Mecosta County Board of Commissioners June 3, 2025

Green Charter Township Board

Big Rapids Charter Township Board

Area residents, in conjunction with the Mecosta Environmental and Security Alliance (MESA), have grave concerns regarding the validity and/or legality of the Renaissance Zone for Gotion, Inc. which was applied for in September 2022.

We believe the document “AN APPLICATION FOR CREATING AN MSF DESIGNATED RENAISSANCE ZONE FOR GOTION, INC.” is not compliant with Michigan Renaissance Zone Act 376 of 1996. Numerous procedural and public disclosure violations occurred during the process of creating this Renaissance Zone. And, because Gotion, Inc. (Gotion High-tech Co., Ltd.) is in violation of Michigan Compiled Laws 750.462d(b) they are not eligible to receive the tax abatements provided under the Michigan Renaissance Zone Act.

As the Applicant for this Renaissance Zone, we expect the Mecosta County Board of Commissioners will take a lead role in launching a detailed review of the concerns listed below as well as other concerns that may come to light. Following this review, we anticipate the Mecosta County Board of Commissioners, in conjunction with Green Charter Township and Big Rapids Charter Township, will pursue termination of this Renaissance Zone.

Concerns:

1. Michigan Renaissance Zone Act 376 of 1996 does not provide for a 30 year Renaissance Zone to be granted for the Gotion Project. The application is for a “Renewable Energy Renaissance Zone” as stated in Part 2(O), Part 2(Y) and Part 3 of the application. Renaissance Zones are generally limited to 15 years. There is simply no provision in the law allowing a 30-year Renaissance Zone. The Michigan Strategic Fund (MSF) Board passed a resolution to waive the statutory time limit and approve a 30-year Renaissance Zone for Gotion. The MSF Board does not have authority to change law.
2. The Michigan Renaissance Zone Act (125.2688e) requires the tax abatement recipient to comply with all state and local laws. It is believed that Gotion, Inc. is in violation of Michigan Compiled Laws 750.462d(b) which prohibits benefiting financially from participating in an enterprise that has engaged in forced labor or debt bondage. According to a November 22, 2024 press release by The Select Committee on the CCP, the Department of Homeland Security’s Forced Labor Enforcement Task Force has identified at least two Chinese companies that are on its forced labor entity list and tied to Gotion. Representative John Moolenaar’s office along with The Select Committee on the CCP have performed extensive research on this topic as related to Gotion. For example, see: *https://moolenaar.house.gov/media-center/press-releases/gotions-suppliers-blacklisted-using-forced-labor*
3. FARA Violations – Lack of public disclosure. Between at least April 2021 and January 3, 2023, the following individuals were involved with promoting and developing “Project Elephant” yet none were registered with the Department of Justice as foreign agents.

Paul Bullock, Mecosta County Controller/Administrator

Bill Stanek, Supervisor, Big Rapids Charter Township

Kelly Wawszcyk, The Right Place, Inc.

Bill Pink, President, Ferris State University; Exec. Committee Member, MEDC

Randy Thelen, President & CEO, The Right Place, Inc.

Chuck Thelen, VP Gotion Global

Ray Chen, Gotion, Inc.

Numerous Right Place, Inc., MEDC Board Members and Employees.

The purpose of registering with FARA (Foreign Agents Registration Act) as a foreign agent is to ensure transparency by requiring individuals or entities acting on behalf of foreign interests within the United States to publicly disclose their relationship with their foreign principal, their activities, and financial details related to those activities, thereby allowing the government and public to evaluate potential foreign influence on U.S. policy and public opinion; essentially, it's about making foreign lobbying efforts visible and accountable.

