

**MICHIGAN STRATEGIC FUND
APPROVED MEETING MINUTES
June 22, 2021**

Members joined remotely

Britany L. Affolter-Caine, participating from Ypsilanti, MI
Paul Ajegba, participating from Lansing, MI
Ronald W. Beebe, participating from Bay City, MI
Susan Corbin, participating from Lansing, MI
September Hargrove, participating from Los Angeles, CA
Andrew Lockwood (on behalf of Treasurer Eubanks), participating from Grand Ledge, MI
Quentin L. Messer, Jr., participating from Lansing, MI
Charles P. Rothstein, participating from Farmington Hills, MI
Susan Tellier, participating from Grand Rapids, MI
Cindy Warner, participating from Traverse City, MI

Member absent

Paul Gentilozzi

I. CALL TO ORDER & ROLL CALL

Mr. Messer called the meeting to order at 10:00 a.m. The meeting was held virtually via Microsoft Teams.

Mr. Messer introduced Katelyn Wilcox Surmann, MSF Board Liaison, who reminded members to identify their physical location by stating the county, city, township, or village and state from which he or she is attending the meeting remotely, as required under the Open Meetings Act. Ms. Wilcox Surmann then conducted the attendance roll call.

II. PUBLIC COMMENTS

Ms. Wilcox Surmann explained the process for members of the public to participate; there were no public comments.

III. COMMUNICATIONS

Ms. Wilcox Surmann advised Board members that a letter was received from Senator Kim LaSata in support of the American Axle & Manufacturing, Inc. expansion project in Three Rivers and from Senator Erika Geiss in support of the Hollingsworth Logistics Group LLC expansion project in Brownstown Charter Township. In addition, letters were received from Senator Kim LaSata and Representative Pauline Wendzel in support of the Whirlpool Corporation and Harbor Shores Community Redevelopment LLC collaborative business development and community development project in St. Joseph and Benton Harbor. The letters are attached to the minutes.

Britany L. Affolter-Caine, recused from the next item, temporarily disconnected from the meeting; a recusal letter is attached to the minutes.

IV. CONSENT AGENDA

Resolution 2021-077 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, Ronald W. Beebe motioned for the approval of the following:

- a. Proposed Meeting Minutes: May 25, 2021
- b. MTRAC Program Guidelines Amendment: Administrative Update – **2021-078**
- c. MTRAC Advanced Materials, Advanced Computing, and Advanced Transportation Innovation Hubs: Funding Reallocation– **2021-079, 2021-080 & 2021-081**

- d. Technology Transfer Talent Network (T3N) Program: Funding Allocation – **2021-082**
- e. Connected Nation Michigan: Extension of Existing Contract – **2021-083**

September Hargrove seconded the motion. **The motion carried: 9 ayes; 0 nays; 1 recused.**

ROLL CALL VOTE: Ayes: Paul Ajegba, Ronald W. Beebe, Susan Corbin, September Hargrove, Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: Britany L. Affolter-Caine

Britany L. Affolter-Caine rejoined the meeting.

V. COMMUNITY VITALITY

- a. **Resolutions 2021-084, 2021-085 & 2021-086 Whirlpool Corporation and Harbor Shores Community Redevelopment, LLC / County of Berrien Brownfield Redevelopment Authority: Michigan Community Revitalization Program Grant, Brownfield Act 381 Work Plan Approval, and 21st Century Jobs Fund Grant Agreement Amendment**

Jeremy Webb, Senior Business Development Project Manager, and Michelle Audette-Bauman, Community Assistance Team Specialist, provided the Board with information regarding these action items. These actions involve approval of a \$750,000 Michigan Community Revitalization Program performance-based grant, state tax capture capped at \$1,894,405 for Act 381 eligible activities, and an amendment to the 21st Century Jobs Fund Grant Agreement with Cornerstone Alliance to support a collaborative business development and community development project in the City of Benton Harbor and City of St. Joseph, representing over \$80,000,000 in total capital investment. Following discussion, Andrew Lockwood motioned for the approval of Resolution 2021-084. Britany L. Affolter-Caine seconded the motion. **The motion carried: 10 ayes; 0 nays; 0 recused.**

ROLL CALL VOTE: Ayes: Britany L. Affolter-Caine, Paul Ajegba, Ronald W. Beebe, Susan Corbin, September Hargrove, Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None

Charles P. Rothstein then motioned for the approval of Resolution 2021-085. Susan Corbin seconded the motion. **The motion carried: 10 ayes; 0 nays; 0 recused.**

