

**MICHIGAN STRATEGIC FUND
APPROVED MEETING MINUTES
May 25, 2021**

Members joined remotely

Britany L. Affolter-Caine, participating from Ypsilanti Township, MI
Paul Ajegba, participating from Ann Arbor, MI
Susan Corbin, participating from Lansing, MI
Rachael Eubanks, participating from East Lansing, MI
Paul Gentilozzi, participating from Lansing, MI
September Hargrove, participating from Detroit, MI
Amanda Bright McClanahan (on behalf of Chairman Noel), participating from East Lansing, MI
Charles P. Rothstein, participating from Farmington Hills, MI
Susan Tellier, participating from Grand Rapids, MI
Cindy Warner, participating from Traverse City, MI

Member absent

Ronald W. Beebe

I. CALL TO ORDER & ROLL CALL

Ms. Bright McClanahan called the meeting to order at 10:01 a.m. The meeting was held virtually via Microsoft Teams.

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

II. PUBLIC COMMENTS

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

III. COMMUNICATIONS

Ms. Wilcox Surmann advised Board members that revised material for the 7303 West McNichols LLC project in Detroit will be sent to members prior to consideration of the agenda item. She also advised members that a letter was received from Senator Wayne Schmidt in support of the GLC Northern Michigan Pine, LLC project in Traverse City; the letter is attached to the minutes.

IV. CONSENT AGENDA

Resolution 2021-067 Approval of Consent Agenda Items

Ms. Bright McClanahan asked if there were any questions from Board members regarding items under the Consent Agenda. There being none, Susan Corbin motioned for the approval of the following:

re

- a. Proposed Meeting Minutes: April 27, 2021
- b. Dakkota Integrated Systems, LLC: Next Michigan Development Corporation Renaissance Zone Amendment – **2021-068**

- c. iSourceWorldwide, LLC and SkyPoint Ventures, LLC: MBDP Loan Amendment – **2021-069**
- d. Ratification of Federal Funding Applications and Approval of MSF Authorized Representative Designation – **2021-070**

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

ROLL CALL VOTE: Ayes: Britany L. Affolter-Caine, Paul Ajegba, Susan Corbin, Rachael Eubanks, September Hargrove, Amanda Bright McClanahan (on behalf of Chairman Noel, designation attached), Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None

Paul Gentilozzi joined the meeting at 10:18 a.m.

V. ADMINISTRATIVE

- a. **Resolution 2021-071 State Historic Tax Credits: Acknowledgement of Draft Program Rules**

*Michele Wildman, Senior Vice President of Community Development, and Robb McKay, Historic Architect, provided the Board with information regarding this action item. The action involves approval of draft State Historic Tax Credit Program rules and delegate authority to the MSF Fund Manager to execute all documents related to completion of the rule promulgation process. Following discussion, Susan Tellier motioned for the approval of Resolution 2021-071. Charles P. Rothstein seconded the motion. **The motion carried: 10 ayes; 0 nays; 0 recused.***

ROLL CALL VOTE: Ayes: Britany L. Affolter-Caine, Paul Ajegba, Susan Corbin, Rachael Eubanks, Paul Gentilozzi, September Hargrove, Amanda Bright McClanahan (on behalf of Chairman, designation attached), Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None

VI. COMMUNITY VITALITY

- a. **Resolution 2021-072 Bagley Development Group LLC: Michigan Community Revitalization Program Loan Participation Award Amendment and Allocation of Funds (United Artist Building Project)**

*Julius Edwards, Senior Commercial Real Estate Investment Manager, provided the Board with information regarding this action item. This action involves approval to increase a Michigan Community Revitalization Program (MCRP) loan participation award by \$2,000,000 to \$7,000,000 and transfer \$2,000,000 in funds from the Jobs for Investment Fund to the MCRP for the purpose of this project through MCL 125.2088b(2) to support a community development project in the City of Detroit. The project is expected to result in total capital investment of \$85,770,009. Following discussion, Paul Gentilozzi motioned for the approval of Resolution 2021-072. Cindy Warner seconded the motion. **The motion carried: 10 ayes; 0 nays; 0 recused.***

