

**MICHIGAN ECONOMIC GROWTH AUTHORITY BOARD
OCTOBER 14, 2008**

ADOPTED MEETING MINUTES

A meeting of the Michigan Economic Growth Authority (MEGA) Board was held at the Michigan Economic Development Corporation (MEDC), 300 N. Washington Square, Lansing, Michigan, on October 14, 2008.

MEMBERS PRESENT: Douglas Buckler; Keith Cooley; Cullen DuBose; James Epolito; Baldomero Garcia; Michael Kapp (acting on behalf of Kirk Steudle, authorization attached); Andrew Lockwood (acting on behalf of Robert Kleine, authorization attached); Faye Alexander Nelson (by phone)

MEMBERS ABSENT: None

CALL TO ORDER: James Epolito called the meeting to order at 10:05 a.m. and welcomed guests.

APPROVAL OF MINUTES: Mr. Epolito asked for a motion to approve the September 23, 2008 meeting minutes. **Mr. Buckler motioned approval of the minutes. Director Cooley seconded the motion.** The motion carried unanimously – 8 ayes; 0 nays; 0 recused

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

STANDARD MEGA CREDITS:

Resolution 2008-131: Advanced Defense Vehicle Systems Corporation (ADVS)

Christine Roeder, MEDC Business Development Manager, introduced the guest presenters who provided background information on ADVS and this project: James LeBlanc, Sr., Chief Executive Officer - ADVS; Vera LeBlanc, President – ADVS; Irene LeFevre, Controller – ADVS; Gerald Dywasuk, Supervisor – Orion Charter Township; Mark Adams, Senior Business Development Manager – Oakland County.

Advanced Defense Vehicle Systems Corporation (ADVS), which began operations in March 2007, was formed around the concept of designing, developing, and manufacturing defense vehicles as a system of variants that meets current and future requirements of the military, and are fundamentally perfect for Homeland Security, and national security markets, with such uses as personnel carriers and rescue vehicles. With the company founders' 35+ years of experience in this field, the ADVS vehicle system concept has many significant technical features that are far superior to competitor's vehicles, such as high survivability (ballistic) capability, high-powered engine performance, minimal turning circle, quick and easy maintenance, and small logistics footprints. Currently, the company has 9 associates in Michigan.

ADVS has received a large contract from the Kuwait Government to design and build vehicles and turrets. In addition, the company is obtaining new training and vehicle contracts with Kuwait that would carry the company to the middle of 2014. ADVS is also working on securing additional contracts with other potential customers and believes that the potential to do so is very good. With the secured work and pending potential work, the company needs to expand its operations in order to accommodate this growth.

Amy Deprez, Project Specialist, provided additional information on this project and the recommendation. The company currently leases a facility in Lake Orion and would like to purchase and renovate that facility to maximize their operations. As a result of this project, the company would create an additional 223 jobs, paying an average weekly wage of \$1065 and would include a total capital investment of approximately \$5,455,000 over the next five years. The company will also offer health care benefits and pay a portion of the benefit costs.

Recommendation: MEDC staff recommends a 100 percent standard employment tax credit for 10 years, for up to 223 net new employees.

Board Discussion: *Mr. Lockwood 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. Mr. Epolito thanked the company for the great work they are doing and noted that the Board was honored to be part of such a great project. Director Cooley shared in Mr. Epolito's gratitude, noting that the great strides Mr. LeBlanc was making in the field of homeland security and defense was reassuring. Being no more discussion, Mr. Buckler made a motion for approval of Resolution 2008-131. Director Cooley seconded the motion. The motion carried unanimously – 8 ayes; 0 nays; 0 recused*

Resolution 2008-132: JCIM US, LLC

Jennifer Owens, MEDC Director of Michigan Retention and Growth, introduced the guest presenters who provided background information on the company and this project: Mark Mantay, Senior Group Counsel – JCIM; Bob Trezise, Director – Lansing Economic Development Corporation; Richard Watkins, Manager – Delta Township; Tim Keyes, Economic Development Director – City of Romulus.

JCIM US, LLC (JCIM), which began operations in July 2008, is an automotive supplier with annual sales estimated to be over \$1 billion dollars. The primary components supplied by JCIM are plastic injected molded products; for example, interior consoles of automobiles. Major OEMs are the primary customers of JCIM, including General Motors, Ford, Chrysler, and Toyota. Currently, the company has 3,647 associates in Michigan, however with the already announced closures and anticipated reductions at non-project sites the sustainable employment base will be set at 2,890. No reductions are expected at any of the project sites.

