



## MEMORANDUM

**TO:** Delegates of the Michigan Strategic Fund ("MSF") Board for the Michigan Business Development Program

**FROM:** Phil Santer, Regional Project Manager

**DATE:** March 26, 2012

**SUBJECT:** Approval of Michigan Business Development Request for a \$434,500 Performance-based Grant to:

Computerized Facility Integration, LLC  
18000 West Nine Mile Road, Suite 550  
Southfield, Michigan  
[www.gocfi.com](http://www.gocfi.com)

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### **BDP PROGRAM AND ITS GUIDELINES**

On December 21, 2011, the MSF Board approved the Michigan Business Development Program ("BDP") and its guidelines. The primary intended objective of the BDP is to provide incentives to businesses that create qualified jobs, make qualified investments, or a combination of both, in Michigan.

### **SOURCE OF INFORMATION**

It is the role of the Project Management staff ("MEDC Staff") to review for eligibility, completeness, and adherence to BDP guidelines, the information provided by the applicant and to manage the MSF's investment. Explanatory and background information is supplied in summary form to provide context for the request and is drawn exclusively from materials submitted by the applicant, and, as applicable, from other relevant third party sources utilized by staff.

### **HISTORY OF THE APPLICANT**

Computerized Facility Integration, LLC ("Applicant") is a comprehensive provider of consulting and systems integration for real estate and facility management. They provide facility management solutions to business clients by providing software services, consulting, implementation and product support. They work with several software applications including IBM Maximo and TRIRIGA. The Applicant has been in operation since 1998 and has operations in Southfield, Chicago, and New York. They currently employ over 45 people in Michigan.

The Applicant is the largest national technological implementation company for the TRIRIGA product, which will be used to service new contracts for the Applicant. TRIRIGA, which was recently acquired by IBM, is based near Las Vegas and has a niche skill set that makes Nevada an attractive site for the Applicant's expansion.

**Michigan Economic Development Corporation**

10 North Washington Square | Lansing, MI 48913 | 888.522.0103 | [MichiganAdvantage.org](http://MichiganAdvantage.org) | [michigan.org](http://michigan.org)

The Applicant has not previously received any incentives from the MSF.

### **PROJECT DESCRIPTION**

The Applicant plans to expand their existing operations in Southfield, Michigan, make investments and create jobs related to real estate and facility management tools.

- a) The Applicant is a "Qualified Business" that is located and operates in Michigan.
- b) The project will be located in the City of Southfield. The City of Southfield has offered a commitment to the project in the form of a three-year property tax abatement, estimated at \$17,000 in value.
- c) The Applicant has demonstrated a need for the funding based on the location of the TRIRIGA, which will be used to service their expected business growth. The product is headquartered in Las Vegas, Nevada and could find qualified employees by locating in that region. In addition, the Applicant conducted a cost analysis, which indicated higher costs for the Michigan location based on additional employee expenses and higher property taxes.
- d) The Applicant plans to create 79 Qualified New Jobs above a statewide base employment level of 46.
- e) Pursuant to the program guidelines, the following was taken into consideration for the proposed project: the Applicant indicates that job creation will begin immediately; Michigan is competing for this project with an out-of-state location; the jobs will pay high-wages; and the project results in a positive return on investment for Michigan.

### **INCENTIVE OPPORTUNITY**

This project involves the creation of 79 Qualified New Jobs and a capital investment of up to \$908,000 in the City of Southfield. The requested incentive amount from the MSF is \$434,500 in the form of a performance-based grant. Please see below for more information on the recommended action.

### **RECOMMENDATIONS**

MEDC Staff recommends (the following, collectively, "Recommendation"):

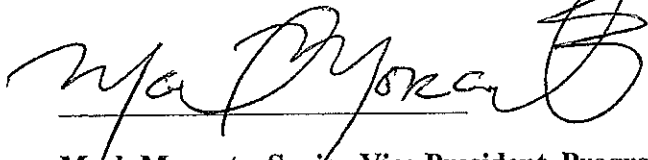
- a) Approval of the BDP Proposal as outlined in the attached term sheet (collectively, "BDP Proposal");
- b) Closing the BDP Proposal, subject to available funding under the BDP at the time of closing ("Available Funding"), completion of due diligence, the results of which are satisfactory to the MEDC (collectively, "Due Diligence"), finalization of all BDP transaction documents, and further subject to the following terms and conditions:
  - a. Commitment will remain valid for 90 days with approval for MSF Fund Manager to extend the commitment an additional 30 days.

### **APPROVAL AUTHORITY – BDP SUPPORT MEMO**

**Michigan Economic Development Corporation**



**Amy Deprez, Manager, Project Management**

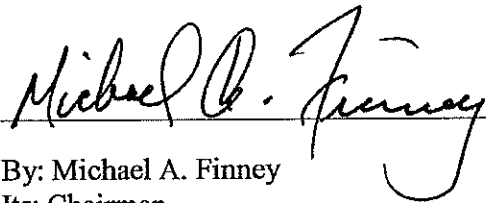


**Mark Morante, Senior Vice President, Program Management**

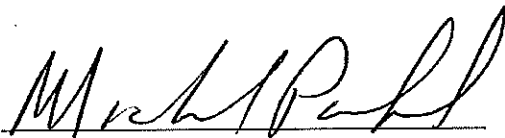
The Recommendation is approved subject to Available Funding and Completion of Due Diligence, and execution of all BDP transaction documents, all in accordance with the BDP and its guidelines:

Note: To utilize the delegation authority granted by the MSF Board, the approval of the Chairperson, and either the MSF Fund Manager or the MSF State Treasurer Director, are required for this commitment under the BDP:

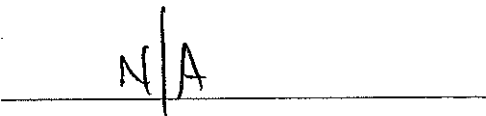
**Michigan Strategic Fund**



By: Michael A. Finney  
Its: Chairman



By: Michael Pohnl  
Its: Fund Manager



By: Andy Dillon, State Treasurer  
Its: Director