

4/5/2016

To: Antrim County Board of Commissioners

Here is a brief overview of the NLEA, starting with background information and ending with specific impacts in Antrim County.

The Northern Lakes Economic Alliance was established in 1984 to provide economic and community development expertise for our region. Our service area includes Antrim, Charlevoix, Cheboygan and Emmet Counties.

Out of necessity the NLEA was formed as a cooperative/collaborative organization. Recognizing the value of pooling limited funds both public sector and private sector entities joined together to have a resource much better and more effective than any entity could have done individually.

Little did the leadership know back in 1984, what a groundbreaking approach this would become. The NLEA today is considered one of the “best practices” in the state of Michigan for economic development and regularly gets requests from others to explain our approach.

We are a 501c3 organization and refer to ourselves as a “regional public/private partnership organization”.

The NLEA is governed by a 28 member Board of Directors with representatives from both public and private sector. Each of our four “Member Counties” appoint five members to the Board, one of which must be a County Commissioner. (See attached annual report for complete list)

- The Board approves the plan of work, the annual budget and hires the NLEA President. The President provides leadership to the staff to implement the plan of work within the approved budget.
- Antrim County representatives on the Board are: Commissioner Dave Heeres, Rick Diebold, Joe Short, Sheridan Rhoads and Pete Garwood.

Funding comes from a variety of places, however it falls into three basic categories: public sector, private sector and fees for services.

- Member Counties: Antrim, Charlevoix, Cheboygan and Emmet Counties each invest an annual amount towards operations based on a taxable value formula. This was devised as a fair approach to spread the costs based on the “economic size” of the counties. By design, the funding from the four Counties makes up 50% of the NLEA budget. For 2016, the Antrim County investment is \$53,898.
- The remaining 50% is generated from core partners, private sector members, fees for services and local units of government (city, village, and township).

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- Core Partners -

The mission of the NLEA is to “provide resources and assistance for communities and entrepreneurs to create and retain jobs in our four county service area”. To accomplish this we implement programs and services on two fronts. (See attached **Plan of Work Outline** for detail)

- We assist businesses and entrepreneurs and have a variety of tools and resources targeting new and existing businesses that possess the desire and potential to create family supporting jobs (base jobs)
- We assist communities in finding the most effective approach to meet their needs to support business and industry retention and growth.

The NLEA staff is made up of six full-time economic/community development professionals that work regularly throughout the many communities that make up the four county NLEA region. We approach our work as a “team sport” and it is not unusual to have more than one staff engaged in different aspects of the same project. Our work areas of responsibility fall into four focus areas:

- Business Retention & Growth. Retaining and growing existing companies.
- Business Attraction & Growth. Assisting communities to “be prepared” for new business attraction as well as having a solid foundation and support services for new and start-up businesses.
- Community Development. Assisting with a wide range of community projects ranging from place-making to infrastructure. Designed to make a community attractive for company retention, employee recruitment, etc.
- Grant writing & Administration. Identifying grant opportunities (public and private), assisting with the application process and administration of the grant to insure compliance with state and federal regulations.

Results and impacts. The NLEA provides expertise during the due diligence process for many projects and provides a place for people to turn when needing assistance. Often times this may result in a business/entrepreneur or a community deciding not to move forward. We believe this to be a valuable service. Much better than a project moving forward with little or no chance for success, and as a result leaving a wake of ill-will and lost capital.

Economic Development tends to be a slow process, with results lasting many years. For that reason it is important to look at a longer snapshot for impacts.

See attached **NLEA Annual Report** for region wide results and information.

Assistance and programming provided to communities throughout Antrim County includes:

- **Business Resource Centers:** Established 2 Antrim County Business Resources Centers (Central Lake and Elk Rapids) as part of a 10 BRC network throughout our region to assist pre-startup entrepreneurs
- **Retention Visits:** Conduct annual “retention visits” to large companies and base job providers to deepen relationships, express gratitude for their investment in the County and to discuss wants, needs and/or challenges. All important in our retention and growth strategy.

