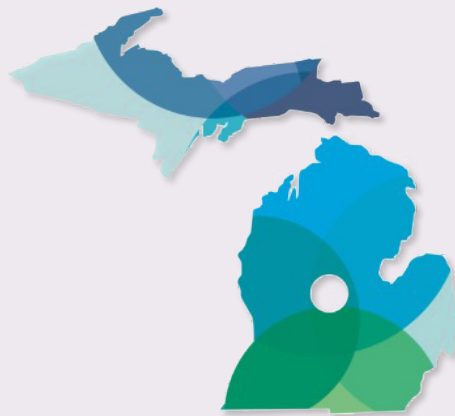


ANNUAL REPORT



— MIDDLE MICHIGAN —
DEVELOPMENT CORPORATION

2017

MMDC.ORG



MIDDLE MICHIGAN
DEVELOPMENT CORPORATION

STRATEGIC PLAN

2016-2018

MISSION

We grow the economy with services designed to retain, expand and attract businesses in Clare and Isabella Counties.

VISION

We are the primary economic development driver for businesses, communities and industrial partners in Middle Michigan.

BUSINESS RETENTION & GROWTH

- Conduct regular retention calls on area businesses with municipalities and other partners.
- Represent companies seeking state incentives to the MEDC and other departments.
- Connect businesses with suppliers and customers through Pure Michigan Business Connect.
- Facilitate workforce training and export growth for businesses in Middle Michigan.

BUSINESS ATTRACTION

- Target businesses for attraction and respond quickly to new leads and site selector inquiries.
- Assist incoming businesses with state incentives and municipal approval processes.
- Update site selectors and area businesses through MMDC website and social media.
- Coordinate with economic development partners for a regional attraction strategy.

COMMUNITY DEVELOPMENT

- Publish available properties on the MMDC and Great Lakes Bay Region websites.
- Work with developers, land owners and real estate brokers to promote redevelopment.
- Assist developers with real estate tax credits and other incentives.
- Assist municipalities with brownfield redevelopment and other development stages.

Clare Office

402 North First Street
Harrison, Michigan 48625
Phone: (989) 539-2173
Fax: (989) 539-6053

Mt. Pleasant Office

200 East Broadway
Mt. Pleasant, Michigan 48858
Phone: (989) 772-2858
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A MESSAGE FROM OUR PRESIDENT



Dear Friends,

I have just completed my second full year as the new President and CEO of Middle Michigan Development Corporation and am very pleased to present our 2017 Annual Report!

We have included our current Mission and Vision statements and our Strategic Plan on the inside front cover. The inside back cover lists our current Executive Committee and updated Board of Directors. The back cover includes some screen shots from our updated website which you can check out at mmdc.org.

Inside, we have included a six-page article about our organization from the October, 2017 edition of Business in Focus magazine along with highlights of some of the success stories from the past year. This is the second article on us from Business in Focus magazine (businessinfocuzmagazine.com), which has a worldwide circulation of over 360,000, designed to reach influential site selectors and business leaders. I also would like to thank Bandit Industries and the Gratiot-Isabella ISD for supporting this article with their advertising.

We continued this year to look at various aspects of economic development with our highly successful speaker series for our quarterly meetings. Our speakers included:

- Greg Burkhart, Site Selector & Managing Director of Duff & Phelps
- Mike Duggan, Detroit Mayor (co-sponsored with the Mt. Pleasant Chamber, CMURC and SBDC)
- Jamie Clover Adams, Director of the Michigan Department of Agriculture & Rural Development
- Tino Breithaupt, Senior Vice President of the Michigan Economic Development Corporation

Key metrics for the year are also highlighted in the box below. We made 96 company calls and the companies we work with showed a net growth of 211 new jobs and over \$73 million in new investment reported!

Unemployment in Middle Michigan has reached a very low level while talent and job training have continued to be the most critical issues facing our businesses. I am especially pleased that we were able to work closely with the Central Michigan Manufacturing Association, Michigan Works! and Mid-Michigan Community College to receive nineteen Skilled Trades Training Fund (STTF) grants totaling \$435,410 for companies in Clare and Isabella counties!

