

AGENDA REPORT

TO: Mayor & City Commissioners
FROM: Ken Hibl, City Manager
DATE: March 31, 2016
RE: Presentation of MMDC Annual Report – Mr. Jim McBryde, MMDC

For the Agenda of April 4, 2016

Background. The City of Clare is one of MiddleMichigan Development Corporation's municipal clients, and we have a seat at the table of its board of directors. Each year MMDC publishes an annual report (*copy att'd*) outlining its major accomplishments and achievements. Mr. Jim McBryde, MMDC's President and CEO, and Ms. Kathy Methner, MMDC's Clare County Director, are scheduled to present the report and answer any questions of the Commission or the public at Monday's scheduled Commission meeting.

Issues & Questions Specified. Should the City Commission accept the report of Mr. McBryde?

Alternatives.

1. Provide Mr. McBryde an opportunity to present his report.
2. Do not provide Mr. McBryde an opportunity to present his report.
3. Set aside decision regarding this matter to a subsequently scheduled public meeting.

Financial Impact. The City's annual client fees to MMDC are \$12,500.

Recommendation. I recommend that the City Commission provide Mr. McBryde an opportunity to present his report and respond to ask any questions of the Commission.

Attachment. Annual Report.



———— MIDDLE MICHIGAN ————
DEVELOPMENT CORPORATION

ANNUAL REPORT



2015

www.mmdc.org





MIDDLE MICHIGAN
DEVELOPMENT CORPORATION

STRATEGIC PLAN

2016-2018

MISSION

We grow the economy with services designed to retain, expand and attract businesses in Clare and Isabella Counties.

VISION

We are the primary economic development driver for businesses, communities and industrial partners in Middle Michigan.

BUSINESS RETENTION & GROWTH

- Conduct regular retention calls on area businesses with municipalities and other partners.
- Represent companies seeking state incentives to the MEDC and other departments.
- Connect businesses with suppliers and customers through Pure Michigan Business Connect.
- Facilitate workforce training and export growth for businesses in Middle Michigan.

BUSINESS ATTRACTION

- Target businesses for attraction and respond quickly to new leads and site selector inquiries.
- Assist incoming businesses with state incentives and municipal approval processes.
- Update site selectors and area businesses through MMDC website and social media.
- Coordinate with economic development partners for a regional attraction strategy.

COMMUNITY DEVELOPMENT

- Publish available properties on the MMDC and Great Lakes Bay Region websites.
- Work with developers, land owners and real estate brokers to promote redevelopment.
- Assist developers with real estate tax credits and other incentives.
- Assist municipalities with brownfield redevelopment and other development stages.

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Mt. Pleasant Office

200 E. Broadway
Mt. Pleasant, Michigan 48858
Phone: (989) 772-2858
Fax: (989) 773-2115

A MESSAGE FROM OUR PRESIDENT

Dear Friends,

As the new President and CEO of the Middle Michigan Development Corporation, I am very pleased to present our 2015 Annual Report. For the past twelve years, I served as Vice President and Senior Advisor for the Michigan Economic Development Corporation. Working with five different CEO's at the MEDC, I learned a great deal about economic development. Now I am really excited to bring what I've learned to the local level.

In the course of preparing this annual report, we have updated our Mission and Vision statements and drafted a new Strategic Plan as shown opposite on the inside front cover. The inside back cover lists our current Executive Committee and Board of Directors while the inside pages highlight some success stories from the past year. We also have included some screen shots from our new website which you can check out at www.mmdc.org. Please let us know what you think about our new website!

MMDC by itself doesn't create jobs, but we do provide essential services to area businesses who do create jobs. One of the most critical issues facing our businesses today is finding the right talent for the available jobs. To assist our employers in finding the talent they need, we work closely with the Mt. Pleasant Career Technical Center, the Clare-Gladwin Career Technical Center, Mid Michigan Community College's M-TEC Center and Central Michigan University's School of Engineering and Technology and College of Business Administration.

