

MICHIGAN ECONOMIC GROWTH AUTHORITY BOARD
February 25, 2010

ADOPTED MEETING MINUTES

A meeting of the Michigan Economic Growth Authority (MEGA) Board was held on Thursday, February 25, 2010 at the MEDC building, Lake Michigan Room, 300 N. Washington Sq., Lansing, Michigan.

MEMBERS PRESENT: Douglas Buckler; Susan Corbin (acting on behalf of Stanley "Skip" Pruss, authorization attached); Baldomero Garcia; Tim Herman; Andrew Lockwood (acting on behalf of Robert Kleine, authorization attached); Greg Main (Cindy Douglas acting on behalf of Greg Main joined midway through the meeting, authorization attached); Jackie Shinn (acting on behalf of Kirk Steudle, authorization attached)

MEMBERS ABSENT: Cullen DuBose

CALL TO ORDER: Mr. Main called the meeting to order at 10:31 a.m.

APPROVAL OF MINUTES: Mr. Main asked for a motion to approve the January 11, 2010 and January 19, 2010 meeting minutes. **Mr. Buckler motioned approval of the minutes. Ms. Shinn seconded the motion.** The motion carried unanimously – 7 ayes; 0 nays; 0 recused; 1 absent

PUBLIC COMMENT: Mr. Main asked if there was any public comment. Governor Jennifer M. Granholm thanked the companies in attendance at the meeting as well as the MEGA Board for their investment in the State of Michigan for their help in bringing Michigan's economy forward. She concluded by thanking the companies for bringing thousands of jobs to Michigan in a tough economy climate and thanked the Board for their action at today's meeting.

PROPOSED BATTERY CREDIT:

Resolution 2010-13: Dow Kokam MI, LLC

Eric Shreffler, MEDC Sector Development Manager, provided background information and introduced the guest presenters: Chuck Reardon, Commercial VP, Dow Kokam; Kristina Schnepf, Director Branding and Marketing Communication, Dow Kokam; and Lowell McLaughlin, State & Local Tax Manager, The Dow Chemical Company.

Mr. Shreffler gave a brief presentation on the battery credit program to date and new legislation that has recently been passed authorizing the use of the proposed battery credits. Mr. Shreffler indicated that there had been a competitive process held for these credits, and that staff felt strongly that Dow Kokam's presentation had been the most impressive. Mr. Reardon thanked the Board and indicated that this credit would allow Dow Kokam to expand their plans to manufacture its SLPB technology for electric vehicle and hybrid electric vehicle markets.

Josh Hundt, MEDC Program Specialist, provided additional information and recommendations.

Mr. Hundt indicated that the company would invest approximately \$342 million and create 300 jobs.

Recommendation: MEDC Staff recommends approval of a Manufacturing of Lithium Ion Battery Packs for Hybrids Credit totaling \$42,000,000 for Phase II of Dow Kokam's Battery manufacturing facility. The credit is contingent upon: (1) The creation of at least 300 jobs for Phase II of the facility; (2) An investment of at least \$200,000,000 for Phase II of the facility; and (3) The created jobs and capital investment must be in addition to the jobs and capital investment previously incented under the act.

Board Discussion: Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed Battery Credit and recommends approval. Mr. Main asked if

there were any questions from the Board. Being none, **Mr. Buckler made a motion for approval of Resolution 2010-13. Mr. Lockwood seconded the motion.** The motion carried unanimously – 7 ayes; 0 nays; 0 recused; 1 absent.

PROPOSED STANDARD MEGA CREDITS:

Resolution 2010-14: The Dow Chemical Company (Dow)

Therese Thill, MEDC Director of Attraction, provided background information for the action and introduced the guest presenters: Jane Palmieri, VP and General Manager, The Dow Chemical Company; Jerry Howell, Government Affairs, The Dow Chemical Company; Scott Walker, Midland Tomorrow; and Lowell McLaughlin, State & Local Tax Manager, The Dow Chemical Company.

Ms. Palmieri thanked the Board and the City of Midland for their support and indicated that the project includes the manufacturing of the DOW POWERHOUSE solar shingles. Ms. Palmieri continued by stating that Dow has a long history of employment in Midland and that this investment would allow Dow to continue to diversify its portfolio into an exciting sector of the economy.

Phil Santer, MEDC Program Specialist, provided additional information and recommendations.