Kathy Methner retired this year from her position as our Clare Director and I want to acknowledge the tremendous contribution she made to MMDC over the years! This year, we also welcomed Pam O'Laughlin as our new Clare Director and Kati Mora as our new Communications Director.

I want to remind our readers that MMDC by itself doesn't create jobs, but we do provide essential services to area businesses who do create jobs. We would not be successful in anything we do without the strong support of great board members and area business leaders. Together, we are all looking forward to another successful economic development year in 2018!

Sincerely,

JAMES MCBRYDE

President and Chief Executive Officer
MMDC

2017 MMDC METRICS

- \$73,089,600 INVESTED
- \$455,410 IN GRANTS RECEIVED
- 211 NET NEW JOBS
- 96 COMPANY VISITS

Middle Michigan: A Place Where Talent is Developed...



Home to Central Michigan University

Central Michigan University (CMU) is an academic community committed to the pursuit of knowledge, wisdom, discovery and creativity. CMU provides student-centered education and fosters personal and intellectual growth to prepare students for productive careers, meaningful lives and responsible citizenship in a global society. CMU adheres to the core values of integrity, respect, compassion, inclusiveness, social responsibility, excellence and innovation.

Central Michigan University also boasts a robust School of Engineering and Technology, featuring six undergraduate programs, a Master of Science in Engineering degree, and job placement rates well above 90% with the vast majority of graduates choosing to start their careers in the State of Michigan. Both the mechanical and electrical engineering programs are accredited through the Engineering Accreditation Commission of ABET.

In an Anderson Economic Group study released this year, Central Michigan University was noted for its \$1.2 billion economic impact on the state of Michigan in 2016.

Home to Mid Michigan Community College

Mid Michigan Community College is a public community college founded in 1965 with full service locations and technical education centers in Harrison and Mt. Pleasant. The College offers one and two-year certificates and associate degrees in occupational, tech and trade, and health science programs. MMCC prides itself in offering an affordable education that prepares students for a career or transfer to a University.

Mid Michigan Community College also offers a wide variety of technical training programs that benefit the Middle Michigan business community. The locations in Mt. Pleasant and Harrison provide students with hands-on technical training, certification, internship opportunities and skills development.

Training programs are developed in conjunction with industry partners and include industrial trades, CAD, welding, CNC, plastics and more. Customized training is also available to meet specific business needs.

and Nurtured.



Photo Credit: Central Michigan University



Middle Michigan is an Amazing Place to Work and Live

Through economic development services and programs designed to attract and retain talent, we are able to work collaboratively as a community to create vibrant, sustainable and unique places to live and work within Clare and Isabella counties.

Life is good in Middle Michigan and you're never too far away from the many great offerings the State of Michigan provides.

Adventure for Every Season

No matter how you choose to unwind, Middle Michigan has something for everyone to enjoy.

Clare County offers countless outdoor adventures with over 81 lakes and streams, your destination for sledding, skiing, zip lining, and golf as well as snowmobile and ATV trails and much more.

Isabella County also features the winding Chippewa River with over 15 parks to walk or hike and features over a dozen local golf courses.

The area also boasts over ten top destinations, including the world famous Cops & Doughnuts bakery in Clare and the Soaring Eagle Casino and Resort in Mt. Pleasant.

Art galleries and museums can also be found throughout Middle Michigan.

An Emerging Food Scene

From fine dining to down home cooking, there are over 115 restaurants to choose from in the Middle Michigan region. From American diners to sushi bars and Korean fare, there are many options available to satisfy any appetite.

Middle Michigan also features over four craft breweries throughout the region and is home to the Central Michigan Craft Beer Festival which takes place every summer in downtown Mt. Pleasant.

Local food enthusiasts can also find Michigan grown produce and products at any of the seasonal farmers markets featured throughout both Clare and Isabella Counties. The Harrison City Market located in Harrison is also open year around and features a commercial kitchen that food related start-ups can utilize to get their business off the ground.

