

STATE OF MICHIGAN  
BOARD OF ETHICS

TEDDA HUGHES,  
Complainant,

IN RE: ETHICS COMPLAINT  
OF TEDDA HUGES

v

RANDY THELEN,  
Respondent.

**ANSWER TO COMPLAINT**

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**RESPONDENT'S 10/22/2024 ANSWER TO COMPLAINT**

**INTRODUCTION**

As this Board recognized 50 years ago:

[I]t is also incumbent upon the governor to select persons with intimate knowledge of the subject matter involved and such knowledge must, of necessity, be delivered from actual practice and experience in the field. Thus, the selection of capable qualified persons to serve on the advisory commissions may, at times, lead to appointment of person which such involvement in the subject matter as to create a potential division of loyalty. Such persons, the board believes, should not be totally barred from rendering advice and service so long as there is awareness of their other interests and abstention from participation wherever their personal interest is involved. [*In re Members of the State Advisory Commission to the Office of Substance Abuse Services*, 74-EA-1.]

Essentially, this Board recognized the importance that the State retain individuals with specialized knowledge and experience in carrying out the functions of its various boards and commissions.

The Legislature reached the same conclusion. Specifically, in establishing the Michigan Strategic Fund (MSF) under the MSF Act, the Legislature declared that the “lending and investment of funds to develop and improve the economy of the state requires specialized and unique knowledge, skills, and experience.” MCL §125.2001(n). Understanding that this experience might give rise to potential for conflicts, the Legislature provided guidance for disclosure and recusal under Section 2006 of the act. MCL §125.2006(3)-(6). And subsection 1 of that same section extends the existing disclosure and recusal requirements for public servants to the board of the MSF.

The Legislature recognized the importance of having people like Randy Thelen, the respondent, serve on the MSF Board and provided a means for such people to serve on the Board without forcing them to leave their private sector jobs. And in arguing that Thelen has committed prohibited conduct as set forth in MCL 15.243(3) to (6), Tedda Hughes, the petitioner, misunderstands the applicable law, relevant opinions from this Board, and the general operation of the MSF. As set forth below, Thelen has acted in accordance with applicable law and MSF Policy and committed no prohibited conduct whatsoever. Accordingly, Thelen respectfully requests that this Court enter an order summarily dismissing Hughes’ complaint.

## STATEMENT OF FACTS

### **The Michigan Strategic Fund**

The MSF was created as an autonomous entity under Public Act 270 of 1984, to promote economic development in the State. See MCL 125.2005. In 1999, the Governor, by way of executive order, expanded MSF's authority and transferred all State-funded economic development programs to MSF. See Executive Order 1999-1, Art II. The 1999 executive order also empowered MSF to enter into an interlocal agreement with other public agencies under the Urban Cooperation Act, MCL 124.501 *et seq.*, to provide for a public body corporate to be called the Michigan Economic Development Corporation (or MEDC). *Id.*, Art IV. And under the terms of the operative agreement, the MEDC provides various economic development programs and functions to the parties to the agreement which includes MSF. See [2d Am Agreement](#), Art III, § 3.02.

Since 1999, MSF has been the subject of several reorganizations by way of executive order. See EO 2014-12, EO 2016-23, and 2019-13. In its current form, the MSF is an autonomous entity within the Department of Labor and Economic Opportunity (LEO) and is overseen by an eleven-member board, comprised of seven residents of the state appointed by the Governor, the directors of the departments of Treasury, Transportation, and LEO, as well the CEO of the MEDC. See EO 2019-13, § 2(b). One of the seven members appointed by the Governor must be nominated by the Senate Majority Leader and possess “experience in private equity or venture capital investments, commercial lending, or commercialization of

technology.” *Id.*, § 2(b)(4). As for the MEDC, it is overseen by an Executive Committee comprised of 20 Governor appointees. See [7<sup>th</sup> Am Bylaws](#), Art V, § 5.01. Thelen is not a member of the MEDC or its executive committee.

### **Thelen’s appointment to the MSF Board**

Prior to his appointment, Thelen was required to complete an application with the Governor’s office in which he advised as follows regarding potential conflicts of interest: “I am CEO of The Right Place, which has been, and is currently, a recipient of grants authorized by the MSF. This will be relatively rare and I will be certain to recuse myself from any vote presenting a conflict.” On April 27, 2023, the Governor announced Thelen’s appointment in a [press release](#):

Randy Thelen, of Grand Rapids, is the president and CEO of The Right Place, Inc. He joined The Right Place in 2021, after serving as senior vice president of economic development at the Downtown Denver Partnership. He holds a Bachelor of Arts in Economics from Alma College and a Master of Arts in Applied Economics from Binghamton University. Previously, he also held leadership positions at the Greater Omaha Economic Development Partnership, the Michigan Economic Development Corporation, and Lakeshore Advantage. Mr. Thelen is appointed to represent a member submitted by the Senate Majority Leader representing individuals within the private sector with experience in private equity or venture capital investments, commercial lending, or commercialization of technology, for a term commencing April 27, 2023, and expiring July 31, 2026.

As is clear from the press release, Thelen’s qualifications and experience, including his current role with The Right Place, Inc. (RPI), his prior employment with MDEC, as well as his other economic development experience and accomplishments, were no secret. In fact, this experience was a significant factor in his appointment and consistent with both EO 2019-13 and MCL 125.2001(n).

## **Thelen's role with the Right Place**

As noted in the Governor's press release, Thelen joined RPI in 2021 as its President and CEO. As stated on its [website](#), RPI's mission is "[t]o drive sustainable economic growth and shared prosperity for all in the Greater Grand Rapids Region." Under [Thelen's leadership](#), RPI has created and retained more than 4,000 jobs and one billion dollars in new capital investments for the region, shown growth that now supports an 8-county collaborative, and launched a 10-year regional tech strategy seeking to "position the [Greater Grand Rapids Region] as one of the leading tech hubs in the Midwest." Thelen has been a successful hire for RPI and achieved greater success for the Greater Grand Rapids Region. This success was a key component in his appointment to the MSF Board.

Thelen's compensation from RPI is goal-oriented, reviewed by a three-person compensation committee, and is typical for an organization of its size. The members of the compensation committee include the current, former, and next chair of RPI's board of directors. Thelen's compensation is determined after both a qualitative and quantitative review, and the quantitative review is conducted by examining the following benchmarks: 1,350 jobs created; \$65 million in new and retained payroll; \$200 million in new capital investment; \$25 million in community development investment; an average hourly wage of \$26.50 for new and retained jobs; a one percent or better budget performance; and a \$2.5 million philanthropic fundraising benchmark. Essentially, if Thelen fairs well in a qualitative review and exceeds these benchmarks, he is eligible to receive an increase in compensation. Thelen's compensation is not derived from the award of MSF grants to RPI.

## **Thelen's compliance with the MSF Conflict of Interest Policy.**

In April of 2023, prior to joining the board of the MSF, Thelen proactively reached out to the MEDC General Counsel to discuss any potential conflicts and to ensure he had all information on the process for recusals. On April 29, 2023, the general counsel sent Thelen the MSF Board Conflict of Interest Policy (the Conflict Policy). (See Ex A, MSF Conflict of Interest Policy.) The Conflict Policy was recommended by MSF's Chief Compliance Officer (or CCO), a statutorily-created office established in MCL 125.2088i, to ensure that the Board is in compliance with applicable state and federal law.

Section II of the Conflict Policy sets forth the relevant definitions and defines "conflict of interest" to mean the following:

- (a) A situation in which the MSF Board member is an Employee of the Business receiving a loan, grant, investment, or other expenditure under the [MSF] Act[.]
- (b) A situation in which the Private Interest of a MSF Board member influences the judgment of the MSF Board member in the performance of his or her duties or responsibilities to the MSF.
- (c) A situation in which the Private Interest of a MSF Board member would lead a reasonable person, either knowing all of the circumstances, or having similar knowledge and experience, to conclude that the Private Interest may influence the judgment of the MSF Board member in the performance of his or her duties or responsibilities to the MSF, thus giving the appearance of improper influence. [Ex A, Section II(3).]

And because the term "Private Interest" as used in this definition is also a defined term under Section II of the Conflict Policy, it is worth noting that Private Interest is defined to include each of the following:

(a) An interest in any matter before the MSF Board in which the MSF Board member, a Business with which the MSF Board member is Associated, or his or her Immediate Family member, has a direct or indirect interest in the proceeds or benefits of the matter before the MSF Board. To be prohibited by this Policy a Private Interest on the part of a MSF Board member must be of such substance as to induce action on his or her part to promote the matter for his or her own personal benefit.

\* \* \*

(b) An interest in any matter before the MSF Board in which the MSF Board member's employment, service, or other legal duties or obligations are incompatible or would conflict with the discharge of the MSF Board member's official duties as a member of the MSF Board, or when that employment or service may tend to impair the MSF Board member's independence of judgment or action in the performance of his or her official duties.

(c) An interest in any matter before the MSF Board in which the MSF Board member or his or her Immediate Family member has received Compensation, a Gift, or a Loan, from the person or Business which has a direct or indirect interest in the proceeds or benefits of the matter before the MSF Board, and the value of which may tend to impair the MSF Board member's independence of judgment or action in the performance of his or her official duties, or the value exceeds the thresholds permitted by . . . MCL 4.411 *et seq.* [Ex A, Section II(9).]

The definition of conflict of interest set forth in the Conflict Policy is consistent with relevant state law including, for example, with the Standards of Conduct for Public Officers and Employees Act, MCL 15.341 *et seq.*, and the Contracts of Public Servants with Public Entities Act, MCL 15.321 *et seq.*, as well as the conflict of provision procedure established in Section 6 of the MSF Act, see MCL 125.2006(5).

With the definition of conflict of interest in mind, Section III of the Conflict Policy sets forth the procedure surrounding disclosure of conflicts, recusals, and record keeping related to conflicts. (See *Id.*) Collectively, these procedures provide that board members must disclose conflicts of interest in writing to the MSF Fund

Manager and recuse themselves from participating in matters that present a conflict of interest and that records of the recusal will be maintained by the MSF.

Additionally, Section III further provides that “[a]s soon as practicable, the MSF Fund Manager will provide notice to all MSF Board members of the Businesses and the subject matter coming before the MSF Board at its next meeting in order to allow the MSF Board Members time to conduct a conflict check, give the required Conflict of Interest notice, and comply with the recusal requirements.”

*(Id.)* And this provision enables board members to screen upcoming agenda items to determine whether they have any conflicts of interest that require disclosure and recusal. To this end, Thelen adopted a process of conducting an early review of the agenda and providing notice of any potential conflicts and recusal as appropriate, which has allowed for proper compliance throughout his time with MSF.

Consistent with the Conflict Policy, MSF provides its board members with advance copies of the coming meeting’s agenda without any supporting material. Upon initial receipt of the monthly agendas, Thelen would carefully review the agendas to identify any potential conflicts. And when any conflicts were identified, he sent a written disclosure of the conflict to the MSF Fund Manager and recused himself from participating in any related vote or discussion as required by the Conflict Policy. (See generally Ex B, Thelen Recusal Letters.) By adhering to this process, Thelen ensured that he was in compliance with the Conflict Policy as well as applicable law.



## **The Chief Compliance Officer's role**

In addition to Thelen's advanced review of meeting agendas to screen for conflicts, the CCO also played a statutory role in ensuring that the Board complied with applicable state and federal law. Specifically, in addition to recommending policies, MCL 125.2088i(6) requires the CCO to, among other things, "ensure that [the board is] in compliance with internal policies and procedures and with applicable state and federal law[,]" "[p]rovide guidance to the board . . . on matters related to compliance with internal policies and procedures and with applicable state and federal law[,]" "[m]ake recommendations to the board. . . regarding the appropriate evaluation, investigation, and resolution of issues and concerns regarding compliance with internal policies and procedures and with applicable state and federal law[,]" and "[r]eview and evaluate compliance with internal policies and procedures and with applicable state and federal law." MCL 125.2088i(6)(b)–(e). In fact, the Legislature determined the CCO's role to be of such importance that it prohibited all persons apart from the State Administrative Board from interfering with the CCO while carrying out his or her duties. Specifically, MCL 125.2088i(4) provides as follows: "A person may not interfere with, prevent, or prohibit the chief compliance officer from carrying out his or her duties as established in this section and set by the state administrative board."

Related to these statutory obligations, the Legislature also tasked the CCO with making quarterly reports to the MSF Board and the State Administrative Board regarding "compliance with internal policies and procedures and with applicable state and federal law." MCL 125.2088i(6)(g). To this end, the CCO has

prepared six quarterly reports during Thelen's tenure on the Board. (See Ex C, Compilation of Quarterly CCO Reports.) Nowhere in these reports, however, does the CCO identify any instance of noncompliance with respect to Thelen. In fact, the only portion of his reports that could refer to Thelen occurs in the first quarterly report in which Thelen was a member of the Board:

The CCO assisted the MSF with a Conflict of Interest question regarding a Board Member's company applying for incentives from a program funded by the MSF but in which MSF/MEDC staff have no input on the awards. The conclusion was, because staff were not involved with the decision making in the awarding of funding a conflict did not exist at that time, but *if the Board Member's company was an active participant in the program and the program comes to the Board, a conflict is likely and this should be monitored.* [Ex C, July 11, 2023 Report, pp 1–2, emphasis added.]

Applying the CCO's conclusions to Thelen and RPI, it stands to reason that if RPI, or another company in which Thelen had a private interest, came before the Board, a conflict of interest would arise. Critically, the CCO did not determine that RPI could not apply for grants funded by MSF. And should such a situation occur, a conflict of interest would be present requiring Thelen to comply with the Conflict Policy. Thelen complied with the Conflict Policy in each such instance.

### **Thelen's attendance and participation at Board meetings**

Since his appointment to the Board, there have been a total of 18 MSF meetings. Thelen has attended 15 meetings having only missed the December 2023 meeting, the January 2024 special meeting, and the September 2024 meeting. (See Generally Ex D, Compilation of Meeting Minutes.) And throughout these meetings,

Thelen has only provided written disclosures of a conflict on nine agenda items and recused or abstained on ten occasions. These instances are discussed below:

- **May 23, 2023** – Thelen recused from the motion to appoint him and another new Board member to the MSF Finance and Investment Subcommittee. (See Ex D, May 23, 2023 Meeting.)<sup>1</sup>
- **July 25, 2023** - Consent Agenda Item: Motion Incentives Amendment. (See Ex D, July 25, 2023 minutes pp 3–4; Ex B, Recusal Letters, July 18, 2023 letter.)
- **September 26, 2023** - Contractual Small Business Solutions/Services: FY24 Funding Allocations; and Strategic Site Readiness Program Grants (SSRP) to Prosperity Region Economic Development Organization. (See Ex D, Sept 26, 2023 minutes pp 5–6; Ex B, Sept 20, 2023 letter.)
- **January 23, 2024** - Business Incubator Program: FY 2024 Gateway Grant Amendments; B&L Systems LLC dba Fifth Wheel Freight Michigan Business Development Program Grant. (Ex D, January 23, 2023 minutes pp 3–5; Ex B, First Jan 17, 2024 letter.)
- **January 30, 2024** - Strategic Site Readiness Program (SSRP): Grant Awards (see Ex B, Second Jan 17, 2024 letter.)<sup>2</sup>
- **March 26, 2024** - Hotel Rose, LLC Michigan Community Revitalization Program Other Economic Assistance Loan Participation. (See Ex D, March 26, 2024 minutes p 9; Ex B, March 20, 2024 letter.)
- **August 27, 2024** - Northland Corporation Michigan Business Development Program Grant (see Ex D, Aug 27, 2024 minutes p 5; Ex B, Aug 26, 2024 letter.)
- **September 24, 2024** - FY2025 Funding Allocations: Contractual Small Business Solutions & Services (Small Business programs related to MMTC). (See Ex B, Sept 23, 2024 letter.)<sup>3</sup>

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<sup>1</sup> Thelen did not submit a written disclosure of conflict for the motion to appoint him the subcommittee, as this was more an abstention from a procedural vote. All other recusals were accompanied by a written disclosure of conflict.

<sup>2</sup> As noted above, in addition to recusing from this agenda item, Thelen did not attend the special meeting in January of 2024.

<sup>3</sup> Again, in addition to recusing, Thelen did not attend the September 2024 meeting.

The meeting minutes for each of the above-referenced instances of recusal demonstrate that Thelen left the meeting before the agenda item with his conflict of interest was discussed and returned after the discussion was completed. (See Generally, Ex D.)

Further, in addition to having attended 15 out of 18 meetings, a review of the meeting minutes shows that of the 138 agenda items for which Thelen was potentially available, he only recused in eight instances.<sup>4</sup> These numbers reveal an 83.3 percent attendance rate (15/18) and a 5.8 percent recusal rate (8/138). Clearly, Thelen's role with RPI has not prevented him from serving the MSF Board.

### **The consent agenda**

In light of certain allegations in the complaint, one last aspect of the MSF's meetings warrants review—the consent agenda. As set forth in its Consent Agenda Policy, the consent agenda is best described as follows:

A Consent Agenda is a tool that streamlines meeting procedures by compiling items that are routine and not expected to prompt discussion or deliberation by the Board into a single group. The items on the Consent Agenda are then approved by the Board through a single Consent Agenda Resolution without discussion or individual motions. [Ex E, MSF Consent Agenda Policy, p 2.]

The Consent Agenda Policy further provides that an item may only be placed on the Consent Agenda after a determination by the MSF President or Fund Manager

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<sup>4</sup> Again, Thelen was absent for the entire special meeting in January of 2024 and the entire regular meeting in September of 2024 where he disclosed conflicts of interest in accordance with the Policy. Thelen was also present for the October 2024 meeting, where 7 votes were on the agenda. (Ex I, October 2024 Agenda.)

“that the item is routine and is not expected to prompt deliberations or discussions by the Board.” (Ex E, p 187.) This determination is then reviewed by the board members and the Chief Compliance Officer. (*Id.*)

Relevant to the Consent Agenda Policy, Hughes references two categories of consent agenda items in her complaint: (1) the Revitalization and Placemaking (RAP) Project Amendment votes on June 27, 2023 and July 23, 2024; and (2) the reauthorization of performance-based grants vote for Gentex on July 23, 2024. Both are discussed in turn below

*The RAP Program Amendment Items.* By way of background, the [RAP Program](#) was initially created through the American Rescue Plan Act of 2021, Public Law 117-2, (or ARPA) to address COVID-19 impacts in Michigan communities through providing “access to gap financing for place-based infrastructure development, real estate rehabilitation and development, and public space improvements.” The [first iteration](#) of the RAP Program was launched in 2022 and the [second iteration](#) was launched in 2023. Along with Southwest Michigan First Corporation, another economic development organization, RPI also received subgrant awards in both iterations of the RAP Program, and Hughes appears to allege that Thelen’s vote on these consent agenda items involving the RAP program constitutes an impermissible conflict of interest.

Context reveals Hughes’ misunderstanding. At the MSF Board Meeting on June 27, 2023, Thelen voted ‘aye’ on a RAP Program amendment as part of a package of eight consent agenda items. (Ex D, June 27, 2023 minutes p 6.) The

vote was unanimous and did not involve any new grant authorizations under the RAP Program that would represent a conflict for Thelen or RPI. Instead, MEDC simply requested authorization to increase the City of Lansing's award by \$1 million after the City of East Lansing turned down their \$1 million allocation. (Ex F, June 27, 2023 Request and Resolution.)

The RAP Program awards came up again at the MSF Board Meeting on July 23, 2024 where Thelen voted 'aye' on consent agenda item "(e) RAP Grant Agreement Amendments" as part of a package of six consent agenda items. This consent agenda item came after federal regulations were amended to allow for funding increases to certain RAP awards to account for change orders or contract contingencies so long as the additional funds "come from existing program funds already available or from a reallocation of funds from projects that are under budget or are no longer feasible." (Ex G, July 23, 2024 Request and Resolution, p 1.) Additionally, MEDC requested that the Board authorize the MSF Fund Manager to extend certain milestone dates as allowed under the relevant ARPA regulations. (*Id.*) Notably, neither consent agenda item regarding the RAP Program involved Thelen voting awarding RPI with RAP funds.

*The Gentex Grant Reauthorization Vote.* By way of background, Gentex Corporation is a business based in Zeeland Michigan that, according to its [website](#), "develops and manufactures custom high-tech electronic products for the automotive, aerospace, and commercial fire protection industries." Gentex's president and CEO, Steve Downing, is currently the chair of RPI's 40-plus member

[board of directors](#), and, as a result, is one of the three members on Thelen’s compensation committee. On July 26, 2022, prior to Thelen joining the Board, MSF awarded three separate grants to Gentex collectively worth around \$11 million. (See Ex H, July 23, 2024 Request and Resolution, p 39.) Because these grants required certain approvals within 120 to 180 days, which proved unworkable for Gentex, MEDC requested that the MSF Board “reauthorize” two of those same grants with extended deadlines for the approvals. (*Id.*, pp 40–41.) This request was presented as consent agenda item “(d) Gentex Corporation: Reauthorization of Performance-based Grants” in the July 23, 2024 meeting. And like with the RAP Agreements did not involve any new funding disbursements and represented no direct benefit for Thelen or RPI.

### **The Ethics Complaint**

On September 20, 2024, Hughes filed a sworn ethics complaint against Thelen, though, importantly, she lacks personal knowledge of each factual allegation in her complaint. In the complaint form, Hughes checked the boxes for violations of MCL 15.342(3), (4), (5), and (6). The complaint form is followed by more than thirty pages of unstructured allegations and more than 150 pages of various exhibits, some of which discuss Thelen. For the reasons set forth below, and with the facts set forth above in mind, Thelen denies all allegations of unethical conduct and therefore requests that this Board summarily dismiss Hughes’ complaint without a hearing under Rule 15.5(11)(e) and (12).

## STANDARD OF REVIEW

This Board's Rules of Practice and Procedure provides that its review of a complaints allegations will be "the preponderance of the evidence" standard. Rule 15.8(5). To this end, Hughes, as "[t]he complainant, shall have the burden of introducing the requisite evidence to prove the alleged unethical conduct." *Id.* And the Rules further permit the Board to issue a complaint decision without a hearing when "[t]he complaint on its face fails to state a claim of unethical conduct" or where "no genuine issue as to any material fact exists." Rule 15.5(11)(e) and (12).

## ARGUMENT

### **I. Thelen did not engage in any conduct prohibited under MCL 15.342.**

When comparing the facts set forth above, which Thelen has signed before a notary public, with the specific prohibited conduct enumerated in MCL 15.342(3)–(6), no reasonable factfinder could determine that Thelen committed an ethical violation. And a review of this Board's recent opinions discussing the factual requirements necessary to find that a public officer has committed such misconduct demonstrates that Thelen is entitled to summary dismissal.

### **A. Thelen did not violate § 2(3) of the Ethics Act.**

MCL 15.342(3) requires that a public officer "use personnel resources, property, and funds under the officer or employee's official care and control judiciously and solely in accordance with prescribed constitutional, statutory, and regulatory procedures and not for personal gain or benefit." This Board recently, in



*In re Hughes v Mikula*, provided the below guidance regarding alleged violations of MCL 15.342(3):

To establish a violation of § 2(3) of the Ethics Act, a complainant must show that the public officer or employee has actually received some personal gain or benefit from the alleged misuse of personnel resources, funds, or property under their care and control. *In re: MSEA v Kolb*, 2015-ED-3. The concept of personal gain or benefit requires a definable or tangible gain or benefit. *In re Russell v Dempsey*, 78-ED-3. [ETH 2023-ED-01, p 5.]

In *Mikula*, the Board analyzed allegations from this same complainant against a member of another state board similarly calling into question the member's voting record. *Id.* And in finding no violation of § 2(3) of the Ethics Act, the Board noted that violations of § 2(3) are typically found in "situations where a public officer or employee misappropriated funds or other resources for their own use."

Here, simply put, no such conduct occurred. Thelen is one member of the MSF with no individual access to MSF funds. Further, whenever RPI was applying to MSF for a grant, Thelen provided written notice of his conflict of interest and recused from voting or participating in the discussion of RPI's grant application. For this reason, Thelen did not violate MCL 15.342(3), and there is no question of material fact that warrants a hearing. As such, the Board should summarily dismiss Hughes' complaints regarding a violation of § 2(3) of the Ethics Act.

**B. Thelen did not violate § 2(4) of the Ethics Act.**

MCL 15.342(4) provides that "[a] public officer . . . shall not solicit or accept a gift or loan of money, goods, services, or other thing of value for the benefit of a person or organization, other than the state, which tends to influence the manner in

which the public officer . . . performs official duties.” This Board also discussed § 2(4) of the Ethics Act in *Mikula* and provided the following guidance:

To establish a violation of § 2(4) of the Ethics Act, a complainant must show a public officer . . . solicited or accepted something of value for the benefit of the person or an organization other than the state, and there must be a tendency to influence the manner in which the public officer . . . performs the official duties. *In re Tax Commissioners*, 79-EA-4. [23-ED-01, p 6.]

The Board further explained that its prior decisions typically “require[ ] a nexus between the public officer’s performance of their official duties and the benefit inuring from the thing of value that they solicit or receive.” *Id.* Similarly, the Board commented that it would constitute poor judgment for a public officer to address a state board of which they are a member and seek, in their private capacity, grant awards from the state board. *Id.*

Here, however, the record is devoid of any evidence showing that Thelen sought any benefit from MSF without recusing from the vote and discussion in his capacity as a MSF board member. And Thelen’s recusal is important given the well-established legal principal that “[w]hen conflicts of interest arise between an office holder’s private interests and public duties, it is proper that the office holder recuse himself or herself from the matter in which the conflict arises.” OAG No 7285 (July 19, 2015), quoting 63C Am Jur 2d, Public Officers and Employees, § 246. Moreover, Thelen’s recusal is consistent with the MSF Act’s statutory requirements governing conflicts of interest, see MCL 125.2006(5), the Conflict Policy, (see Ex A, Section III), as well as this Board’s decision in *Mikula* in which it recommended that the public officer “recuse herself in the future from any discussions about grant

awards to organizations she is affiliated with, and recuse herself from voting on matters regarding organizations she is affiliated with[,]" see 2023 ED-01.

Even the fact that Thelen did not recuse from the consent agenda items noted above does not constitute a violation of § 2(4) as none of those items involved RPI or Thelen requesting any grant awards from MSF (nor could they in light of MSF's consent agenda policy). Instead, those requests were "routine" and generated by MEDC as they merely involved the "extension" and "restructuring" of milestone requirements and deadlines as well as the "reauthorization of incentives whose approval has expired and terms remain the same." (Compare Exs F to H, consent agenda items, with Ex E, Consent Agenda Policy.) In short, unless there is a financial benefit to RPI derived from a consent agenda item (which would be rare given the requirements for an item to qualify for the consent agenda), no conflict of interest can arise from Thelen's vote on the consent agenda.<sup>5</sup>

Thus, Thelen has not violated MCL 15.342(4), and there is no question of material fact that warrants a hearing. As such, the Board should summarily dismiss Hughes' complaints regarding a violation of § 2(4) of the Ethics Act.

**C. Thelen did not violate § 2(5) of the Ethics Act.**

Section 2(5) of the Ethics Act, MCL 15.342(5) prohibits a public officer from "engag[ing] in a business transaction in which the public officer . . . may profit from

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<sup>5</sup> That said, as can be seen from his various recusals, Thelen is nevertheless thorough and conscientious in reviewing the consent agenda and has recused from voting and discussion several consent agenda items. (See generally Ex B, Recusal Letters, and Ex D, Meeting Minutes.)

his or her official position or authority or benefit financially from confidential information which the public officer . . . has obtained or may obtain by reason of that position or authority.” This Board has previously established a three-part test for this section:

- (1) The public officer must be engaging in a business transaction;
- (2) There must be the possibility that the public officer may profit from the business transaction; and
- (3) The possibility of profit must rise from the public officer’s official position or authority. [*In re: Blom*, 85-EA-1, p 3, 1985, citing *In re Dobbs*, 78-EA-1, p 3 (1978), and *In re Zamara*, 80-EA-3, p 6 (1980).]

Because this Board found in *In re Allen*, that “continu[ing] with [a] private business enterprise[ ]” constitutes a “business transaction” under part 1, see 92-EA-02, p 3, Thelen’s employment with RPI likely constitutes a “business transaction” here. And Thelen, as an employee of RPI, appropriately receives compensation for his employment relationship with RPI, thus satisfying part 2.

