wesley Eklund, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Lynda Rossi, Susan Tellier, Randy Thelen; Nays: None; Recused: None.

Dr. Britany Affolter-Caine motioned for the approval of Resolution 2025-149 to approve the SESA Exemption. Susan Corbin seconded the motion. **The motion carried: 10 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Dr. Britany Affolter-Caine, Christin Armstrong (on behalf of Quentin L. Messer, Jr., designation attached), Susan Corbin, Wesley Eklund, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Lynda Rossi, Susan Tellier, Randy Thelen; Nays: None; Recused: None.

**VIII. INFORMATIONAL**

- a. Ms. Armstrong noted that the Michigan Strategic Fund Delegation of Authority Report from October 1, 2025, to October 31, 2025, was included in the meeting packet. There were no questions regarding the report.

Ms. Armstrong adjourned the meeting at 10:04 a.m.



**MICHIGAN ECONOMIC**  
DEVELOPMENT CORPORATION

February 3, 2025

Michigan Strategic Fund  
300 N. Washington Square  
Lansing, MI 48913

RE: Designation of Christin Armstrong

To Whom It May Concern:

I hereby confirm my designation of Christin Armstrong as the person authorized and empowered to act in my stead as a member of the Michigan Strategic Fund Board for scheduled meetings I am unable to attend.

Sincerely,

Quentin L. Messer, Jr.  
Chief Executive Officer, Michigan Economic Development Corporation

PURE *MICHIGAN*®



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

BRADLEY C. WIEFERICH, P.E.  
ACTING DIRECTOR

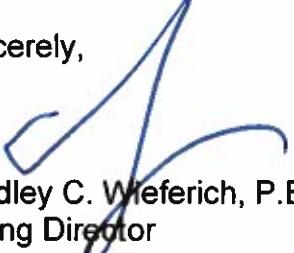
January 3, 2023

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

Dear Ms. Bishop:

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

Sincerely,

  
Bradley C. Wieferich, P.E.  
Acting Director

cc: M. Kapp  
Executive File

December 8, 2025

MSF Fund Manager  
MEDC  
300 N. Washington Square  
Lansing, Michigan

Dear Fund Manager,

This is to advise that I am recusing myself from voting and excuse myself during the discussion of the following items on the Michigan Strategic Fund Board Meeting Agenda of December 9, 2025.

- HealthBridge Financial, Inc.: A resolution to approve a Michigan Business Development Program Grant
- Revitalization and Placemaking Program: Delegation of Authority

The reason for my recusal is to avoid the appearance of a conflict with these items.

Sincerely,



Randy Thelen



December 3, 2025

MSF Fund Manager  
MEDC  
300 N. Washington Square  
Lansing, Michigan

Dear Fund Manager,

This is to advise that I am recusing myself from voting and excuse myself during the discussion of the Consent Agenda because of two items that presents a potential conflict of interest during the Michigan Strategic Fund Board Meeting on Tuesday, December 9, 2025. Potential recipient Michigan State University is a member of RU4M.

- 2026 University Early-Stage Proof of Concept Fund Designation and Funding
- Michigander Scholars Program: Michigan State University Contract Extension and Additional Allocation of Funding

Many thanks –

Britany Affolter-Caine  
Executive Director  
Research Universities for Michigan (RU4M)

Dear MEDC board,  
Please revoke funding for the proposed UM / Los Alamos data center. I implore you to think about economic development for the public good really means and keep the needs of the Ypsilanti community front and center.

"There is a sort of poverty of the spirit which stands in glaring contrast to our scientific and technological abundance.

The richer we have become materially, the poorer we have become morally and spiritually" — MLK

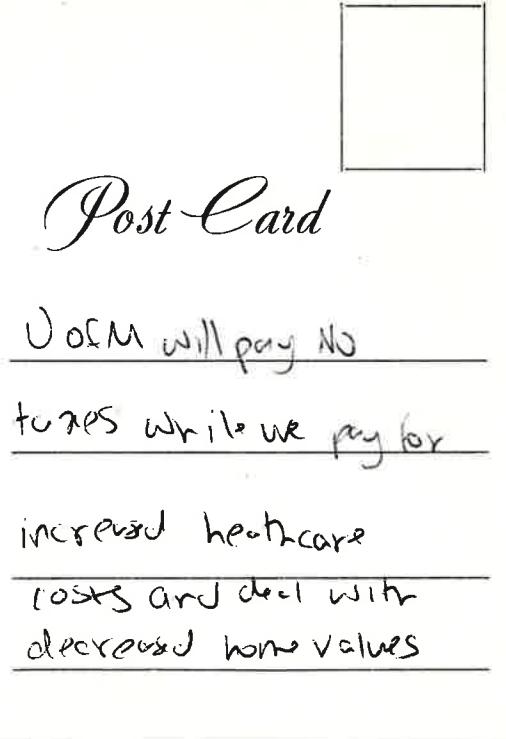
Thank you,

Rebecca  
UM student

CONGREGATIONAL CHURCH, MIDDLEBURY, VERMONT  
This beautiful church was built in 1806 and overlooks the parklike Common. The elaborate, graceful 136 ft. tower rises in stages to a delicately detailed belfry surmounted by a short spire.