Middle Michigan's cost of living is rated below the national average by Sperling's Best Places!



In the Middle of it All

Since 1981, the Middle Michigan Development Corporation (MMDC) has been the primary economic development organization driving business growth in Clare and Isabella Counties. While its composition and purpose have changed, it achieves ongoing results for the region.



———— MIDDLE MICHIGAN ————
DEVELOPMENT CORPORATION



Written by Jessica Ferlaino

MMDC works closely with the local business community to fully assess their needs and address them comprehensively. By helping companies make investment decisions, MMDC deploys the region's assets to plan for the long term.

Home to a combined population of 90,000, Clare and Isabella Counties – affectionately known as Middle Michigan for the location in the center of the state's Lower Peninsula – offer residents and businesses the advantages of a low cost of living, a desirable quality of life and economic prosperity.

Key to this prosperity is a strong education system supported by institutions of higher learning. Through partnerships with Central Michigan University and Mid Michigan Community College, MMDC is helping to create the necessary talent. Understanding that lack of access to skilled talent has become the largest impediment to business growth in both the region and the country, MMDC with its educational partners, have made great strides in addressing this issue.

"Central Michigan University has an engineering school – a very good one – and we are working with our companies who are telling us that they're looking for engineers. We talk with the engineering school and see if we can help place interns as well as inform their grads of opportunities in the area. That's been an outstanding resource to have here locally," explained MMDC president and Chief Executive Officer James McBryde.

Mid Michigan Community College, has a presence in both counties. Its primary campus is in Harrison, in Clare County, and its secondary campus is in Mount Pleasant, in Isabella County. The college turns out graduates in the skilled trades with a focus on welding, metal fabrication and machining. "They have responded to the needs that we have expressed based on company contacts," McBryde continued.

"You need to get the educational institutions to recognize the need and gear up, and they have done that, but then you have to get the students through the system and into the workplace, and that doesn't happen overnight." ▶▶

"Through partnerships with Central Michigan University and Mid Michigan Community College, MMDC is helping to create the necessary talent."





▶ “It takes years, as a matter of fact,” stated incoming Clare County Director for MMDC and Michigan Works! Region 7B Pam O’Laughlin.

Economic development cannot occur in isolation, and so the development of partnerships has become crucial to the impact of economic development organizations like MMDC.

Other partners include Central Michigan University Research Corporation (CMURC), which helps to commercialize research taking place at the university; Central Michigan Manufacturers Association (CMMA); Michigan Economic Development Corporation (MEDC); both counties and their various communities; as well as Michigan Works!, the state’s workplace development association.

“We are part of an eight-county region that’s working on this because our labor shed is a fifty-mile radius, so we’re working with our partners in other counties, but I don’t think anybody else is working any harder than we are creating that talent pipeline. It’s difficult, but we find workers for people,” explained outgoing Clare County Director for MMDC and Michigan Works! Region 7B Kathy Methner.

After twenty-two years of service, Kathy Methner will be retiring, though she will remain active, offering MMDC her assistance with grant writing applications. Pam O’Laughlin will assume the position to advance the needs of the business community and the region.



Middle Michigan is close to large centers in Detroit, Grand Rapids, Port Huron and the Upper Peninsula and an international trade zone that offers outstanding accessibility via expressways, rail, and airport connectivity. This location, paired with its affordable cost of living, gives Middle Michigan an unbeatable value for business and residents.

Throughout the years, MMDC's approach to economic development has changed to reflect the economic realities of the region better. Through changing its bylaws, the organization remains flexible and relevant to the needs of business.

"Our organization changed dramatically within the last couple of years. We reduced the size of our board," from upwards of ninety members to a maximum of twenty, McBryde said of the changes that have taken place at MMDC. "It was probably difficult to manage, but it was a different time, a different era, and the structure was different at that time than it is today."

The primary modification was a shift away from incentives and right to work legislation, as Michigan is now a right to work state. "When I first started, it was all about business attraction, and we did our own business attraction at that time. We didn't have a site selector; there probably wasn't such a thing, but



Mountain Town Brewing Company
Mt. Pleasant

"This location, paired with its affordable cost of living, gives Middle Michigan an unbeatable value for business and residents."