- Core Partners -



- **Mobile CNC Training Lab:** Established a mobile CNC Training Lab (NLCM FAB LAB) that provides access to high tech industrial arts training for students and companies. It provides training at Central Lake High School every Monday
- **Elk Rapids:** Downtown Development Authority Strategic Plan, Downtown Development Authority Coordinator
- **Mancelona:** 131 Corridor Strategy, Great Lakes Central Railroad Property Sale, Mancelona Facade Program, Mancelona site analysis and target market study, beginning of Redevelopment Ready Communities
- **Bellaire:** Downtown Development Authority Assistance, CDBG Administration for Shorts Brewery Expansion, Sewer Treatment Facility Sludge Removal, Consulting for Glacial Hills
- **Central Lake:** Downtown Development Authority Assistance, Formation of a Farmers Market, Project Rising Tide, Cool and Connected Broadband Application
- **Ellsworth:** Public Spaces Community Places Crowd-granting Project, Banks Township Hall Renovation, Participation in Ellsworth Strategic Plan
- **Antrim County:** EDC and BRA Assistance, Broadband Consortium, Planners Forums, DDA Forums, Paddle Antrim

Antrim County results and impacts over the past 5 years (since 2011), projects completed.

12 community development projects, totaling over \$6 million in investment

- Grants/Loans \$151,867
- Local match dollars \$5,728,200
- in Private Investment \$138,276
- Total investment \$6,018,343

109 businesses assisted, resulting in over \$7.5 million in investment and direct financial support

- 14 Business expansions
- 444 Jobs created/retained
- Private investment \$6,983,912
- Skilled trades training funds \$39,930
- Grant assistance \$570,040
- Total \$7,593,882

For more information, feel free to contact the NLEA, any of the Antrim County appointed Board members or visit our website: www.northernlakes.net

- Core Partners -



What We Do (Our Mission)

Provide resources and assistance for communities and entrepreneurs to create and retain jobs in Antrim, Charlevoix, Cheboygan, and Emmet Counties.

How We Do It (Through Partnerships & Collaborations)

As a public/private partnership, we bring together many resources (businesses, agencies, organizations) to accomplish our mission. We assist communities to develop the infrastructure to support entrepreneurship and business growth. We work with motivated entrepreneurs and businesses to help them get to the next level of success.



Business and Entrepreneurs

We provide programs and services to support and nurture businesses and entrepreneurs.

Target Audience:

New and existing businesses that possess the potential and desire to create family-supporting jobs.

Programs and Services:

- Targeted Programming for Growth Stage Companies
- Business & Financial Planning
- Business Counseling
- Business Resource Center Network-ten locations
- Growth Strategies (Economic Gardening, Government, Contracting, Exporting, etc.)
- Trainings & Workshops
- Visits to Manufacturers
- Ag Business Support

Communities

We assist communities in finding the most effective approach to meet their needs. NLEA nurtures partnerships and collaborations with a variety of organizations and communities.

Target Audience:

Proactive communities who have organized themselves and identified priorities.

Programs and Services:

- Infrastructure Development and Redevelopment
- Manufacturing Development Incentives
- Commercial Development Incentives
- Brownfield Redevelopment
- Broadband Expansion
- Trainings & Workshops
- Grant Writing & Administration
- Business Attraction



How We Measure Results:

- Business Expansions
- Business Start-ups
- Private Investment
- New Jobs Created
- Jobs Retained
- New Taxes Generated
- Businesses and Communities Assisted
- Community Development Projects Completed
- Total Grant Funds Received for Community Development Projects
- Local Units of Government Investments Leveraged for Grants
- Participants at NLEA-hosted Business and Community Workshops

• Core Partners •





Northern Lakes ECONOMIC ALLIANCE



Annual ACTIVITIES REPORT

2015

“Providing resources for communities and entrepreneurs to create and retain jobs in Antrim, Charlevoix, Cheboygan and Emmet Counties.”

