



**MICHIGAN ECONOMIC**  
DEVELOPMENT CORPORATION

September 23, 2022

Thomas Fehrenbach  
City of East Lansing (“Applicant”)  
410 Abbot Road  
East Lansing, MI 48823

**Re: Letter of Interest – Placemaking Improvements – Connections at Valley Court Park (“Project”)**

Dear Thomas:

Thank you for giving the Michigan Economic Development Corporation (the “MEDC”) the opportunity to review your proposed Project. We appreciate the economic development benefits that this project is intended to achieve. The project is anticipated to achieve the goals of the Revitalization and Placemaking (“RAP”) program and these improvements are anticipated to have a positive impact on the local and state economy.

The Michigan Strategic Fund (the “MSF”) has authorized an award under the RAP program in the form of a grant, in the amount of up to \$1,000,000, in response to your submitted RAP application, and they have authorized the MSF Fund Manager to negotiate the final terms and conditions and execute all final documents necessary to effectuate the award (the “Award”). The MEDC staff provides administrative support to the MSF and will be responsible to work with you and the MSF Fund Manager toward a grant agreement (the “RAP Grant Agreement”). Grantee requirements of particular note include compliance with the RAP Program Guidelines and all program requirements, including but not limited to the following 1) No project may receive RAP funds for more than 50% of eligible costs as described in the RAP Program Guidelines, 2) eligible costs may be incurred during the period that begins on March 3, 2021 and ends on December 31, 2024, but only to the extent that the disbursed funds for the obligations incurred by December 31, 2024 are actually spent by December 31, 2026. Costs for projects incurred prior to March 3, 2021, are not eligible, as provided in Treasury’s Interim Final Rule. Any funds not obligated or expended for eligible uses by the timelines above must be returned to Treasury, 3) all eligible recipients are required to have an active registration with the System for Award Management (SAM) (<https://www.sam.gov>) and a Unique Entity Identifier (UEI), 4) organization must maintain records and financial documents for five years after all funds have been expended or returned to Treasury, and 5) Recipients and Subrecipients that expend more than \$750,000 in Federal awards during their fiscal year will be subject to an audit under the Single Audit Act. All of these requirements as well as regular reporting requirements will be further detailed in the RAP Grant Agreement.

Per the IRS, recipients of funds from grant programs which support businesses are considered gross taxable income for the recipient. All grant recipients will receive a 1099-G form and are responsible for the tax reporting regarding these payments. Please consult with a tax accountant with any questions.

In response to federal timing requirements for commitment and expenditure of funds, we must finalize and execute the RAP Grant Agreement as soon as possible. We anticipate that you will work closely with your assigned project manager to identify project documentation material deadlines, including final project

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programming, approval of subgrant projects if applicable, and evidence of all project financing commitments as necessary to successfully move the project to grant agreement by 3/15/2023. If communication or progress is stalled and that date does not appear to be feasible your grant approval may be re-evaluated against other RAP opportunities in order to ensure that expenditure deadlines are met.

This letter does not embody all of the terms and conditions of the Revitalization and Placemaking program and is not intended to be a legally binding agreement. This letter should not in any way be viewed as a commitment by, or an obligation of the MEDC, the MSF or any other entity. Proceeding toward a grant agreement for the Project is contingent upon several factors, the form, substance and results of which must be satisfactory to the MEDC and the MSF including without limitation: (i) submission by the Applicant of all other documentation as required, (ii) local support, as applicable, (iii) available MSF funding, as applicable (iv) completion of financial review, as applicable, (v) required background checks, and all other business and legal review and due diligence, and (vi) as applicable, execution of the final project documents by all required parties with established performance based milestones, reporting requirements and all other required terms and conditions.

If you are interested in continuing discussions with the MEDC about your Award, please sign and date this letter and return to the MEDC by September 30, 2022, or this letter of engagement will expire. Additionally, as stated above, projects that fail to achieve a fully executed RAP Grant Agreement by March 15, 2023, or that have a pause in communication or progress toward that agreement may be reconsidered against other RAP opportunities.

Thank you for your RAP application and your interest in community revitalization. If you have any questions, please contact me any time at (517)599-7698 or by email at [winderj2@michigan.org](mailto:winderj2@michigan.org).

Sincerely,

*Jacob Winder*

Jake Winder, Manager, Community Development Incentives  
Michigan Economic Development Corporation

The Applicant acknowledges the above and is interested in continuing discussions with the MEDC.

Applicant:

DocuSigned by:  
*Tom Feltenbach*  
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("Applicant")

Date: 9/26/2022

cc: Genna Hines, Managing Director, Regions 7, 8, 9  
Jake Winder, Manager, Community Development Incentives  
Sarah McKinley, Program Specialist, Community Development Incentives  
Rachel Elsinga, Community Development Manager, Region 7  
Sharon Cassidy, Community Assistance Team Administrative Assistant