ROLL CALL VOTE: Ayes: Britany L. Affolter-Caine, Paul Ajegba, Ronald W. Beebe, Susan Corbin, September Hargrove, Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None

Finally, Paul Ajegba motioned for the approval of Resolution 2021-086. Susan Corbin seconded the motion. **The motion carried: 10 ayes; 0 nays; 0 recused.**

ROLL CALL VOTE: Ayes: Britany L. Affolter-Caine, Paul Ajegba, Ronald W. Beebe, Susan Corbin, September Hargrove, Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None

- b. **Resolution 2021-087 City of Houghton: Community Development Block Grant Program Funds (Pier Placemaking Project)**

Jennifer Tucker, Senior Community Assistance Team Specialist, provided the Board with information regarding this action item. This action involves approval of \$4,035,010 in Community Development Block Grant Program funds to support a community development project in the City of Houghton. Following discussion, Ronald W. Beebe motioned for the approval of Resolution 2021-087. Cindy Warner seconded the motion. **The motion carried: 10 ayes; 0 nays; 0 recused.**

ROLL CALL VOTE: Ayes: Britany L. Affolter-Caine, Paul Ajegba, Ronald W. Beebe, Susan Corbin, September Hargrove, Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None

VI. BUSINESS INVESTMENT

a. **Resolutions 2021-088 & 2021-089 American Axle & Manufacturing, Inc. / City of Three Rivers: Community Development Block Grant Program Funds and State Essential Services Assessment Exemption**

Jeremy Webb, Senior Business Development Project Manager, provided the Board with information regarding these action items. These actions involve approval of up to \$2,000,000 in Community Development Block Grant Program funds and a 100% State Essential Services Exemption valued at up to \$468,888 for up to five years to support a business expansion project in the City of Three Rivers. The project is expected to result in the creation of 100 jobs and \$40,608,000 in total capital investment. Following discussion, Charles P. Rothstein motioned for the approval of Resolution 2021-088. Ronald W. Beebe seconded the motion. **The motion carried: 10 ayes; 0 nays; 0 recused.**

ROLL CALL VOTE: Ayes: Britany L. Affolter-Caine, Paul Ajegba, Ronald W. Beebe, Susan Corbin, September Hargrove, Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None

Paul Ajegba then motioned for the approval of Resolution 2021-089. Susan Tellier seconded the motion. **The motion carried: 10 ayes; 0 nays; 0 recused.**

ROLL CALL VOTE: Ayes: Britany L. Affolter-Caine, Paul Ajegba, Ronald W. Beebe, Susan Corbin, September Hargrove, Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None

b. **Resolution 2021-090 Hollingsworth Logistics Group LLC: Michigan Business Development Program Grant**

Jibran Ahmed, Business Development Project Manager, provided the Board with information regarding this action item. This action involves approval of a \$1,500,000 Michigan Business Development Program performance-based grant to support a business expansion project in Brownstown Charter Township. The project is expected to result in the creation of up to 250 jobs and \$17,075,000 in total capital investment. Following discussion, Ronald W. Beebe motioned for the approval of Resolution 2021-090. September Hargrove seconded the motion. **The motion carried: 10 ayes; 0 nays; 0 recused.**

ROLL CALL VOTE: Ayes: Britany L. Affolter-Caine, Paul Ajegba, Ronald W. Beebe, Susan Corbin, September Hargrove, Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Quentin L. Messer, Jr., Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None

VII. INFORMATIONAL

Mr. Messer noted the MSF delegated authority report for the period May 1 to May 31, 2021, 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 11:13 a.m.



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

January 8, 2021

Katelyn Wilcox Surmann
Assistant Chief of Protocol & MSF Board Liaison
Michigan Economic Development Corporation
300 N. Washington Square
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting Designee for Treasurer Eubanks

Dear Ms. Surmann:

I hereby designate Andrew Lockwood to attend all Michigan Strategic Fund meetings that I am unable to attend in 2021.

If you need anything additional, please contact Kara Kabia at (517) 241-2624.

Sincerely,

A handwritten signature in cursive script that reads "Rachael Eubanks".

Rachael Eubanks
State Treasurer

Cc: Eric Bussis
Andrew Lockwood



June 15, 2021

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 Tuesday, June 22, 2021.

- Consent Agenda

The reason for my recusal is that I have a potential conflict of interest with respect to the grantees of MTRAC and T3N associated with my employment – Michigan State University, the University of Michigan and Wayne State University.

Sincerely,

A handwritten signature in cursive script that reads 'Britany Affolter-Caine'.

