



MICHIGAN STRATEGIC FUND

**BOARD MEETING AGENDA**  
**January 14, 2021**  
**12:00pm**

- I. CALL TO ORDER & ROLL CALL**
- II. PUBLIC COMMENT – PLEASE LIMIT PUBLIC COMMENT TO THREE (3) MINUTES**
- III. COMMUNICATIONS**
- IV. SUPPLEMENTAL BUDGET ITEMS**
  - a. Michigan Stages Survival Grant Program: Resolution to create a program to provide \$3.5 million in grants to eligible live music and entertainment venues impacted by the COVID-19 pandemic..... 2
  - b. Michigan Small Business Survival Grant Program: Resolution to create a program to provide \$55 million in small business survival grants to eligible businesses impacted by the COVID-19 pandemic..... 7
  - c. Resolution to establish a Delegation of Authority for the Michigan Stages Survival Grant Program and Michigan Small Business Survival Grant Program..... 15

*\*NOTE:* Hyperlinked bookmarks are included on this page to aid document navigation - click on the project title to access the project memo.



## MEMORANDUM

**Date:** January 14, 2021  
**To:** Michigan Strategic Fund Board  
**From:** Amanda Bright McClanahan, Chief Operating Officer  
**Subject:** Approval of the Michigan Stages Survival Grant Program

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### **Request Summary**

The Michigan Economic Development Corporation (“MEDC”) requests the Michigan Strategic Fund (“MSF”) Board approve the guidelines attached as Exhibit A to the Resolution for the Michigan Stages Survival Grant Program (the “Stages Survival Grant Program”); authorize an agreement between the MSF and the Michigan Independent Venue and Promoter Association (“MIVPA) to accept, review and approve grant applications by MIVPA; waive application of the MSF Background Review Policy for all awards issued under the Stages Survival Grant Program; and approve a delegation of authority for the MSF Fund Manager or the MSF President to distribute grant awards under the Stages Survival Grant Program, (collectively, the “Request”).

### **Background**

With the outbreak of COVID-19 and the related critical measures taken to reduce the impact of this public health emergency in Michigan, the State’s live music and entertainment venues are facing significant negative economic impacts. Public Act 257 of 2020 appropriates up to \$3,500,000 for the Stages Survival Grant Program for the purpose of awarding grants of not more than \$40,000 each to live music and entertainment venues negatively impacted by the COVID-19 virus and related measures to protect public safety. Applicants are not eligible to receive funding under both the Stages Survival Grant Program and the Small Business Survival Grant Program, however, other State or Federal grant funds may not preclude the applicant from receiving funding under the Stages Survival Grant Program.

The MSF Background Check Policy requires MSF grant recipients receiving \$15,001 to submit certification and disclosure forms, and also submit to the physical background check review process. Due to the number of grants, and to be able to process the grant funds to eligible businesses as quickly as possible as intended by the legislature, the MEDC recommends the MSF waive the application and requirement of the Background Review Policy, except for the written Applicant Certification (as outlined in the Resolution).

The proposed guidelines for the Stages Survival Grant Program are consistent with the requirements set forth in Public Act 257, as outlined in Exhibit A of the Resolution.

The proposed guidelines require that an eligible venue under this program must: (i) be located in the State of Michigan; (ii) employ less than 30 full time employees; (iii) have been existence prior to February 29, 2020; (iv) not be owned in operated in more than two states; (v) not be owned and operated with offices in more than one country; and (vi) is not listed on the national securities exchange as an issuer. Due to the dire impacts that the COVID-19 outbreak has imposed on live music and entertainment venues located in the State of Michigan, the MEDC is recommending approval of the Request to assist venues faced with significant economic impacts.

### **Recommendation**

The MEDC recommends the MSF Board approve the Request.