ROLL CALL VOTE: Ayes: Britany L. Affolter-Caine, Paul Ajegba, Susan Corbin, Rachael Eubanks, Paul Gentilozzi, September Hargrove, Amanda Bright McClanahan (on behalf Chairman Noel, designation attached), Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None

Cindy Warner, recused from the next item, temporarily disconnected from the meeting; a recusal letter is attached to the minutes.

b. Resolution 2021-073 GLC Northern Michigan Pine, LLC: Michigan Community Revitalization Program Loan Participation Award (309 W. Front Street Project)

*Dan Leonard, Senior Community Assistance Team Specialist, provided the Board with information regarding this action item. This action involves approval of a \$2,900,000 Michigan Community Revitalization Program loan participation award, with up to \$750,000 forgivable upon construction completion and achievement of other performance criteria, to support a community development project in the City of Traverse City. The project is expected to result in total capital investment of \$25,339,947. Following discussion, Susan Corbin motioned for the approval of Resolution 2021-073. Britany L. Affolter-Caine seconded the motion. **The motion carried: 8 ayes; 0 nays; 1 recused; 1 abstained.***

ROLL CALL VOTE: Ayes: Britany L. Affolter-Caine, Paul Ajegba, Susan Corbin, Rachael Eubanks, September Hargrove, Amanda Bright McClanahan (on behalf of Chairman Noel, designation attached), Charles P. Rothstein, Susan Tellier; Nays: None; Recused: Cindy Warner; Abstained: Paul Gentilozzi

Cindy Warner rejoined the meeting.

c. Resolution 2021-074 Exchange Building LLC: Michigan Community Revitalization Program Loan Participation Award Agreement Amendment

*Lori Mullins, Managing Director of Community Development Incentives, provided the Board with information regarding this action item. This action involves approval of a resolution to rescind an existing Michigan Community Revitalization Program (MCRP) loan participation agreement and replace it with a MCRP performance-based direct loan and to authorize the MSF Fund Manager to consent to approximately \$4.7 million in future funding from TCF Bank. Following discussion, Paul Gentilozzi motioned for the approval of Resolution 2021-074. Britany L. Affolter-Caine seconded the motion. **The motion carried: 10 ayes; 0 nays; 0 recused.***

ROLL CALL VOTE: Ayes: Britany L. Affolter-Caine, Paul Ajegba, Susan Corbin, Rachael Eubanks, Paul Gentilozzi, September Hargrove, Amanda Bright McClanahan (on Chairman Noel, designation attached), Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None

September Hargrove, recused from the next item, temporarily disconnected from the meeting; a recusal letter is attached to the minutes.

d. Resolutions 2021-075 & 2021-076 7303 West McNichols LLC / City of Detroit Brownfield Redevelopment Authority: Michigan Community Revitalization Program Direct Loan and Brownfield Act 381 Work Plan Approval

Brittney Hoszkiv, Senior Community Assistance Team Specialist, provided the Board with information regarding these action items. These actions involve approval of a \$1,250,000 Michigan Community Revitalization Program performance-based direct loan and state tax capture capped at \$228,537 for Act 381 eligible activities to support a community development project in the City of Detroit. The project is expected to result in total capital investment of \$10,441,789. Following discussion, Paul Gentilozzi motioned for the approval of Resolution

2021-075. Charles P. Rothstein seconded the motion. **The motion carried: 9 ayes; 0 nays; 1 recused.**

ROLL CALL VOTE: Ayes: Britany L. Affolter-Caine, Paul Ajegba, Susan Corbin, Rachael Eubanks, Paul Gentilozzi, Amanda Bright McClanahan (on behalf of Chairman Noel, designation attached), Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: September Hargrove

Paul Gentilozzi then motioned for the approval of Resolution 2021-076. Susan Corbin seconded the motion. **The motion carried: 9 ayes; 0 nays; 1 recused.**

ROLL CALL VOTE: Ayes: Britany L. Affolter-Caine, Paul Ajegba, Susan Corbin, Rachael Eubanks, Paul Gentilozzi, Amanda Bright McClanahan (on behalf of Chairman Noel, designation attached), Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: September Hargrove

September Hargrove rejoined the meeting.

