



City of Fenton

301 South Leroy Street · Fenton, Michigan 48430-2196 • (810) 629-2261 • FAX (810) 629-2004

COUNCIL WORK SESSION AGENDA

Monday, December 6, 2010

City Hall Conference Room

301 South Leroy Street

7:30 PM

1. Call to Order.
2. Roll Call.
3. Citizen Comments: Request by citizens to speak on specific agenda items.
4. Budget update for Oakwood Cemetery Projects.
5. Discussion on the Complete Streets Initiative.
6. Discussion on Sunday Morning Alcohol Sales.
7. Discussion on Tax Exemption Request for Creative Foam.
8. Discussion on Tax Reversion of Properties.
9. Discussion on the Solid Waste Removal bids.
10. Discussion on the future funding of the City's 911 Dispatch Unit.
11. Call to the Audience.
12. Adjournment.

IF ACCOMMODATIONS ARE NEEDED DUE TO A DISABILITY, PLEASE CONTACT THE CITY CLERK'S OFFICE.

Date: October 01, 2010

**To: Mayor Sue Osborn
Lynn Markland, City Manager
City Council**

From: Benjamin Smith, Council Member

RE: Complete Streets Training Session

On Wednesday the 29th of September I attended the Complete Streets Training Session at the Sarvis Center in Flint. This was presented by LSL Planning, Inc. and sponsored by the following:

- Safe & Active Genesee for Everyone (SAFE)**
- Genesee County Health Department**
- Michigan Dept. of Community Health**
- The Disability Network**

This program was coordinated by Lauren Holaly from the Crim Fitness Foundation. The lead speaker was Bradley Strader, AICP, PTP from LSL Planning Inc.

A portion of this presentation was intended to show the relevance of Complete Streets ideas and the importance of these concepts to our communities. I believe that most of the council members can already see the benefits of the Complete Streets program and the new life that these ideas can and will bring to the Downtown Area of Fenton.

In order to set in motion the Complete Streets initiatives it is recommended that a Complete Streets Resolution be adopted for the city. A sample resolution is included for your appraisal. As you can see, the Complete Streets Resolution takes into account many different types of transportation, both motorized and non-motorized. It also strives to construct safer and more pedestrian friendly streets and gathering areas for all citizens regardless of age or disability. The Resolution is an attempt to align all city departments, along with the public, to the betterment of the

downtown area which will ultimately improve the entire City of Fenton.

With the Resolution in place the focus can then be placed on implementing the plan and securing grant monies for construction.

I was surprised to learn that both the Genesee County Health Dept. and the Michigan Dept. of Community Health are strong supporters of the Complete Streets Policies. Both have inputs for the betterment of the general welfare of our community and I believe that they are able to secure some monies for these types of projects.

In closing I would like to suggest that the administration bring this before council for full discussion and possible inclusion to the Resolutions of the City.

Thank You,

Benjamin Smith

JENNIFER M. GRANHOLM
GOVERNOR



STATE OF MICHIGAN
LIQUOR CONTROL COMMISSION
DEPARTMENT OF LABOR & ECONOMIC GROWTH
ANDREW S. LEVIN, ACTING DIRECTOR

NIDA R. SAMONA
CHAIRPERSON

December 1, 2010

Dear Clerk:

This letter is in reference to the recent action taken by the Legislature that amended Section 1111 and Section 1113 of the Michigan Liquor Control Code of 1998, being MCL 436.2111 and MCL 436.2113. These amendments allow for the sale of spirits, mixed spirit drink and beer and wine between the hours of 7:00 a.m. on Sunday and 2:00 a.m. on Monday.

MCL 436.2111 allows for the sale of beer and wine between the hours of 7:00 a.m. on Sunday and 2:00 a.m. on Monday unless the local legislative body has prohibited such sales.

MCL 436.2113 allows for the sale of spirit and mixed spirit drink between the hours of 7:00 a.m. on Sunday and 2:00 a.m. on Monday, unless the legislative body of a county or the local legislative body has prohibited such sales.

If your governmental unit or county chooses to prohibit the sale of spirits, mixed spirit drink and/or beer and wine between the hours of 7:00 a.m. on Sunday and 2:00 a.m. on Monday, please submit your resolution or ordinance prohibiting such sales to this office by 5:00 p.m. on December 15, 2010. If we do not receive a response from you by this deadline, we will assume that you currently have no resolution or ordinance that would prohibit the sale of alcoholic liquor between the hours of 7:00 a.m. on Sunday and 2:00 a.m. on Monday. You do retain the right in the future to prohibit Sunday Sales.