However, because Thelen routinely follows the Conflicts Policy and recuses whenever RPI comes before the MSF Board, there is, plainly stated, no possibility that Thelen’s profit which he derives from RPI will arise from his role with MSF. What’s more, a finding from this Board that Thelen’s involvement in the economic development field itself satisfies part 3 would directly contradict the Legislature’s stated public policy in MCL 125.2001(n) (stressing the importance of the MSF retaining individuals with specialized knowledge and experience in the field of economic development) and EO 2019-13, § 2(b)(4) (requiring a citizen board member

on MSF from “the private sector with experience in private equity or venture capital investments, commercial lending, or commercialization of technology”).

As such, because Thelen does not receive profits from his employment with RPI arising out of his role with MSF, he has not violated MCL 15.342(5), and there is no question of material fact warranting hearing. The Board should summarily dismiss Hughes’ complaints regarding a violation of § 2(5) of the Ethics Act.

**D. Thelen did not violate § 2(6) of the Ethics Act.**

MCL 15.342(6) prohibits a public officer from “engag[ing] in or accept[ing] employment or render[ing] services for a private . . . interest when that employment or service is incompatible or in conflict with the discharge of the officer[’s] . . . official duties or when that employment may tend to impair his or her independence of judgment or action in the performance of official duties.” In analyzing § 2(6), guidance is again found in *Mikula*, where this Board explained as follows:

To establish a violation of § 2(6) of the Ethics Act, a complainant must show, among other things, that a public officer or employee has engaged in employment that may tend to impair their independence of judgment or action in performing their official duties, or has engaged in employment that presents a conflict of interest in the discharge of their official duties. [23-EA-01, pp 6–7.]

And in *Mikula*, the Board found that the respondent violated § 2(6) because she voted to approve grant awards to organizations with which she was affiliated. *Id.* at 7. Yet the Board seemingly agreed that the respondent would not have violated § 2(6) had she recused from voting on awards to such organizations. *Id.* at 8.

Here too, the Board should find no violation of § 2(6) for the reason that Thelen has recused from all votes in which he or RPI had a private interest. Even

Hughes should be hard-pressed to disagree as her decision not to allege a violation of § 2(7) (prohibiting the award of loans by a public officer to a business entity in which the officer has a personal interest) is essentially an acknowledgment that Thelen’s recusal ensures compliance with MCL 15.342(7). Stated differently, how could Thelen’s recusal satisfy § 2(7) of the Ethics Act but not § 2(3)–(6), particularly when considering the public policy set forth in the MSF Act?

It is also worth noting the legally untenable allegation that Thelen violated § 2(6) of the Ethics Act by not recusing from the consent agenda in which the Gentex grant reauthorization was presented to the board. The fact that Downing, the current chair of RPI’s board, is employed as the CEO of Gentex does not constitute a “private interest” under either the Ethics Act or the Conflicts Policy. But even if Downing’s relationship to RPI was sufficient to create a private interest for Thelen, voting on a consent agenda item is not “of such substance as to induce action on his or her part to promote the matter for his or her own personal benefit.” (See Ex A, Section II(9).) Moreover, even if Thelen knew that Gentex had been assessed penalties by the Securities and Exchange Commission (to be clear, he did not), the failure to inform the MSF board of such penalties does not violate § 2(6) of the Ethics Act, the ethics provisions of MCL 125.2006, or the Conflicts Policy. This is because the MSF Board members rely on the MEDC staff that make the requests presented in the consent agenda and assume that the requests are made after sufficiently researching the matter.

Simply put, knowing that a business seeking a grant has been fined or penalized by a regulatory agency does not automatically create an ethical obligation to recuse oneself from voting, nor does it directly affect the business' eligibility for the grant (in fact, it is likely that multiple businesses which have applied to MSF for grant funds have faced various regulatory issues in the past including, for example, air permit violations and disputes with the Tax Tribunal). Further, the [SEC penalties](#) Hughes references in her complaint appear related to violations that occurred between 2015 and 2018 and were resolved by way of settlement on February 23, 2023—several months before Thelen was appointed to the MSF Board. To say the least, Hughes cannot state a violation of § 2(6) of the Ethics Act by way of alleging that Thelen breached a fiduciary duty in failing to notify the Board of an SEC penalty that was resolved one-and-a-half years before the July 2024 consent agenda item regarding the Gentex grant reauthorization. Particularly when that consent agenda was passed unanimously and without discussion. (See Ex D, July 23, 2024 minutes.)

One last point. Hughes goes to great lengths to suggest that Thelen's role with RPI is incompatible with his role on the MSF. (See Compl, pp 26–31.) In fact, she claims that “that the sheer frequency of recusal demonstrates that Thelen's employment is incompatible with MSF board membership.” (*Id.* at 31.) But in so arguing, she ignores the public policy that is discussed above and relies upon inapposite incompatibility law. Specifically, Hughes relies upon the Incompatible Public Offices Act (IPOA), MCL 15.181 *et seq.*, to argue that Thelen's dual roles are

incompatible. Such reliance is not proper, however, given that the IPOA applies only where one person is occupying *two public offices*. See MCL 15.181(b) (defining “incompatible offices” as used in the IPOA). Stated otherwise, because Thelen does not occupy *two public offices*, the Board should disregard Hughes’ reliance on the IPOA and related case law. And contrary to her allegations that Thelen’s “frequency of recusal” results in an incompatibility between his public and private role, Thelen refers the Board to *In re MSHDA*, where it unanimously found that the need for MSHDA’s executive director to recuse from 3 percent of MSHDA programs did not violate the Ethics Act. 2021-EA-01, p 5, citing *In re Eagle*, 2009-EA-01. The Board should find the same here where Thelen only recused from 5.8 percent of the votes in which he was available to participate. (See generally, Ex D.)

In the end, the Legislature and the Governor intended for the MSF Board to be comprised of appointees from the private sector with “specialized and unique knowledge, skills and experience.” See MCL 125.2001(n) and EO 2019-13. The Legislature further provided statutory guidance for handling conflicts of interest, through notice, recusal and disclosure, see MCL 125.2006(3)-(6), and also created the CCO to ensure that such statutory guidance is adhered to, see MCL 125.2088i. The MSF is a well-regulated entity whose members are equipped with substantial assistance in identifying and avoiding potential conflicts of interest. And because there is no question of fact to support the allegations that Thelen violated any provision of the Ethics Act or otherwise acted unethically, the Board should enter an order summarily dismissing Hughes’ complaint.



**CONCLUSION AND RELIEF REQUESTED**

For the reasons set forth above, that is, because he did not engage in any prohibited conduct set forth under section 2 of the Ethics Act, MCL 15.342, and there is no material question of fact regarding an alleged violation warranting a hearing, Thelen requests that this Board issue an order summarily dismissing Hughes' complaint and terminating proceedings in the instant matter.

Respectfully submitted,

Respectfully submitted,

Wet signature on following page

Wet signature on following page

\_\_\_\_\_  
Randy Thelen  
Respondent  
Michigan Strategic Fund  
300 N Washington Square  
Lansing, MI 48913

\_\_\_\_\_  
Adam R. de Bear (P80242)  
Assistant Attorney General  
Attorney for Respondent  
State Operations Division  
P.O. Box 30754  
Lansing, MI 48909  
(517) 335-7573  
[debeara@michigan.gov](mailto:debeara@michigan.gov)

Dated: October 22, 2024

Dated: October 22 2024

Acknowledged before me on the day  
of \_\_\_\_\_.

Acknowledged before me on the day  
of \_\_\_\_\_.

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed name: \_\_\_\_\_

Printed name: \_\_\_\_\_

Notary public, State of Michigan,  
County of \_\_\_\_\_.

Notary public, State of Michigan,  
County of \_\_\_\_\_.

My commission expires:\_\_\_\_\_.

My commission expires: \_\_\_\_\_.

Acting in the County of \_\_\_\_\_.

Acting in the County of \_\_\_\_\_.

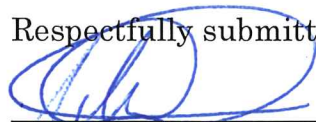
**CONCLUSION AND RELIEF REQUESTED**

For the reasons set forth above, that is, because he did not engage in any prohibited conduct set forth under section 2 of the Ethics Act, MCL 15.342, and there is no material question of fact regarding an alleged violation warranting a hearing, Thelen requests that this Board issue an order summarily dismissing Hughes' complaint and terminating proceedings in the instant matter.

Respectfully submitted,

\_\_\_\_\_  
Randy Thelen  
Respondent  
Michigan Strategic Fund  
300 N Washington Square  
Lansing, MI 48913

Respectfully submitted,

  
\_\_\_\_\_  
Adam R. de Bear (P80242)  
Assistant Attorney General  
Attorney for Respondent  
State Operations Division  
P.O. Box 30754  
Lansing, MI 48909  
(517) 335-7573  
[debeara@michigan.gov](mailto:debeara@michigan.gov)

Dated: October 22, 2024

Dated: October 22 2024

Acknowledged before me on the day  
of \_\_\_\_\_.

Signature: \_\_\_\_\_

Printed name: \_\_\_\_\_

Notary public, State of Michigan,  
County of \_\_\_\_\_.

My commission expires: \_\_\_\_\_.

Acting in the County of \_\_\_\_\_.

Acknowledged before me on the day  
of October 22, 2024.

Signature: Lisa A Spagnuolo

Printed name: Lisa A. Spagnuolo

Notary public, State of Michigan,  
County of Clinton.

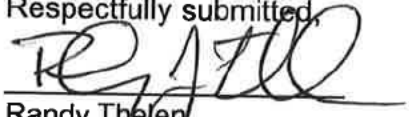
My commission expires: 4/29/2027.

Acting in the County of Ingham.

**CONCLUSION AND RELIEF REQUESTED**

For the reasons set forth above, that is, because he did not engage in any prohibited conduct set forth under section 2 of the Ethics Act, MCL 15.342, and there is no material question of fact regarding an alleged violation warranting a hearing, Thelen requests that this Board issue an order summarily dismissing Hughes' complaint and terminating proceedings in the instant matter.

Respectfully submitted,

  
Randy Thelen  
Respondent  
Michigan Strategic Fund  
300 N Washington Square  
Lansing, MI 48913

Respectfully submitted,

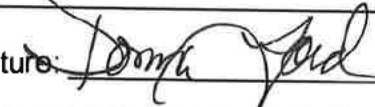
\_\_\_\_\_  
Adam R. de Bear (P80242)  
Assistant Attorney General  
Attorney for Respondent  
State Operations Division  
P.O. Box 30754  
Lansing, MI 48909  
(517) 335-7573  
[debeara@michigan.gov](mailto:debeara@michigan.gov)

Dated: October 22, 2024

Dated: October 22 2024

Acknowledged before me on the day  
of October 22, 2024.

Acknowledged before me on the day  
of \_\_\_\_\_.

Signature: 

Signature: \_\_\_\_\_

Printed name: Donna Ford

Printed name: \_\_\_\_\_

Notary public, State of Michigan,  
County of Kent.

Notary public, State of Michigan,  
County of \_\_\_\_\_

My commission expires: Nov. 29, 2028

My commission expires: \_\_\_\_\_



STATE OF MICHIGAN  
BOARD OF ETHICS

TEDDA HUGHES,  
Complainant,

IN RE: ETHICS COMPLAINT  
OF TEDDA HUGES

v

RANDY THELEN,  
Respondent.

**ANSWER TO COMPLAINT**

---

Tedda Hughes  
623 Kensington Rd  
East Lansing, MI 48823  
(517) 721-1756  
[teddahughes@hotmail.com](mailto:teddahughes@hotmail.com)

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John Reynolds (P86789)  
Assistant Attorneys General  
Mich Dep't of Attorney General  
Attorneys for Respondent  
P.O. Box 30754  
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[debeara@michigan.gov](mailto:debeara@michigan.gov)  
[reynoldsj20@michigan.gov](mailto:reynoldsj20@michigan.gov)

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**INDEX OF EXHIBITS**

- Exhibit A – MSF Conflict of Interest Policy.
- Exhibit B – Thelen Recusal Letters.
- Exhibit C – Compilation of Quarterly CCO Reports.
- Exhibit D – Compilation of Meeting Minutes.
- Exhibit E – MSF Consent Agenda Policy.
- Exhibit F – June 2023 Request & Resolution.
- Exhibit G – July 23, 2024 Request & Resolution.
- Exhibit H – July 23, 204 Gentex Reauthorization.
- Exhibit I – October 2024 Agenda.

STATE OF MICHIGAN  
BOARD OF ETHICS

TEDDA HUGHES,  
Complainant,

IN RE: ETHICS COMPLAINT  
OF TEDDA HUGES

v

RANDY THELEN,  
Respondent.

**ANSWER TO COMPLAINT**

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Tedda Hughes  
623 Kensington Rd  
East Lansing, MI 48823  
(517) 721-1756  
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Mich Dep't of Attorney General  
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[debeara@michigan.gov](mailto:debeara@michigan.gov)  
[reynoldsj20@michigan.gov](mailto:reynoldsj20@michigan.gov)

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**RESPONDENT'S 10/22/2024 ANSWER TO COMPLAINT**

EXHIBIT A

Michigan Strategic Fund  
Board Conflict of Interest Policy

**Article I: Purpose:**

This Conflict of Interest policy is designed to foster public confidence in the integrity of the Michigan Strategic Fund (MSF), promote transparency, and protect the MSF's interests when it is contemplating a matter that might actually or appear to benefit the Private Interest of a MSF Board member.

A Conflict of Interest is a real or seeming incompatibility between one's private interests and one's public or fiduciary duties, as more fully described below.

Section 6 of the Michigan Strategic Fund Act, MCL 125.2006, requires an MSF Board member who has a Conflict of Interest related to any matter before the MSF Board to disclose the Conflict of Interest before the MSF Board takes any action with respect to the matter. The disclosure becomes a part of the record of the MSF Board's official proceedings. The MSF Board member with the Conflict of Interest is prohibited from doing all of the following with respect to the matter that is the basis of the Conflict of Interest:

- (a) Voting in the MSF Board's proceedings related to the matter.
- (b) Participating in the MSF Board's discussion of and deliberation on the matter.
- (c) Being present at the meeting when the discussion, deliberation, and voting on the matter takes place.
- (d) Discussing the matter with any other MSF Board member.

**Section II: Definitions:**

As used in this Policy:

(1) **"Business"** means: For the purposes of this policy, Business means a corporation, partnership, sole proprietorship, firm, enterprise, franchise, association, organization, self-employed individual, holding company, joint stock company, receivership, trust, activity, or entity which is organized for profit or nonprofit purposes.

(2) **"Business with which the MSF Board member is Associated"** means: For the purposes of this policy, a Business with which the MSF Board Member is Associated means a Business in which any of the following applies:

- (a) The MSF Board member is a partner, member, director, officer, or employer.
- (b) A member of the MSF Board member's Immediate Family is a partner, member, director, officer, or employer.

(c) The MSF Board member or a member of the MSF Board member's Immediate Family is a stockholder of close corporation stock worth \$1,000.00 or more at fair market value or which represents more than 5% equity interest, or is a stockholder of publicly traded stock worth \$10,000.00 or more at fair market value or which represents more than 10% equity interest.

(3) **"Compensation"** means: For the purposes of this policy, Compensation means anything of monetary value received or to be received from a person or Business, whether in the form of a fee, salary, commission, service, forbearance, forgiveness, or another form of recompense.

(4) **"Conflict of Interest"** means: For the purposes of MSF Board members, Conflict of Interest means any of the following:

(a) A situation in which the MSF Board member is an Employee of the Business receiving a loan, grant, investment, or other expenditure under the Michigan Strategic Fund Act, MCL 125.2001 *et seq.*

(b) A situation in which the Private Interest of a MSF Board member influences the judgment of the MSF Board member in the performance of his or her duties or responsibilities to the MSF.

(c) A situation in which the Private Interest of a MSF Board member would lead a reasonable person, either knowing all of the circumstances, or having similar knowledge and experience, to conclude that the Private Interest may influence the judgment of the MSF Board member in the performance of his or her duties or responsibilities to the MSF, thus giving the appearance of improper influence.

(5) **"Employee"** means: For the purposes of this policy, Employee has the same meaning as defined by the Michigan Department of Treasury pursuant to Rule 206.2, 1999 AC, R 206.2. Essentially, if a Business is required to withhold from the MSF Board Member as an employee for federal income tax purposes, that MSF Board member is an employee of that Business for the purposes of this Policy.

(6) **"Gift"** means: For the purposes of this policy, Gift means a payment, advance, forbearance, or the rendering or deposit of money, services, or anything of value, the value of which exceeds the thresholds permitted by the Lobbyists, Lobbying Agents, and Lobbying Activities Act, MCL 4.411 *et seq.*, as adjusted, in any 1-month period, unless consideration of equal or greater value is received therefor. Gift includes a payment, advance, forbearance, or the rendering or deposit of money, services, or anything of value to aid the defense of an MSF Board member against a legal action not directly related to the governmental duties of the official. Gift does not include the following:

(a) A campaign contribution otherwise reported as required by the Michigan Campaign Finance Act, MCL 169.201 *et seq.*

(b) A Loan made in the normal course of business by an institution as defined in chapter 1 of the Banking Code, MCL 487.11101 *et seq.*, a national bank, a bank chartered under the laws of another state, a branch bank, an insurance company issuing a loan or receiving a mortgage in the normal course of business, a premium finance company, a mortgage company, a small loan company, a state or federal credit union, a savings and loan association, a community development financial institution, or a licensee as defined by the Motor Vehicle Sales Finance Act, MCL 492.101 *et seq.*

(c) A gift received from a member of the MSF Board member's Immediate Family or a member of a spouse's Immediate Family.

(d) A breakfast, luncheon, dinner, or other refreshment consisting of food and beverage provided for immediate consumption, the value of which does not exceed the thresholds permitted by the Lobbyists, Lobbying Agents, and Lobbying Activities Act, MCL 4.411 *et seq.*, as adjusted, in any 1-month period and is not reasonably expected to influence the MSF Board member's performance of official duties or responsibilities to the MSF.

(e) A contribution to a legal defense fund that is registered with the secretary of state under the legal defense fund act and whose purpose is to defend an MSF Board member against any criminal, civil, or administrative action, that arises directly out of the conduct of the MSF Board member's governmental duties.

(7) **"Immediate Family"** means: For the purposes of this policy, Immediate Family means a grandparent, parent, parent-in-law, stepparent, sibling, sibling-in-law, spouse, child, or stepchild of an MSF Board member, or an individual claimed by that MSF Board member or that MSF Board member's spouse as a dependent for federal income tax purposes.

(8) **"Loan"** means: For the purposes of this policy, Loan means a transfer of money, property, or anything of ascertainable value in exchange for an obligation, conditional or not, to repay in whole or in part.

(9) **"Private Interest"** means: For the purposes of this policy, Private Interest means any of the following:

(a) An interest in any matter before the MSF Board in which the MSF Board member, a Business with which the MSF Board member is Associated, or his or her Immediate Family member, has a direct or indirect interest in the proceeds or benefits of the matter before the MSF Board. To be prohibited by this Policy a Private Interest on the part of a MSF Board member must be of such substance as to induce action on his or her part to promote the matter for his or her own personal benefit. In the following cases the Private Interest would be *de minimis*, and as such, there is no Conflict of Interest, based on current legal parameters:



(i) A contract, loan, grant, investment, or other expenditure, between the MSF and any of the following:

(A) A Business in which a MSF Board member or a member of the MSF Board member's Immediate Family is a stockholder of close corporation stock worth \$999.99 or less at fair market value or which represents 5% or less equity interest, or is a stockholder of publicly traded stock worth \$9,999.99 or less at fair market value or which represents 10% or less equity interest.

(B) A Business which is a trust, where a MSF Board member or a member of the MSF Board member's Immediate Family is a beneficiary under the trust, is a stockholder of close corporation stock worth \$999.99 or less at fair market value or which represents 5% or less equity interest, or is a stockholder of publicly traded stock worth \$9,999.99 or less at fair market value or which represents 10% or less equity interest.

(ii) Voting in the MSF Board's proceedings; participating in the MSF Board's discussion of and deliberation on the matter; being present at the meeting when the discussion, deliberation, and voting on the matter takes place; and discussing the matter with any other MSF Board member regarding any of the following:

(A) A Business with which the MSF Board member or his or her Immediate Family member is Associated, and that Business's interest would be **indirect** and amount to 2% or less of that Business's annual revenue. An indirect interest is a pecuniary benefit to the Business but one in which the Business is not receiving the proceeds or benefits of the matter before the MSF Board (1) directly from the MSF, (2) as a direct pass through from the MSF, or (3) dependent on the outcome of the MSF Board's decisions regarding the matter.

(B) A Business which is a trust, where a MSF Board member or a member of the MSF Board member's Immediate Family is a beneficiary under the trust, and that Business's interest would be **indirect** and amount to 2% or less of that Business's annual revenue. An indirect interest is a pecuniary benefit to the Business but one in which the Business is not receiving the proceeds or benefits of the matter before the MSF Board (1) directly from the MSF, (2) as a direct pass through from the MSF, or (3) dependent on the outcome of the MSF Board's decisions regarding the matter.

(C) An interest in a matter before the MSF Board in which the MSF Board member or his or her Immediate Family member has received Compensation, a Gift, or a Loan, the value of which is less than the

thresholds permitted by the Lobbyists, Lobbying Agents, and Lobbying Activities Act, MCL 4.411 *et seq.*, from the person or Business which has the direct or indirect interest in the proceeds or benefits of the matter before the MSF Board.

(b) An interest in any matter before the MSF Board in which the MSF Board member's employment, service, or other legal duties or obligations are incompatible or would conflict with the discharge of the MSF Board member's official duties as a member of the MSF Board, or when that employment or service may tend to impair the MSF Board member's independence of judgment or action in the performance of his or her official duties.

(c) An interest in any matter before the MSF Board in which the MSF Board member or his or her Immediate Family member has received Compensation, a Gift, or a Loan, from the person or Business which has a direct or indirect interest in the proceeds or benefits of the matter before the MSF Board, and the value of which may tend to impair the MSF Board member's independence of judgment or action in the performance of his or her official duties, or the value exceeds the thresholds permitted by the Lobbyists, Lobbying Agents, and Lobbying Activities Act, MCL 4.411 *et seq.*, The Michigan Secretary of State publishes the adjusted amounts each year. MSF Board members will be provided with the adjusted amounts annually.

### **Section III: Procedures:**

(1) Disclosure: An MSF Board member who has a Conflict of Interest related to any matter before the MSF Board must disclose the Conflict of Interest, and the incident or circumstances that caused the Conflict of Interest, in writing to the MSF Fund Manager. The MSF Fund Manager will notify the remaining MSF Board members to facilitate compliance with the requirements of Section 6 of the Michigan Strategic Fund Act, MCL 125.2006(5). If a MSF Board member has a conflict of interest pursuant to a professional ethical rule or his or her employer's conflict of interest policy that does not constitute a Conflict of Interest under this Policy that Board member may recuse himself or herself. If a MSF Board member recuses himself or herself pursuant to a professional ethical rule or his or her employer's conflict of interest policy the requirements of this Section (Section III) apply.

(2) Recusal: An MSF Board member who has a Conflict of Interest related to any matter before the MSF Board will not:

(a) Participate in the MSF Board's discussions and deliberations on the matter.

(b) Be present at any meeting when the discussion, deliberation, and voting on the matter takes place. If the MSF Board member is physically present at the meeting location he or she will leave the room. If the MSF Member is attending the meeting by

teleconference he or she will ensure that they cannot hear or see, as the case may be, the discussions, deliberations, and voting on the matter.

(c) Other than to the extent necessary to comply with subsections (1) and (3), discuss the matter with any other MSF Board Member, or MSF or Michigan Economic Development Corporation Staff. Further, the MSF Board member may discuss the matter with the Chief Compliance Officer or Attorney General's office in order to solicit advice regarding the Conflict of Interest.

(d) Vote in the MSF Board's proceedings related to the matter.

(3) Record: The written disclosure of the Conflict of Interest and the details of any incident or circumstances that caused the Conflict of Interest will be kept in accordance with Section 6 of the Michigan Strategic Fund Act, MCL 125.2006.

(4) MSF Board Member Notice: As soon as practicable, the MSF Fund Manager will provide notice to all MSF Board members of the Businesses and the subject matter coming before the MSF Board at its next meeting in order to allow the MSF Board Members time to conduct a conflict check, give the required Conflict of Interest notice, and comply with the recusal requirements.

STATE OF MICHIGAN  
BOARD OF ETHICS

TEDDA HUGHES,  
Complainant,

IN RE: ETHICS COMPLAINT  
OF TEDDA HUGES

v

RANDY THELEN,  
Respondent.

**ANSWER TO COMPLAINT**

---

Tedda Hughes  
623 Kensington Rd  
East Lansing, MI 48823  
(517) 721-1756  
[teddahughes@hotmail.com](mailto:teddahughes@hotmail.com)

Adam R. de Bear (P80242)  
John Reynolds (P86789)  
Assistant Attorneys General  
Mich Dep't of Attorney General  
Attorneys for Respondent  
P.O. Box 30754  
Lansing, MI 48909  
(517) 335-7573  
[debeara@michigan.gov](mailto:debeara@michigan.gov)  
[reynoldsj20@michigan.gov](mailto:reynoldsj20@michigan.gov)

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**RESPONDENT'S 10/22/2024 ANSWER TO COMPLAINT**

EXHIBIT B

July 18, 2023

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 item on the Michigan Strategic Fund Board Meeting Agenda on July 25, 2023.

- Consent Agenda item: Motion: RenZone, SSRP, and CIP Amendments

The reason for my recusal is I have a potential conflict with this project due to a potential MSF grant to RPI related to this project.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Thelen". The signature is written in a cursive style with a long horizontal stroke at the end.

Randy Thelen

September 20, 2023

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 on September 26, 2023.

- Contractual Small Business Solutions and Services
- Strategic Site Readiness program

The reason for my recusal is I have a potential conflict with these items due to a potential MSF grant to RPI related to this project.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Thelen". The signature is written in a cursive style with a long horizontal stroke at the end.

Randy Thelen

January 17, 2024

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 on January 23, 2024.

- Business Incubator Program: FY24 Gateway Grant Amendments
- B&L Systems LLC

The reason for my recusal is I have a potential conflict with these items due to a potential MSF grant to RPI related to this project.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Thelen". The signature is written in a cursive, flowing style.

Randy Thelen

January 17, 2024

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 Special Board Meeting Agenda on January 30, 2024.

— Strategic Site Readiness Program(SSRP): Program Grant Awards

The reason for my recusal is I have a potential conflict with these items due to a potential MSF grant to RPI related to this project.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Thelen". The signature is written in a cursive, flowing style.

Randy Thelen



March 20, 2024

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 item on the Michigan Strategic Fund Board Meeting Agenda on March 26, 2024.

- Hotel Rose, LLC, MCRP loan request

The reason for my recusal is I have a potential conflict with this item due to a potential MSF grant to RPI related to this project.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Thelen". The signature is written in a cursive style with a long horizontal stroke at the end.

Randy Thelen

August 26, 2024

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 item on the Michigan Strategic Fund Board Meeting Agenda of August 27, 2024.

- Northland Corporation

The reason for my recusal is to avoid the appearance of a conflict with this item.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Thelen". The signature is written in a cursive style with a long horizontal stroke at the end.

Randy Thelen

September 23, 2024

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 item on the Michigan Strategic Fund Board Meeting Agenda of September 24, 2024.

- FY2025 Funding Allocations: Contractual Small Business Solutions & Services  
(Small Business programs related to MMTC)

The reason for my recusal is to avoid the appearance of a conflict with this item.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Thelen". The signature is written in a cursive, flowing style.

Randy Thelen

STATE OF MICHIGAN  
BOARD OF ETHICS

TEDDA HUGHES,  
Complainant,

IN RE: ETHICS COMPLAINT  
OF TEDDA HUGES

v

RANDY THELEN,  
Respondent.

**ANSWER TO COMPLAINT**

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Tedda Hughes  
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[teddahughes@hotmail.com](mailto:teddahughes@hotmail.com)

Adam R. de Bear (P80242)  
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**RESPONDENT'S 10/22/2024 ANSWER TO COMPLAINT**

EXHIBIT C



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
OFFICE OF THE CHIEF COMPLIANCE OFFICER  
LANSING

KEVIN FRANCCART, ESQ.  
CHIEF COMPLIANCE OFFICER

## MEMORANDUM

July 11, 2023

TO: Honorable Gretchen Whitmer  
Governor and Chairperson of the State Administrative Board.

Quentin L. Messer Jr.  
President  
Michigan Strategic Fund Board

FROM: Kevin L. Francart  
Chief Compliance Officer

RE: FY2023 Q3 Report of the Chief Compliance Officer. (April 1, 2023 – June 30, 2023)

The Chief Compliance Officer is required to report quarterly to the State Administrative Board and the Michigan Strategic Fund Board regarding compliance with internal policies and procedures as well as applicable laws related to 21st century jobs fund programs. I am pleased to report that all compliance matters addressed during the third quarter of the 2023 fiscal year were either successfully resolved, are being appropriately addressed, or are undergoing review and are currently being evaluated.

