

Trans. (Code, Dept ID)	Trans. Header Description	Accounting F BFY	Appropriator/Function	Function Name	Fund	Unit	Dept Revenue	Dept Revenue Source Name	Collected Revenue	Posting Amount	Location
IET, 186, 250000004057	Transfer of SOAR to MSF	February	2025 54315	SOARREV	SOAR Revenue Crl Ind & Site	2658	M220	1802	Revenue from Primary Government to Component Unit	(100,000,000.00)	(100,000,000.00) C033

From: MEDC Government Relations <medcgovrelations@michigan.org>

Sent on: Tuesday, December 10, 2024 4:14:55 PM

To:

CC: Bree Anderson (MEDC) <andersonb3@michigan.org>; Danielle McCann (MEDC) <mccann2@michigan.org>; Bradley Heffner (MEDC) <heffnerb@michigan.org>

Subject: MSF Board Announcements 12/10/24

Hello,

We are pleased to announce the Michigan Strategic Fund (MSF) has approved incentives to support several Michigan projects. For your convenience, below is a list of the awards with the legislators identified for each. This information is being shared with legislative leadership and legislators who represent the districts for these projects. We have also copied your caucus communications staff to make them aware of these awards should members choose to issue their own news release.

A news release announcing these awards will be available on our website at <http://www.michiganbusiness.org/press-releases/>.

Additionally, an interactive [Projects Map](#) available on our website is updated daily to reflect the most recent Michigan successes incented by the MEDC. It can be viewed by region, county or legislative district and filtered to make selections for the desired fiscal year and incentive type. Please contact the MEDC Office of Legislative Affairs at medcgovrelations@michigan.org if you have any questions.

The MSF Board approved support for the following:

ATTRACT, RETAIN, AND GROW BUSINESS:

a. **Detroit Diesel Corporation: CIP Performance-Based Grant**

Legislators: Rep. Young, Sen. Cavanagh, and U.S. Rep. Congress Talib

A resolution approving a Critical Industry Program (CIP) Performance-Based Grant in the amount of \$27,700,000 and a 15-year, 100% State Essential Services Assessment (SESA) Exemption with an estimated value of up to \$3,294,130 for \$161,800,000 eligible investment in Eligible Personal Property. This project involves modernizing and enhancing a current plant to maintain its existing production capacity while expanding and equipping it to manufacture electric components for medium- and heavy-duty electric trucks. This project is expected to create up to **436 Qualified New Jobs, over 2,000 retained jobs**, and a **capital investment of up to \$285,000,000** in the **Redford Township (Wayne County)**.

b. **University of Michigan: SSRP Grant**

Legislators: Rep. Wilson, Sen. Irwin, and U.S. Rep. Dingell

A resolution approving a Strategic Site Readiness Program (SSRP) Grant in the amount of \$100,000,000 to be used for site development, construction, and other related Eligible Activities under the SSRP necessary to construct a new advanced computing facility in **Ypsilanti (Washtenaw County)**. This project will provide a location for at least two state-of-the-art advanced computing facilities. One of the facilities will be utilized primarily by the University and the other is intended to be used by Los Alamos National Laboratory (LANL) for advanced research. Many of the areas of research that LANL and the University will be focused on include national security, climate change, and artificial intelligence, which are key priority areas for the State.

c. **Benteler Automotive Corporation and City of Wyoming Brownfield Redevelopment Authority: MBDP Grant and Act 381 Work Plan**

Legislators: Rep. Fitzgerald, Sen. Brinks, and U.S. Rep. Scholten

A resolution approving a Michigan Business Development Program (MBDP) Grant in the amount of up to \$1,400,000 for Benteler Automotive Corporation and an Act 381 Work Plan for eligible activities capped at \$395,142, utilizing the current state-to-local capture ratio, for the City of Wyoming Brownfield Redevelopment Authority. This project involves building an approximately 315,000 square foot manufacturing facility on a site that had previously been home to a General Motors stamping plant. This new manufacturing operation would primarily consist of welding, coating, painting, and assembly processes to supply 160,000 parts per year for at least a decade. It is expected to generate **147 new jobs** and a **capital investment of up to \$105,000,000** in the **City of Wyoming (Kent County)**.

