



2022 Annual Report

2022 KEDA Board of Directors

- Kevin Codere, Chair, *Quincy CopperChem, LLC*
- Brian Baccus, Vice Chair, *Peninsula Powder Coating, LLC*
- Jerry Wuorenmaa, Treasurer, *WUPPDR*
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- Mary Babcock, *City of Hancock*
- Brad Barnett, *Visit Keweenaw*
- Tim Gasperich, *Charter Township of Calumet*
- Ryan Heinonen, *UPHS-Portage*
- Amy Isaacson, *Baraga Township*
- Andrew Lahti, *Andrew Lahti Contracting*
- Jeff Ratcliffe, Executive Director
- Ian Repp, *Michigan Technological University*
- David Rowe, *MTEC SmartZone*
- Debbie Stouffer, *Baraga County Chamber of Commerce*
- Tom Tikkanen, *Houghton County Board of Commissioners*
- David Vlahos, *Superior National Bank*

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

Our economy continues to benefit from a diverse, high value economic base. Our manufacturing and tech companies continue to grow. Wages continue to rise, the labor force is growing, and unemployment continues to fall. We continue to see people locating to the area. This includes remote workers, climate refugees and those escaping high-cost regions of the U.S. The visitor economy remains robust with a potential huge long term boost through the purchase of the TRG lands and creation of a new outdoor recreation area in Keweenaw County. Our downtowns are continuing to see redevelopment and the repurposing of old vacant and obsolete buildings. Air service has been secured for another two years and we are advocating locally and regionally for Congress to address the pilot shortage. Lack of housing and childcare are continuing to be a constraint on our employers and opposition to growth is another potential constraint to our overall economic success. However, we are working on these issues and hope to see progress in 2023 with addressing them.

Fostering Business Growth

- Continued retention outreach to our base economy businesses
- Assisted Calumet Electronics to secure \$2.6 million in MEDC assistance for a \$6.5 million expansion and 80 new jobs
- Assisted Royale, Inc. and Mohawk Technologies secure industrial facilities exemptions for expansions totaling \$4.1 million, 21,000 sq. ft. and at least 11 new jobs
- Made four KRLF loans totaling \$158,767, supporting \$113,067 additional financing, and the creation of seven new jobs
- Facilitated and participated in FinnZone collaborative visits from six Finnish companies
- Member and small business outreach to at least 356 companies with referrals to SBDC, Michigan Works!, PTAC, MEDC, MDARD and others.

Improve Infrastructure

- \$3.3 million Hancock Business & Technology Park is under construction
- Engaged our air service task force after SkyWest announced their intent to cease providing regional air service to Houghton due to the lack of pilots. Advocated to both state and federal policy makers the need to take action to address pilot shortage and maintain Essential Air Service program. Air service has been maintained for another two years.

Revitalize our Communities

- Assisted three non-traditional developers secure \$1.34 million in MEDC grant funding for three downtown Calumet building rehab projects totaling over \$3 million. Packaged and submitted a fourth \$738k project with funding pending.
- Secured \$100k State Historic Preservation Office grant to undertake a \$112k stabilization of an historic downtown Calumet building.
- Prepared the funding application and bid documents for a \$381k eight structure demolition project supported by a \$200k State Land Bank grant and Houghton County ARPA funding. The project is underway.
- Completed approval of Brownfield Plan to support a \$445k Lake Linden Land Bank Site Redevelopment that will will construct at least two single family homes. The first house is underway.
- Completed pre-development interior demolition of a Laurium Land Bank building.

Develop & Attract Talent

- Held the first in person Holiday Hoopla since the start of the pandemic. Raised \$9,000 for the PHF education endowment and High School CTE scholarships.
- Facilitated an effort to assist an area healthcare provider to address staffing needs through new and improved local and regional training programs.

Enhance Cultural & Recreational Opportunities

- Continued working with the Visit Keweenaw, Houghton County and WUPPDR in support of the new Houghton County Recreation Authority. Efforts are focused on ensuring the DNR's development of the Houghton-Douglas Falls, completion of repairs to the Hancock to Lake Linden and other flood damaged trail restoration in Houghton County and planning for a new non-motorized trail between Hancock and Lake Linden.
- Began serving on the Nature Conservancy created steering committee to create the management and governance structure for the newly acquired 32,000 acres of TRG land in Keweenaw County.

2022 Plans

Fostering Business Growth

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

Revitalize Our Communities

- Work with Houghton County Land Bank Authority (HCLBA) to market and redevelop Land Bank owned buildings to increase long term housing in the area
- Work with the HCLBA to complete the current State Land Bank and County funded blight elimination project
- Work with the HCLBA to undertake more blight elimination and stabilization with new State Land Bank funds being made available
- Work with Eagle Harbor and Houghton Townships and Open Skies, LLC to secure State Land Bank funding to stabilize and secure the buildings at the former Calumet Air Force Station at Mount Horace Greeley
- Continue to package MEDC funding for redevelopment projects in Calumet, Houghton and Chas-sell

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!, MTU, GCC, InvestUP, and Remote Workforce Keweenaw

Enhance Cultural and Recreational Opportunities

- Continue working with Visit Keweenaw, WUPPDR and Houghton County Recreation Authority-led effort to keep MDNR focus on trail improvements and the Houghton Douglas falls development
- Continue participating in the Nature Conservancy-led effort to create the Heartlands recreation area in Keweenaw County.
- 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

2020-2022 Actual & 2023 Budget

Income	2020	2021	2022	2023 Budget
Membership Dues	\$ 68,525	\$103,575	\$136,375	\$142,275
UPward Talent Council				
Contract Support	\$ 25,517	\$ 25,517	\$ 27,184	\$ 29,500
MIOSHA Workshops	\$ 4,030	\$ 17,061	\$ 3,293	\$ 10,000
RLF Management	\$ 13,068	\$ 6,048	\$ 5,236	\$ 6,000
Fee for Service	\$ 5,000	\$ 15,000	\$ 8,048	\$ 10,000
Other - Includes				
Scholarships	\$ 66,991*	\$ 25,045**	\$ 18,394	\$ 9,000
Total Income	\$155,137	\$192,246	\$198,530	\$206,775
Expenses				
Overhead	\$ 60,026*	\$ 15,730	\$ 18,697	\$ 20,480
Staffing	\$151,284	\$150,897	\$156,659	\$165,104
Scholarships	\$ 750	\$ 8,000	\$ 9,000	\$ 9,000
MIOSHA Workshops	\$ 2,355	\$ 4,579	\$ 2,121	\$ 5,500
Total Expense	\$214,415	\$180,400	\$186,477	\$200,084

*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.

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
<u>Equity</u>	
Restricted	\$246,780
Unrestricted	\$ 74,486
Total Liabilities & Equity	\$321,266

2021 Balance Sheet

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

2022 Balance Sheet

<u>Assets</u>	
Cash	\$ 98,774
Receivable	\$ 4,538
Office Equipment	\$ 497
RLF Balance	\$ 82,900
Loans Receivable	\$173,771
Total Assets	\$360,480
<u>Liabilities</u>	
Payables	\$ 0
Total Liabilities	\$ 0
<u>Equity</u>	
Restricted	\$256,671
Unrestricted	\$103,809
Total Liabilities & Equity	\$360,480



902 College Ave., P.O. Box 724
Houghton, MI 49931
906-482-6817
Jeff@kedabiz.com