MICHIGAN ECONOMIC GROWTH AUTHORITY BOARD
SEPTEMBER 23, 2008

ADOPTED MEETING MINUTES

A meeting of the Michigan Economic Growth Authority (MEGA) Board was held at the Radisson Hotel, Grand Avenue, Lansing, Michigan, on September 23, 2008.

MEMBERS PRESENT: Douglas Buckler; Susan Corbin (acting on behalf of Keith Cooley, authorization attached); James Epolito; Baldomero Garcia; Andrew Lockwood (acting on behalf of Robert Kleine, authorization attached); Jackie Shinn (acting on behalf of Kirk Steudle, authorization attached)

MEMBERS ABSENT: Cullen DuBose; Faye Alexander Nelson

CALL TO ORDER: James Epolito called the meeting to order at 10:06 a.m. and welcomed guests.

APPROVAL OF MINUTES: Mr. Epolito asked for a motion to approve the August 19, 2008 meeting minutes. **Mr. Buckler motioned approval of the minutes. Ms. Corbin seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused

PUBLIC COMMENT: Mr. Epolito opened the floor for public comment. There was none.

STANDARD MEGA CREDITS:

Resolution 2008-107: Consolidated Biscuit Company
Penny Launstein, Michigan Economic Development Corporation (MEDC) Site Selection and Special Projects Manager, introduced the guest presenters who provided background information on the company and this project: William Varney, Vice President of Consolidated Biscuit and Kevin Welch, City Manager of the City of Tecumseh.
Consolidated Biscuit Company (CBC), founded in 1963, is headquartered in McComb, Ohio. In 1963, CBC operated a one-oven line with approximately 30 employees. Over the next 45 years, the company has expanded to nine facilities in Ohio, Kentucky, Indiana, Minnesota, and Illinois employing 3,000. CBC is one of the largest independent full-line cookie and cracker manufacturers in the United States. In addition to its own label, CBC is also a contract packer for some of the largest name-brand national companies. Over the years, CBC has built a strong reputation for quality products, on-time delivery, competitive pricing and innovative R&D capabilities. Currently, CBC does not have any operations in Michigan.

Josh Hundt, MEDC Project Specialist, provided additional information on this project and the staff recommendation. CBC is considering purchasing an existing Tecumseh Products building and property for the company's first bakery in Michigan. In addition to the building and land acquisition, the company will also be acquiring, moving and installing bakery equipment. The overall capital investment for this project will be $12 million. The project will result in the creation of 500 new jobs over the next five years and will pay an average weekly wage of $484. The company will also offer healthcare benefits and pay a portion of the benefit costs.
Recommendation: The MEDC staff recommends a 100 percent standard employment tax credit for 10 years for up to 500 new jobs subject to the following: the company creates a minimum of 375 new jobs by the end of the seventh year of operations (2015) and continues to maintain that number in future years. Failure to do so will result in the remaining years to be forfeited.
Board Discussion: *Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed Standard MEGA Credit request and recommends approval.* Mr. Epolito asked if

there were any questions from the Board. Being none, **Ms. Shinn made a motion for approval of Resolution 2008-107. Mr. Garcia seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused

Resolution 2008-108: Faurecia USA Holdings, Inc.

Kasey Bracken, MEDC Business Development Manager, introduced the guest presenters who provided background information on the company and this project: Mike Kamsickas, Vice President of Faurecia USA Holdings, Inc.;; Laurie Johnson, Economic Development Coordinator of City of Auburn Hills; and Pam Valentik, Economic Development Specialist of the City of Troy.

The global Faurecia Group (Faurecia) is the worlds eighth largest Tier I supplier of automotive components to the global Original Equipment Manufacturers (OEM), with its worldwide headquarters in Nanterre, France. The Faurecia Group supplies OEM's with automotive seating, exhaust systems, front end modules and interior systems. The Faurecia Group's US legal structure includes the top level company Faurecia USA Holdings, Inc., which owns each of the three separate operating entities, Faurecia Interior Systems, Inc., Faurecia Automotive Seating, Inc. and Faurecia Exhaust Systems, Inc.

The majority of Faurecia's growth within Michigan has occurred in the past three years. At the end of 2003, Faurecia had only two small design shops in Troy and Auburn Hills and opened its first Michigan manufacturing plant in 2004, a Seating Division plant which is located in Auburn Hills. In 2006, Faurecia established five new Michigan locations, a core research facility in Holland, two manufacturing plants in Sterling Heights, and manufacturing plants in Fraser and Shelby Township. In 2007, Faurecia opened its first plant in Lansing. Faurecia USA Holdings, Inc. currently has 1,868 employees in Michigan.

The proposed project addresses current needs at two Faurecia facilities in Michigan and also the company's need to restructure and expand. The project includes the expansion of the Seating Division technical center in Troy, Oakland County, and also the relocation and expansion of its Interiors Division technical center and NAO headquarters in Auburn Hills. Together, the two projects will create up to 219 new engineering, technical, professional, managerial and clerical employees, and increases the combined size of the facilities, after the expansion and relocation, to 232,000 square feet.

The need for the expansion in Troy is necessary due to the acquisition of new OEM supply contracts, additional product validation requirements, the transfer of technical and administrative functions from Canada to the US, and the design and development of new domestic and international seating component platform systems. In Auburn Hills, the project includes relocating the current operations into a larger existing facility to allow Faurecia to expand its Interiors Division technical center and NAO headquarters. The technical center will focus on the design and development of new domestic and international vehicle interior system platforms, while the expanded headquarters will provide top-level support functions across all NAO operating divisions.

Greg West, MEDC Portfolio Manager, provided additional information on this project along with the staff recommendation. As stated, this project will create 219 new jobs with an average weekly wage of $973. Total investment over five years will be approximately $23.17 million. The company will offer health care benefits and pay a portion of the benefit costs.

Recommendation: MEDC staff recommends a 100 percent employment tax credit for seven years, for up to 219 net new employees.