In October, we partnered with Consumers Energy for the very first Pure Michigan Business Connect Summit to be held outside of southern Michigan. At this summit, which was held at Comfort Inn in Mt. Pleasant, Consumers met with 70 Michigan-based businesses looking for opportunities to buy even more goods and services locally. Prior to the summit, Consumers Energy already had shown great leadership by purchasing over \$344,000 in goods and services from 37 businesses in Clare and Isabella counties in 2015 alone.

In November, we partnered with Mid Michigan Community College for the first ever Hops Summit to be held in this state. We were able to bring together over 35 people including hops growers, processors, brewers and several representatives from the Michigan Department of Agriculture and Rural Development. We had a wide-ranging discussion on how to expand hops growing and processing in our area which will lead to more good paying jobs. I do believe that agricultural processing could be a major growth area for Middle Michigan in the coming years.

The next few pages will give you more details about some of the economic development successes we've had this year. These achievements were made possible by all of our supporters, board members and business leaders and our incredible staff. I would especially like to thank Rick Barz for filling in the role of Interim President before I joined the team in July. Rick truly did a fantastic job shepherding this organization through the first half of 2015. I also want to thank my MMDC team of Kathy Methner and Teri Rau who have helped me greatly during my first six months on the job. In addition, I would like to welcome Nicole Voisard, our new intern from Central Michigan University, to our team. We are all looking forward to 2016 being a great year for economic development in Clare and Isabella counties!

Sincerely,



JAMES MCBRYDE

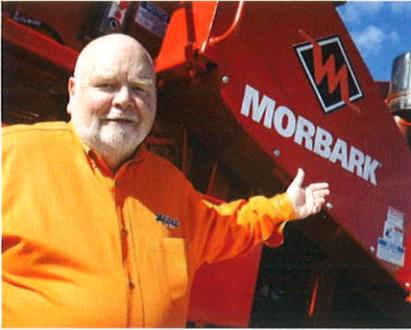
President and Chief Executive Officer
MMDC



THE YEAR IN ECONOMIC DEVELOPMENT

2015 was a major transition year for Middle Michigan Development Corporation with a change in leadership in the organization. The following are highlights of the key economic development successes:

STEP GRANTS FOR MORBARK AND BANDIT TO BOOST EXPORTS



MMDC worked with Morbark to secure nine State Trade and Export Promotion (STEP) grants covering the period of 2013 to 2015 to assist Morbark in boosting their exports worldwide. MMDC also worked with Bandit Industries to secure five STEP export grants covering the period of 2013 to 2015 to assist Bandit in boosting their exports worldwide.



SITE SELECTORS TOUR MIDDLE MICHIGAN

In September, MMDC partnered with the Arenac County Economic Development Corporation, Bay Future, Gladwin County Economic Development Corporation, Greater Gratiot Development, Midland Tomorrow and Saginaw Future to host a regional FAM Tour for three national site selectors. The site selectors took an aerial helicopter tour of the 8 county region to survey key sites for future investment and development. They also met extensively with various business, industry, and education leaders from all eight counties represented in the Great Lakes Bay Region.



STEELHEAD INDUSTRIES

In September, MMDC and the City of Mt. Pleasant met with Steelhead Industries, which began operating in April of 2015. They are leasing the former Chippewa Beverage facility and currently are working two shifts with a staff of 21 employees primarily building manufacturing racks for Ford stamping plants. To date, one of their successes has been to perfect the "swing arm" feature for their racking systems that none of Ford's previous suppliers were able to do. Steelhead also plans to build a unique design of pontoon boat trailer when their non-compete agreement ends in April of 2016. At that time, Steelhead anticipates expanding to 80 to 85 employees.