VII. INFORMATIONAL

Ms. Bright McClanahan noted the quarterly reporting for MSF delegated authority activity has switched to a monthly format. The report for the period April 1 to April 30, 2021, was included in the meeting packet. She asked if there were any questions from Board members regarding the information; there were none.

Ms. Bright McClanahan adjourned the meeting at 11:17 a.m.



MICHIGAN ECONOMIC
DEVELOPMENT CORPORATION

March 18, 2021

Michigan Strategic Fund
300 N. Washington Square
Lansing, MI 48913

RE: Designation of Amanda Bright McClanahan

To Whom It May Concern:

Pursuant to MCLA 16.51, I hereby confirm my designation of Amanda Bright McClanahan as the person authorized and empowered to act in my stead as a member of the Michigan Strategic Fund board for scheduled meetings I am unable to attend.

Sincerely,

D. Jeffrey Noel
President & Chairman, MSF
Chief Executive Officer, MEDC

PURE *M*ICHIGAN®



WAYNE A. SCHMIDT

37TH DISTRICT
P.O. BOX 30036
LANSING, MI 48909-7536

**THE SENATE
STATE OF MICHIGAN**

PHONE: (517) 373-2413
TOLL-FREE: (855) 347-8037
FAX: (517) 373-5144
senwschmidt@senate.michigan.gov

May 21, 2021

Michigan Strategic Fund

Dear Chairperson Noel,

Please accept this letter as a formal recommendation for GLC Northern Michigan Pine, LLC to receive a Michigan Community Revitalization Program (MCRP) loan participation award in Traverse City Michigan. Based on the impact that the project would have on the community it is a worthy cause to receive the award.

As State Senator for the Thirty-Seventh District of Michigan, and as a Traverse City native and current resident, I can personally speak to the importance of developments such as the one proposed in the 309 W. Front Street project. Across the State of Michigan and especially in Northern Michigan, there is a housing crisis. The multi-use development will provide much needed housing in Traverse City as well as more commercial use space. The blended income plan for the residential units is an intriguing and beneficial aspect of the development that will benefit the community.

I believe that the 309 W. Front Street project being undertaken by GLC Northern Michigan Pine, LLC would be worthy recipient of the Michigan Community Revitalization Program loan participation award. If you have any questions, please do not hesitate to call my office at (517) 373-2428.

Sincerely,

Wayne A. Schmidt
State Senator
37th District

May 25, 2021

Katelyn Wilcox
Assistant Chief of Protocol
Michigan Economic Development Corporation
300 North Washington Square
Lansing, MI 48913

RE: 309 West Front Street, Traverse City

Dear Katelyn,

I would like to recuse myself from the discussion on the above referenced property/ project as I know the developer, and I own the property directly across the street from this project. If this project moves forward it could potentially enrich me and increase my property value, therefore I prefer to not be involved in the discussion and will certainly not vote on the approval of this project.

Please let me know if questions.

Sincerely,

Cindy L. Warner

May 24, 2021

Katelyn Wilcox
Assistant Chief of Protocol
Michigan Economic Development Corporation
300 N. Washington Square
Lansing, MI 48913

Re: 7303 West McNichols LLC/McNichols Redevelopment

Dear Ms. Wilcox

This letter is to advise that I am recusing myself from deliberations and voting on the 7303 West McNichols LLC/McNichols Redevelopment agenda item during the Michigan Strategic Fund board meeting on Tuesday, May 25, 2021.

The reason for the recusal is that I have a conflict of interest with respect to the parties involved in the agenda item.

Regards,

September Hargrove