With respect to the Michigan Strategic Fund Board, the Michigan Strategic Fund Act requires the Chief Compliance Officer to review and evaluate compliance with internal policies and procedures along with applicable state and federal law.

The Chief Compliance Officer (CCO) assisted the Auditor General with questions regarding conflicts of interest concerning MEDC and MSF Staff and MSF Board Members. The CCO, along with the AG and MEDC Legal, assisted with the Finance and Investment Subcommittee and the Policy and Planning Subcommittee. The review of the relationship with and the economic incentives provided to Michigan Community Capitol as reported previously continued. The CCO, along with the AG and MEDC Legal, assisted the MSF with drafting a Public Comment Policy that complies with the Open Meetings Act. 2023 PA 24 was became effective on April 26, 2023 amending MCL 125.2005 restructuring the MSF Board. The MSF Board was expanded to thirteen members. Because the Board was reconstituted the CCO assisted the AG with new Board Member appointments and a resolution to adopts the previous Boards operating documents. Two new members were appointed replacing holdovers, however, the appointments fail to set a full four year term as required by the MSF Act. Two additional members were appointed to fill the two new members required under MCL 125.2005 (4). The CCO assisted the MSF with a Conflict of Interest question regarding a Board Member's company applying for incentives from a program funded by the MSF but in which MSF/MEDC staff have no input on the awards. The conclusion was, because staff were not involved with the decision making in the awarding of funding a conflict did not exist at that time, but if the Board Member's company was

an active participant in the program and the program comes to the Board, a conflict is likely and this should be monitored. The CCO referred a question to the AG inquiring if the prohibition in the State Contracts with Certain Employers Prohibited Act, MCL 423.321 *et sec.* which, in part, prohibits State contracts, including MSF contracts, with an employer whose name appears on a register compiled by the State for having been found in contempt for failure to correct an unfair labor practice, as prohibited by section 8 of chapter 372 of the national labor relations act, 29 U.S.C. 158., is enforceable as to contracts related to Chapter 8A and 8C of the MSF Act in light of Wisconsin Dept of Indus, Labor & Human Relations v Gould Inc, 475 US 282; 106 S Ct 1057; 89 L Ed 2d 223 (1986), in which the U.S. Supreme Court found that such provisions are preempted and thus not enforceable. The CCO continued to assist the Department of Technology, Management, and Budget with the workgroup to implement the requirements of the Economic Development Incentive Evaluation Act, MCL 18.1751 *et seq.* As reported previously, because of the staffing changes the site visit guidelines were changed by the MEDC compliance section to no longer require a minimum number of site visits. Site visits are being performed pursuant to the site visit guidelines.

The Chief Compliance Officer provided informal advice regarding various issues arising this quarter concerning such topics as the conflict of interest determination, breadth of delegated Board authority, authorized use of 21st century job fund funds, and compliance with established Board policy and limitations.



STATE OF MICHIGAN  
OFFICE OF THE CHIEF COMPLIANCE OFFICER  
LANSING

GRETCHEN WHITMER  
GOVERNOR

KEVIN FRANCCART, ESQ.  
CHIEF COMPLIANCE OFFICER

MEMORANDUM

October 10, 2023

TO: Honorable Gretchen Whitmer  
Governor and Chairperson of the State Administrative Board.

Quentin L. Messer Jr.  
President  
Michigan Strategic Fund Board

FROM: Kevin L. Francart  
Chief Compliance Officer

RE: FY2023 Q4 Report of the Chief Compliance Officer. (July 1, 2023 – September 30, 2023)

The Chief Compliance Officer is required to report quarterly to the State Administrative Board and the Michigan Strategic Fund Board regarding compliance with internal policies and procedures as well as applicable laws related to 21st century jobs fund programs. I am pleased to report that all compliance matters addressed during the fourth quarter of the 2023 fiscal year were either successfully resolved, are being appropriately addressed, or are undergoing review and are currently being evaluated.

With respect to the Michigan Strategic Fund Board, the Michigan Strategic Fund Act requires the Chief Compliance Officer to review and evaluate compliance with internal policies and procedures along with applicable state and federal law.

The Chief Compliance Officer (CCO), along with the AG and MEDC Legal, assisted with the Finance and Investment Subcommittee and the Policy and Planning Subcommittee. New subcommittee charters were adopted to accommodate the new Board structure. The review of the relationship with and the economic incentives provided to Michigan Community Capitol as reported previously continued. The CCO along with the AG, MEDC Legal, and MSF Fund Manager presented amended and restated Bylaws and rules of order to the MSF Board, the bylaws and rules of order were adopted. The CCO continued to assist the Department of Technology, Management, and Budget with the workgroup to implement the requirements of the Economic Development Incentive Evaluation Act, MCL 18.1751 *et seq.* The Evaluation for MSF's Entrepreneurship and Innovation (E&I) programs was published. The contract for the next evaluation has been executed and will cover Capital Access programs. The CCO advised the MSF Fund Manager and Associate Fund Manager to implement the recommendation in the MSF E&I Program Evaluation to collect the tax identification number/employer identification numbers (TIN/EIN) for all of the participants in the program. This would allow for the ability to track participant's long term survival and overall success and to monitor participants over the entire program to assist in detection of fraud, waste, and abuses. The CCO and AG discussed issues regarding the structure and terms of the \$10 Million loan to the Illinois Facilities Fund

(IFF) to create a Workforce Housing Loan Fund to invest in housing projects in Allegan, Ottawa, and Kent Counties. The CCO was advised by the AG that an analysis of Board delegations and guidelines was being conducted and this office will be included in those as relevant to the OCCO's jurisdiction. The Michigan Office of the Auditor General (OAG) conducted a Fraud Risk Interview of the CCO as part of the OAG's audit of the Community Revitalization Program. The AG requested that the CCO assist the MSF Board with the creation, implementation, monitoring, and enforcement of an Investment Policy. The CCO, along with the chairs of both the Finance and Investment Subcommittee and the Policy and Planning Subcommittee, are drafting an Investment Policy for presentation and review by both subcommittees and eventual adoption by the Board. The CCO assisted the AG with obtaining the oaths of office and appointments of reappointed Board Members from the Office of the Great Seal and in coordinating with the Office of the Great Seal to establish an arrangement for the requesting and delivery of oaths of office and appointments in the future. The question previously referred to the AG regarding MCL 423.321 *et sec.*, and *Wisconsin Dept of Indus, Labor & Human Relations v Gould Inc*, 475 US 282; 106 S Ct 1057; 89 L Ed 2d 223 (1986), remains outstanding. As reported previously, the site visit guidelines were changed by the MEDC compliance section to no longer require a minimum number of site visits, thus, site visits are being performed pursuant to the site visit guidelines.

The Chief Compliance Officer provided informal advice regarding various issues arising this quarter concerning such topics as the conflict of interest determination, authorized use of 21st century job fund funds, and compliance with established Board policy and limitations.





GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
OFFICE OF THE CHIEF COMPLIANCE OFFICER  
LANSING

KEVIN FRANCCART, ESQ.  
CHIEF COMPLIANCE OFFICER

## MEMORANDUM

January 9, 2024

TO: Honorable Gretchen Whitmer  
Governor and Chairperson of the State Administrative Board.

Quentin L. Messer Jr.  
President  
Michigan Strategic Fund Board

FROM: Kevin L. Francart  
Chief Compliance Officer

RE: FY2024 Q1 Report of the Chief Compliance Officer. October 1, 2023 – December 31, 2023)

The Chief Compliance Officer is required to report quarterly to the State Administrative Board and the Michigan Strategic Fund Board regarding compliance with internal policies and procedures as well as applicable laws related to 21st century jobs fund programs. I am pleased to report that all compliance matters addressed during the first quarter of the 2024 fiscal year were either successfully resolved, are being appropriately addressed, or are undergoing review and are currently being evaluated.

With respect to the Michigan Strategic Fund Board, the Michigan Strategic Fund Act requires the Chief Compliance Officer to review and evaluate compliance with internal policies and procedures along with applicable state and federal law. The Chief Compliance Officer (CCO), along with the AG and MEDC Legal, assisted with the Finance and Investment Subcommittee and the Policy and Planning Subcommittee. The review of the relationship with and the economic incentives provided to Michigan Community Capitol as reported previously continued. The CCO continued to assist the Department of Technology, Management, and Budget with the workgroup to implement the requirements of the Economic Development Incentive Evaluation Act, MCL 18.1751 *et seq.* The Evaluation for MSF's Capital Access programs is ongoing.

As reported previously, the CCO advised the MSF Fund Manager and Associate Fund Manager to implement the recommendation in the MSF E&I Program Evaluation to collect the tax identification number/employer identification numbers (TIN/EIN) for all of the participants in the program. In response to this advice this office was informed that: the E&I program is working with a consulting firm to assist with implementing the recommendations from the Economic Development Incentive Evaluation Act report; implementation would begin after the review is completed; and, this office will be consulted on proposed program changes to make sure that all relevant laws and regulations are being followed. The CCO assisted the MSF and AG with amending the Consent Agenda Policy. As reported previously, the CCO was advised by the AG that an analysis of Board delegations and guidelines was being conducted, in addition the AG requested that the CCO assist the MSF Board with the creation, implementation,

monitoring, and enforcement of an Investment Policy. These issues are being address by this office, the AG, MEDC, and the MSF Board through a workgroup established by Board Member Warner to address multiple topics including investments, delegations, and program guidelines. This office will assist with the drafting, monitoring, and enforcement of any policies adopted. The question previously referred to the AG regarding MCL 423.321 *et sec.*, and *Wisconsin Dept of Indus, Labor & Human Relations v Gould Inc*, 475 US 282; 106 S Ct 1057; 89 L Ed 2d 223 (1986), remains outstanding. As reported previously, the site visit guidelines were changed by the MEDC compliance section to no longer require a minimum number of site visits, thus, site visits are being performed pursuant to the site visit guidelines.

The Chief Compliance Officer provided informal advice regarding various issues arising this quarter concerning such topics as the conflict of interest determination, authorized use of 21st century job fund funds, and compliance with established Board policy and limitations.



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
OFFICE OF THE CHIEF COMPLIANCE OFFICER  
LANSING

KEVIN FRANCCART, ESQ.  
CHIEF COMPLIANCE OFFICER

## MEMORANDUM

April 5, 2024

TO: Honorable Gretchen Whitmer  
Governor and Chairperson of the State Administrative Board.

Quentin L. Messer Jr.  
President  
Michigan Strategic Fund Board

FROM: Kevin L. Francart  
Chief Compliance Officer

RE: FY2024 Q2 Report of the Chief Compliance Officer. January 1, 2024 – March 31, 2024

The Chief Compliance Officer is required to report quarterly to the State Administrative Board and the Michigan Strategic Fund Board regarding compliance with internal policies and procedures as well as applicable laws related to MSF programs. I am pleased to report that all compliance matters addressed during the second quarter of the 2024 fiscal year were either successfully resolved, are being appropriately addressed, or are undergoing review and are currently being evaluated.

With respect to the Michigan Strategic Fund Board, the Michigan Strategic Fund Act requires the Chief Compliance Officer to review and evaluate compliance with internal policies and procedures along with applicable state and federal law. The Chief Compliance Officer (CCO), along with the AG and MEDC Legal, assisted with the Finance and Investment Subcommittee and the Policy and Planning Subcommittee. The review of the relationship with and the economic incentives provided to Michigan Community Capitol as reported previously continued. The CCO continued to assist the Department of Technology, Management, and Budget with the workgroup to implement the requirements of the Economic Development Incentive Evaluation Act, MCL 18.1751 *et seq.* The Evaluation for MSF's Capital Access programs is ongoing. The CCO assisted Board Members with Conflict of Interest questions. No conflicts were found. The three questions involved: (1) A potential conflict where a Board Member has an interest or employment relationship with a recipient of a grant, however, the grant program providing the incentive was not an MSF program they came before the MSF board, thus there was no Conflict of Interest under the MSF Conflict of Interest Policy. (2) A potential conflict when the Board Member's employer/company was approached by an investment fund that received MSF funding offering to invest in the company, however, at no time prior to the award was the Board Member aware that the Board Member's company was going to receive any funding from the investment fund or the MSF approved program in general; the specific investment fund was not identified at the time of the discussions and vote, it received funding from a larger incentive program; and any award to the Board Member's company was being made after the MSF vote and was not contingent on the Board Member's participation on the MSF Board. Based on the above facts

there is nothing to indicate that the Board Member had any knowledge of any benefit to their company at the time of the discussion and vote and any funding received by their company from the investment fund appears unrelated to their status as an MSF Board member, thus there was no Conflict of Interest under the MSF Conflict of Interest Policy. (3) A potential conflict when a Board Member's employer publicly expressed its support for a project that was coming before the MSF Board, however, the support was in principle not financial and neither the Board Member nor their organization was benefitting financially from the project. Thus there was no Conflict of Interest under the MSF Conflict of Interest Policy. The CCO assisted the MSF and the AG in review of the Michigan Strategic Site Readiness Program (SSRP) Grant To Copperwood Resources Inc., the Multiple SSRP Awards grant, and the DET Crosswinds SSRP Amendment. The CCO assisted the MSF, AG, and MSF Fund Manager in revising the Public Comments Policy under the Open Meetings Act. The CCO coordinated with the FBI in providing services to the MSF, MEDC, and incentive recipients. The CCO assisted the MSF Fund Manger, AG, and a Board Member with SSBCI Conflict of interest questions. As reported previously, the CCO was advised by the AG that an analysis of Board delegations and guidelines was being conducted, in addition the AG requested that the CCO assist the MSF Board with the creation, implementation, monitoring, and enforcement of an Investment Policy. These issues are being address by this office, the AG, MEDC, and the MSF Board through a workgroup established by Board Member Warner to address multiple topics including investments, delegations, and program guidelines. This office will assist with the drafting, monitoring, and enforcement of any policies adopted. The question previously referred to the AG regarding MCL 423.321 *et sec.*, and *Wisconsin Dept of Indus, Labor & Human Relations v Gould Inc*, 475 US 282; 106 S Ct 1057; 89 L Ed 2d 223 (1986), remains outstanding. Additionally, a question from a Board member was referred to the AG in November 2023 regarding "does the MEDC have a fiduciary responsibility to the MSF Board? If so, what is it and how is it enforced/monitored?" remains outstanding as well. As reported previously, the site visit guidelines were changed by the MEDC compliance section to no longer require a minimum number of site visits, thus, site visits are being performed pursuant to the site visit guidelines.

The Chief Compliance Officer provided informal advice regarding various issues arising this quarter concerning such topics as the conflict of interest determination, authorized use of 21st century job fund funds, and compliance with established Board policy and limitations.



STATE OF MICHIGAN  
OFFICE OF THE CHIEF COMPLIANCE OFFICER  
LANSING

GRETCHEN WHITMER  
GOVERNOR

KEVIN FRANCCART, ESQ.  
CHIEF COMPLIANCE OFFICER

MEMORANDUM

July 9, 2024

TO: Honorable Gretchen Whitmer  
Governor and Chairperson of the State Administrative Board.

Quentin L. Messer Jr.  
President  
Michigan Strategic Fund Board

FROM: Kevin L. Francart  
Chief Compliance Officer

RE: FY2024 Q3 Report of the Chief Compliance Officer. April 1, 2024 – June 30, 2024

The Chief Compliance Officer is required to report quarterly to the State Administrative Board and the Michigan Strategic Fund Board regarding compliance with internal policies and procedures as well as applicable laws related to MSF programs. I am pleased to report that all compliance matters addressed during the third quarter of the 2024 fiscal year were either successfully resolved, are being appropriately addressed, or are undergoing review and are currently being evaluated.

With respect to the Michigan Strategic Fund Board, the Michigan Strategic Fund Act requires the Chief Compliance Officer to review and evaluate compliance with internal policies and procedures along with applicable state and federal law. The Chief Compliance Officer (CCO), along with the AG and MEDC Legal, assisted with the Finance and Investment Subcommittee and the Policy and Planning Subcommittee. The review of the relationship with and the economic incentives provided to Michigan Community Capitol, as reported previously, continued. The CCO continued to assist the Department of Technology, Management, and Budget with the workgroup to implement the requirements of the Economic Development Incentive Evaluation Act, MCL 18.1751 *et seq.* The Evaluation for MSF's Capital Access programs was completed and a phase 3 is being planned to evaluate the Michigan State Trade Expansion Program (MI-STEP). The CCO assisted the MSF and the AG in analyzing a question from a MSF Board member regarding SSBCI Insider regulations and the rules and agreements surrounding both the manner of funding and use of funds by a recipient. The analysis found that the federal regulations would have allowed for segregation of funds allowing an recipient of the SSBCI funds to invest in an MSF Board Member's company (provided all other conflict of interest rules were followed), however the agreements between the MSF and recipients did not allow for the segregation of funds, thus the investment would not be allowable. The CCO coordinated with the FBI in providing services to the MSF, MEDC, and incentive recipients. As reported previously, the CCO was advised by the AG that an analysis of Board delegations and guidelines was being conducted, in addition the AG requested that the CCO assist the MSF Board with the creation, implementation, monitoring, and enforcement of an Investment Policy.

These issues are being address by this office, the AG, MEDC, and the MSF Board through a workgroup established by Board Member Warner to address multiple topics including investments, delegations, and program guidelines. This office will assist with the drafting, monitoring, and enforcement of any policies adopted. The question previously referred to the AG regarding MCL 423.321 *et sec.*, and *Wisconsin Dept of Indus, Labor & Human Relations v Gould Inc*, 475 US 282; 106 S Ct 1057; 89 L Ed 2d 223 (1986), remains outstanding.

Additionally, a question from a Board member was referred to the AG in November 2023 regarding “does the MEDC have a fiduciary responsibility to the MSF Board? If so, what is it and how is it enforced/monitored?” remains outstanding as well. As reported previously, the site visit guidelines were changed by the MEDC compliance section to no longer require a minimum number of site visits, thus, site visits are being performed pursuant to the site visit guidelines.

The Chief Compliance Officer provided informal advice regarding various issues arising this quarter concerning such topics as the conflict of interest determination, authorized use of 21st century job fund funds, and compliance with established Board policy and limitations.



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
OFFICE OF THE CHIEF COMPLIANCE OFFICER  
LANSING

KEVIN FRAN CART, ESQ.  
CHIEF COMPLIANCE OFFICER

## MEMORANDUM

October 8, 2024

TO: Honorable Gretchen Whitmer  
Governor and Chairperson of the State Administrative Board.

Quentin L. Messer Jr.  
President  
Michigan Strategic Fund Board

FROM: Kevin L. Francart  
Chief Compliance Officer

RE: FY2024 Q4 Report of the Chief Compliance Officer. July 1, 2024 – September 30, 2024

The Chief Compliance Officer is required to report quarterly to the State Administrative Board and the Michigan Strategic Fund Board regarding compliance with internal policies and procedures as well as applicable laws related to MSF programs. I am pleased to report that all compliance matters addressed during the fourth quarter of the 2024 fiscal year were either successfully resolved, are being appropriately addressed, or are undergoing review and are currently being evaluated.

With respect to the Michigan Strategic Fund Board, the Michigan Strategic Fund Act requires the Chief Compliance Officer to review and evaluate compliance with internal policies and procedures along with applicable state and federal law. The Chief Compliance Officer (CCO), along with the AG and MEDC Legal, assisted with the Finance and Investment Subcommittee and the Policy and Planning Subcommittee. The review of the relationship with and the economic incentives provided to Michigan Community Capitol, as reported previously, continued. The CCO continued to assist the Department of Technology, Management, and Budget with the workgroup to implement the requirements of the Economic Development Incentive Evaluation Act, MCL 18.1751 *et seq.* The Match on Main program is currently being evaluated. As reported previously, the CCO was advised by the AG that an analysis of Board delegations and guidelines was being conducted, in addition the AG requested that the CCO assist the MSF Board with the creation, implementation, monitoring, and enforcement of an Investment Policy. These issues are being address by this office, the AG, MEDC, and the MSF Board through a workgroup established by Board Member Warner to address multiple topics including investments, delegations, and program guidelines. This office will assist with the drafting, monitoring, and enforcement of any policies adopted. The question previously referred to the AG regarding MCL 423.321 *et sec.*, and *Wisconsin Dept of Indus, Labor & Human Relations v Gould Inc*, 475 US 282; 106 S Ct 1057; 89 L Ed 2d 223 (1986), remains outstanding. Additionally, a question from a Board member referred to the AG in November 2023 regarding “does the MEDC have a fiduciary responsibility to the MSF Board? If so, what is it and how is it enforced/monitored?” remains outstanding as well. As reported previously, the site visit

guidelines were changed by the MEDC compliance section to no longer require a minimum number of site visits, thus, site visits are being performed pursuant to the site visit guidelines.

The Chief Compliance Officer provided informal advice regarding various issues arising this quarter concerning such topics as the conflict of interest determination, authorized use of 21st century job fund funds, and compliance with established Board policy and limitations.



STATE OF MICHIGAN  
BOARD OF ETHICS

TEDDA HUGHES,  
Complainant,

IN RE: ETHICS COMPLAINT  
OF TEDDA HUGES

v

RANDY THELEN,  
Respondent.

**ANSWER TO COMPLAINT**

---

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**RESPONDENT'S 10/22/2024 ANSWER TO COMPLAINT**

EXHIBIT D

**MICHIGAN STRATEGIC FUND  
APPROVED MEETING MINUTES  
MAY 23, 2023**

**Member Present**

Jennifer Nelson (on behalf of Chairman Messer)

**Members joined remotely**

Britany L. Affolter-Caine

Susan Corbin

Rachael Eubanks

Dimitrius Hutcherson

Michael B. Kapp (on behalf of Acting Director Wieferich)

Leon Richardson

Charles P. Rothstein

Susan Tellier

Randy Thelen

Cindy Warner

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

Ms. Nelson called the meeting to order at 10:03 a.m. The meeting was held in person in the Lake Michigan Conference Room at the MEDC headquarters building in Lansing with optional participation remotely.

Ms. Nelson introduced Katelyn Wilcox Surmann, MSF Board Liaison, who conducted the attendance roll call.

**II. PUBLIC COMMENT**

Ms. Wilcox Surmann explained the process for members of the public to participate. Public comment was given.

**III. COMMUNICATIONS**

Ms. Wilcox Surmann reported no communications were received.

*Britany L. Affolter-Caine joined the meeting at 10:13 a.m.*

**MSF Subcommittee Reports**

Dimitrius Hutcherson, chair of the MSF Finance and Investment Subcommittee, said subcommittee members met recently to discuss loan processes. He motioned for the approval to appoint new Board members Leon Richardson and Randy Thelen to the MSF Finance and Investment Subcommittee. Charles P. Rothstein seconded the motion. **The motion carried: 9 ayes; 0 nays; 2 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Acting Director Wieferich, designation attached), Jennifer Nelson (on behalf of Chairman Messer, designation attached), Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: Leon Richardson, Randy Thelen

Cindy Warner, chair of the MSF Policy and Planning Subcommittee, said she was unable to attend a recent subcommittee meeting. Valerie Hoag, who led the subcommittee meeting, reported members discussed potential future topics.

#### IV. CONSENT AGENDA

##### **Resolution 2023-079 Approval of Consent Agenda Items**

Ms. Nelson asked if there were any questions from Board members regarding items under the Consent Agenda. There being none, Susan Corbin motioned for the approval of the following:

- a. Proposed Meeting Minutes: April 25, 2023
- b. Associate MSF Manager Approval – **2023-080**
- c. City of Morenci: Water Related Infrastructure Project Amendment – **2023-081**
- d. Commongrounds Cooperative & Commongrounds LLC: Michigan Community Revitalization Program Grant Agreement Amendment – **2023-082**
- e. Detroit Entrepreneur Development, LLC: Michigan Community Revitalization Program Other Economic Assistance Loan Participation Award Amendment #8 – **2023-083**
- f. VIA Motors Inc.: Michigan Business Development Program Performance-Based Grant Reauthorization – **2023-084**
- g. MSF Board Operating Documents: Ratification and Confirmation – **2023-085**
- h. Delegation of Authority Amendment – **2023-086**

Britany L. Affolter-Caine seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Acting Director Wieferich, designation attached), Jennifer Nelson (on behalf of Chairman Messer, designation attached), Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None

#### V. DEVELOP ATTRACTIVE PLACES

- a. **Resolution 2023-087 Downtown Detroit Partnership: Michigan Strategic Fund Grant Agreement Amendment**

*Jake Winder, Manager of Community Development Incentives, provided the Board with information regarding this action item. The action involves approval of an amendment to the Michigan Strategic Fund performance-based grant agreement to increase the award amount by \$2,000,000 to a total of \$4,000,000 to help cover increased costs.* Following discussion, Dimitrius Hutcherson motioned for the approval of Resolution 2023-087. Susan Corbin seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Acting Director Wieferich, designation attached), Jennifer Nelson (on behalf of Chairman Messer, designation attached), Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None

- b. **Resolutions 2023-088, 2023-089 & 2023-090 Michigan Community Revitalization Program Other Economic Assistance Loan Participation Agreements Amendments**

*Julius Edwards, Director of Commercial Real Estate Investment, provided the Board with information regarding these action items. The actions involve approval of amendments to the Michigan Community Revitalization Program Other Economic Assistance Loan Participation Agreements for the following entities that are owned by the same development with senior loans with Mercantile Bank:*

- i. *Fulton and Seward, L.L.C.: reduce interest rate on MCRP loan from 3% to 1% and waive a “Success Fee” of \$500,000 due at maturity*

Following discussion, Cindy Warner motioned for the approval to amend the resolution to remove reference to the “Success Fee” and consider the interest rate reduction only. Dimitrius Hutcherson seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Acting Director Wieferich, designation attached), Jennifer Nelson (on behalf of Chairman Messer, designation attached), Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None

Cindy Warner then motioned for the approval of Resolution 2023-088, as amended. Leon Richardson seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Acting Director Wieferich, designation attached), Jennifer Nelson (on behalf of Chairman Messer, designation attached), Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None

*ii. Bridge and Turner, LLC: reduce interest rate on MCRP loan from 3% to 1% and waive a “Success Fee” of \$425,000 due at maturity*

Cindy Warner motioned for the approval to amend the resolution to remove reference to the “Success Fee” and consider the interest rate reduction only. Dimitrius Hutcherson seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Acting Director Wieferich, designation attached), Jennifer Nelson (on behalf of Chairman Messer, designation attached), Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None

Cindy Warner then motioned for the approval of Resolution 2023-089, as amended. Susan Corbin seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Acting Director Wieferich, designation attached), Jennifer Nelson (on behalf of Chairman Messer, designation attached), Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None

*iii. Bridge and Stocking L.L.C.: reduce interest rate on MCRP loan from 3% to 1%*

Finally, Cindy Warner motioned for the approval of Resolution 2023-090. Dimitrius Hutcherson seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Acting Director Wieferich, designation attached), Jennifer Nelson (on behalf of Chairman Messer, designation attached), Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None

c. **Resolution 2023-091 Community Development Block Grant Disaster Recovery Program: Disaster Events Year 2020 & 2021 Action Plan and Grant Agreement**

*Christine Whitz, Managing Director, Community Development Block Grant Program, provided the Board with information regarding this action item. The action involves approval of the 2020 & 2021 Disaster Events Action Plan Summary and for the MSF President to sign the grant agreements for the Community Development Block Grant Disaster Recovery Program funding.* Following discussion, Jennifer Nelson motioned for the approval of Resolution 2023-091. Susan Corbin seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Acting Director Wieferich, designation attached), Jennifer Nelson (on behalf of Chairman Messer, designation attached), Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None

VI. **ATTRACT, RETAIN AND GROW BUSINESS**

a. **Resolutions 2023-092 & 2023-093 Dairy Distillery Alliance, LLC: Michigan Business Development Program Grant and State Essential Services Assessment Exemption**

*Erik Wilford, Strategic Project Advisor, provided the Board with information regarding these action items. The actions involve approval of a \$2,000,000 Michigan Business Development Program performance-based grant, a 15-year 100% State Essential Services Assessment (SESA) Exemption valued at up to \$682,500, and waivers to the SESA Guidelines that the project be located in an Eligible Distressed Area and qualified investments be greater than \$100,000,000 to support a business development project in the Village of Constantine, St. Joseph County. The project is expected to result in the creation of up to 12 jobs and a capital investment of up to \$41,100,000.* Following discussion, Dimitrius Hutcherson motioned for the approval of Resolution 2023-092. Susan Corbin seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Acting Director Wieferich, designation attached), Jennifer Nelson (on behalf of Chairman Messer, designation attached), Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None

Leon Richardson then motioned for the approval of Resolution 2023-093. Charles P. Rothstein seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Acting Director Wieferich, designation attached), Jennifer Nelson (on behalf of Chairman Messer, designation attached), Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None

VII. **SUPPORT SMALL BUSINESS**

a. **Resolution 2023-094 Atlantis Fish Company, LLC: Private Activity Bond Inducement**

*Amber Westendorp, Capital Project & Portfolio Manager, provided the Board with information regarding this action item. The action involves adoption of an inducement resolution for private activity bond financing not to exceed \$100,000,000 for the purpose of financing the company's Recirculating Aquaculture Systems (RAS) to be located in Muskegon. The RAS will sustainably raise 2,500 metric tons of Atlantic salmon per year.* Following discussion, Britany L. Affolter-Caine motioned for the approval of Resolution 2023-094. Cindy Warner seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Acting Director Wieferich, designation attached), Jennifer Nelson (on behalf of Chairman Messer, designation attached), Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None

**VIII. INFORMATIONAL**

Ms. Nelson noted the MSF delegated authority report for the period April 1 to April 30, 2023, was included in the meeting packet. She asked if there were any questions from Board members regarding the information; there were none.