**MICHIGAN STRATEGIC FUND**

**RESOLUTION  
2021-001**

**APPROVAL OF THE  
MICHIGAN STAGES SURVIVAL GRANT PROGRAM AND GUIDELINES**

**WHEREAS**, the Michigan legislature passed, and the Governor signed into law the legislation being Public Act 257 of 2020, which in Section 401 thereunder, appropriates \$3,500,000 in unrestricted State general funding for the creation and operations of the Michigan stages survival grant program to provide Michigan stages survival grants to eligible businesses in this state (the “Supplemental Appropriation”);

**WHEREAS**, the Michigan legislature enacted the Michigan Strategic Fund Act, MCL 125.2001 et. seq., (“MSF Act”) to enable the MSF to provide incentives in the form of grants, loans and other economic assistance for the development and improvement of Michigan’s economy;

**WHEREAS**, in accordance with the Michigan constitution of 1963 and the Urban Cooperation Act of 1967, the Michigan Economic Development Corporation (“MEDC”) was formed on April 5, 1999 under an Interlocal Agreement between the MSF and participating public agencies (the “Interlocal Agreement”);

**WHEREAS**, pursuant to Section 9.05 of the Interlocal Agreement, the Supplemental Appropriation flows to the MEDC;

**WHEREAS**, the MEDC provides administrative services to the MSF;

**WHEREAS**, the MEDC wishes to transfer the funds received under the Supplemental Appropriation to the MSF (“Funding”) for the MSF to fund, create and operate the Michigan Stages Survival Grant Program as set forth in Public Act 257 of 2020;

**WHEREAS**, pursuant to the MSF Act, MCL 125.2007(c), the MSF has the power to make grants;

**WHEREAS**, by Resolution 2019-063, the MSF Board approved a Background Review Policy, which among things requires the submission of certification and disclosures forms from, and a civil and criminal background check on, the applicant, and certain of its affiliated individuals and owners (“Background Review Policy”);

**WHEREAS**, the Background Review Policy also requires a written certification from all applicants in the final written MSF agreements memorializing incentives that are \$15,001 or more, that the applicant and certain of its affiliated individuals and owners do not have the prohibited civil liabilities and criminal convictions described in Section 88c(4)(a) and (b) and will not use the funds for the prohibited purposes described in Section 88c(4)(c)(e) (“Applicant Certification”);

**WHEREAS**, the Michigan Independent Venue and Promoter Association (“MIVPA”) is an organization representing independent live music and entertainment venues;

**WHEREAS**, the MEDC recommends the MSF create and operate the Michigan Stages Survival Grant Program to provide grants to eligible live music and entertainment venues that have realized a significant financial hardship as a result of the COVID-19 emergency, as prescribed in Public Act 257 of 2020 (the “Stages Survival Grant Program”);

**WHEREAS**, the MEDC recommends the MSF approve the guidelines for the Stages Survival Grant Program a copy of which is attached as Exhibit A (the “Stages Survival Grant Program Guidelines”);

**WHEREAS**, the MEDC recommends that the MSF approve an agreement with MIVPA to accept, review, and approve applications for funding under the Stages Survival Grant Program Guidelines on behalf of the MSF (the “MIVPA Agreement”);

**WHEREAS**, for purposes of the Stages Survival Grant Program only, the MEDC recommends the MSF Board waive the application and requirement of the Background Review Policy, except for the Applicant Certification (“Stages Survival Grant Program Waiver”); and

**WHEREAS**, the MEDC recommends that the MSF approve the Funding, the Stages Survival Grant Program, the Stages Survival Grant Program Guidelines, the MIVPA Agreement and the Stages Survival Grant Program Waiver (collectively, the “Stages Survival Grant Program Requests”).

**NOW THEREFORE, BE IT RESOLVED**, the MSF Board approves the Stages Survival Grant Program Requests.

Ayes: Britany L. Affolter-Caine, Paul Ajegba, Mark Burton, Susan Corbin, Paul Gentilozzi, September Hargrove, Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Charles P. Rothstein, Susan Tellier, Cindy Warner

Nays: None

Recused: None

Abstained: Ronald W. Beebe

Lansing, Michigan  
January 14, 2021



## Michigan Stages Survival Grant Program Guidelines

### **PURPOSE**

The State of Michigan has allocated \$3.5 million to implement the Michigan Stages Survival Grant Program (“Program”) to support the needs of eligible Michigan live music and entertainment venues that have experienced a significant financial hardship due to the COVID-19 emergency.

### **GRANT PROGRAM OVERVIEW**

The Program will be carried out through one-time grants to eligible venues throughout Michigan. These funds are to be used for working capital to support payroll expenses, rent, mortgage payments, utility expenses, or costs related to reopening a business.

Live music and entertainment venues include businesses/organizations that produce and/or present live, disciplined-based performance experiences, to promote and provide connections through creative expression by sharing creative experiences, expressing their own creativity or connecting users with others and themselves.