JCIM acquired the Plastech facilities July 1, 2008, and is currently in the process of setting its long term footprint in North America. In doing so, the company is reviewing the operations of all of its facilities throughout North America and has identified five Michigan facilities for potential growth including: Frenchtown 1 and 2, Romulus, Lansing, and Port Huron. This growth results from an increase in volume as a result of the transfer of machinery and equipment from out-of-state facilities to Michigan.

Amy Deprez provided additional information on this project and the staff recommendation.

As a result of the expanded operations at the project sites, JCIM will create approximately 325 new jobs, paying an average weekly wage of \$475 and will make a capital investment of about \$4 million. The company will also offer health care benefits and pay a portion of the benefit costs.

Recommendation: MEDC staff recommends a 100 percent standard employment tax credit for 10 years, for up to 325 net new employees, over the statewide employment base of 2,890. (Provided that each facility maintains a minimum of 51% of the current facility employment throughout the duration of the credit. Failure to do so will result in the remaining portion of the credit years being voided.)

Board Discussion: *Mr. Lockwood 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 2008-132. Mr. Garcia seconded the motion. The motion carried unanimously – 8 ayes; 0 nays; 0 recused*

Resolution 2008-133: Reino Linen Service, Inc.

Harry Whalen, MEDC International Business Development Manager, introduced the guest presenters who provided background information on the company and this project: Leonard Reino Linen Service, Chief Executive Officer – Reino, Judy Reino, President – Reino Linen Service, and Don Pedder, Vice President of Operations – Reino Linen Service, Greg Capote – Wayne County Economic & Neighborhood Development.

Reino Linen Service, Inc. began as a dry cleaning service in 1943 in Gibsonburg, Ohio, and is still located in that community. The company has evolved over the years and now provides complete laundry services to over 20 hospitals and 100 clinics and doctors' offices. These services include customer owned goods and a complete linen rental program. Healthcare linen processing is a special niche and requires compliance with multiple government regulations, and industry standards. Reino Linen Service is accredited by the Healthcare Laundry Accreditation Council. Reino Linen Service currently has no employees in Michigan.

Josh Hundt, MEDC Project Specialist, provided additional information on this project and the recommendation.

The company is considering opening a new plant in an existing facility in Brownstown Township in Wayne County. The proposed project will create 315 jobs over the next five years, and will pay an average weekly wage of \$452. The company will also offer healthcare benefits and pay a portion of the benefit costs. The company will make a total capital investment of \$11.57 million for this project.

Recommendation: MEDC staff recommends a 50 percent standard employment tax credit for five years, for up to 315 new jobs.

Board Discussion: *Mr. Lockwood 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. Nelson made a motion for approval of Resolution 2008-133. Director Cooley seconded the motion. The motion carried unanimously – 8 ayes; 0 nays; 0 recused*

Resolution 2008-134: United Solar Ovonic LLC

Jeff Mason, MEDC Senior Vice President of Business Development, introduced the guest presenters who provided background information on the company and this project: John Morgan, Vice President of Strategic Implementation and Administration – United Solar; Karl Dehn, Marketing Director – Battle Creek Unlimited; State Senator Mark Schauer.

United Solar Ovonic LLC ("United Solar") is the world leader in thin-film photovoltaics (PV). The Company has developed proprietary technology to reduce the material costs in a solar cell. They have pioneered the development of, and hold the fundamental patents on, a unique approach utilizing a proprietary continuous roll-to-roll solar cell deposition process. The products manufactured by United Solar are marketed under the brand name UNI-SOLAR®. United Solar Ovonic LLC is owned 100% by Energy Conversion Devices, Inc. United Solar currently has 870 full-time employees in Michigan. The company proposed the establishment of two new manufacturing facilities that utilize their proprietary technology in Battle Creek's Fort Custer Industrial Park.

Mr. Mason then provided additional information on this project and the recommendation.

This investment will add approximately 240 MW of manufacturing capacity, and require a capital investment of approximately \$440 million in real and personal property. The project is expected to create 700 new jobs earning an average weekly wage of \$540. 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 twenty years, for up to 700 net new jobs in excess of the company's projected statewide employment of 1,352.