d. **Howmet Corporation: MBDP Grant and SESA Exemption**

Legislators: Rep. VanderWall, Sen. Bumstead, and U.S. Rep. Moolenaar

A resolution to approving a Michigan Business Development Program (MBDP) Grant in the amount of up to \$5,100,000 and a 15-year, 100% SESA Exemption with an estimated value of up to \$1,649,375 for its \$72,500,000 eligible investment in Eligible Personal Property. This project involves the construction of a new building on land already owned by the Company, which manufactures components for jet engines and industrial gas turbines. This new facility will be made up of 107,000 square feet of advanced manufacturing space and another 4,500 square feet of office space. The expansion will house ceramic core production for the Company. Ceramic cores are a necessary component for aircraft engines, and adding this production line will help to create redundancy in the domestic supply chain to reduce the risk to our country's national security. This project involves the creation of up to **300 Qualified New Jobs** and a **capital investment of up to \$107,500,000** in the **City of Whitehall (Muskegon County)**.

e. **HTC Global Services, Inc.: MBDP Grant**

Legislators: Rep. MacDonell, Sen. Webber, and U.S. Rep. Stevens

A resolution approving a Michigan Business Development Program (MBDP) Grant in the amount of \$1,520,000. The Company is looking to expand its operations in artificial intelligence and machine learning solutions to meet the growing market demand. This project involves adding an additional 10,000 square feet of space to its existing facility and will be utilized to merge the power artificial intelligence with processes in design, manufacturing, and back-office business process management. This project involves the creation of up to **190 Qualified New Jobs** and a **capital investment of up to \$5,695,375** in the **City of Troy (Oakland County)**.

f. **Landscape Forms, Inc.: MBDP Grant**

Legislators: Rep. Rogers, Sen. McCann, and U.S. Rep. Huizenga

A resolution approving a Michigan Business Development Program (MBDP) Grant in the amount of up to \$2,500,000. This project involves constructing a new facility, adjacent to the company's current operations. The structure will comprise a single story, 300,000 square foot facility to expand manufacturing capacity in Michigan. The Company anticipates a Spring 2025 groundbreaking, completed construction by Spring 2027, and fully operational by early 2028. The job creation on the project will be primarily team assemblers, welders, and cutters, as well as sales representatives, technical and administrative staff. It is expected to create up to **125 Qualified New Jobs** and a **capital investment of at least \$70,000,000** in **Comstock Township (Kalamazoo County)**.

DEVELOP ATTRACTIVE PLACES:

a. **Talbot Bridge, LLC: MCRP Other Economic Assistance Loan and Act 381 Work Plan**

Legislators: Rep. Glanville, Sen. Huizenga, and U.S. Rep. Scholten

A resolution approving a Michigan Community Revitalization Program (MCRP) Other Economic Assistance Loan Participation in the amount of up to \$5,950,000 for Talbot Bridge, LLC, and an Act 381 Work Plan for eligible activities capped at \$2,220,353 utilizing the current state to local capture ratio for the City of Grand Rapids Brownfield Redevelopment Authority. This project is anticipated to redevelop the site of a dilapidated, vacant former grocery store into a five-story approximately 96,130 square foot building containing 148 residential units and 1,500 square feet of ground floor commercial space in the **City of Grand Rapids (Kent County)**. The project will include a fitness center, lounge, a rooftop deck, dog wash, and integrated parking. It will also be an all-electric building, including heat pump HVAC, solar panels, and ample EV charging.