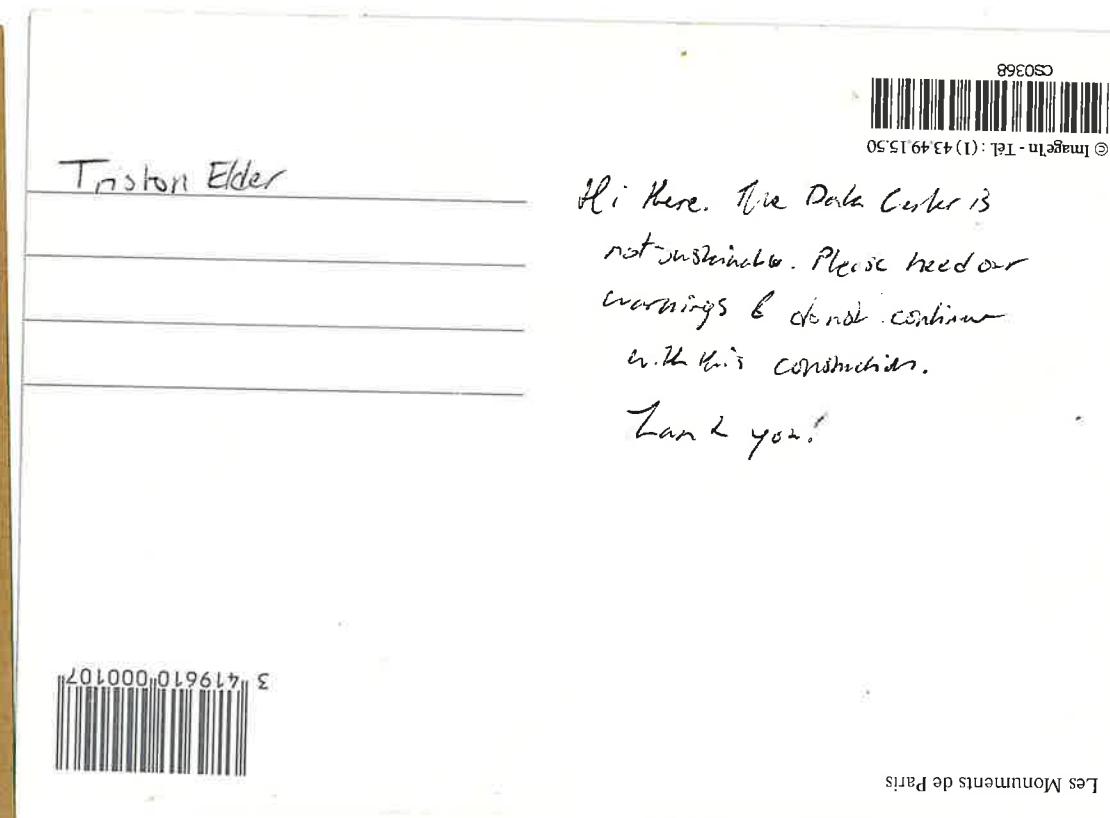
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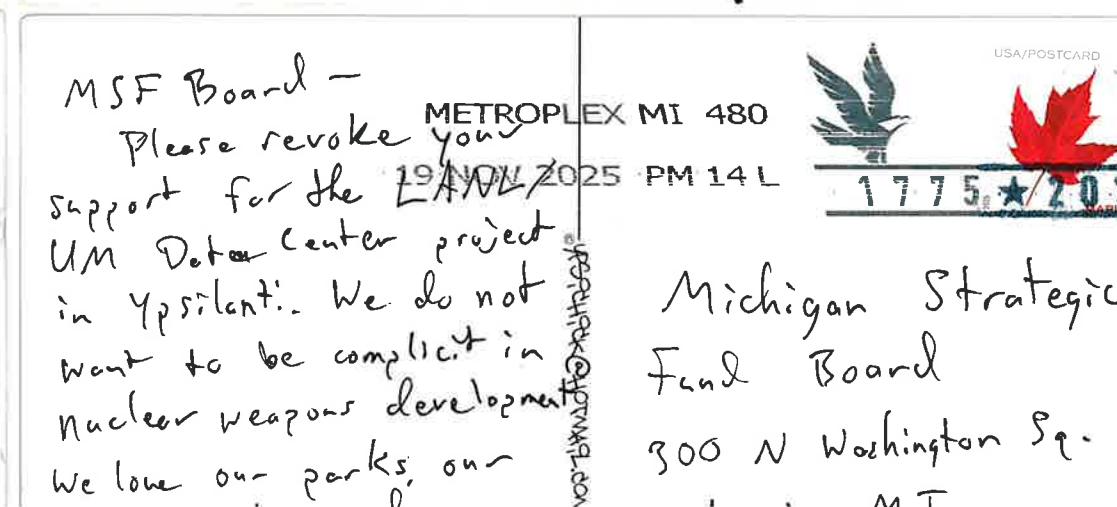
