

MICHIGAN ECONOMIC GROWTH AUTHORITY BOARD
July 20, 2010

ADOPTED MEETING MINUTES

A meeting of the Michigan Economic Growth Authority (MEGA) Board was held on Tuesday, July 20, 2010 at the Michigan Economic Development Corporation (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; Robert Kleine; Greg Main (non-voting member); Laura Mester (acting on behalf of Bob Emerson, authorization attached)

MEMBERS ABSENT: Cullen DuBose

CALL TO ORDER: Mr. Kleine called the meeting to order at 10:06 a.m.

APPROVAL OF MINUTES: Mr. Kleine asked for a motion to approve the June 15, 2010 meeting minutes. **Mr. Buckler motioned approval of the minutes. Mr. Herman seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused; 1 absent

PUBLIC COMMENT: Governor Jennifer M. Granholm addressed the Board and companies in attendance. Governor Granholm thanked the companies for expanding and growing in Michigan, stating that there would be over 6,000 jobs created or retained from the actions at the Board meeting. Governor Granholm indicated that the investments being talked about represent the continued diversification of Michigan, and that these companies helped to shape new industries in Michigan. Governor Granholm thanked the MEDC for the work that went into attracting these companies to Michigan, and thanked each CEO for bringing their companies to Michigan.

PROPOSED BROWNFIELD WORK PLAN APPROVALS:

Resolutions 2010-091 and 2010-092: Detroit Diesel Corporation (DDC)

Larry Gormezano, MEDC Michigan Retention and Growth Manager, provided background information for the action and introduced guest presenters: Tracey Schultz-Kobylarz, Redford Township Supervisor; Richard Barr, Honigman Miller; Dominik Boenig, Daimler; Janice Manston, Daimler; and Jeff Bryant, Wayne County.

Mr. Boenig indicated that DDC was before the board last month, and was very happy to be back for the Brownfield portion of the project. Mr. Bryant indicated that Wayne County is working closely with DDC and with MDOT on this project. Ms. Schultz-Kobylarz indicated that Redford Township is very excited to be working with DDC, and is very supportive of this project.

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

Mr. Santer indicated that project one will include the company investing approximately \$150 million as a result of this project, and that project two will include the company investing approximately \$194 million and retain 1,900 jobs as result of this project.

Recommendation: MEDC Staff recommends approval of the requested Brownfield MBT Credit amendment to identify specific property and recognize the investment made as originally approved by the MEGA Board on March 15, 2005 as “Project One” whereby removing other project areas outside of Project One area to allow for the potential use of additional Brownfield MBT Credits. MEDC Staff also recommends approval of a 12.5% Brownfield MBT Credit, not to exceed \$7,000,000 for Project Two on specific property.

Board Discussion: Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed Brownfield MBT Approvals and Amendments and recommends approval. Mr. Kleine asked if there were any questions from the Board. Being none, **Mr. Herman made a motion for approval of Resolution 2010-091. Mr. Buckler seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused; 1 absent. **Mr. Herman made a motion for approval of Resolution 2010-092. Mr. Garcia seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused; 1 absent.

PROPOSED STANDARD MEGA CREDITS:

Resolution 2010-093: Styron, LLC

Kelly Rogers, MEDC Targeted Initiatives Manager, provided background information for the action and introduced guest presenters: Chris Pappas, President & CEO, Styron; Catherine Maxey, VP Public/Government Affairs, Styron; Brian Chu, Bain Capital; Jeff Denton, VP Feedstocks & Corp. Services, Styron; Jamie Snead, The Dow Chemical Company; and Scott Walker, Midland Tomorrow.

Mr. Pappas indicated that Styron had over \$4 billion in revenue last year, and that it has 20 sites across the country. Mr. Pappas indicated that Midland will be the North American headquarters, making it the first Fortune 500 company to locate in downtown Midland. Mr. Walker thanked the board for their consideration and indicated that this project is a testament to what Michigan has to offer.