CAPITAL ACCESS:

a. **Three Rivers Renewables, LLC: Private Activity Bond**

Legislators: Rep. Carra, Sen. Lindsey, and U.S. Rep. Walberg

A resolution approving a Private Activity Bond Inducement in the amount of up to \$46,000,000 to Three Rivers Renewables to finance a solid waste disposal facility in connection with the Company's processing of methane biogas from animal manure into renewable natural gas at a facility to be located in the **Village of Mendon (St. Joseph County)**.

b. **Newaygo Renewables, LLC: Private Activity Bond**

Legislators: Rep. Meerman, Sen. Outman, and U.S. Rep. Moolenaar

A resolution approving a Private Activity Bond Inducement in the amount of up to \$21,000,000 to Newaygo Renewables, LLC to finance a solid waste disposal facility in connection with the Company's processing of methane biogas from animal manure into renewable natural gas at a facility to be located in **Bailey, MI (Muskegon County)**.

c. **The Washtenaw Place, Inc. (d/b/a Huron Valley Pace): Private Activity Bond**

Legislators: Rep. Bruck, Sen. Bellino, and U.S. Rep. Walberg

A resolution approving a Private Activity Bond authorization in the amount of up to \$4,500,000 for the Washington Pace, Inc. (d/b/a Huron Valley Pace) to expand services in the **City of Monroe (Monroe County)**. The Company operates a PACE program (program of all-inclusive care for the elderly) to promote the wellness, dignity, and independence of older adults by providing high quality, innovative health care and support services, primarily to low-income individuals.

Thank you,

Office of Legislative Affairs

Michigan Economic Development Corporation

300 N. Washington Square | Lansing, MI 48913

medcgovrelations@michigan.org

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**MICHIGAN STRATEGIC FUND
RESOLUTION 2024-176**

**APPROVAL OF MICHIGAN STRATEGIC SITE READINESS PROGRAM
GRANT TO THE UNIVERSITY OF MICHIGAN**

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

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

WHEREAS, pursuant to Section 88t of the MSF Act, MCL 125.2088t, the MSF shall create and operate the Michigan strategic site readiness program to provide grants, loans, and other economic assistance for eligible applicants to conduct eligible activities for the purpose of creating investment-ready sites to attract and promote investment in this state for eligible activities on, or related to, strategic sites and mega-strategic sites (the “Strategic Site Readiness Program”);

WHEREAS, the Strategic Site Readiness Program will be funded through the Strategic Outreach and Attraction Reserve (“SOAR”) Fund created by Public Act 137 of 2021, upon transfer of SOAR funds to the MSF;

WHEREAS, on January 11, 2022, the MSF Board created the Strategic Site Readiness Program and approved the guidelines which have been updated from time to time for the implementation and operation of the Strategic Site Readiness Program (the “Strategic Site Readiness Program Guidelines”);

WHEREAS, the University of Michigan submitted an application seeking a Strategic Site Readiness Program grant in the amount of \$100,000,000 in accordance with the terms and conditions outlined in the term sheet attached to this Resolution (the “Grant Request”);

WHEREAS, subject to transfer of SOAR funds to the MSF necessary to fund the Grant Request, the MEDC recommends the MSF approve the Grant Request; and

WHEREAS, subject to the transfer of SOAR funds to the MSF necessary to fund the Grant Request, the MSF Board wishes to approve the Grant Request.

NOW THEREFORE, BE IT RESOLVED, subject to the transfer of SOAR funds to the MSF necessary to fund the Grant Request, the MSF Board approves the Grant Request;

BE IT FURTHER RESOLVED, the MSF President and the MSF Financial Officer are authorized to take all actions necessary to request transfer of SOAR funds to the MSF to fund the Grant Request; and

BE IT FURTHER RESOLVED, the MSF Fund Manager is authorized to negotiate final terms and conditions of the Grant Request and to execute all documents necessary to effectuate the Grant Request.

Ayes: Director Corbin, Wesley Eklund, Rachael Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Susan Tellier, Cindy Warner

Nays: None

Recused: Dr. Brittany Affolter-Caine

Lansing, Michigan
December 10, 2024

Strategic Site Readiness Program Grant

Summary of Terms

This document summarizes the key terms and conditions of the potential Strategic Site Readiness Program ("SSRP") Award for the University of Michigan (the "University"). The proposed terms and conditions herein will not be construed as binding upon either party until the mutual execution of a written grant agreement (the "Grant Agreement"). Any obligations that may be deemed to arise under this Term Sheet are contingent on the University obtaining all necessary approvals, and the Michigan Economic Development Corporation ("MEDC") obtaining all necessary Michigan Strategic Fund ("MSF") Board and State of Michigan Legislature approvals.