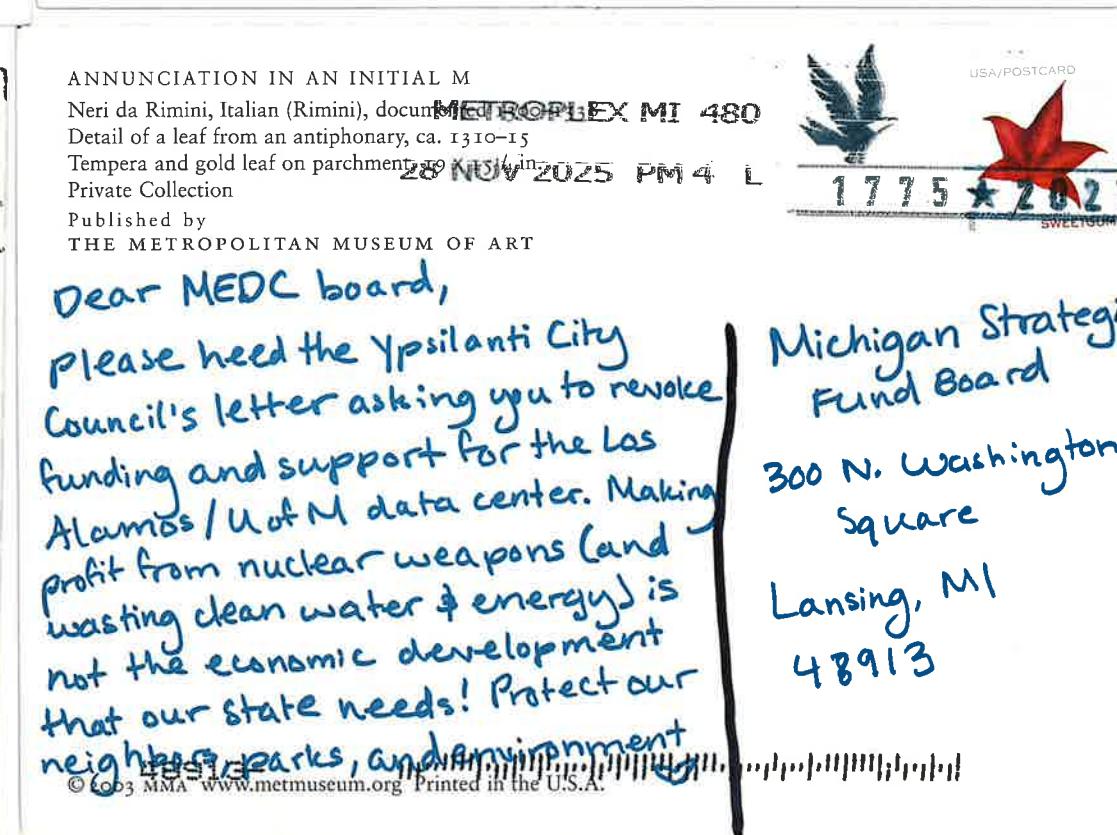
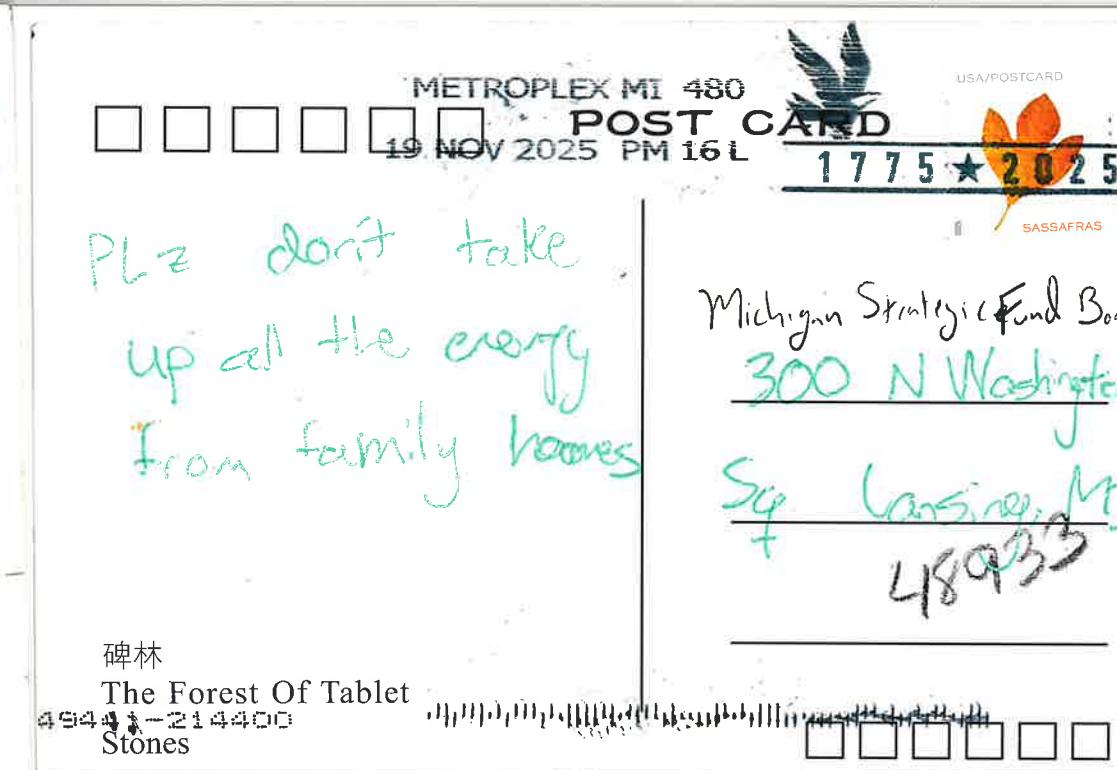
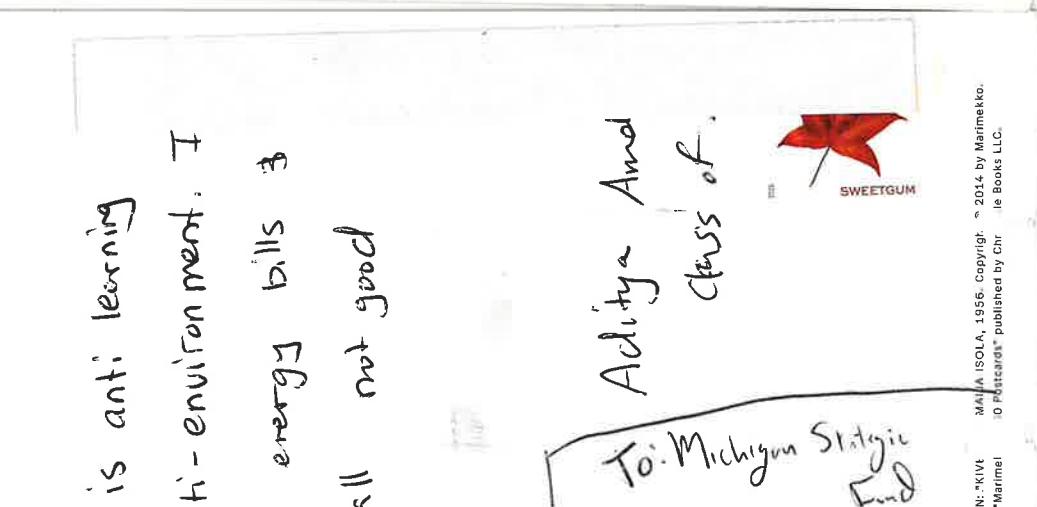