Mr. Santer indicated that the company would create 1,700 jobs with an investment of approximately \$600 million.

Recommendation: MEDC Staff recommends a 100% employment tax credit for 15 years for up to 1,700 net new employees in excess of the company's established base of 5,278 provided that they create and maintain at least 1,700 Qualified New Jobs by the end of the 12th year. Failure to do so would forfeit the remaining credit years.

Board Discussion: Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed Standard MEGA Credit and recommends approval. Mr. Main asked if there were any questions from the Board. Being none, **Ms. Shinn made a motion for approval of Resolution 2010-14. Mr. Herman seconded the motion.** The motion carried unanimously – 7 ayes; 0 nays; 0 recused; 1 absent.

Resolution 2010-15: CIBER, Inc.

Phil Santer provided background information for the action and introduced guest presenters; Rochelle Katz-Freeman, Business Development Manager, City of Southfield; Mark Adams, Senior Business Development Manager, Oakland County; Kerry Killian-Storck, Senior Account Executive, CIBER; and Mark Kurowski, VP and Area Director, CIBER.

Mr. Kurowski thanked the Board, Oakland County and the City of Southfield for their support and indicated that CIBER is looking to locate a development center that would provide a comprehensive range of IT services. Mr. Adams indicated that Oakland County was very supportive of this project. Ms. Killian-Storck indicated that the City of Southfield is supportive of the project and would be offering a PA 328 for the project.

Phil Santer provided additional information and recommendations.

Mr. Santer indicated that the company would create 700 jobs with an investment of \$8 million.

Recommendation: MEDC Staff recommends a 100 percent employment tax credit for seven years for up to 700 net new employees in excess of the company's established base of 473, provided that the company creates and maintains 500 employees by the end of the fifth credit year, otherwise the remaining years will be forfeited. A look-back period will be established as of January 18, 2010, or 90 days prior to the execution of the Credit Agreement, whichever is shorter.

Board Discussion: Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed Standard MEGA Credit and recommends approval. Mr. Main asked if there were any questions from the Board. Being none, **Mr. Lockwood made a motion for approval of Resolution 2010-15. Mr. Buckler seconded the motion.** The motion carried unanimously – 7 ayes; 0 nays; 0 recused; 1 absent.

Resolution 2010-16: Cobalt Holdings, LLC (Cobalt)

Tom Tarleton, MEDC Business Development Manager, provided background information for the action and introduced guest presenters: Bruce Bart, Cobalt Holdings, LLC; and John Hayes, City of Sturgis.

Mr. Bart indicated that Cobalt is a scrap tire recycling and manufacturing facility. Mr. Bart indicated that he had been all over the world studying the recycling technology and that it was a very unique industry that they were well aligned to capture. Mr. Hayes indicated that the City of Sturgis was very supportive of this project.

Ken Murdoch, MEDC Program Specialist provided additional information and recommendations.

Mr. Murdoch indicated that the company would create 100 jobs with an investment of \$6.1 million.

Recommendation: MEDC Staff recommends a 70 percent employment tax credit for five years for up to 100 net new employees in excess of the company's established base of zero.

Board Discussion: Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed Standard MEGA Credit and recommends approval. Mr. Main asked if there were any questions from the Board. Being none, **Mr. Garcia made a motion for approval of Resolution 2010-16. Mr. Lockwood seconded the motion.** The motion carried unanimously – 7 ayes; 0 nays; 0 recused; 1 absent.

Resolution 2010-17: Four Winns, LLC

Lydia Murray, MEDC Business Development Manager, provided background information for the action and introduced guest presenters: Marcus Peccia, City Manager, City of Cadillac; Jeff Olsen, President, Four Winns; and Stephen Zollo, Principal, Platinum Equity.

Mr. Olsen indicated that Four Winns will be consolidating operations from Wisconsin to Cadillac. Four Winns will be expanding operations in Cadillac by restarting the production of multiple Four Winns boat models that had previously been halted. Mr. Olsen indicated that he was proud to be bringing jobs from Wisconsin back to Cadillac, and that the company was excited to get going quickly. Mr. Peccia indicated that the City of Cadillac was very supportive of the project and was very thankful to Four Winns for consolidating operations into Michigan.

Mr. Main stated that the Four Winns brand is known worldwide and that it is a great product that Michigan can be proud of.

Marcia Gebarowski, MEDC Program Specialist, provided additional information and recommendations.