SSRP Award: Up to \$100,000,000 to the University for Eligible Activities, as defined in the SSRP Guidelines approved by the MSF Board on January 11, 2022, related to site development, construction and other related activities necessary to construct to a new advanced laboratory facility project in Ypsilanti Township, Michigan (the "Project"). The Project will provide a location for at least two state-of-the-art advanced computing laboratories. One of the laboratories will be utilized by the University (the "UofM Building") and the other is intended to be used by the Los Alamos National Laboratory (the "Lab") for advanced research (the "National Lab Building"). The SSRP grant funds will be used for site development costs for up to the entire site and construction costs for the National Lab Building.

The total cost of the project is estimated at \$830,000,000.

The Project is expected to support growth within Ypsilanti Charter Township and surrounding communities through job creation and industry attraction.

Term of the Agreement: The effective date of the Grant Agreement through the earlier of: (i) January 31, 2032; (ii) the grant manager's approval of the Project Completion Milestone; or (iii) when the Parties mutually agree in writing to terminate the Grant Agreement.

Disbursement of Grant Funds: Grant funds will be disbursed based on the University's achievement of the following key milestones and, except as to Key Milestone One, only after the University has actually expended or encumbered at least seventy percent (70%) of the SSRP Award funds disbursed under the immediately preceding Key Milestone in accordance with the project budget:

- Key Milestone One: Not to exceed \$16,000,000
 - Disbursement request in the form determined by the MEDC;
 - Copies of written agreements between the University and any contractor currently engaged to perform the Eligible Activities for the Project;
 - Evidence of the actual expenditure or encumbrance of at least \$9,000,000 in design or acquisition costs by the University and \$10,000,000 in design costs by the Lab;
 - Evidence of \$677,000,000 (net of any project funds previously expended) in University Funds available for the estimated project costs; and
 - Proof of acquisition of site land by the University.
- Key Milestone Two: Not to exceed the sum of \$84,000,000 and any remaining balance under Key Milestone One
 - Disbursement request in the form determined by the MEDC;
 - A spreadsheet describing and itemizing the actual expenditure for Eligible Activities of the grant disbursement received under Key Milestone One. The

spreadsheet shall include the corresponding category of the budget, identify the name of actual vendor or recipient of each expenditure, and be accompanied by supporting documentation;

- A narrative describing in detail the Eligible Activities to be completed with the grant disbursement received under Key Milestone Two;
 - Provide a copy of the fully executed agreement (lease, license, or otherwise), with a multi-year term, with Los Alamos National Laboratory (or an affiliate) for occupancy of the National Lab Building; and
 - Provide written agreements between the University and its contractors for activities that have not been provided for in Key Milestone One.
- **Project Completion Milestone:**
 - A final milestone certificate in the form determined by the MEDC;
 - A spreadsheet describing and itemizing the actual expenditure of grant disbursements for all Eligible Activities completed during the Term. The spreadsheet shall include the corresponding reference category of the budget, identify the name of the actual vendor or recipient of each expenditure, and be accompanied by supporting documentation;
 - Demonstrated verification that 100% of the SSRP Award funds disbursed in have been expended for Eligible Activities; and
 - Documentation satisfactory to the grant manager that the Project is complete.

Eligible Activities: Activities related to site due diligence and remediation, as well as the design, construction, and installation of infrastructure servicing an \$830M computing facility, incurred after MSF Board approval related to the Project. Construction costs will be limited to the National Lab Building. The University and the MSF will develop a detailed budget for the Project that includes budget categories for the Eligible Activities. The budget will be incorporated into the Grant Agreement signed by the parties.

Security Interest: The University shall maintain a separate account (the “Project Funds Account”) into which the SSRP Award funds will be disbursed. The University shall grant the MSF a security interest in the Project Funds Account. The MSF and the University will execute all documents necessary for the MSF to perfect its interest in the Project Funds Account.