Unless we hear from you concerning this matter, it is our intent to begin issuing the early morning Sunday Sales Permits to our licensee's on December 16, 2010 in those governmental units that currently authorize Sunday Sales.

If you have any questions regarding this matter, please feel free to contact this office at (517) 322-1400 or toll free at 1-866-813-0011.

Very truly yours,

MICHIGAN LIQUOR CONTROL COMMISSION

A handwritten signature in cursive script that reads "Sharon Martin".

Sharon Martin, Director
Licensing Division

DLEG is an equal opportunity employer/program.

Auxiliary aids, services and other reasonable accommodations are available upon request to individuals with disabilities.

Michigan Liquor Control Commission
7150 Harris Drive • P.O. Box 30005 • Lansing, Michigan 48909-7505
www.michigan.gov/dleg • (517) 322-1345 Lansing Office



Memorandum

DATE: December 2, 2010
TO: Lynn Markland, City Manager
FROM: Tonya Molloseau, City Assessor

AM
JM

CITY OF FENTON

RE: Creative Foam Tax Exemption Request

Creative Foam, located at 555 Fenway Drive, has submitted an application to our offices for an Exemption of New Personal Property (Public Act 328). This application is requesting a 100% exemption on new personal property to be purchased. The estimated tax revenue to the City would be \$8200.00 annually. The applicant is proposing to implement a \$1.5 million expansion to supply a renewable energy market. This plan includes adding 63 new employees with an average weekly salary of \$500.00 within the next 5 years.

Included for your review is the letter of request, application, the letter from MEDC granting a MEGA tax credit to Creative Foam as well as the application that was sent to MEDC. If the City of Fenton grants this request, it will be a 5 year exemption beginning in the year 2011.

As you will find from reviewing the attached documents, MEDC requires the local unit of government support in order for Creative Foam to take advantage of the MEGA tax credit. The MEDC granted the MEGA tax credit to Creative Foam on October 26, 2010.

The IFT Subcommittee met on Monday, November 29, 2010 to review the application. During their meeting, a recommendation was made that the City Council review and approve a five-year Act 328 exemption for Creative Foam to begin in 2011.

November 11, 2010



Fenton City Council Members,

Since being founded in 1969 Creative Foam has called Fenton home. Our original location was on the old Shiawassee Avenue. We have since grown to have to our corporate office, engineering center and two manufacturing operations all in Fenton. We have expanded to Indiana, Tennessee and Colorado in recent years, but have kept our main campus in Fenton. We presently have over 240 employees that have Fenton as their place of employment. We wish to stay here and grow our business along with helping the local economy. We would appreciate your support as we consider Fenton for our next major investment.

We plan on investing \$1.5 million in an expansion of our Fenway facility to supply the renewable energy market. We will produce core kits that are used in the production of wind turbine blades. In the next five years we plan on adding 63 direct employees. These wage jobs will pay an average wage of about \$14 to \$15 per hour. The MEDC estimates the increased economic activity created by this program has the potential to create an additional 81 indirect jobs. This is a total of 144 new jobs that will help stimulate the local economy.

The City of Fenton has been good to Creative Foam in the past and we have helped in building the local infrastructure. With your help Fenton and Creative Foam will continue to prosper for many years to come.

Sincerely,

A handwritten signature in cursive script, appearing to read "Bruce G. Graham".

Bruce G. Graham
Executive Vice President

Application for Exemption of New Personal Property

Issued under P.A. 328 of 1998. An exemption will not be effective until approved by the State Tax Commission.

INSTRUCTIONS: Read instructions on page 2 of this form before completing this application. File the original and two copies of this form and the required attachments (resolution approving, copy of legal description and a detailed description of the business operations) with the clerk of the local government unit. The State Tax Commission requires two complete sets.