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▶ we spent probably about fifty percent of our time chasing projects,” Methner recalled. “Now it’s more like ten percent of our time going after new companies or projects and ninety percent in retention.”

“We are committed to attraction, but our primary focus is on company retention and expansion right now,” McBryde noted. “We are working closely with our existing companies to manage the increased demand for quality talent and skilled trades which currently is our highest priority. We are not unique in that.”

MMDC can rest assured that its partners have responded and everything is being done to create the requisite talent. This is especially important as Clare and Isabella Counties added a remarkable 702 jobs in 2016.

Key employers like Delfield, Unified Brands, Morbark and Bandit Industries, are growing, putting Middle Michigan on the map while proving repeatedly why they are leaders in their respective markets.

Other notable companies are Roz’s Diner, which was selected as one of Michigan Small Business Development Center’s (SBDC) Regional Best Small Businesses and Advanced Battery Concepts and MTW Industries LLC, which were ranked as two of Michigan’s Top 50 Companies to Watch. MMDC worked with each of these companies in the pursuit of growth.

These employers and their ability to expand has had a lasting effect on the community. Every manufacturing job in the community has the potential to create numerous indirect jobs to support it. That is the case in Clare and Isabella Counties where the 2,500 manufacturing jobs have far-reaching benefits.

“It is clear that there is no shortage of opportunity in Middle Michigan, from the rural countryside to the historical and bustling downtowns of communities like Mount Pleasant.”

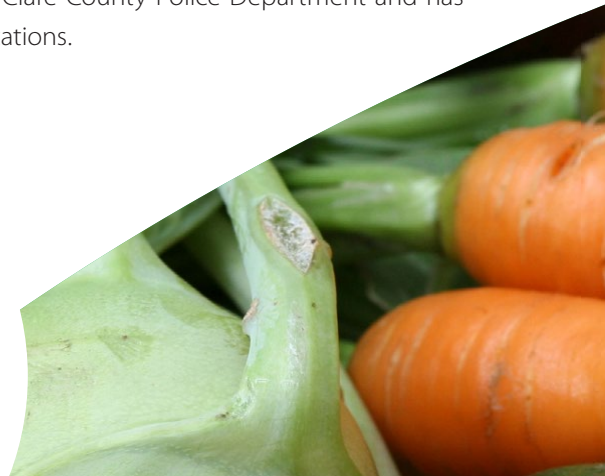
Complementing the thriving manufacturing base of Middle Michigan is agriculture, and MMDC is working to identify potential processing opportunities that could further bolster growth in this sector.

“Michigan’s second largest industry is agriculture. Outside of California, we produce the most diverse agricultural crops in the U.S. In our region, we have several good-sized dairy farms. Our largest milks 3,500 head of cattle a day on a carousel, and what we are finding is, while we have a lot of dairy producers, we don’t have much in the way of processing,” said Methner.

The region leads the nation in the production of blueberries, squash, tart cherries, cucumbers, dried cranberries, black beans, navy beans and red beans and is second in terms of asparagus, carrots, celery and so much more.

Last year, MMDC supported local craft brewers as well as Mid Michigan Community College in hosting a hops summit that brought together industry players to study the feasibility of hops production and processing in the region. The companies, together with the Saginaw Chippewa Indian Tribe, secured a USDA grant to support the study, and work is ongoing.

It is clear that there is no shortage of charm and unique opportunities in Middle Michigan, from the rural countryside to the historical and bustling downtowns of communities. Clare, for example, is home to the original location of the renowned Cops & Doughnuts, founded in 1896. The business is owned by members of the Clare County Police Department and has expanded to five locations.



Indeed, Middle Michigan boasts all the amenities one would expect to find in a huge metropolitan area, but with a small-town charm. There are arts and culture, entertainment, shopping and dining options to please the most difficult palate. There are also Division One athletics and recreation with fifty thousand acres of state forests, three hundred miles of rivers, twenty public access lakes and twenty-eight miles of snowmobile trails to enjoy.

