



2020 Annual Report

2020 KEDA Board of Directors

- Kevin Codere, Chair, *Peninsula Copper Industries*
- Jerry Wuorenmaa, Treasurer, *WUPPDR*
- David Vlahos, Secretary, *Superior National Bank*
- Tess Ahlborn, *Keweenaw County Economic Development Committee*
- Brian Baccus, *Peninsula Powder Coating, LLC*
- Jim Baker, *MTU Advanced Technology Development Center*
- Brad Barnett, *Keweenaw CVB*
- Dan Crane, *UPPCO*
- Ron Fisher, *Superior Smiles/Volwerth (stepped down in July)*
- Amy Isaacson, *Baraga Township*
- Dan Jamison, *MTEC SmartZone (stepped down in October)*
- Paul LaBine, *City of Hancock*
- Jeff Ratcliffe, *Executive Director*
- Debbie Stouffer, *Baraga County Chamber of Commerce*
- Tom Tikkanen, *Houghton County Board of Commissioners*

Keweenaw Economic Development Strategic Plan

Plan Assumptions

Economies are by their very nature regional
Economic development is a team effort
Economic development will entail change
There must be sound strategy in place to utilize and attract resources
Each goal is dependent on all of the other goals for success
The plan has to be owned by the community and its leaders
Economic development doesn't happen overnight!

Vision

We are a community driven by our leaders to be the best at utilizing our technology, education and business assets to build a diverse economic base that leverages and develops the unique strengths of each county and its people.

Mission

Engage community leadership to start, retain, grow and attract companies that will increase the wealth of the region through a holistic and collaborative strategy that builds on the assets and opportunities present in the region.

Goals

Foster Business Growth
Improve Infrastructure
Revitalize Our Communities
Develop and Attract Talent
Enhance Cultural and Recreational Opportunities

Report on Activities

In last year's annual report we noted the strong community recognition that the Keweenaw can prosper when we have everyone working towards the same goals. 2020 saw this recognition in action with a community-wide organizational response to the COVID-19 pandemic which focused on its local impacts while at the same time continuing collaborative efforts to advance economic development. Kudos to everyone that adjusted their priorities and stepped up to work together to keep our community as safe as possible and the economy open and operating. We know the economic impact was uneven and people have been hurt, but we saw our business community also step up, adjust and work to get through the pandemic successfully. The job postings, low unemployment rates and increasing labor force numbers illustrate the areas resiliency. There continues to be a local and regional effort to assist those businesses that were affected and had limited ability to adjust to the conditions. At the same time we continue work to support the growth of our local economy.

Small Business Covid Response

- Worked with InvestUP, UP Michigan Works! and WUPPDR in support of a regional effort to process state grants and loans to support small businesses
 - ◊ Michigan Sm. Bus. Relief Grant, 125 applied, 12 companies received \$69,500
 - ◊ MSBIR Loans, 13 applications, 5 companies received \$350,000 in very low interest loans
 - ◊ Match on Main, packaged for Houghton, Hancock and Calumet. Calumet received \$50,000 for 9 companies
 - ◊ Michigan Restart Grant, 156 applications, 110 companies received \$680,528
- KEDA-Houghton County RLF Covid Response Lending, 22 applications, 11 companies received \$174,500
- Working with Keweenaw Chamber and Convention & Visitors Bureau provided Restart Kits and Stay Safe, Stay Open messaging, and held stakeholder meetings
- Small business outreach to at least 1,000 area businesses

Fostering Business Growth

- Retention outreach (primarily by phone and video) to 300+ area companies with follow up as well as referrals to SBDC, MW!, MEDC, PTAC, MDARD and others
- Assisted REL secure an Industrial Facilities Tax exemption to support a \$2.3 million expansion that will create 8 new jobs
- Assisted the Charter Township of Calumet with establishing an Industrial Development District for purposes of granting a tax abatement on the Calumet Electronics expansion project
- Fielded requests for available sites, buildings, and leased space
- Working with FinnZone team, successfully hosted Finnish tech-driven manufacturer on site visit prior to pandemic closure and are currently working towards a US branch location. The team is currently engaged with at least five different Finnish companies regarding the opportunities in the Keweenaw.

Improve Infrastructure

- Continued working with City of Hancock and WUPPDR to prepare and submit a proposed Business and Technology Park application to EDA for a \$2.66 million grant towards a \$3.2 million project. Grant award pending.

Revitalize our Communities

- Provided project management assistance to Village of Calumet to complete the \$335,000 facade improvement project for four buildings on 5th Street. Project is substantially complete.
- Working with Village of Calumet DDA, Houghton County Land Bank Authority, and Keweenaw National Historical Park Advisory Commission, completed clean out and additional stabilization of 425 5th Street
- Working with four developers who have acquired at least 15 buildings in Calumet with plans for redevelopment
- Worked with Chassell Township and local developer to establish a Commercial Rehabilitation District on the Chassell Community Building site to facilitate its redevelopment into five middle market apartments

Develop & Attract Talent

- In support of the PHF-KEDA CTE Scholarship Program and utilizing an online platform held a virtual Holiday Hoopla silent auction to raise \$3,500 towards PHF education scholarship endowment. Thanks to all of our auction item donors and to our members and general public who participated in the auction to make it a success.