Britany Affolter-Caine
Executive Director
Michigan's University Research Corridor



21ST DISTRICT
 P.O. BOX 30036
 LANSING, MI 48909-7536
 PHONE: (517) 373-6960
 FAX: (517) 373-0897
 senklasata@senate.michigan.gov

THE SENATE
STATE OF MICHIGAN
Kimberly LaSata
Assistant Majority Floor Leader

SERVING BERRIEN, CASS
 AND ST. JOSEPH COUNTIES
 StateSenatorKimLaSata.com

June 3, 2021

Mr. Jeff Noel
 CEO
 Michigan Strategic Fund Board
 300 N. Washington Sq.
 Lansing, MI, 48913

Mr. Noel,

I am writing to express my support for American Axle & Manufacturing's application for the Michigan Strategic Fund (MSF) grant. This grant will significantly improve the machinery and equipment needed for the company's expansion, which is serving a growing role in Michigan's automotive industry.

Replacement of aging machinery and equipment is vital for the State of Michigan. American Axle & Manufacturing has invested heavily to keep Michigan at the forefront of the automotive industry well into the future, and its efforts have significantly increased economic activity across the state. The project, funded by the grant, will involve expansion upgrades in Three Rivers, which would result in an estimated 100 additional jobs. Additionally, the city estimates that the project will attract private investments of up to \$38,608,000, bringing economic development opportunities for industries and communities back to southwest Michigan.

I hope you see fit to award funds to this project as it is an important, and growing, piece of automobile infrastructure critical to the long-term future and economic growth of rural Michigan. I strongly encourage you to approve American Axle and Manufacturing's request for the Michigan Strategic Fund grant.

Sincerely,

Kim LaSata
 State Senator
 21st District

Cc: American Axle & Manufacturing

COMMITTEES:

TRANSPORTATION AND INFRASTRUCTURE, VICE CHAIR • APPROPRIATIONS
 ECONOMIC AND SMALL BUSINESS DEVELOPMENT • ENERGY AND TECHNOLOGY
 HEALTH POLICY AND HUMAN SERVICES • INSURANCE AND BANKING

APPROPRIATIONS SUBCOMMITTEES:

UNIVERSITIES AND COMMUNITY COLLEGES, CHAIR • CAPITOL OUTLAY, VICE CHAIR • COMMUNITY HEALTH/HUMAN SERVICES



201 TOWNSEND STREET
BINSFELD OFFICE BUILDING
SUITE 5500
P.O. BOX 30036
LANSING, MI 48909-7536
PHONE: (517) 373-7800
FAX: (517) 373-9310
senegeiss@senate.michigan.gov



THE SENATE
STATE OF MICHIGAN
ERIKA GEISS
STATE SENATOR | 6TH DISTRICT
DEMOCRATIC CAUCUS CHAIRPERSON

COMMITTEES:
TRANSPORTATION
AND INFRASTRUCTURE,
DEMOCRATIC VICE CHAIR
INSURANCE AND BANKING,
DEMOCRATIC VICE CHAIR
ECONOMIC AND SMALL
BUSINESS DEVELOPMENT
EDUCATION AND
CAREER READINESS

June 21, 2021

Michigan Economic Development Corporation
ATTN: Michigan Strategic Fund Board
Quentin Messer, Jr., Chairperson
300 N. Washington Square
Lansing, MI 48913

RE: Hollingsworth Logistics Group LLC

This letter is in support of an incentive requested by Hollingsworth Logistics Group LLC for a project expansion in Senate District 6. They are only requesting \$1,500,000.00, which is less than 9% of their total capital investment. This expansion will create up to 250 new jobs that will be beneficial to the district and state of Michigan.

The Hollingsworth Logistics Group is 100% Native American owned and certified by the National Minority Supplier Development Council (NMSDC). It is important to note that they are as diverse or more as the communities in which they work. They have a long history of equitable hiring practices by employing a diverse workforce across the nation. Over 75% of their workforce identifies as minority or immigrant. The company utilizes organizational services to support employees with resources such as English as a Second Language (ESL) courses, workplace culture classes, and transportation services.

Their model for advancement is good for keeping existing residents in and attracting new residents to Michigan. Pathways for entry-level employees include advancement to positions such as area managers, supervisors, and team leaders. Training in soft skills, leadership, coaching, communication, and project management is provided to employees interested in these advanced positions. In addition, the company provides health care, dental, vision, 401k, and life insurance to employees. The company will retain its main operations in Dearborn.