Suspension of Disbursements: The MSF may immediately suspend making disbursements of the SSRP Award upon the occurrence of: (i) an event resulting in a Repayment Amount (as defined below), (ii) an event of default, which shall be defined in the Grant Agreement, but shall include, without limitation, material noncompliance with the terms of the Grant Agreement, (iii) default in any other agreement with the State of Michigan, or (iv) the occurrence of an event which, with the giving notice or the passage of time, or both, would constitute an event of default

Clawback Provisions: The University will be required to repay all or a portion of the grant disbursements made under the SSRP Award upon the occurrence of one or more of the following events (each resulting in a “Repayment Amount”), and repayment is subject to the highest applicable Repayment Amount if one or more of the same circumstances give rise to such events. All Repayment Amounts must be paid within 90 days of written notification by the MSF. Any Repayment Amount not paid within 90 days is subject to a penalty of 1% per month, prorated on a daily basis:

- **Failure to Meet Key Milestone Two:** If the University fails to complete Key Milestone Two, including as a result of project abandonment by the Lab, the University may be required to repay 100% of SSRP Award disbursements made under Key Milestone One.

- **Project Abandonment:** If the University voluntarily abandons the Project after the SSRP Award is disbursed and on or before the end of the Term it will be required to repay 100% of grant disbursements made under the SSRP Award.
- **Bankruptcy or Insolvency** – If the University files for bankruptcy or otherwise becomes insolvent on or before the end of the Term, with any such proceedings against the University not being set aside within sixty (60) calendar days from the date of institution thereof and results in the material reduction to the University's operations for the Project, it will be required to repay 100% of grant disbursements made under the SSRP Award. The MSF would be entitled to foreclose on any security interest and, in the case of bankruptcy, submit a proof of claim in any such bankruptcy proceedings and seek recovery of the SSRP Award.
- **Material Misrepresentation.** If the University makes a material misrepresentation under the Grant Agreement, any required submissions thereunder, or any reimbursement request to the MSF on or before the end of the Term it will be required to repay 100% of grant disbursements made under the SSRP Award.
- **Misuse of Funds:** If the University uses the SSRP Award for a prohibited purpose during the Term it will be required to repay 100% of grant disbursements made under the SSRP Award.
- **Material Failure to Comply.** If the University fails to materially comply with its obligations to submit materials required under the (i) Key Milestones, (ii) annual progress reports, or (iii) annual compliance certificates under the Grant Agreement, it will be required to repay 100% of grant disbursements made under the SSRP Award.
- **Project Funds Account Balance.** In the event there is any remaining balance in the Project Funds Account upon the earlier of: (i) the University's submission of the Final Milestone Certificate or (ii) January 31, 2032, the University shall pay the MSF the balance of funds in the Project Funds Account.

Additional State Required Terms:

- **Amendments** – As required under Section 88t(8) of the MSF Act, MCL 125.2088t(8) ("Section 88t"), the MSF will provide written notice to the Legislature of any requests to modify the fully executed written Grant Agreement and will otherwise comply with requirements of Section 88t(8) prior to taking any action on such amendment request.
- **Annual Compliance Certificate** – During the Term, the University will be required to sign and submit an annual compliance certificate certifying that the University is in compliance with the terms and conditions of the grant agreement.
- **Annual Progress Report** – During the Term, the University will be required to submit annual progress reports. This information will be transmitted by the MSF to the Legislature as required under Section 9 of the MSF Act, MCL 125.2009.
- **Access to Records & Audit Rights** – During the Term, and for a period of three years after the expiration of the Term, and upon reasonable advance notice, the University is required to permit the MSF, MEDC, the Office of the Auditor General, the Department of Technology, Management and Budget, and the MSF Chief Compliance Officer to visit the University, and any other location where books and records of the University are normally kept, to inspect the books and records, including financial records and all other information and data relevant to the terms of the grant, all at times and locations mutually agreed upon by the parties.
- **Other provisions.** The Grant Agreement will include standard representations, covenants, and other provisions required by the MSF, including without limitation, non-discrimination and unfair labor practices, termination of funding, any other requirements of the SSRP Guidelines, as approved by the MSF, and any requirements of the Michigan

Strategic Fund Act, including without limitation, cross default, and any other provisions of Section 88t.



