**Luce County Economic Development Corporation**

**EDC Regular Board Meeting**

**Minutes**

**4:00 p.m.**

**July 13, 2021**

**Present**: Joe Villemure, A.J. Downey, John Waltman, Michelle Clark, Brian LeBoeuf, Paul Burton (arriving @ 4:07 p.m.)

**Absent**: Colleen Duflo, Rose Pann and Hunter Nostrant

**Communication from Public**: None

**Approval of minutes**

The minutes from the regular board meeting on April 13, 2021 were reviewed and approved as presented. Motion made by Waltman, seconded by Villemure. All Ayes. Motion passed.

**Approval of Financial Report/Bills**

The regular financial report and bills for April, May and June were reviewed and approved as presented. Motion by Villemure, seconded by LeBoeuf. All Ayes. Motion passed.

**Correspondence:**

**Old Business-**

1. **2021 EDC project update** – None to report. Possibly a grant coming out that could help us with our strategic plan, Tammy will keep the board updated on this.
2. **Industrial Park Update-** the EDC’s attorney has filedpaperwork at the Courthouse regarding Buckler.

**New Business**

1. **Audit Review from Anderson Tackman**-Ken Talsma has presented the 2020 audit to the EDC Board.

**2. EDC board member updates-** Waltman stated that Pine Stump has been very busy, and so has all

the other restaurants even though they are working with staff issues. Downey stated that the

motels are not as busy, possibly due to other options available. For Example, Vrbo,

Airbnb type rentals. The Falls Hotel has sold and the new owners are working towards grant

options. Timber Charlies is looking like potentially having new owners. Bill Brandt is expanding

his current business.

3. **American Rescue Plan Act (ARPA) Funding Discussion**- Luce County has started receiving

funds, and they have their own things that they need to fix at the Luce County Government

Building. After discussion, the EDC Board feels that they would Tammy to put together a letter to

the Luce County Board of Commissioners, asking for $20,000 to the EDC for Economic

Development, in order to help local businesses, if there are any funds left over.

4. **By-law’s discussion**-we have not updated the by-laws for quite some time. Tammy has put

together a by-laws recommendations list that was included in the board packets for everyone to

review on their own time. It is in the google drive so anyone can add any recommendations for

any changes that they might have and then we can go over at the next board meeting.

5. **Quarter 2 Budget**-Tammy went over the quarter 2 actual vs budget statement.

**Directors Report-**

* GIS update; The county has the information to add the zoning map to their website
* The GIS maps are on our website as well. Still working out some kinks but they are available for use
* The hospital has updated their by-laws. With permission I used the items that I thought would be beneficial to the EDC. I implemented those changes and they will be discussed at the board meeting
* Met with the 3 EUP EDC organizations, Regional Planning and Maple Hardwoods about their expansion and creating a trucking division in Chippewa county. I spoke to Jerry Grossman and he feels our loggers will benefit from this expansion. Maple Hardwoods will be using logs from our loggers and serve LP and Northern Hardwoods
* The Connected Nation/Connect Michigan group is gearing up for fiber internet project
  + AEG – Atlantic Engineering Group has won the RDOF (Rural Development Opportunity Fund) grant. They will be doing the installation of the cables. They are from Georgia and they think they understand the limitations of the weather. I mentioned they might want to add, “weather permitting” to their published timeline. They have not received any of the funding however, they are ordering the hardware and gearing up to get things rolling, hopefully by this fall. They are starting with the EUP and working West
  + Highline is the company that will be the internet provider I spoke with the President & General Manager – Bruce Moore. We talked at great length about our need for broadband in Luce County
  + The Highline marketing team was also there. I was interviewed on camera and will be featured on the website. They were impressed with my vast knowledge of our fiber internet needs and I have coordinated with them to interview folks for their website. So far three very different business owners and one college student that will be interviewed later in July. I will also be coordinating a community leader meeting later this fall to go over what will be done. This will be at least a 3 year build out
* Attorney has sent Eric Buckler his final letter and quit claim deed. The letter was dated June 17 and was sent via registered mail. No response from Buckler therefore, summons and complaint sent out for filing on June 30, 2021. Claim will include a reduction in the payback based on legal fees incurred. I verified all taxed are paid to this point. Summer was just sent out so would not show if unpaid
* The corrective deed for lot 13 and the certificate of trust are recorded at the register of deeds. The warranty deed transferring lot 13 to Fred has been recorded as well. Once title company verifies recorded deeds and trust it will be finalized. Fred has already paid for the lot in full
* Audit is complete and will be presented at the meeting
* I continue to work with the new rail company, WATCO, they seem easier to work with already. I am helping them connect with potential rail users in our community. They are eager to work with our companies. WATCO is better positioned to handle the short line rail needs and expectations. They already manage several short lines and are comfortable with many small deals, CN only wanted large contracts
* SBA Updates:
  + The programs are almost all exhausted. The EIDL (Economic Injury Disaster Loan), still has funding. There are advancements from that program that are grants however, the SBA determines who receives them
  + The Restaurant Revitalization Fund had some issues. After funds were exhausted emails were sent out to businesses stating they had been awarded. The SBA is trying to get more funding for more awards
  + Current amounts awarded to Luce County are below