Board Discussion: *Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed Standard MEGA Credit request and recommends approval.* Mr. Epolito asked if there were any questions from the Board. Being none, **Mr. Buckler made a motion for approval of Resolution 2008-108. Mr. Lockwood seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused

Resolution 2008-109: Health Care Services, Inc. D/B/A Accretive Health
Penny Launstein introduced the guest presenters who provided background information on the company and this project: Kenyetta Hairston Bridges, Business Retention Manager of the Detroit Economic Growth Corporation (DEGC); Jill Bland, Vice President of Southwest Michigan First; and Jerome Kisscorni, Economic Development Corporation Executive Director of the City of Kalamazoo.
Accretive Health was founded in 2003 and is based in Chicago, Illinois. The company provides outsourced revenue cycle management services to hospitals and hospital systems. Its revenue cycle management service includes pre-registration, scheduling, and admissions, as well as billing, collections, and contractual compliance. The company also offers hospital managed services, provider managed services, business process outsourcing, revenue cycle management, revenue cycle process, business office outsourcing, and cash flow improvements services. Overall in Michigan, the company employs 189 people.

Amy Deprez, MEDC Project Specialist, provided additional information on this project along with the staff recommendation. Accretive Health is reviewing options to develop "Centers of Excellence" and potentially consolidate facilities from Illinois, Missouri, and Florida. Two of Michigan's existing facilities are currently under consideration for expansion with the consolidation – Detroit and Kalamazoo. If the Michigan sites are selected the project will result in 650 new jobs, of which approximately 150 will be at the Detroit location and 500 at the Kalamazoo location. The positions will pay an average weekly wage of $611. The project will result in a capital investment of $2.5 million, primarily in lease costs. The company will also offer health care benefits and pay a portion of the benefit costs.
Recommendation: MEDC staff recommends a 100 percent employment tax credit for seven years, for up to 650 net new employees.
Board Discussion: *Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed Standard MEGA Credit request and recommends approval.* Mr. Epolito asked if there were any questions from the Board. Being none, **Ms. Shinn made a motion for approval of Resolution 2008-109. Ms. Corbin seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused

Resolution 2008-110: Leggett & Platt, Inc. D/B/A Genesis Seating
Karen Hinkle, MEDC Workforce Development Analyst, introduced the guest presenters who provided background information on the company and this project: Jeff Agar, Vice President/General Manager of Genesis Seating; Richard Root, Mayor of the City of Kentwood; Bill Cousins, Township Manager of Cascade Charter Township; and Susan Jackson, Senior Business Development Manager of The Right Place.
Genesis Seating, a division of Leggett & Platt, Inc., was established in 1994 to fit a growing need in the furniture marketplace: a product complete supplier where high-end products are designed, developed, assembled and shipped directly to the distributor or end user. Genesis Seating and its manufacturing partner Davidson Plyform, also a division of Leggett & Platt, Inc., are both wholly-owned subsidiaries of Leggett & Platt. Genesis Seating is currently located in Cascade Township and employs 90 people in Michigan. Davidson Plyform is also located in Cascade Township and employs 162 people in Michigan. Leggett & Platt also recently purchased another location in Spring Lake Township, Grand River Polishing, which employs 30 people in Michigan.

The proposed project will be a multi-site expansion of the Genesis Seating, and Davidson Plyform's operations in Michigan. Genesis Seating is currently at capacity at its current location in Cascade Township, where it shares a facility with Davidson Plyform. The company plans to move to the City of Kentwood in Kent County. The expansion will result in the creation of 131 new jobs, and a capital investment of $3.1 million.

Josh Hundt provided additional information on this project along with the staff recommendation. Davidson Plyform plans to fully utilize the space vacated by Genesis Seating. The expansion will result in the creation of 45 new jobs and a capital investment of $5.6 million. Grand River Polishing, recently purchased by Leggett & Platt in Spring Lake Township will remain at its current location and will create 57 jobs while making a capital investment of $620,000. In total the project will result in the creation of 233 net new jobs and a total capital investment of $9.1 million. The company will pay an average weekly wage of $465 for this project. The company will offer healthcare benefits, and pay portion of benefit cost.
Recommendation: MEDC staff recommends a 100 percent standard employment tax credit for 10 years, for up to 233 net new jobs above the company's current statewide base of 282.
Board Discussion: *Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed Standard MEGA Credit request and recommends approval.* Mr. Epolito asked if there were any questions from the Board. *Discussion ensued regarding the specific quality of the company's products and their forecast for the industry in a global economy, and also about the skill level and specific experience they look for when hiring.* Being no more discussion, **Mr. Garcia made a motion for approval of Resolution 2008-110. Mr. Lockwood seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused

Resolution 2008-111: NYX, Inc.
Larry Gormezano, MEDC Southeast Michigan Office Manager, introduced the guest presenters who provided background information on the company and this project: Daniel Laible, Vice President of Human Resources and Legal Affairs of NYX, Inc. (NYX); and Jeff Bryant, Economic Development Director of the City of Livonia.
NYX, Inc., headquartered in Livonia, Michigan, has been under its current ownership since 1989. The company is a minority owned market leader in automotive interior and under-hood products and solutions. NYX is a five-time General Motors (GM) supplier of the year, and recently responsible for the design and supply of the majority of the interior for the Saturn Aura and Chevy Malibu. In 2007, NYX, Inc. had annual sales of $249 million, up from $100 million in 2000. NYX, Inc. currently has 1,090 full-time employees in Michigan.

NYX anticipates opening a new corporate office and technology center, along with a manufacturing operation. The company has located an existing facility in the City of Livonia in Wayne County for this expansion. The facility, a former GM warehouse, has approximately 254,000 square feet of office and warehouse space. The facility will be refurbished to expand and improve existing office space, as well as add considerable manufacturing infrastructure.

Josh Hundt provided additional information about this project along with the staff recommendation. The company plans to make a total capital investment of $21.7 million related to this project. The project will create 168 qualified new jobs paying an average weekly wage of $713. The company will also offer healthcare benefits, and pay a portion of those healthcare costs.
Recommendation: MEDC staff recommends a 100 percent standard employment tax credit for six years, for up to 168 net new jobs in excess of the company's four quarter average of 1,206 employees.
Board Discussion: *Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed Standard MEGA Credit request and recommends approval.* Mr. Epolito asked if there were any questions from the Board. Being none, **Mr. Buckler made a motion for approval of Resolution 2008-111. Mr. Garcia seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused

Resolution 2008-112: SBC Internet Services, Inc. D/B/A AT&T Internet Services
Camille Walker, MEDC Business Development Manager, introduced the guest presenters who provided background information on the company and this project: Jim Murray, Vice President of Government Relations of AT&T Internet Services; and Kenyetta Hairston Bridges, Business Retention Manager of the DEGC.