The Michigan Independent Venue and Promoter Association (“MIVPA”) will be responsible for accepting, reviewing and approving applications by February 28, 2021. The MSF will then distribute the grant funds based on the recommendation of the MIVPA. MIVPA may retain up to 2.2% of the Program funds for administrative costs involved in the direct administration of the grants.

### **Grant Criteria**

The MIVPA may recommend to provide grants to Eligible Businesses for Eligible Expenses.

In order to be eligible for funding under the Program, Eligible Businesses must meet the following criteria:

- **Eligible Business** means a for-profit or non-profit company that meets all the following requirements:
  - Business is located in Michigan and was in existence on February 29, 2020.
  - Received at least 33% of the 2019 gross revenues from the sale of tickets for live music or entertainment events or received at least 70% of its earned revenue through cover charges or tickets sales, production fees or production reimbursements, nonprofit educational initiatives, or the sale of event beverages, food or merchandise.
  - Certifies that second quarter revenues from April 1 through June 30, 2020 was not greater than 10% of second quarter revenue from April 1 through June 30, 2019.
  - If business is a live venue operator, the Applicant must not have, or be majority owned or controlled by an entity with any of the following: (a) securities listed on a national securities exchange as an issuer; (b) have venues owned and operated with offices in more than one country; (c) have venues owned and operated in more than two states; (d) have venues employing more than 30 employees on a full-time basis.
  - Business may not be a convention center in a city with a population over 500,000 that was eligible for funds under the state convention facility development act, 1985 PA 106, MCL 207.621 to 207.640.
- Grants must be used for expenditures incurred by the Eligible Business and meet the following criteria (“**Eligible Expenses**”):
  - Must be made available only to eligible businesses.

- Must be used only for working capital to support payroll expenses, rent, mortgage payments, utility expenses, and costs related to reopening a business.
- Grant funds may be used by the business for eligible expenses expended between January 1, 2021 and August 31, 2021.
- Grants may not exceed \$40,000 for an Eligible Business.

All MSF support to the MIVPA and Eligible Businesses shall be memorialized by final written grant agreements, with terms and conditions in accordance with state law, these guidelines and otherwise satisfactory to the MSF, requiring periodic reporting of data to the MSF and the Michigan legislature. Reporting will be required by MIVPA on the recommended grant awards and by the Eligible Businesses on how the grant funds will be used, how many jobs will be retained, and what other COVID relief funds have been received from State or Federal sources.

The Michigan Economic Development Corporation (“MEDC”) provides administrative services for the MSF for the Program.



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

GRETCHEN WHITMER  
GOVERNOR

RACHAEL EUBANKS  
STATE TREASURER

January 8, 2021

Katelyn Wilcox Surmann  
Assistant Chief of Protocol & MSF Board Liaison  
Michigan Economic Development Corporation  
300 N. Washington Square  
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting Designee for Treasurer Eubanks

Dear Ms. Surmann:

I hereby designate Andrew Lockwood to attend all Michigan Strategic Fund meetings that I am unable to attend in 2021.

If you need anything additional, please contact Kara Kabia at (517) 241-2624.

Sincerely,

A handwritten signature in cursive script that reads "Rachael Eubanks".

Rachael Eubanks  
State Treasurer

Cc: Eric Bussis  
Andrew Lockwood



## MEMORANDUM

**Date:** January 14, 2021

**To:** Michigan Strategic Fund Board

**From:** Joshua Hundt, Executive Vice President and Chief Business Development Officer  
Stacy Bowerman, Senior Vice President, Business Development Projects

**Subject:** Approval of the Michigan Small Business Survival Grant Program Guidelines and Allocation

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### Request

The Michigan Economic Development Corporation (“MEDC”) requests the Michigan Strategic Fund (“MSF”) Board establish the Michigan Small Business Survival Grant Program (the “Program”) to reduce the economic impact of the “Gatherings and Face Mask Order” issued as part of the ongoing COVID-19 pandemic on small businesses and their employees in Michigan.

### Background

The Department of Health and Human Services issued the “Gatherings and Face Mask Order”, on December 7, 2020 taking effect on December 9, 2020 and the order taking effect on November 18, 2020 entitled gatherings and face mask order that it rescinded and replaced, to slow spread of COVID-19. With the outbreak of COVID-19, many small businesses have been faced with significant economic impacts, including potential issues with available working capital and liquidity. As a result, stakeholders across the state have and continue to implement programs through state, federal and local initiatives to help support businesses in need of assistance.