Enhance Cultural & Recreational Opportunities

- Continued working with a steering committee led by the Keweenaw CVB and Houghton County to plan and establish the new Houghton County Recreation Authority to provide focus on completing improvements to the motorized and non-motorized trail networks and other crucial visitor economy infrastructure in Houghton County
- Continued working with a steering committee in Copper Harbor to plan, organize and fund improvements to pedestrian and bicycle access facilities in Copper Harbor. Completed design input process with preliminary plans in process.

2021 Plans

Fostering Business Growth

- Continue business outreach and assistance
- Secure approval from City of Hancock to go after EDA funding for new business and technology park
- Continue working with the FinnZone team to attract Finnish tech and tech-driven manufacturing companies to the Keweenaw
- Continue to provide access to alternative financing through local RLF's
- Continue to sponsor MIOSHA safety training for our region's companies

Improve Infrastructure

- Continue collaborative efforts to secure a change in air service hub serving the region
- Work with the Team Peninsula housing work group to understand and address housing needs in the area

Revitalize Our Communities

- Complete Calumet façade project and begin packaging next
- Work with HC Land Bank Authority to complete redevelopment of Lake Linden site for housing
- Work with HC Land Bank Authority to develop a scattered site brownfield plan to potentially fund demolition of blighted tax reverted structures
- Package MEDC funding for redevelopment projects in Calumet

Develop and Attract Talent

- Continue raising funds for the PHF education endowment to support the annual award of 12 \$1,000 CTE scholarships to the 12 high schools in the four counties of the Keweenaw. Work with Keweenaw Chamber and others to assist dual career couples to settle into the area including finding jobs and accessing necessary support services

Enhance Cultural and Recreational Opportunities

- Continue working with KCVB, WUPPDR and Houghton County Recreation Authority-led effort to keep MDNR focus on trail improvements and the Houghton Douglas falls development
- Continue working with Copper Harbor steering committee to move forward implementation of the pedestrian and bicycle facilities access improvement project that is in process

Thank you for your continued support

Financials

2018-2020 Actual & 2021 Budget

<u>Income</u>	2018	2019	2020	2021
Membership Dues	\$115,975	\$107,115	\$ 68,525	\$119,883
UPward Talent Council				
Contract Support	\$ 14,373	\$ 25,517	\$ 25,517	\$ 25,517
MIOSHA Workshops	\$ 9,540	\$ 11,418	\$ 4,030	\$ 10,000
RLF Management	\$ 5,607	\$ 6,237	\$ 13,068	\$ 6,500
Fee for Service			\$ 5,000	\$ 15,000
Sponsorships	\$ 3,194	\$ 0	\$ 0	
Other - Includes				
Scholarships	\$ 9,540	\$ 4,850	\$ 66,991*	\$ 3,500
Total Income	\$158,228	\$155,137	\$183,131	\$180,400
 <u>Expenses</u>				
Overhead	\$ 17,966	\$ 17,572	\$ 60,026*	\$ 18,900
Staffing	\$107,945	\$145,068	\$151,284	\$152,500
Scholarships	\$ 6,671	\$ 5,500	\$ 750	\$ 3,500
MIOSHA Workshops	\$ 5,773	\$ 5,173	\$ 2,355	\$ 5,500
Total Expense	\$138,355	\$173,313	\$214,415	\$180,400

*KEDA served as fiduciary for funds donated by Superior National Bank, Portage Health Foundation, UPPCO, WUPPDR, Incredible Bank, Aspirus Keweenaw Hospital, Koppers, Keweenaw Chamber, and Northern Specialty Health. Funds were used for Reopening Kits and the Stay Safe, Stay Open messaging campaign. KEDA also received and granted out \$20k of admin funds received as part of the Michigan Small Business Relief Grant program.

2018 Balance Sheet

<u>Assets</u>	
Cash	\$130,398
Receivable	\$ 1,430
Office Equipment	\$ 827
RLF Balance	\$120,389
Loans Receivable	\$108,342
Total Assets	\$361,386
<u>Liabilities</u>	
Payables	\$ 2,435
Total Liabilities	\$ 2,435
Equity	
Restricted	\$228,731
Unrestricted	\$132,655
Total Liabilities & Equity	\$361,386

2019 Balance Sheet

<u>Assets</u>	
Cash	\$108,157
Receivable	\$ 3,626
Office Equipment	\$ 827
RLF Balance	\$154,204
Loans Receivable	\$ 80,756
Total Assets	\$347,570
<u>Liabilities</u>	
Payables	\$ 0
Total Liabilities	\$ 0
Equity	
Restricted	\$234,960
Unrestricted	\$112,610
Total Liabilities & Equity	\$347,570

2020 Balance Sheet

<u>Assets</u>	
Cash	\$ 71,387
Receivable	\$ 2,126
Office Equipment	\$ 613
RLF Balance	\$105,023
Loans Receivable	\$141,757
Total Assets	\$321,266
<u>Liabilities</u>	
Payables	\$ 0
Total Liabilities	\$ 0
Equity	
Restricted	\$246,780
Unrestricted	\$ 74,486
Total Liabilities & Equity	\$321,266



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