Economic development projects are long term and oftentimes cannot be viewed in a “one year snapshot”. We applaud those companies and communities that have continued to have faith and foresight to invest in business and community expansions and salute the many NLEA investors and partner organizations that collaborate and cooperate on a daily basis to support both public and private projects. Over the past five years:

- 167 business and community development projects completed;
- \$112,984,341 in private investment;
- \$9,499,502 in local unit of government investment;
- \$8,989,761 in grant funding;
- \$140,864,468 increase in taxable value;
- 736 new jobs; and
- 2,318 retained jobs.



Circuit Controls Corporation, located between Petoskey and Harbor Springs, is a prime example of a strong local company. During the past five years, they have invested tens of millions of dollars in their building and equipment while providing high tech manufacturing jobs for 200 people residing in local communities.

NLEA assisted the Village of Ellsworth, the Petoskey Public School, and the Top of Michigan Trails Council in successful crowdfunding projects totaling \$462,000 in public, private, and grant funding with partners from the Michigan Economic Development Corporation and Patronicity. Pictured is the “Ultimate Trailhead” in Petoskey at the intersection of the Little Traverse Wheelway and the North Western State Trail. The trailhead will host the Top of Michigan Trails Council office and events and provide resources to trail users.



Local Units of Government supported five (5) business expansion projects throughout the region by approving a total of \$2,571,523 in tax abatements over the next 12 years with the expectation of generating approximately \$2.5M in new taxes during the same timeframe for projects started this year. The companies anticipate investing over \$8M, creating 53 new jobs and retaining 314 existing jobs. Michigan Scientific in Charlevoix, pictured, was one of the participating companies.



Working with the Elk Rapids Downtown Development Authority, NLEA developed a comprehensive strategic plan for the community. Over the course of six months, more than 350 stakeholders participated by providing input regarding activities and direction they would like to see for their downtown. The completed document outlined 35 short, mid and long term goals in areas such as recruiting and retaining business, organizational development, events and marketing, placemaking and design, and capital improvements and infrastructure.



Straits Area Federal Credit Union opened their new headquarters in downtown Cheboygan upon completion of their \$2 million investment. The project began with NLEA assistance in procuring state and local Brownfield tax incentives in the amount of \$677,761 to reimburse qualified expenses involved with demolishing three contaminated buildings to make room for their new 13,500 sq.ft. building. SAFCU employs 32 people across three branches.



CORE PARTNERS



Sue Eno
2015 Board Chair



Randy Frykberg
2016 Board Chair



Andy Hayes
President

NLEA Staff

Andy Hayes
President

Sara Christensen
Operations &
Program Support

Tom Erhart
Business
Retention &
Growth

Bethany Whitley
Community
Development

Jessica Lovay
Administrative
Assistant

Board of Directors

Sue Eno
2015 Board Chair

Randy Frykberg
2016 Board Chair

Tim Petrosky
Vice Chair

Rick Diebold
Secretary

Bill Scott
Treasurer

Lisa Anderson

Stephanie Baldwin

Larry Cassidy

Chris Christensen

Gary Fedus

David Heeres

Pete Garwood

Bruce Gauthier

James Granger

Marty Krupa

Mark Lagerwey

Jeff Lawson

Gary Osterbeck

Fred Polhemus

Sheridan Rhoads

Steve Rawlings

Jim Rummer

Steve Schnell

Joe Short

Robin Stanley

Jim Tisdell

Don Voisin

David Zechman

2015 IMPACT INDICATORS

48 Successful Economic Development Projects

27 Business Expansions

6 Business Start-ups

15 Community Development Projects

\$20,470,010 Total Invested

\$18.3 M in Private Investments

\$1.1 M in Grant Funds

\$1 M in Local Unit of Government Investments

234 New Jobs & 667 Retained Jobs

NLEA Outreach:

Produced 24 monthly publications for 2,308 stakeholders;

Presented 61 workshops to 2,299 attendees;

Assisted 134 business and community clients;