On March 19, 2020, the MSF approved the Michigan Small Business Relief Program (“MSBRP”) to support small businesses impacted by the current COVID-19 pandemic. This came following Governor Whitmer’s declaration of a state emergency on Tuesday, March 10, 2020 as swift and decisive action to provide additional resources to support the health and sustainability of the state’s small businesses, communities, and residents.

The MSBRP included \$20 million designed to support businesses in need of immediate support. The program authorized \$10 million that was distributed to 15 Local Economic Development Organizations and Non-Profit Economic Development Organizations (“Local EDOs”) to provide grants up to \$10,000 to certain small businesses impacted by COVID-19. Additionally, the program authorized \$10 million for small business loans of not less than \$50,000 and not more than \$100,000 to eligible borrowers impacted by COVID-19.

On July 7, 2020, the MSF approved the Michigan Small Business Restart Program (“Restart”) to further support small businesses with funding appropriated by the Michigan Legislature totaling \$100 million of the CARES Act funding. Restart operated as a separate and distinct program, which was modeled after and references the MSBRP due to the successful deployment of those MSF authorized grant dollars across the state. Restart authorized the MSF to distribute the \$100 million to the 15 local EDOs providing coverage to all 83 counties of Michigan. Each EDO received a base amount of \$3.5 million for grants for small businesses within the coverage area and the remaining funding was allocated between the Local EDOs by the MSF.



Under Restart, the Local EDOs, or its designee, provided up to \$20,000 in grants to eligible small businesses that had been negatively impacted by COVID-19 and needed working capital to support payroll expenses, rent, mortgage payments, utility expenses or other similar expenses, as outlined in the MSBRP Guidelines.

Under the MSBRP and the Restart Program, the Local EDOs have selected over 17,000 businesses across the state covering all 83 counties that received grant support that have reported they will retain approximately 114,000 jobs. To date, the MSF has approved more than 145 small business loans totaling more than \$9 million.

While MSBRP and Restart provided much needed support to many Michigan businesses during this unprecedented time, there are still many businesses that continue to struggle, including those impacted by the MDHHS Gatherings and Face Mask Order. Recognizing this, the Michigan Legislature has appropriated \$55 million to create the Michigan Small Business Survival Grant Program to be used to support businesses impacted by the COVID-19 pandemic. Like Restart, the Michigan Small Business Survival Grant Program will be a separate and distinct program, which is modeled after and references the MSBRP and Restart due to the successful deployment of those MSF authorized grant dollars across the state.

### **Program Summary**

The statute requires the MSF to create and operate a Michigan Small Business Survival Grant Program. The attached program guidelines are consistent with the requirements set-forth in the statute, as outlined in the Exhibit A of the Resolution (“Michigan Small Business Survival Grant Program Guidelines”).

The Program authorizes the MSF to distribute \$55 million to the 15 local EDOs that in the aggregate provide services to all 83 counties and that participated in the MSBRP. Each Local EDO, or its designee, will provide grants to eligible businesses that have realized a significant financial hardship because of the COVID-19 emergency and the Gatherings and Face Mask Order.

The MSF shall disburse the funds on a percentage basis consistent with the Restart Program, outlined in PA 123 to each of the 15 Local EDOs as outlined in Exhibit B of the Resolution (“Michigan Small Business Survival Grant Program Allocations”). Up to five percent of the total award to each Local EDO may be designated for administrative costs involved in the direct administration of the grants.

Under the Program, the Local EDOs, or its designee, will provide grants to eligible businesses for eligible expense use, however, the grant amount cannot exceed \$20,000 to an eligible small business that has been closed, or up to \$15,000 for an eligible small business that has been partially closed, or otherwise open, as a result of the Gatherings and Face Mask Order as outlined in the Michigan Small Business Survival Grant Program Guidelines. Eligible industries include any business effected by the Gatherings and Face Mask Order. Previous grant or loan awards from the Michigan Small Business Relief Program or the Michigan Small Business Restart Program does not impact eligibility for this program.