Mr. Kleine asked who Styron's main customers are. Mr. Pappas responded that Styron is primarily working in the automotive industry, but also works with Whirlpool, Apple and many other customers.

Phil Santer provided additional information and recommendations.

Mr. Santer indicated that the company would invest approximately \$13 million as a result of this project and create 202 new jobs.

Recommendation: MEDC Staff recommends a 100 percent standard employment tax credit for 7 years for up to 202 net new employees in excess of the company's established base of 0. A look-back period will be established as of June 17, 2010, or 90 days prior to the execution of the Credit Agreement, whichever is shorter. Employees hired after the establishment of the look-back period will count as qualified new jobs provided that they meet all the requirements outlined in the MEGA Credit Agreement.

Board Discussion: Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed Standard MEGA Credit and recommends approval. Mr. Kleine asked if there were any questions from the Board. Being none, **Mr. Buckler made a motion for approval of Resolution 2010-093. Mr. Herman seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused; 1 absent.

PROPOSED RETENTION MEGA CREDITS:

Resolution 2010-094: Whirlpool Corporation

Toni Brownfield, MEDC Michigan Retention and Growth Manager, provided background information for the action and introduced guest presenters: Jeff Noel, Whirlpool; Lee Utke, Whirlpool; Wendy Chesser, Cornerstone Alliance; and Joe Harris, Benton Harbor Emergency Financial Manager.

Mr. Utke indicated that this project was a consolidation of operations that will allow the Benton Harbor campus to house everyone into one area, allowing for much better efficiency. Mr. Harris indicated that Whirlpool could locate anywhere in the world, and that the community is very pleased that they chose Benton Harbor. Ms. Chesser indicated that the City will support the authorization of Urban Land Assembly funds for the new downtown campus as well as property tax abatements in support of this project. Mr. Noel thanked the MEDC staff for working so diligently with the company and indicated that Whirlpool was proud to have these operations in southwest Michigan.

Mr. Kleine indicated that this is a huge win for Benton Harbor, a community in great need of this type of project. Mr. Harris stated that Benton Harbor would be hosting the 2014 Senior PGA Championship, and that the community was a great place to work and play. Mr. Main indicated that this was a great project for Michigan, especially to help grow the southwest region of the State.

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

Ms. Gebarowski indicated that the company would invest approximately \$86.8 million and retain 868 jobs as a result of this project.

Recommendation: MEDC Staff recommends a 100 percent retention employment tax credit for five years for the 868 retained employees at any facility in Berrien County contingent upon the following: (1) the company agrees to set aside its three existing MEGA credits upon activation of the MEGA credit for the described project; and (2) the company must maintain a statewide employment threshold of 2,300. Failure to meet this threshold will result in the company not being able to collect the credit that year.

Board Discussion: Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed Retention MEGA Credit and recommends approval. Peter Anastor, MEDC Policy Director, indicated that the project was contingent upon the City of Benton Harbor approving a tax abatement in support of the project. Mr. Kleine asked if there were any questions from the Board. Being none, **Mr. Buckler made a motion for approval of Resolution 2010-094. Ms. Corbin seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused; 1 absent.

PROPOSED STANDARD MEGA CREDITS:

Resolution 2010-095: Clyde Union, Inc. (CUI)

Ed Reed, MEDC Business Development Manager, provided background information for the action and introduced guest presenters; Dan Greffe, Battle Creek Plant Director, CUI; Karl Dehn, President & CEO, Battle Creek Unlimited.

Mr. Greffe indicated that CUI has been in business in Battle Creek for 125 years, and that it is one of the largest pump companies in the world. Mr. Greffe indicated that over 60% of their business goes outside of the Americas, and that their task now was to continue to get more international business to bring more money back into Michigan. Mr. Dehn indicated that the community is very excited about CUI's growth in Battle Creek, and it supportive of a tax abatement for the project.