SBC Internet Services is a subsidiary of the new AT&T, Inc., which has roots going back to Alexander Graham Bell. SBC Internet Services was organized in 1995 under the name Pacific Bell Internet Services. In 2004, the name changed to SBC Internet Services, Inc. The company is currently operating under the d/b/a name of AT&T Internet Services where applicable. SBC Internet Services provides internet service to customers. In addition to providing internet service, the company provides technical support and customer service to better serve the needs of the high-speed internet customers. Currently, SBC Internet Services does not have any employees in the Michigan.

The proposed project will result in a high-technology call center that will take in-bound calls for DSL customers in need of assistance with their internet service. The call center will be located at an existing facility currently operated by another AT&T entity in the City of Detroit, Wayne County.

Josh Hundt provided additional information on the project along with the staff recommendation. The proposed project will result in the creation of 300 new jobs. The newly created jobs will pay an average weekly wage of $445. The company will also offer healthcare benefits and pay a portion of the benefit costs. The total capital investment for this project is expected to be $1.7 million.
Recommendation: MEDC staff recommends a 60 percent standard employment tax credit for five years, for up to 300 new jobs. *Peter Anastor, TITLE, noted that while there were no contingencies originally attached to this project, based on the confidence expressed by Ms. Bridges that the 198 that had been applied for would get passed by the Detroit City Council, the Board could consider taking a vote to amend the resolution and adding this contingency. Discussion ensued and it was decided to vote on this amendment.* ***Ms. Shinn made a motion for approval of amending the resolution to include this contingency. Mr. Buckler seconded the motion.*** *The motion carried unanimously – 6 ayes; 0 nays; 0 recused*
Board Discussion: *Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed Standard MEGA Credit request and recommends approval.* Mr. Epolito asked if there were any questions from the Board. Being none, **Mr. Buckler made a motion for approval of Resolution 2008-112. Ms. Shinn seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused

<u>HIGH-TECH MEGA CREDITS:</u>

Resolution 2008-113: A2 Media Corporation D/B/A ICON Technologies Group
Karen Lee, MEDC Business Development Manager, introduced the guest presenters who provided background information on the company and this project: Robert Cleveland, Chief Executive Officer of A2 Media Corp.; and Tim Robinson, Executive Director of Incubator Operations of Ann Arbor SPARK.
ICON Creative Technologies Group, based in Ann Arbor, Washtenaw County, is an interactive agency developing enterprise level software that lets marketing and communications professionals manage their digital marcomm activities. ICON was established in 1994 and has served over 60 companies in the auto, biotech and financial services sectors.

Today, ICON has a commercially viable product that targets the ad hoc functions and processes carried out by corporate entities, and brings them together under the "COMMA" platform. With Comma, one administrator can manage the content on corporate, media and intranet sites for employees, micro-sites, blogs and email distributions by "syndicating" content from the main platform. This means less resources are needed to carry out publishing tasks and more resources can be directed towards content development, strategic implementation and development of new marketcomm tactics. ICON Creative Technologies Group currently has 15 employees in Michigan.

The proposed project includes the expansion of operations at ICON's current site in Ann Arbor and eventually relocating to a larger facility in Ann Arbor. As ICON introduces Comma to the market, teams of developers and IT professionals will be required to support the install, integration, training, hosting and support of the platform. The necessary growth can be accommodated either by the proposed internal expansion or by contracting with external resources outside of Michigan. Bringing these new jobs in-house instead of outsourcing would require ICON to relocate to a new facility in the Ann Arbor Township area.

Greg West provided additional information on this project along with the staff recommendation. Total investment over five years will be approximately $2.7 million. This project will create 63 new jobs with an average weekly wage of $1,195. The company will also offer health care benefits and pay a portion of the benefit costs.
Recommendation: MEDC staff recommends a 100 percent employment tax credit for 10 years, for up to 63 net new employees subject to the following: Provided that the company create a minimum of 63 jobs, over the employment base of 15, by the end of the seventh year of operations and continues to maintain that number in future years. Failure to do so will result in the remaining years to be forfeited.
Board Discussion: *Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed High-Tech MEGA request and recommends approval.* Mr. Epolito asked if there were any questions from the Board. Being none, **Mr. Garcia made a motion for approval of Resolution 2008-113. Mr. Buckler seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused.

Resolution 2008-114: Barracuda Networks, Inc.
Karen Lee introduced the guest presenters who provided background information on the company and this project: Sean Heiney, Production Manage of Barracuda Networks, Inc.; and Tim Robinson, Executive Director of Incubator Operations of Ann Arbor SPARK.
Barracuda Networks, Inc. is the worldwide leader in email and Web security appliances. Barracuda Networks also provides world-class IM protection, application server load balancing and message archiving appliances. Since its inception in 2004, Barracuda Networks continues to gain wide acclaim from customers, media and analysts by offering exceptional customer service, top-notch products and engaging partner programs.

More than 50,000 companies, including Coca-Cola, FedEx, Harvard University, IBM, L'Oreal, NASA, and Europcar, are protecting their networks with Barracuda Networks solutions. The company is privately held with its international headquarters and manufacturing facility based in Campbell, California. Barracuda Networks has offices in eight international locations and distributors in more than 80 countries worldwide. Barracuda Networks, Inc. currently has 23 employees in Michigan.

Greg West provided additional information on this project along with the staff recommendation: Barracuda seeks to expand its product portfolio and build new projects in an expanded research and development center, which would require a relocation to a larger existing building in Ann Arbor, Washtenaw County. The company plans to create 185 jobs over the five year period. Staffing positions include software developers, quality assurance engineers, as well as technical support staff and managers for the related newly developed products. Total investment over five years will be approximately $2.55 million. This project will create 185 new jobs with an average weekly wage of $680, with a proposed increase to $984 a week by 2014. The company will also offer health care benefits and pay a portion of the benefit costs.
Recommendation: MEDC staff recommends utilizing the 200 percent pull-ahead MEGA Tax credit. However, because the credit is 80 percent staff recommends a 160 percent personal income tax

withholding credit for each of the first three years and an 80 percent credit for each of the remaining four years, for up to 185 net new employees.
Board Discussion: *Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed High-Tech MEGA request and recommends approval.* Mr. Epolito asked if there were any questions from the Board. Being none, **Mr. Lockwood made a motion for approval of Resolution 2008-114. Ms. Shinn seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused.