### **Request**

Due to the financial hardships that the COVID-19 outbreak has inflicted on the small businesses located in the State of Michigan, the MEDC is requesting the creation of the Program, as outlined in the attached guidelines and in statute, to assist those businesses facing drastic reductions in cash flow and the continued support of their workforce.

This Program will provide a significant opportunity to address immediate needs of small businesses negatively impacted by COVID-19. Along with other MSF programs and services, as well as local and federal economic

development support, these combined efforts will enable small businesses throughout the state to recover from the short and long-term impacts of the COVID-19 outbreak.

The MSF Background Check Policy requires MSF grant recipients receiving \$15,001 to submit certification and disclosure forms, and also submit to the physical background check review process. Due to the number of grants, and to be able to process the grant funds to eligible businesses as quickly as possible as intended by the legislature, the MEDC recommends the MSF waive the application and requirement of the Background Review Policy, except for the written Applicant Certification (as outlined in the Resolution).

### **Recommendation**

The MEDC recommends the MSF Board:

- Authorize the Program, as outlined in the proposed Resolution;
- Waiver of the MSF Background Review Policy for awards approved under the Program;
- Authorize the Michigan Small Business Survival Grant Program funding allocations, as outlined in the proposed Resolution; and
- Approve a Delegation of Authority for administration of the Program as set forth in the delegation Resolution.

## **MICHIGAN STRATEGIC FUND**

### **RESOLUTION 2021-002**

#### **APPROVAL OF THE MICHIGAN SMALL BUSINESS SURVIVAL GRANT PROGRAM AND GUIDELINES**

**WHEREAS**, the Michigan legislature passed, and the Governor signed into law the legislation being Public Act 257 of 2020, which in Section 402 thereunder, appropriates \$55,000,000 in unrestricted State general funding to the Michigan Strategic Fund (“MSF”) to create and operate a small business survival grant program to provide small business survival grants to eligible businesses in this state (the “Supplemental Appropriation”);

**WHEREAS**, the Michigan legislature enacted the Michigan Strategic Fund Act, MCL 125.2001 et. seq., (“MSF Act”) to enable the MSF to provide incentives in the form of grants, loans and other economic assistance for the development and improvement of Michigan’s economy;

**WHEREAS**, in accordance with the Michigan constitution of 1963 and the Urban Cooperation Act of 1967, the Michigan Economic Development Corporation (“MEDC”) was formed on April 5, 1999 under an Interlocal Agreement between the MSF and participating public agencies (the “Interlocal Agreement”);

**WHEREAS**, pursuant to Section 9.05 of the Interlocal Agreement, the Supplemental Appropriation flows to the MEDC;

**WHEREAS**, the MEDC provides administrative services to the MSF;

**WHEREAS**, the MEDC wishes to transfer the funds received under the Supplemental Appropriation to the MSF (the “Funding”) for the MSF to fund, create and operate the Michigan Small Business Survival Program as set forth in Public Act 257 of 2020;

**WHEREAS**, pursuant to the MSF Act, MCL 125.2007(c), the MSF has the power to make grants;

**WHEREAS**, by Resolution 2019-063, the MSF Board approved a Background Review Policy, which among things requires the submission of certification and disclosures forms from, and a civil and criminal background check on, the applicant, and certain of its affiliated individuals and owners (“Background Review Policy”);

**WHEREAS**, the Background Review Policy also requires a written certification from all applicants in the final written MSF agreements memorializing incentives that are \$15,001 or more, that the applicant and certain of its affiliated individuals and owners do not have the prohibited civil liabilities and criminal convictions described in Section 88c(4)(a) and (b) and will not use the funds for the prohibited purposes described in Section 88c(4)(c)(e) (“Applicant Certification”);

**WHEREAS**, the MEDC recommends the MSF create and operate the Michigan Small Business Survival Grant Program to provide grants to eligible businesses that have realized a significant financial hardship as a result of the COVID-19 emergency, as prescribed in Public Act 257 of 2020 (the “Small Business Survival Program”);

**WHEREAS**, the MEDC recommends the MSF approve the guidelines for the Small Business Survival Program a copy of which is attached as Exhibit A (the “Small Business Survival Program Guidelines”);

**WHEREAS**, the MEDC recommends that MSF approve the funding allocations set forth in the attached Exhibit B (the “Funding Allocations”)

**WHEREAS**, for purposes of the Small Business Survival Program only, the MEDC recommends the MSF Board waive the application and requirement of the Background Review Policy, except for the Applicant Certification (“Small Business Survival Program Waiver”); and

**WHEREAS**, the MEDC recommends that the MSF approve the Funding, the Funding Allocations, the Small Business Survival Program Guidelines, and the Small Business Survival Program Waiver (collectively, the “Small Business Survival Program Requests”).