Maintained 10 Business Resource Centers

2015 HIGHLIGHTS

- Assisted local units of government, local manufacturers, and entrepreneurs to leverage over \$19 million in investment and receive nearly \$1.1 million in grant funding. This resulted in the retention of 667 jobs and the creation of 234 new family supporting "base" jobs.
- Provided ongoing assistance throughout the year on 37 potential community and business projects which anticipate 811 new/retained jobs, and investment of \$250 million over the next several years.
- Implemented pro-active retention visits with 102 area manufacturers and major employers with various partners from organizations including Michigan Economic Development Corporation, MI Works!, Michigan Department of Transportation, and Michigan Department of Agriculture and Rural Development.
- NLEA, in partnership with Chemical Bank, coordinated and facilitated quarterly Growth Company CEO Forums hosted by local employers. Each forum included; peer-to-peer networking, a facility tour, and keynote speaker on topics of interest to growth stage company CEO's. In 2015, 58 executives participated, representing 32 companies.
- The NLEA Broadband Coalition focused on creating greater broadband capacity through extensive regional planning and education. In 2015, the coalition completed two fiber projects, laid many miles of conduit for future fiber growth, and helped engineer multiple projects to be completed in 2016.
- As part of the Regional Prosperity Initiative, NLEA worked with Networks Northwest to develop a strategy for the US 131 corridor from Petoskey to Cadillac. The communities identified their strengths, weaknesses and individual assets in addition to the existing fiber backbone, Class A roads, and rail infrastructure. Plans are being made to encourage future development in these communities.



Northern Lakes
ECONOMIC ALLIANCE

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A vital service NLEA provides is regular retention visits to local employers to discuss successes, challenges and potential future projects.

Pictured are representatives from The Farley Calendar Company in Boyne City during such a visit receiving a recognition plaque for their contribution to the economy from local and state partners at NLEA, MI Works! and the Michigan Economic Development Corporation.





Grant funding from DTE Energy Foundation enabled NLEA to hire two college intern staff that focused on the promotion of trail systems throughout Northern Michigan. The interns inventoried more than 30 trails taking 1,100 pictures and creating 13 informative videos. They also updated and enhanced our affiliated organizations website content and social media platforms as well as created a trails blog to share with the public.



Indian River in Cheboygan County completed construction of a new sewer and wastewater treatment plant. The project was funded by a combination of a USDA Rural Development loan of \$3,287,000 and grant of \$2,653,000. Not only are the businesses and residents of Indian River served, it also services the Tuscarora Township Industrial Park providing an excellent opportunity to attract new businesses.



NLEA collaborated with MI Works!, North Central Michigan College, Baker College and the Michigan Economic Development Corporation to identify and facilitate nine local company applications for training funds. Companies committed to investing over \$1.5M to train 269 employees and receive over \$226,000 in state grant funds.



NLEA partnerships were strengthened and new relationships forged amongst the more than 100 participants at the 2015 Fall Networking Event held at the Charlevoix Rod and Gun Club. Attendees represented all the various public entities and organizations and private businesses with a vested interest in the economic vitality of our region.



The first Michigan Digital Works facility opened in Cheboygan. The facility provides training, mentorship, and job placement assistance in cutting edge customer support and IT for global corporations. Since its launch in October, the program graduated its first cohort of nine graduates, and has nearly completed its second class of eight. More than 50% of the first year students were employed almost immediately upon completing the program.



NLEA assisted the City of Cheboygan in putting together an application to the Michigan Economic Development Corporation to renovate six (6) properties on Main Street. When approved, \$724,000 in private investment will be matched by a \$611,000 Community Development Block Grant to update facades. Pictured is the currently vacant building on the corner of Main and State Street with a beautiful rendering of the completed project.