Joe Quick, MEDC Program Specialist, provided additional information and recommendations.

Mr. Quick indicated that the company would create 190 jobs with an investment of \$17.1 million as a result of this project.

Recommendation: MEDC Staff recommends a 75 percent standard employment tax credit for five years for up to 190 net new employees in excess of the company's established base of 226.

Board Discussion: Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed Standard MEGA Credit and recommends approval. Mr. Kleine asked if there were any questions from the Board. Being none, **Mr. Buckler made a motion for approval of Resolution 2010-095. Mr. Herman seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused; 1 absent.

Resolution 2010-096: Meritor Heavy Vehicle Systems, LLC (MHVS)

Jerome Katz, MEDC Business Development Manager provided background information for the action and introduced guest presenters: Jerry Rush, Senior Director of Government & Community Relations, MHVS; Julie Garrisi, Manager of Government & Community Relations, MHVS; Octavio Williams, Manager of Local & State Taxes, MHVS; Brad Hicks, Executive Engineer, MHVS; John Szerlag, Troy City Manager; and Irene Spanos, Oakland County Economic Development.

Mr. Rush indicated that MHVS would create their world headquarters in Troy, creating 125 new jobs as a result of the project. Mr. Szerlag indicated that the community is supportive of a tax abatement in support of this project. Ms. Spanos indicated that Oakland County was very happy to be selected for this project, and would be helping with training grants.

Stacy Bowerman, MEDC Project Specialist, provided additional information and recommendations.

Ms. Bowerman indicated that the company would create 125 jobs with an investment of \$23.4 million as a result of this project.

Recommendation: MEDC Staff recommends a 100 percent standard employment tax credit for seven years for up to 125 net new employees in excess of the company's established base of 744.

Board Discussion: Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed Standard MEGA Credit and recommends approval. Mr. Kleine asked if there were any questions from the Board. Being none, **Mr. Buckler made a motion for approval of Resolution 2010-096. Ms. Corbin seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused; 1 absent.

PROPOSED HIGH-TECHNOLOGY MEGA CREDITS:

Resolution 2010-097: Cascade Engineering, Inc. (Cascade)

Paul Krepps, MEDC Business Development Manager, provided background information for the action and introduced guest presenters: Dirck Lyon, Director of New Initiatives, Cascade; Sue Jackson, The Right Place; Joe Maier, Treasurer, Cascade; Samia Brown, Director of Marketing, Cascade; and Rob Beahan, Cascade Township Supervisor.

Mr. Lyon indicated that Cascade started in 1973 focusing on renewable energy products. Mr. Lyon indicated that the decision to stay in Michigan is largely due to the support of the MEGA Board, and that many other states tried to entice them to move. Mr. Beahan indicated that the community would support a tax abatement in support of the project.

Mr. Kleine asked how much of the company's business was in the wind industry. Mr. Lyon indicated that less than 5% of the company's revenue was wind related. Mr. Buckler asked what size of wind turbine the company would be producing. Mr. Lyon indicated that it would be small, specifically targeting towards the residential industry.

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

Ms. Gebarowski indicated that the company would create 183 jobs with an investment of \$2.8 million as a result of this project.

Recommendation: MEDC Staff recommends a 150 percent high-technology employment tax credit for years 1-3 and a 75 percent high-technology employment tax credit for years 4-7 for up to 183 net new employees in excess of the company's established base of 414.

Board Discussion: Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed High-Technology MEGA Credit and recommends approval. Mr. Kleine asked if there were any questions from the Board. Being none, **Mr. Buckler made a motion for approval of Resolution 2010-097. Mr. Garcia seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused; 1 absent.

Resolution 2010-098: Creative Breakthroughs, Inc. (CBI)

Jerome Katz provided background information for the action and introduced guest presenters: Steve Barone, President & CEO, CBI; Greg Gurachech, VP & COO, CBI; John Szerlag, Troy City Manager; and Mark Adams, Senior Business Development Representative, Oakland County.