CONSUMER'S ENERGY PURE MICHIGAN BUSINESS CONNECT SUMMIT

In October, Consumers Energy Senior Vice-President John Butler, MEDC's Trevor Pawl, Mt. Pleasant Mayor Jim Holton and Jim McBryde of MMDC kicked off the very first Pure Michigan Business Connect Summit to be held in central Michigan. The summit was held in Mt. Pleasant at the Comfort Inn where Consumers met with 70 Michigan-based businesses looking for opportunities to sell them local goods and services. Consumers Energy already has shown great leadership by purchasing over \$344,000 in goods and services from 37 businesses in Clare and Isabella counties in 2015 alone.





MEDC AWARDS CLARE HISTORIC FAÇADE GRANTS

The Michigan Economic Development Corporation and the State Historic Preservation Office approved Historic Façade Grants totaling \$333,852 for seven buildings in downtown Clare. All three Cops & Doughnuts store fronts, Brewin on McEwan, Downtown Millie’s, Four Leaf Brewing and The Venue will benefit from these “face lift” renovations. These façade improvements, all of which are located on McEwan Street, will return the store fronts as close as possible to their original historic appearance which will further enhance the look of Downtown Clare.

KONWINSKI CONSTRUCTION EXPANSION

MMDC and the Mt. Pleasant South Industrial Park Committee approved a site plan for an expansion for Konwinski Construction in the industrial park. The new 8,000 square foot storage facility will house finished goods and materials ready to ship. This new building allows Konwinski Construction to reallocate space in their original building for additional fabrication which will enable them to further expand their business in the future.



CONSUMERS ENERGY’S \$8.7 MILLION SERVICE CENTER AND COLONVILLE ROAD UPGRADE



In October, Consumers Energy held the grand opening of their incredible new LEED certified Service Center which will serve as an anchor in Clare’s North Industrial Park. The company’s investment of \$8.7 million in the new center as well as the 36 good paying jobs to be stationed there will have a big impact on the community. MMDC’s Clare County Director, Kathy Methner, was instrumental in securing a \$2.4 million grant from the federal Economic Development Administration to help make this industrial park possible. Kathy also was instrumental in obtaining the \$600,000 Community Development Block Grant (CDBG) to upgrade Colonville Road to better serve this industrial park.

MIDDLE MICHIGAN HOPS SUMMIT

In November, we partnered with Mid Michigan Community College on the state’s first ever Hops Summit. We were able to bring together over 35 people including hops growers, processors, brewers and several representatives from the Michigan Department of Agriculture and Rural Development for a wide-ranging discussion on how to expand hops growing and processing in our area. This summit helped to make it clear that agricultural processing could be a major growth area for Middle Michigan in the coming years.

CITY OF HARRISON RECEIVES CDBG GRANT FOR INDOOR FARMERS MARKET

MMDC was instrumental in the planning and implementation of the Harrison City Market. A Community Development Block Grant (CDBG) check in the amount of \$751,000 was presented to the city of Harrison in August. That check along with another \$550K from USDA and City of Harrison has been secured by the grant writing expertise of the MMDC staff to see that project come to fruition.





MIKE FINNEY ADDRESSES MMDC

In October, Michael Finney, the President and CEO of Community Ventures, addressed MMDC members at our quarterly meeting at Mountain Town Station. Prior to serving in this position, Mike served as the President and CEO of the Michigan Economic Development Corporation. Under Mike’s leadership, Michigan added more than 400,000 new jobs while the MEDC moved to the forefront of economic development with innovative new initiatives including Pure Michigan Business Connect, Community Ventures and revitalized Michigan Export programs.



“e-Cities” RATES MT. PLEASANT A 5 STAR COMMUNITY

The City of Mt. Pleasant was selected as a “5-Star Community” by “eCities” at U-M Dearborn’s Center for Innovation Research. The center surveyed 66 communities from 29 counties across the state focusing on how local governments work in strategic ways to energize public spaces while investing in businesses and job development. Michelle Sponseller, Mt. Pleasant’s Downtown Development Director, said: “This award shows just how far Mt. Pleasant has come in its economic development efforts. Today, we are seeing increased levels of investment in our main commercial corridors, on Mission and Pickard Streets, and downtown.”