PART 1: APPLICANT INFORMATION

1a. Applicant/Company Name (Applicant must be an ELIGIBLE BUSINESS) CREATIVE FOAM, INC.		2. County GENESEE	
1b. Company Mailing Address (No. and Street, P.O. Box, City, State, ZIP Code) 555 FENWAY DR., FENTON, MI 48430		3. City/Township/Village (indicate which) FENTON	
1c. Location of Eligible Business (No. and Street, City, State, ZIP Code) 555 FENWAY DR., FENTON, MI 48430		4a. Local School District FENTON	4b. School Code 25100
5. Check below the type of business in which you are engaged and provide a detailed description of the business operation on a separate sheet			
<input checked="" type="checkbox"/> Manufacturing		<input type="checkbox"/> Research & Development	
<input type="checkbox"/> Mining		<input type="checkbox"/> Wholesale Trade	
<input type="checkbox"/> Office Operations			
6a. Identify type of ELIGIBLE DISTRICT where Eligible Business and New Personal Property will be located 100		6b. Governing Unit that Established ELIGIBLE DISTRICT CITY OF FENTON	
7. Name of Person in the Eligible Business to Contact for Further Information BRUCE GRAHAM		8. Telephone Number (810) 629-4149	
9. Mailing Address 300 N. ALLOY DR., FENTON, MI 48430			

The undersigned, authorized officer of the company making this application certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way and that all of the information is truly descriptive of the property for which application is being made. The undersigned, authorized officer further certifies that the applicant is an Eligible Business as defined in P.A. 328 of 1998.

11. Name of Company Official BRUCE GRAHAM		12. Title CFO	
13. Signature (No Authorized Agents) <i>Bruce Graham</i>		14. Date 11/5/2010	
15. Mailing Address (include City, State and ZIP Code) 300 N. ALLOY DR., FENTON, MI 48430			
16. Email Address bgraham@creativefoam.com		17. Telephone Number (810) 629-4149	18. Fax Number (810) 629-7368

PART 2: LOCAL GOVERNMENT UNIT CLERK VERIFICATION

19. Name of Local Governmental Unit Which Passed Resolution for Exemption of New Personal Property		20. Date of Resolution (Attach Copy)	21. Expiration Date of Exemption
22. Name of Clerk		23. Date application was received by Local Unit	
24. Clerk's Signature		25. Clerk's Mailing Address	
26. Telephone Number	27. Fax Number	28. Email Address	
29. LUCI Code	30. School Code	31. Date District was Established	

STATE TAX COMMISSION USE			
Application No.	Date Received	LUCI Code	School Code

II. FACTUAL DATA

A. LEGAL DESCRIPTION

The following legal description was taken from City of Fenton Assessment Records. Although the appraiser believes that the following legal description accurately describes the subject of this appraisal report, I neither warrant nor imply its accuracy.

Premises situated in the City of Fenton, County of Genesee, State of Michigan, described as follows:

A Parcel of Land BEGINNING N 89 deg. 16 min. 11 sec. E, 182.35 feet and S 03 deg. 48 min. 18 sec. E, 124.74 feet, and on a curve to the right, chord bearing and distance S 00 deg. 19 min. 49 sec. E, 82.07 feet, and S 03 deg. 08 min. 41 sec. W, 343.78 feet from the NE corner of Section; Thence, continuing S 03 deg. 08 min. 41 sec. W, 469.29 feet; Thence, on curve to left, chord bearing and distance S 01 deg. 54 min. 28 sec. W, 32.09 feet; Thence, S 88 deg. 48 min. 28 sec. W, 1,011.77 feet; Thence, N 01 deg. 01 min. 35 sec. W, 500 feet; Thence, N 88 deg. 48 min. 28 sec. E, 1,047.22 feet to Place of Beginning. Section 35, T5N-R6E (97) fr 53-34-200-002 & 008.

B. OWNERSHIP, OCCUPANCY AND HISTORY

The above legally described property appears to have been acquired from the prior owner by Creative Foam Corporation in August of 1996. The property reportedly was acquired as vacant land, and the existing improvements were constructed in 1996/early 1997. The property has continued to be held under the current ownership since the time of construction.

The property is presently owner occupied.

Research of public records, private data services, and an interview with the current owner's representative, reveals that the subject property is not under current purchase agreement or option



Creative Foam - Medical Systems
 405 N. Industrial
 Bremen, IN 46506
 Tel 574 546-4238
 Fax 574 546-5093

