**Luce County Economic Development Corporation**

**EDC Regular Board Meeting**

**Minutes**

**4:00 p.m.**

**August 10, 2021**

**Present**: Joe Villemure, Colleen Duflo, A.J. Downey, John Waltman, Hunter Nostrant, Brian LeBoeuf, (arriving @ 4:01 p.m.)

**Absent**: Michelle Clark, Rose Pann and Paul Burton

**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-** In Directors report.
3. **By**-**Laws Review**- went over at the last meeting, any board member that has recommendations please add those to the document on the drive, and we will bring those changes to the next board meeting to review.

 **New Business**

 **1. EDC board member updates-** Waltman updated the board that he submitted a third application

for paving county road 407, and with the new administration there was quite a few new

 questions on the application this year. Waltman also stated that he received a great letter of

 support from MDOT to go with the application this year. It will be a $17.5 million dollar project if

 approved. Waltman brought in flyers for the 40th Anniversary celebration of the Tahquamenon

 Logging Museum on Saturday August 5th, 2021 and Sunday August 6th, 2021. Downey

 asked if there is any word on the new DNR Field Office building in Newberry, and no one has

 heard anything.

 **2**. **Finance Committee Recommendations-Action Required-** TheFinance Committee met and have

 the following recommendations for 2 loans; The first loan presented is for John & Jamie Styes of

 Styes Guys BBQ LLC, they will have a BBQ food truck and a Bed & Breakfast and they are asking

 for $28,600 to repair the roof on their Bed & Breakfast house and have some for working capital.

 The board went over their information, motion by Waltman to approve terms of the loan that are

 on file, $28,600 for 5 years and 5.25%, and the first 3 months with interest only, seconded by

 LeBoeuf. All Ayes Motion passed. The second loan presented is for Angie & Rob Doughty to help

 with working capital, startup costs. The main lender will be mBank when they purchase

 Timber Charlies Restaurant, terms of the loan that are on file, $30,000 for 5 years at 5.25%

 with the first 6 months of interest only payments. Motion by LeBouef, seconded by Nostrant.

 All Ayes. Motion passed.

 **3.** **Resolution Letter-Expire in October-** This resolution letter is set to expire on October 21, 2021.

Tammy and Annette have to check on the by-laws/Interlocal agreement and what they require so

 we need to bring back at the October board meeting.

 **Directors Report-**

1. Businesses:
	1. Northern Michigan Hardwoods is doing very well. Biggest issues are the time it takes to get parts when things break down and staffing. Very happy with the move.
	2. Northern Hardwoods is doing well and planning growth. I am working with them and the MEDC and MDARD. Have added 10 employees since the buyout.
		1. Northern Hardwoods submitted a business plan to develop lot 23 into a log yard. They will be expanding the existing retention pond from 3,500 cf to 10,000 cf the purpose it to collect run off water from the log yard. It will also serve a snow storage in the winter. This will create 4-5 new jobs