Board Discussion: *Mr. Lockwood 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. Director Cooley commented that while most people would not understand now why an incremental shift in the cost of product is important, several years into the future, they will look back and will then be able to realize the importance. Mr. Epolito took the opportunity to thank Senator Schauer and the rest of the Michigan State Legislature for passing 11 new economic development tools, all within a six month period – these tools are allowing Michigan to become much more competitive in attracting and retaining businesses, and ultimately jobs. Being no*

more questions from the Board, **Director Cooley made a motion for approval of Resolution 2008-134. Ms. Nelson seconded the motion.** The motion carried unanimously – 8 ayes; 0 nays; 0 recused

HIGH-TECH MEGA CREDITS:

Resolution 2008-135: Morley Companies, Inc. (Look-Back)

Valerie Hoag, MEDC Director of Packaging and Portfolio Management, introduced the guest presenters who provided background information on the company and this project: Paul Furlo, President and Chief Executive Officer – Morley Companies, Richard Moot, Vice President and Chief Financial Officer – Morley Companies, and Christopher Furlo, Executive Vice President-Morley Companies; JoAnn Crary, President – Saginaw Future; State Representative Ken Horn.

Morley Companies, Inc. (“Morley”) was established in 1863, and earned acclaim as the second largest hardware company in the country prior to 1900 and as one of the world’s largest distributors of many products in the 1950s-’60s. For the last 40+ years, Morley has been providing the following types of service to its diverse group of Fortune 500 clients: Group Travel; Business Theater; Interactive; Research; Exhibits, Displays & Experiences; and Performance Improvement. In addition, in-house teams of information technology, creative and administrative experts work at the core of each program Morley operates.

To support its business model, Morley delivers legendary customer care while implementing sophisticated process management techniques. The company offers a unique set of services, each of which is designed to work as a singular solution or as part of an integrated approach to solve complex business challenges. Morley’s Information Technology team will be developing several advanced application interfaces to meet the operational requirements outlined for their Market Research services agreements. Dialer Integration and Call Recording are two of the more advanced hardware and software interfaces that have been or will be accomplished.

The proposed project entails the iSKY market research project which involves collecting customer opinions regarding their sales or service experience related to specified automotive dealers and their associated sales and/or service operations. This application is designed to maintain database information, generate client derived statistics, associated reporting and phone/call center activities which include but are not limited to automated dialers, recording, call activity summaries and statistical analysis.

Ms. Hoag then provided additional information on this project and the staff recommendation.

The company will invest approximately \$1.7 million at its existing facility in Saginaw Township. The project is anticipated to result in the creation of at least 90 new jobs initially with the potential to reach 350 if additional contracts are approved by Morley customers. The average weekly wage for all employees will be \$463, however, a large number of the new employees may need to utilize qualified health care benefits estimated at \$2.40 per hour in order to reach the 150% wage requirement to be eligible for the credit.

Recommendation: MEDC staff recommends a five year high technology employment tax credit of 200% for the first three years and 100% for the remaining two years, for up to 350 net new employees with a look-back to September 23, 2008 on the newly created jobs.

Board Discussion: *Mr. Lockwood gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed High-Tech MEGA Credit request and recommends approval. Mr. Epolito asked if there were any questions from the Board. Mr. Epolito took the opportunity to thank Representative Horn, and again the Michigan State Legislature, for all of the help they provided in furthering economic development in the state. Being no questions from the Board, Ms. Nelson made a motion for approval of Resolution 2008-135. Director Cooley seconded the motion.* The motion carried unanimously – 8 ayes; 0 nays; 0 recused

Resolution 2008-136: NetEnrich, Inc.

Karen Lee, MEDC Business Development Manager, introduced the guest presenters who provided background information on the company and this project: Varma Kunaparaju, CTO – NetEnrich; Vince Nystrom, Managing Director of Business Development – Ann Arbor SPARK.

NetEnrich, Inc., which began operations in October 2003 in California, helps companies keep their business-critical applications and IT infrastructure running 24x7 while freeing up IT staff to focus on strategic business. NetEnrich is the trusted brand for Remote Infrastructure Management (RIM/IMS), business application support, data center management and NOC services, managing thousands of devices worldwide using its secure, auditable and award-winning remote management technology & services. NetEnrich's award winning remote management VPMG technology has been successfully deployed at customers such as Toyota, Charles Schwab, Trend Micro, Savvis, Fujitsu, Toshiba and many others. Currently, the company does not have a presence in Michigan. NetEnrich, Inc. is planning to create a R&D and Network Operations Center (NOC) in the U.S. and Michigan is being considered. The company has identified and plans to lease office space in Washtenaw County.