Mr. Barone indicated that CBI has major clients throughout the world, and are growing at a very high rate. Mr. Barone indicated that CBI was excited to be able to stay in Troy. Mr. Szerlag indicated that the community will waive building inspection permitting fees in support of this project. Mr. Adams indicated that the county would assist with job training for the project.

Robert Wilson, MEDC Project Specialist, provided additional information and recommendations.

Mr. Wilson indicated that the company would create 100 jobs with an investment of \$780,000 as a result of this project.

Recommendation: MEDC Staff recommends a 80 percent high-technology employment tax credit for five years for up to 100 net new employees in excess of the company's established base of 30, provided that the company creates and maintains at least 70 qualified new jobs above the statewide employment base of 30 by the end of the 4th year or the 5th year of the tax credit will be forfeited.

Board Discussion: Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed High-Technology MEGA Credit and recommends approval. Mr. Kleine asked if there were any questions from the Board. Being none, **Mr. Herman made a motion for approval of Resolution 2010-098. Ms. Mester seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused; 1 absent.

Resolution 2010-099: Delphinus Medical Technologies, Inc. (DMTI)

Michael Hagan, MEDC Business Development Manager, provided background information for the action and introduced guest presenters: William Greenway, President & CEO, DMTI; Patrick Jett, Consultant, Grubb & Ellis; Mike Finney, President & CEO, Ann Arbor SPARK; and Jeff Bryant, Wayne County.

Mr. Greenway indicated that DMTI focuses on imaging and detection of breast cancer. Mr. Greenway indicated that the MEDC has been very supportive and a great partner for this project. Mr. Finney indicated that the community is very supportive of this project and will support a tax abatement for the project.

Josh Hundt provided additional information and recommendations.

Mr. Hundt indicated that the company would create 109 jobs and invest \$5.9 million as a result of this project.

Recommendation: MEDC Staff recommends a 75 percent high-technology employment tax credit for five years for up to 109 net new employees in excess of the company's established base of 2.

Board Discussion: Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed High-Technology MEGA Credit and recommends approval. Mr. Kleine asked if there were any questions from the Board. Being none, **Ms. Corbin made a motion for approval of Resolution 2010-099. Mr. Garcia seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused; 1 absent.

Resolution 2010-100: Genesis Corporation d/b/a Genesis10

Kelly Rogers provided background information for the action and introduced guest presenters: Glenn Klein, President & CFO, Genesis10; Irene Spanos, Oakland County Planning & Economic Development; and John Szerlag, Troy City Manager.

Mr. Klein indicated that Genesis10 is a business and technology firm that services the financial services, insurance, manufacturing, healthcare and many other industries, and would be creating their newest development center in Troy. Ms. Spanos indicated that Genesis10 could

have located anywhere and that Oakland County is thrilled to have them, and that the county would assist with training funds in support of the project.

Stacy Bowerman provided additional information and recommendations.

Ms. Bowerman indicated that the company would create 296 jobs and invest \$2.2 million as a result of this project.

Recommendation: MEDC Staff recommends a 60 percent standard employment tax credit for five years for up to 296 net new employees in excess of the company's established base of 1.

Board Discussion: Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed High-Technology MEGA Credit and recommends approval. Mr. Kleine asked if there were any questions from the Board. Being none, **Mr. Buckler made a motion for approval of Resolution 2010-100. Mr. Garcia seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused; 1 absent.

Resolution 2010-101: Inteva Products, LLC (Inteva)

Jerome Katz provided background information for the action and introduced guest presenters: Misty Matthews, Communications & PR Director, Inteva; John Szerlag, Troy City Manager; and Irene Spanos, Oakland County Planning & Economic Development.