1. Non-Disclosure Agreements (NDA’s) – Lack of public disclosure. At least one elected official, Bill Stanek, then Big Rapids Charter Township Supervisor signed an NDA regarding Project Elephant. The existence of this NDA limited the other Big Rapids Township Board Members’ access to information regarding the project and dramatically limited the time each board member had to perform their own research. This NDA thwarted the ability of each board member to make an informed decision. Making informed decisions is a fiduciary duty of public officials. Additionally, the NDA restricted the communication of information the public was entitled to hear from their township Supervisor.
2. Gotion’s identity was disguised in the Renaissance Zone Application. Gotion, Inc. is a wholly owned subsidiary of Gotion High-Tech Co., Ltd. of Hefei, China (see Attachment 1). The Renaissance Zone Application shows the address of 48660 Kato Road, Fremont CA 94538. The Renaissance Zone Application makes no mention that Gotion, Inc. is a wholly owned subsidiary and that any future Development Agreements will be signed by Chen Li, the President of Gotion High-Tech Co., Ltd. of Hefei, China, whose country of origin is China and whose Articles of Association are registered with the Chinese Communist Party (CCP) and the Peoples Republic of China (PRC).
3. Gotion’s identify was further disguised in the Renaissance Zone Application, Part 2, A. which requires, “Describe in detail the history and background of the company.” The answer, “Gotion, Inc. is a fast-growing energy solutions company headquartered in the Silicon Valley of California…”. Gotion misled and failed to disclose that their company headquarters is Hefei, China. They failed to disclose that they are owned by Gotion High-tech, Co., Ltd. which, recently, in 2020 had changed its name from Guoxuan High-tech Co., Ltd., and, in 2015 had changed its name from Jiangsu Electrical Co., Ltd. The Renaissance Zone Application specifically required Gotion to “Describe in detail the history and background of the company.”. It seems apparent the only reason for leaving out such basic information as listed above was to disguise and thwart the ability of the public and others to determine Gotion’s true background, their ownership history and resulting national security threat.
4. Gotion failed to disclose stock voting rights (see Attachment 2). On September 26, 2022 a joint public meeting was held between the Mecosta County Board of Commissioners, Big Rapids Charter Township Board and the Green Charter Township Board. During that meeting questions were raised regarding the ownership of Gotion, Inc. Respondents repeatedly informed the various board members and the attending public that Gotion, Inc.’s largest stockholder was the German company “Volkswagen”. A more truthful response would have been that the stockholder is Volkswagen (China) Investment Co., Ltd. Additionally, the respondents failed to inform the board members that Volkswagen China had irrevocably given up the voting rights of their shares of stock such that Volkswagen China’s voting shares are “at least 5% less than those of the Founding Shareholders.” Gotion’s Founding Shareholders are Mr. Zhen Li and his son Mr. Chen Li, aka, Nanjing Gotion Holding Group Co., Ltd., also known as Gotion Holding.
5. Gotion failed to disclose funding sources. The Renaissance Zone Application requires Gotion to “Identify all public programs, public funding sources and public incentives that will be utilized.”. Gotion failed to provide this information to the board members or the public. Gotion’s response was “All of the public incentives offered to and accepted by Gotion, Inc. are summarized in an MEDC Offer Letter to the company.”. However, Gotion failed to make that document available to the board members or to the public.
6. Gotion failed to provide a financial commitment. A supplemental page of the Renaissance Zone Application is “Gotion, Inc.’s Financial Commitment”. The commentary on this page is as follows:

“As part of the COP Considerations documentation for Project Elephant, Gotion’s financial information was submitted to Jeremy Webb and is currently on file with the Michigan Economic Development Corporation.”

Again, Gotion failed to provide important information to the public and the various board members prior to the Renaissance Zone Application vote at their joint meeting on September 26, 2022.

1. The Renaissance Zone Act 125.2683(d)(ii) requires, “Evidence of community support and commitment from residential and business interests.” Such evidence was not provided to board members or the public prior to the joint meeting on September 26, 2022. On the contrary, as of the writing of this letter, numerous surveys of area township residents have all shown strong opposition to Project Elephant. Nearly all elected officials who were responsible for bringing Project Elephant to Mecosta County have either been recalled or replaced by “No-Gotion” candidates in recent elections. Today there is clearly a lack of “community support” for Project Elephant and the Renaissance Zone.

In summary, concerns 1 and 2 bring questions of the legality and eligibility of an MSF Designated Renaissance Zone for Gotion, Inc. The additional concerns show how Gotion, Inc., along with The Right Place, Inc. purposefully failed to register (FARA) and disclose information necessary for the proper review of a proposed Michigan Renaissance Zone. Their efforts to disguise information and deceive the board render this Renaissance Zone invalid. Elected public officials have fiduciary responsibilities such as the duty of care and a duty to make informed decisions.

As stated in the Renaissance Zone Application, “Through the fruition of this proposed industrial development project, Gotion, Inc. has the potential to be the largest employer in the multi-county region.”. A project of this magnitude demands transparency and thorough, honest review. But instead of transparency, Gotion and The Right Place, Inc. provided a disguised company history, deceptive voting stock ownership, missing and redirected disclosures and no evidence of community support. The trusting and naïve commissioners and board members, now mostly recalled or replaced, were coerced into a speedy approval which intentionally provided virtually no opportunity for public review or input.

Upon full review of this situation, we anticipate the Mecosta County Board of Commissioners in conjunction with Green and Big Rapids Charter Townships will work with the Michigan Economic Development Corporation (MEDC) and Michigan Strategic Fund (MSF) to pursue termination of the Renaissance Zone for Gotion, Inc. If MEDC and MSF fail to cooperate in such a review, we believe a legal challenge of this Renaissance Zone along with a request for preliminary injunction would be appropriate.

Sincerely,

Area Residents and Mecosta Environmental and Security Alliance (MESA)

Cc:

Representative John Moolenaar

Senator Gary Peters

Representative Tom Kunse

Senator Elissa Slotkin

Senator Roger Hauck