Middle Michigan also has Soaring Eagle Casino and Resort, a huge employer in the region and a source of world-class entertainment that is rare for a community of its size. The venue will be undergoing a substantial \$26.5 million renovation that will be completed by the spring of 2018.

MMDC is doing its part in creating an economic development dialogue in the region by inviting guest speakers to its sponsored quarterly meetings. Meetings are attended by hundreds of people and breakfast is provided.

Past speakers include Gregory Burkart, a managing director of Duff & Phelps in Detroit; Detroit Mayor Mike Duggan; Director of the Michigan State Police Colonel Kriste Kibbey Etue; Director Jamie Clover Adams of the Michigan Department of Agriculture and Rural Development and Senior Vice-President of MEDC Tino Breithaupt. McBryde joked that he had set the bar very high for future meetings.

It is the cumulative efforts of MMDC and its partners that have championed Middle Michigan in a way that affords businesses and residents the opportunity to grow. McBryde and his team continue to identify new ways to facilitate and support prosperity in the region. ■



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THE YEAR IN ECONOMIC DEVELOPMENT

2017 was an incredible year for economic growth in our area!
The following are highlights of some key economic development successes:

Harrison receives \$2 million grant for infrastructure and receives recognition at the State of the State address

The City of Harrison was one of 14 Michigan communities to receive an Infrastructure Capacity Enhancement Grant in 2017. Designed to provide communities with the funding they need to upgrade existing water and sewer systems, the two million dollar grant received will allow Harrison to make necessary advancements to their infrastructure while also supporting the continued health and growth of their city.



The Wildlife Gallery Becomes Largest Taxidermy Tannery in Nation

The Wildlife Gallery, headquartered in Mount Pleasant, has become the nation's largest taxidermy tannery. Currently, the Wildlife Gallery has two facilities in Michigan with a third skinning facility and distribution center located in Texas. With a strong commitment to its employees and customers, the Wildlife Gallery has become the tannery of choice for taxidermists across the country.

Cow Pleasant Dairy Wins Award for Efficiency

The opening of a new dairy facility by Tom and Katrien DeVos of Weidman-based Cow Pleasant Dairy, Inc. was recognized by Consumers Energy as the Large Commercial Energy Efficiency Project of the Year. The facility, which was designed for the organization's 3,450-cow herd, contains efficient equipment to cool and transport milk directly to tankers for shipment, fans to cool the animals and LED lighting. These modifications reduce overall energy use and reduce costs. Cow Pleasant Dairy also received \$117,637 in rebates from Consumers Energy last year.



J. Ranck Helps Light City of Detroit

Modernization and LED conversion of the street lighting system in Detroit is just one example of improvements made over the last couple of years. Of the three contractors to work on this project, J. Ranck Electric, a Mt. Pleasant company, installed 8,222 LED light heads and nearly 20 miles of underground and overhead cable to complete the lighting of Detroit.





Advanced Battery Celebrates a Year of Growth

Advanced Battery Concepts has had quite the year. Not only were they named one of the Top 50 Michigan Companies to Watch at Michigan Celebrates Small Business this year, but they also moved into an 80,000 square foot building in Clare to better accommodate their expanding needs. We were happy to celebrate with them at their Grand Opening in May and we look forward to seeing what their team accomplishes in 2018.

Middle Michigan Development Corporation and Greater Gratiot Development, Inc. Join Forces for US-127 Study

Middle Michigan Development Corporation and Great Gratiot Development, Inc. joined forces to initiate and sponsor a study of the US-127 roadway between Ithaca and St. Johns. This study will focus specifically on how improvements made along the corridor could potentially affect economic development within the region. This study is expected to be completed in early 2018.