Ms. Gebarowski indicated that the company would create 2,320 jobs and invest \$63 million.

Recommendation: MEDC Staff recommends a 100 percent employment tax credit for 8 years for up to 2,320 net new employees in excess of the company's established base of 153 including the look-back period as defined as the date of the acquisition or 90 days prior to signing of credit agreement, whichever is shorter.

Board Discussion: Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed Standard MEGA Credit and recommends approval. Mr. Main asked if there were any questions from the Board. Being none, **Mr. Buckler made a motion for approval of Resolution 2010-17. Ms. Shinn seconded the motion.** The motion carried unanimously – 7 ayes; 0 nays; 0 recused; 1 absent.

[Greg Main leaves, Cindy Douglas takes over as Chair]

PROPOSED HIGH-TECH MEGA CREDITS:

Resolution 2010-18: ALTe, LLC

Kathy Kleckner, MEDC Business Development Manager, provided background information for the action and introduced guest presenters: John Thomas, Chief Executive Officer, ALTe; Mark Adams, Senior Business Development Manager, Oakland County; and Laurie Johnson, Economic Development Coordinator, Auburn Hills.

Mr. Thomas thanked the Board, Oakland County and the City of Auburn Hills for their commitment to this project. Mr. Thomas indicated that ALTe is an automotive supplier for the complete series plug in electric powertrain and pure battery electric vehicle powertrain systems, and that the company was in the final due diligence stages of a \$100 million loan through the US Department of Energy. Mr. Thomas continued by stating that ALTe plans to open an assembly factory that will manufacture and install all electric powertrains in existing and new fleet and other high mileage vehicles. Ms. Johnson indicated that the City of Auburn Hills was very supportive of this project and has already approved a PA198 in support of this project. Mr. Adams indicated that Oakland County was very supportive and excited to get this project.

Josh Hundt provided additional information and recommendations.

Mr. Hundt indicated that the company would create 305 jobs and invest \$51.3 million.

Recommendation: MEDC Staff recommends a 7 year high-technology employment tax credit at 200 percent for years one through three, followed by a 100 percent for years four through seven for up to 305 net new employees in excess of the company's established base of 10.

Board Discussion: Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed High-Tech MEGA Credit and recommends approval. Ms. Douglas asked if there were any questions from the Board. Being none, **Mr. Lockwood made a motion for approval of Resolution 2010-18. Mr. Buckler seconded the motion.** The motion carried unanimously – 7 ayes; 0 nays; 0 recused; 1 absent.

Resolution 2010-19: Katcon USA, Inc. (KUI)

Clarinda Barnett-Harrison, MEDC Business Development Manager provided background information for the action and introduced guest presenters: Jose DeNigris, Executive Vice President, Katcon; Laurie Johnson, Economic Development Coordinator, Auburn Hills; and Mark Adams, Senior Business Development, Oakland County.

Mr. DeNigris indicated that Katcon is a global supplier of catalytic converters, exhaust modules and complete exhaust systems, and that it would be creating a new technical center responsible for all research and development worldwide for Katcon, specifically focusing on the development of emission control solutions. Mr. Adams indicated that Oakland County was in support of this project and was very glad that Katcon chose to put their R&D operations in Oakland County. Ms. Johnson indicated that the City of Auburn Hills is supportive of the project and anticipates approving a PA198 for the project.

Greg West, MEDC Program Specialist, provided additional information and recommendations.

Mr. West indicated that the company would create 35 jobs and invest \$3.7 million.

Recommendation: MEDC Staff recommends a 75 percent high-technology employment tax credit for 7 years for up to 35 net new employees in excess of the company's established base of 12.

Board Discussion: Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed High-Tech MEGA Credit and recommends approval. Ms. Douglas asked if there were any questions from the Board. Being none, **Ms. Shinn made a motion for approval of Resolution 2010-19. Mr. Herman seconded the motion.** The motion carried unanimously – 7 ayes; 0 nays; 0 recused; 1 absent.

Resolution 2010-20: Sakor Technologies, Inc. (STI)

Tom Young, MEDC Business Development Manager, provided background information for the action and introduced guest presenters: Randy Beattie, President, Sakor; Sid Grinnell, Township Supervisor, Perry Township; Justin Horvath, President/CEO, Shiawassee Economic Development; and Brent Jones, Shiawassee Economic Development.