Account Activity

Periods: 04-2011 - 04-2011

Period	Date	Description	Accounting Job	Number	Customer/Supplier/Header	Debit	Credit
530900-101-BR Manufacturing-OSF Tooling & Samples							
04-2011	5/19/10	Flame laminate 56" x 100yd 4wa		RECEIVED	MPR Corporation d/b/a Fabric S	22.50	.00
04-2011	5/19/10	Flame laminate 56" x 100yd 4wa		RECEIVED	MPR Corporation d/b/a Fabric S	22.50	.00
04-2011	5/24/10	6# EVA 2" x 35" x 70".W, Qty:		05/24/10	Sekisui Voltek California	.00	.00
04-2011	10/12/10	110883 Rev-, Qty: 5 @ \$143.00/		61408	Bowden Manufacturing Corporati	715.00	.00
04-2011	10/12/10	110884 Rev -, Qty: 5 @ \$255.00		61408	Bowden Manufacturing Corporati	1,275.00	.00
04-2011	10/12/10	110892 Rev -, Qty: 5 @ \$177.75		61408	Bowden Manufacturing Corporati	888.75	.00
04-2011	10/12/10	110894 Rev -, Qty: 5 @ \$144.25		61408	Bowden Manufacturing Corporati	721.25	.00
04-2011	10/12/10	110895 Rev -, Qty: 10 @ \$36.00		61408	Bowden Manufacturing Corporati	360.00	.00
04-2011	10/12/10	110885 Rev -, Qty: 10 @ \$62.00		61408	Bowden Manufacturing Corporati	620.00	.00
04-2011	10/12/10	110881 Rev -, Qty: 4 @ \$36.00/		61408	Bowden Manufacturing Corporati	144.00	.00
04-2011	10/14/10	HR150- 17 x 20 x 20, Qty: 47		8761886	Foamcraft, Inc	150.12	.00
04-2011	10/14/10	Receive Board Feet - Part FU18		8761889	Foamcraft, Inc	555.75	.00
04-2011	10/18/10	110881 Rev -, Qty: 6 @ \$36.00/		61452	Bowden Manufacturing Corporati	216.00	.00
04-2011	10/21/10	FU20100 2.0# 100 Ild 82X48X37		8762487	Foamcraft, Inc	1,182.87	.00
04-2011	10/21/10	Sample material for GE colls p		RM 09/04/10	Ryan Mccartney	41.70	.00
04-2011	10/8/10	JE: Manufacturing-OSF Tooling		93779	Reversing entry for 93778. A	.00	160.76

Transaction Total:	6,915.44	160.76
530900-101-BR Beginning Balance:	4,507.62	
530900-101-BR Net Activity:	6,754.68	
530900-101-BR Ending Balance:	11,262.30	

Transaction Total:	6,915.44	160.76
Grand Beginning Balance:	4,507.62	
Grand Net Activity:	6,754.68	
Grand Ending Balance:	11,262.30	



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Periods: 04-2011 - 04-2011

<u>Period</u>	<u>Date</u>	<u>Description</u>	<u>Accounting Job</u>	<u>Number</u>	<u>Customer/Supplier/Header</u>	<u>Debit</u>	<u>Credit</u>
534400-101-BR Manufacturing-Tooling Expense							
04-2011	7/30/10	Tooling, 1-up cast aluminum wa		07/30/10	Profile Plastics Corp	5,600.00	.00
04-2011	7/30/10	Invoice 107487 for 40% upon re		07/30/10	Profile Plastics Corp	-2,240.00	.00
04-2011	7/30/10	Invoice 107488 for 10% upon ap		07/30/10	Profile Plastics Corp	-560.00	.00
04-2011	10/7/10	Machine die shoes to remove ma		I-5335	K & K Inc	2,350.00	.00
04-2011	10/7/10	Resharpen die., Qty: 1 @ \$600.		I-5335	K & K Inc	600.00	.00
04-2011	10/18/10	381040 Foam, Qty: 1 @ \$145.71/		10209	Meck Die, Inc	145.71	.00
04-2011	10/18/10	381040 Velcro, Qty: 1 @ \$45.00		10209	Meck Die, Inc	45.00	.00
04-2011	10/18/10	381030 Foam, Qty: 1 @ \$95.60/p		10209	Meck Die, Inc	95.60	.00
04-2011	10/18/10	381030 Velcro, Qty: 1 @ \$45.00		10209	Meck Die, Inc	63.08	.00
04-2011	10/18/10	CAD CAM parts, CNC one upper f		I-5354	K & K Inc	4,200.00	.00
04-2011	10/21/10	CAD CAM parts, CNC a REN board		I-5361	K & K Inc	2,500.00	.00
04-2011	10/21/10	CAD CAM part, CNC a REN board		I-5361	K & K Inc	2,500.00	.00
04-2011	10/8/10	JE: Manufacturing-Tooling Expe		93779	Reversing entry for 93778. A	.00	2,800.00
Transaction Total:						15,299.39	2,800.00
534400-101-BR Beginning Balance:						20,912.09	
534400-101-BR Net Activity:						12,499.39	
534400-101-BR Ending Balance:						33,411.48	
Transaction Total:						15,299.39	2,800.00
Grand Beginning Balance:						20,912.09	
Grand Net Activity:						12,499.39	
Grand Ending Balance:						33,411.48	