 \* Needs board approval

* 1. Pure Family Chiropractic will be open after the x-ray machine is installed. She is hoping for late August. Stephanie Zellar is the owner
	2. Fred Roat is getting the rest of his information to the bank. The construction costs are causing some issues. I am working to help him get what is needed by mBank.
	3. Pine Stump doing very well. Has an ice cream food truck at Muskallonge on the weekends. Would do food also but supply shortages are vast.
	4. Wolf Inn is only open on the weekends due to staffing shortages. They were closed for a while for staffing.
	5. Pine Bluff – Rustic Pub and Grub is doing well staffing issues as well.
	6. Moose du Nord doing well staffing an issue.
	7. Most businesses are having staffing issues. The kids returning to school is compounding the problem.
	8. Have spent a great deal of time helping Styes Guys get business plan finished and determine funding needed. Loan presented today.
	9. Timbers, this was the first loan I took to a bank on my own. Jeremy Hinkson in Marquette has been very helpful in teaching me the SBA process. They have conditional approval barring no environmental or other bumps in the road. Loan presented today for working capital. I have been working with them on the process from the first meetings about the business plan and helping to coordinate things needed for the bank.
	10. Maffahy Inc: Timber Charlies paid off their Covid-19 loan in full. They have no standing balance with the EDC at this time.
1. Webinars/Meetings:
	1. Regional Economic Conditions: still improving, supply chain still an issue.
	2. Regional Planning meeting: Highline was supposed to attend in person and give a presentation. Instead, he had to call in from Tennessee and the connection was horrible. No new things to report, still moving forward.
	3. SBA and the Department of Commerce have been conducting webinars. Main things conveyed are how well they are doing to help our businesses and funding coming soon.
	4. EDA (Economic Development Administration) is holding webinars around the ARPA funds and how the process is going to work. There are 6 objectives with the funds:
		1. Build Back Better Regional Challenge: Looking for bold big collaborative projects. We are part of the Chicago region and will be competing with, lower Michigan, Wisconsin, Minnesota, Illinois, Ohio and Indiana. There is an effort being put together to use the UP-Planning regions for a bigger impact. Details not finalized at this time.
		2. Travel, Tourism and Outdoor recreation: Invest UP and Regional Planning are sure the funds will be allocated to Pure Michigan fund.
		3. Coal Communities – does not apply
		4. Research & Networks: funding to help evaluate ARPA funds, appears to make sense to complete at a regional level.
		5. Economic Adjustment Assistance: Will be help on 8/9 I will give an update at the meeting. Regional grantees, I will worth with regional planning to see what we qualify for.
		6. Indigenous Communities: does not apply
		7. Good Jobs Challenge: Scheduled for 8/12.
	5. EGLE: (Environment Great Lakes & Energy)
		1. Costal Leadership Academy hosted by EGLE. Goal is to protect our coast from erosion, weather etc. Want local governments involved, as they act faster than state or federal agencies can. Still a work in progress.
2. Other items:
	1. Buckler has been served and has until 8/10 to respond. As of 8/6 he has not contacted the EDC or our attorney.
	2. Working on gathering all the data for the SBA loans and grants. PPP round 2 is posted but not easy to sort out. Still working on it.
	3. Working on loan documents and presentation items. I created a chart using finance formulas to show collateral coverage, debt coverage and liquidly. This will make it easier for me to present loans and give a clearer picture. John Styes was my test run. I will continue to work with it and make adjustments accordingly.
	4. Updated attraction plan and had Annette add it to the shared drive.
	5. Finished letter requesting county funds and sent to Sharon Price to add to packets for commissioners next meeting.
	6. Senator Peters has a new UP representative. Aubrey Moore, she used to work at Invest UP. I already have a great working relationship with her. She is starting to meet our business owners in September.
	7. Met with Jeremy Hinkson from mBank regarding the loans we are working on together. Timbers and Fred. We walked Fred’s lot to give him a better idea of the project. Fred had Covid and unable to meet with us. We have a good working relationship.
3.



Annette has used up her 2020 vacation days as of 8/12.

Tammy has time off scheduled in August. I will attend the county commissioners meeting on 8/16 to present my loans while on vacation. I will continue to monitor the loan customers and help mBank with any final documents needed. Annette will be able to reach me and I will monitor my email.

**Admin Report**-

* Updating the website as needed
* Sent out loan notices
* Posted loan payments.
* Helped Tammy with reviewing documents
* Reviewed loan documents
* Contacted the website people and they had to set up an account using the EDC gmail account and then all of the backside information will be sent directly to that email from now on.
* Social Media tracking-we have 275 followers
* First post of Michigan Works application drive reached 646 people and 4 shares
* The Crackle post reached 56 people and 1 share- it was about a 6-week livestream special edition featuring small businesses
* Website tracking
* Nothing to report
* Putting everything together for the Board meeting.
* Updating/creating inhouse documents
* Land Auction on August 3rd- nothing listed for the Industrial Park
* Sent in ad for Newberry News-Private Sector Seat
* Next round of 2020 Census about redistricting data will be released on August 12th (for States to redraw their districts) a more user friendly version will be released on September 30th.
* I will be attending webinar’s while Tammy is on vacation

**Information**

Loan portfolio update – Handout

RLF Balance – Handout

Labor Force 2021- Not available at this meeting

**Communication from public –**

**Adjournment** – Motion made to adjourn at 4:59 p.m. by Waltman, Seconded by Downey.

All Ayes motion passed.

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

Colleen Duflo, Chairperson/Michelle Clark