CITY OF BOYNE CITY



202 & 210 South Lake Street (a project of Catt's Realty Company)



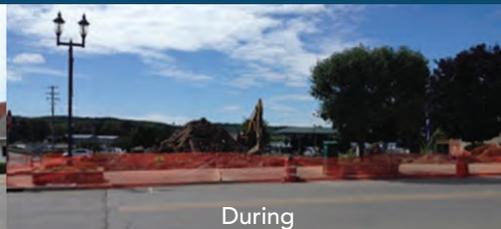
The Dilworth Hotel (a project of Tall Pines Partners, LLC)

In partnership with two private developers Tall Pines Partners, LLC and Catt's Realty Company, the City of Boyne City, and NLEA partner the Michigan Economic Development Corporation; two significant Community Development Block Grant projects received approval for funding. The Dilworth Hotel project consists of complete restoration at a cost of \$7.8M with \$1M in grant funds and the creation of 30 new jobs. The redevelopment project at 202 & 210 South Lake Street comes at a cost of \$2.6M with \$500,000 in grant funds and the expectation of 20 new jobs.

CITY OF EAST JORDAN



Before



During



Conceptual "After"

NLEA assistance was provided to the City of East Jordan and partners of Cannonball LLC to establish a Commercial Redevelopment District and complete the process for a Commercial Facility Exemption Certificate on the new \$3+ million facility in downtown East Jordan. It will house a restaurant and retail spaces that are expected to create at least 21 new jobs.

INVESTORS/MEMBERS

AKT Peerless	Cheboygan Area Chamber	Harbor Springs, City of	Networks Northwest
Antrim County	Cheboygan, City of	Huntington Bank	North Central Michigan College
Baker College	Cheboygan County	Indian River Chamber	Northeast Michigan Council of Governments
Banks Township	Chemical Bank	Industrial Magnetics, Inc.	Northwest MI Industrial Association
Bear Creek Township	Circuit Controls Corporation	Inverness Township	Onaway, City of
Bellaire, Village of	Citizens National Bank	ITC Holdings Corporation	Otwell Mawby PC
Blue Cross Blue Shield	CMS Energy-Consumers Power	Jervis B. Webb Company	Pellston, Village of
Boyne Area Chamber	DTE Energy	Kilwins Quality Confections	Petoskey, City of
Boyne City, City of	East Jordan Chamber	Little Traverse Bay Band of Odawa Indians	Petoskey-Harbor Springs Area Community Foundation
Boyne Mountain	East Jordan, City of	Little Traverse Township	Petoskey Brewing Company
C2AE	Edgewater Design Group	Mackinaw City Chamber	Petoskey Regional Chamber
Cannonball LLC	EJ	Mackinaw City, Village of	PNC Bank
Catt Development	Elk Rapids Chamber	Mancelona, Village of	Rehmann/Dale Carnegie
Central Lake, Village of	Elk Rapids DDA	McLaren Northern Michigan	Resort Township
Char-Em ISD	Elk Rapids, Village of	MDC Contracting, LLC	Ryba Marine Construction
Charlevoix Agency	Ellsworth, Village of	Michigan Economic Development Corporation	St. Marys Cement
Charlevoix Area Chamber	Emmet County	Michigan Works!	Straits Area Federal Credit Union
Charlevoix, City of	Fifth Third Bank	Michigan Scientific Corporation	The Brook
Charlevoix County	Forest Township	Mitchell Graphics	Triune Specialty Trailers
Charlevoix County Community Foundation	4Front Credit Union	MSU Extension	Vistage Michigan
Charlevoix State Bank	Great Lakes Energy	Moran Iron Works	
Charlevoix Township	Harbor/Brenn Agencies	Munson Healthcare	
Chase Bank	Harbor House Publishers	Charlevoix Hospital	
	Harbor Springs Chamber		

www.northernlakes.net

VILLAGE OF WALLOON LAKE



The Village of Walloon Lake has undergone a dramatic transformation over the past three years thanks to the Borisch family. Working with Melrose Township officials, they have brought this village back to life with a boutique hotel, Hotel Walloon; the Barrel Back Restaurant; Tommy's Michigan, a watersports retailer; Walloon Village Marina; fine dining at the Walloon Lake Inn; and a public open space for seasonal events. These projects have spurred many other spin-off businesses to fill the gaps and bring people back to the community.