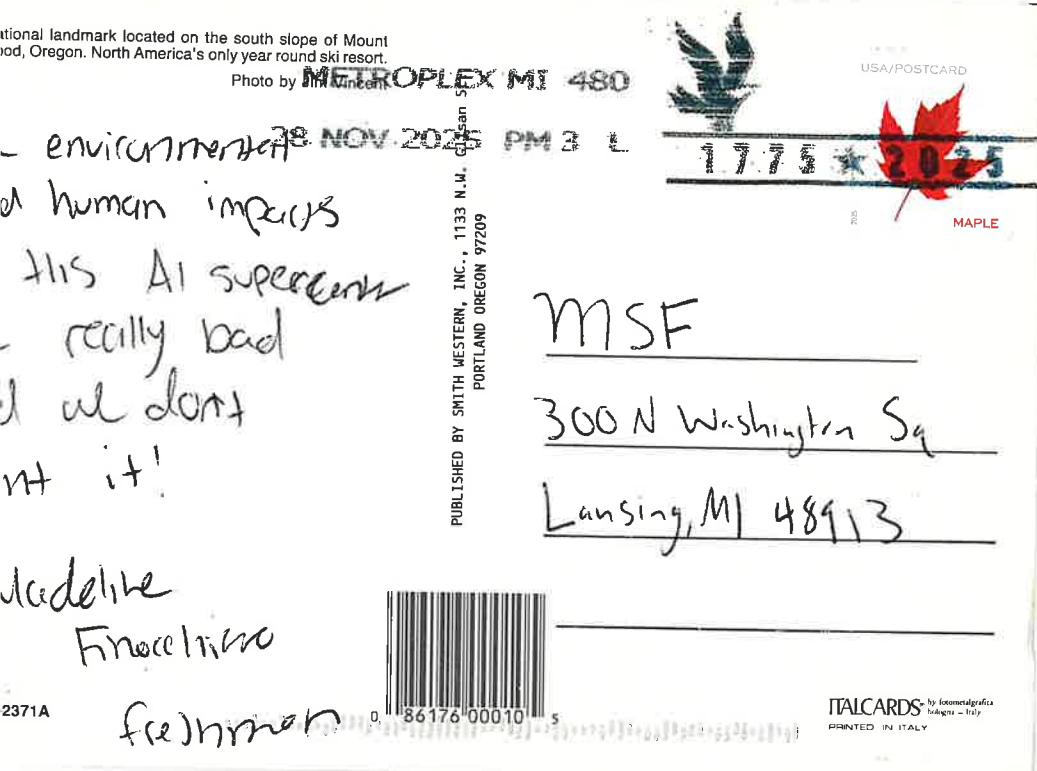
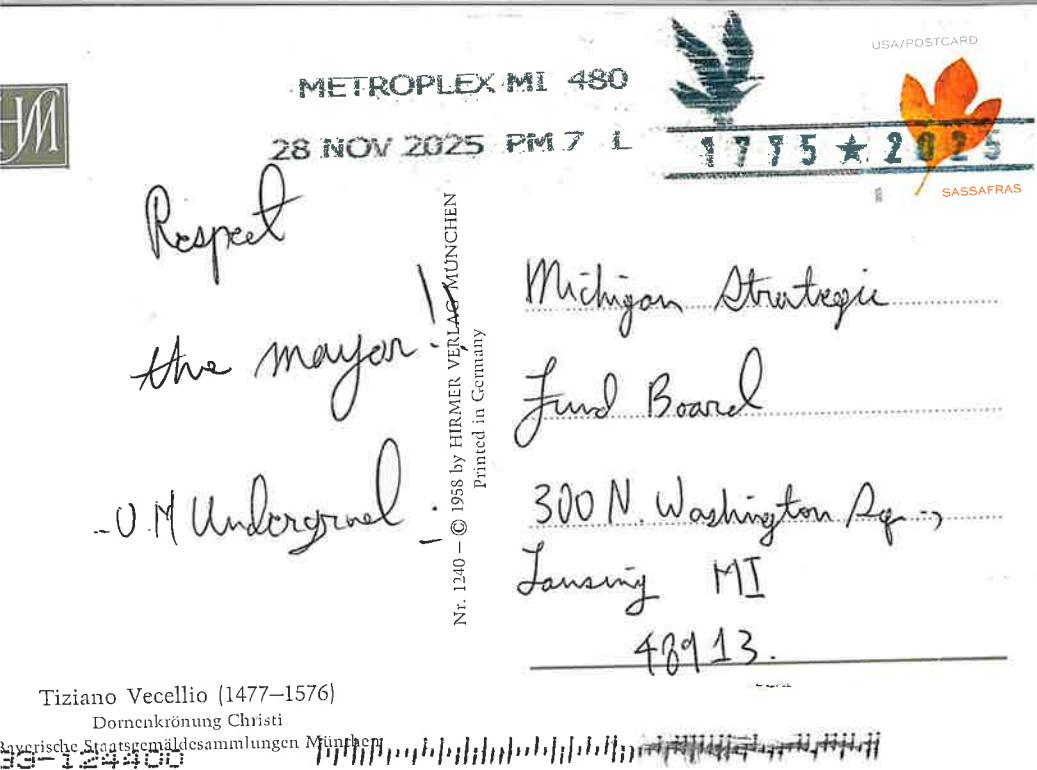
Michigan Strategic Fund Board,