Ms. Nelson adjourned the meeting at 11:11 a.m.

**MICHIGAN STRATEGIC FUND  
APPROVED MEETING  
MINUTES  
JUNE 27, 2023**

**Member Present**

Quentin L. Messer, Jr.

**Members joined remotely**

Britany L. Affolter-Caine

Susan Corbin

Wesley Eklund

Dimitrius Hutcherson

Michael B. Kapp (on behalf of Director Wieferich)

Andrew Lockwood (on behalf of Treasurer Eubanks)

Dan Meyering

Leon Richardson

Charles P. Rothstein

Susan Tellier

Randy Thelen

**Member Absent**

Cindy Warner

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

Mr. Messer called the meeting to order at 9:02 a.m. The meeting was held in person in the Lake Michigan Conference Room at the MEDC headquarters building in Lansing with optional participation remotely.

Mr. Messer introduced Katelyn Wilcox Surmann, MSF Board Liaison, who conducted the attendance roll call.

*Michael B. Kapp joined the meeting at 9:05 a.m. and Charles P. Rothstein joined the meeting at 9:06 a.m.*

**II. PUBLIC COMMENT**

Ms. Wilcox Surmann explained the process for members of the public to participate. Public comment was given.

*Michael B. Kapp temporarily disconnected from the meeting and rejoined at 9:20 a.m.*

**III. COMMUNICATIONS**

Ms. Wilcox Surmann reported several communications were received that were shared with MSF Board members.

**MSF Subcommittee Reports**

Dimitrius Hutcherson, chair of the MSF Finance and Investment Subcommittee, had no updates to report. Cindy Warner, chair of the MSF Policy and Planning Subcommittee, was absent from the meeting.

#### IV. CONSENT AGENDA

##### **Resolution 2023-095 Approval of Consent Agenda Items**

Mr. Messer asked if there were any questions from Board members regarding items under the Consent Agenda. There being none, Quentin L. Messer, Jr. motioned for the approval of the following:

- a. Proposed Meeting Minutes: May 23, 2023
- b. Revitalization and Placemaking Project Amendment – **2023-096**
- c. Gemini Capital Management XIII, LLC: MCRP Amendment – **2023-097**
- d. Magna Seating of America, Inc.: MBDP Amendment – **2023-098**
- e. LG Energy Solution Michigan, Inc.: MBDP & JRMP Amendments – **2023-099 & 2023-100**
- f. Disaster Recovery Action Plan Amendment: Wayne County Allocation Increase – **2023-101**
- g. Plasan Carbon Composites, Inc.: MBDP Repayment Write-Off Request – **2023-102**
- h. MSF Public Comment Policy – **2023-103**

Michael B. Kapp and Dimitrius Hutcherson seconded the motion. **The motion carried: 12 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen; Nays: None; Recused: None

#### V. DEVELOP ATTRACTIVE PLACES

- a. **Resolutions 2023-104 & 2023-105 Talbot Quimby, LLC and City of Grand Rapids Brownfield Redevelopment Authority: Michigan Community Revitalization Program Other Economic Assistance Loan Participation Award and Brownfield Act 381 Work Plan**

*Mackenzie Miller, Community Development Manager, provided the Board with information regarding these action items. The actions involve approval of a Michigan Community Revitalization Program loan participation award of up to \$2,650,000 and state tax capture for Act 381 eligible activities capped at \$367,680 to support a community development project in the City of Grand Rapids, Kent County. The project is expected to result in total capital investment of \$14,823,720.* Following discussion, Susan Corbin motioned for the approval of Resolution 2023-104. Dimitrius Hutcherson seconded the motion. **The motion carried: 12 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen; Nays: None; Recused: None

Leon Richardson then motioned for the approval of Resolution 2023-105. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 12 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen; Nays: None; Recused: None



b. **Resolutions 2023-106, 2023-107 & 2023-108 Lumber Square Nonprofit Housing Corporation and G.A. Haan Development, LLC and County of Emmet Brownfield Redevelopment Authority: Michigan Community Revitalization Program Other Economic Assistance Loan Participation Award, Brownfield Act 381 Work Plan, and Revitalization and Placemaking (RAP) Grant**

*Dan Leonard, Redevelopment Services Director, provided the Board with information regarding these action items. The actions involve approval of a Michigan Community Revitalization Program loan participation award of up to \$3,330,000 with up to \$1,500,000 forgivable, state tax capture for Act 381 eligible activities capped at \$1,430,195, and a Revitalization and Placemaking (RAP) grant of \$2,500,000 to support a community development project in the City of Petoskey, Emmet County. The project is expected to result in total capital investment of \$16,600,000.* Following discussion, Quentin L. Messer, Jr. motioned for the approval of Resolution 2023-106. Randy Thelen seconded the motion. **The motion carried: 12 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen; Nays: None; Recused: None

Susan Corbin then motioned for the approval of Resolution 2023-107. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 12 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen; Nays: None; Recused: None

Finally, Leon Richardson motioned for the approval of Resolution 2023-108. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 12 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen; Nays: None; Recused: None

c. **Resolution 2023-109 115 Lake Street, LLC: Michigan Community Revitalization Grant**

*Mackenzie Miller, Community Development Manager, provided the Board with information regarding this action item. The action involves approval of a Michigan Community Revitalization Program performance-based grant of up to \$1,500,000 to support a community development project in the City of Whitehall, Muskegon County. The project is expected to result in total capital investment of \$8,676,412.* Following discussion, Wesley Eklund motioned for the approval of Resolution 2023-109. Susan Corbin seconded the motion. **The motion carried: 12 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen; Nays: None; Recused: None

**VI. ATTRACT, RETAIN AND GROW BUSINESS**

**a. Resolution 2023-110 Expleo USA Inc.: Michigan Business Development Program Grant**

*Matt Chasnis, Senior Business Development Project Manager, provided the Board with information regarding this action item. The action involves approval of a \$3,000,000 Michigan Business Development Program performance-based grant to support a business development project in Oakland County. The project is expected to result in the creation of up to 196 jobs and a capital investment of up to \$2,010,000.* Following discussion, Britany L. Affolter-Caine motioned for the approval of Resolution 2023-110. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 12 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen; Nays: None; Recused: None

**VII. SUPPORT SMALL BUSINESS**

**a. Resolutions 2023-111 & 2023-112 Small Business Support Hubs: Program Authorization, Funding Allocation, Guidelines Adoption, and Delegation of Authority Approval**

*Amy Rencher, Senior Vice President of Small Business Services, provided the Board with information regarding these action items. The actions involve authorization to create the Small Business Support Hubs Program, allocation of \$75,000,000, adoption of guidelines, authorization to delegate authority to the MSF President or MSF Fund Manager to make all decisions necessary and appropriate to administer the program, and for the MSF President, the MSF Fund Manager, and the State Treasurer, with any two required to act, to make all decisions with respect to awards in the amount of \$6,000,000 or less.* Following discussion, Susan Tellier motioned for the approval of Resolution 2023-111. Dimitrius Hutcherson seconded the motion. **The motion carried: 12 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen; Nays: None; Recused: None

Quentin L. Messer, Jr. then motioned for the approval of Resolution 2023-112. Dimitrius Hutcherson seconded the motion. **The motion carried: 12 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen; Nays: None; Recused: None

**b. Resolution 2023-113 Operating Engineers' Local 324 Journeyman and Apprentice Training Fund, Inc.: Michigan Supplier Diversification Fund-Cash Collateral Deposit Agreement Approval**

*Rachel Bakken, Senior Capital Project & Portfolio Manager, provided the Board with information regarding this action item. The action involves authorization of collateral support in the amount of \$3,250,000 for a \$21,250,000 draw-to-term construction loan through Independent Bank to support construction of a new training facility in the City of Howell, Livingston County.* Following

discussion, Susan Corbin motioned for the approval of Resolution 2023-113. Leon Richardson seconded the motion. **The motion carried: 12 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen; Nays: None; Recused: None

## VIII. ACCELERATE HIGH-TECH INNOVATION

### a. **Resolutions 2023-114 & 2023-115 Michigan Innovate Capital Fund: Program Authorization, Funding Allocation, Guidelines Adoption, and Delegation of Authority Approval**

*Fredrick Molnar, Senior Vice President of Entrepreneurship and Innovation, provided the Board with information regarding these action items. The actions involve authorization to create the Michigan Innovate Capital Fund Program, approval of an initial allocation of \$23,000,000 from the Jobs for Michigan Investment Fund, adoption of guidelines, and delegation of authority to the MSF President, the MSF Fund Manager, and the State Treasurer, with any two required to act, to approve awards in the amount of up to \$5,000,000.* Following discussion, Charles P. Rothstein motioned for the approval of Resolution 2023-114. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 12 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen; Nays: None; Recused: None

Britany L. Affolter-Caine then motioned for the approval of Resolution 2023-115. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 12 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen; Nays: None; Recused: None

## IX. INFORMATIONAL

Mr. Messer noted the MSF delegated authority report for the period May 1 to May 31, 2023, was included in the meeting packet. He asked if there were any questions from Board members regarding the information; there were none.

Mr. Messer adjourned the meeting at 10:49 a.m.

**MICHIGAN STRATEGIC FUND  
APPROVED MEETING MINUTES  
JULY 25, 2023**

**Member Present**

Quentin L. Messer, Jr.

**Members joined remotely**

Britany L. Affolter-Caine

Wesley Eklund

Treasurer Eubanks

John Groen (on behalf of Director Corbin)

Dimitrius Hutcherson

Michael B. Kapp (on behalf of Director Wieferich)

Dan Meyering

Leon Richardson

Charles P. Rothstein

Susan Tellier

Randy Thelen

Cindy Warner

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

Mr. Messer called the meeting to order at 10:01 a.m. The meeting was held in person in the Lake Michigan Conference Room at the MEDC headquarters building in Lansing with optional participation remotely.

Mr. Messer introduced Katelyn Wilcox Surmann, MSF Board Liaison, who conducted the attendance roll call.

*Wesley Eklund joined the meeting at 10:05 a.m.*

**II. PUBLIC COMMENT**

Ms. Wilcox Surmann explained the process for members of the public to participate. No public comments were received during the public comment period.

**III. COMMUNICATIONS**

Ms. Wilcox Surmann reported several communications were received that were shared with MSF Board members.

**MSF Subcommittee Reports**

Dimitrius Hutcherson, chair of the MSF Finance and Investment Subcommittee, had no updates to report. Cindy Warner, chair of the MSF Policy and Planning Subcommittee, had no updates to report.

**IV. CONSENT AGENDA**

*Britany L. Affolter-Caine and Randy Thelen, recused themselves from voting on the Consent Agenda items; their recusal letters are attached to the minutes.*

## **Resolution 2023-116 Approval of Consent Agenda Items**

Mr. Messer asked if there were any questions from Board members regarding items under the Consent Agenda. There being none, Quentin L. Messer, Jr. motioned for the approval of the following:

- a. Proposed Meeting Minutes: June 27, 2023
- b. Gotion: Incentives Amendment **2023-117, 2023-118, 2023-119**
- c. City of Romulus Brownfield Redevelopment Authority: Brownfield Act 381 Work Plan **2023-120**
- d. International Trade: FY23 Additional Funding Allocation – MI-STEP Grant **2023-121**
- e. Michigan State University Foundation (MSUF): Michigan Rise Pre-Seed Fund Amendment **2023-122**
- f. Chevron Corporation: Private Activity Bond Extension of Inducement **2023-123**
- g. MSF Subcommittees: Subcommittee Charter Revisions **2023-124**

Dimitrius Hutcherson motioned for the approval of the consent agenda; Susan Tellier seconded the motion. **The motion carried: 11 ayes; 0 nays; 2 recused.**

**ROLL CALL VOTE:** Ayes: Wesley Eklund, Treasurer Eubanks, John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: Britany L. Affolter-Caine; Randy Thelen

*Britany L. Affolter-Caine and Randy Thelen joined the meeting at 10:10 a.m.*

## **V. DEVELOP ATTRACTIVE PLACES**

- a. **Resolutions 2023-125 & 2023-126 MICAHA 6 Community and Webster Community Center, LLC: A resolution to approve a Michigan Community Revitalization Program Performance-Based Direct Loan and a Revitalization and Placemaking Program Performance-Based Grant.**

Dominic Romano, Senior Community Development Manager, Tim Greimel, Mayor, City of Pontiac and Coleman Yoakum, MICAHA provided the Board with information regarding these action items. The actions involve approval of a Michigan Community Revitalization Program Performance-Based Direct Loan in the amount of up to \$7,600,000 and a Revitalization and Placemaking Program Performance-Based Grant in the amount of up to \$5,000,000 project in the City of Pontiac. The project is expected to result in total capital investment of \$28,052,057. Following discussion, John Groen motioned for the approval of Resolution 2023-125, Webster Community MCRP. Leon Richardson seconded the motion. **The motion carried: 13 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Wesley Eklund, Treasurer Eubanks, John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None

Britany L. Affolter-Caine then motioned for the approval of Resolution 2023-126, Webster Community RAP Grant. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 13 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Wesley Eklund, Treasurer Eubanks, John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None

b. **Resolutions 2023-127, Anson Building, LLC: A resolution to approve a Michigan Community Revitalization Program Performance-Based Grant.**

Sarah Rainero, Managing Director, Region 4, Ted Dearing, Assistant City Manager of Battle Creek, and Cody & Caitlynn Newman, Anson Building LLC provided the Board with information regarding these action items. The actions involve approval of a Michigan Community Revitalization Program Performance-Based Grant in the amount of up to \$1,500,000 in the City of Battle Creek. The project is expected to result in total capital investment of \$3,028,001. Following discussion, Quentin L. Messer, Jr. motioned for the approval of Resolution 2023-127, Anson Building, LLC MCRP. Dimitrius Hutcherson seconded the motion. **The motion carried: 13 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Wesley Eklund, Treasurer Eubanks, John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None

VI. **ATTRACT, RETAIN AND GROW BUSINESS**

a. **Resolution 2023-128 Bollinger Motors, Inc.: Michigan Business Development Program Grant**

*Jeremy Webb, Managing Director, BD Project, Kimberly Marrone, Representative of Oak Park and Jason Puscas, General Counsel for Bollinger Motors provided the Board with information regarding this action item. The action involves approval of a \$3,000,000 Michigan Business Development Program performance-based grant to support a business development project in Oakland County. The project is expected to result in the creation of up to 237 jobs and a capital investment of up to \$44,000,000.* Following discussion, Charlie P. Rothstein motioned for the approval of Resolution 2023-128. Leon Richardson. seconded the motion. **The motion carried: 13 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Wesley Eklund, Treasurer Eubanks, John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None

b. **Resolution 2023-129 Magna Seating of America, Inc.: Michigan Business Development Program Grant.**

*Jeremy Webb, Managing Director, BD Projects, Mike Abdallah of Oakland County and Misti Rice of Magna Seating of America provided the Board with information regarding this action item. This action involves approval of a \$4,250,000 Michigan Business Development Program performance-based grant to support a business development project in City of Auburn Hills, Oakland County. This project is expected to result in the creation of up to 532 jobs and a capital investment of up to \$105,170,174.* Following discussion, Dimitrius Hutcherson motioned for the approval of Resolution 2023-129. Leon Richardson. seconded the motion. **The motion carried: 13 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Wesley Eklund, Treasurer Eubanks, John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None

- c. **Resolution 2023-130 LuxWall, Inc.: Michigan Business Development Program Grant.** *Matt Chasnis, Senior Business Development Project Manager, David White, DEGC and Scott Thomsen of LuxWall provided the Board with information regarding this action item. This action involves approval of a \$6,000,000 Michigan Business Development Program performances-based grant to support a business development project in the City of Detroit, Wayne County. This project is expected to result in the creation of up to 453 jobs and a capital investment of up to \$165,675,228. Following discussion Randy Thelen motioned for the approval of Resolution 2023-130. Charlie P. Rothstein seconded the motion. The motion carried: 13 ayes; 0 nays; 0 recused.*

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Wesley Eklund, Treasurer Eubanks, John Groen (on behalf of Director Corbin, designation attached), Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None

- d. **Resolution 2023-131 P.R.A. Company (dba Vantage Plastics): Michigan Business Development Grant.** *Matt Chasnis, Senior Business Development Project Manager, Jim Reaume of Bay Future and Paul Altman of P.R.A. Company provided the Board with information regarding this action item. The action involves approval of a \$1,200,000 Michigan Business Development Program performances-based grant to support a business development project in Bangor Township, Bay County. This project is expected to result in the creation of up to 93 jobs and a capital investment of up to \$30,950,000. Following discussion Quentin L. Messer, Jr. motioned for the approval of Resolution 2023-131. Dimitrius Hutcherson seconded the motion. The motion carried: 13 ayes; 0 nays; 0 recused.*

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Wesley Eklund, Treasurer Eubanks, John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None

## VII. ADMINSTRATIVE

- a. **Resolutions 2023-132 Transformational Brownfield Plan Amendment Request.** *Rob Garza, Manager, Statutory Analysis, provided the Board with information regarding these action items. The actions involve amending TBP Program Guidelines to conform to the amend legislation that became effective in July of 2023. Following discussion, Charlie P. Rothstein motioned for the approval of Resolution 2023-132. Quentin L. Messer, Jr. seconded the motion. The motion carried: 13 ayes; 0 nays; 0 recused.*

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Wesley Eklund, Treasurer Eubanks, John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None

- b. **Policy and Planning Subcommittee Appointment.** *Val Hoag, on behalf Cindy Warner, nominated Dan Meyering to the Policy and Planning Subcommittee. Quentin L. Messer, Jr. motioned for the approval of Dan Meyering to join the Policy and Planning Subcommittee. Britany L. Affolter-Caine seconded the motion.*

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Wesley Eklund, Treasurer Eubanks, John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None

**VIII. INFORMATIONAL**

Mr. Messer noted the MSF Delegated Authority Report for the period June 1 to June 30, 2023, was included in the meeting packet. He asked if there were any questions from Board members regarding the information; there were none.

Mr. Messer adjourned the meeting at 11:19 a.m.



**MICHIGAN STRATEGIC FUND  
APPROVED MEETING MINUTES  
AUGUST 22, 2023**

**Member Present**

Quentin L. Messer, Jr.

**Members joined remotely.**

Director Corbin

Treasurer Eubanks

Dimitrius Hutcherson

Michael B. Kapp (on behalf of Director Wieferich)

Dan Meyering

Charles P. Rothstein

Susan Tellier

Cindy Warner

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

Mr. Messer called the meeting to order at 10:02 a.m. The meeting was held in person in the Lake Michigan Conference Room at the MEDC headquarters building in Lansing with optional participation remotely.

Mr. Messer introduced Katelyn Wilcox Surmann, MSF Board Liaison, who conducted the attendance roll call.

**II. PUBLIC COMMENT**

Ms. Wilcox Surmann explained the process for members of the public to participate.

No public comments were received during the public comment period.

**III. COMMUNICATIONS**

Ms. Wilcox Surmann reported no communications were received that were shared with MSF Board members.

*Welsey Ecklund joined the meeting at 10:08 a.m.*

**MSF Subcommittee Reports**

Dimitrius Hutcherson, chair of the MSF Finance and Investment Subcommittee, had no updates to report. Cindy Warner, chair of the MSF Policy and Planning Subcommittee, indicated they had great discussions at the last meeting.

**IV. CONSENT AGENDA**

**Resolution 2023-133 Approval of Consent Agenda Items**

Mr. Messer asked if there were any questions from Board members regarding items under the Consent Agenda. There being none, Dimitrius Hutcherson motioned for the approval of the following:

- a. Proposed Meeting Minutes: July 25, 2023
- b. CDBG Program Year 2022: Action Plan Substantial Amendment **2023-134**
- c. Sweetwater Development Partners, LLC: MCRP Amendment **2023-135**
- d. POAH DD Sugar Hill, LLC: MCRP Amendment **2023-136**
- e. Request Foods: ASESAM Amendment **2023-137**
- f. LJ, Inc.: Reauthorization and Amendment of MBDP Performance-Based Grant **2023-138**

g. Strategic Site Readiness Program Guidelines Amendment **2023-139**

Dimitrius Hutcherson motioned for the approval of the consent agenda; Cindy Warner seconded the motion. **The motion carried: 10 ayes; 0 nays; recused.**

**ROLL CALL VOTE:** Ayes: Director Corbin, Wesley Eklund, Treasurer Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None.

*Randy Thelen joined the meeting at 10:15 a.m.*

**V. ADMINISTRATIVE**

a. MSF Annual Allocation of the 21st Century Jobs Trust Fund Appropriations.

Jill Trepkoski, Senior Vice President, and Chief Financial & Procurement Officer requested committee approve the funding allocations for the 21<sup>st</sup> Century Jobs Trust Fund appropriations set forth in the attached exhibit to **Resolution 2023-140**. Quentin Messer, Jr. motioned for the approval of Resolution 2023-140. Charlie P. Rothstein seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Director Corbin, Wesley Eklund, Treasurer Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

b. Michigan Strategic Fund: Bylaws Amendment – **For Discussion and Deliberation Only**

The proposed changes will make the meetings run more efficiently and provide guidance on unique situations. The committee discussed and had no concerns with these amendments.

**VI. DEVELOP ATTRACTIVE PLACES**

a. **Resolutions 2023-141 & 2023-142 W&S Development Partners, LLC: A resolution to approve a Michigan Community Revitalization Program performance-based Other Economic Assistance Loan Participation and a Brownfield Act 381 Working Plan.**

Mackenzie Miller, Community Development Manager, Jono Klooster, City of Grand Rapids, Mike Coyne and Peter Skornia of W & S Development Partners, LLC provided the Board with information regarding these action items. The actions involve approval of a Michigan Community Revitalization Program Performance-Based Other Economic Assistance Loan Participating in the amount of up to \$3,000,000 and a Brownfield Act 381 Working Plan including state tax capture capped at \$544,048 for eligible activities in the City of Grand Rapids. The project is expected to result in total capital investment of \$16,476,000. Dimitrius Hutcherson motioned for the approval of Resolution 2023-141, MCRP. Charlie P. Rothstein seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Director Corbin, Wesley Eklund, Treasurer Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

Wesely Eklund then motioned for the approval of Resolution 2023-142, Brownfield Act 381 Working Plan. Randy Thelen seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Director Corbin, Wesley Eklund, Treasurer Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

- b. **Resolutions 2023-143 & 2023-144, Bagley Development Group – United Artist Building: A resolution to an amendment to the Michigan Community Revitalization Program performance-based Other Economic Assistance Agreement and a Brownfield Act 381 Work Plan with state tax capture for eligible activities.**

Brittney Hoszkiw, Senior Community Development Manager and David Howell, DECG provided the Board with information regarding these action items. The actions involve approval of a resolution to an amendment to the Michigan Community Revitalization Program performance-based Other Economic Assistance Agreement to allow for deferral of payments for a period of up to 28 months and a Brownfield Act 381 Work Plan with state tax capture capped at \$5,321,135 for eligible activities in the City of Detroit. The project is expected to result in total capital investment of up to \$73,440,373. Dimitrius Hutcherson motioned for the approval of Resolution 2023-143, MCRP. Director Corbin seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Director Corbin, Wesley Eklund, Treasurer Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

Quentin Messer, Jr. then motioned for the approval of Resolution 2023-144, Brownfield Act 381 Working Plan. Director Corbin seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Director Corbin, Wesley Eklund, Treasurer Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

- c. **Resolution 2023-145, IFF and Related Borrowers: A resolution to approve a Loan Award from the Investment Fund for a Workforce Housing Loan.**

Sarah Rainero, Managing Director, Region 4, Ryan Kilpatrick and Chris Uhl provided the Board with information regarding these action items. The actions involve approval of a resolution to approve a Loan Award in the amount of \$10,000,000 for a Workforce Housing Loan. Following discussion, Dan Meyering motioned for the approval of Resolution 2023-145. Quentin Messer Jr. seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Director Corbin, Wesley Eklund, Treasurer Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

## VII. ATTRACT, RETAIN AND GROW BUSINESS

- a. **Resolution 2023-146 & 2023-147 Plastic Omnium New Energies USA, Inc.: Michigan Business Development Program Grant and State Essential Services Assessment Exemption.** Jeremy Webb, Managing Director, BD Projects, David Hill, Plastic Omnium, Tyler Rossmassler, Flint & Genessee Chamber of Commerce, and Dennis Liimatta of Grand Blanc Township provide the Board with information regarding these action items. This action involves approval of a resolution to approve a Michigan Business Development Grant in the amount of \$5,000,000, a 15-year 100% State Essential Services Assessment Exemption with an estimated value of up to \$2,379,054 and a waiver of the Eligible Distressed Area and Commencement Requirements. The project is expected to result in the creation of up to 175 jobs and a capital investment of up to \$171,253,700 in Grand Blanc Township. Following discussion, Charlie P. Rothstein motioned for the approval of Resolution 2023-146, MBDP. Welsey Ecklund seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Director Corbin, Wesley Eklund, Treasurer Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

Director Corbin then motioned for the approval of Resolution 2023-147, SESA. Quentin Messer, Jr. seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Director Corbin, Wesley Eklund, Treasurer Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

## **VIII. MARKET THE STATE**

### **a. Resolutions 2023-148 Accessible Traveler Grant Application Initiative.**

Michelle Grinnell, SVP, Marketing & Communications and Robin Peebles, Publications Specialist provided the Board with information on this action item. This action involves resolution to approve EDA Funds in the amount of \$1,000,000 for an accessible traveler grant application for Michigan Tourism Destination Marketing Organization projects. Following discussion, Director Corbin motioned for the approval of Resolution 2023-148. Dimitrius Hutcherson seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Director Corbin, Wesley Eklund, Treasurer Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

## **IX. INFORMATIONAL**

Mr. Messer noted the MSF Delegated Authority Report for the period July 1 to July 31, 2023, was included in the meeting packet. He asked if there were any questions from Board members regarding the information; there were none.

Mr. Messer adjourned the meeting at 11:08 a.m.

**MICHIGAN STRATEGIC FUND  
APPROVED MEETING MINUTES  
SEPTEMBER 26, 2023**

**Member Present**

Quentin L. Messer, Jr.

**Members joined remotely.**

Britany Affolter-Caine

Director Corbin

Wesley Eklund

Treasurer Eubanks

Dimitrius Hutcherson

Michael B. Kapp (on behalf of Director Wieferich)

Dan Meyering

Leon Richardson

Charles P. Rothstein

Randy Thelen

Cindy Warner

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

Mr. Messer called the meeting to order at 10:06 a.m. The meeting was held in person in the Lake Michigan Conference Room at the MEDC headquarters building in Lansing with optional participation remotely.

Mr. Messer introduced Katelyn Wilcox Surmann, MSF Board Liaison, who conducted the attendance roll call.

**II. PUBLIC COMMENT**

Ms. Wilcox Surmann explained the process for members of the public to participate. Dan Eriksson, Owner of Hoffman Brothers, Bob Lyng, Marshall Township Board Member, Sue Damron, President and CEO of Schulers, Rebecca Jones, Superintendent of Marshall Public Schools, Michael Lounds, Resident of Marshall, Mark Behnke, Mayor of Battle Creek, Jim Schwartz, Mayor of Marshall and Dr. Paul Watson II, President, Kellogg Community College offered remarks in support of MAEDA. Glenn Kowalksi, resident of Marshall, Barry Wayne Adams, Marjorie Steele and Brandi offered remarks opposing MAEDA.