Mr. Beattie indicated that Sakor will be purchasing a new building and relocating its headquarters and R&D operations to Perry Township. Mr. Grinnell indicated that Perry Township was very grateful to Sakor for locating in Perry Township and that they would do everything they could to make them comfortable in the community. Mr. Grinnell emphasized that

the township had already made significant improvements to the property surrounding the project site to help the company move in quickly, and that they anticipated approving a PA198 in support of the project.

Greg West provided additional information and recommendations.

Mr. West indicated that the company would create 25 jobs and invest \$1.1 million.

Recommendation: MEDC Staff recommends a 100 percent high-technology employment tax credit for seven years for up to 25 net new employees in excess of the company's established base of 5.

Board Discussion: Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed High-Tech MEGA Credit and recommends approval. Ms. Douglas asked if there were any questions from the Board. Being none, **Mr. Buckler made a motion for approval of Resolution 2010-20. Ms. Corbin seconded the motion.** The motion carried unanimously – 7 ayes; 0 nays; 0 recused; 1 absent.

Resolution 2010-021: TSC Michigan, Inc. (TSC)

Kathy Kleckner provided background information for the action and introduced guest presenters: Allen Ibara, CEO, TSC Michigan; Patrich Jett, Grubb & Ellis; Jennifer Frey, Director of Community Development, Northville Township.

Mr. Ibara indicated that TSC specializes in the research and development of specialized chemical products, and has been on the cutting edge of the development of one of the key components of the new generation batteries for the use in hybrid and electric vehicles. Mr. Ibara indicated that TSC plans to locate its new North American headquarters in Northville Township as well as conduct R&D and pilot production of electrolyte for advanced lithium ion batteries at the facility. Ms. Frey indicated that Northville Township is very supportive of the project and thrilled to have the company locating their headquarters there.

Josh Hundt provided additional information and recommendations.

Mr. Hundt indicated that the company would create 279 jobs and invest \$31.1 million.

Recommendation: MEDC Staff recommends a 100 percent high-technology employment tax credit for 7 years for up to 279 net new employees in excess of the company's established base of 0.

Board Discussion: Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed High-Tech MEGA Credit and recommends approval. Ms. Douglas asked if there were any questions from the Board. Being none, **Mr. Herman made a motion for approval of Resolution 2010-021. Mr. Lockwood seconded the motion.** The motion carried unanimously – 7 ayes; 0 nays; 0 recused; 1 absent.

Resolution 2010-022: Advanced Integrated Tooling Solutions, LLC (AIT)

Clarinda Barnett-Harrison, MEDC Business Development Manager, provided background information for the action and introduced guest presenters: Jim Farrell, CFO, Advanced Integration Tooling Systems; Bob Tess, Manager-Economic Development Services Group, Macomb County; and Mike Lovelock, Chesterfield Township Supervisor.

Mr. Farrell indicated that AIT is a leading global provider of turnkey aerospace factory automation. Mr. Farrell indicated that this project will allow AIT to manufacture a broad range of custom equipment, machines and tooling to be used in commercial, business and military aircraft. Mr. Tess indicated that Macomb County was very supportive of this project and was happy to have AIT coming to Michigan. Mr. Lovelock indicated that Chesterfield Township was very supportive of the project and anticipates approving a PA198 for the project.

Josh Hundt provided additional information and recommendations.

Mr. Hundt indicated that the company would create 275 jobs and invest \$13.3 million.

Recommendation: MEDC Staff recommends a 75 percent standard employment tax credit for 8 years for up to 275 net new employees in excess of the company's established base of 0.

Board Discussion: Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed Standard MEGA Credit and recommends approval. Ms. Douglas asked if there were any questions from the Board. Being none, **Mr. Buckler made a motion for approval of Resolution 2010-022. Mr. Lockwood seconded the motion.** The motion carried unanimously – 7 ayes; 0 nays; 0 recused; 1 absent.

PROPOSED BROWNFIELD WORK PLAN APPROVALS:

Resolution 2010-023: Charter Township of Brownstown – 18472 Allen Road

Camille Walker, MEDC Business Development Manager, provided background information for the action and introduced guest presenters: Steve Null, VP Operations, National Wine and Spirits; Giuseppe “Joe” Disanto – Charter Township of Brownstown Economic Development Director; and Thomas Wackerman, ASTI Environmental.