November 25, 2024

MSF Fund Manager
MEDC
300 N. Washington Square
Lansing, Michigan

Dear Fund Manager,

This is to advise that I am recusing myself from voting and excuse myself during the discussion of the Strategic Site Readiness Program (SSRP) Grant to the University of Michigan because it is a potential conflict of interest during the Michigan Strategic Fund Board Meeting on Tuesday, December 10, 2024.

Many thanks –

A handwritten signature in cursive script that reads 'Britany Affolter-Caine'.

Britany Affolter-Caine
Executive Director
Michigan's University Research Corridor



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

BRADLEY C. WIEFERICH, P.E.
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop
Board Relations Liaison
Michigan Strategic Fund Office
300 N. Washington Square
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

A handwritten signature in blue ink, appearing to be "B. Wieferich", written over the printed name.

Bradley C. Wieferich, P.E.
Acting Director

cc: M. Kapp
Executive File

From: [Jill Trepkoski \(MEDC\)](#)
To: [Christin Armstrong \(MEDC\)](#); [Bree Anderson \(MEDC\)](#); [Amiee Evans \(MEDC\)](#); [Steve Bakka \(MEDC\)](#); [Joshua Hundt \(MEDC\)](#); [Danielle McCann \(MEDC\)](#)
Cc: [Quentin Messer \(MEDC\)](#)
Subject: FW: BUDGET INFO: 2025-3 Legislative Transfer Letter
Date: Tuesday, December 10, 2024 11:37:00 AM
Attachments: [image001.png](#)
[2025-3 Legislative Transfer 12-10-24 - JF.pdf](#)

FYI – SBO has sent the memo for the SOAR transfers

From: StateBudgetOffice
Sent: Tuesday, December 10, 2024 11:17 AM
To: angelawitwer ; sensanthony
Subject: BUDGET INFO: 2025-3 Legislative Transfer Letter

Good morning,

Please see the attached legislative transfer letter signed by Jennifer L. Flood, State Budget Director.

Thank you,





GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
STATE BUDGET OFFICE
LANSING

JENNIFER L. FLOOD
DIRECTOR

December 10, 2024

The Honorable Sarah Anthony, Chair
Senate Appropriations Committee
Michigan State Senate
State Capitol
Lansing, Michigan 48909

The Honorable Angela Witwer, Chair
House Appropriations Committee
Michigan House of Representatives
State Capitol
Lansing, Michigan 48909

Dear Legislators:

SUBJECT: Legislative Transfer Request 2025-3

I recommend the following fiscal year 2025 legislative transfers for your approval. These transfers are in accordance with section 393(2) of Act No. 431, P.A. 1984, as amended and are recommended for approval by the House and Senate Appropriations Committees.

The following information summarizes the transfer recommendations:

<u>Department</u>	<u>Transfer Amount</u>
Labor and Economic Opportunity	\$127,700,000
Total	\$127,700,000

If you have any questions regarding this request, please contact my office at (517) 335-3420.

Sincerely,

Jennifer L. Flood
State Budget Director

Attachment

cc: Winnie Brinks, Senate Majority Leader
Joe Tate, Speaker of the House
Aric Nesbitt, Senate Minority Leader
Matt Hall, House Minority Leader
Senate Appropriations Committee
House Appropriations Committee
Senate Fiscal Agency
House Fiscal Agency

Departments
JoAnne Huls, Chief of Staff
Tricia Foster, Chief Operating Officer
Zack Pohl, Deputy Chief of Staff
Patti Tremblay, Director of Legislative Affairs
Kyle Guarrant, Deputy State Budget Director
Heather Boyd, Office of Financial Management
Internal State Budget Office