Amy Deprez provided additional information on this project and the staff recommendation.

Total capital investment associated with this project will be approximately \$2.7 million, of which \$1.7 million will be for the lease and leasehold improvements and approximately \$700,000 for machinery and equipment. The expansion will create approximately 225 new jobs, paying an average weekly wage of \$1,042. The company will also offer health care benefits and pay a portion of the benefit costs.

Recommendation: MEDC staff recommends a 100 percent 10 year high technology employment tax credit for up to 225 net new employees.

Board Discussion: *Mr. Lockwood gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed High-Tech MEGA Credit request and recommends approval. Mr. Epolito asked if there were any questions from the Board. Being none, Director Cooley made a motion for approval of Resolution 2008-136. Mr. Buckler seconded the motion. The motion carried unanimously – 8 ayes; 0 nays; 0 recused*

RURAL MEGA CREDIT and WORK PLAN AMENDMENT:

Resolution 2008-137: Hagerty Insurance Agency – Rural MEGA Tax Credit

Resolution 2008-138: Hagerty Insurance Agency – Approval of Work Plan Amendment

Grand Traverse County – Rivers Edge Project

Lydia Murray, MEDC Business Development Manager, introduced the guest presenters who provided background information on the company and this project: Kim Hagerty, Owner and Director – Hagerty Insurance, Dan Beutler, Vice President of Accounting and Controller – Hagerty Insurance, and Carmen Stevens, Community Relations – Hagerty Insurance; Daniel Dingeman, Attorney – Hagerty Insurance; Ralph Soffredine, Traverse City Commissioner; Peter Zirnhelt, Chairman – Brownfield Redevelopment Authority, and Jean Derenzy, Coordinator – Brownfield Redevelopment Authority; Bryan Crough, Director – Downtown Development Authority; and Tino Breithaupt, Director – Traverse Bay Economic Development Corporation.

Headquartered in Traverse City, Michigan, Hagerty Insurance Agency, Inc. started out as a general lines insurance agency 40 years ago. They saw a need for specialty insurance and in 1984 launched a revolutionary Agreed Value policy for classic boat owners. In 1991, Hagerty launched specialty insurance for collector car owners, and today, they are the leading insurance agency for collector cars and boats in the United States. In less than 25 years, Hagerty has grown from a small agency headquartered in the Hagerty family basement to the leading provider of collector car and boat insurance in the United States. They currently have 358 employees in Michigan.

The proposed project includes the construction of an additional building and parking structure adjacent to Hagerty's current Grand Traverse County location in downtown Traverse City in order to continue its growth within the collector car and boat insurance industry throughout the world. The additional

occupancy space and parking available would allow Hagerty to expand its workforce in connection with its auto and marine insurance business throughout the United States and other countries. Hagerty currently issues policies to customers in the 48 continental states, Washington DC and the United Kingdom and they are projecting the need for 226 additional employees, an increase of 64%, over the next 5 years.

Greg West, MEDC Project Specialist, provided additional information on this project and the recommendation. Total company investment over five years will be approximately \$7.7 million. This project will create 226 new jobs with an average weekly wage of \$835. The company will also offer health care benefits and pay a portion of the benefit costs.

Recommendation: MEDC staff recommends a 100 percent Rural employment tax credit for seven years, for up to 226 net new employees. Further, MEDC staff recommends approval of local and school tax capture for the eligible activities totaling a maximum of \$6,257,149, as described above. Utilizing the current state to local capture ratio, the amount of school tax capture for this project is estimated at a maximum of \$5,411,808.

Ms. Derenzy clarified that there is no tax abatement being considered for approval. Therefore, following some discussion, **Director Cooley made a motion to edit the current proposed resolution 2008-137 by striking Paragraph F, which addresses the abatement as a contingency. Mr. Buckler seconded the motion.** The motion carried unanimously – 8 ayes; 0 nays; 0 recused.

Board Discussion: *Mr. Lockwood gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed Rural MEGA Credit request and request for Work Plan Amendment 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 2008-137. Director Cooley seconded the motion.** The motion carried unanimously – 8 ayes; 0 nays; 0 recused. Then, **Mr. Buckler made a motion for approval of Resolution 2008-138. Director Cooley seconded the motion.** The motion carried unanimously – 8 ayes; 0 nays; 0 recused.