To whom it may concern, I am opposed to the construction of the new data center due to concern of rising electricity rates

Directly, R.T.



Les Monuments de Paris



Homecoming: The Paintings of William H. Johnson  
William H. Johnson (1901-1970)  
Mount Calvary, c. 1944  
Oil on paperboard, 27 1/4 x 33 1/8 in.

Dear esteemed members  
of the board,  
I am a U of M student,  
oppose the development  
of the Ypsilanti Data  
center by DTE. If  
you care about the  
interests of me and my  
peers, do not support  
this initiative.

National Museum of American Art  
Smithsonian Institution  
Gift of the Harmon Foundation, 1967.59.979  
Smithsonian Institution

Thank you,

My [redacted]  
student

Hi I am [redacted] a  
student at UMICH,  
and I oppose  
the construction of  
the data  
center.

Eatwell Farm...the home of [www.lavenderfarm.com](http://www.lavenderfarm.com)  
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Michigan Strategic Fund Board  
300 N. Washington Sq.  
Lansing, MI 48913

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Michigan Strategic  
Fund Board

300 N. Washington St.,  
Lansing, MI 48913

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WILLIAMSBURG, VA 24 NOV 2025 PM 7 L  
1775-2025  
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U of M will pay no  
butes while we pay for  
increased healthcare costs  
and deal with decreased  
home values.

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Michigan Strategic  
Fund Board

300 N. Washington Sq.  
Lansing, MI 48913

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18 NOV 2025 PM 6 L

Dear MEDC board,  
METROPLEX MI 480  
18 NOV 2025 PM 6 L  
The Ypsilanti City Council's  
letter asking you to  
withdraw support for the  
Los Alamos/UM data center  
represents the will of the  
residents in our area.  
Please do not force us  
to be complicit in the  
development of nuclear  
weapons. - A concerned citizen



SASSAFRAS

Michigan Strategic  
Fund Board  
300 N. Washington  
Square  
Lansing, MI  
48913

Yosemite National Park was established in 1890,  
the 3rd among America's National Parks. In  
California's Sierra Nevada Mountains, the park is  
famous for its giant, ancient sequoia trees and  
waterfalls. There are 500 giant sequoias in the  
park, which can live up to 3,000 years. They are  
thought to be the largest living things on the  
planet. Yosemite Falls is the tallest waterfall  
in North America with a 2,425 foot drop.

Tourist  
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METROPLEX MI 480  
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1775-2025

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Funding the Los Alamos  
weapons lab in Ypsilanti  
Township would be a  
mistake. Please re-consider!  
People before numbers

Michigan Strategic Fund Board  
300 N. Washington St.  
Lansing, Mich. 48913

Volgograd  
Building of the  
regional committee  
of the Communist Party  
of the Soviet Union  
17 NOV 2025 PM 16 L



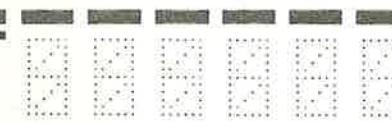
I is running our poor  
environment and stealing  
existing artists jobs with  
our stupid slab.

Kyda Michigan Strategic  
Fund Board 300 N.  
Washington Sq., Lansing,  
MI 48913

1984, 7/88-6317, АБ936, 300 тыс., 2 коп., 3, 257, КПК

KOMY

Индекс предприятия связи и  
адрес отправителя



Индекс предприятия связи и адрес отправителя

Michigan's clean

ter is a valuable  
natural resource. Our  
waters are drying.

Please don't build  
an AI data center!

Save the planet.

— Sarah,  
UM senior

TO

Michigan Strategic  
Fund Board  
300 N Washington Sq.  
Lansing, MI 48913



Avignon 84000 VAUCLUSE

La cathédrale Notre-Dame des Doms et le palais des Papes  
The cathedral of Notre-Dame des Doms and the Popes palace

17 NOV 2025 PM 7 L



To whoever it may concern  
we would like you  
to respect the people  
and the mayor.

Michigan Strategic Fund Board  
300 N. Washington Sq.  
Lansing, MI 48913

d'Art  
RICANT

POTSDAM

METROPLEX MI 480

17 NOV 2025 PM 4 L



My name is Marissa Ewald,  
and I am a U of M student.  
I, along with many other students,  
do not support the instantiation of the

Upsi AI Data Center. This would be  
very disruptive and harmful to the  
residents and environment. Please  
respect the wishes of the residents  
and STOP building the center.  
Have a blessed day.

Best Marissa  
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48933-124400



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Michigan Strategic Fund Board  
300 N Washington Sq.  
Lansing, MI 48913



METROPLEX MI 480  
19 NOV 2025 PM 14 L

michigan strategic fund  
Board, 300 N. Washington  
Sq. Lansing, MI 48913

twink money snard  
snard not go towards  
private AI use.  
17 75 ★ 2025

families take years to  
save up for college  
for this unecessary,  
completely snarked  
selfish.

PETRA

M.OQILI

## **Natalie Davenport (MEDC)**

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**From:** Rick Roby <rdrobysr@gmail.com>  
**Sent:** Wednesday, November 12, 2025 7:34 PM  
**To:** MEDC MSF Comments

The City of Muskegon should legalize gambling then the Little River Tribe can build a 18 floor Casino/Hotel Downtown Muskegon for cruise ships and visitors to increase tourism and business build a 10k seat stadium for National Arena League Football but the State Legislators disapproved the Great Lakes Downs Site that should have three 12 floor mixed use condo and retail towers near U.S.31 & I-96

!?



November 13, 2025

Michigan Economic Development Corporation  
Attn: Michigan Strategic Fund Board  
300 N. Washington Sq.,  
Lansing, MI 48913

*Via Mail*

RE: Enterprise Data Center Sales and Use Tax Exemption Guidelines

Dear Members of the Board,

This letter concerns the Michigan Strategic Fund's (MSF) recent guidelines regarding the expansion of tax exemptions to Michigan-based data centers. As described below, MSF's guidelines are not authorized by law and are contrary to the text of the relevant statutes. On behalf of the Michigan Environmental Council, Natural Resources Defense Council, Sierra Club, and Citizens Utility Board of Michigan, I respectfully request that MSF revise its guidelines to comply with Michigan law.

