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January 8, 2025

Chris Taylor, Mayor
City of Ann Arbor
301 East Huron
Ann Arbor, Michigan 48104

Jacqueline Beaudry, City Clerk
City of Ann Arbor
301 East Huron
Ann Arbor, Michigan 48104

Marti Prashan, Chief Financial Officer
City of Ann Arbor
301 East Huron
Ann Arbor, Michigan 48104

Milton Doloney, City Administrator
City of Ann Arbor
301 East Huron
Ann Arbor, MI 48104

Re: The Economic Development Corporation of the City of Ann Arbor

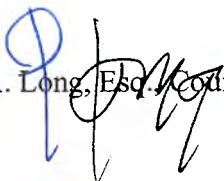
Ladies and Gentlemen:

Please find enclosed the 2024 Annual Report of The Economic Development Corporation of the City of Ann Arbor.

In the event of any questions or desire for additional information or documents, please don't hesitate to contact the undersigned at the convenience of the inquiring party.

Respectfully submitted,

Peter A. Long, Esq., Counsel



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CITY OF ANN ARBOR



CITY OF ANN ARBOR, MICHIGAN

301 E. Huron, P.O. Box 8647, Ann Arbor, Michigan 48107-8647

Economic Development
Corporation

THE ECONOMIC DEVELOPMENT CORPORATION OF THE CITY OF ANN ARBOR

2024 Annual Report

The Economic Development Corporation of the City of Ann Arbor ("EDC/AA") was established in 1978 by City Council to assist in the attraction, relocation, retention and expansion of business organizations and non-profit entities which provide employment and which are beneficial to the populace, the economy, and the environment of Ann Arbor.

The EDC/AA isn't a lending institution but the use of its bonds permits substantial savings on the costs of a loan. It does so by its issuance of tax-exempt private activity revenue bonds. A bond is purchased by the lender with the proceeds disbursed in essentially the same manner as a conventional commercial mortgage loan. Because the interest received by the lender is tax exempt in whole or in part, it permits the interest rate to be reduced accordingly.

The EDC/AA Board of Directors reviews applications for its bonds and then recommends to City Council those projects it judges to be in the best interests of the City. In practice, the EDC/AA has favored projects which are sensitive to environmental concerns and which add to the diversity of the jobs pool in the City. Because of significant changes in Federal tax law, the use of tax-exempt revenue bond financing is now limited primarily to manufacturing and non-profit projects. Since its inception, the EDC/AA has issued over one hundred forty million dollars in revenue bonds for over thirty projects in the City. For the utilization of its bond financing, the EDC/AA charges applicants a filing fee of \$650 plus a project completion fee of one-quarter to one-half percent of the principal amount of the bond due at closing.

In addition to its issuance of bonds, the EDC/AA has made a number of grants for various economic development-related activities. These have included grants to the Center for Empowerment and Economic Development, Ann Arbor SPARK, the Washtenaw Development Council, the Chamber Innovation Center, the Ann Arbor

Summer Festival, and the Michigan Technology Council. The EDC/AA remains receptive to ideas of how it may provide additional economic development services of benefit to the City but which do not otherwise duplicate those being provided by other agencies.

In 2023 the EDC/AA entered into a Memorandum of Understanding with the City which contemplated a closer relationship between the two bodies. In 2024 the City undertook substantive steps toward reviewing, updating and improving its policies and procedures with regard to economic development matters. The EDC/AA has encouraged and approved these initiatives.

EDC/AA Directors are nominated by the Mayor and appointed to six-year terms by City Council. Meetings of the EDC/AA Board of Directors are held quarterly and all EDC/AA meetings are open to the public.

For further information, contact the office of the Mayor or the Administrator at City Hall or Peter A. Long, Of Counsel, at the Mitzel Law Group PLC (palong@mitzellaw.com, 734-418-2445).

Dana Thompson, President and Director

Tim Marshall, Vice President and Director

Jan McDermott, Secretary and Director

Dale Leslie, Treasurer and Director

Sean Duval, Director

Larry Eiler, Director

Henry McQueen, Director

Paul Krutko, Director

Milton Dohoney, Director

Jen Eyer, Director

Jenn Cornell, Director