Legislative Transfer
Letter # 2025-3

Labor and Economic Opportunity

FROM: BOILERPLATE APPROPRIATIONS				
Contingency funds	B24000			(27,700,000)
State restricted contingency revenues 376	2015	STRS		(27,700,000)
TO: STRATEGIC OUTREACH AND ATTRACTION RESERVE				
Critical industry program	38773			27,700,000
Strategic outreach and attraction reserve fund transfer to Michigan strategic fund	2658	STRS		27,700,000

This transfer provides \$27.7 million in state restricted contingency authorization to the Critical Industry Program (CIP) pursuant to Article 9, Sec. 210 of PA 121 of 2024. Funds are transferred into the CIP to support a grant to Detroit Diesel Corporation to modernize and enhance the company's current plant located in Redford Charter Township and the City of Detroit to maintain its existing production capacity while expanding and equipping it to manufacture electric components for medium and heavy-duty electric trucks.

The Michigan Strategic Fund (MSF) Board approved performance-based incentives for this project on December 10, 2024. The project secures up to \$285 million in capital investment in the Township of Redford, Wayne County, preserves more than 2,000 jobs at the facility while creating up to 436 new hourly and salaried positions. This CIP grant, in addition to the other incentives approved by the MSF Board, will position the site as a potential cornerstone for future zero-emission vehicle (ZEV) component manufacturing within the company's wide-ranging footprint, reinforcing its role in Michigan's automotive future.

Revenue to support this transfer is available from the Strategic Outreach and Attraction Reserve Fund (SOAR). This transfer is in compliance with the statutory requirements for the use and expenditure of the SOAR Fund in its enacting legislation. Two separate SOAR transfers of \$50 million and \$120 million requested on December 3, 2024 (transfer letter 2025-2), are pending with the Legislature. In addition, this transfer request includes a separate SOAR transfer of \$100 million that has also been recommended. If all transfers are approved, there would be \$406.4 million remaining in the SOAR fund to support future transfers.

Report ID: BUD-TRNLET-0046**Run Date:** 12/05/2024**Run Time:** 4:30:49 PM**SIGMA****Transfer Letter Detail****Legislative Transfer****Letter # 2025-3****FROM: BOILERPLATE APPROPRIATIONS**

Contingency funds	B24000		(100,000,000)
State restricted contingency revenues 376	2015	STRS	(100,000,000)

TO: STRATEGIC OUTREACH AND ATTRACTION RESERVE

Michigan strategic site readiness program	54315		100,000,000
Strategic outreach and attraction reserve fund transfer to Michigan strategic fund	2658	STRS	100,000,000

This transfer provides \$100 million in state restricted contingency authorization to the Michigan Strategic Site Readiness Program (MSSRP) pursuant to Article 9, Sec. 210 of PA 121 of 2024. Funds are transferred into the MSSRP to support a grant to the University of Michigan for site development, construction, and other related eligible activities under the MSSRP necessary to construct at least two state-of-the-art advanced computing facilities in Ypsilanti, Michigan. One of the facilities will be utilized primarily by the university and the other is intended to be used by Los Alamos National Laboratory (LANL) for advanced research.

The Michigan Strategic Fund (MSF) Board approved the MSSRP performance-based grant for this project on December 10, 2024. The total cost of the project is expected to exceed \$1.2 billion, and the project is expected to become fully operational by 2030. The development of the project is expected to create highly skilled federal research lab positions and provide a significant attraction opportunity for out-of-state companies that are interested in partnering with LANL or the university. This project supports the state's growing artificial intelligence ecosystem and the investment positions Michigan for additional anticipated federal investments to support artificial intelligence research hubs across the country.

Revenue to support this transfer is available from the Strategic Outreach and Attraction Reserve Fund (SOAR). This transfer is in compliance with the statutory requirements for the use and expenditure of the SOAR Fund in its enacting legislation. Two separate SOAR transfers of \$50 million and \$120 million requested on December 3, 2024 (transfer letter 2025-2), are pending with the Legislature. In addition, this transfer request includes a separate SOAR transfer of \$27.7 million that has also been recommended. If all transfers are approved, there would be \$406.4 million remaining in the SOAR fund to support future transfers.