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Account Activity

Periods: 04-2011 - 04-2011

<u>Period</u>	<u>Date</u>	<u>Description</u>	<u>Accounting Job</u>	<u>Number</u>	<u>Customer/Supplier/Header</u>	<u>Debit</u>	<u>Credit</u>
540200-101-BR Manufacturing-R & M Equipment							
04-2011	6/30/10	2010 Annual WinCap 2.2 Softwar		0061094-IN	Baumer Of America Inc	1,200.00	.00
04-2011	9/8/10	Touch off tool shaft, touch of		0010257-IN	Anderson America Corp	477.00	.00
04-2011	9/8/10	Freight		0010257-IN	Anderson America Corp	14.50	.00
04-2011	9/13/10	S/S spring guards, nylon hoses		1299935-01	Filter & Coating Technology	353.00	.00
04-2011	9/13/10	Freight		1299935-01	Filter & Coating Technology	14.32	.00
04-2011	9/16/10	(1) 47-56500 needle		1299935-04	Filter & Coating Technology	23.00	.00
04-2011	9/16/10	Freight		1299935-04	Filter & Coating Technology	13.77	.00
04-2011	9/17/10	(3) spray tips		1299935-05	Filter & Coating Technology	166.50	.00
04-2011	9/17/10	Freight		1299935-05	Filter & Coating Technology	13.77	.00
04-2011	9/17/10	Maintenance supplies		INNAP11757	Fastenal Company	91.93	.00
04-2011	9/21/10	Maintenance supplies		177217	Klinge Ace Hardware	18.98	.00
04-2011	9/21/10	Maintenance supplies		177244	Klinge Ace Hardware	15.98	.00
04-2011	9/22/10	Maintenance supplies		65917797	McMaster Carr	594.75	.00
04-2011	9/23/10	Sprocket & roller		210690	Ttarp Industries, Inc	394.52	.00
04-2011	9/23/10	Freight		210690	Ttarp Industries, Inc	93.74	.00
04-2011	9/27/10	(10) 8469K999 light bulbs		66383687	McMaster Carr	488.90	.00
04-2011	9/28/10	Maintenance supplies		206791	Jenkins Automotive, Inc.	52.74	.00
04-2011	9/30/10	(2) Capacitors		0010333-IN	Anderson America Corp	24.00	.00
04-2011	9/30/10	Freight		0010333-IN	Anderson America Corp	40.63	.00
04-2011	10/1/10	Tank monitor		5469431Oct2010	United Telephone Co of Indiana	51.19	.00
04-2011	10/3/10	Maintenance contract - Oct 201		145826	Esko-Graphics, Inc	515.25	.00
04-2011	10/5/10	A-B9565AW recording paper, Qty		004039	Arjay Automation, Inc	55.20	.00
04-2011	10/5/10	(2) tip guards		1299935-06	Filter & Coating Technology	61.80	.00
04-2011	10/5/10	Freight		1299935-06	Filter & Coating Technology	13.77	.00
04-2011	10/5/10	Usage		7367161	Ricoh Americas Corporation	13.55	.00
04-2011	10/5/10	Drive shafts & wire blades.		INV-38061	Edge Industries Inc d/b/a Edg	174.76	.00
04-2011	10/5/10	Freight		INV-38061	Edge Industries Inc d/b/a Edg	34.64	.00
04-2011	10/6/10	Machine 200 tee nut stand-offs		547958	D & P Mechanical	1,487.30	.00
04-2011	10/9/10	Usage		7388052	Ricoh Americas Corporation	.68	.00
04-2011	10/18/10	Usage		7525842	Ricoh Americas Corporation	15.66	.00
04-2011	10/19/10	Maintenance contract - Nov 201		146489	Esko-Graphics, Inc	515.25	.00
04-2011	10/18/10	JE: AP UPS 10/9/10 Mfg R&M Eq		93790	AP UPS 10/9/10	7.00	.00
04-2011	10/30/10	JE: JE-47B Bremen R&M Accrual		93800	Standard Entries	1,500.00	.00