*Mike Kapp leaves at 10:16am*

**III. COMMUNICATIONS**

Ms. Wilcox Surmann reported communications received were shared with MSF Board members, Friday, September 22, 2023.

*Mike Kapp rejoins at 10:18am*

**MSF Subcommittee Reports**

Dimitrius Hutcherson, Chair of the MSF Finance and Investment Subcommittee, indicated movement on the SSBCI Bills and will have more to report next month.

Cindy Warner, Chair of the MSF Policy and Planning Subcommittee, nothing to report.

#### IV. ATTRACT, RETAIN, AND GROW BUSINESS

- a. **Resolution 2023-149 Marshall Area Economic Development Alliance: Strategic Site Readiness Program Grant (SSRP).** Josh Hundt, supported by Jim Durian and Mr. Lindsay of MAEDA provided the Board with information regarding this action item. This action involves approval of a resolution to approve a SSRP performance-based grant in the amount of \$65 million to MAEDA for land acquisition, site studies and preparation, water and wastewater upgrades, road enhancements, professional fees, administration and other necessary public infrastructure improvements. After much discussion, Quentin Messer, Jr. motioned for the approval of Resolution 2023-149, SSRP. Leon Richardson seconded the motion. **The motion carried: 11 ayes; 1 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany Affolter-Caine, Director Corbin, Treasurer Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Randy Thelen, Cindy Warner; Nays: Wesley Eklund; Recused: None.

*Randy Thelen, recused, and Dimitrius Hutcherson, leave the meeting at 11:20am*

- b. **Resolution 2023-150 Strategic Site Readiness Program Grants (SSRP) to Prosperity Region Economic Development Organization.** Josh Hundt provided the board with information regarding this action item. This action involves approval of a resolution to approve SSRP grants to 11 economic development organizations located within the 10 prosperity regions. After discussion, Director Corbin motioned to approve Resolution 2023-150, SSRP Grants. Quentin Messer, Jr. seconded the motion. **The motion carried: 10 ayes; 0 nays; 1 recused.**

**ROLL CALL VOTE:** Ayes: Britany Affolter-Caine, Director Corbin, Wesley Eklund, Treasurer Eubanks, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Cindy Warner; Nays: None; Recused: Randy Thelen.

#### V. CONSENT AGENDA

##### **Resolution 2023-151 Approval of Consent Agenda Items**

Mr. Messer asked if there were any questions from Board members regarding items under the Consent Agenda. There being none, Dimitrius Hutcherson motioned for the approval of the following:

- a) Proposed Meeting Minutes: August 22, 2023 Meeting Minutes
- b) Veridea Group: Brownfield Act 381 Work Plan **2023-152**
- c) Lofts on Louis: MCRP Amendment **2023-153**
- d) Exchange Building, LLC-The Exchange: MCRP Amendment **2023-154**
- e) Billerud: APRZ Amendment **2023-155**
- f) Contractual Small Business Solutions/Services: FY24 Funding Allocations **2023-156**
- g) International Trade Centers: JEC Recommendations and FY24 Funding Allocations **2023-157**
- h) Michigan Israel Business Accelerator (MIBA): New Contract Approval **2023-158**
- i) Business Marketing Lambert Contract Amendment **2023-159, 2023-160**
- j) FY 2024 Memorandum of Understanding MSF & MEDC **2023-161**
- k) Lear Corporation: Reauthorization of Performance-Based Grant Request **2023-162**

Mike Kapp motioned for the approval of the consent agenda. Quentin Messer, Jr. seconded the motion. **The motion carried: 10 ayes; 0 nays; 1 recused.**

**ROLL CALL VOTE:** Ayes: Britany Affolter-Caine, Director Corbin, Wesley Eklund, Treasurer Eubanks, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Cindy Warner; Nays: None; Recused: Randy Thelen.

*Randy Thelen rejoins the meeting at 11:31am*

## **VI. DEVELOP ATTRACTIVE PLACES**

**a. Resolutions 2023-163 Olympia Development of Michigan – Henry Street: a Michigan Community Revitalization Program performance-based direct loan to Henry Street Renaissance, LLC.** Julius Edwards, David Howell, City of Detroit, DEGC, and Ms. Tyler Hardy, Olympia Development, provided the Board with information regarding this action item. This action involves approval of a resolution to approve a Michigan Community Revitalization Program performance-based direct loan to Henry Street Renaissance, LLC in the amount of \$6,493,000. This project is in the City of Detroit and is expected to result in total capital investment of \$40,533,873. After discussion, Britany Affolter-Cain motioned for approval of Resolution 2023-163. Charlie P. Rothstein seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany Affolter-Caine, Director Corbin, Wesley Eklund, Treasurer Eubanks, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richarson, Charles P. Rothstein, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

**b. Resolution 2023-164 CDBG Public Gathering Spaces Initiative Competitive Funding Round Project Recommendation.** Paula Holtz provided the Board with information regarding this action item. This action involves approval of a resolution to award a total of \$20,000,000 in CDBG funds for the expansion and creation of public gathering spaces for 16 units of general local government and up to \$800,000 in CDBG funds to provide administrative services to assist these communities with relevant compliance and administrative requirements. After discussion, Randy Thelen motioned for approval of Resolution 2023-164. Leon Richardson seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany Affolter-Caine, Director Corbin, Wesley Eklund, Treasurer Eubanks, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richarson, Charles P. Rothstein, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

## **VII. ATTRACT, RETAIN AND GROW BUSINESS**

**c. Resolution 2023-165 and 2023-166 Proton Energy Systems, Inc. dba Nel Hydrogen U.S.** Sarah Bishop, Hakon, Senior Executive, Nel Hydrogen and Maureen Krauss, Detroit Regional Partnership provided the Board with information regarding these action items. These actions involve approval of resolutions for a Michigan Business Development Program Grant in the amount of \$10,000,000 and a 15-year 100% State Essential Services Assessment (SESA) Exemption and a waiver of the EDA and Commencement requirements. This project, in Plymouth Township, Wayne County is expected to create up to 517 jobs and \$413,738,400 in capital investment. Quentin Messer, Jr motioned for the approval of Resolution 2023-165, MPDP Grant. Cindy Warner seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany Affolter-Caine, Director Corbin, Wesley Eklund, Treasurer Eubanks, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richarson, Charles P. Rothstein, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

Quentin Messer, Jr motioned for the approval of Resolution 2023-166, SESA. Cindy Warner seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany Affolter-Caine, Director Corbin, Wesley Eklund, Treasurer Eubanks, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

*Leon Richardson and Cindy Warner leave the meeting at 12:03pm*

- a. **Resolution 2023-167 Samsung SDI America, Inc.: Michigan Business Development Program Grant.** Britney Mizer, Joe Pittel, Samsung, and Michael Abdallah, Oakland County provided the Board with information regarding this action item. This action involves approval of a Michigan Business Development Program Grant in the amount of \$5,000,000. This project is expected to create up to 368 jobs and \$41,000,000 of capital investment in the Auburn Hills, Oakland County. Quentin Messer, Jr. Motioned for the approval of Resolution 2023-167. Director Corbin seconded the motion. **The motion carried: 9 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany Affolter-Caine, Director Corbin, Wesley Eklund, Treasurer Eubanks, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Charles P. Rothstein, Randy Thelen; Nays: None; Recused: None

#### **VIII. ADMINISTRATIVE**

- a. **Resolution 2023-168 Michigan Strategic Fund By-Laws: A resolution to approve revised Michigan Strategic Fund By-Laws.** By-laws were previously shared and discussed. Charlie P. Rothstein motioned for the approval of Resolution 2023-168. Quentin Messer, Jr. seconded the motion. **The motion carried: 9 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany Affolter-Caine, Director Corbin, Wesley Eklund, Treasurer Eubanks, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Charles P. Rothstein, Randy Thelen; Nays: None; Recused: None

#### **IX. INFORMATIONAL**

Mr. Messer noted the MSF Delegated Authority Report for the period August 1 to 31, 2023, was included in the meeting packet. He asked if there were any questions from Board members regarding the information; there were none.

Mr. Messer adjourned the meeting at 12:15pm



**MICHIGAN STRATEGIC FUND  
APPROVED MEETING MINUTES  
OCTOBER 24, 2023**

**Member Present**

Quentin L. Messer, Jr.  
Jen Nelson (on behalf of Quentin L. Messer, Jr.)

**Members joined remotely**

Britany L. Affolter-Caine  
Wesley Eklund  
John Groen (on behalf of Director Corbin)  
Dimitrius Hutcherson  
Michael B. Kapp (on behalf of Director Wieferich)  
Andrew Lockwood (on behalf of Treasurer Eubanks)  
Dan Meyering  
Susan Tellier  
Randy Thelen  
Cindy Warner

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

Ms. Nelson called the meeting to order at 10:01 a.m. The meeting was held in person in the Lake Michigan Conference Room at the MEDC headquarters building in Lansing with optional participation remotely.

Ms. Nelson introduced Katelyn Wilcox Surmann, MSF Board Liaison, who conducted the attendance roll call.

*Quentin L. Messer, Jr. joined the meeting at 10:02 a.m.*

*Jen Nelson departed the meeting at 10:02 a.m.*

**II. PUBLIC COMMENT**

Ms. Wilcox Surmann explained the process for members of the public to participate. Public comment was had.

**III. COMMUNICATIONS**

Ms. Wilcox Surmann reported several communications were received and shared with MSF Board members on Friday, October 20, 2023.

**MSF Subcommittee Reports**

Dimitrius Hutcherson, chair of the MSF Finance and Investment Subcommittee, and Cindy Warner, chair of the MSF Policy and Planning Subcommittee, provided updates on subcommittee activity.

**IV. CONSENT AGENDA**

**Resolution 2023-169 Approval of Consent Agenda Items**

Mr. Messer asked if there were any questions from Board members regarding items under the Consent Agenda. There being none, Michael B. Kapp motioned for the approval of the following:

- a. Proposed Meeting Minutes: September 26, 2023 Meeting Minutes
- b. Queen Lillian – 381 Work Plan Amendment **2023-170**

- c. Warren Transmission – 381 Work Plan Amendment **2023-171**
- d. Holland Parking Deck – 381 Work Plan Amendment **2023-172**
- e. Strand Theater Owner, LLC and West Development Financial, Inc. – MCRP Direct Loan Agreement Amendment **2023-173**
- f. CHN Annex Limited Partnership and Community Housing Network, Inc. – MCRP Direct Loan Agreement Amendment **2023-174**
- g. LJ, Inc. – Reauthorization of MBDP Performance-Based Grant Request **2023-175**
- h. Small Business Development Center – MSF Grant Amendment **2023-176 & 2023-177**
- i. BBCetc Federal Funding Support Program – 2024 Funding Allocation **2023-178**
- j. City of City of Sault Ste. Marie – Business Incubator Grant Reassignment **2023-179**
- k. 351 W Western, LLC and Great Lakes Development Investments, Inc. – MCRP Other Economic Assistance-Loan Participation Agreement Amendment **2023-180**
- l. City of Saginaw: Michigan Strategic Fund Performance-Based Grant **2023-181**
- m. MSF 2024 Board Meeting Dates

Michael B. Kapp motioned for the approval of the consent agenda; Quentin L. Messer, Jr. seconded the motion. **The motion carried: 10 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached) Quentin L. Messer, Jr., Dan Meyering, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None

*Wesley Eklund joined the meeting at 10:15am*

## **V. DEVELOP ATTRACTIVE PLACES**

a. **Resolution 2023-182 City of Grand Rapids Brownfield Redevelopment Authority, Factory Yards Transformational Brownfield Plan.** Mackenzie Miller, Community Development Manager, Dennis Griffen and Scott Maguluk of Heritage Development as well as Jono Klooster, City of Grand Rapids provided the Board with information regarding this action item. This action involves approval of a Transformational Brownfield Plan in the aggregate amount of \$102,989,119 and approval of the factors that will be used to calculate the safe harbor amounts for income tax capture and approve an amendment to existing Michigan Community Revitalization Program withholding tax capture if elected by the developer. Location: City of Grand Rapids. Following discussion, Quentin L. Messer then motioned for the approval of resolution 2023-182, City of Grand Rapids Brownfield Redevelopment Authority, Factory Yards Transformational Brownfield Plan. Britany L. Affolter-Caine seconded the motion. **The motion carried: 11 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Wesley Eklund, John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Dan Meyering, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None

*Britany Affolter-Caine and Wesley Eklund departed the meeting at 10:32*

b. **Resolutions 2023-183 and 2023-184, Uptown Reinvestment Corporation: Resolutions to approval a Michigan Community Revitalization Programs Performance-Based Grant and amend existing Michigan Community Revitalization Program Investment.** Chuck Donaldson, Managing Director, Regional Prosperity, Tim Herman, Uptown Investment Corporation and Emily Doerr, City of Flint provided the Board with information regarding these action items. These actions involve approve a Michigan Community Revitalization Program Performance-Based Grant in the amount of \$3.4 million and amending

the existing Michigan Community Revitalization Program investment to split the existing parcel into two newly created parcels. Dimitrius Hutcherson moved for the approval of resolution 2023-183, Michigan Community Revitalization Program Performance-Based Grant. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 9 ayes, 0 nays, 1 recused.**

**ROLL CALL VOTE:** Ayes: John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Dan Meyering, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: Britany L. Affolter-Caine

Susan Tellier moved for the approval of resolution 2023-184, Amendment to existing Michigan Community Revitalization Program investment. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 9 ayes, 0 nays, 1 recused.**

**ROLL CALL VOTE:** Ayes: John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Dan Meyering, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: Britany L. Affolter-Caine

*Britany Affolter-Caine rejoins the meeting*

**c. Resolutions 2023-185 and 2023-186, Clairmount Apartments LLC and City of Detroit Brownfield Redevelopment Authority (BRA): Resolutions to approve a Michigan Community Revitalization Program performance-based grant and a Brownfield Act 381 work plan.** Dominic Romano, Senior Community Development Manager, Regional Prosperity, David Alade, CEO, Century Partners and Kaci Jackson, City of Detroit provided the Board with information regarding these action items. These actions involve approval of a Michigan Community Revitalization Program performance-based grant in an amount of up to \$1,500,000 and a Brownfield Act 381 work plan with state tax capture for eligible activities capped at the amount of \$204,269. Location: City of Detroit. Quentin L. Messer, Jr. moved for the approval of resolution 2023-185, MCRP performance-based grant. Dimitrius Hutcherson seconded the motion. **The motion carried: 10 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Dan Meyering, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None

Quentin L. Messer, Jr. then moved for the approval of Resolution 2023-186, Brownfield Action 381. Randy Thelen seconded the motion. **The motion carried: 10 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Dan Meyering, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None

**d. Resolution 2023-187, Y Sites, LLC A resolution to approve an amendment to the existing Michigan Community Revitalization Program Other Economic Assistance Equity Agreement and any ancillary agreements.** Julius Edwards, Director, Commercial Real Estate Investment, Julia Lawton-Essa and Dan Essa provided the Board with information regarding this action item. This action involves approval of an amendment to the existing Michigan Community Revitalization Program Other Economic Assistance Equity

Agreement and any ancillary agreements to waive existing accrued returns due to the MSF in the amount of approximately \$751,570 and amend the equity repayment structure to a 35/65 split, to be applied retroactively to the time of the MSF disbursements. Location: City of Lansing. After much discussion, Cindy Warner moved to deny resolution 2023-187 to amend the existing MCRP. Susan Tellier seconded the motion. **The motion failed: 6 ayes, 4 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Dimitrius Hutcherson, Dan Meyering, Susan Tellier, Randy Thelen, Cindy Warner; Nays: John Groen (on behalf of Director Corbin, designation attached) Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Recused: None

Michael B. Kapp moved to approve resolution 2023-187 to amend the existing MCRP. Quentin L. Messer, Jr. seconded the motion. **The motion failed: 4 ayes, 6 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: John Groen (on behalf of Director Corbin, designation attached) Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Nays: Britany L. Affolter-Caine, Dimitrius Hutcherson, Dan Meyering, Susan Tellier, Randy Thelen, Cindy Warner; Recused: None

## **VI. ATTRACT, RETAIN AND GROW BUSINESS**

a. **Resolution 2023-188 and 2023-189, Calumet Electronics, Michigan Business Development Program Grant and State Essential Services Assessment Exemption.** Vicki Schwab, Managing Director, Regional Prosperity, Brittney Mizer, Business Development Project Manager, Mark Ignash, Interim Michigan Defense Center Director, Meredith LaBeau of Calumet and Marty Fittante of Invest UP provided the Board with information on these action items. These actions involve approving a Michigan Business Development Program Grant in the amount of \$7,500,000 and a 15-year, 100% State Essential Services Assessment Exemption with an estimated value of up to \$758,877 with an investment requirement waiver. Location: Charter Township of Calumet. Following discussion and comments from the Board, Dimitrius Hutcherson motioned for the approval of resolution 2023-188, Michigan Business Development Program Grant. Susan Tellier seconded the motion. **The motion carried: 10 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Dan Meyering, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None

Cindy Warner then motioned for the approval of resolution 2023-189, State Essential Services Assessment Exemption. Quentin L. Messer seconded the motion. **The motion carried: 10 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Dan Meyering, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None

*Susan Tellier departs the meeting*

b. **Resolution 2023-190, DENSO Manufacturing Michigan, Inc. State Essential Services Assessment Exemption.** Matt Chasnis, Senior Business Development Project Manager, Matt Briden, Denso and Robert

Corder, Battle Creek Unlimited provided the Board with information on this action item. This action involves approving a 15-year, 100% State Essential Services Assessment Exemption with an estimated value of up to \$1,433,250 with an investment requirement waiver. Location: City of Battle Creek. After discussion, Quentin L. Messer, Jr. motioned for the approval of resolution 2023-190, State Essential Services Exemption. John Groen seconded the motion. **The motion carried: 9 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Dan Meyering, Randy Thelen, Cindy Warner; Nays: None; Recused: None

## VII. ADMINSTRATIVE

a. **Resolution 2023-191, Michigan Strategic Fund Consent Agenda Policy.** Matt Casby provided the Board with information on this action item. This action involves approval to amend and restate the existing Michigan Strategic Fund Consent Agenda Policy to add requests from the State Historic Preservation Office for the approval of an expenditure, funding of an award, contract, grant, or other agreement. Michael B. Kapp motioned for the approval of resolution 2023-191, Consent agenda. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 9 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Dan Meyering, Randy Thelen, Cindy Warner; Nays: None; Recused: None

*Britany Affolter-Caine left the meeting at 11:57 am*

## VIII. SUPPORT SMALL BUSINESS

a. **Resolution 2023-192, Facility for Rare Isotope Beams Project, Michigan Strategic Fund Limited Obligation Revenue Bonds.** Amber Westendorp, Capital Project & Portfolio Manager provided the Board with information on this action item. This action items involves resolution to authorize the issuance of the issuance of the Michigan Strategic Fund Limited Obligation Revenue Refunding Bonds for the Facility for Rare Isotope Beams Project at Michigan State University in an amount not to exceed \$47,420,000. After discussion, Randy Thelen motioned for the approval of resolution 2023-192. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 8 ayes, 0 nays, 1 recused.**

**ROLL CALL VOTE:** Ayes: John Groen (on behalf of Director Corbin, designation attached) Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Dan Meyering, Randy Thelen, Cindy Warner; Nays: None; Recused: Britany L. Affolter-Caine

## IX. INFORMATIONAL

a. Mr. Messer noted the MSF Delegated Authority Report for the period September 1 to September 30, 2023, was included in the meeting packet. He asked if there were any questions from Board members regarding the information; there were none.

Mr. Messer adjourned the meeting at 12:02 pm

**MICHIGAN STRATEGIC FUND**  
**APPROVED MEETING MINUTES**  
**January 23, 2024**

**Member Present**

Quentin L. Messer, Jr.

**Members Joined Remotely**

Britany L. Affolter-Caine  
Susan Corbin  
Wesley Eklund  
Rachael Eubanks  
Dimitrius Hutcherson  
Michael B. Kapp (in lieu of Director Wieferich)  
Dan Meyering  
Leon Richardson  
Charles P. Rothstein  
Susan Tellier  
Randy Thelen  
Cindy Warner

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

Mr. Messer called the meeting to order at 10:04 a.m. The meeting was held in person in the Lake Michigan Conference Room at the MEDC headquarters building in Lansing with optional participation remotely.

Mr. Messer introduced Natalie Davenport, MSF Board Liaison, who conducted the attendance roll call.

**II. PUBLIC COMMENT**

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

**III. COMMUNICATIONS**

Ms. Davenport advised Board members that the Quarterly Report of the Chief Compliance Officer was provided in the briefing packet. Ms. Davenport stated that two other communications were emailed to the Board on Friday, January 19<sup>th</sup>.

**MSF Subcommittee Reports**

Dimitrius Hutcherson, Chair of the MSF Finance and Investment Subcommittee, reported members met with MEDC staff to discuss SSBCI Venture Capital qualified applicants during the January subcommittee meeting.

Cindy Warner, Chair of the MSF Policy and Planning Subcommittee, did not have any updates to report.

*Britany L. Affolter-Caine, recused, left the meeting at 10:20 a.m.*

*Randy Thelen, recused, left the meeting at 10:20 a.m.*

#### **IV. CONSENT AGENDA**

##### **Resolution 2024-001, Approval of Consent Agenda Items**

Quentin L. Messer Jr. asked if there were any questions from Board members regarding items under the Consent Agenda. There being none, Dimitrius Hutcherson motioned for the approval of the following:

- a. Approval of December 12, 2023, Meeting Minutes
- b. Dairy Distillery Alliance, LLC: MBDP Reauthorization **2024-002**
- c. 351 W. Western: MCRP Amendment **2024-003**
- d. Bogan Developments, LLC: MCRP Amendment **2024-004**
- e. SAPA Transmission, Inc.: MBDP Amendment **2024-005**
- f. Business Incubator Program: FY24 Gateway Grant Amendments **2024-006, 2024-007, 2024-008, 2024-009, 2024-010, 2024-011**
- g. SSBCI 2.0 Small Business Venture Capital Program: Guidelines Amendment **2024-012**
- h. SHPO MOU: Michigan Office of Administrative Hearings and Rules **2024-013**
- i. SHPO MOA: Kalamazoo/Battle Creek International Airport **2024-014**
- j. SHPO MOA: Jerry Tyler Memorial Airport **2024-015**
- k. SHPO MOA: Saint Mary's Falls Canal Historic District of the Soo Locks **2024-016**
- l. SHPO MOA: Southfield Road Improvement Project **2024-017**
- m. Travel Marketing: Approval of Accessibility Grant Award Recommendations **2024-018**

Dimitrius Hutcherson motioned for the approval of Resolution 2024-001 to approve the consent agenda; Wesley Eklund seconded the motion. **The motion carried: 11 ayes; 0 nays; 2 recused.**

**ROLL CALL VOTE:** Ayes: Susan Corbin, Wesley Eklund, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (in lieu of Director Wieferich), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: Britany L. Affolter-Caine, Randy Thelen.

*Randy Thelen rejoined the meeting at 10:26 a.m.*

#### **V. ATTRACT, RETAIN, AND GROW BUSINESS**

- a. **Resolutions 2024-019, 2024-020, and 2024-021 USA Fortescue, LLC Brownfield Act 381 Work Plan, Michigan Business Development Program performance-based grant, and State Essential Services Assessment Exemption.** Rachel Donaldson, Director of Global Attraction, supported by Judith Judson of Fortescue WAE, provided the Board with information regarding this action item. This action involves consideration of three

resolutions to approve a state tax capture for Act 381 eligible activities capped at \$2,374,413 for the City of Detroit Brownfield Redevelopment Authority; a Michigan Business Development Program performance-based Grant in the amount of up to \$9,000,000 for USA Fortescue Piquette, LLC; and a State Essential Services Assessment Exemption (15 Years/100%) with an estimated value of \$1,300,950, including waiver of the SESA guidelines requiring the project to invest more than \$100,000,000.

*Britany L. Affolter Caine rejoined the meeting at 10:35 a.m.*

After discussion, Cindy Warner motioned for the approval of Resolution 2024-019 for the Brownfield Act 381 Work Plan. Leon Richardson seconded the motion. **The motion carried: 13 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (in lieu of Director Wieferich), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

Dimitrius Hutcherson motioned for the approval of Resolution 2024-020 for the Michigan Business Development Program performance-based grant. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 13 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (in lieu of Director Wieferich), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

Cinder Warner motioned for the approval of Resolution 2024-021 for the State Essential Services Assessment Exemption. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 13 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (in lieu of Director Wieferich), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

*Randy Thelen, recused, left the meeting at 10:46 a.m.*

- b. Resolution 2024-022, B&L Systems LLC dba Fifth Wheel Freight Michigan Business Development Program Grant.** Erik Wilford, Strategic Project Advisor, supported by Sam Sedlecky, Senior Business Development Manager, Brian Bennett of B&L Systems LLC, and Rob Llanes of The Right Place provided the Board with information regarding this action item. This action involves the consideration of a resolution to approve a Michigan Business Development Program performance-based grant in the amount of up to \$2,000,000. Erik Wilford clarified that the funds, if approved, will not be used for a new manufacturing facility as stated in the briefing memo. Following discussion, Quentin L. Messer, Jr. motioned for the approval of Resolution 2024-022. Susan Corbin seconded the motion. **The**



**motion carried: 12 ayes, 0 nays, 1 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (in lieu of Director Wieferich), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: Randy Thelen.

*Randy Thelen rejoined the meeting at 11:00 a.m.*

- c. **Resolution 2024-023 EcoG, Inc. Michigan Business Development Program Grant.** Vlatko Tomic-Bobas, Investment Promotion Director, supported by Jeremy Webb, Managing Director of Business Development Projects, Jörg Heuer of EcoG, and Maureen Krauss of the Detroit Regional Partnership provided the Board with information regarding this action item. This action involves the consideration of a resolution to approve a Michigan Business Development Program performance-based grant in the amount of up to \$1,500,000. Following discussion, Dr. Britany L. Affolter-Caine motioned for the approval of Resolution 2024-023. Susan Corbin seconded the motion. **The motion carried: 13 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (in lieu of Director Wieferich), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

- d. **Resolution 2024-024 Global Life Sciences Solution USA, LLC Michigan Business Development Program performance-based grant amendment.** Sara Bishop, Senior Business Development Project Manager, supported by Mike Rapach of Global Life Sciences Solutions, provided the Board with information regarding this action item. This action involves the consideration of a resolution to approve a Michigan Business Development Program performance-based grant amendment request for Global Life Sciences Solutions USA LLC.

Randy Thelen motioned for the approval of Resolution 2024-024. Wesley Eklund seconded the motion. **The motion carried: 13 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (in lieu of Director Wieferich), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

## **VI. INFORMATIONAL**

- a. Quentin L. Messer, Jr., noted the Michigan Strategic Fund Delegation of Authority Report for the period December 1, 2023, to December 31, 2023, was included in the meeting packet. He asked if there were any questions from Board members regarding the information. There were no questions regarding the Delegation of Authority Report.

Quentin L. Messer, Jr. adjourned the meeting at 11:15 a.m.

**MICHIGAN STRATEGIC FUND  
APPROVED MEETING MINUTES  
January 30, 2024**

**Member Present**

Quentin L. Messer, Jr.

**Members Joined Remotely**

Britany L. Affolter-Caine  
Susan Corbin (Joined remotely at 10:05 a.m.)  
Wesley Eklund  
Rachael Eubanks  
Dimitrius Hutcherson  
Michael B. Kapp (in lieu of Director Wieferich)  
Dan Meyering  
Leon Richardson  
Charles P. Rothstein  
Susan Tellier  
Cindy Warner

**Members Absent**

Randy Thelen

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

Mr. Messer called the meeting to order at 10:03 a.m. The meeting was held in person in the Lake Michigan Conference Room at the MEDC headquarters building in Lansing with optional participation remotely.

Mr. Messer introduced Natalie Davenport, MSF Board Liaison, who conducted the attendance roll call.

*Susan Corbin joined the meeting at 10:05 a.m. after the roll call vote.*

**II. PUBLIC COMMENT**

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

**III. COMMUNICATIONS**

Ms. Davenport stated that communications were shared with the MSF Board on Friday, January 26<sup>th</sup>.

**MSF Subcommittee Reports**

Dimitrius Hutcherson, Chair of the MSF Finance and Investment Subcommittee, did not have any updates to report.

Cindy Warner, Chair of the MSF Policy and Planning Subcommittee, did not have any updates to report.

#### **IV. CONSENT AGENDA**

##### **Resolution 2024-025, Approval of Consent Agenda Items**

Quentin L. Messer Jr. asked if there were any questions from Board members regarding items under the Consent Agenda. There being none, Dimitrius Hutcherson motioned for the approval of the following:

- a. Approval of January 23, 2024, Meeting Minutes

Dimitrius Hutcherson motioned for the approval of Resolution 2024-025 to approve the consent agenda; Quentin L. Messer, Jr. seconded the motion. **The motion carried: 12 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (in lieu of Director Wieferich), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None.