Ms. Matthews indicated that Inteva is primarily an automotive supplier, and that with the approval of the MEGA Board, Inteva will bring additional jobs to Michigan from Ohio. Mr. Szerlag indicated that the community is supportive of a tax abatement for this project. Ms. Spanos indicated that the community is very excited to have Inteva expand in Troy.

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

Mr. Wilson indicated that the company would create 35 jobs and invest \$4.93 million as a result of this project.

Recommendation: MEDC Staff recommends a 75 percent standard employment tax credit for five years for up to 35 net new employees in excess of the company's established base of 462.

Board Discussion: Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed High-Technology MEGA Credit and recommends approval. Mr. Kleine asked if there were any questions from the Board. Being none, **Mr. Herman made a motion for approval of Resolution 2010-101. Ms. Corbin seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused; 1 absent.

Resolution 2010-102: Quantum Signal, LLC (Quantum)

Michael Hagen, MEDC Business Development Manager, provided background information for the action and introduced guest presenters: Dr. Mitchell Rohde, COO, Quantum; Mike Finney, President & CEO, Quantum; Todd Campbell, Saline City Manager; and Gretchen Cisco, Saline City Mayor.

Dr. Rohde indicated that Quantum performs advanced imaging processing in both the military robotics and stimulatory game areas, and is growing rapidly. Dr. Rohde indicated that Quantum needs more specialized facilities, and is very happy with the quality of life provided in the Saline area. Mayor Cisco indicated that the community is very supportive of Quantum and will support a tax abatement in support of the project.

Greg West provided additional information and recommendations.

Mr. West indicated that the company would create 47 new jobs and invest \$1.32 million as a result of this project.

Recommendation: MEDC Staff recommends a 75 percent standard employment tax credit for five years for up to 47 net new employees in excess of the company's established base of 21.

Board Discussion: Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed High-Technology MEGA Credits and recommends approval. Mr. Kleine asked if there were any questions from the Board. Being none, **Mr. Herman made a motion for approval of Resolution 2010-102. Ms. Corbin seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused; 1 absent.

Resolution 2010-103: Royal Oak Medical Devices, LLC (ROMD)

Clarinda Barnett-Harrison, MEDC Business Development Manager, provided background information for the action and introduced guest presenters: Chris Lievois, VP of Business Operations, ROMD; Phil L'Esperance, Business Unit Manager, ROMD; and Joe Young, Village Manager, Village of Oxford.

Mr. Lievois indicated that ROMD was a startup company that is now looking to diversify into the medical device industry. Mr. Young indicated that the community has a good base of engineering talent to help ROMD expand and is supportive of a tax abatement in support of this project.

Josh Hundt provided additional information and recommendations.

Mr. Hundt indicated that the company would create 26 new jobs and invest \$2.6 million as a result of this project.

Recommendation: MEDC Staff recommends a 75 percent standard employment tax credit for five years for up to 26 net new employees in excess of the company's established base of 201.

Board Discussion: Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed High-Technology MEGA Credits and recommends approval. Mr. Kleine asked if there were any questions from the Board. Being none, **Mr. Garcia made a motion for approval of Resolution 2010-103. Ms. Corbin seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused; 1 absent.

Resolution 2010-104: Waltonen Engineering, Inc. (Waltonen)

Michelle Elder, MEDC Business Development Manager, provided background information for the action and introduced guest presenters: Lloyd Brown, President, Waltonen; Beth McReynolds, VP, Waltonen; Gina Cavaleri, Director of Community Development, City of Warren; and Justin Robinson, Macomb County.

Mr. Brown indicated that Waltonen is diversifying quickly, with changes being seen on a daily basis. Mr. Brown indicated that the diversification effort could not be done without the support from the MEGA Board. Ms. Cavaleri indicated that Waltonen is a model partner with the City of Warren and that the community would support a tax abatement in support of this project. Mr. Robinson indicated that the entire community is very supportive of this project.

Mr. Kleine asked what percentage of the business was defense related. Mr. Brown indicated that 65-70% of the business was defense related.