**NOW THEREFORE, BE IT RESOLVED**, the MSF Board approves the Small Business Survival Program Requests.

Ayes: Britany L. Affolter-Caine, Paul Ajegba, Mark Burton, Susan Corbin, Paul Gentilozzi, September Hargrove, Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Charles P. Rothstein, Susan Tellier, Cindy Warner

Nays: None

Recused: None

Abstained: Ronald W. Beebe

Lansing, Michigan  
January 14, 2021



## EXHIBIT A

### Michigan Small Business Survival Grant Program Guidelines

#### **PURPOSE**

The State of Michigan has allocated \$55 million to implement the Michigan Small Business Survival Grant Program (“Program”) to support the needs of eligible Michigan businesses that have experienced a significant financial hardship due to the COVID-19 emergency “gatherings and face mask order” issued by the Michigan Department of Health and Human Services on December 7, 2020 taking effect on December 9, 2020 at 12:01 a.m. through December 20, 2020 at 11:59 p.m. and the order taking effect on November 18, 2020 entitled gatherings and face mask order that it rescinded and replaced (collectively, the “Order”).

#### **GRANT PROGRAM OVERVIEW**

In an effort to continue to support small businesses, the Program will provide funding to fifteen (15) local or nonprofit economic development organizations, or their designees, that previously participated in the Michigan small business relief program created at the March 19, 2020 Michigan Strategic Fund (“MSF”) board meeting (“EDOs”), to provide grants to eligible small businesses that need working capital to support payroll expenses, rent, mortgage payments, utility expenses, or other similar expenses.

Funding will be distributed on a percentage basis consistent with the small business restart grants distributed in 2020 PA 123 to each of the 15 EDOs. An EDO may retain up to 5% of the amount it receives for awards for administrative costs involved in the direct administration of the grants.

The EDO, will be responsible for accepting, reviewing, and approving applications, and ultimately, awarding, and disbursing grant funds under sub-grants to the selected eligible businesses.

The MSF President or the MSF Fund Manager may reallocate any grant funds that have not been awarded to Eligible Businesses as required under the Program by each of the original 15 EDOs by January 31, 2021 among all of 15 EDOs on the same percentage basis as the original EDO grant allocations approved by the MSF Board on January 14, 2021, to be used by the EDOs to distribute to Eligible Businesses as required under the Program, provided that such reallocated funds must be distributed by the EDOs to Eligible Businesses as required under the Program no later than February 28, 2021.

The MSF President or the MSF Fund Manager may reallocate and redistribute any grant funds that have not been expended (including any administrative fees that have not been used or otherwise reserved for Program administration by the EDO) by the EDOs by February 28, 2021 among one or more of the EDOs, provided that such reallocated and redistributed funds must be expended by the EDOs as permitted under the Program no later than April 30, 2021.

#### **Grant Criteria**

EDOs may use the grant proceeds to provide grants to Eligible Businesses for Eligible Expenses.

In order to be eligible for funding under the Program, small businesses (“**Eligible Business**”) must meet the following criteria.

- **Eligible Business** means a for-profit or non-profit company that meets all the following requirements:

- Had 1 to 100 employees (including full-time, part-time and owner/employees) on a world-wide basis on November 17, 2020.
  - Is in an industry that demonstrates it is affected by the Order.
  - Needs working capital to support payroll expenses, rent, mortgage payments, utility expenses, or other similar expenses.
  - Demonstrates an income loss as a result of the Order as determined by the EDO in which an eligible business is located.
  - Is not a live music and entertainment venue that is eligible for funds under section 401 of Public Act 257 of 2020.
- Grants must be used for expenditures incurred by the Eligible Business and meet the following criteria (“**Eligible Expenses**”):
    - Must be made available only to eligible businesses.
    - Must be used only for working capital to support payroll expenses, rent, mortgage payments, utility expenses, and costs related to reopening a business.
    - Grant funds may be used by the business for eligible expenses expended between November 18, 2020 and April 30, 2021.
  - Grants may not exceed \$20,000 for an Eligible Business that has been closed or \$15,000 for an Eligible Business that has been partially closed, or otherwise open.