CITY OF HARRISON NAMED RISING TIDE COMMUNITY

The City of Harrison was named one of 10 communities in Michigan that will participate in a pilot program to develop new strategies for economic prosperity by creating more and better jobs. Various state departments will collaborate with Harrison community leaders to shape the future and maximize the economic potential of the city. Tracey Beadle, Harrison City Manager and Clerk, stated: “We at the City are very honored and excited to be chosen for the Project Rising Tide Initiative. This will give us the tools needed to help make Harrison more successful. By the City showing the initiative with the projects that are already in the works, I believe this is what helped us to receive this honor.”



SKILLED TRADES TRAINING FUND AWARDS

The Skilled Trades Training Fund (STTF) was created in 2013 by Gov. Rick Snyder. Now in its third year, the STTF is focused on assisting companies to address their talent needs by providing competitive awards for employer-based job training that enhances skill development, productivity and employment retention. The MMDC collaborated with Michigan Works! and educational partners to assist companies applying for STTF grants and the following grants were approved for Clare and Isabella counties:

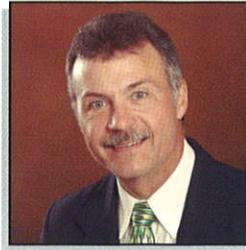
American Mitsuba	\$31,500
Bandit Industries	\$61,880
Jay’s Sporting Goods	\$1,245
Mears Group, Inc.	\$6,000
Morbark, Inc.	\$25,080
Northern Logistics Worldwide	\$1,245
Steelhead Industries	\$24,750

2016

EXECUTIVE DIRECTORS



ROD LOOMIS
MMDC CHAIR
COMMUNITY PRESIDENT
CHEMICAL BANK



BARRY WILKES
MMDC VICE CHAIR
CMU VICE PRESIDENT
FINANCE AND
ADMINISTRATIVE SERVICES



JEROME SCHWIND
MMDC TREASURER
PRESIDENT AND CEO
ISABELLA BANK



TRACEY BEADLE
MMDC SECRETARY
CITY MANAGER AND CITY CLERK
CITY OF HARRISON



MARGARET MCAVOY
MMDC AT LARGE
COUNTY ADMINISTRATION/
CONTROLLER
ISABELLA COUNTY



HARMONY NOWLIN
MMDC AT LARGE
AREA MANAGER
CONSUMER'S ENERGY

EX-OFFICIO MEMBERS



JAMES MCBRYDE
MMDC PRESIDENT AND
CHIEF EXECUTIVE OFFICER



RICK BARZ
MMDC PAST PRESIDENT
PAST PRESIDENT
ISABELLA BANK

2016 BOARD OF DIRECTORS

James McBryde – President and CEO, Middle Michigan Development Corporation

Russ Alwood – Supervisor, Charter Township of Union

Troy Angst – Chief Financial Officer, Bandit Industries, Inc.

Rick Barz – Past President Isabella Bank and Past President of MMDC

Tracey Beadle – City Manager and City Clerk, City of Harrison

Tracy Byard – County Administrator, Clare County

Scott Govitz – Executive Director of Workforce & Economic Development, MMCC

Gina Hamilton – President, Village of Farwell

Ken Hibel – City Manager, City of Clare

Rod Loomis – Community President, Chemical Bank

Margaret McAvoy – County Administrator/Controller, Isabella County

Paul Murray – Managing Shareholder, Robert F. Murray and Company

Harmony Nowlin – Area Manager, Consumers Energy, At Large Representative

Mark Perry – At Large Representative

Bill Mrdeza – Community Services and Economic Development Director, City of Mt. Pleasant

Jerome Schwind – President and CEO, Isabella Bank

Jim Shoemaker – President, Morbark and Chair of Central Michigan Manufacturers Association

Brad Wahr – Vice President for Commercial Lending, Mercantile Bank

Barrie Wilkes – Vice President Finance and Administrative Services, Central Michigan University



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