Marcia Gebarowski provided additional information and recommendations.

Ms. Gebarowski indicated that the company would create 145 new jobs and invest \$9 million as a result of this project.

Recommendation: MEDC Staff recommends a 75 percent standard employment tax credit for four years for up to 145 net new employees in excess of the company's established base of 125.

Board Discussion: Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed High-Technology MEGA Credits and recommends approval. Mr. Kleine asked if there were any questions from the Board. Being none, **Mr. Herman made a motion for approval of Resolution 2010-104. Mr. Garcia seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused; 1 absent.

Resolution 2010-105: YourSource Management Group, Inc. (YSMG)

Clarinda Barnett-Harrison provided background information for the action and introduced guest presenters: Todd Lancaster, President, YSMG; Steve Chargo, CFO, YSMG; Laurie Johnson, Economic Development Coordinator, City of Auburn Hills; and Irene Spanos, Senior Business Development Representative, Oakland County.

Mr. Lancaster indicated that YSMG serves as a strategic HR support provider that is developing its own proprietary products. Ms. Johnson indicated that the community is supportive of a tax abatement in support of this project. Ms. Spanos indicated that the entire community is very supportive of YSMG and is excited to see them expanding in the area.

Greg West provided additional information and recommendations.

Mr. West indicated that the company would create 27 new jobs and invest \$1.5 million as a result of this project.

Recommendation: MEDC Staff recommends a 75 percent standard employment tax credit for five years for up to 27 net new employees in excess of the company's established base of 14.

Board Discussion: Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed High-Technology MEGA Credits and recommends approval. Mr. Kleine asked if there were any questions from the Board. Being none, **Mr. Garcia made a motion for approval of Resolution 2010-105. Ms. Corbin seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused; 1 absent.

PROPOSED RURAL MEGA CREDITS:

Resolution 2010-106: Piranha Hose Products, Inc. (PHP)

Lydia Murray, MEDC Business Development Manager, provided background information for the action and introduced guest presenters: Tom Hanyok, President, PHP; Christina Beydoun, Finance Manager, PHP; Dean Rohn, Materials Manager, PHP; and Marcus Peccia, City Manager, City of Cadillac.

Mr. Hanyok indicated that PHP manufactures high pressure thermal hoses, and has built the business so much that they send products to over 34 countries. Mr. Rohn indicated that the City of Cadillac has been very supportive of this project, and that PHP is very happy to be in the community.

Greg West provided additional information and recommendations.

Mr. West indicated that the company would create 45 jobs and invest \$6.35 million as a result of this project.

Recommendation: MEDC Staff recommends a 75 percent standard employment tax credit for five years for up to 45 net new employees in excess of the company's established base of 79.

Board Discussion: Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed Rural MEGA Credits and recommends approval. Mr. Kleine asked if there were any questions from the Board. Being none, **Mr. Buckler made a motion for approval of Resolution 2010-106. Ms. Corbin seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused; 1 absent.

PROPOSED MEGA AMENDMENTS:

Resolution 2010-107: ALTe, Inc.

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

Ms. Campbell indicated that ALTe, Inc. was approved for a High-Tech MEGA on February 25, 2010. Ms. Campbell indicated that the background check was not completed within the 90 day time period allowed for a MEGA company to enter into an agreement.

Recommendation: MEDC Staff recommends a 90-day lookback allowing the company to hire Qualified New Jobs to count toward the credit. MEDC staff also recommends the full 60 days to enter into an agreement with the MEGA should the company require that time for review and execution.

Board Discussion: Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed MEGA Amendment and recommends approval. Mr. Kleine asked if there were any questions from the Board. Being none, **Mr. Buckler made a motion for approval of Resolution 2010-107. Mr. Herman seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused; 1 absent.

Resolution 2010-108: Continental Automotive Systems Holding US, Inc. (CASH)

Karla Campbell provided background information for the action.