#### **V. DEVELOP ATTRACTIVE PLACES**

- a. **Resolution 2024-026 Strategic Site Readiness Program Grant Awards.** Terri Fitzpatrick, Chief Real Estate and Global Attraction Officer, supported by Paul O’Connell, Vice President of Real Estate Development, and Nicole Whitehead, Director of Business Operations, provided the Board with information regarding this action item. This action involves the consideration of a resolution to approve eighteen (18) Strategic Site Readiness Program grants totaling \$87,546,962 for various sites around the State of Michigan. After discussion, Quentin L. Messer, Jr., motioned for the approval of Resolution 2024-026 for the Strategic Site Readiness Program grant awards. Wesley Eklund seconded the motion. **The motion carried: 12 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (in lieu of Director Wieferich), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None.

#### **VI. ATTRACT, RETAIN, AND GROW BUSINESS**

- a. **Copperwood, Inc. Strategic Site Readiness Program Performance-Based Grant for Highland Copper Company, Inc.** Erik Wilford, Strategic Project Advisor, supported by Vicki Schwab, Managing Director of Regional Prosperity, Barry O’ Shea of Highland Copper Company, Inc., and Marty Fittante of InvestUP, provided the Board with information regarding this action item. This action involves the consideration of a resolution to approve a

Strategic Site Readiness Program performance-based grant for Highland Copper Company, Inc. Following discussion, Quentin L. Messer, Jr. motioned to refer the project to the Michigan Strategic Fund Finance and Investment Subcommittee for expedited review. Charles P. Rothstein seconded the motion. **The motion carried: 11 ayes, 0 nays, 0 recused, 1 abstained.**

**ROLL CALL VOTE:** Ayes: Susan Corbin, Wesley Eklund, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (in lieu of Director Wieferich), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None; Abstained: Britany L. Affolter-Caine.

Quentin L. Messer, Jr. adjourned the meeting at 11:59 a.m.

**MICHIGAN STRATEGIC FUND**  
**APPROVED MEETING MINUTES**  
**February 27, 2024**

**Member Present**

Quentin L. Messer, Jr.  
Susan Tellier

**Members Joined Remotely**

Britany L. Affolter-Caine  
Susan Corbin  
Wesley Eklund  
Rachael Eubanks  
Dimitrius Hutcherson  
Leon Richardson  
Charles P. Rothstein  
Randy Thelen  
Cindy Warner

**Absent**

Dan Meyering  
Bradley Wieferich

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

Mr. Messer called the meeting to order at 10:03 a.m. The meeting was held in person in the Lake Michigan Conference Room at the MEDC headquarters building in Lansing with optional participation remotely.

Mr. Messer introduced Natalie Davenport, MSF Board Liaison, who conducted the attendance roll call.

*Leon Richardson joined the meeting remotely at 10:06 a.m.*

*Britany L. Affolter-Caine left the meeting at 10:08 a.m. due to connection issues. Britany L. Affolter-Caine rejoined the meeting remotely at 10:10 a.m.*

*Susan Corbin joined the meeting remotely at 10:18 a.m.*

**II. PUBLIC COMMENT**

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

*Mr. Messer motioned to change the agenda to allow agenda items V.b “Lucid USA, Inc.” and V.a. “Corning Incorporated” to go before Section III “Communications.” Susan Tellier seconded*

*the motion. The motion carried unanimously.*

### III. ATTRACT, RETAIN, AND GROW BUSINESS

**a. Resolution 2024-027 Lucid USA, Inc. Michigan Business Development Program performance-based grant.** Rachel Donaldson, Managing Director of Global Attraction, supported by Matt Chasnis, Senior Business Development Project Manager, Erin Hass of Lucid Motors, and Daniel Witt of Lucid Motors, provided the Board with information regarding this action item. This action involves the consideration of a resolution to approve a Michigan Business Development Program performance-based grant in the amount of up to \$6,000,000, involving the creation of up to 262 Qualified New Jobs and a capital investment of up to \$10,000,000 in the City of Southfield, Oakland County for Lucid USA, Inc.

Cindy Warner motioned for the approval of Resolution 2024-027 for the approval of the Michigan Business Development Program grant. Dimitrius Hutcherson seconded the motion. **The motion carried: 11 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Rachael Eubanks, Dimitrius Hutcherson, Quentin L. Messer, Jr., Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

**b. Resolutions 2024-028, 2024-029, 2024-030 Corning Incorporated Critical Industry Program performance-based grant, Strategic Site Readiness Program performance-based grant, and State Essential Services Assessment Exemption.** Josh Hundt, Senior Project Marketing Advisor, supported by JoAnn Crary of Saginaw Future, and Scott Forester of Corning Incorporated, provided the Board with information regarding this action. This action involves the consideration of three resolutions to approve a Critical Industry Program grant request in the amount of \$68,000,000 for Corning Incorporated, a State Essential Services Assessment Exemption estimated to be worth \$12,281,500 for Corning Incorporated, and a Strategic Site Readiness Program performance-based grant in the amount of \$29,000,000 for Thomas Township.

Following discussion, Charles P. Rothstein motioned for the approval of Resolution 2024-028 for the Critical Industry Program grant. Susan Corbin seconded the motion. **The motion carried: 11 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Rachael Eubanks, Dimitrius Hutcherson, Quentin L. Messer, Jr., Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

Quentin L. Messer, Jr. motioned for the approval of Resolution 2024-029 for the Strategic Site Readiness Program grant. Susan Tellier seconded the motion. **The motion carried: 11 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Rachael Eubanks, Dimitrius Hutcherson, Quentin L. Messer, Jr., Leon Richardson, Charles P. Rothstein,

Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

Leon Richardson motioned for the approval of Resolution 2024-030 for the State Essential Services Assessment Exemption. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 11 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Rachael Eubanks, Dimitrius Hutcherson, Quentin L. Messer, Jr., Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

*Dimitrius Hutcherson was removed from the meeting at 11:45 a.m. in error following several unwarranted meeting disruptions.*

Cindy Warner motioned to move to an in-person meeting format, to be held quarterly on the second Tuesday of every fourth month, and that if public comment is to be had, public comment must be in person.

Following discussion, Quentin L. Messer, Jr. amended the motion to refer to the MSF Policy and Planning Subcommittee to evaluate technological options while ensuring statutory compliance and accessibility for individuals who need it to provide public comment, and that an after-action plan be provided to the MSF Board members. Randy Thelen seconded the motion. **The motion carried: 10 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Rachael Eubanks, Quentin L. Messer, Jr., Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

#### IV. COMMUNICATIONS

Ms. Davenport stated that communications were emailed to the MSF Board on Friday, February 23<sup>rd</sup>, and Monday, February 26<sup>th</sup>.

##### **MSF Subcommittee Reports**

Cindy Warner, Chair of the MSF Policy and Planning Subcommittee, provided updates on subcommittee activities.

#### V. CONSENT AGENDA

##### **Resolution 2024-031, Approval of Consent Agenda Items**

Quentin L. Messer Jr. asked if there were any questions from Board members regarding items under the Consent Agenda. There being none, Randy Thelen motioned for the approval of the following:

- a. Approval of January 30, 2024, Special Meeting Minutes
- b. Designation of Fund Manager **2024-032**
- c. GT Housing, LLC: MCRP Amendment **2024-033**
- d. 7303 West McNichols, LLC: MCRP Amendment **2024-034**
- e. Detroit Food Commons: MCRP Amendment **2024-035**

- f. Fuel Cell System Manufacturing LLC: MBDP Reauthorization **2024-036**
- g. SHPO MOAs **2024-037, 2024-038, 2024-039, 2024-040**
- h. MSF Designees to the American Center for Mobility's Board of Directors **2024-041**
- i. SSRP Awardee Amendment: Economic Development Organization Allocation **2024-042**

Randy Thelen motioned for the approval of Resolution 2024-031 to approve the consent agenda; Brittany Affolter-Caine seconded the motion. **The motion carried: 10 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Rachael Eubanks, Quentin L. Messer, Jr., Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

## **VI. DEVELOP ATTRACTIVE PLACES**

**a. Resolution 2024-043 Detroit Crosswinds Runway Project Strategic Site Readiness Program grant amendment for the Detroit Brownfield Redevelopment Authority.** Terri Fitzpatrick, Senior Real Estate Advisor, provided the Board with information regarding this action. This action involves the consideration of a resolution to amend a Strategic Site Readiness Program grant award amount for the Brownfield Redevelopment Authority to a total of \$12,963,038.

Following discussion, Quentin L. Messer, Jr. motioned for the approval of Resolution 2024-043 for the Strategic Site Readiness Program grant amendment. Cindy Warner seconded the motion. **The motion carried: 10 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Rachael Eubanks, Quentin L. Messer, Jr., Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

## **VII. SUPPORT SMALL BUSINESS**

**a. Resolution 2024-044 Match on Main Program Adoption.** Chelsea Beckman, Senior Small Business Services Manager, provided the Board with information regarding this action item. This action involves the consideration of a resolution to approve the creation of the Match on Main Program and corresponding Program Guidelines and allocate \$750,000 from the MSHDA Housing Development Fund to select grantees and implement the program.

Following discussion, Quentin L. Messer, Jr. motioned for the approval of Resolution 2024-044 for the Match on Main Program Adoption. Cindy Warner seconded the motion. **The motion carried: 10 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Rachael Eubanks, Quentin L. Messer, Jr., Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.



**I. INFORMATIONAL**

- a. Quentin L. Messer, Jr., noted the Michigan Strategic Fund Delegation of Authority Report for the period January 1, 2024, to January 31, 2024, was included in the meeting packet. He asked if there were any questions from Board members regarding the information. There being none, Quentin L. Messer, Jr. adjourned the meeting at 12:14 p.m.

**MICHIGAN STRATEGIC FUND  
APPROVED MEETING MINUTES  
March 26, 2024**

**Member Present**

Quentin L. Messer, Jr.

**Members Joined Remotely**

Britany L. Affolter-Caine

Wesley Eklund

Rachael Eubanks

John Groen (in lieu of Director Corbin)

Dimitrius Hutcherson

Michael B. Kapp (in lieu of Director Wieferich)

Dan Meyering

Leon Richardson

Charles P. Rothstein

Susan Tellier

Randy Thelen

Cindy Warner

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

Mr. Messer called the meeting to order at 8:59 a.m. The meeting was held in person in the Lake Michigan Conference Room at the MEDC headquarters building in Lansing.

Mr. Messer introduced Natalie Davenport, MSF Board Liaison, who conducted the attendance roll call.

**II. CONSENT AGENDA**

**Resolution 2024-045, Approval of Consent Agenda Items**

Quentin L. Messer Jr. asked if there were any questions from Board members regarding items under the Consent Agenda. There being none, Dimitrius Hutcherson motioned for the approval of the following:

- a. Approval of February 27, 2024, Meeting Minutes
- b. Chelsea Rockwell, LLC: MCRP Grant Amendment **2024-046**
- c. Uptown Reinvestment Corporation: Performance-Based Grant Amendment **2024-047**
- d. Selden Partners, LLC: MCRP Amendment **2024-048**
- e. Wixom Site Redevelopment Project: MBT Brownfield Credit Amendment **2024-049**
- f. MSF Public Comment Policy Revisions **2024-050**

Dimitrius Hutcherson motioned for the approval of Resolution **2024-045** to approve the consent agenda. Britany L. Affolter-Caine seconded the motion. **The motion carried: 13 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Wesley Eklund, Rachael Eubanks, John Groen (in lieu of Director Corbin), Dimitrius Hutcherson, Michael B. Kapp (in lieu of Director Wieferich), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

### **III. PUBLIC COMMENT**

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

### **IV. COMMUNICATIONS**

Ms. Davenport stated that communications were emailed to the MSF Board on Friday, March 22<sup>nd</sup>, and Monday, March 25<sup>th</sup>.

#### **MSF Subcommittee Reports**

Dimitrius Hutcherson, Chair of the MSF Finance and Investment Subcommittee, and Cindy Warner, Chair of the MSF Policy and Planning Subcommittee, provided updates on subcommittee activity.

### **IV. ATTRACT, RETAIN, AND GROW BUSINESS**

#### **a. Resolution 2024-051 Copperwood Resources, Inc. Strategic Site Readiness Program Grant.**

Michelle Grinnell, Senior Vice President of Industry and Market Services, supported by Christin Armstrong, Senior Vice President of Business Development Programs & Execution and Associate General Counsel, provided the Board with information regarding this action. This action involves the consideration of a resolution to approve a Strategic Site Readiness Program grant in the amount of up to \$50,000,000 for Copperwood Resources, Inc.

Following discussion, Dimitrius Hutcherson motioned for the approval of Resolution 2024-051 for the approval of the Strategic Site Readiness Program grant. Cindy Warner seconded the motion. **The motion carried: 13 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Wesley Eklund, Rachael Eubanks, John Groen (in lieu of Director Corbin), Dimitrius Hutcherson, Michael B. Kapp (in lieu of Director Wieferich), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

*Quentin L. Messer, Jr. announced that agenda items VII.a “Future Heritage Fund GP, LLC” and VII.b “Venture Investor Health Fund 7 (Michigan) LP” will go before agenda item V.b “M-1 RAIL.”*

*Cindy Warner, recused, left the meeting at 11:02 a.m.*

## V. SUPPORT SMALL BUSINESS

**a. Resolution 2024-052 SSBCI 2.0 Small Business Venture Capital Program Funding for The Future Heritage Fund, LP.** Chris Cook, Managing Director of Capital Access, supported by Derek Batts, Managing Partner and Chief Investment Officer of Union Heritage Capital, Nia Batts, Chief Marketing Officer of Union Heritage Capital, Joshua Tooker, Principal at Union Heritage Venture Partners, Ashley Reid, Principal and Director of Platform at Union Heritage, and Dug Song, co-founder and general manager of Duo Security, provided the Board with information regarding this action. This action involves the consideration of a resolution to approve State Small Business Credit Initiative 2.0 Venture Capital Program funding in the amount of up to \$11,000,000 in the form of a limited partner investment for The Future Heritage Fund, LP.

Following discussion, Britany L. Affolter-Caine motioned for the approval of Resolution 2024-052 for the approval of SSBCI 2.0 Small Business Venture Capital Program for The Future Heritage Fund, LP. Dimitrius Hutcherson seconded the motion. **The motion carried: 12 ayes, 0 nays, 1 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Wesley Eklund, Rachael Eubanks, John Groen (in lieu of Director Corbin), Dimitrius Hutcherson, Michael B. Kapp (in lieu of Director Wieferich), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen; Nays: None; Recused: Cindy Warner.

*Cindy Warner rejoined the meeting at 11:20 a.m.*

*Randy Thelen left the meeting at 11:23 a.m.*

**b. Resolution 2024-053 SSBCI 2.0 Small Business Venture Capital Program Funding for Venture Investors Health Fund 7 (Michigan) LP.** Chris Cook, Managing Director of Capital Access, supported by Jim Adox, Executive Managing Director of Venture Investors Health Fund, and Michael Psarouthakis, Executive Director of Impact Investments and Strategic Alliances at the University of Michigan Innovation Partnerships, provided the Board with information regarding this action. This action involves the consideration of a resolution to approve State Small Business Credit Initiative 2.0 Venture Capital Program investment in the amount of up to \$11,000,000 in the form of a limited partner investment for Venture Investors Health Fund 7 (Michigan) LP.

Following discussion, Quentin L. Messer, Jr. motioned for the approval of Resolution 2024-053 for the approval of SSBCI 2.0 Small Business Venture Capital Program for Venture Investors Health Fund 7 (Michigan) LP. Charles P. Rothstein seconded the motion. **The motion carried: 12 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Wesley Eklund, Rachael Eubanks, John Groen (in lieu of Director Corbin), Dimitrius Hutcherson, Michael B. Kapp (in lieu of Director Wieferich), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None

#### IV. ATTRACT, RETAIN, AND GROW BUSINESS

**b. Resolution 2024-054 M-1 RAIL Michigan Business Development Program Loan Agreement Amendment.** Amiee Evans, Chief of Staff and Governance, supported by Lisa Nuskowski of M-1 RAIL, provided the Board with information regarding this action. This action involves the consideration of a resolution to approve an amendment to a Michigan Business Development Program loan agreement to change the repayment terms of the loan by substituting the current payment structure with an Acknowledgment Rights model.

Following discussion, Leon Richardson motioned for the approval of Resolution 2024-054 for the approval of the Michigan Business Development Program loan agreement amendment. Quentin L. Messer seconded the motion. **The motion carried: 12 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Wesley Eklund, Rachael Eubanks, John Groen (in lieu of Director Corbin), Dimitrius Hutcherson, Michael B. Kapp (in lieu of Director Wieferich), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None

**c. Resolutions 2024-055 and 2024-056 Piston Automotive, LLC Michigan Business Development Program Grant and State Essential Services Assessment Exemption.** Ericka Swayne, Business Development Manager, supported by Jerry Ruskowski of Piston Company, provided the Board with information regarding these actions. These actions involve the consideration of a resolution to approve a Michigan Business Development Program performance-based grant in the amount of up to \$8,500,000 and a resolution to approve a 15-year 100% State Essential Services Assessment Exemption with an estimated value of up to \$1,789,480 for its \$80,382,857 eligible investment in Eligible Personal Property.

Following discussion, Leon Richardson motioned for the approval of Resolution 2024-055 for the approval of the Michigan Business Development Program grant. Dimitrius Hutcherson seconded the motion. **The motion carried: 12 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Wesley Eklund, Rachael Eubanks, John Groen (in lieu of Director Corbin), Dimitrius Hutcherson, Michael B. Kapp (in lieu of Director Wieferich), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None.

*Dimitrius Hutcherson left the meeting at 11:45 a.m.*

Michael B. Kapp motioned for the approval of Resolution 2024-056 for the approval of the State Essential Services Assessment exemption. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 11 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Wesley Eklund, Rachael Eubanks, John Groen (in lieu of Director Corbin), Michael B. Kapp (in lieu of Director Wieferich), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None

**d. Resolution 2024-057 Alticor Inc. Michigan Business Development Program Grant.**

Christopher Buck, Strategic Accounts Executive, supported by Brittney Mizer, Business Development Project Manager, Michael Nelson, Chief Operating & Chief People Officer at Amway, and Brian Kraus, Vice President of Manufacturing at Amway, provided the Board with information regarding this action. This action involves the consideration of a resolution to approve a Michigan Business Development Program grant in the amount of up to \$2,000,000.

Following discussion, Quentin L. Messer, Jr. motioned for the approval of Resolution 2024-057 for the approval of the Michigan Business Development Program grant. Leon Richardson seconded the motion. **The motion carried: 11 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Wesley Eklund, Rachael Eubanks, John Groen (in lieu of Director Corbin), Michael B. Kapp (in lieu of Director Wieferich), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None

**VI. DEVELOP ATTRACTIVE PLACES**

**a. Resolution 2024-058 Hotel Rose, LLC Michigan Community Revitalization Program Other Economic Assistance Loan Participation.** Mackenzie Miller, Community Development Manager, supported by Julius Edwards, Director of Commercial Real Estate Investment, Ryan Wheeler, President of Wheeler Development Group, and Thad Beard, City Manager at the City of Rockford, provided the Board with information regarding this action. This action involves the consideration of a resolution to approve a Michigan Community Revitalization Program Other Economic Assistance Loan Participation in the amount of up to \$3,250,000 for Hotel Rose, LLC.

Following discussion, Quentin L. Messer, Jr. motioned for the approval of Resolution 2024-058 for the approval of the Michigan Community Revitalization Program other economic assistance loan. Michael B. Kapp seconded the motion. **The motion carried: 11 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Wesley Eklund, Rachael Eubanks, John Groen (in lieu of Director Corbin), Michael B. Kapp (in lieu of Director Wieferich), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: Randy Thelen

**VIII. Informational**

a. Quentin L. Messer, Jr., noted the Michigan Strategic Fund Delegation of Authority Report for the period February 1, 2024, to February 29, 2024, was included in the meeting packet. There were no questions regarding the report.

*Wesley Eklund left the meeting at 12:12 p.m.*

Quentin L. Messer, Jr., noted that the resolution for the Wixom Site Redevelopment Project Area B under consent agenda item II.e “Wixom Site Redevelopment Project: MBT Brownfield Credit

Amendment” was inadvertently left out of the meeting packet. The resolution was provided to the MSF Board via email.

Quentin L. Messer, Jr. motioned for the approval of Resolution 2024-059 for the approval of the Wixom Site Redevelopment Project Area B Brownfield Redevelopment Michigan Business Tax Credit Amendment. John Groen seconded the motion. **The motion carried: 10 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Rachael Eubanks, John Groen (in lieu of Director Corbin), Michael B. Kapp (in lieu of Director Wieferich), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None

Quentin L. Messer, Jr. adjourned the meeting at 12:14 p.m.

**MICHIGAN STRATEGIC FUND**  
**APPROVED MEETING MINUTES**  
**April 16, 2024**

**Member Present**

Quentin L. Messer, Jr.

**Members Joined Remotely**

Britany L. Affolter-Caine

Wesley Eklund

Rachael Eubanks

John Groen (in lieu of Director Corbin)

Dimitrius Hutcherson

Michael B. Kapp (in lieu of Director Wieferich)

Dan Meyering

Leon Richardson

Charles P. Rothstein

Susan Tellier

Randy Thelen

Cindy Warner

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

Mr. Messer called the meeting to order at 9:06 a.m. The meeting was held in person in the Lake Michigan Conference Room at the MEDC headquarters building in Lansing.

Mr. Messer introduced Natalie Davenport, MSF Board Liaison, who conducted the attendance roll call.

**II. PUBLIC COMMENT**

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

**III. COMMUNICATIONS**

Ms. Davenport stated that communications were emailed to the MSF Board on Friday, April 12<sup>th</sup>.

**MSF Subcommittee Reports**

Dimitrius Hutcherson, Chair of the MSF Finance and Investment Subcommittee, and Cindy Warner, Chair of the MSF Policy and Planning Subcommittee, provided updates on subcommittee activities.

**IV. CONSENT AGENDA**

**Resolution 2024-060, Approval of Consent Agenda Items**



Quentin L. Messer Jr. asked if there were any questions from Board members regarding items under the Consent Agenda. There being none, Dimitrius Hutcherson motioned for the approval of the following:

- a. Proposed March 26, 2024, Meeting Minutes
- b. Suniva, Inc.: MBDP Write-Off Request **2024-061**
- c. Greenfield Die & Manufacturing, Corp: MBDP Write-Off Request **2024-062**
- d. BerQ US Investments, LLC: Private Activity Bond Inducement Extension **2024-063**
- e. Michigan International Technology Center Redevelopment Authority: Act 381 Work Plan Amendment **2024-064**
- f. CDBG-DR Infrastructure Projects **2024-065**
- g. Albion Reinvestment Corporation and OZB Phase I, LLC: Phase I Big Albion Plan **2024-066**
- h. 1108 Water Street, LLC: MCRP Amendment **2024-067**
- i. Veridea Group, LLC: MCRP Amendment **2024-068**

Dimitrius Hutcherson motioned for the approval of Resolution 2024-060 to approve the consent agenda. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 13 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Wesley Eklund, Rachael Eubanks, John Groen (in lieu of Director Corbin), Dimitrius Hutcherson, Michael B. Kapp (in lieu of Director Wieferich), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

## V. ATTRACT, RETAIN, AND GROW BUSINESS

**a. Resolution 2024-069 Strategic Site Readiness Program Grant for the Flint and Genesee Group Foundation.** Christin Armstrong, Senior Vice President of Business Development Programs and Execution, supported by Tyler Rossmassler of the Flint & Genesee Economic Alliance, provided the Board with information regarding this action. This action involves the consideration of a resolution to approve a Strategic Site Readiness Program grant in the amount of \$9,247,683 for the Flint and Genesee Group Foundation.

Following discussion, Charles P. Rothstein motioned for the approval of Resolution 2024-069 for the approval of the Strategic Site Readiness Program grant. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 13 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Wesley Eklund, Rachael Eubanks, John Groen (in lieu of Director Corbin), Dimitrius Hutcherson, Michael B. Kapp (in lieu of Director Wieferich), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

**b. Resolution 2024-070 Huntington Place Hotel MSF-Designated Renaissance Zone for Atwater & Associates, LLC.** Jeremy Webb, Strategic Project Advisor, supported by Manny Torgow of Sterling Group, Danny Samson of Sterling Group, Brittney Hoszkiw of the City of

Detroit, and David Howell of the Detroit Economic Growth Corporation, provided the Board with information regarding this action. This action involves the consideration of a resolution to approve a Michigan Strategic Fund-Designated Renaissance Zone for a period of 30 years.

Following discussion, Britany L. Affolter-Caine motioned for the approval of Resolution 2024-070 for the approval of the Renaissance Zone. Leon Richardson seconded the motion. **The motion carried: 13 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Wesley Eklund, Rachael Eubanks, John Groen (in lieu of Director Corbin), Dimitrius Hutcherson, Michael B. Kapp (in lieu of Director Wieferich), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None.

*Britany L. Affolter-Caine, recused, left the meeting at 10:00 a.m.*

## **VI. DEVELOP ATTRACTIVE PLACES**

**a. Resolution 2024-071 Future of Health Transformational Brownfield Plan for the City of Detroit Brownfield Redevelopment Authority.** Rob Garza, Director of Statutory Analysis, supported by Richard Haddad of Pistons Sports and Entertainment and Brittney Hoszkiw of the City of Detroit, provided the Board with information regarding this action. This action involves the consideration of a resolution to approve an Act 381 Transformational Brownfield Plan for the City of Detroit Brownfield Redevelopment Authority.

Following discussion, Cindy Warner motioned for the approval of Resolution 2024-071 for the approval of the Transformational Brownfield Plan. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 12 ayes, 0 nays, 1 recused.**

**ROLL CALL VOTE:** Ayes: Wesley Eklund, Rachael Eubanks, John Groen (in lieu of Director Corbin), Dimitrius Hutcherson, Michael B. Kapp (in lieu of Director Wieferich), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: Britany L. Affolter-Caine.

*Britany L. Affolter-Caine virtually rejoined the meeting at 10:09 a.m.*

*Cindy Warner, recused, left the meeting at 10:10 a.m.*

**b. Resolutions 2024-072 and 2024-073 Michigan Community Revitalization Program Loan and Act 381 Work Plan for Maple Block Flats, LLC, and the Emmet County Brownfield Redevelopment Authority.** Hannah Yurk, Community Development Manager, supported by Jeff Smoke of Great Lakes Capital and Shane Horn of the City of Petoskey, provided the Board with information regarding this action item. This action involves the consideration of two resolutions to approve a Michigan Community Revitalization Program performance-based direct loan in the amount of \$2,000,000 for Maple Block Flats, LLC, and an Act 381 Work Plan for the Emmet County Brownfield Redevelopment Authority.

Following discussion, Wesley Eklund motioned for the approval of Resolution 2024-072 to approve the Michigan Community Revitalization Program loan. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 12 ayes, 0 nays, 1 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Wesley Eklund, Rachael Eubanks, John Groen (in lieu of Director Corbin), Dimitrius Hutcherson, Michael B. Kapp (in lieu of Director Wieferich), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen; Nays: None; Recused: Cindy Warner.

Dimitrius Hutcherson motioned for the approval of Resolution 2024-073 for the approval of the Act 381 Work Plan. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 12 ayes, 0 nays, 1 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Wesley Eklund, Rachael Eubanks, John Groen (in lieu of Director Corbin), Dimitrius Hutcherson, Michael B. Kapp (in lieu of Director Wieferich), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen; Nays: None; Recused: Cindy Warner.

*Cindy Warner virtually rejoined the meeting at 10:21 a.m.*

## **VII. SUPPORT SMALL BUSINESS**

**a. Resolution 2024-074 Meadowbrook Ag-Grid LLC Private Activity Bond Inducement.** Amber Westendorp, Capital Project & Portfolio Manager, supported by Rashi Akki and Abu Akki of Ag-Grid Energy, LLC, provided the Board with information regarding this action. This action involves the consideration of a resolution to approve a private activity bond inducement for an amount not to exceed \$40,000,000 for Meadowbrook Ag-Grid, LLC.

Following discussion, Quentin L. Messer, Jr. motioned for the approval of Resolution 2024-074 for the approval of the private activity bond inducement. Britany L. Affolter-Caine seconded the motion. **The motion carried: 13 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Wesley Eklund, Rachael Eubanks, John Groen (in lieu of Director Corbin), Dimitrius Hutcherson, Michael B. Kapp (in lieu of Director Wieferich), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner. Nays: None; Recused: None.