Mr. Null indicated that National Wine and Spirits, Inc. (NWS) intends to redevelop a vacant parcel adjacent to their current operations. Mr. Disanto indicated that the City of Brownstown was very supportive of this project, and that it would be the first brownfield project in their community.

Marcia Gebarowski provided additional information and recommendations.

Ms. Gebarowski indicated that the company would create 10 jobs and invest \$26.5 million.

Recommendation: MEDC Staff recommends approval of local and school tax capture for the eligible activities totaling \$58,500, described above. Utilizing the current state to local capture ratio, the amount of school tax capture for this project is estimated at \$28,665.

Board Discussion: Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed Brownfield Work Plan and recommends approval. Ms. Douglas asked if there were any questions from the Board. Being none, **Mr. Buckler made a motion for approval of Resolution 2010-023. Mr. Lockwood seconded the motion.** The motion carried unanimously – 7 ayes; 0 nays; 0 recused; 1 absent.

PROPOSED MEGA AMENDMENTS:

Resolution 2010-024: A123 Systems, Inc.

Karla Campbell, MEDC MEGA Program Manager, provided background information for the action.

Ms. Campbell indicated that on November 17, 2009 the MEGA Board designated A123 Systems, Inc. as an Anchor Company utilizing the Anchor Jobs Credit. As of today, the parties have not entered into the agreement as the MEDC has requested the adoption of a policy related to the terms that will be given to all Anchor Companies.

Mr. Buckler asked if A123 was close to moving into their facility. Ms. Douglas indicated that the company hoped to be fully moved in and up and running within 4-6 weeks.

Recommendation: MEDC Staff recommends that the parties be allowed to extend the time to enter into both agreements to 60 days and shall enter into the agreements no later than April 26, 2010. All other aspects of the project and the resolutions remain the same.

Board Discussion: Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed MEGA amendment and recommends approval. Ms. Douglas asked if there were any questions from the Board. Being none, **Mr. Herman made a motion for approval of Resolution 2010-024. Mr. Buckler seconded the motion.** The motion carried unanimously – 7 ayes; 0 nays; 0 recused; 1 absent.

Resolutions 2010-025 and 2010-026: Hemlock Semiconductor Corporation (HSC)

Karla Campbell provided background information for the action.

Ms. Campbell indicated that on December 15, 2009 the MEGA Board designated HSC as an Anchor utilizing the Anchor Jobs Credit and the Anchor District Credit. As of today, the parties have not entered into the agreement as the MEDC has requested the adoption of a policy related to the terms that will be given to all Anchor Companies. In addition, when the company

was designated as an Anchor Company, it became eligible to receive a tax credit against the Michigan Business Tax equal to 5.0% of the taxable value of the eligible taxable property. As a result of proposed policy determinations, this tax credit rate would be amended to an amount up to 5.0% except for the first Qualified Supplier or Qualified Customer acknowledged by the MEGA Board related to a monosiline plant, which will be equal to 5.0%.

Recommendation: MEDC Staff recommends that the parties be allowed to extend the time to enter into both agreements to 60 days and shall enter into the agreements no later than April 26, 2010, and that the Anchor District credit be amended to change the tax credit rate to up to 5.0%, except for the first Qualified Supplier or Qualified Customer acknowledged by the MEGA Board related to a monosiline plant, which will be equal to 5.0%. All other aspects of the project and the resolutions remain the.

Board Discussion: Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed MEGA amendment and recommends approval. Ms. Douglas asked if there were any questions from the Board. Being none, **Ms. Shinn made a motion for approval of Resolution 2010-025. Mr. Garcia seconded the motion.** The motion carried unanimously – 7 ayes; 0 nays; 0 recused; 1 absent. **Ms. Shinn made a motion for approval of Resolution 2010-026. Mr. Garcia seconded the motion.** The motion carried unanimously – 7 ayes; 0 nays; 0 recused; 1 absent.

Resolution 2010-027: Danotek Motion Technologies

Karla Campbell provided background information for the action.

Ms. Campbell indicated that the company had changed locations from Plymouth to Canton, and that Canton was supportive of this project and has approved a PA198 in support of the project.

Recommendation: MEDC Staff recommends that the Project Description location in Plymouth, Michigan be changed to Canton, Michigan.