<u>Period</u>	<u>Date</u>	<u>Description</u>	<u>Accounting Job</u>	<u>Number</u>	<u>Customer/Supplier/Header</u>	<u>Debit</u>	<u>Credit</u>
04-2011	10/30/10	JE: Lutian Kent / parts for pr		93802	Chase C.C. Allocation	10.97	.00
04-2011	10/30/10	JE: Lutian Kent / parts for pr		93802	Chase C.C. Allocation	182.90	.00

	Transaction Total:	8,731.95	.00
540200-101-BR	Beginning Balance:	22,332.64	
540200-101-BR	Net Activity:	8,731.95	
540200-101-BR	Ending Balance:	31,064.59	

	Transaction Total:	8,731.95	.00
	Grand Beginning Balance:	22,332.64	
	Grand Net Activity:	8,731.95	
	Grand Ending Balance:	31,064.59	

300 N. WASHINGTON SQ.
LANSING, MI 48913

517.373.9808

MICHIGANADVANTAGE.ORG



September 15, 2010

Bruce Graham, Executive Vice-President
Creative Foam Corporation
555 Fenway Drive
Fenton, MI 48430

Dear Mr. Graham:

It has been a pleasure working with Creative Foam Corporation on your proposed project in the City of Fenton. This letter outlines the terms and requirements that must be met for the company to utilize the incentives offered in support of your proposed project.

Michigan Economic Growth Authority (MEGA) Tax Credit:

The proposed 100% High Technology MEGA tax credit is for 5 years, beginning fiscal year ending June 30, 2012, the credit can be pulled forward one year if appropriate. Based on the information provided in your final application, we estimate the value of this incentive to be \$362,386. The availability of this credit and the terms described in this letter are contingent upon approval of the MEGA Board.

The company must meet the following requirements to be eligible for the tax credit. Failure to meet the requirements may disqualify the company for the credit or result in a forfeit of credit for the tax year in which the requirements are not met. The requirements are as follows:

- The company must create a minimum of 5 qualified new jobs the first year of the credit and a minimum of 25 qualified new jobs by the fifth year of the credit over the established employment base of 366.
- The maximum number of qualified new jobs that the company can request credit for in any given year is 63.
- The company must pay an average weekly wage of \$500.
 - Wages are capped at the first \$250,000 for any one individual; and
 - Box 1 W-2 data is utilized as actual wages for purposes of the credit calculation and to compute the average weekly wage, which must be at least \$500.
- The company must complete the initial capital investment associated with the project.

EXECUTIVE COMMITTEE

MATTHEW P. CULLEN

Chair
Rock Enterprises

PHILIP H. POWER

Vice-Chair
The Center for Michigan

D. GREGORY MAIN

President and CEO

JOHN W. BROWN

Stryker Corporation

DR. DAVID E. COLE

Center for
Automotive Research

JOANN CRARY

Saginaw Future Inc.

DR. HAIFA FAKHOURI

Arab American and
Chaldean Council

STEVEN K. HAMP

Hamp Advisors, LLC

PAUL HILLEGONDS

DTE Energy Company

GEORGE W. JACKSON JR.

Detroit Economic
Growth Corporation

BIRGIT M. KLOHS

The Right Place, Inc.

F. THOMAS LEWAND

Bodman LLP

STEVEN LIEDEL

Office of
Governor Jennifer Granholm

JEFF METTS

Dowding Industries, Inc.

DR. IRVIN D. REID

Wayne State University

SANFORD "SANDY" RING

Hino Motors
Manufacturing U.S.A., Inc.

MICHAEL B. STAEBLER

Pepper Hamilton LLP

TODD A. WYETT

Veisa Development, LLC

- The company must pay an administrative fee upon submission of the first year's tax credit application. The estimated value of your administration fee is \$1,812.

I have read and understand the above requirements associated with the tax credit.

Initials: BJ

Qualified new jobs must meet the following requirements to be included:

- Must be full-time employees (working 35 hours or more) of the applicant company;
- Job must be created after the MEGA Credit Agreement is executed by the company and the MEGA Board Secretary;
- Located at the project site;
- Have Income and Social Security taxes withheld by the Company;
- Reside in Michigan;
- In excess of the established employment base, as outlined above;
- Paid a minimum of 150% of the current federal minimum wage, including the company paid portion of the health care costs.