## **VIII. INFORMATIONAL**

a. Quentin L. Messer, Jr. noted the Michigan Strategic Fund Delegation of Authority Report for the period March 1, 2024, to March 31, 2024, was included in the meeting packet. There were no questions regarding the report.

Quentin L. Messer, Jr. adjourned the meeting at 10:30 a.m.

**MICHIGAN STRATEGIC FUND  
APPROVED MEETING MINUTES  
May 21, 2024**

**Member Present**

Quentin L. Messer, Jr.

**Members Joined Remotely**

Britany L. Affolter-Caine  
Director Corbin  
Wesley Eklund  
Rachael Eubanks  
Dimitrius Hutcherson  
Michael B. Kapp (in lieu of Director Wieferich)  
Dan Meyering  
Leon Richardson  
Susan Tellier  
Randy Thelen  
Cindy Warner

**Absent**

Charles P. Rothstein

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

Mr. Messer called the meeting to order at 10:02 a.m. The meeting was held in person in the Lake Michigan Conference Room at the MEDC headquarters building in Lansing.

Mr. Messer introduced Natalie Davenport, MSF Board Liaison, who conducted the attendance roll call.

**II. PUBLIC COMMENT**

*Randy Thelen joined the meeting remotely at 10:05 a.m.*

*Susan Tellier joined the meeting remotely at 10:10 a.m.*

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

**III. COMMUNICATIONS**

Ms. Davenport stated that six (6) communications were emailed to the MSF Board on Friday, May 17<sup>th</sup>.

#### IV. CONSENT AGENDA

##### **Resolution 2024-075, Approval of Consent Agenda Items**

Quentin L. Messer Jr. asked if there were any questions from Board members regarding items under the Consent Agenda. There being none, Randy Thelen motioned for the approval of the following:

- a. Proposed April 16, 2024, Meeting Minutes
- b. Travel Marketing: Approval of Accessibility Grant Award Recommendations Round Two **2024-076**
- c. Request for Proposals: Germany/Austria/Switzerland Tourism Marketing Representative **2024-077**
- d. Request for Proposals: United Kingdom/Ireland/Scotland Tourism Marketing Representative **2024-078**
- e. FY24 Contract Amendment: Michigan Israel Business Accelerator **2024-079**
- f. Detroit Medical Center Renaissance Zone Extension **2024-080**
- g. SHPO Dairy Distillery Memorandum of Agreement & Constantine Hydroelectric Programmatic Agreement **2024-081 & 2024-082**
- h. Bogan Developments, LLC: MCRP Grant Amendment **2024-083**
- i. MSF Designee to the American Center for Mobility's Board of Directors **2024-084**

Randy Thelen motioned for the approval of Resolution 2024-075 to approve the consent agenda. Susan Tellier seconded the motion. **The motion carried: 8 ayes; 0 nays; 0 recused.**

*Cindy Warner left the meeting at 10:48 a.m.*

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Wesley Eklund, Rachael Eubanks, Michael B. Kapp (in lieu of Director Wieferich), Quentin L. Messer, Jr., Dan Meyering, Susan Tellier, Randy Thelen; Nays: None; Recused: None.

*Susan Corbin joined the meeting remotely at 10:52 a.m.*

*Leon Richardson joined the meeting remotely at 10:55 a.m.*

#### V. ATTRACT, RETAIN, AND GROW BUSINESS

**a. Resolution 2024-085 Strategic Site Readiness Program Grant for the Flint and Genesee Group Foundation.** Christin Armstrong, Senior Vice President of Business Development Programs and Execution, supported by Tyler Rossmassler of the Flint & Genesee Economic Alliance, provided the Board with information regarding this action. This action involves the consideration of a resolution to approve a Strategic Site Readiness Program grant in the amount of \$250,000,000 for the Flint and Genesee Group Foundation.

*Wesley Eklund left the meeting at 11:02 a.m. due to connection issues.*

Following discussion, Quentin L. Messer, Jr. motioned for the approval of Resolution 2024-085

for the approval of the Strategic Site Readiness Program grant. Leon Richardson seconded the motion. **The motion carried: 9 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Rachael Eubanks, Michael B. Kapp (in lieu of Director Wieferich), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Susan Tellier, Randy Thelen; Nays: None; Recused: None.

*Dimitrius Hutcherson joined the meeting remotely at 11:03 a.m.*

*Wesley Eklund rejoined the meeting remotely at 11:05 a.m.*

## **VI. DEVELOP ATTRACTIVE PLACES**

**a. Resolutions 2024-086 & 2024-087 Ironworks 39, LLC Michigan Community Revitalization Program Other Economic Assistance loan and Act 381 Work Plan.** Sarah Snoeyink, Community Development Manager, supported by Trisha Kidd of Plaza Corp, provided the Board with information regarding this action. This action involves the consideration of two resolutions to approve a Michigan Community Revitalization Program Other Economic Assistance loan for Ironworks 39, LLC, and an Act 381 Work Plan for the City of Kalamazoo Brownfield Redevelopment Authority.

Following discussion, Quentin L. Messer, Jr. motioned for the approval of Resolution 2024-086 for the approval of the Michigan Community Revitalization Program Other Economic Assistance loan. Britany L. Affolter-Caine seconded the motion. **The motion carried: 11 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (in lieu of Director Wieferich), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Susan Tellier, Randy Thelen; Nays: None; Recused: None.

Randy Thelen motioned for the approval of Resolution 2024-087 for the approval of the Act 381 Work Plan. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 11 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (in lieu of Director Wieferich), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Susan Tellier, Randy Thelen; Nays: None; Recused: None.

**b. Resolution 2024-088 Revitalization And Placemaking Grant Awards.** Lori Mullins, Vice President of Place Incentives, provided the Board with information regarding this action. This action involves the consideration of a resolution to approve an increase of \$250,000 to the existing Revitalization and Placemaking (RAP) grant to the Flint and Genesee Chamber Foundation, bringing their total grant amount to \$10,250,000, a RAP grant in the amount of \$5,000,000 to support The Products on Evans, LLC, and a RAP grant the amount of up to

\$6,500,000 for Sawmill Lofts, LLC.

Dimitrius Hutcherson motioned for the approval of Resolution 2024-088 for the approval of the Revitalization and Placemaking awards. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 11 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (in lieu of Director Wieferich), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Susan Tellier, Randy Thelen; Nays: None; Recused: None.

## **VIII. INFORMATIONAL**

a. Quentin L. Messer, Jr. noted the Michigan Strategic Fund Delegation of Authority Report for the period April 1, 2024, to April 30, 2024, was included in the meeting packet. There were no questions regarding the report.

Quentin L. Messer, Jr. adjourned the meeting at 11:16 a.m.

**MICHIGAN STRATEGIC FUND  
APPROVED MEETING MINUTES  
July 9, 2024**

**Member Present**

Quentin L. Messer, Jr.

**Members Joined Remotely**

Britany L. Affolter-Caine  
Director Corbin  
Wesley Eklund  
Dimitrius Hutcherson  
Michael B. Kapp (on behalf of Director Wieferich)  
Andrew Lockwood (on behalf of Treasurer Eubanks)  
Leon Richardson  
Charles P. Rothstein  
Susan Tellier  
Randy Thelen  
Cindy Warner

**Absent**

Dan Meyering

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

Mr. Messer 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.

Mr. Messer introduced Natalie Davenport, MSF Board Liaison, who conducted the attendance roll call.

**II. PUBLIC COMMENT**

*Britany L. Affolter-Caine joined the meeting remotely at 9:02 a.m.*

*Randy Thelen joined the meeting remotely at 9:02 a.m.*

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

*Dimitrius Hutcherson joined the meeting remotely at 9:08 a.m.*

**III. COMMUNICATIONS**



Ms. Davenport stated that four (4) communications were emailed to the MSF Board on Friday, June 21<sup>st</sup>, and Friday, July 5<sup>th</sup>.

*Britany L. Affolter-Caine, recused, left the meeting at 9:15 a.m.*

#### **IV. CONSENT AGENDA**

##### **Resolution 2024-089, Approval of Consent Agenda Items**

Quentin L. Messer Jr. asked if there were any questions from Board members regarding items under the Consent Agenda. There being none, Susan Corbin motioned for the approval of the following:

- a. Proposed May 21, 2024, Meeting Minutes
- b. Act 381 Memorandum of Agreement: MSF, EGLE, Treasury, and MSHDA **2024-090**
- c. Michigan State University Foundation: Michigan Rise Pre-Seed Fund Amendment **2024-091**
- d. Match on Main: FY24 Grantee Selection **2024-092**
- e. CDBG Amendments: Public Gathering Spaces Initiative **2024-093**
- f. 601 West, LLC: Loan Participation Amendment **2024-094**
- g. Billerud U.S. Production Holding, LLC: Delta County Forest Products Renaissance Zone Rescission **2024-095**

Susan Corbin motioned for the approval of Resolution 2024-089 to approve the consent agenda. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 11 ayes; 0 nays; 1 recused.**

**ROLL CALL VOTE:** Ayes: Susan Corbin, Wesley Eklund, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: Britany L. Affolter-Caine.

*Britany L. Affolter-Caine rejoined the meeting remotely at 9:18 a.m.*

#### **V. ATTRACT, RETAIN, AND GROW BUSINESS**

**a. Resolutions 2024-096; 2024-097; 2024-098; 2024-099; 2024-100; 2024-101 Ford Motor Company and Marshall Area Economic Development Alliance Incentives Amendment Requests.** Christin Armstrong, Senior Vice President of Business Development Programs and Execution, supported by Terri Fitzpatrick, Senior Real Estate Advisor, Stacy Bowerman, Strategic Projects and Accounts Executive, Jim Durian of Marshall Area Economic Development Alliance, and Tony Reinhart of Ford Motor Company provided the Board with information regarding the requested actions. These actions involve the consideration of six resolutions to approve (1) a Critical Industry Program Grant Amendment, a mutual rescission of a Michigan Strategic Fund Renaissance Zone, a State Essential Services Assessment (SESA) Exemption authorization to exempt the SESA on Eligible Manufacturing Personal Property to Ford Motor Company, on behalf of BlueOval Battery Michigan, LLC, (2) Strategic Site Readiness Program Grant

Amendments for the Marshall Area Economic Development Alliance, and (3) a mutual rescission of a Critical Industry Program Grant and a SESA Exemption Amendment for Ford Motor Company.

Following discussion, Dimitrius Hutcherson motioned for the approval of Resolution 2024-096 for the Critical Industry Program Grant Amendment to Ford Motor Company. Leon Richardson seconded the motion. **The motion carried: 12 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

Charles P. Rothstein motioned for the approval of Resolution 2024-097 for the mutual rescission of a Michigan Strategic Fund-designated Renaissance Zone to Ford Motor Company, on behalf of BlueOval Battery Michigan, LLC. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 12 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

Susan Corbin motioned for the approval of Resolution 2024-098 for the State Essential Services Assessment Exemption authorization to Ford Motor Company, on behalf of BlueOval Battery Michigan, LLC. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 12 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

Quentin L. Messer, Jr. motioned for the approval of Resolution 2024-099 for the mutual rescission of a Critical Industry Program Grant for Ford Motor Company. Leon Richardson seconded the motion. **The motion carried: 12 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

Cindy Warner motioned for the approval of Resolution 2024-100 for the State Essential Services Assessment Exemption Amendment for Ford Motor Company. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 12 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

Cindy Warner motioned for the approval of Resolution 2024-101 for the Strategic Site Readiness Program Grant Amendments to the Marshall Area Economic Development Alliance. Dimitrius Hutcherson seconded the motion. **The motion carried: 12 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

**b. Resolutions 2024-102; 2024-103; 2024-104; 2024-105 Gestamp North America, Inc. State Essential Services Assessment Exemptions and Michigan Business Development Program Grant.** Amanda Baker, Senior Business Development Manager, supported by Matthew Chasnis, Senior Business Development Project Manager, Susana Tello of Gestamp North America, and Brad Kersten of Chesterfield Township, provided the Board with information regarding these actions. These actions involve the consideration of four resolutions to approve a Michigan Business Development Program Grant in the amount of up to \$5,000,000 to Gestamp North America, Inc., and three 15-year 100% State Essential Services Assessment Exemptions with an estimated value of up to \$5,963,232 to Gestamp Mason, LLC, Gestamp Saint Clair, LLC, and Gestamp Washtenaw, LLC.

Following discussion, Leon Richardson motioned for the approval of Resolution 2024-102 for the approval of the Michigan Business Development Program Grant to Gestamp North America Inc. Quentin L. Messer, Jr., seconded the motion. **The motion carried: 12 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

Susan Corbin motioned for the approval of Resolution 2024-103 for the approval of a State Essential Services Assessment Exemption to Gestamp Mason, LLC. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 12 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Dimitrius

Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

Charles P. Rothstein motioned for the approval of Resolution 2024-104 for the approval of a State Essential Services Assessment Exemption to Gestamp Saint Clair, LLC. Dimitrius Hutcherson seconded the motion. **The motion carried: 12 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

Quentin L. Messer, Jr. motioned for the approval of Resolution 2024-105 for the approval of a State Essential Services Assessment Exemption to Gestamp Washtenaw, LLC. Susan Tellier seconded the motion. **The motion carried: 12 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

*Randy Thelen left the meeting at 9:57 a.m.*

## **VI. DEVELOP ATTRACTIVE PLACES**

**a. Resolutions 2024-106 & 2024-107 Broadway Detroit Development II, LLC Michigan Community Revitalization Program Other Economic Assistance Loan and Act 381 Work Plan.** Megan McGreal, Senior Community Development Manager, supported by Roger Basmajian of Basco Detroit and David Howell of the Detroit Economic Growth Corporation, provided the Board with information regarding these actions. These actions involve the consideration of two resolutions to approve a Michigan Community Revitalization Program Other Economic Assistance Loan in the amount of up to \$8,219,556 for Broadway Detroit Development II, LLC, and a Brownfield Act 381 Work Plan for eligible activities capped at \$3,455,600 for the City of Detroit Brownfield Redevelopment Authority.

Following discussion, Dimitrius Hutcherson motioned for the approval of Resolution 2024-106 for the approval of the Michigan Community Revitalization Program Other Economic Assistance Loan. Leon Richardson seconded the motion. **The motion carried: 11 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew

Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Leon Richardson, Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None.

Cindy Warner motioned for the approval of Resolution 2024-107 for the approval of the Act 381 Work Plan. Quentin L. Messer, Jr., seconded the motion. **The motion carried: 11 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Leon Richardson, Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None.

**b. Resolution 2024-108 Coleman Allen, LLC Michigan Community Revitalization Program Other Economic Assistance Loan Participation.** Dominic Romano, Senior Community Development Manager, supported by Ronita and Gregory Coleman and Mayor Tim Greimel of the City of Pontiac, provided the Board with information regarding this action. This action involves the consideration of a resolution to approve a Michigan Community Revitalization Program Other Economic Assistance Loan Participation in the amount of up to \$2,673,400 for Coleman Allen, LLC.

Following discussion, Charles P. Rothstein motioned for the approval of Resolution 2024-108 for the Michigan Community Revitalization Program Other Economic Assistance Loan. Cindy Warner seconded the motion. **The motion carried: 11 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Leon Richardson, Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None.

## **VII. SUPPORT SMALL BUSINESS**

**a. Resolution 2024-109 BerQ US Investments, LLC Private Activity Bond Inducement Amendment.** Amber Westendorp, Capital Project and Portfolio Manager, supported by Marty Ryan of BerQ RNG and Amelia Livingway of Dickinson-Wright provided the Board with information regarding this action. This action involves consideration of a resolution to approve a Private Activity Bond Inducement amendment for the addition of two project sites, located in Farewell, Michigan, and Kalamazoo, Michigan, and an increase of the private activity bond in the amount of up to \$235,000,000 to BerQ US Investments, LLC.

Following discussion, Quentin L. Messer, Jr. motioned for the approval of Resolution 2024-109 for the Private Activity Bond Inducement Amendment. Susan Corbin seconded the motion. **The motion carried: 11 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Leon Richardson, Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None.

*Randy Thelen rejoined the meeting remotely at 10:22 a.m.*

**b. Resolution 2024-110 eLab Capital Partners III, Michigan Innovation Fund LP State Small Business Credit Initiative (SSBCI) 2.0 Small Business Venture Capital Program.**

Chris Cook, supported by Matthew Johnson-Roberson, Trista Van Tine, and Paul Brown of eLab Capital Partners III, provided the Board with information regarding this action. This action involves the consideration of up to \$11 million of SSBCI 2.0 Small Business Venture Capital Program funding in the form of a limited partner investment in eLab Capital Partners III, Michigan Innovation Fund LP.

Following discussion, Dimitrius Hutcherson motioned for the approval of Resolution 2024-110 to approve the SSBCI 2.0 Small Business Venture Capital Program funding request. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 12 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

**c. Resolution 2024-111 Side Door Michigan I, LP State Small Business Credit Initiative (SSBCI) 2.0 Small Business Venture Capital Program.** Chris Cook, supported by Jeff Jorge, Edward Kim, and Andrew Batey of Side Door Ventures, provided the Board with information regarding this action. This action involves the consideration of up to \$9.8 million of SSBCI 2.0 Small Business Venture Capital Program funding in the form of a limited partner investment to Side Door Michigan I, LP.

Following discussion, Charles P. Rothstein motioned for the approval of Resolution 2024-111 to approve the SSBCI 2.0 Small Business Venture Capital Program funding request. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 12 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

## **VIII. ADMINISTRATIVE**

**a. Resolution 2024-112 Renaissance Zone Amendment Guidelines.** Christin Armstrong, Senior Vice President of Business Development Programs and Execution, provided the Board with information regarding this action. This action involves the consideration of a resolution to approve Renaissance Zone Program Amendment Guidelines.

Cindy Warner motioned for the approval of Resolution 2024-112 to approve Renaissance Zone Program Amendment Guidelines. Quentin L. Messer, Jr. seconded the motion. **The motion**

**carried: 12 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

## **IX. INFORMATIONAL**

Quentin L. Messer, Jr. noted the Michigan Strategic Fund Delegation of Authority Report for the period May 1, 2024, to May 31, 2024, was included in the meeting packet. There were no questions regarding the report.

Quentin L. Messer, Jr. adjourned the meeting at 10:51 a.m.

**MICHIGAN STRATEGIC FUND**  
**APPROVED MEETING MINUTES**  
**July 23, 2024**

**Member Present**

Jennifer Nelson (on behalf of Chairman Messer)

**Members Joined Remotely**

Britany L. Affolter-Caine  
Wesley Eklund  
Rachael Eubanks  
Dimitrius Hutcherson  
John Groen (on behalf of Director Corbin)  
Michael B. Kapp (on behalf of Director Wieferich)  
Dan Meyering  
Charles P. Rothstein  
Susan Tellier  
Randy Thelen  
Cindy Warner

**Absent**

Leon Richardson

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

Ms. Nelson 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.

Ms. Nelson introduced Ms. Davenport, MSF Board Liaison, who conducted the attendance roll call.

**II. PUBLIC COMMENT**

*Wesley Eklund joined the meeting remotely at 9:02 a.m.*

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

**III. COMMUNICATIONS**

Ms. Davenport stated that the Fiscal Year 2024 Quarterly 3 Report from the Chief Compliance Officer was included in the briefing packet.

**IV. CONSENT AGENDA**

**Resolution 2024-113, Approval of Consent Agenda Items**



Ms. Nelson asked if there were any questions from Board members regarding items under the Consent Agenda. There being none, Britany L. Affolter-Caine motioned for the approval of the following:

- a. Proposed July 9, 2024, Meeting Minutes
- b. Michigan International Technology Center Redevelopment Authority: Act 381 Work Plan Amendment **2024-114**
- c. Bagley Forest Properties, LLC: MCRP Amendment **2024-115**
- d. Gentex Corporation: Reauthorization of Performance-Based Grants **2024-116 & 2024-117**
- e. RAP Grant Agreement Amendments **2024-118**
- f. Revised 2024 Schedule of MSF Regular Meetings **2024-119**

Britany L. Affolter-Caine motioned for the approval of Resolution 2024-113 to approve the consent agenda. Cindy Warner seconded the motion. **The motion carried: 12 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Wesley Eklund, Rachael Eubanks, John Groen (on behalf of Director Corbin, designation attached), Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Dan Meyering, Jennifer Nelson (on behalf of Chairman Messer, designation attached), Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

## V. ATTRACT, RETAIN, AND GROW BUSINESS

**a. Resolutions 2024-120; 2024-121; 2024-122; 2024-123 The Dow Chemical Company and Dow Silicones Corporation Incentive Requests.** Christin Armstrong, Senior Vice President of Business Development Programs and Execution, supported by Jeff Stoutenburg and Shannon Huber of Dow, provided the Board with information regarding the requested actions. These actions involve the consideration of four resolutions to approve a Critical Industry Program performance-based grant, a 10-year extension of an MSF-Designated Renaissance Zone, termination of a Michigan Economic Growth Authority Tax Credit, and a 15-year, 100% State Essential Services Assessment Exemption to The Dow Chemical Company and Dow Silicones Corporation.

Following discussion, Dimitrius Hutcherson motioned for the approval of Resolution 2024-120 for the Critical Industry Program Grant to The Dow Chemical Company. Cindy Warner seconded the motion. **The motion carried: 12 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Wesley Eklund, Rachael Eubanks, John Groen (on behalf of Director Corbin, designation attached), Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Dan Meyering, Jennifer Nelson (on behalf of Chairman Messer, designation attached), Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

Cindy Warner motioned for the approval of Resolution 2024-121 for the State Essential Services

Assessment Exemption to Dow Silicones Corporation. Charles P. Rothstein seconded the motion. **The motion carried: 12 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Wesley Eklund, Rachael Eubanks, John Groen (on behalf of Director Corbin, designation attached), Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Dan Meyering, Jennifer Nelson (on behalf of Chairman Messer, designation attached), Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

Britany L. Affolter-Caine motioned for the approval of Resolution 2024-122 for the extension of the MSF-Designated Renaissance Zone to The Dow Chemical Company and Dow Silicones Corporation. Cindy Warner seconded the motion. **The motion carried: 12 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Wesley Eklund, Rachael Eubanks, John Groen (on behalf of Director Corbin, designation attached), Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Dan Meyering, Jennifer Nelson (on behalf of Chairman Messer, designation attached), Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

Cindy Warner motioned for the approval of Resolution 2024-123 for the termination of a Michigan Economic Growth Authority Tax Credit to The Dow Chemical Company. Susan Tellier seconded the motion. **The motion carried: 12 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Wesley Eklund, Rachael Eubanks, John Groen (on behalf of Director Corbin, designation attached), Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Dan Meyering, Jennifer Nelson (on behalf of Chairman Messer, designation attached), Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

## **VI. ADMINISTRATIVE**

**a. Resolution 2024-124 Michigan Community Revitalization Program (MCRP) Financial Reporting Waiver.** Debbie Stehlik, Commercial Real Estate Investment Manager, provided the Board with information regarding this action. This action involves the consideration of a resolution to allow for the waiver of certain financial reports currently required in MCRP Agreements.

Dimitrius Hutcherson motioned for the approval of Resolution 2024-124 to approve the MCRP Financial Reporting Requirement Waivers. Michael B. Kapp seconded the motion. **The motion carried: 12 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Wesley Eklund, Rachael Eubanks, John Groen (on behalf of Director Corbin, designation attached), Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Dan Meyering, Jennifer Nelson (on behalf of Chairman Messer, designation attached), Charles P. Rothstein, Susan Tellier, Randy

Thelen, Cindy Warner; Nays: None; Recused: None.

## **VII. INFORMATIONAL**

Ms. Nelson noted that the meeting packet included the Michigan Strategic Fund Delegation of Authority Report from June 1, 2024, to June 30, 2024. There were no questions regarding the report.

Ms. Nelson adjourned the meeting at 9:42 a.m.

**MICHIGAN STRATEGIC FUND**  
**APPROVED MEETING MINUTES**  
**August 27, 2024**

**Member Present**

Quentin L. Messer, Jr.

**Members Joined Remotely**

Britany L. Affolter-Caine

Susan Corbin

Wesley Eklund

Rachael Eubanks

Dimitrius Hutcherson

Michael B. Kapp (on behalf of Director Wieferich)

Dan Meyering

Leon Richardson

Charles P. Rothstein

Susan Tellier

Randy Thelen

Cindy Warner

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

Mr. Messer called the meeting to order at 9:00 a.m. The meeting was held in person in the Lake Michigan Conference Room at the MEDC headquarters building in Lansing.

Mr. Messer introduced Ms. Davenport, MSF Board Liaison, who conducted the attendance roll call.

**II. PUBLIC COMMENT**

*Cindy Warner joined the meeting remotely at 9:02 a.m.*

*Susan Tellier joined the meeting remotely at 9:03 a.m.*

*Leon Richardson joined the meeting remotely at 9:06 a.m.*

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

**III. COMMUNICATIONS**

Ms. Davenport stated that one communication was shared with the MSF Board via email on Friday, August 23<sup>rd</sup>.

#### IV. CONSENT AGENDA

##### **Resolution 2024-125, Approval of Consent Agenda Items**

Mr. Messer asked if there were any questions from Board Members regarding items under the Consent Agenda. There being none, Wesley Eklund motioned for the approval of the following:

- a. Proposed July 23, 2024, Meeting Minutes
- b. CDBG Public Gathering Spaces: Calumet Grant Amendment **2024-126**

Wesley Eklund motioned for the approval of Resolution 2024-125 to approve the consent agenda. Susan Corbin seconded the motion. **The motion carried: 13 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

#### V. DEVELOP ATTRACTIVE PLACES

##### **a. Resolution 2024-127 Grand Rapids Amphitheater and Soccer Stadium Mixed-Use**

**Project.** Mackenzie Miller, Senior Community Development Manager, supported by Kara Wood of Grand Action Foundation 2.0, and Jessica Solis with the City of Grand Rapids, provided the Board with information regarding the requested action. This action involves the consideration of a resolution to approve a Transformational Brownfield Plan incentive package in the aggregate amount of \$252,357,792 for Grand Action Foundation 2.0 and the City of Grand Rapids Brownfield Redevelopment Authority.

Following discussion, Susan Tellier motioned for the approval of Resolution 2024-127 for the Transformational Brownfield Plan. Randy Thelen seconded the motion. **The motion carried: 13 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

*Britany L. Affolter-Caine left the meeting at 9:29 a.m. due to connection issues. Britany L. AffolterCaine rejoined the meeting remotely at 9:35 a.m.*

##### **b. Resolution 2024-128 The Downs Redevelopment Project Brownfield Act 381 Work Plan.**

Dominic Romano, Senior Community Development Manager, supported by Seth Herkowitz of Hunter Pasteur, and George Lahanas of the City of Northville, provided the Board with information regarding the requested action. This action involves the consideration of a resolution to approve a Brownfield Act 381 Work Plan for eligible eligible activities capped at \$2,083,563, utilizing the current state to local capture ratio, for the City of Northville Brownfield Redevelopment Authority.

Following discussion, Quentin L. Messer, Jr. motioned for the approval of Resolution 2024-128 for the Brownfield Act 381 Work Plan. Susan Corbin seconded the motion. **The motion carried: 13 ayes, 0 nays, 0 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

*Randy Thelen, recused, left the meeting at 9:42 a.m.*

## **VI. ATTRACT, RETAIN, AND GROW BUSINESS**

**a. Resolution 2024-129 Northland Corporation Michigan Business Development Program Grant.** Sam Sedlecky, Senior Business Development Manager, supported by Brittney Mizer, Business Development Project Manager, Joe Flickinger and Andy Doberstein of Northland Corporation, and Jakob Bigard of The Right Place, provided the Board with information regarding this action. This action involves the consideration of a resolution to approve a Michigan Business Development Program Grant in the amount of \$1,280,000 for Northland Corporation.

Charles P. Rothstein motioned for the approval of Resolution 2024-129 to approve the Michigan Business Development Program Grant. Quentin L. Messer, Jr. seconded the motion. **The motion carried: 12 ayes, 0 nays, 1 recused.**

**ROLL CALL VOTE:** Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: Randy Thelen.

## **VII. INFORMATIONAL**

Mr. Messer noted that the meeting packet included the Michigan Strategic Fund Delegation of Authority Report from July 1, 2024, to July 31, 2024. There were no questions regarding the report.

Mr. Messer adjourned the meeting at 9:52 a.m.

STATE OF MICHIGAN  
BOARD OF ETHICS

TEDDA HUGHES,  
Complainant,

IN RE: ETHICS COMPLAINT  
OF TEDDA HUGES

v

RANDY THELEN,  
Respondent.