All MSF support to the EDOs shall be memorialized by final written grant agreements, with terms and conditions in accordance with state law, these guidelines and otherwise satisfactory to the MSF, requiring periodic reporting of data to the MSF and the Michigan legislature.

The Michigan Economic Development Corporation (“MEDC”) provides administrative services for the MSF for the Program.

**Exhibit B - Michigan Small Business Survival Grant - EDO Funding Allocations**

<b><u>Applicant/EDO</u></b>	<b><u>% Allocation</u></b>	<b><u>Amount of Small Bus. Survival Grant</u></b>
Invest UP	4.545%	\$ 2,500,000
Networks Northwest	4.545%	\$ 2,500,000
Target Alpena	3.500%	\$ 1,925,000
Otsego County Economic Alliance	3.500%	\$ 1,925,000
Right Place	9.545%	\$ 5,250,000
Lakeshore Advantage	3.500%	\$ 1,925,000
Middle Michigan Development Corpor	3.500%	\$ 1,925,000
Saginaw Future	3.545%	\$ 1,950,000
Flint & Genesee Chamber Foundation	8.045%	\$ 4,425,000
LEAP	5.545%	\$ 3,050,000
Southwest Michigan First	7.545%	\$ 4,150,000
Ann Arbor Spark	8.545%	\$ 4,700,000
Detroit Economic Growth Corporation	15.545%	\$ 8,550,000
Oakland County EDA	11.045%	\$ 6,075,000
Macomb County	7.545%	\$ 4,150,000
	100.000%	\$ 55,000,000



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

GRETCHEN WHITMER  
GOVERNOR

RACHAEL EUBANKS  
STATE TREASURER

January 8, 2021

Katelyn Wilcox Surmann  
Assistant Chief of Protocol & MSF Board Liaison  
Michigan Economic Development Corporation  
300 N. Washington Square  
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting Designee for Treasurer Eubanks

Dear Ms. Surmann:

I hereby designate Andrew Lockwood to attend all Michigan Strategic Fund meetings that I am unable to attend in 2021.

If you need anything additional, please contact Kara Kabia at (517) 241-2624.

Sincerely,

A handwritten signature in cursive script that reads "Rachael Eubanks".

Rachael Eubanks  
State Treasurer

Cc: Eric Bussis  
Andrew Lockwood



## MICHIGAN STRATEGIC FUND

### RESOLUTION 2021-003

#### STRATEGIC FUND DELEGATION OF AUTHORITY

**WHEREAS**, under Section 125.2005(7) of the Michigan Strategic Fund Act, the Michigan Strategic Fund (“MSF”) Board may delegate to its president, vice-president, staff, or others those functions and authority the MSF Board deems necessary or appropriate;

**WHEREAS**, under Article II, Section 1 of the Amended and Restated Bylaws adopted by the MSF Board on April 22, 2014, the MSF Board may delegate by resolution those functions and authority it deems necessary or appropriate to the President, Vice-President, Staff, the MEDC, or others, unless otherwise prohibited by law;

**WHEREAS**, under Article III, Section 1 of the Bylaws, the MSF President will provide for compilations of all general delegated authority; standard processes; and standard policies, in force (the "Strategic Fund Compiled Resolutions" or "SFCR");

**WHEREAS**, the Michigan Economic Development Corporation (“MEDC”) provides administrative services to the MSF;

**WHEREAS**, on January 14, 2021, the MSF Board adopted the Michigan Stages Survival Grant Program (the “Stages Survival Program”) to provide to eligible live music and entertainment venues that have realized a significant financial hardship as a result of the COVID-19 emergency;

**WHEREAS**, on January 14, 2021, the MSF Board also adopted the Michigan Small Business Survival Grant Program (the “Small Business Survival Program”) to provide grants to economic development organizations to provide sub-grants to eligible businesses that have realized a significant financial hardship as a result of the COVID-19 emergency;

**WHEREAS**, the MEDC recommends that the MSF Board amend the Strategic Fund Compiled Resolutions to delegate authority for the Stages Survival Program and the Small Business Survival Program as set forth in this Resolution; and

**WHEREAS**, the MSF Board wishes to approve revisions to the Strategic Fund Compiled Resolutions in accordance with the terms and conditions of this Resolution.