Please indicate your understanding and acceptance of the following by initialing below:

- If the MEGA Board approves the proposed credit, its action will be contingent on City of Fenton's approval of the proposed local support. Local approval should be secured within 90 days of the MEGA Board action.

Initials BJ

- MEGA Tax Credit recipients may earn credit on the creation of Qualified New Jobs. Qualified New Jobs must be hired after the execution of a MEGA Credit Agreement and must meet the above referenced requirements of a Qualified New Job. **Any jobs created prior to execution of a MEGA Credit Agreement will not count as Qualified New Jobs.**

Initials BJ

- This project will not be placed on a MEGA Board agenda until the business integrity review and background check processes have been successfully completed.

Initials BJ

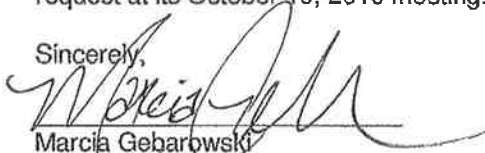
- This project will not be placed on a MEGA Board agenda until staff has successfully completed the financial review of the project and company.


Initials BJ

Bruce Graham
September 15, 2010
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Your signature constitutes acceptance of these terms and requirements. The MEGA Board will not consider your application for a tax credit until we receive the signed incentive terms letter. We are pleased to work as partners with Creative Foam Corporation in bringing jobs to Michigan. Please review these documents and call me at 517.241.7880 with any questions or concerns. Please sign this letter and email it to me at gebarowskim@michigan.org (or fax it to me at 517.373.8179) by September 16, 2010 so that the MEGA Board may consider your request at its October 19, 2010 meeting.

Sincerely,


Marcia Gebarowski
Project Specialist
MEDC


Bruce Graham
Executive Vice President
Creative Foam Corporation

**Acceptance of these terms are also subject to a business integrity review and background check process, the results of which are satisfactory to the MEDC, MSF, MEGA, and Office of the Chief Compliance Officer, or any of their designees.

cc: Tom Young, MEDC
Mike Burns, City of Fenton
Ben Smith, Plant Moran CRESA



MICHIGAN ECONOMIC GROWTH AUTHORITY (MEGA)
MICHIGAN ECONOMIC DEVELOPMENT CORPORATION
HIGH-TECHNOLOGY CREDITS

Application Contents/Instructions

APPLICATION INFORMATION

The application for Michigan Business Tax Credits through the Michigan Economic Growth Authority (MEGA) consists of two parts and several attachments. All portions of the application must be completed and the required attachments provided for MEGA consideration.

Part I will be provided to the Authority members and is also available to the public. Portions of Part II may be granted confidentiality if requested by the applicant, and determined by the chairperson of MEGA to meet the statutory standards for granting confidentiality. Requests should be accompanied by a Confidentiality Form, which can be provided by your MEGA Project Specialist.

APPLICATION & ADMINISTRATIVE FEES

- There is a nonrefundable application fee as follows:
 - Firms with fewer than 50 employees in the entire company (or group of controlled companies) the application fee is \$1,000.
 - Firms with 50 or more employees in the entire company (or group of controlled companies) the application fee is \$5,000.

A check made payable to the "Michigan Strategic Fund" should be attached to the application. Personal checks are not accepted.

- A one-time administrative fee of half a percent of the projected total cost of the MEGA credit will be payable by an applicant awarded a credit at the time its first MEGA Tax Credit Annual Certificate Application is due.

FULL & COMPLETE APPLICATION CHECKLIST – REQUIRED DOCUMENTATION

- Completed Signed Application
- Application Attachments as required including:
 - Business Entities Organization Chart – showing the relationship of the applicant to the parent and any affiliated or associated entities with operations in **Michigan**. The chart must show the Company Name, EIN, location, and percentage of ownership.
 - Audited Financial Statements (3 Years) or Compiled Financial Statements certified by an officer of the company.
 - Key Personnel Consent Form (Attachment 1) and Key Person Questionnaire (Attachment 2), where applicable
 - Joint Venture Agreement, where applicable
 - Application Fee payable to the Michigan Strategic Fund

APPLICATION SUBMISSION

The completed application and the appropriate application fee payable to the "**Michigan Strategic Fund**" should be mailed to the address below. Incomplete applications will result in delays in processing. Unauthorized applications will be returned. The contents of the application must include the sections in sequential order with page numbers.