WORK PLAN APPROVALS:

Resolution 2008-139: City of Sturgis – Kirsch Lofts, LLC

Peter Anastor, MEDC Manager of Community and Urban Development, introduced the guest presenters who provided background information on the company and this project: Scott Bosgraaf, Member – Kirsch Lofts; John Wiedlea, President – Kirsch Lofts, John Hayes, Economic Development Corporation Director – City of Sturgis; and John Byl, Attorney – Warner Norcross & Judd.

Work Plan Request: The City of Sturgis Brownfield Redevelopment Authority has submitted a work plan request for the approval of \$1,769,250 in local and school tax capture.

The Kirsch Lofts project is located at 308 North Prospect and 415 East Main, in Sturgis. The project will completely renovate and restore the vacant, functionally obsolete three-story building. It is located near a Superfund site known as the Sturgis Municipal wells, resulting in groundwater contamination at the property. The project will include lead and asbestos removal, and phased renovation.

Phase 1 is anticipated to be approximately 30,000 square feet of residential (24-32 condominium units) and associated parking. Phase 2 will be the build out of 30,000 more square feet of commercial space, possibly more residential and associated parking. Phase 3 will be the build out of the balance of the residential space (roughly 11-24 condominium units) and associated parking.

Mr. Anastor then provided additional information on this project and the recommendation.

The project is expected to create approximately 80-100 jobs at an average hourly wage of \$18 per hour. The total capital investment for the project is expected to be \$8.6 million with total eligible investment expected to be \$8.45 million.

Recommendation: MEDC staff recommends approval of local and school tax capture for the eligible activities totaling \$1,769,250, described above. Utilizing the current state to local capture ratio, the amount of school tax capture for this project is estimated at \$720,585.

Board Discussion: *Mr. Lockwood gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed Work Plan and recommends approval.* Mr. Epolito asked if there were any questions from the Board. Being none, **Ms. Nelson made a motion for approval of Resolution 2008-139. Director Cooley seconded the motion.** The motion carried unanimously – 8 ayes; 0 nays; 0 recused

Resolution 2008-140: County of Mason – Western Land Services Project

Peter Anastor introduced the guest presenters who provided background information on the company and this project: John Mason, President – Western Land Services; Joe Hooker, Developer – The Christman Company; John Byl, Attorney – Warner Norcross & Judd; and John Shay, City Manager – City of Ludington.

Work Plan Request: The Mason County Brownfield Redevelopment Authority has submitted a work plan request for the approval of \$504,638 in local and school tax capture.

This project will lead to the construction of the new K.E. Wilson Building, which will be located in downtown Ludington at the corner of Robert and Loomis Streets. Presently, the Ludington Fire Department building occupies this site, but this building will be demolished to make way for a mixed-use 5-story 45,000 square foot corporate headquarters. On the first floor this new building will be occupied by retail, with additional retail or office space on the second floor. Finally floors three through five will be the corporate headquarters for Western Land Services, Inc. The building will be divided into uses as follows; 20% retail, 20% office/retail mix and 60% Corporate Headquarters.

Mr. Anastor then provided additional information on this project and the recommendation.

This project will retain 86 existing jobs and create an estimated 40 new jobs. It is expected that the persons hired for the new jobs will make an average annual wage of \$38,500 per year. The total capital investment of this project is anticipated at \$8.3 million.

Recommendation: MEDC staff recommends approval of local and school tax capture for the eligible activities totaling \$504,638, described above. Utilizing the current state to local capture ratio, the amount of school tax capture for this project is estimated at \$235,666.

Board Discussion: *Mr. Lockwood gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed Work Plan and recommends approval.* Mr. Epolito asked if there were any questions from the Board. *Discussion ensued regarding any efforts that can be taken on the MEDC's part to ensure that any employee who is 1099ed by their employer is in fact paying those taxes.* Being no more discussion, **Mr. Buckler made a motion for approval of Resolution 2008-140. Mr. Mr. DuBose seconded the motion.** The motion carried unanimously – 8 ayes; 0 nays; 0 recused

[Mr. Buckler left the meeting temporarily.]

BROWNFIELD AMENDMENT:

Resolution 2008-141: City of Grand Rapids – 1234 Michigan Street Redevelopment Project

Peter Anastor provided background information on the company and this project.

