

Members present: Todd Albee, Jan Amsterburg, Garth Anderson, Steve Bakker, Greg Baleja, Tracey Cordes, Phil Hansen, Bill Henderson, Nick Hirschman, Greg Mapes, Gary Melow, Pam Munderloh, Harmony Nowlin, Don Pray, John Renneberg, Tim Schaub, Michael Selmon, Ralph Ward, Sherry Weber, and Chris Yonker.

Absent/excused: Kevin Beeson, Taryn Blanshan, Julie Bolt, Marci Browne, Kevin Collison, Kurt Giles, Brian Goward, Becky Roslund, Sam Smith, Heather Todd, Steve Wendzel, and Robin Whitmore.

Others Present: Doug Bush

Staff: Don Schurr, Jim Wheeler, Kasey Zehner and Shelly Brown.

Chairman Henderson called the meeting to order at 7:32 a.m.

Consent Agenda

Approval of Consent Agenda – October minutes and financial reports

Motion by J. Renneberg, and seconded by J. Amsterburg, to accept the consent agenda and minutes and place on file. Motion carried.

Chairman's Report

Chairman Henderson reported that a new County Administrator, Tracey Cordes, was hired on November 1st. The Gratiot County Administrator is appointed to the GGDI Board based on position, and the Gratiot County Board of Commissioners has appointed T. Cordes to fill that position.

Motion by J. Renneberg, and seconded by G. Mapes, to accept Tracey Cordes as a member of the GGDI Board of Directors. Motion carried.

President's Report

Federal Issues

None to report at this time.

State Issues

Energy Legislation, Harmony Nowlin and Gary Melow

Senate Bills 437 & 438 (tie-barred) recently moved out of the Senate and to the House for consideration after undergoing a few amendments. H. Nowlin summarized the process thus far. Energy legislation began in the House, but because of no action, moved to the Senate. Senator Nofs's bills have been negotiated, and a number of compromises have occurred to get to the current bills, which are supported by the Michigan Chamber and Small Business Association. The two bills will include maintaining 10% choice. (Michigan is closing 25 power plants by 2020 - 9 have already closed), To help with reliability issues, alternative energy providers will have to guarantee two years of firm capacity to supply the need. The bills will also guarantee a competitive bidding process for new power plants or renewable energy. The bills will not continue 2008's mandate that at least 50% of renewables be owned by utilities and the other 50% can be independents. New Renewable Portfolio Standards (RPS) will go from 10% in 2015 to 12% by 2019 and 15% by 2022. There will also be an energy-efficiency goal of 35% to be achieved through renewable energy, energy efficiency, and elimination of energy waste. G. Melow noted that the Chamber support and 15% RPS were imperative to the bill moving forward. The House will likely take the issue up when it returns to session on the 29th. Movement is expected so that the process does not start over, yet uncertainty remains.

Regional Issues

GLBRA (Great Lakes Bay Regional Alliance) Marketing

The GLBRA will host a presentation on Silverlode's complete Regional Attraction Plan. All GGDI Board Members are invited to attend. It will be Monday, December 12 at 10:00 am at the Midland Center for the Arts. If interested in attending, please contact K. Zehner. From GGDI's perspective, there have been some growing pains throughout the regional process. Though four counties are not a part of the GLBRA formal organization (Arenac, Clare, Gladwin, and Gratiot), they were included as part of the Region for the marketing plan. Largely, marketing and publications outside of the Region is recommended to reference the "MBS" tagline (which is the airport abbreviation) as Midland, Bay, Saginaw: The Great Lakes Bay Region. This is due to the increased familiarity with those areas, but it raises questions about the rural counties' representation. Additionally, all counties participate in monthly regional economic development meetings. Gratiot is benefitting greatly from one of the suggested sector foci of agriculture and agribusiness, especially evident with an anticipated benefit coming from the ZFS announcement. GGDI has contributed annual marketing funds (\$2,750) toward the efforts, along with several other counties and the MEDC. Voting on the GLBRA has also been addressed with 1 person counting for 1 vote, though several people have been added to the Board. B. Henderson noted that the test of the longevity of the regionalization at the state level will be determined by the next administration; if they choose to keep it, then it is likely here to stay.

Local Issues

MERS Pension Bond for Gratiot County

J. Wheeler and S. Brown have been assisting the County with pension bond issues. The County is looking to sell a bond that will help to eliminate the shortfalls from pension funding. The S&P rated Gratiot County AA, and everything is prepared for an upcoming meeting with the State Treasury. S. Brown noted that the bond will be offered to local banks, and those interested can contact her for more information.