In January 2025, the State of Michigan amended its Use Tax Act, MCL 205.94cc, and General Sales Tax Act, MCL 205.54ee, (collectively, "Tax Acts") to exempt data center equipment from sales and use taxes if stored, used, or consumed in an enterprise data center. To qualify for an exemption, an applicant must demonstrate that its facility meets the criteria for classification as an enterprise data center—or that its facility *will* meet the criteria within six years of its application. MCL 205.54ee(6)(a); MCL 205.94cc(6)(a). Among other things, the Tax Acts require applicants to meet green building standards and clean energy requirements. MCL 205.54ee(10)(e); MCL 205.94cc(10)(e). On August 26, 2025, the MSF published guidance on the Tax Acts' eligibility requirements in a document titled, "Enterprise Data Center Sales and Use Tax Exemption Guidelines" (Guidelines). These Guidelines mischaracterize the Tax Acts' clean energy requirements and purport to authorize enterprise data centers to claim exemptions in circumstances not authorized by the governing statutes.

To qualify for the tax exemptions, MCL 205.54ee and MCL 205.94cc both require enterprise data centers to procure at least 90% of the facility's forecasted annual electricity usage from clean energy sources. The Tax Acts state that a data center can meet the clean energy requirement by (A) self-supply through on-site generation of renewable energy, (B) long-term contract with the electric utility, cooperative electric utility, or municipal utility serving the geographic area where the facility is located, or (C) participation in a voluntary green pricing program. MSF's Guidelines interpret this requirement as follows:

A Qualified Entity or its Affiliate complies with this requirement if it executes a long-term contract with a utility provider that (1) is subject to and is operating under the regulatory framework set forth in Section 5 of the Clean and Renewable Energy and Energy Waste Reduction Act, 2008



PA 295, MCL 460.1051 (the “Clean Energy Act”) and (2) the utility provider is actively pursuing compliance with the requirements of Section 51 of the Clean Energy Act, including through authorized extensions, variances, or alternative mechanisms permitted by the Michigan Public Service Commission.

Michigan Strategic Fund, “Enterprise Data Center Sales and Use Tax Exemption Guidelines” (August 26, 2025), p 4.

MSF’s Guidelines also state:

If the Contracted Utility Provider is determined to be non-compliant with the requirements under Section 51 of the Clean Energy Act, a Qualified Entity or its Affiliate that procured the long-term contract with the Contracted Utility Provider in good faith and certified its intent to procure clean energy as required under these Guidelines is not subject to revocation or repayment of the exemptions claimed under the Certificate solely on this basis.

*Id.*

The quoted passages of the Guidelines do not appear in the text of MCL 205.54ee or MCL 205.94cc and are contrary to the Tax Acts’ plain meaning and the Legislature’s intent. To satisfy the clean energy requirement, applicants must affirm that their “facility has procured or will procure [within six years] clean energy as described in section 51 of the clean and renewable energy and energy waste reduction act” (Clean and Renewable Energy Act), MCL 460.1051. MCL 205.54ee(6)(c)(iii); MCL 205.94cc(6)(c)(iii). Further, the Tax Acts require MSF to deny or revoke an applicant’s tax-exempt status for non-compliance with the clean energy requirement. MCL 205.54ee(6)(d); MCL 205.94cc(6)(d).

However, the Guidelines purport to allow an enterprise data center to claim tax exemptions even in circumstances where it has failed to procure the amount of clean energy required by statute. According to the Guidelines, an enterprise data center complies with the clean energy requirement merely by contracting with a utility provider that (1) is “subject to the regulatory framework set forth in Section 51” of the Clean and Renewable Energy Act and (2) is “actively pursuing compliance with [its] requirements...including through authorized extensions, variances, or alternative mechanisms permitted by the [MPSC].”

But it cannot be said that a data center procures clean energy merely by contracting with an electric utility that is subject to the Clean and Renewable Energy Act. Under the Clean and Renewable Energy Act, utility providers are not required to meet any clean energy standard until 2035, and between 2035 and 2039, electric utilities will be required to achieve 80-percent clean energy portfolios. MCL 460.1051(1). The Tax Acts require data centers to meet a higher, 90-percent clean energy standard within six years of applying for an exemption, which could be as soon as 2031 for some enterprise data centers. From now until 2040 (and longer if extensions are granted), a utility provider can comply with the Clean and Renewable Energy



Act without 90 percent of its sales consisting of clean or renewable energy as defined by that statute. Therefore, a provider's compliance with the Clean and Renewable Energy Act is not sufficient to meet the Tax Acts' requirement to procure 90-percent clean energy within six years.

Basic statutory interpretation confirms that the Tax Acts' 90-percent clean energy requirement is *in addition to* requirements imposed on utility providers through the Clean and Renewable Energy Act. Statutes should generally be interpreted to give effect to every word and every provision, and yet, MSF's Guidelines currently interpret the Tax Acts in a manner that renders the 90-percent clean energy standard meaningless. If the Legislature meant for applicants to satisfy the clean energy requirement simply by contracting with a utility provider that is subject to the Clean and Renewable Energy Act, then that is all the Tax Acts needed to state. Instead, the Tax Acts required enterprise data centers to procure 90-percent clean energy to be eligible for exemptions and then offered contracting with a provider as one of the possible options to do so. While MSF is correct that an enterprise data center may procure clean energy by contracting with a utility provider, having such a contract does not obviate the requirement to procure clean energy equivalent to 90% of the enterprise data center's forecasted electricity usage. Unless an enterprise data center has actually met the 90-percent clean energy requirement or can show that it will meet that requirement within 6 years,<sup>1</sup> the Tax Acts do not permit it to claim exemptions. See MCL 205.54ee(6)(d); MCL 205.94cc(6)(d).