Ms. Campbell indicated that on July 21, 2009, the MEGA Board approved a Standard & Retention MEGA Credit for (CASH). Ms. Campbell indicated that the project is well underway, but that the facility listed in the credit agreement is no longer big enough to house the project.

Recommendation: MEDC Staff recommends expanding the project description location to include 1791 Harmon Road, Auburn Hills, as part of the identified project location.

Board Discussion: Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed MEGA amendment and recommends approval. Mr. Kleine asked if there were any questions from the Board. Being none **Mr. Buckler made a motion for approval of Resolution 2010-108. Mr. Herman seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused; 1 absent.

Resolution 2010-109: Signa Group, Inc. d/b/a Whitehall Industries (Signa)

Karla Campbell provided background information for the action.

Ms. Campbell indicated that Signa was awarded a Rural MEGA Credit in 2007. Signa was recently purchased, and is on target with the project as originally stated.

Recommendation: MEDC Staff recommends that Resolution 2007-054 be amended to reflect the credit transfer from Signa Group, Inc. d/b/a Whitehall Industries, Inc. to SRS Industries, LLC d/b/a Whitehall Industries. MEDC Staff also recommends the tax year ending date being changed from March 31 to a calendar year end of December 31. The MEGA Credit will still effectively go through March 31, 2015 to honor the full 7 year period of the credit.

Board Discussion: Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed MEGA amendment and recommends approval. Mr. Kleine asked if there were any questions from the Board. Being none **Mr. Buckler made a motion for approval of Resolution 2010-109. Mr. Garcia seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused; 1 absent.

Resolution 2010-110: United Solar Ovanic, LLC (USO)

Karla Campbell provided background information for the action.

Ms. Campbell indicated that USO was awarded a Standard MEGA Credit in 2005. Ms. Campbell indicated that the resolution wrongly identified the base employment as 195 instead of 184.

Recommendation: MEDC Staff recommends correcting Resolution 2005-041, by amending the Base Employment Level in the agreement from 195 to 184.

Board Discussion: Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed MEGA amendment and recommends approval. Mr. Kleine asked if there were any questions from the Board. Being none **Mr. Herman made a motion for approval of Resolution 2010-110. Ms. Corbin seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused; 1 absent.

Resolution 2010-111: Parker Hannifin Corporation (PHC)

Karla Campbell provided background information for the action.

Ms. Campbell indicated that PHC was awarded a Retention MEGA Credit on April 20, 2010. Ms. Campbell indicated that PHC has not signed their MEGA agreement within the 90 day period required.

Recommendation: MEDC Staff recommends that the parties be allowed to extend the time to enter into the agreement an additional 30 days and shall enter into the agreement no later than August 18, 2010.

Board Discussion: Mr. Garcia gave the Executive Committee report. Mr. Kleine asked if there were any questions from the Board. Being none **Mr. Garcia made a motion for approval of Resolution 2010-111. Ms. Mester seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused; 1 absent.

Resolution 2010-112: Magna Holdings of America, Inc. (Magna)

Karla Campbell provided background information for the action.

Ms. Campbell indicated that Magna was awarded a Standard MEGA Credit on April 20, 2010. Ms. Campbell indicated that Magna has not signed their MEGA agreement within the 90 day period required.

Recommendation: MEDC Staff recommends that the parties be allowed to extend the time to enter into the agreement an additional 30 days and shall enter into the agreements no later than August 18, 2010. The MEGA will also define the “Look-Back” period as “90 days prior to the Effective Date of the Agreement.”

Board Discussion: Mr. Garcia gave the Executive Committee report. Mr. Kleine asked if there were any questions from the Board. Being none **Mr. Buckler made a motion for approval of Resolution 2010-112. Mr. Herman seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused; 1 absent.

DISCUSSION: Mr. Kleine asked if there were any additional comments. There were none.

ADJOURNMENT: The meeting was adjourned by Mr. Kleine at 12:00 p.m.