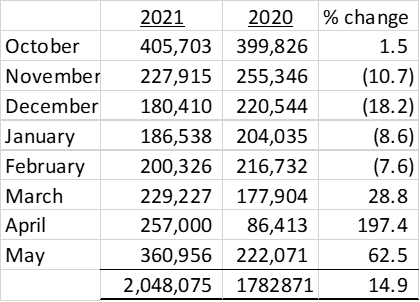
* The Governor held a virtual small business summit:
  + Gabe Elrich from U of M presented forecasted and Covid related data to the group.
    - Store and restaurant in person visits are already at pre-pandemic levels
    - Returning to work remains mixed: 20% will remain remote, companies are no longer renting office space
    - 40% higher job posted post pandemic
    - Anticipates strong growth in Q2 & Q3
    - New business growth continues to increase
  + Brian Calley of the Small Business Association of Michigan presented their business survey findings
    - Support came in many forms. PPP loans were 91% of the total relief for Michigan businesses. EIDL was 1/3 of all participants (total number of participants not given). Capital needs were handled mostly by banks
    - Jobs and wages are improving
    - Child care remains a barrier for some to return to work
  + Others also presented
    - Supply chain issues stemmed from having a lean supply pre-pandemic. Believes Q3 will see auto industry back to normal
    - Other supply chains make take 1-2 years to recover
    - Small businesses need more help with technical issues. QuickBooks, accounting in general, payroll etc.
  + During a breakout session with other EDC folks and small business owners. Biggest challenges small business owners face:
    - Staffing and lack of talent of those applying is biggest challenge
    - Access to capital
    - Access to peers in own industry – for support mainly
    - I met someone from the Detroit area that talked about a way for businesses to find resources. I had a conference call with her and plan to work on something that will fit our organization and community
  + Small business owners tend to “work in the business not on the business”
* REDAC – Regional Economic Development Advisory Collaborative.
  + Staff is putting together a Recovery and Resilience Plan for the EUP. Using the data form the CEDS (Comprehensive Economic Development Strategy) report that was

gathered in March of 2020

* + - Overall, the pandemic enhanced our weaknesses in the region. From broadband issues to skilled workforce
    - Seasonal residents came early and many never left. This also exposed our lack of quality housing
    - Childcare and need for home schooling have taken women out of the workforce in the region
    - A business survey was conducted but only 85 responded in the EUP

(I shared this survey many times with our businesses)

* + - * 42% reported moderate negative impact
      * 58% reported major negative impacts
      * 40% laid off 75%-100% of workers
      * 28% reporting layoffs between 10% and 74% of workers
      * 32% limited layoffs to less than 10%
    - Federal, state and local programs:
      * 78% received assistance
      * Local helped 29%
      * 22% received help from family, friend and staff
      * 15% no assistance at all
  + Pine Stump Junction and the Logging Museum were featured on 9 & 10 news. Positive news story of our area is nice to see
  + The Falls Hotel sale is complete, the closing happened on 6/28. The buyer is still finalizing his plans for the property. He has spoken to the MEDC for assistance.
  + John Styes of Styes Guys BBQ is putting together a loan application. They will be doing the majority of the cooking in the home on W Harrie Street and the sales will be from the food truck. Things are moving forward; health department inspections, equipment installed in truck and home. The building must have a new roof. This will be the majority of the funding needed. He has owned everything but the home free and clear.
  + There is a regional housing group that was formed to address the housing shortage UP wide. One of the first action steps is being led by Steve Arwood of Invest UP. He is leading a subcommittee to try and change the tax increment financing to include housing projects and not just be related to businesses. This would help make housing projects be worth doing in small communities
  + U.P. Child Care Initiative has also been formed. The group is looking at each county to assess the childcare gap and formulate a plan to fill those gaps
  + The Michigan works job fair will be held August 11th from 9-4 in the parking lot next to ice cream bandits. I will help distribute fliers and encourage businesses to participate
* Ambassadors; we have a lot of new businesses to welcome. We have not conducted a visit since fall 2019. Some have been done but several more need to be scheduled. I will attend as many as I possibly can
* Eric’s septic is holding off on garage construction due to the increase in costs.
* Q2 budget vs actual and YTD budget vs actual is included in the meeting packets.
* Mackinaw Bridge Stats:



* Pictured Rocks' monthly visitation statistics:  This May was the busiest May ever for the park. In fact, May 2021 had 46.7% more visitors than May 2017--the previous May record (79,173 to 53,971). 2021 numbers show a 56.6% YTD increase compared to this time in 2019. Summer is looking to be another record-breaking year.
* Updated time off tracking



**Admin Report**-

* Updating the website as needed
* Sent out loan notices
* Posted loan payments.
* Helped Tammy with reviewing documents
* Social Media Postings
* UPEDA Webinar-Work Place of the Future
* Joe Thiel with Marquette Smartzone, has been working on [Invent@nmu.edu](mailto:Invent@nmu.edu) has been working on [www.makeitmqt.com](http://www.makeitmqt.com) to help attract remote workers to relocate here in the U.P., but they do know that these remote workers will have a difficult time in the winters, so they are just hoping for the summer remote workers for now.
* Putting everything together for the Board meeting.
* Updating/creating inhouse documents
* Have done Research on several different things
* What properties are going up for tax sales in Luce County, and make sure none of them are ours.
* Other EDC websites, just to get ideas and keep up on ours
* Monthly check to see if there are any local businesses that are for sale, since I’m still able to list on Zoom Prospector.
* The Utilities, Zoning and Incentives Map, has been added to our website. It took at little bit of work, but we ended up having two different maps in order for it to work on our website.
* Meeting responses are more important than ever. Quorum must be face to face. We will need to know if and how you will be attending each meeting.

**Information**

Loan portfolio update – Handout

RLF Balance – Handout

Jan & Feb Labor Force 2021- Handout

**Communication from public –**

**Adjournment** – Motion made to adjourn at 5:11 p.m. by LeBoeuf, Seconded by M.Clark.

All Ayes motion passed.

Approved by\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_on\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_2021.

Colleen Duflo, Chairperson/Michelle Clark