By allowing enterprise data centers to claim tax exemptions in violation of the Tax Acts, MSF is undermining the Legislature's clear intent to mitigate the environmental harms of data centers. Though, as initially introduced, the proposed bills – 2024 S.B. 237 and 2024 H.B. 4906 – contained no real environmental provisions, they were amended to address serious concerns that were raised regarding the negative environmental impacts of data centers. During legislative sessions, representatives heard testimony about the large amounts of energy and water consumed by data centers – including testimony that "data centers consume about 3% of the world's total electric supply and produce 2% of the world's greenhouse gas emissions." Senate Legislative Analysis, SB 237, HB 4906 (July 24, 2024). The bills were specifically amended to add environmental protections, including requirements to meet clean energy and green building standards. See 2024 SB 237; 2024 HB 4906. The bills were also amended to "encourage" persons claiming exemptions to "take direct steps...to mitigate negative environmental impacts resulting from expanded use of data centers" by, for example, "procuring or contracting for power from renewable sources." MCL 205.54ee(8); MCL 205.94cc(8). The Tax Acts' final versions reflect the Legislature's intent to mitigate the environmental impacts of data centers through both voluntary and mandatory provisions. The clean energy requirement is one of the mandatory provisions that must be satisfied before an enterprise data center can qualify for tax exempt status.

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<sup>1</sup> Applicant data centers are not without alternatives if utility providers cannot provide sufficient clean energy to meet the Tax Acts' clean energy requirements. See MCL 205.54ee(10)(ix)(A), (C); MCL 205.94cc(10)(ix)(A), (C).



MSF's Guidelines do not adequately enforce the clean energy requirement and allow some enterprise data centers to claim tax exemptions for which they do not qualify under the Tax Acts. The Guidelines must therefore be revised to comply with the Tax Acts' plain meaning and the legislature's intent to impose clean energy requirements on enterprise data centers.

Sincerely,

Christopher M. Bzdok (P53094)  
(231) 709-4700  
[chris@tropospherelegal.com](mailto:chris@tropospherelegal.com)

## **Natalie Davenport (MEDC)**

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**From:** craig lechowicz <craig.lechowicz@sbcglobal.net>  
**Sent:** Wednesday, November 19, 2025 2:47 PM  
**To:** MEDC MSF Comments  
**Subject:** MSF grossly flawed interpretation of Sales & Use tax laws for data centers.

The recent change to Michigan's Sales and Use Tax statutes to require data centers to use 90% clean energy to qualify for tax relief is extremely clear. They must use 90% clean energy. If our elected representatives intended to include in that law that the MSF had discretion to arbitrarily avoid this standard they would have included that intent in the statute as written.

MSF does an excellent job of throwing away taxpayer's money without breaking the law. They really don't need to become lawbreakers to further this goal.

Angry taxpayer and Michigan resident,  
Craig Lechowicz

Sent from my iPad



# City of Flint

## Department of Business & Community Services

Sheldon A. Neeley  
Mayor

Charles Donaldson  
Managing Director, Regional Development (Regions 3/5/6)  
Michigan Economic Development Corporation  
300 N. Washington Square  
Lansing, MI 48913

RE: Flint Commerce Center Brownfield Amendment

Mr. Donaldson:

On behalf of the Office of Business and Community Services for the City of Flint, please accept this letter of support for Ashley Capital's submittal of the Act 3581 Work Plan for 10001 Leith Street, Flint, MI 48505." As a city with a rich history in traditional manufacturing with an intentional focus on next generation technical manufacturing, I strongly support the adaption of the Work Plan and the subsequent development it will produce.

Ashley Capital leadership has worked intentionally with the City of Flint, including staff, community groups, and individuals, during the totality of this project to date. Ashley Capital has proven to be an astonishing example of public/private partnerships when managing large-scale developments, especially considering the rich history of their location. The City of Flint is buoyed largely through intersectional relationships with stakeholders; Ashley Capital's enthusiasm and willingness to collaborate across the board is exactly what we hope to see in our corporate partners.

This development is slated to create hundreds of new career opportunities for the residents of the greater Flint area, serving as an economic lightning rod for opportunity for a community that has long struggled to rebound from economic uncertainty. The opportunity this project has provided, and will continue to provide, will be transformative for the people of Flint.

Sincerely,

A handwritten signature in black ink, appearing to read "Tyler Bailey".  
Tyler Bailey  
Deputy Director of Business and Community Services  
City of Flint

December 5, 2025

Michigan Economic Development Corporation  
Attn: Michigan Strategic Fund Board  
300 N. Washington Square  
Lansing, MI 48913

Re: Enterprise Data Center Sales and Use Tax Exemption Guidelines

Dear Members of the Board:

Please accept this letter as the comments of the Michigan Energy Innovation Business Council (“Michigan EIBC”) and Advanced Energy United (“United”) on the Michigan Strategic Fund’s (the “Fund”) recent “Enterprise Data Center Sales and Use Tax Exemption Guidelines” published on August 26, 2025 (the “Guidelines”). Michigan EIBC and United represent the business voice of the advanced energy economy in Michigan and throughout the country. For more information on our organizations and members, please see our websites at <https://www.mieibc.org/> and <https://advancedenergyunited.org/>.

As you know, in January 2025 the Michigan legislature enacted amendments to the state’s Use Tax Act and General Sales Tax Act, respectively, which provided exemptions from sales and use tax for equipment stored, used or consumed in “enterprise data centers.” See MCL 205.94cc and MCL 205.54ee. The amendments contain a list of requirements that data centers wishing to qualify as enterprise data centers—and thus for the tax exemptions—must fulfill, either at the time of their application or within six years of their application for the exemption. Among these is a clean energy procurement requirement. See MCL 205.54ee(10)(e)(ix) & MCL 205.94cc(10)(e)(ix). This requirement specifically requires an enterprise data center to certify that “the facility will have procured or will procure clean energy . . . equivalent to 90% of the facility's forecasted electricity usage on an annual basis.”