The City of Grand Rapids' Work Plan request for the 1234 Michigan Redevelopment project was approved at the August 1, 2005 MEGA Board meeting for a TIF valued at \$592,000. Following the initial approval, demolition of the existing structures on site were completed, however no further development occurred at the property. The original project never moved forward due to economic and development conditions at the property.

A new project and developer has been identified for this property and work is set to begin on both the remaining eligible activities as well as vertical construction estimated at \$2.4 million. Limited amounts of the original Eligible Activities were completed and the new developer and Grand Rapids Brownfield Authority are requesting an additional three years to complete the eligible activities so that this project may move forward. The new developer is also seeking a mini MBT Credit.

Recommendation: MEDC staff recommends approval of the amendment to add an additional three years of time to complete the eligible activities outlined in the original work plan, with all eligible activities to be completed by August 1, 2011. All other MEGA elements of the Work Plan request remain unchanged.

Board Discussion: *Mr. Lockwood gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed Brownfield MBT 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 2008-141. Director Cooley seconded the motion.** The motion carried unanimously – 7 ayes; 0 nays; 0 recused

[Mr. Buckler returned to the meeting.]

MEGA AMENDMENT:

Resolution 2008-142: Brembo North America, Inc.

Joshua Hundt, MEDC Project Specialist provided background information on the company and this action and introduced guests to answer questions: Dan Sandberg, President – Brembo North America; John Van Fossen, Director of Governmental Affairs – Clark Hill; and State Senator Mark Schauer.

On June 17, 2008, the MEGA Board approved a combination Retention and Standard MEGA Credit for Brembo North America Homer, Inc. At that time, the project was a new North American headquarters and R&D building located in the City of Novi, and retention and job creation at the company's Albion Township facility. The project was to create 176 qualified new jobs at the Albion Township facility, and 42 qualified new jobs at the headquarters in Novi, creating a total of 218 qualified new jobs above the company's statewide base employment of 137. The qualified new jobs would pay an average weekly wage of \$874. The project would also retain 107 jobs at the Albion Township facility paying an average weekly wage of \$991.

Recommendations: MEDC staff recommends amending the credit as follows: **1)** The location of the headquarters and R&D Center will be Plymouth Township; **2)** Plymouth Township plans to support this project with a property tax abatement under PA 198 of 1974; **3)** The minimum base requirement for the project changed to 129; **4)** The average weekly wage of the retained jobs at the Albion Township facility will be \$811; **5)** The job creation will occur at both facilities but the company prefers the credit be under Brembo North America, Inc.; and **6)** Amending the retention MEGA credit to be up to a 100 percent retention tax credit for 5 years for the 107 jobs retained at the Homer facility assuming the company makes \$10.7 million of eligible capital investment at the facility.

Board Discussion: *Mr. Lockwood gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed MEGA Amendment request and recommends approval.* Mr. Epolito asked if there were any questions from the Board. *Director Cooley expressed his appreciation to the company for trying to make changes so they can remain in Michigan, rather than just relocating to another state so they don't have to make changes.* Being no questions from the Board, **Ms. Nelson made a motion for approval of Resolution 2008-142. Mr. Buckler seconded the motion.** The motion carried unanimously – 8 ayes; 0 nays; 0 recused

Resolution 2008-143: Business Intelligence Associates, Inc. (BIA)

Peter Anastor provided background information on the company and this action.

On August 19, 2008, the MEGA Board approved a 100 percent credit for seven years for BIA. This company is new to Michigan and has chosen to locate their new facility, which will house their legal document review, data housing, computer forensic and data processing services. At that time, the company was leaning toward Kalamazoo, although Portage had been under consideration. Now the company has determined that Portage would be the more suitable location. The MEGA has not yet entered into the agreement pending the change in location. The local commitment for this project remains the same with training funds from the local Michigan Works! agency.

Recommendation: MEDC staff recommends the change of the location from the City of Kalamazoo to the City of Portage, both locations in Kalamazoo County. All other terms of the resolution will remain the same.

Board Discussion: *Mr. Lockwood gave the Executive Committee report. The MEGA Executive Committee reviewed the proposed MEGA Amendment request and recommends approval.* Mr. Epolito asked if there were any questions from the Board. Being none, **Director Cooley made a motion for approval of Resolution 2008-143. Mr. Garcia seconded the motion.** The motion carried unanimously – 8 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 11:40 a.m.