Upon research, our office learned that The Hollingsworth Foundation encompasses corporate citizenship that we welcome in Michigan. Last year, they awarded \$37,500.00 in scholarships in 2020. Scholarships are available to employees, dependents of employees and members of the communities in which their businesses are located. Providing opportunities for employees to acquire a more extensive skill set not only adds to our business success rate as a state, but also makes employees active citizens in their communities.

I strongly encourage the Michigan Strategic Fund to grant Hollingsworth Logistics Group LLC the Michigan Business Development Program performance-based grant. This expansion project is what our state needs as we are coming off the heels of a pandemic crisis. Please contact our office if you have questions or concerns. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Erika Geiss". The signature is fluid and cursive, with a large initial "E" and "G".

State Senator Erika Geiss
Sixth Senate District



THE SENATE
STATE OF MICHIGAN
Kimberly LaSata

21ST DISTRICT
P.O. BOX 30036
LANSING, MI 48909-7536
PHONE: (517) 373-6960
FAX: (517) 373-0897
senklasata@senate.michigan.gov

June 21, 2021

Quentin L. Messer, Jr, Chairman
Michigan Strategic Fund Board
300 N. Washington Square
Lansing, MI 48913

Dear Mr. Messer, Jr.,

As the State Senator representing the 21st district, I would like to voice my support for the requests before the Michigan Strategic Fund board concerning the Harbor Shores Apartments Project in Benton Harbor and the Global Laundry and Dishwasher Technical Center in St. Joseph.

The Harbor Shores Apartment Project, in conjunction with Whirlpool, aims to construct eighty new apartments and 120 parking spaces to compliment the building. This project will also provide the refurbishment of Riverview Drive, and the construction of public sidewalks across from the project site to further revitalize the area.

The Global Laundry and Dishwasher Technical Center, in the city of St. Joseph, will become office and research space for Whirlpool. This project will provide one of the world's largest, most reputable producers of home appliances with new office space and the ability to retain 400 jobs in Southwest Michigan.

Both of these projects reflect continued investment in Berrien County and are important in ensuring that Southwest Michigan remains a great place to live, work, and raise a family.

Thank you for your consideration of these requests. These projects are tremendously important for the continued success of Berrien County and all of Southwest Michigan. If you have any further questions, please do not hesitate to reach out to my office.

Sincerely,

Kim LaSata
State Senator
21st District



79TH DISTRICT
STATE CAPITOL
P.O. BOX 30014
LANSING, MI 48909-7514

MICHIGAN HOUSE OF REPRESENTATIVES

PAULINE WENDZEL

STATE REPRESENTATIVE

PHONE: (517) 373-1403
FAX: (517) 373-3652
PaulineWendzel@house.mi.gov
www.RepWendzel.com

June 21, 2021

Quentin L. Messer Jr.
Chairperson of the Michigan Strategic Fund board
300 N. Washington Square
Lansing, MI 48913

Chairperson Messer,

On behalf of the people of Southwest Michigan, please accept this letter of strong support for a Michigan Community Revitalization Program grant requested by Harbor Shores Community Redevelopment LLC, in collaboration with Whirlpool Corporation, for the Harbor Shores Community Redevelopment project as well as a request from the Berrien County Brownfield Redevelopment Authority for approval of a brownfield work plan to support Whirlpool Corporation's Global Laundry and Dishwasher Technical Center.

Like so many other communities across our state, Southwest Michigan has not been spared from the crisis of lack of affordable housing. This lack of housing not only increases costs for our current residents who may be looking to move, but also makes it incredibly difficult for our local businesses to attract top-tier talent to live and work in our community.

If approved, these incentives will support a collaborative Community Development and Business Development project that will construct a new residential apartment building in the City of Benton Harbor as well as Whirlpool Corporation's technical center facility in the City of St. Joseph, representing over \$80 million in total capital investment in Berrien County.

Whirlpool Corporation has once again proven its commitment to our Southwest Michigan community and the 400 full-time jobs associated with their tech center when they announced this project. If you ask most of our residents, they'll beam with pride as they discuss the historic transformation of a previously toxic dumping ground into one of, if not the best, golf courses in the Midwest. This would not have been possible without the help, support, and leadership of Whirlpool.

As we continue to build on the momentum of the Harbor Shores project, I hope you see the value and potential in this collaborative development. I urge you to approve the requested incentives, which will ensure Whirlpool can remain on the cutting edge of creative and innovative appliance engineering as well as providing more affordable housing in Southwest Michigan.

Sincerely,

A handwritten signature in black ink that reads "Pauline Wendzel".

Pauline Wendzel
State Representative