Board Discussion: Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed MEGA amendment and recommends approval. Ms. Douglas asked if there were any questions from the Board. Being none, **Mr. Lockwood made a motion for approval of Resolution 2010-027. Mr. Herman seconded the motion.** The motion carried unanimously – 7 ayes; 0 nays; 0 recused; 1 absent.

Resolution 2010-028: Marimba Auto, LLC

Karla Campbell provided background information for the action.

Ms. Campbell indicated that the company decided not to build a new facility due to the economic downturn, and had decided to stay at their original facility in Van Buren Township instead of moving to Canton, Michigan as was reflected in their standard MEGA agreement from 2008.

Recommendation: MEDC Staff recommends that the Project Location be changed from Canton, Michigan to Van Buren Township, Michigan. The MEDC also recommends that the credit be reduced from 7 years to 5 years because they did not construct a new building as originally planned. The credit is scheduled to begin with the tax year ending December 31, 2010.

Board Discussion: Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed MEGA amendment and recommends approval. Ms. Douglas asked if there were any questions from the Board. Being none, **Mr. Buckler made a motion for approval of Resolution 2010-028. Ms. Corbin seconded the motion.** The motion carried unanimously – 7 ayes; 0 nays; 0 recused; 1 absent.

Resolution 2010-029: Steel Tool & Engineering Company (STE)

Karla Campbell provided background information for the action.

Ms. Campbell indicated that the company had started consolidating operations as planned in their high-tech MEGA Credit. However, because the first year required less than 12 months and

because many of the new staff came on very late in the 2009 tax year, the company would have an exceptionally low credit for the first tax year, which was not the intent

Recommendation: MEDC Staff recommends the approval of an adjustment of the first credit year from March 31, 2009 to March 31, 2010 with no reduction in the 7 year length of the credit.

Board Discussion: Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed MEGA amendment and recommends approval. Ms. Douglas asked if there were any questions from the Board. Being none, **Mr. Garcia made a motion for approval of Resolution 2010-029. Mr. Lockwood seconded the motion.** The motion carried unanimously – 7 ayes; 0 nays; 0 recused; 1 absent.

PROPOSED ANCHOR CREDIT POLICY:

Resolution 2010-030: Anchor Jobs Credit/Anchor District Credit Policy

Phil Santer provided background information for the action.

Mr. Santer indicated that the MEGA Board is charged with designating five high-technology businesses as Anchor Companies under the Anchor Jobs Credit and five under the Anchor District Credit. Mr. Santer indicated that several companies had been awarded as an Anchor Company, but negotiations on the agreements for those credits have continued to drag on and have not been signed. Mr. Santer indicated that with some clarification from the MEGA Board on policies surrounding these credits, that agreements could hopefully be executed in a more efficient manner.

Mr. Buckler asked if there was a limit to how far away a company could be from the Anchor Company. Mr. Santer replied that for an Anchor Jobs Credit, a company could be located anywhere in the State of Michigan, but for an Anchor District Credit, a company would need to be located within 10 miles of the Anchor Company, or in an approved Industrial Park in the County or adjacent County of the Anchor Company.

Recommendation: MEDC staff recommends approval of the following policies regarding use of the Anchor Jobs and the Anchor District credits: (1) Anchor Companies may receive designation under the Anchor Jobs credit or the Anchor District credit, but not both. If an existing company has received a designation under both credits, the MEGA reserves the right to determine which incentive will apply to each Qualified Customer or Qualified Supplier; (2) If designated for the Anchor Jobs credit, an Anchor Company will receive 25% of the Anchor Jobs credit for five years on each Qualified Customer or Qualified Supplier; and (3) If designated for the Anchor District credit, an Anchor Company will receive 0.5% of the Anchor District credit for five years on each Qualified Customer or Qualified Supplier.

Board Discussion: Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed MEGA amendment and recommends approval. Mr. Main asked if there were any questions from the Board. Being none, **Mr. Buckler made a motion for approval of Resolution 2010-030. Ms. Shinn seconded the motion.** The motion carried unanimously – 7 ayes; 0 nays; 0 recused; 1 absent.

PROPOSED ANCHOR CREDIT POLICY:

Peter Anastor gave a short presentation on the projects the MEGA Board passed in 2009 with an overview of total credits initiated as well.

DISCUSSION: Ms. Douglas asked if there were any additional comments. There were none.

ADJOURNMENT: The meeting was adjourned by Ms. Douglas at 12:16 p.m.