Top Six STTF Grant Recipients

JD Metalworks, Inc.	\$125,550.00
Stage Right	\$63,900.00
The Delfield Company	\$60,000.00
General Agency Company	\$42,450.00
Dayco Products, LLC	\$31,685.00
BGL Asset Services, LLC	\$31,500.00

ISABELLA AND CLARE COUNTIES SCORE BIG WITH SKILLED TRADES TRAINING FUND GRANTS

In November, Michigan Works! and Talent Investment Agency announced that 17 area companies and municipalities would be receiving a combined total of \$435,410 in Skilled Trades Training Fund (STTF) grants. MMDC has continued to work closely with Michigan Works!, the Central Michigan Manufacturers association and Mid-Michigan Community College to assist these companies in applying for these employer-based grants. As a result, our area continued to perform better than many other regions of the state.

MMDC Visits Welbilt Headquarters

In January, Jim McBryde and Kathy Kleckner, Business Attraction Manager for MEDC, traveled to New Port Richey, FL to visit the Welbilt, Inc. headquarters and meet with Bob Wonder, Executive Vice President - Americas for Welbilt, pictured to the right. The Delfield Company, located here in Middle Michigan, is one of Welbilt's premium brands and a leader in the food service equipment industry. Delfield is also one of the largest custom stainless steel refrigeration equipment manufacturers in the world.



CMMA Best Practices Tour a Success

Our business community recognizes the value of working together and this year, Burch Tank and Truck took the lead by hosting a Best Practices Tour in collaboration with the Central Michigan Manufacturers Association (CMMA). These tours serve as a great opportunity for manufacturing businesses to come together, network and learn from each other's best practices. Middle Michigan Development Corporation is a proud sponsor of the CMMA.



Burch Tank and Truck Expansion Continues

Burch Tank and Truck is a family-owned business that found its start back in 1990. Since then, Burch Tank and Truck, Inc. has grown from a three bay operation to over twenty that allow for serving and building bulk transport tankers. In 2017, Burch Tank and Truck underwent another expansion, this time expanding their south building by 25,000 square feet. We want to thank Burch Tank for their continued commitment to our area!



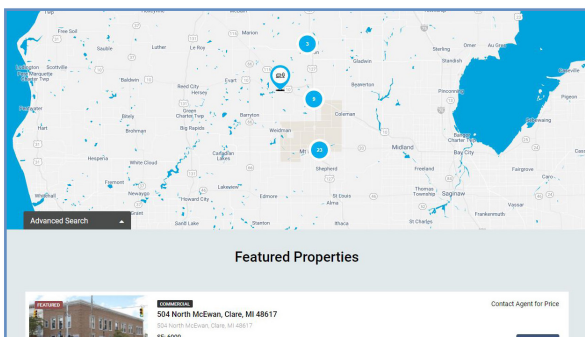
Bandit Industries Wins BITCO Safety Award

Bandit Industries was recognized this past summer for their outstanding attention to safety practices in the workplace. Bandit Industries received the BITCO Safety Award as a result of their everyday efforts to provide a safe work environment for their employees. We want to thank Bandit Industries for their strong commitment to safety in the workplace and recognize Tim Lannen and Louie Jensen who are featured in this photo with Steve Zachery.



MMDC Real Estate Website Launched

Site Consultants can now easily discover available properties within Clare and Isabella Counties thanks to our recently launched real estate website. Visitors to the website will be able to identify property based on location and discover information about our nine area industrial parks as well. Visit the MMDC Real Estate Website at mmdcre.org.

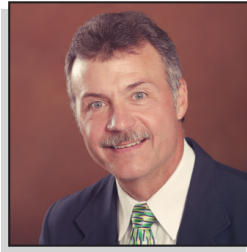


2018

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Kevin Cotter - Governmental Sales Manager, Morbark, LLC

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Rod Loomis - Retired Community President Chemical Bank Clare/MMDC Chair Emeritus

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Harmony Nowlin - Community Services Area Manager, Consumers Energy

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Brian Smith - Economic Development Director, Saginaw Chippewa Indian Tribe

Mark Stuhldreher - Township Manager, Charter Township of Union

Mark Upton - Director of Operations Michigan, Unified Brands

Brad Wahr - Vice President for Commercial Lending, Mercantile Bank of Michigan

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