**Michigan Economic Development Corporation
Michigan Economic Growth Authority
300 North Washington Square, 3rd Floor
Lansing, Michigan 48913**

MICHIGAN ECONOMIC GROWTH AUTHORITY (MEGA)
MICHIGAN ECONOMIC DEVELOPMENT CORPORATION
HIGH-TECHNOLOGY CREDITS

Part I – Application Form

Applicant Entity Legal Name (business entity to receive tax credit)		Applicant Employer Tax Identification Number (EIN)	
Creative Foam Corporation		38-1905349	
Address (Street/P.O. Box/City, State and Zip Code)		Primary NAICS Code	
555 Fenway Drive		326150	
Fenton		Company Website	
Michigan, 48430		http://www.creativefoam.com/	
State Where Incorporated/Organized	Year Incorporated	Type of Business (check one)	
Michigan	1969	<input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Proprietorship <input type="checkbox"/> Partnership <input type="checkbox"/> LLC	
Fiscal Year Begins	July 1st	and Ends	June 30
U.S. Parent Company, where applicable (Company legal name, address, contact person and contact phone)		Foreign Ownership—if greater than 50% (Company legal name, address, contact person and contact phone)	
<p>The applicant must file its own Michigan Business Tax return unless it is a member of a unitary business group that will be filing a combined return. If the applicant expects to be included as a member in a combined return, provide the full legal name and employer identification number (EIN) of the designated member with which it will file.</p>			
Full Legal Name		EIN	
Creative Foam Corporation		38-1905349	
<p>If the proposed MEGA project is a joint venture, enter the full legal names and employer identification numbers (EINs) of all participants in the joint venture and attach a copy of the joint venture and operating agreements. Attach additional pages if necessary.</p>			
JV Participant Company Legal Name		JV Participant Company EIN	
Project Contacts			
Name & Title	Address	Telephone & Fax	E Mail Address
Bruce Graham Creative Foam Corporation Executive Vice President	555 Fenway Drive Fenton, MI 48430	(810)629-4149	bggraham@creativefoam.com

MICHIGAN ECONOMIC GROWTH AUTHORITY (MEGA)
MICHIGAN ECONOMIC DEVELOPMENT CORPORATION
HIGH-TECHNOLOGY CREDITS

Part I – Application Form Continued

1. KEY PERSON INFORMATION

List the Applicant's Corporate, Company, or Partnership Directors, Officers, Partners, and/or Members, managerial employees. In addition, list any persons who, directly or indirectly, hold a pecuniary interest in the business entity of 20% or more – **all must be listed**. Attach additional pages if necessary.

Name	Title/Role
Wayne Blessing	CEO & President
Peter T. Swallow	Founder
Bruce Graham	Executive Vice President

2. BUSINESS ENTITY DESCRIPTION

The information in the following section will determine if criminal and civil background checks will be required as part of the MEGA Application process. Please review the criteria listed below, and check the box(es) that apply to the Applicant.

If the Applicant does not meet one of the criteria outlined below, the Applicant must complete a Key Personnel Consent Form (Attachment 1). In addition, a Key Person Questionnaire (Attachment 2) must be completed for each Corporate, Company, or Partnership Director, Officer, Partner, and/or Member, managerial employee. In addition, list any person who directly or indirectly hold a pecuniary interest in the business entity of 20% or more indicated above.

Regardless of meeting the criteria outlined below, all Applicant entities will be subject to a civil and criminal background check. Additional Key Person background checks may be required by the Chief Compliance Officer.

YES	NO	Criteria
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Applicant has 20 or more employees AND 5 years of operating history.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Applicant is an issuer of a security, commonly known as a publicly traded company. Issuer of security is defined as: every issuer of a security <i>registered</i> pursuant to Section 12 of the Securities and Exchange Act of 1934, as amended (Exchange Act) or that (i) <i>is required</i> to file periodical and other reports with the Securities and Exchange Commission (SEC) pursuant to Section 13 or 15(d) of the Exchange Act, and the rules and regulations promulgated thereunder, and (ii) <i>has complied</i> with all periodical and other reporting requirements of the SEC, Exchange Act, and the rules and regulations promulgated thereunder.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Applicant is a wholly-owned subsidiary of a company who has 20 or more employees AND 5 years of operating history.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Applicant is a wholly-owned subsidiary of an issuer of security
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Applicant is a venture formed by companies that meet one of the criteria above.