**Luce County Economic Development Corporation**

**EDC Regular Board Meeting**

**Minutes**

**4:00 p.m.**

**September 14, 2021**

**Present**: Joe Villemure, Colleen Duflo, John Waltman, Michelle Clark, and Hunter Nostrant

**Absent**: A.J. Downey, Rose Pann Brian LeBoeuf and Paul Burton

**Communication from Public**: None

**Approval of minutes**

The minutes from the regular board meeting on August 10, 2021 were reviewed and approved as presented. Motion made by Nostrant, seconded by Waltman. All Ayes. Motion passed.

**Approval of Financial Report/Bills**

The regular financial report and bills for August were reviewed and approved as presented. Motion by Nostrant, seconded by Waltman. All Ayes. Motion passed.

**Correspondence:** None

**Old Business-**

1. **2021 EDC project update** – Nothing to report at this time. Possibly a grant coming out that could help us with our strategic plan, Tammy will keep the board updated on this.
2. **By**-**Laws Review**- Tabled.

 **New Business**

 **1. Board Seats Term Ending-** We have 3 Board members which their terms are ending the 30th of

September and they will not be renewing their terms. The Board thanked Duflo for her time on

 the board.

 **2. EDC board member updates-**Waltman gave an update on the paving of County Rd 407 and that

we should know by September 30th. The TAS bond proposal information is out in the community,

 and Annette has put the information on the EDC Facebook page. Nostrant said that the HNJH is

 helping with sharing the information as well.

 **3**. **Interim Chair & Interim Vice Chair-** Chairperson Duflo’s term is ending on September 30th and

Vice-Chair Downey’s term is ending on September 30th as well, we need to vote by roll call for a

 interim Chair & Vice-Chair. Motion by M.Clark, 2nd by Nostrant that Waltman be interim Chair,

 and motion by Watlman, seconded by Nostrant that M.Clark be interim Vice-Chair.

 Roll Call vote:

 Nostrant-yes

 Villemure-yes

 Duflo-yes

 Waltman-abstain

 M.Clark-abstain

 4**.** **Board Applications-**There was an ad that was in the Newberry News for a private sector seat, and

 we have 2 applications and we have 3 open seats and will need to run another ad in the

 Newberry News.

 5. **Finance Committee Temp Replacements-** Motion by M.Clark, seconded by Waltman, to have

 Nostrant fill in on the finance committee until the end of the year.

 Roll Call vote:

 Villemure-yes

 Waltman-yes

 Duflo-yes

 Nostrant-abstain

 M.Clark-yes

 **Directors Report-**

Business Updates:

* + Stephanie Zellar is needing electric upgrades to install x-ray machine.
	+ Amy Berglund from Invest UP came and did 6 site visits with me. The intention is to get a better feel for our community and what we need so Invest UP can better assist us. Population declines since 1970 is 21%. Annette is working on narrowing it down to hospital closure.
		- Kevin Erikson - county wide perspective
		- Northern Wings – staffing continues to be a challenge. Wan to have 30 by the end of 2021.
		- Northern Michigan Wood Products – Staffing a challenge. Possible expansion to include the plastic components to cedar fencing. Would need lot in the industrial park. I talked to him about the Site Readiness Grant location.
		- Zellars – tourism perspective – busy – staffing an issue – rude guests
		- Allison Watkins – Village people are paying their bills and customers are up.
		- Dixie Stewart – Toonerville Trolley – tourism perspective. Fantastic summer again, staffing is tight but making it work.
	+ Virtual visit with Walther farms – weather did not help this summer rain was too concentrated. Using migrant workers company wide, Newberry included. Need drivers.
	+ Timbers loan, still waiting on phase 1. Biggest problem is that the water flows north there. EGLE will not help with grant funds for phase 1 or phase 2.
	+ Buckler, he is agreeing to many of the items in the claim. Disputing that we should have kept people off his property, namely the Zellar family and Hiawatha Shores. Another point of contention is that he claims he has made improvements, driveway and storage buildings. Deposition is 10 am on 9/14 update will be given at meeting.
	+ Triangle is having staffing issues but very busy. May have to adjust hours.
	+ Fred is working on engineering plans and pulling permits and electric work from there.
	+ Styes loan approved by all boards and closed. Spent a great deal of time on this loan. Roof will be started on 9/20 and renovations will be completed as well. Waiting on county final inspection for final permit.
	+ Internet update see article: <https://www.merit.edu/news/high-capacity-fiber-internet-service-expedites-connectivity-in-michigans-upper-peninsula-through-highline-internet/>
	+ DNR building has been scaled back to just include offices and possibly a conference room construction not expected to start until next year.
	+ Federal unemployment benefits program ended on September 4th.
* Sign update:
	+ Rodney Richards sign was worn and has been taken down. That sign is stored on top of old M123 sign next to dumpster. LMAS putting up a new sign and we will too. Unsure if we can use old EDC sign that was at the corner of M123 & Hamilton Lake Road. Will keep board posted. If we have to create a new sign, I will see about having Rodney Richards added.
* Webinars & Meetings
	+ SBA continues to have webinars about the ARPA Build Back Better Plan and no new news to report. I will keep attending in case there are updates. Jeff Hagan and I are communicating about funding and possible resources for Luce County. Individuals and for-profit businesses are not eligible.
	+ Met with Mark Rivard to better understand permitting process. It was very helpful and I have a better understanding on the process.
	+ Fed Reserve survey results:
		- There was a total of 102 total responses from the UP, comprising 21% of the poll’s responses.
		- 15% of respondents saw some decline in revenue over the past quarter, while 48% saw some increase in revenue.
		- 22% of UP respondents saw some decline in revenue over the same quarter last year, while 57% saw some increase in revenue.
		- 10% of those surveyed had “significantly lower” staffing levels than the prior quarter, while 19% where “modestly lower” and 41% were “modestly” or “significantly higher.”
		- 16% of respondents said they expect to have lower staffing levels in the next six months, while 30% expect to increase staff to some degree.
		- 52% of those answering was offering new hires more in wages than 12 months prior, with nearly a quarter offering an increase of 5% or greater to new hires than 12 months ago,
		- 65% of respondents saw an increase in the average wage they were paying over the last 12 months, with 21% seeing an increase that was at least 5% greater.
		- Labor availability, prices increases and supply chain disruptions were the three most common challenges cited as a threat to operations and productivity, with 55% citing labor availability as their biggest challenge.
		- 47% of respondents said finding labor is “extremely difficult” with 28% and 11% saying it was “moderately” or “slightly difficult.”
		- 2% of respondents thought they would be out of business within six months, while 56% expressed some form of optimism about the business climate for the next six months.
	+ Governor Whitmer Proposes $2.1 billion-dollar investment to grow middle class, support small businesses and invest in communities. Most of this funding has been regional with the exception of downtown development. I am working with EUP Regional planning to see what might be available. <https://www.michiganbusiness.org/press-releases/2021/08/whitmer-proposes-2.1-billion-investment-to-grow-middle-class-small-businesses/?utm_medium=email&utm_source=govdelivery>
		- $722 million to grow the middle class and educate more workers.
		- $651 million to support small businesses and create better jobs.
		- $800 million to build housing and invest in communities.
		- $100 million influx for the [Going Pro](https://www.going-pro.com/) credential program, and further investments in programs that offer work experience to Michiganders earning their GEDs and help those reentering society after incarceration transition into the workforce. I have shared this with our businesses.
* $50 million to create a healthier, cleaner, and more energy efficient homes, $100 million to rehabilitate vacant buildings, and $200 million to redevelop brownfield sites. She also proposed $100 million to build development-ready sites conducive to business investment.
* $11 million investment into the STEM Forward program, which places STEM students in internships in Michigan and improves talent attraction and retention.