Master Planning

The Countywide Master Planning process has been at somewhat of a standstill over the last two months because Heather Seyfarth, of OHM Advisors, is currently working with individual units of government to add on their individualized goals in an addendum to the countywide plan. Those units so far include Alma, St. Louis, and Fulton Township. The next countywide planning meeting will be Wednesday, January 11 at 5:30 pm at Pine River Township Hall. Please RSVP for a food count. At this meeting, land-use maps will be finalized and existing zoning ordinances will be analyzed in regards to the currently identified goals, objectives, and strategies from this plan.

Marketing

Employment

The monthly employment report was sent prior to the meeting in the e-packet. K. Zehner reported that for September, Gratiot saw a slight decrease in labor force and increase in number employed, leading to significant decrease in the number unemployed. With a 4.0% rate, Gratiot ranked #30/83 counties. September's rate was .5% less (improved) over August 2016 and .2% less (improved) over September 2015. Gratiot County's rate was also lower than the State of Michigan (4.4%) and the United States (4.8%).

GGDI Calendar

K. Zehner has completed the 2017 calendar, and it will be printed in the next couple weeks. If you would like to have any dropped off at your business, let K. Zehner know. They will be available at the December board meeting.

Small Business Alliance

K. Zehner has been participating in Small Business Alliance meetings in Alma and Ithaca. T. Blanshan at the Chamber has started these meetings to encourage those businesses not currently involved in the Chamber or Promotional Committees to come together to drive traffic to the downtown areas. So far, Alma has decided to have interested businesses stay open later on Thursday nights in December, and in Ithaca they will do the same on Friday nights. There will also be refreshments for customers to enjoy as well as street entertainment.

Small Business Development Center Office Hours

There have been multiple client referrals from our office to the SBDC over the last couple months. This is great, as it provides entrepreneurs with an outlet for help to develop their business. Office hours and additional meetings have been held at GGDI, providing Gratiot County residents with a more convenient location to receive counseling services. The SBDC will also be hosting a Mobile App Seminar at Delta College on December 14th. Contact K. Zehner for more information.

Project Updates

US-127 Bike Trail

Many were in attendance for the US-127 Bike Trail ribbon cutting. It was a superb collaborative effort for communities within Gratiot County and the Central Michigan region. The end goal is to connect this path (starting in Ithaca) to the Pere Marquette Trail in Clare.

ZFS Ithaca, LLC

The Renaissance Zone has been approved and supported by all local government units: City of Ithaca, North Star Township, and Gratiot County. The Michigan Department of Agriculture Board approved the request this week. The next step will be to present the project to the Michigan Strategic Fund, before it is finalized at the State Administrative Board. The Brownfield process is also ongoing; the initial Brownfield Plan has been approved and supported by the City, Township, and County, as well as the Brownfield Redevelopment Authority. The next step is to develop and approve a Work Plan. ZFS is currently working on the site with drilling and construction for foundation piers. C. Yonker stated the City is working with their counsel in initial discussion for a Development Agreement. H. Nowlin stated Consumers Energy is invested \$6 million in this project: \$3 million to extend a 138kV line and another \$3 million to construct a city gate for natural gas. Chairman Henderson stated, it is great to have community-minded partners that support such complex projects.

Wind Development Updates

- Leasing continues in Gratiot and surrounding counties—this does not guarantee there is an active project, only that companies are leasing.
- GGDI is working with Seville Township to help them with a wind ordinance passage, but first the structure of the Planning Commission must be resolved.
- Pine River Township amended their wind ordinance to eliminate references to a “wind overlay district.”
- H. Nowlin stated that wind development will be directly related to the final energy legislation.

Apex Marine

Grading is completed for parking and driveways. Engineering and design is taking place for the new building, which will approximately double their current capacity.

Craig Frames

Craig Frames has completed its building expansion.

Alma Products

An agreement is being examined between Alma Products and Tracy Industries to begin clean-ups of the Court Street and Michigan Ave. properties. Almost all the preliminary examination has occurred. This is likely to take multiple years with an extensive long-term monitoring phase. This is a voluntary process initiated by the original owners under an agreement of sale.

C&S Steel/Precision Machine

C&S and Precision has completed their move into the former Ithaca Coatings building. Expansion within the building is continuing.

Leads/Prospects

Two additional companies are in the beginning stages of expansion opportunities.

Roundtable

Garth Anderson, Alma Action Association

- Commercial Bank is a month-and-a-half away from finalizing its purchase of Mason State Bank.
- Construction work on the new Wright Ave. branch buildings for Commercial and Mercantile are going well.
- December 9th will be the Come Home to Alma Celebration, with the Jingle Bell Run/Walk following on December 10th.