**ANSWER TO COMPLAINT**

---

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Adam R. de Bear (P80242)  
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**RESPONDENT'S 10/22/2024 ANSWER TO COMPLAINT**

EXHIBIT E

<b>Michigan Strategic Fund Amended and Restated Consent Agenda Policy</b>	Eff. February 25, 2014
	Rev. <a href="#">October 24, 2023</a> <del>December 13, 2022</del>

## **Background**

The Michigan Strategic Fund (“MSF”) Board (the “Board”) adopted the use of a consent agenda (the “Consent Agenda”) on November 20, 2013, via Resolution 2013-203, and approved Consent Agenda Guidelines on February 25, 2014, via Resolution 2014-002, in order to streamline its monthly meetings and assist staff in the development of the MSF Board agenda each month. The Board approved revisions to the Guidelines on December 19, 2017, via Resolution 2017-209, ~~and~~ approved an Amended and Restated Consent Agenda Policy on December 13, 2022 via Resolution 2022-208, and approved an Amended and Restated Consent Agenda Policy on October 24, 2023 via Resolution 2023-###.

## **Consent Agenda**

A Consent Agenda is a tool that streamlines meeting procedures by compiling items that are routine and not expected to prompt discussion or deliberation by the Board into a single group. The items on the Consent Agenda are then approved by the Board through a single Consent Agenda Resolution without discussion or individual motions.

The Consent Agenda allows the Board to efficiently approve such items without discussion or individual motions and therefore facilitates more time for the Board to address more substantial and strategic items.

Supporting documentation for each item on the Consent Agenda, including a resolution for each item, will be enclosed in the Board packet provided to the Board for review prior to the meeting.

## **Items Eligible to be included on the Consent Agenda**

Items appropriate for placement on the Consent Agenda include, but are not limited to, the following:

1. Approval of meeting minutes
2. Amendments to incentives where no Delegation of Authority has been approved, for the following purposes:
  - a. Extension of milestone due dates
  - b. Restructuring of milestone requirements
  - c. Extension of loan grace periods
  - d. Exercise options to extend and allocate additional funding to unexpired, multi-year contracts
  - e. Addition of Qualified Taxpayers
  - f. Project location changes within the same municipality as originally approved
  - g. Loan to equity conversions where the conversion right is triggered under the terms of the loan agreement
  - h. Loan payoffs
  - i. Reduction of incentive amount
  - j. Transfer and/or assignment of an incentive
3. Reauthorization of incentives whose approval has expired and terms remain the same
4. Forbearance agreements for incentives in default status
5. Termination of incentives



<b>Michigan Strategic Fund Amended and Restated Consent Agenda Policy</b>	Eff. February 25, 2014
	Rev. <del>October 24, 2023</del> <u>December 13, 2022</u>

6. Write off of uncollectable debt for accounting purposes
7. Revocation of benefits such as tax credits or Renaissance Zone designations
8. Issuance of new or amended Memorandums of Understanding and/or Interagency Agreements for which the MSF is a party
9. New Act 381 tax increment financing projects without any other MSF economic incentive being approved
10. New projects with an award amount that is less than or equal to \$1,000,000 in cumulative benefit from the MSF where no Delegation of Authority has been approved
11. New projects with an award amount that is less than or equal to \$1,000,000 where Delegation of Authority has been approved, but where one or more provisions of the applicable program guidelines are being waived
12. Revisions to the MSF Compiled Resolutions
- 12-13. Any request from the State Historic Preservation Office for the approval of an expenditure, funding of an award, contract, grant, or other agreement.

### **Process for using the Consent Agenda**

An item must be recommended for placement on the Consent Agenda by either the MSF President or MSF Fund Manager based on their analysis that the item is routine and is not expected to prompt deliberations or discussions by the Board. An item will be removed from the Consent Agenda, before or at a Board meeting upon request of the MSF President, any other Board Member, the MSF Fund Manager, the Attorney General, or the Chief Compliance Officer.

The Consent Agenda will be a separate and distinct item on the MSF Board agenda. The Consent Agenda will be placed on the agenda after Call to Order, Roll Call, Public Comment and Communications. The Consent Agenda items will be approved pursuant to a single Consent Agenda Resolution. If the Consent Agenda is not approved, then all items are moved to the regular agenda and taken up individually.

Before presenting the Consent Agenda Resolution to the Board for approval the Chair (or acting Chair) will inquire if there are any questions or comments on any item on the Consent Agenda. If any questions or comments are offered on an item, that item will be removed from the Consent Agenda and taken up either immediately after the Consent Agenda or placed later on the regular agenda at the discretion of the Chair. If any items are removed from the Consent Agenda, the Chair presents the modified Consent Agenda Resolution to the Board for approval.

### **Recording Consent Agenda in the Minutes**

Consent Agenda items are recorded separately in the minutes with each item described as a separate line item along with the item's resolution number. Upon approval, the minutes should state the Consent Agenda was approved by a majority vote and indicate if any identified items were removed and addressed separately in the regular agenda.

STATE OF MICHIGAN  
BOARD OF ETHICS

TEDDA HUGHES,  
Complainant,

IN RE: ETHICS COMPLAINT  
OF TEDDA HUGES

v

RANDY THELEN,  
Respondent.

**ANSWER TO COMPLAINT**

---

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**RESPONDENT'S 10/22/2024 ANSWER TO COMPLAINT**

EXHIBIT F



**MICHIGAN ECONOMIC**  
DEVELOPMENT CORPORATION

## MEMORANDUM

**Date:** June 27, 2023

**To:** Michigan Strategic Fund Board

**From:** Jake Winder, Manager of Community Development Incentives

**Subject:** Request for Approval of a Revitalization and Placemaking Program Grant  
Amendment #1  
City of Lansing Downtown Revitalization

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### **Request**

Staff is requesting approval of an amendment to the Revitalization and Placemaking (“RAP”) Program Resolution, number 2022-139, that was approved by the MSF Board on September 7, 2022, to remove the City of East Lansing as a recipient and increase the City of Lansing’s RAP award.

### **Background**

In September, the MSF Board approved a \$1,000,000 RAP award to the City of East Lansing and a \$6,694,375 RAP award to the City of Lansing.

In March, the City of East Lansing City Council voted to reject the \$1,000,000 RAP grant, citing staff shortages and project concerns as reasons why they did not want to utilize the funds. In response, MEDC staff recommends reallocating the \$1,000,000 to the City of Lansing’s award, bringing their total award amount to \$7,694,375.

### **Recommendation**

MEDC staff recommends approval of an amendment to Resolution 2022-139 that would remove the City of East Lansing as a recipient of RAP awards and increase the City of Lansing’s RAP award by \$1,000,000.

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## MICHIGAN STRATEGIC FUND

### RESOLUTION 2023-096

#### APPROVAL OF A REVITALIZATION AND PLACEMAKING (RAP) GRANT AWARDS AND ADMINISTRATIVE FUNDING

**WHEREAS**, the Michigan Legislature enacted the Michigan Strategic Fund Act, MCL 125.2001 et. seq., (the “MSF Act”) to authorize the Michigan Strategic Fund (“MSF”), to provide incentives in the form of grants, loans, and other economic assistance for the development and improvement of Michigan’s economy;

**WHEREAS**, the Michigan Economic Development Corporation (“MEDC”) provides administrative services to the Michigan Strategic Fund (“MSF”);

**WHEREAS**, the State of Michigan fiscal year 2022 budget was approved with \$100 million allocated to community revitalization and placemaking investments that will enable population and tax revenue growth through the revitalization and repurposing of vacant, underutilized, blighted, or historic buildings and place-based infrastructure (the “RAP Funds”).

**WHEREAS**, by Resolution 2021-154, the MSF Board has approved the Revitalization and Placemaking Program (“RAP Program”) and the RAP Program Guidelines (“RAP Guidelines”) to address the impacts of COVID-19 by investing in projects that rehabilitate vacant and blighted buildings and historic structures and the development of permanent place-based infrastructure associated with social zones and traditional downtowns, outdoor dining, and place-based public spaces;

**WHEREAS**, from March 31, 2022, through June 3, 2022, the MEDC accepted proposals for the RAP Program and also formed a joint evaluation committee (“JEC”) to review all applications;

**WHEREAS**, 185 applications were evaluated by the JEC in accordance with the requirements of the RAP Guidelines;

**WHEREAS**, the JEC selected 26 RAP applications which collectively earned sufficient application scores, represented program goals, complied with RAP Guidelines, demonstrated project readiness and accomplished adequate geographic distribution of funds, (the “Grantees”);

**WHEREAS**, on September 7, 2022, the MSF Board approved a \$1,000,000 RAP award to the City of East Lansing and a \$6,694,375 RAP award to the City of Lansing;

**WHEREAS**, pursuant to Section 7(c) of the MSF Act, the MSF Board has the power to make grants;

**WHEREAS**, in March 2023, the City of East Lansing City Council rejected the \$1,000,000 RAP award;

**WHEREAS**, MEDC staff recommends reallocating the \$1,000,000 award previously made to the City of East Lansing to the City of Lansing, bringing their total RAP award amount to \$7,694,375;

**WHEREAS**, the MSF Board wishes to approve the RAP Award Recommendations; and

**NOW, THEREFORE, BE IT RESOLVED**, that the MSF Board authorizes approval of the recommendation.

Ayes: Britany L. Affolter-Caine, Susan Corbin, Wesley Eklund, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Andrew Lockwood (on behalf of Treasurer Eubanks, designated attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Randy Thelen

Nays: None

Recused: None

Lansing, Michigan  
June 27, 2023

STATE OF MICHIGAN  
BOARD OF ETHICS

TEDDA HUGHES,  
Complainant,

IN RE: ETHICS COMPLAINT  
OF TEDDA HUGES

v

RANDY THELEN,  
Respondent.

**ANSWER TO COMPLAINT**

---

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**RESPONDENT'S 10/22/2024 ANSWER TO COMPLAINT**

EXHIBIT G



## MEMORANDUM

**Date:** July 23, 2024

**To:** Michigan Strategic Fund Board

**From:** Lori Mullins, Vice President Place Incentives

**Subject:** Request for Approval of Revitalization and Placemaking Grant Agreement Amendments

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### Request

On December 7, 2021, the Michigan Strategic Fund (“MSF”) Board authorized the Revitalization and Placemaking (“RAP”) Program to deploy \$100 million in American Rescue Plan funding to address the COVID-19 impacts in Michigan communities through rehabilitation of vacant, underutilized, blighted and historic structures and the development of permanent place-based infrastructure associated with traditional downtowns, social-zones, outdoor dining and placed-based public spaces.

All RAP awards are structured as grants that provide up to 50 percent of a project’s eligible costs and require performance milestones and reporting. Awards must meet all requirements of the American Rescue Plan Act of 2021, Public Law 117-2 and comply with its attendant federal regulations, 31 CFR 35, as may be amended from time to time.

Federal Guidance has recently been updated to allow existing RAP agreements to be increased to account for change orders or contract contingencies so long as: 1. the increased costs are not considered new obligations and 2. the amended contract is within substantially the same scope accomplishing substantially the same purpose as the original contract. Furthermore, under this Federal guidance, the additional funds must come from existing program funds already available or from a reallocation of funds from projects that are under budget or are no longer feasible.

In order to take advantage of this new benefit and avoid having to return funds to the Federal Department of Treasury, the MEDC is requesting authority amend RAP grant agreements to expressly provide for change orders or contract contingencies as may be necessary to support the project in compliance with the new Federal guidance. Staff is also requesting authority to reallocate program funds to support these increases as funds become available and in compliance with the Federal guidelines (the “Amendment Language and Reallocation Request”).

In addition, for many RAP Grant Agreements there is a July 31, 2024 deadline for submission of the first disbursement milestone, staff is requesting the ability to amend this milestone to a date acceptable to the MSF Fund Manager, but no later than November 15, 2024. This will allow certain RAP grantees to complete additional activities, incurring greater eligible costs – which allows for more efficient distribution of the Federal funds prior to December 31, 2026, the date by which per federal deadlines require all RAP funds to be expended by. Staff is also requesting authorization for the MSF Fund Manager to amend other disbursement milestone dates as necessary to administer the program and as allowed within the ARPA Regulations (the “Milestone Date Changes.”).

**Background**

On December 7, 2021, the Michigan Strategic Fund (“MSF”) Board authorized the Revitalization and Placemaking (“RAP”) Program to deploy \$100 million in American Rescue Plan funding. All RAP awards are structured as grants that provide up to 50 percent of a project’s eligible costs and require performance milestones and reporting. Awards must meet all requirements of the American Rescue Plan Act of 2021, Public Law 117-2 and comply with its attendant federal regulations, 31 CFR 35, as may be amended from time to time. Grant awards may be made directly to individual projects, or to local or regional partner organizations for regranting as part of a coordinated subgrant program.

On September 7, 2022, the MSF approved the first slate of grants under the RAP Program. To date, all RAP Program funding has been allocated. All RAP funds must be expended by December 31, 2026, per federal deadlines.

**Recommendation**

The MEDC Staff recommends approval of the Amendment Language and Reallocation Request and authorization for the requested Milestone Date Changes.



**MICHIGAN STRATEGIC FUND**

**RESOLUTION 2024-118**

**APPROVAL OF REVITALIZATION AND PLACEMAKING (RAP) GRANT AGREEMENT AMENDMENTS**

**WHEREAS**, the Michigan Legislature enacted the Michigan Strategic Fund Act, MCL 125.2001 et. seq., (the “MSF Act”) to authorize the Michigan Strategic Fund (“MSF”) to provide incentives in the form of grants, loans, and other economic assistance for the development and improvement of Michigan’s economy;

**WHEREAS**, the Michigan Economic Development Corporation (“MEDC”) provides administrative services to the MSF;

**WHEREAS**, the State of Michigan fiscal year 2022 budget was approved with \$100 million allocated to community revitalization and placemaking investments that will enable population and tax revenue growth through the revitalization and repurposing of vacant, underutilized, blighted or historic buildings and place-based infrastructure (the “RAP Funds”);

**WHEREAS**, on December 7, 2021 by Resolution 2021-154, the MSF Board has approved the Revitalization and Placemaking Program (“RAP Program”) and the RAP Program Guidelines as amended on February 22, 2022 by Resolution 2022-029 (“RAP Guidelines”) to address the impacts of COVID-19 by investing in projects that rehabilitate vacant and blighted buildings and historic structures and the development of permanent place-based infrastructure associated with social zones and traditional downtowns, outdoor dining, and place-based public spaces;

**WHEREAS**, all RAP Program awards are structured as grants that provide up to 50 percent of a project’s eligible costs and require performance milestones and reporting. Awards must meet all requirements of the American Rescue Plan Act of 2021, Public Law 117-2 and comply with its attendant federal regulations, 31 CFR 35, (the “ARPA Regulations”) as may be amended from time to time;

**WHEREAS**, ARPA Regulations have recently been updated to allow for agreements to be amended for change orders and contract contingencies and RAP Funds to be reallocated after the obligation deadline under certain circumstances as long as the agreements include specific amendment language (the “Amendment Language and Reallocation Authorization”);

**WHEREAS**, in order to ensure that all of the RAP Funds are used most efficiently to support RAP projects in Michigan, the MEDC recommends support for addition of the Amendment Language and Reallocation Authorization to all RAP Agreements in compliance with ARPA Regulations;

**WHEREAS**, the MEDC also recommends giving the MSF Fund Manager authorization to amend the first disbursement milestone deadlines within any RAP Agreement to a date no later than November 15, 2024, and to extend other milestone dates as necessary to account for construction delays and as necessary to administer the RAP Program within the ARPA Regulations, but no longer than 6 months (the “Milestone Date Changes”);

**WHEREAS**, the MEDC also recommends giving the MSF Fund Manager authorization to increase the award amount of existing RAP Program awards to account for change orders or contract contingencies so long as the increased costs comply with updated ARPA Regulations, including requiring that the increases are not new obligations, the amended contract is within substantially the same scope accomplishing substantially the same purpose as the original contract, and the additional funds come from existing RAP Funds already available or from a reallocation of RAP Funds from RAP Program awards that are under budget or are no longer feasible (the “Reallocation Authorization”);

**WHEREAS**, the MSF Board wishes to approve the Amendment Language and Reallocation, Milestone Date Changes and Reallocation Authorization (collectively, the “RAP Amendment Recommendations”); and

**WHEREAS**, by Resolution 2021-155, the MSF approved the MSF Fund Manager or the MSF President to negotiate the terms and conditions and execute all final documents necessary to effectuate awards and decisions approved under the RAP Program.

**NOW, THEREFORE, BE IT RESOLVED**, that the MSF Board authorizes approval of the RAP Amendment Recommendations.

Ayes: Britany L. Affolter-Caine, Wesley Eklund, Rachael Eubanks, John Groen (on behalf of Director Corbin, designation attached), Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Dan Meyering, Jennifer Nelson (on behalf of Chairman Messer, designation attached), Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner

Nays: None

Recused: None

Lansing, Michigan  
July 23, 2024

STATE OF MICHIGAN  
BOARD OF ETHICS

TEDDA HUGHES,  
Complainant,

IN RE: ETHICS COMPLAINT  
OF TEDDA HUGES

v

RANDY THELEN,  
Respondent.

**ANSWER TO COMPLAINT**

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**RESPONDENT'S 10/22/2024 ANSWER TO COMPLAINT**

EXHIBIT H



**MEMORANDUM**

**Date:** July 23, 2024

**To:** Michigan Strategic Fund (“MSF”) Board Members

**From:** Jeremy Webb, Strategic Projects Advisor  
Brenda Stewart, Sr. Business Development Manager

**Subject:** Reauthorization of Performance-based Grants Request  
Michigan Business Development Program (“MBDP”) and Jobs Ready Michigan  
Program (“JRMP”)  
Gentex Corporation (“Company”)

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**Background**

On July 26, 2022, the MSF approved a MBDP performance-based grant in the amount of \$5.5 million, a JRMP performance-based grant of \$1.89 million, and a 15-year, 100% State Essential Services Exemption valued at up to \$3.9 million, for the Company. The MBDP and JRMP approvals required that an Agreement be entered into within 120 days of the date of the approval, and may be extended for an additional 60 days with approval from the MSF Fund Manager.

In early 2023, the Company indicated that there was potential for further expansion outside of Zeeland. The Company decided to lease a temporary location in Grand Rapids to test the talent pool while they were evaluating a vacant, 6-acre property in Grand Rapids as a potential permanent location to assist in the diversification of its employee base. While pursuing the vacant property, the Company discovered brownfield contamination and has hired a consulting firm for support while working with the city of Grand Rapids on the potential to rezone the property. Both of these events, along with applying for permitting through the Michigan Environment, Great Lakes, and Energy for its Ottawa County on-site daycare facility, have delayed the initial timeline for the potential Grand Rapids project. As a result, it has taken longer than expected to be in a position to execute the agreements within the 180-day timeframe and additional time is being requested of the MSF. It is anticipated that both parties will be in a position to execute the agreement within the allotted reauthorization timeline.

The Company recently celebrated 50 years in operation along with achieving \$2 billion in sales. In recent years, the Company has continued to develop and acquire new technology, expanding its customer base and industry reach. This has continued to put pressure on the Company to evaluate the best location(s) to be in to support its long-term growth.

Other than the following, the terms of this reauthorization request match the terms of the July 26, 2022 approval by the MSF Board: (1) the start date for job creation measurement, as well as the start date for measurement of eligible activity investment, has been added to reflect the original MSF Approval date of July 26, 2022 and (2) reduce the disbursement period from three years to two years.

### **Summary**

This is a reauthorization request for a \$5.5 million and \$1.89 million performance-based grants. This project involves the creation of 500 Qualified New Jobs and a capital investment of up to \$300 million in Ottawa County, Michigan.

The Company has demonstrated a need for the funding and considered various locations throughout the United States. The Company evaluated implementation costs, long-term cost of doing business, and incentives available in other states when determining where to locate. Further explanation of need is also included in the considerations section.

### **Company Background**

The Company was incorporated as a Michigan corporation in 1974. The Company designs, develops, manufactures, markets, and supplies digital vision, connected car, dimmable glass, and fire protection products, including automatic-dimming rearview and non-dimming mirrors and electronics for the automotive industry; dimmable aircraft windows for the aviation industry; and commercial smoke alarms and signaling devices for the fire protection industry. The Company's largest business segment involves designing, developing, manufacturing and marketing interior and exterior automatic-dimming automotive rearview mirrors that utilize proprietary electrochromic technology to dim in proportion to the amount of headlight glare from trailing vehicle headlamps. Within this business segment, the Company also designs, develops and manufactures various electronics that are value added features to the interior and exterior automotive rearview mirrors as well as electronics for interior visors, overhead consoles, and other locations in the vehicle. The Company ships its products to all of the major automotive producing regions worldwide, which it supports with numerous sales, engineering and distribution locations worldwide.

The MEDC legal unit has completed a civil and criminal background check for the entity and individuals related to this project.

### **Considerations**

- a) The Applicant is a "Qualified Business", as defined in MCL 125.2088r(9)(b), that is located and operates in Michigan.
- b) The project will be located in the city of Zeeland and Zeeland Charter Township, Ottawa County. Zeeland Charter Township has offered a "staff, financial, or economic commitment to the project" in the form of expedited permit processing.
- c) The Applicant has demonstrated a need for the funding. When presented with a growth trajectory exceeding the Company's existing locations, the Company considered adding facilities in South Carolina, Alabama, Tennessee, Ohio, and Virginia. Historically, the Company has solely invested in Michigan. However, due to COVID-19 and being considered non-essential for a period of time, the Company began looking at its risk perspectives for future investment. The other states provided comprehensive incentive proposals to the Company which, coupled with mitigating the risk perspectives, made the Company take a more serious look at establishing a presence outside of Michigan.
- d) The Applicant plans to create 500 Qualified New Jobs above a statewide base employment level of 4,839.
- e) Pursuant to the program guidelines, the following was taken into consideration for the proposed project: project is not a retail project; project is not a retention project; involves out-of-state competition; product diversification; has a net positive return to Michigan; and level of investment.

### **Recommendation**

MEDC Staff recommends the following (collectively, “Recommendation”):

- a) Approval of the MBDP Proposal as outlined in the attached term sheet (collectively, “MBDP Proposal”);
- b) Approval of the JRMP Proposal as outlined in the attached term sheet (collectively, “JRMP Proposal”);
- c) Closing the MBDP Proposal and JRMP Proposal, subject to available funding under the MBDP and JRMP at the time of closing (“Available Funding”), satisfactory completion of due diligence (collectively, “Due Diligence”), finalization of all MBDP and JRMP transaction documents; and
- d) Commitment will remain valid for 120 days with approval for the MSF Fund Manager to extend the commitment an additional 60 days.

**MICHIGAN STRATEGIC FUND**

**RESOLUTION 2024-116**

**REAUTHORIZATION OF A MICHIGAN BUSINESS DEVELOPMENT PROGRAM  
GRANT TO GENTEX CORPORATION**

**WHEREAS**, the Michigan legislature passed legislation establishing the 21<sup>st</sup> Century Jobs Trust Fund initiative that was signed into law;

**WHEREAS**, the Michigan Economic Development Corporation (the “MEDC”) provides administrative services to the Michigan Strategic Fund (the “MSF”) for 21<sup>st</sup> Century Jobs Trust Fund programs;

**WHEREAS**, pursuant to MCL 125.2088r, the MSF shall create and operate the Michigan Business Development Program (the “MBDP”) to provide grants, loans and other economic assistance to qualified businesses that make qualified investments or provide qualified new jobs in Michigan;

**WHEREAS**, on December 21, 2011, by Resolution 2011-184, the MSF Board (i) created the MBDP, and (ii) adopted the guidelines for the MBDP, as later amended on December 8, 2020 by Resolution 2020-146 (the “Guidelines”);

**WHEREAS**, pursuant to SFCR 125.2088r-1 (the “Delegation”), the MSF Board approved the MSF Fund Manager or the MSF President to negotiate the terms and conditions and execute all final documents necessary to effectuate awards and decisions approved under the MBDP in accordance with the Guidelines (the “Transaction Documents”);

**WHEREAS**, the MSF Act, MCL 125.2001 et seq. and the Delegation require that MBDP awards over \$1 million must be approved by the MSF Board;

**WHEREAS**, the MSF Board approved a \$5,500,000 MBDP performance based grant (the “Award”) to Gentex Corporation (the “Company”) on July 26, 2022 to expand its high-tech manufacturing and distribution in Ottawa County in accordance with the term sheet attached as Exhibit A (the Term Sheet);

**WHEREAS**, pursuant to the Guidelines, the Company is a Qualified Business and the Project is eligible as an Innovation MBDP because the Company committed to the creation of at least 25 Qualified New Jobs and Project falls within motor vehicle parts, an innovation industry;

**WHEREAS**, the MEDC has completed the background check in accordance with the MSF policy, and the Project may proceed for MSF consideration; and

**WHEREAS**, the Company is requesting that the MSF Board reauthorize the Award (the Reauthorization Request) and the MEDC recommends that the MSF Board approve the Reauthorization Request in accordance with the Term Sheet, subject to: (i) available funding; (ii) final due diligence performed to the satisfaction of the MEDC; and (iii) execution of the Transaction Documents, within 120 days of the date of this Resolution (“Time Period”), or this Resolution shall have no effect; provided however, at the sole discretion of the MSF Fund Manager, the Time Period may be extended for up to an additional 60 days (collectively, the “MBDP Award Recommendation”).

**NOW, THEREFORE, BE IT RESOLVED**, the MSF Board approves the MBDP Award Recommendation.

Ayes: Britany L. Affolter-Caine, Wesley Eklund, Rachael Eubanks, John Groen (on behalf of Director Corbin, designation attached), Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Dan Meyering, Jennifer Nelson (on behalf of Chairman Messer, designation attached), Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner

None: None

Recused: None

Lansing, Michigan  
July 23, 2024



STATE OF MICHIGAN  
BOARD OF ETHICS

TEDDA HUGHES,  
Complainant,

IN RE: ETHICS COMPLAINT  
OF TEDDA HUGES

v

RANDY THELEN,  
Respondent.

**ANSWER TO COMPLAINT**

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**RESPONDENT'S 10/22/2024 ANSWER TO COMPLAINT**

EXHIBIT I



MICHIGAN STRATEGIC FUND

BOARD MEETING AGENDA

October 22, 2024

9:00am

- I. CALL TO ORDER & ROLL CALL**
- II. PUBLIC COMMENT**
- III. COMMUNICATIONS**
  - a. Chief Compliance Officer Quarterly Report ..... 3
- IV. CONSENT AGENDA**
  - a. Proposed September 24, 2024, Meeting Minutes .....5
  - b. MSF 2025 Board Meeting Dates ..... 12
  - c. MSF Board Delegation of Authority ..... 15
  - d. FY2025 E&I Allocations ..... 24
  - e. Lucid USA, Inc.: MBDP Reauthorization .....47
  - f. Henry Street Renaissance, LLC: MCRP Reauthorization.....53
- V. DEVELOP ATTRACTIVE PLACES**
  - a. Fisher 21 Lofts, LLC: A resolution to approve a Michigan Community Revitalization (MCRP) Performance-Based Loan in the amount of up to \$1,500,000, a MCRP Loan in the amount of up to \$8,500,000, and a Brownfield Act 381 Work Plan for Fisher 21 Lofts, LLC, and the City of Detroit Brownfield Redevelopment Authority. ....59  
*Location: City of Detroit*
  - b. 3131 Biddle, LLC: A resolution to approve a reauthorization and increase of a Michigan Community Revitalization Program Other Economic Assistance Loan Participation Award from \$1,562,164 to \$1,817,512.....77  
*Location: City of Wyandotte*
- VI. SUPPORT SMALL BUSINESS**
  - a. Augment Michigan Opportunity Fund IV, LP: A resolution to approve SSBCI 2.0 Small Business Venture Capital Program funding in the amount of up to \$11,000,000 in the form of a limited partner investment in Augment Ventures Fund IV – MI, L.P. ....83
  - b. Chevron Corporation: A resolution to approve a Private Activity Bond in the amount of up to \$100,000,000. ....92  
*Locations: Greenville, Hartford, Morenci, Orleans, and Coopersville*
  - c. BerQ US Investments, LLC: A resolution to approve a Private Activity Bond authorization in the amount of up to \$235,000,000 to BerQ US Investments, LLC.....98  
*Locations: Freeport, Fennville, Hopkins, Elsie, Kalamazoo, and Farwell*

d. Kraft Avenue Properties, LLC: A resolution to approve a Private Activity Bond Inducement in the amount of up to \$9,000,000 to Kraft Avenue Properties, LLC.....105  
*Location: Charter Township of Cascade*

**VII. INFORMATIONAL**

a. Delegation of Authority Report.....109

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