After stating this requirement, the statutes present three options for the enterprise data centers to meet it and direct relevant utilities to “identify and, if necessary, develop tariffs, contracts, and other mechanisms that support the enterprise data center in making this demonstration.” These three options include (1) self-supply through on-site renewable generation; (2) a long-term contract with a utility serving the geographic area where the facility is located, which ensures no costs to serve the facility are passed onto other customers; or (3) participation in a voluntary green pricing program as set forth in section 61 of the clean and renewable energy and energy waste reduction act. See MCL 205.54ee(10)(e)(ix)(A)–(C) & MCL 205.94cc(10)(e)(ix)(A)–(C).

The Fund’s Guidelines provide detail via footnote as to how the Fund proposes to implement the clean energy procurement requirement, explaining:

A Qualified Entity or its Affiliate complies with this requirement if it executes a long-term contract with a utility provider that (1) is subject to and is operating under the regulatory framework set forth in Section 51 of the Clean and Renewable Energy and Energy Waste Reduction Act, 2008 PA 295, MCL 460.1051 (the

“Clean Energy Act”) and (2) the utility provider is actively pursuing compliance with the requirements of Section 51 of the Clean Energy Act, including through authorized extensions, variances, or alternative mechanisms permitted by the Michigan Public Service Commission (the “Contracted Utility Provider”).

Guidelines at p. 4, n. 15.

Michigan EIBC and United believe the Fund’s Guidelines fail to properly interpret the statute’s clean energy requirements, and, in fact, have the effect of illegally lowering the statutorily required percentage of clean energy an enterprise data center must acquire before the year 2040. Simply put, the tax amendments require enterprise data centers to certify that they will procure at least 90% of their facility’s forecasted electricity usage on an annual basis from clean energy sources. If a data center is merely required to contract with a utility “subject to and . . . operating under the regulatory framework set forth in . . . MCL 460.1051,” even if that utility is “actively pursuing compliance with the requirements of Section 51 of the Clean Energy Act,” the earliest such a utility would be required to ensure that at least 90% of the data center’s energy procurements are from clean energy sources would be the year 2040. Any “authorized extensions, variances, or alternative mechanisms permitted by the Michigan Public Service Commission” would potentially push this date out further. This wipes out the 90% requirement explicitly stated in the relevant tax provisions for at least the next fifteen years, without any clear authority to do so. This is clearly contrary to the plain language of the tax provisions.

More to the point, the Guidelines’ proposal simply to require an enterprise data center to procure energy from a utility subject to and pursuing compliance with MCL 460.1051 renders a specific clean energy requirement applicable to enterprise data centers surplusage, contrary to the established canon of statutory construction that every word of a statute be given full force and effect. Put plainly, *every* utility customer, not just data centers, *automatically* procures energy from a utility subject to MCL 460.1051. Simply requiring a data center to contract with such a utility imposes no additional requirement on the data center to achieve enterprise data center status under the law and renders the specific requirement in subsection (10)(e)(ix) of the relevant provisions nugatory.

This portion of the Guidelines (*i.e.*, the first sentence of footnote 15) thus both requires less than what MCL 205.54ee(10)(e)(ix) and MCL 205.94cc(10)(e)(ix) require and in fact reads the operative requirements of both provisions clean out of the text of the statute.

Doing so is neither legally justifiable nor practically necessary or compelling. The options provided to data centers to qualify with this requirement include both self-supply of renewable energy and participation in a utility’s voluntary green pricing programs under Section 61 of Public Act 295 of 2008, the latter of which can contain renewable energy credit (“REC”)-only options through which an enterprise data center can satisfy any short- or medium-term shortfall in clean energy procurement that arises in any given year or years.

Because the Guidelines undermine the requirements clearly present in the plain language of the relevant amendments to the sales and use tax statutes and permit data centers to claim enterprise data center status simply by virtue of being customers of a utility subject to Section 51 of Public Act 295 of 2008 rather than by meeting the higher threshold set forth in those statutes, the

Guidelines fail to correctly implement these provisions. The Guidelines should therefore be modified to comply with the plain language of MCL 205.54ee(10)(e)(ix) & MCL 205.94cc(10)(e)(ix).

Sincerely,

Dr. Laura Sherman

President, Michigan EIBC

John Albers

Policy Director, Advanced Energy United



## **Public Comment from the Michigan League of Conservation Voters Regarding MSF Data Center Tax Exemption Guidelines**

Chair and members of the Board,

Thank you for the opportunity to speak today. My name is **Ben Poulson**, and I serve as the **State Government Affairs Director for the Michigan League of Conservation Voters**. Michigan LCV is a statewide, nonpartisan organization representing members from every corner of the state, dedicated to protecting Michigan's air, land, water, and communities through sound public policy.

I am here today to urge the Board to revise its current interpretation of the clean-energy requirements in the Enterprise Data Center tax exemption guidelines.

The Legislature was clear: data centers receiving tax breaks must procure 90% of their energy from clean sources. That standard exists because these facilities bring enormous new energy needs. Without guardrails, **this demand can make it significantly harder for utilities to reach their own clean-energy goals**. The solution the Legislature adopted was simple: data centers receiving tax exemptions must be committed to securing the clean energy needed to support their operations.

Unfortunately, the current guidance severely weakens that requirement by allowing data centers to qualify by signing a long-term contract with a utility, regardless of if the facility will meet the 90% clean-energy threshold. These contracts do not guarantee the procurement of clean energy within the statutory timeframe, nor does it account for the additional difficulty of meeting the clean energy standard, due to the data center's energy load. Treating Enterprise Data Centers the same as other utility ratepayers shifts responsibility away from the data center and undermines the intent and letter of the law.

Michigan LCV believes deeply in economic development that strengthens and accelerates our clean-energy future. The data center industry can be part of that future, but only if the rules reflect what the law actually requires. We respectfully urge the Board to revise the guidelines to ensure that clean-energy procurement is real, measurable, and enforceable, and that exemptions are granted only to facilities that meet the statutory standard.

Thank you for your consideration and for your work stewarding Michigan's economic and energy future.