Resolution 2008-115: Hino Motors Manufacturing USA, Inc.
David Kurtycz, MEDC Business Development Manager, introduced the guest presenters who provided background information on the company and this project: Hiroyuki Kobayashi, Senior Vice President of Sales, Purchasing, and Administration of Hino Motors Manufacturing USA, Inc.; Elizabeth Janovic, Legal Specialist of Hino; and Chuck Holmes, Senior Business Development Representative of Oakland County.
Hino Motors Manufacturing, Inc. (HMM), based in Japan, a wholly-owned subsidiary of Hino Motors Ltd. (HML). HMM has three principle businesses in the United States: manufacturing and assembly of Class IV through VII commercial trucks, serving as the parts distribution operation for commercial truck parts destined for various export markets, and manufacturing parts for certain Toyota trucks that are produced in the United States. The company currently has 36 full-time employees in Michigan.

HMM is considering consolidating and expanding various administrative, research and development, quality assurance, and other back office work at its current facility in the City of Farmington Hills in Oakland County.

Josh Hundt provided additional information on the project along with the staff recommendation:
The proposed project will result in the creation of 10 jobs in the next year and 34 jobs over the next five years. The average weekly wage for these newly created jobs is $1,145. The company will also offer healthcare benefits and pay a portion of the benefit costs. The total capital investment for this project is expected to be $3 million.
Recommendation: MEDC staff recommends a 100 percent high-wage employment tax credit for seven years for up to 34 net new employees in excess of the company's current four quarter average of 38 full-time employees.
Board Discussion: *Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed High-Tech MEGA request and recommends approval.* Mr. Epolito asked if there were any questions from the Board. Being none, **Mr. Buckler made a motion for approval of Resolution 2008-115. Mr. Garcia seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused.

Resolution 2008-116: Mando America Corporation
David Kurtycz introduced the guest presenters who provided background information on the company and this project: Ronald Harkrader, Executive Director of Mando America Corp.; Rob Kozlowski, Director of Sales and Marketing of Mando; Ara Topouzan, Economic Development Manager of the City of Novi; Chuck Holmes, Senior Business Development Representative of Oakland County.
Mando America Corporation, incorporated in 2003, is a manufacturer of brake, steering and suspension systems for the automobile and truck industries in North America. The company was originally a wholly-owned subsidiary of Mando Corporation, based in Seoul, South Korea. In 2008, Mando Corporation was purchased by Halla Construction and Engineering Corporation, also based in Seoul. Mando America's headquarters is in Opelika, Alabama, close to its primary manufacturing facility. Primarily, Mando America Corporation supplies Korean automotive manufacturers, such as Hyundai and Kia, and to a lesser degree the Big Three domestic manufacturers and their suppliers. Currently, the company has 51 associates in Michigan.

Mando America is planning to expand its R&D and testing operations over the next five years and is considering Michigan for that expansion. The company proposes to build an 85,000 square foot R&D and testing facility in Novi. The company currently has a research & development facility in Plymouth, which will be closed. The Plymouth facility is at capacity and will not accommodate the expansion. All employees will be moved to the new location.

Amy Deprez provided additional information on this project along with the staff recommendation:
Total capital investment associated with this expansion will be approximately $17.5 million, of which $7.5 million will be for the land and building and approximately $10 million for machinery and equipment. The expansion will create approximately 101 new jobs, paying an average weekly wage of $1,544. The company will also offer health care benefits and pay a portion of the benefit costs.
Recommendation: MEDC staff recommends a seven-year high technology employment tax credit, consisting of a 200 percent credit for the first three years and 100 percent for the remaining four years, for up to 101 net new employees.
Board Discussion: *Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed High-Tech MEGA request and recommends approval.* Mr. Epolito asked if there were any questions from the Board. Being none, **Mr. Garcia made a motion for approval of Resolution 2008-116. Ms. Corbin seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused.

Resolution 2008-117: Plexus Systems, Inc.
Christine Roeder, MEDC Business Development Manager, introduced the guest presenters who provided background information on the company and this project: Michael Twarozynski, Chief Financial Officer of Plexus Systems, Inc.; and Laurie Johnson, Economic Development Coordinator of the City of Auburn Hills.
Plexus Systems, Inc., located in Auburn Hills, offers an industry leading on-demand manufacturing performance system. The company's flagship product, web-hosted Plexus Online™, connects and manages the total manufacturing process. Plexus Online consists of over 350 functional modules allowing companies instant access of critical information using a simple web browser. Plexus Online includes shop floor control, traceability, quality management, EDI, accounting, lean manufacturing, and many other capabilities. The company's online customers are in various sectors, including: automotive, aerospace and defense, medical devices, discrete and complex manufacturing, stamping, forging, metal forming and machining, injection molding and plastics, fastening, steel processing, casting, tooling, assembling, engineering and machine building. Currently, the company has 106 associates in Michigan.

The company will be expanding its operations in support of current and future development of its web-hosted Plexus Online software. In order to accommodate the expanded growth, the company proposes to relocate a portion of its current operations to an existing facility in Auburn Hills, while maintaining some portions at their current headquarters site. The realigning would allow for whole departments to be housed together making operations more efficient.

Amy Deprez provided additional information on this project along with the staff recommendation:
The company anticipates the creation of approximately 298 new jobs by the year 2013, paying an average weekly wage of $1,511 and estimates that the total investment will be approximately $3.9 million. The company will also offer health care benefits and pay a portion of the benefit costs.
Recommendation: MEDC staff recommends a 100 percent high-technology employment tax credit for 10 years, for up to 298 net new employees.
Board Discussion: *Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed High-Tech MEGA request and recommends approval.* Mr. Epolito asked if there were any questions from the Board. Being none, **Mr. Buckler made a motion for approval of Resolution 2008-117. Ms. Shinn seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused.

Mr. Epolito took a moment to thank the various communities that were represented at the meeting. He went on to note that these companies didn't just show up to the meeting on a whim. They have been aggressively working to start/grow their companies. They have recognized the recession in Michigan and they are working hard in these tough economic times.

Mr. Buckler added that it was encouraging to see how many companies are expanding and the various things that are being done by partners and communities to help them succeed.

