



2021 Annual Report

2021 KEDA Board of Directors

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- Brad Barnett, *Keweenaw CVB*
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- Tim Gasperich, *Charter Township of Calumet*
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- Amy Isaacson, *Baraga Township*
- Matt Krause, *Aspirus Keweenaw Hospital*
- Andrew Lahti, *Andrew Lahti Contracting*
- Jeff Ratcliffe, Executive Director
- David Rowe, *MTEC SmartZone*
- 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

Adaptation, growth and moving forward sum up the region's economy in 2021. The pandemic has forced adaptations and change for everyone, but not all of it was bad. The proof is in the continued growth in the region's economy. Houghton County's population is up (only county in UP), our manufacturing and technology sectors continue to grow with new jobs and investments, the visitor economy had another very good year, remote workers are choosing the Copper Country, MTU is growing and is planning for growth, unemployment is down, wages are rising, the existing housing stock is being improved even if for short term rentals, our communities are continuing to improve their governance, investment in infrastructure and readiness for redevelopment, buildings in our downtowns are being redeveloped and housing built, and governments, authorities, and non-profit organizations are working collaboratively and towards the same ends. With this growth certainly comes challenges. Housing continues to be an issue—both availability and affordability; but the key is there are people working to address them.

Small Business Covid Response

- The Michigan Survival grant program rolled out the last week of January with \$2.5 million for the UP of which \$66,550 was allocated for Baraga, \$280,250 for Houghton and \$16,625 for Keweenaw. We processed 93 applications totaling \$1.3 million in grant requests for the regional review and award. 58 grants were awarded.

Fostering Business Growth

- Retention outreach to at least 300 area companies with follow up as well as referrals to SBDC, MW!, MEDC, PTAC, MDARD and others
- Assisted Calumet Electronics to secure an Industrial Facilities Tax exemption to support a \$4.7 million, 44,000 square foot expansion with 30 new jobs.
- Fielded requests for available sites, buildings, and leased space
- Continued working with FinnZone team to build relationships with Finnish companies and referral network partners, facilitated a relationship between a Finnish company and a local business to explore market entry, and began planning for a delayed Finnish business delegation visit.
- Worked with federal and state legislators to assist three small business to address federal and state related issues.

Improve Infrastructure

- Continued working with City of Hancock and WUPPDR to move forward the proposed Business and Technology Park. Hancock received approval for a \$2.66 million EDA grant and a \$75,000 MEDC Site Readiness grant towards the \$3.2 million project. Work included completing the required SHPO 106 Review and securing proposals to conduct a required archaeological survey.
- Working with the Village of Lake Linden prepared and submitted a \$1.9 million Water Related Infrastructure CDBG funding application to the MEDC. The Village was unsuccessful with their application.

Revitalize our Communities

- Working with community volunteers, YouthWorks, Village of Calumet DDA, Houghton County Land Bank Authority, and Keweenaw National Historical Park Advisory Commission, completed clean out, securing and stabilization of five Land Bank buildings and began working with potential developers interested in these properties.
- Continue working with four developers who have acquired at least 15 buildings in Calumet with plans for redevelopment. Packaged two of these projects for MEDC funding assistance.
- Assisted Chassell Township and Koski Properties to secure a Commercial Rehabilitation Exemption application for the redevelopment of the Chassell Community Center building. This \$643,000 project will result in five units of middle market housing. Four units are complete and occupied.
- Working with the Village, Main Street Calumet, and Houghton County to address issues related to the 100 block fire and plan for the redevelopment of the site.
- Assisted the Village of South Range and Adams Township to put in place a 425 Agreement that supported the location of a chain retailer to South Range.

Develop & Attract Talent

- Raised \$9,000 for the PHF education endowment and High School CTE scholarships
- Participated and provided support to local and regional efforts to develop and attract talent including programs on H-2B and J-1 visa programs, InvestUP's Regional Talent Innovation Mechatronics project, Michigan Works! application drive, GCC's strategic planning, and Remote Workforce Keweenaw.

Enhance Cultural & Recreational Opportunities

- Continued working with the Keweenaw CVB, Houghton County and WUPPDR in support of the new Houghton County Recreation Authority. Efforts of this group include the push that led to a \$300k DNR Trust Fund project to plan and build access to the Houghton-Douglas Falls and a \$4 million Michigan Enhancement Grant to cover non-FEMA costs for the Hancock to Lake Linden and other flood damaged trail restoration 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. Project has completed the design input process and preliminary plan review.

2022 Plans

Fostering Business Growth

- Continue business outreach and assistance
- Work with City and WUPPDR to complete construction of the Hancock business park and establish protective covenants
- 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
- Move forward planning for a second crossing of the Portage

Revitalize Our Communities

- Work with HC Land Bank Authority to complete redevelopment of Lake Linden site for housing
- Work with HC Land Bank Authority to market and redevelop Land Bank owned buildings
- Continue to 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.
- Continue to support local and regional efforts to develop and attract talent including Michigan Works!, InvestUP, and Remote Workforce Keweenaw

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

2019-2021 Actual & Draft 2022 Budget

<u>Income</u>	2019	2020	2021	2022 Budget
Membership Dues	\$107,115	\$ 68,525	\$103,575	\$146,218
UPward Talent Council				
Contract Support	\$ 25,517	\$ 25,517	\$ 25,517	\$ 27,184
MIOSHA Workshops	\$ 11,418	\$ 4,030	\$ 17,061	\$ 10,000
RLF Management	\$ 6,237	\$ 13,068	\$ 6,048	\$ 6,500
Fee for Service		\$ 5,000	\$ 15,000	\$ 8,048
Other - Includes				
<u>Scholarships</u>	\$ 4,850	\$ 66,991*	\$ 25,045**	\$ 3,500
Total Income	\$155,137	\$183,131	\$192,246	\$206,950
 <u>Expenses</u>				
Overhead	\$ 17,572	\$ 60,026*	\$ 15,730	\$ 21,450
Staffing	\$145,068	\$151,284	\$150,897	\$171,000
Scholarships	\$ 5,500	\$ 750	\$ 8,000	\$ 9,000
<u>MIOSHA Workshops</u>	\$ 5,173	\$ 2,355	\$ 4,579	\$ 5,500
Total Expense	\$173,313	\$214,415	\$180,400	\$206,950

*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.

**KEDA received an additional \$12,762 in admin funds as part of the Michigan Survival grant program.

2019 Balance Sheet

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

2020 Balance Sheet

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

2021 Balance Sheet

<u>Assets</u>	
Cash	\$122,573
Receivable	\$ 2,740
Office Equipment	\$ 533
RLF Balance	\$147,037
<u>Loans Receivable</u>	<u>\$100,948</u>
Total Assets	\$373,831
<u>Liabilities</u>	
Payables	\$ 0
Total Liabilities	\$ 0
<u>Equity</u>	
Restricted	\$247,985
<u>Unrestricted</u>	<u>\$125,846</u>
Total Liabilities & Equity	\$373,831



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