**NOW, THEREFORE, BE IT HEREBY RESOLVED**, that the MSF Board delegates the following authority effective January 14, 2021:

#### **125.2005-5 Michigan Stages Survival Grant Program**

(1) The MSF President or the MSF Fund Manager may make all decisions to develop, finalize, and revise a Michigan Stages Survival Grant Program application and overall process to operate the Michigan Stages Survival Grant Program, each in accordance with the Michigan Stages Survival Grant Program guidelines adopted by the MSF Board.

(2) The MSF President, the MSF Fund Manager, and the State Treasurer, with anyone required to act, may effectuate distribution of grants of up to \$40,000 in accordance with the Michigan Stages Survival Grant Program.

(3) The MSF President or the MSF Fund Manager may negotiate the terms and conditions and execute all final documents necessary to effectuate awards and decisions approved under the Michigan Stages Survival Grant Program.

(4) The MSF President or the MSF Fund Manager may make all decisions that are necessary and appropriate to administer the Michigan Stages Survival Grant Program in accordance with the Michigan Stages Survival Grant Program guidelines adopted by the MSF Board.

#### **125.2005-6 Michigan Small Business Survival Grant Program**

(1) The MSF President or the MSF Fund Manager may make all decisions to develop, finalize, and revise a Michigan Small Business Survival Grant Program application and overall process to operate the Michigan Small Business Survival Grant Program, each in accordance with the Michigan Small Business Survival Grant Program guidelines adopted by the MSF Board.

(2) The MSF President or the MSF Fund Manager may reallocate and redistribute funds under the Michigan Small Business Survival Grant Program as follows:

(a) The MSF President or the MSF Fund Manager may reallocate any grant funds that have not been awarded to Eligible Businesses as required under the Program by each of the original 15 grant recipients (the “EDOs”) by January 31, 2021 among all of 15 EDOs on the same percentage basis as the original EDO grant allocations approved by the MSF Board on January 14, 2021, to be used by the EDOs to distribute to Eligible Businesses as required under the Program, provided that such reallocated funds must be distributed by the EDOs to Eligible Businesses as required under the Program no later than February 28, 2021.

(b) The MSF President or the MSF Fund Manager may reallocate and redistribute any grant funds that have not been expended (including any administrative fees that have not been used or otherwise reserved for Program administration by the EDO) by the EDOs by February 28, 2021 among one or more of the EDOs, provided that such reallocated and redistributed funds must be expended by the EDOs as permitted under the Program no later than April 30, 2021.

(3) The MSF President or the MSF Fund Manager may negotiate the terms and conditions and execute all final documents necessary to effectuate awards and decisions approved under the Michigan Small Business Survival Grant Program.

(4) The MSF President or the MSF Fund Manager may make all decisions that are necessary and appropriate to administer the Michigan Small Business Survival Grant Program in accordance with the Michigan Small Business Survival Grant Program guidelines and allocations adopted by the MSF Board.

**BE IT FURTHER RESOLVED**, the MSF President shall compile and publish the above delegated authority as required under Article III of the Bylaws.

Ayes: Britany L. Affolter-Caine, Paul Ajegba, Mark Burton, Susan Corbin, Paul Gentilozzi, September Hargrove, Andrew Lockwood (on behalf of Treasurer Eubanks, designation attached), Charles P. Rothstein, Susan Tellier, Cindy Warner

Nays: None

Recused: None

Abstained: Ronald W. Beebe

Lansing, Michigan  
January 14, 2021



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

GRETCHEN WHITMER  
GOVERNOR

RACHAEL EUBANKS  
STATE TREASURER

January 8, 2021

Katelyn Wilcox Surmann  
Assistant Chief of Protocol & MSF Board Liaison  
Michigan Economic Development Corporation  
300 N. Washington Square  
Lansing, MI 48913

Re: Michigan Strategic Fund Board Meeting Designee for Treasurer Eubanks

Dear Ms. Surmann:

I hereby designate Andrew Lockwood to attend all Michigan Strategic Fund meetings that I am unable to attend in 2021.

If you need anything additional, please contact Kara Kabia at (517) 241-2624.

Sincerely,

A handwritten signature in cursive script that reads "Rachael Eubanks".

Rachael Eubanks  
State Treasurer

Cc: Eric Bussis  
Andrew Lockwood