Resolution 2008-118: Premier Tool & Die Casting Corporation

Jennifer Owens, MEDC Director of Michigan Retention and Growth, introduced the guest presenters who provided background information on the company and this project: Paul Brancaleon, President of Premier Tool & Die Casting Corp.; Kevin Anderson, City Manager of the City of Dowagiac; Rozanne Scherr, Assistant City Manager of the City of Dowagiac.

Premier Tool & Die Cast Corp. was founded in 1963 in Berrien Springs, Michigan. It began by producing zinc and aluminum die castings for a small customer base. The company has since grown to include three additional facilities in Michigan and one in New York. Premier Tool & Die Cast Corp.'s customer base has expanded to over 60 companies with worldwide distribution of products. The customer base includes companies such as General Motors, Toyota, Whirlpool, Steelcase, and Cisco. The company currently has 229 full-time employees in Michigan. Premier Tool & Die Cast Corp. is considering locating a new facility in the City of Dowagiac, in Cass County. The facility will create aluminum die castings on high speed, highly flexible and high tolerance CNC machines.

Josh Hundt provided additional information on this project along with the staff recommendation:
The proposed project will create 19 jobs in the next year and 62 jobs over the next five years. These jobs will pay an average weekly wage of $631. The company will also offer healthcare benefits, and pay a portion of the benefit costs. Total capital investment for the project is expected to be $5.375 million.

Recommendation: MEDC staff recommends a 100 percent high-technology employment tax credit for seven years for up to 62 net new employees.

Board Discussion: *Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed High-Tech MEGA request and recommends approval.* Mr. Epolito asked if there were any questions from the Board. *Mr. Epolito asked the company representatives why they thought, in their opinion, their tool & die operation was continuing to thrive while so many others in are closing down. Discussion ensued about the company's growth areas and the aspects of labor they focus on in order to achieve growth.* Being no more discussion, **Mr. Buckler made a motion for approval of Resolution 2008-118. Ms. Corbin seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused.

Resolution 2008-119: Sequenom, Inc.

Michael Hagen, MEDC Industry Business Development Manager, introduced the guest presenters who provided background information on the company and this project: Alan Mack, Senior Director of Prenatal Diagnostics of Sequenom, Inc.; Kara Wood, Economic Development Director of the City of Grand Rapids; and Susan Jackson, Senior Business Development Manager of The Right Place.

Sequenom, Inc. (Sequenom), incorporated in 1994 and based in San Diego, California, is a genetics and molecular diagnostic company providing genetic analysis products and services and developing diagnostic tests initially targeted at non-invasive prenatal genetic disorders. The company is developing various molecular diagnostic tests in prenatal genetic disorders, oncology and infectious diseases. Sequenom's research and development team is working on technologies and methodologies that will provide accurate information early in the pregnancy and anticipate that it will reduce the need for amniocentesis and contribute to the care and prevention of birth defects. The introduction of Sequenom's

Fetal Nucleic Acid Technology has the potential to be the long-sought-after alternative to common procedures, such as amniocentesis and chorionic villus, because the technology is non-invasive, thereby posing no risk to the baby, and has the possibility to be performed earlier in the pregnancy. Currently, the company has one associate in Michigan.

Amy Deprez provided additional information on this project along with the staff recommendation: Sequenom plans to purchase an existing CLIA lab in Grand Rapids for clinical testing of maternal blood-seeking fetal nucleic acid for the purpose of genetic testing on the fetus utilizing all non-invasive techniques within the first trimester and later. The company anticipates the creation of approximately 523 new jobs by the year 2013, paying an average weekly wage of $1,720. As a result of the project, the company anticipates a total capital investment of approximately $20.25 million, including over $9.5 in machinery and equipment. The company will also offer health care benefits and pay a portion of the benefit costs.

Recommendation: MEDC staff recommends a 100 percent high-technology employment tax credit for 12 years, for up to 523 net new employees, continent upon the following: Provided that the company creates a minimum of 450 new jobs by the end of the tenth year of operations (2018) and continues to maintain that number in future years. Failure to do so will result in the remaining years to be forfeited.
Board Discussion: *Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed High-Tech MEGA request and recommends approval.* Mr. Epolito asked if there were any questions from the Board. Being none, *Mr. Epolito asked Mr. Hagen if he could break down the technologies that their company was working on so that those in attendance could understand and see what great things are happening in Michigan in the life sciences field. Mr. Hagen then proceeded to explain by example what these two technologies were and how they would be used.* Being no more discussion, **Mr. Lockwood made a motion for approval of Resolution 2008-119. Mr. Garcia seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused.

HIGH-TECH and RETENTION MEGA CREDITS:

Resolution 2008-120: Bissell, Inc.

Karen Hinkle introduced the guest presenters who provided background information on the company and this project: Kevin Veltman, Vice President – Corporate Controller of Bissell, Inc.; and Cathy Vander Meulen, Manager of the City of Walker.

Bissell, Inc. is one of the largest and oldest suppliers and manufacturers of floor care products in the world, with products including sweepers, vacuums, deep cleaning machines and cleaning formulas. Bissell is also the leader in the floor care industry with respect to annual dollar share of the market. The company has been headquartered in the Grand Rapids, Michigan area since the current CEO's great-grandfather invented the carpet sweeper in 1876.

The company's floor care products generally fall into three product lines: dry devices, wet devices and floor care chemicals. The company is proud to have recently received the EPA's "Designed for the Environment" (DFE) designation for most of the chemicals it produces at its Michigan facility on Walker Avenue. It is the first floor care chemical company to receive this designation. They have been in their current location since the late 1950's and currently have 309 employees in Michigan.

The proposed project includes both the retention of current jobs and new job creation in support of an operations expansion and the development of an Innovation Center at Bissell's Walker, Michigan facility.

The Innovation Center would be a centralized location for research and development related to Bissell's new and existing product lines. The activities performed at the Innovation Center will encompass both mechanical and chemical research and development engineering and supply chain management, and will retain 79 jobs that would otherwise move out of Michigan. The Innovation Center will increase the footprint of the building and require substantial capital investment in order to create the necessary highly technical accommodations.

The second phase of the project involves an expansion of Bissell's current operations, including the creation of 106 new positions, targeting research and development, sales and marketing, supply chain, finance and administration. In addition to the capital improvements necessary to house the new employees, approximately 17,100 square feet of additional space will be required for the creation of the Innovation Center.