 Industrial Park Update: Tammy was deposed earlier today. Buckler was also

 Deposed today by the EDC attorney today, nothing was settled and waiting to hear what

 the next step will be.

* Monthly Traffic Statistics – Mackinac Bridge - July of 2021 was the busiest month recorded according to this timeline.

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| January | 158,283 | 176,277 | 176,391 | 185,546 | 189,319 | 190,994 | 204,035 | 186,538 |
| February | 169,044 | 175,559 | 193,726 | 197,625 | 198,986 | 179,681 | 216,732 | 200,326 |
| March | 195,514 | 204,994 | 215,356 | 220,533 |  242,009 | 234,497 | 177,904 | 229,227 |
| April | 199,561 | 217,782 | 226,833 |  249,221 | 213,899 | 231,950 | 86,413 | 257,000 |
| May | 304,387 | 325,012 | 332,014 |  338,538 |  353,243 | 353,153 | 222,071 | 360,956 |
| June | 382,191 | 399,344 | 419,285 | 437,174 |  446,930 | 449,118 | 366,253 | 476,110 |
| July | 518,796 | 566,995 | 604,165 |  609,916 | 610,322 | 612,890 | 572,522 | 641,696 |
| August | 563,113 | 569,468 | 581,197 |  594,396 | 608,996 | 639,291 | 605,225 |  |
| September | 381,450 | 442,402 | 464,394 |  463,870 | 455,817 | 461,683 | 488,209 |  |
| October | 331,358 | 365,907 | 390,648 |  388,763 | 377,241 | 399,826 | 405,703 |  |
| November | 229,900 | 260,171 |  268,276 | 263,335 | 262,751 | 255,346 | 227,915 |  |
| December | 201,024 | 210,450 |  197,287 | 205,632 | 218,005 | 220,544 | 180,410 |  |

* Time off tracking:

|  |
| --- |
| Time off tracking as of September 14, 2021 |
|  |  |  |  |  |  |  |
|   | PTO | Sick Time | Vacation Time |
|   | Earned | Left | Earned | Left | Earned  | Left |
| Tammy | 4 | 1.5 | 8 | 1.5 | 15 | 6 |
| Annette | 4 | 3 | 8 | 2 | 15 | 15 |
|  |   |   |   |   |  |  |
| Tammy's Planned Vacation Days | 8/27 & 9/10 |

**Admin Report**-

* Updating the website as needed
* Sent out loan notices
* Posted loan payments.
* Helped Tammy with reviewing documents
* Reviewed loan documents
* Updated properties on Zoom Prospector
* Social Media tracking-we have 279 followers (we are up 4 new followers)
* Pure Michigan Video-Are We There Yet? Reached 14 people
* I shared the Tahquamenon Falls State Park video showing the bridge that was put in.
* Shared the video about the TAS for the upcoming bond proposal
* Website tracking
* Nothing to report
* Putting everything together for the Board meeting.
* Updating inhouse documents
* Put together board manuals for new Board members
* August 19th, I attended the Federal Reserve Bank webinar- Achieving Maximum Employment. They talked about what tools they use and how they use them. They talked quite a bit on inflation and how it is all tied together.
* Using my Census Data notes from the webinars that I attended to help Tammy find information on population.

**Information**

Loan portfolio update – Handout

RLF Balance – Handout

Labor Force 2021- Handout

**Communication from public –**

**Adjournment** – Motion made to adjourn at 4:41 p.m. by Villemure, Seconded by Waltman.

All Ayes motion passed.

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

Colleen Duflo, Chairperson/Michelle Clark