Chris Yonker, City of Ithaca

- Beacon and Bridge (on Main and Center Sts.) is in the process of replacing a leaking underground storage tank.
- In May, Center & Pine River Streets and Union Street will be redone.
- Ithaca will be receiving \$500,000 from the State of Michigan SAW Grant program.
- Consumers Energy has donated \$52,000 in energy efficiency upgrades with 4 new furnaces to the historic Fire Hall.
- The City is also looking at renting out a portion of the former police office in the Community Center building. More to come on that.

Tim Schaub, Village of Breckenridge

- Christmas in the Village will be December 5th.

Shelly Brown, for Heather Todd (Alma Action Association)

- A handout for the Ebenezer play was distributed to Board members. The Gratiot County Players will be offering this play on December 2, 3, 4, 9, 10, and 11.

Bill Henderson, Member at-large

- Truven Analytics has awarded MidMichigan Health Centers of Gratiot, Midland, and Clare Top 50 Designations. Additionally, the entire MidMichigan Health System has received Top 15 status. The Cardiology Center in Midland was also ranked Top 50 in the country! We are fortunate to have such advanced medical facilities in our area!

Tracey Cordes, Gratiot County Administrator

- Tracey explained this is her third week on the job. She has focused on meeting people and gaining knowledge about the budget and administrative numbers. She appreciates the opportunity to participate on the GGDI Board. She is looking forward to being involved in the collaboration in Gratiot County.

Phil Hansen, Middle of the Mitten Association

- St. Louis Small Town Family Christmas will be Thursday, December 1st
- DeShano senior housing project construction continues
- The City is looking at development opportunities for the former City Hall building
- St. Louis Family Practice building has been purchased by Gratiot County Mental Health
- Another block of Victorian street lights will be put up on M-46
- The Blue Shamrock continues their expansion
- Seeley Auto project is still under construction
- Two smaller apartment buildings are being renovated
- Remediation of the former Velsicol plant site in St. Louis is beginning. It will be a \$125 million project.
- A business in the Industrial Park is exploring another expansion and has inquired about property purchase.

Pam Munderloh, Gratiot County Bar Association

- Fortino, Plaxton, Costanzo & Associates will have their doors open for the Come Home to Alma Celebration.

Harmony Nowlin, Utilities

- Gratiot County Courthouse also utilized the energy efficiency historical building program to receive two new free furnaces.
- Consumers will be expanding their Crosswinds Energy Park with 19 turbines and Lakewinds Park with an additional 200 megawatts.
- Harmony passed around a handout that describes Consumers Energy's effect on Gratiot County through taxes, business contracts, jobs, etc. It is great to have a Consumers Service Center in Gratiot County!

Nick Hirschman, Agriculture

- Harvest is winding down, and yields have been above average.
- Lots of activity continues on the roads, especially with sugar beets.
- Nick has spoken with many who will be contractors on the ZFS projects and are looking for housing options as construction begins. This will begin in spring 2017 and run for two to three years, until the plant is finished. Approximately 150 workers will be coming in to work on the site. If anyone knows of any housing opportunities, you can contact Nick or GGDI.

Steve Bakker, Ithaca Promotional Committee

- Ithaca's Hometown Christmas will be held on December 2nd.
- CASA will be hosting a fund raising Trivia Night at the Elks this Saturday.
- Ithaca High School did not make it the State finals this season, but was able to set two records this season:
 - The first team to have eight consecutive seasons with 11 wins
 - 100-game winning streakKudos on this phenomenal run!

Meeting adjourned at 8:42 a.m.

Submitted,

Kasey Zehner

Project Manager, Greater Gratiot Development, Inc.

ASSETS

CURRENT ASSETS

CASH IN ACCOUNTS	\$88,964.11	
TOTAL CURRENT ASSETS		88,964.11

FIXED ASSETS

LAND	3,000.00	
BUILDINGS & IMPROVEMENTS	144,025.04	
FURNITURE & FIXTURES	59,255.23	
ALLOW FOR DEPRECIATION	(92,683.62)	
TOTAL FIXED ASSETS		113,596.65
TOTAL ASSETS		\$202,560.76

LIABILITIES AND EQUITY

CURRENT LIABILITIES

ACCRUED PAYROLL & P/R TAXES	4,031.18	
ACCRUED COMPENSATED ABSENCES	15,698.74	
TOTAL CURRENT LIABILITIES		19,729.92
TOTAL LIABILITIES		19,729.92

EQUITY

RETAINED EARNINGS - PRIOR	241,187.67	
RETAINED EARNINGS-CURRENT YR	(58,356.83)	
TOTAL EQUITY		182,830.84
TOTAL LIABILITIES AND EQUITY		\$202,560.76