Greg West provided additional information on this project along with the staff recommendation: This project will create 106 new jobs with an average weekly wage of $1,209 and retain 79 employees with an average weekly wage of $1,260. Total investment over five years will be approximately $7.75 million. The company will also offer health care benefits and pay a portion of the benefit costs.

Recommendation: MEDC staff recommends a 100 percent employment tax credit for 10 years, for up to 106 net new employees, and a 95 percent employment tax credit for 10 years, for up to the 79 retained employees included in the project.
Board Discussion: *Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed High-Tech and Retention MEGA Credits request and recommends approval.* Mr. Epolito asked if there were any questions from the Board. Being none, **Mr. Buckler made a motion for approval of Resolution 2008-120. Ms. Corbin seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused.

RETENTION MEGA and BROWNFIELD MBT CREDITS:

Resolution 2008-121: General Motors Corporation – Retention MEGA Credit
Resolution 2008-122: General Motors Corporation – Brownfield MBT Credit
Larry Gormezano introduced the guest presenters who provided background information on the company and this project: Eric Henning, Regional Director of State Government Relations of General Motors; Rick Zablocki, General Director of Tax Operations of General Motors; Candace Butler, Manager of Economic Development of the City of Pontiac; Susan Kayser of the Mayor's office of the City of Flint; and Steven Black, Community Development Director of the City of Bay City.
General Motors Corporation (GM), founded in 1908, manufactures and markets automobiles, automotive systems, engines, heavy-duty automatic transmissions and component parts worldwide. GM is headquartered in Detroit and employs about 284,000 people globally with manufacturing operations in 33 countries. GM is evaluating its overall product portfolio as it relates to the new Volt and other vehicle platforms. As part of the evaluation, GM is developing a business case for evaluating the best location for the development and production of these vehicles as well as other advanced energy and conventional fuel vehicles and their components.

The proposed project locations in Michigan are: **Detroit-Hamtramck** assembly plant; new construction on a Brownfield site in **Flint** for a 530,000 square foot engine plant; **Pontiac** Metal Center for stamping newer energy efficient vehicles; **Bay City** Components Plant for components work associated with the proposed new engine program; and the GM Technical Center in **Warren** for the battery research facility to develop the battery-based technology.

Valerie Hoag, MEDC Director of Packaging and Portfolio Management, provided additional information on this project along with the staff recommendation: The project will require total investment of approximately $838 million for expansions at the existing facilities and new construction of a Flint engine plant. This will retain a total 3,723 jobs at these locations (Detroit-2500, Flint-450, Pontiac-60, Bay City-

101, Warren-612). The Average Weekly Wage is estimated at $960. The company will also offer health care benefits and pay a portion of the benefit costs.

The City of Flint has approved a PA 198 Real Property Tax Abatement, estimated at $8 million over 15 years (3 years construction + 12 year abatement period).

Recommendation: MEDC staff recommends a 100 percent employment tax credit for fifteen years, for up to 3,723 retained employees included in the project. In order to collect any tax credits, the company must retain a minimum of 2,000 qualified full-time jobs as part of the company's current employment base of 21,718 jobs located at the five locations involved with this project; and must retain a minimum of 250 qualified full-time jobs at the Warren Technical Center as part of the company's current employment base of 18,000 jobs located at the Warren Technical Center. Additionally, the Brownfield Redevelopment staff recommends approval of a MEGA MBT Brownfield Redevelopment Credit of 12.5% of the eligible investment, not to exceed a $10,000,000 credit.
Board Discussion: *Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed Retention MEGA and Brownfield MBT Credit request and recommends approval.* Mr. Epolito asked if there were any questions from the Board. Being none, *Mr. Epolito asked Mr. Zablocki to share with the Board and guests, with all of the competition and everything else this industry is faced with, how much weight do these types of incentives carry – how crucial are they their success. Mr. Zablocki explained that they are crucial to the company's growth and it cannot be downplayed how important they are.* Being no more discussion, **Ms. Shinn made a motion for approval of Resolution 2008-121. Mr. Garcia seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused. Then, **Mr. Buckler made a motion for approval of Resolution 2008-122. Ms. Shinn seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused

<u>TOURISM MEGA and BROWNFIELD MBT CREDITS:</u>

Resolution 2008-123: Post-It Stables, Inc. (Look-Back) – Tourism MEGA Credit
Resolution 2008-124: Post-It Stables, Inc. (Look-Back) – Brownfield MBT Credit
Amy Deprez introduced the guest presenters who provided background information on the company and this project: Michael McInerney, President of Post-It Stables; Richard Barr, Partner of Honigman Miller Schwartz and Cohn; and Turkia Mullin, Assistant Wayne County Executivey.
Pinnacle Race Course is a development designed to bring thoroughbred horse racing back to Michigan in the Pinnacle Aeropark area, south of the Detroit Metropolitan Wayne County Airport. Post It Stables, Inc. is the developer of this operation and has experience in the development, operation and management of a track in connection with its previous ownership of Great Lakes Downs in Muskegon, Michigan. It invested millions of dollars in the form of acquisition costs, capital improvements and otherwise at Great Lakes Downs, prior to selling its interests in that track. Shareholders, Jerry Campbell and Felicia Campbell, have experience in racing, banking and finance, training, breeding and thoroughbreds respectively.

Currently, the operation directly employs 73 full-time associates in Michigan, as well as additional part-time associates and is responsible for numerous indirect jobs in conjunction with the racetrack.

The project consists of the development of 240 acres of a 320-acre site owned by Wayne County at the corner of Sibley and Vining Roads in Huron Township. The development will be an entertainment destination featuring thoroughbred horse racing, as well as other family-friendly equestrian events. Pinnacle Race Course will feature a one mile track, grandstands, picnic area, clubhouse, horse barns, and grooms' quarters.

The development will be done in three (3) phases. The initial phase started in April 2008 to accommodate the summer 2008 race season and included approximately $24 million in investment to relocate three drains and work on the initial track and surrounding facilities. Phase 2, anticipated to begin in the fourth quarter of 2008 and be completed in late 2009, will include the construction of a second (turf) track, additional horse barns, grooms' quarters, jockeys' quarters, site improvements, additional infrastructure and other facilities. Approximately $28 million is expected to be invested in Phase 2.

Phase 3, proposed to commence in 2009 or 2010 and be completed by 2011, would include construction of additional grandstands and a large clubhouse resulting in an additional $20 million in capital investment. Upon the completion of all the phases, total capacity at the Race Course is anticipated to be approximately 8,000 fans.

Amy Deprez provided additional information on this project along with the staff recommendation:
Total investment for this project is anticipated to be approximately $72 million over all the phases and will result in the onsite employment of over 700 people during the race season, of which up to 71 people will be employed full-time by Post It Stables, Inc. or its affiliate, Post It Stables Hospitality, LLC. The positions will pay an average weekly wage of $629. The additional job creation will be by other parties in support of the track, such as horse owners, jockeys, trainers, blacksmiths, onsite suppliers, and other independent contractors. The company will also offer health care benefits and pay a portion of the benefit costs.

Both Huron Township and Wayne County are enthusiastic and supportive of this project and have either already approved or anticipate the following support. Wayne County is expected to issue $28 to $30 million in public infrastructure bonds or otherwise finance the off-site infrastructure necessary to service the 320-acre site. Wayne County is also considering the issuance of $7 million in revenue bonds to support on-site infrastructure.

Additionally, state and local tax capture, through the use of Tax Increment Financing, was approved for this project in April of this year in the amount of $41,635,750.

Recommendation: MEDC staff recommends a 100 percent tourism employment tax credit for 10 years for up to 71 net new employees with a 90 day look back on the newly created jobs, provided that the combined total of the MEGA and Brownfield incentive package does not exceed $6.5 million. If the $6.5 million threshold is realized prior to the expiration of the MEGA credit years awarded, the remaining credit years will be forfeited. In addition, the Brownfield Redevelopment staff recommends a MEGA MBT Brownfield Redevelopment Credit of 12.5% of the eligible investment, not to exceed a $5,300,000 credit.
Board Discussion: *Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed Tourism MEGA and Brownfield MBT Credit request and recommends approval.* Mr. Epolito asked if there were any questions from the Board. *Mr. Buckler noted that he had been approached through his employer, the Michigan Regional Council of Carpenters and Millwrights, about potentially providing financial support to this project and therefore asked to be recused from the vote since this could be a potential conflict should they decide to become financially involved.* Being no more discussion, **Ms. Shinn made a motion for approval of Resolution 2008-123. Mr. Garcia seconded the motion.** The motion carried unanimously – 5 ayes; 0 nays; 1 recused. Then, **Ms. Corbin made a motion for approval of Resolution 2008-124. Mr. Lockwood seconded the motion.** The motion carried unanimously – 5 ayes; 0 nays; 1 recused

WORK PLAN APPROVALS:

Resolution 2008-125: City of Bay City – Carbone of America/Harrison Street Project
Peter Anastor, MEDC Manager of Community and Urban Development, introduced the guest presenters who provided background information on the company and this project: David Koster, Operations Manager of Carbone of America; Kurt Brauer, Partner of Warner Norcross & Judd, LLP; and Steven Black, Deputy City Manager of the City of Bay City.
Work Plan Request: $3,048,639 in local and school tax capture.
The location of the project is located at 900 – 915 Harrison Street in the City of Bay City and includes 9.25 acres. The TIF capture will cover public infrastructure that directly links to the Carbone facility and includes the demolition of Harrison Street, removal of out-of-date utilities, installation of replacement those underground utilities, re-grading of the sub-base of Harrison Street and the replacement of Harrison Street with asphalt.

The project is also seeking a small MBT Credit. The project will result in the renovation of an existing manufacturing development. The state package, with both the MBT and TIF capture, is necessary to insure that 126 existing jobs remain in Michigan. It is anticipated that the project will create roughly 65 full time positions paying an average weekly wage of $600.

Carbone of America has submitted a Brownfield MBT credit valued at $1,250,000. In addition, the City of Bay City granted Carbone of America a 50% PA 198 tax abatement for 12-years, based upon approximately $5 million in new real and personal property.

Recommendation: MEDC staff recommends approval of local and school tax capture for the eligible activities totaling $3,048,639, described above. Utilizing the current state to local capture ratio, the amount of school tax capture for this project is estimated at $1,229,457.
Board Discussion: *Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the Work Plan Approval request and recommends approval.* Mr. Epolito asked if there were any questions from the Board. Being none, **Ms. Corbin made a motion for approval of Resolution 2008-125. Ms. Shinn seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused

Resolution 2008-126: City of Hastings – Broadway and State Street Intersection Redevelopment
Peter Anastor introduced the guest presenters who provided background information on the company and this project: John Hart, Community Development Director of the City of Hastings; and Jeff Edwards of SME, Inc..
Work Plan Request: $221,125 in local and school tax capture.
The project by the developer, Agree Limited Partnership, has proposed the redevelopment of three contiguous parcels located at the northwest corner of the intersection of Broadway and State Street, in Hastings, Michigan. The redevelopment will involve demolition of three existing buildings, of which two are located on a contaminated property. Further, the redevelopment of these properties will result in retail space at the “gateway” to downtown Hastings, removing a highly visible brownfield site.

The project is expected to have minimal job creation associated with the retail opportunities at the estimated 19,250 square-foot building. The total capital investment for this project is anticipated at $6.0 million. Non-environmental Eligible activities include demolition and asbestos abatement.

A Work Plan has been submitted to the MDEQ for $437,964 in environmental Eligible Activities. Besides the Local TIF, the City and DDA will enter into an agreement with the Hastings BRA to contribute any tax increment revenue not captured directly by the BRA to reimburse Eligible Activities to this project.

Recommendation: The Brownfield Redevelopment staff recommends approval of local and school tax capture for the eligible activities totaling $221,125, described above. Utilizing the current state to local capture ratio, the amount of school tax capture for this project is estimated at $203,656.

Board Discussion: *Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the Work Plan Approval request and recommends approval.* Mr. Epolito asked if there were any questions from the Board. Being none, **Mr. Buckler made a motion for approval of Resolution 2008-126. Mr. Garcia seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused

BROWNFIELD MBT AMENDMENT:

Resolution 2008-127: Eastowne One, LLC
Resolution 2008-128: Eastowne Two, LLC
Resolution 2008-129: Eastowne Three, LLC

Peter Anastor introduced the guest presenter who provided background information on the company and this project: Bob Dysktra, Developer of Eastowne Development.