	PERIOD TO DATE		YEAR TO DATE	
	ACTUAL	PERCENT	ACTUAL	PERCENT
REVENUE				
PRIVATE / GGDI REVENUES	\$376.90	100.0 %	7,870.24	100.0
TOTAL REVENUE	376.90	100.0	7,870.24	100.0
	376.90	100.0	7,870.24	100.0
OPERATING EXPENSES				
WAGE & FRINGE	23,038.01	*****	53,475.09	679.5
GENERAL OFFICE ADMINISTRATION	1,267.83	336.4	4,000.01	50.8
FACILITY RELATED EXPENSE	274.20	72.8	274.20	3.5
TRAVEL & BUSINESS EXPENSE	1,510.19	400.7	2,510.19	31.9
CONTRACTED SERVICES	409.70	108.7	1,113.80	14.2
MARKETING	564.00	149.6	3,570.02	45.4
CAPITAL IMPROVEMENTS	1,150.87	305.4	1,283.76	16.3
TOTAL OPERATING EXPENSES	28,214.80	*****	66,227.07	841.5
NET INCOME	(27,837.90)	*****	(58,356.83)	(741.5)
	(27,837.90)	*****	(58,356.83)	(741.5)
	\$(27,837.90)	*****	(58,356.83)	(741.5)

INCOME STATEMENT

FOR THE 2 PERIODS ENDED NOVEMBER 30, 2016

	PERIOD TO DATE		YEAR TO DATE	
	ACTUAL	PERCENT	ACTUAL	PERCENT
REVENUE				
REVENUE	\$1,386.08	100.0 %	3,465.17	100.0
TOTAL REVENUE	1,386.08	100.0	3,465.17	100.0
Gross Profit	1,386.08	100.0	3,465.17	100.0
Net Income from Operations	1,386.08	100.0	3,465.17	100.0
OPERATING EXPENSES				
TRANSFER TO GEN FUND	(360.96)	(26.0)	(7,854.30)	(226.7)
TOTAL OPERATING EXPENSES	(360.96)	(26.0)	(7,854.30)	(226.7)
Earnings before Income Tax	1,025.12	74.0	(4,389.13)	(126.7)
Net Income (Loss)	\$1,025.12	74.0 %	(4,389.13)	(126.7)

Assets

CURRENT ASSETS

CASH	\$236,013.59
NOTE RECEIVABLE - 721	8,813.92
LAND CONTRACT - B	276,666.36
LAND CONTRACT - M	107,414.06

TOTAL CURRENT ASSETS

628,907.93

TOTAL Assets

628,907.93

Liabilities AND Equity

TOTAL Liabilities

.00

EQUITY

RETAINED EARNINGS PRIOR	633,297.06
Retained Earnings-Current Year	(4,389.13)

TOTAL EQUITY

628,907.93

TOTAL Liabilities AND Equity

628,907.93

NOVEMBER 30, 2016

ASSETS	
CURRENT ASSETS	
CASH	\$948,678.26
TOTAL CURRENT ASSETS	948,678.26
LOANS RECEIVABLE	
LOANS RECEIVABLE	458,025.42
ACCRUED INTEREST RECEIVABLE	2,360.93
TOTAL LOANS RECEIVABLE	460,386.35
TOTAL ASSETS	<u>\$1,409,064.61</u>
LIABILITIES AND EQUITY	
TOTAL LIABILITIES	<u>.00</u>
EQUITY	
RETAINED EARNINGS PRIOR	1,404,708.87
RETAINED EARNINGS - CURRENT YR	4,355.74
TOTAL EQUITY	<u>1,409,064.61</u>
TOTAL LIABILITIES AND EQUITY	<u><u>\$1,409,064.61</u></u>

INCOME STATEMENT

FOR THE 2 PERIODS ENDED NOVEMBER 30, 2016

	PERIOD TO DATE		YEAR TO DATE	
	ACTUAL	PERCENT	ACTUAL	PERCENT
REVENUE				
INTEREST ON LOANS	\$1,741.52	79.6 %	3,735.71	84.5
INTEREST EARNED ON ACCTS.	193.60	8.9	370.94	8.4
ACCRUED INTEREST REC'V	251.88	11.5	314.64	7.1
TOTAL REVENUE	2,187.00	100.0	4,421.29	100.0
	2,187.00	100.0	4,421.29	100.0
OPERATING EXPENSES				
BANK S/C	38.70	1.8	65.55	1.5
TOTAL OPERATING EXPENSES	38.70	1.8	65.55	1.5
	2,148.30	98.2	4,355.74	98.5
	2,148.30	98.2	4,355.74	98.5
NET INCOME (LOSS)	\$2,148.30	98.2 %	4,355.74	98.5