The MEGA Board approved three Large SBT Brownfield Redevelopment Tax Credits for Eastowne One, LLC, Eastowne Two, LLC and Eastowne Three, LLC on December 14, 2004. The project was subsequently amended in December 2006 to change the development mix, to add qualified taxpayers and to change the status of the projects to multi-phase.

The Eastowne developments are seeking an additional amendment, this time to add additional qualified taxpayers and to provide additional phasing as outlined below. The additional phasing will allow Eastowne to access needed capital into the projects by selling the credit after each phase is complete. All three projects are also requesting an extension of 5 years (until December 14, 2014) to complete the phases. As with most real estate developers, Eastowne is struggling to access the capital markets. However, with the developer's track record once, he is confident in his ability to secure financing once tenants are identified for each building.

In total there are fifteen sites, representing 15 different developments as part of the larger project (please see attached figure). Currently, two Certificate of Completions have been issued for lot 15 (a nine unit townhouse) and lots 6 & 9 (restaurant and office space). It is expected that lot 5, with retail on the first floor and office on the second floor will be completed in October of this year.

<u>Eastowne One:</u>
The Eastowne One, LLC will remain a three phase project as approved in 2006. In addition, the applicant is requesting to add Eastowne Eleven, LLC as a Qualified Taxpayer to complete phase three. This portion of the overall project will include two nine unit townhouses, with one already completed in December 2006 (Lots 15 & 14), and a 76 unit condominium project anticipated to start in the summer of 2010 and completed by fall 2011 (Lot 11). Total investment for the project is estimated at $12.59 million.

<u>Eastowne Two:</u>
The applicant is requesting an amendment to change the project from three phases to five phases, as well as the addition of Eastowne Four, LLC as a Qualified Taxpayer to complete Phases IV & V. Eastowne Five, LLC was previously added to complete Phase II. This portion of the overall Eastowne development will include two 18,000 square foot buildings with office and retail on the first floor and 10 apartments on the second floor (Lots 1 and 2). Estimated completion for these portions of the project is spring of 2010 and 2011. Three other two story buildings will also be completed, including two 20,000 square foot buildings with retail on the lower floors and office or residential on the second floor (summer 2012 and 2013), and a 24,000 square foot building with a mixture of retail, office and residential (summer 2011).

The investment for this project is still estimated at $11.29 million.

Eastowne Three:
The applicant is requesting to add 255 Seminole LLC as a Qualified Taxpayer for Phase II. In addition, the amendment would also add two phases for a total of five. Phase I includes a 6,000 square foot restaurant built for Tony's Bistrio and a 24,000 square foot building leased to Woodland Realty and Foremost Mortgage and was completed on January 31, 2007 (Lots 6 & 9). Phase II is an 18,000 square foot, two story mixed-use building with a coffee shop and a women's boutique on the first floor, and office space on the second floor. It is expected to be completed in October 2008 (Lot 5). In addition a 50,000 square foot building with office and retail on the first and second floor is expected to be complete in the summer of 2009 (Lot 10). Lastly, two 24,000 square foot two story mixed-use building with retail on the first floor, and offices or apartments on the second floor will be constructed and expect to be completed in the summer of 2009 (Lots 7 & 9). The investment for this project is estimated at $17.4 million, slightly lower than the previous request.

Recommendation: MEDC staff recommends approval of the amendments to add the qualified taxpayers and amend the phase designation as described above. In addition, MEDC also supports the approval of an additional five years to the December 14, 2009 completion time deadline for the projects. The total amount of MBT credits will not increase as a result of these amendments. The SBT Brownfield Redevelopment Credits will remain at 10% of eligible investment not to exceed a $1,244,000 credit for Eastowne One, LLC and Eastowne Eleven, LLC; not to exceed a $1,129,000 credit for Eastowne Two, LLC, Eastowne Four, LLC, and Eastowne Five, LLC; and not to exceed a $1,760,000 credit for Eastowne Three, Eastowne Ten, and 255 Seminole, LLC.
Board Discussion: *Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed Brownfield MBT Credit Amendment request and recommends approval.* Mr. Epolito asked if there were any questions from the Board. Being none, **Mr. Garcia made a motion for approval of Resolution 2008-127. Mr. Buckler seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused. Then, **Mr. Buckler made a motion for approval of Resolution 2008-128. Ms. Shinn seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused. Finally, **Ms. Shinn made a motion for approval of Resolution 2008-129. Mr. Garcia seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused.

Resolution 2008-130: City of Grand Haven – Grand Landing Redevelopment Project
Peter Anastor provided background information on the company and this project.
The City of Grand Haven's Work Plan request for the Grand Landing Redevelopment project was approved at the June 15, 2004 MEGA Board Meeting for a TIF valued at $10,411,791. Following the initial approval, a developer and construction company was identified and updated cost information was obtained for the project. The City of Grand Haven Brownfield Redevelopment Authority requested, and was approved for, an amendment to increase eligible activities to $24,193,286 on November 15, 2005. Eligible activities for school capture were to be completed within a three year window ending November 15, 2008

The project known as Grand Landing has already seen substantial development, with 100 jobs created and approximately $40 million in investment for the existing residential and retail components. Supporting this development, $5.6 million in eligible activities has already been invested for demolition, public utilities, public parking, street construction, and curb, gutter, and sidewalk installation.

However, the waterfront and hotel/convention phases remain in the final planning stages, with financing anticipated to be secured later this year. To support this development, critical eligible activities for public infrastructure, including pedestrian walk, plaza, construction of a railroad crossing and additional street improvements, have yet to be allocated and are unlikely meet the November 15, 2008 deadline. Therefore, the Grand Haven Brownfield Redevelopment Authority request an extension of the time period eligible activities are eligible for school tax capture to December 31, 2011.

Recommendation: MEDC staff recommends approval of this amendment to extend the duration of school tax capture until December 31, 2011. All other elements of the Work Plan request remain unchanged. Further, no additional amendments will be considered for this project.
Board Discussion: *Mr. Garcia gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed Brownfield MBT Credit Amendment request and recommends approval.* Mr. Epolito asked if there were any questions from the Board. Being none, **Ms. Shinn made a motion for approval of Resolution 2008-130. Mr. Garcia seconded the motion.** The motion carried unanimously – 6 ayes; 0 nays; 0 recused

DISCUSSION: Mr. Epolito asked if there were any additional items to be discussed. There was no additional discussion.

ADJOURNMENT: The meeting adjourned at 12:10 p.m.