<u>A G E N D A</u>

NORTHERN NEXUS
(Grand Traverse Region Next Michigan Development Corporation)

Thursday, February 26, 2015 – 1:30 p.m.
Governmental Center, 400 Boardman Avenue
Second Floor – Commission Chambers
Traverse City, MI 49684

1. **ORDER OF BUSINESS**

   a. Introductions – Welcome Commissioner Bob Johnson

   b. 2015 Meeting Schedule 1

   c. Officer Elections

   d. Approval of October 30, 2014 Minutes 2-3

2. **PUBLIC COMMENT/INPUT**

   Any person shall be permitted to address a meeting of the Grand Traverse Next Michigan Development Corporation (NMDC), which is required to be open to the public under the provisions of the Michigan Open Meetings Act, as amended. (MCLA 15.261, et. seq.) Public comment shall be carried out in accordance with the following Rules and Procedures:

   - Any person wishing to address the NMDC shall state his or her name and address.
   - Persons may address the NMDC on matters, which are relevant to NMDC issues.
   - No person shall be allowed to speak more than once on the same matter, excluding time needed to answer NMDC questions. The Chairperson shall control the amount of time each person shall be allowed to speak, which shall not exceed three (3) minutes; except as follows:

     › Chairperson may, at his or her discretion, extend the amount of time any person is allowed to speak.

     › Whenever a group wishes to address the NMDC, the Chairperson may require that the group designate a spokesperson; the Chairperson shall control the amount of time the spokesperson shall be allowed to speak, which shall not exceed fifteen (15) minutes.

3. **REPORTS / Receive and File Communications**

   a. Update on Economic Development Strategy 4-12

   b. Michigan Logistics and Supply Chain Steering Team 13-24

   c. Update on Next Michigan Development Corporations 25

4. **PUBLIC COMMENT/INPUT**

   Refer to Rules under PUBLIC COMMENT/INPUT above.

5. **NOTICES**

6. **ADJOURNMENT**

PUBLIC NOTICE

Northern Nexus (a.k.a. Grand Traverse Region Next Michigan Development Corporation) hereby announces its regular meeting schedule for 2015. Regular meetings will be held on the last Thursday of the month at 1:30 p.m., *unless otherwise noted. Meetings will be held in the Commission Chambers of the Governmental Center, 400 Boardman Avenue, Traverse City, Michigan 49684.

Northern Nexus
(a.k.a. Grand Traverse Region Next Michigan Development Corporation)
2015 Meeting Dates

Last Thursday of the Month
1:30 p.m., Commission Chambers
Second Floor, Governmental Center

February 26
March 26
April 30
May 28
June 25
July 30
August 27
September 24
October 29
November 19*
December 17*

Jean Derenzy, Deputy Director
Grand Traverse County Planning & Development
400 Boardman Avenue
Traverse City, MI 49684
(231) 922-4676

Posted: February ____, 2015

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NORTHERN NEXUS
Grand Traverse County Next Michigan Development Corporation

October 30, 2014

Vice Chair Easterday called the meeting to order at 1:32 p.m. in the Commission Chambers located in the Governmental Center, 400 Boardman Avenue, Traverse City, Michigan.

MEMBERS PRESENT:	Jeanine Easterday, Chuck Korn (1:37 p.m.), Herb Lemcool, Glen Lile and Patrick Pahl
STAFF PRESENT:	Marcia Carmoney, Jean Derenzy and John Sych
OTHERS PRESENT:	David Scerbak and Phil Nicholls of Electro-Optics Technology, Inc.

APPROVAL OF MINUTES
Moved by Lile, seconded by Pahl to approve the September 25, 2014 NMDC minutes as presented. **Approved unanimously.**

PUBLIC COMMENT
None

Korn arrived at 1:37 p.m.

STAFF REVIEW OF ABATEMENT REQUEST
As reported at the September meeting, Electro-Optics Technology (EOT) has made application for consideration for personal and real property tax abatement. EOT was awarded 57 points on the abatement score sheet making them eligible for 4 years of personal property abatement and 8 years for real property. Derenzy provided an overview of the request and its impact on the local taxing jurisdictions. Staff is working with Northwestern Michigan College and UpJohn Institute in creating an input model for new businesses coming in, and in this case, business expansion and its impact on the local economy, including indirect impact such as the creation of spin-off jobs. David Scerbak, CEO & CTO of Electro-Optics Technology recounted the company's history and described their product line.

PUBLIC HEARING – ELECTRO-OPTICS TECHNOLOGY REQUEST FOR ABATEMENT
Chair Korn opened the Public Hearing at 1:53 p.m.

Gail Parsons, Interim Director for Traverse Area District Library – support abatement. The impact of the abatement on the Library was discussed.

Tom Menzel, Executive Director for Bay Area Transportation Authority was not present, but sent an email in support of the abatement. Derenzy read the email for the record.

Korn closed the Public Hearing at 1:56 p.m.

Moved by Lemcool, seconded by Lile that based on the above outlined information, Electro Optics Technology meets the threshold of positive impact and is recommended to be granted a 4 year personal property abatement and an 8 year real property abatement. **Approved unanimously.**

Revising the score sheet to include logistical needs was discussed.

PUBLIC COMMENT
None

NOTICES
Lemcool informed the Board that NMC would be hosting a Manufacturing Day on November 5th from 7:30 a.m. to noon. Korn volunteered to attend and distribute Northern Nexus marketing postcards.

Lile announced new equipment for Carter's Kids playground was installed at Grace Macdonald Park in East Bay Township.

ADJOURNMENT
Meeting adjourned at 2:12 p.m.

Chuck Korn, Chair

NORTHERN NEXUS

SUBJECT: Update on Economic Development Strategy

FROM: John Sych & Jean Derenzy

FOR MEETING DATE: February 26, 2015

We will be providing you with an update on our work to develop an economic development strategy for Grand Traverse County, including the following:

- The REMI Model. We have been meeting with Northwestern Michigan College and the Upjohn Institute for Employment Research to review and discuss the REMI economic model for Grand Traverse County. The REMI model is created by Regional Economic Models, Inc. and is used by many communities throughout the United States. The REMI model incorporates aspects of four major modeling approaches: Input-Output, General Equilibrium, Econometric, and Economic Geography. Each of these methodologies has distinct advantages as well as limitations when used alone. The REMI integrated modeling approach builds on the strengths of each of these approaches. George Erickcek of the Upjohn Institute manages the model for Grand Traverse County and is able to make customized changes tailored for the county.

- Initial Findings from Economic Conditions Report. The REMI model provides economic data and forecasts for the county. The forecast that is presented reflects a do-nothing approach. However, for the purposes of planning, the model can be adjusted based on desired trends resulting in different forecasts. The model will be an important tool in developing the economic strategy and provide answers to "what if" scenarios. The attached report reflects some of the data from the model along with supplemented data from the U.S. Census and other sources. The report provides a solid understanding of the local economy and clears away invalid assumptions.

- Jobs Multiplier. In addition to forecasts, the REMI model also provides an economic impact analysis summary for a business expansion or a new business moving into the county. For example, we looked at the impact of the Electro-Optics Technology expansion. The attached summary shows the impact of a computer and electronic product manufacturer locating in Grand Traverse County in 2016. The company is expected to employ 8 workers in 2016, 17 in 2017 and then stabilize at 25 workers in 2018. Estimated occupational wages for the workers, which are higher than the county averages, were provided and used in the analysis. On average, every worker hired at the firm will generate another 1.6 to 1.8 jobs in the county, mostly through their consumption expenditures. This type of summary may be used for other projects.

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Grand Traverse County Economic Conditions Report

Establishments and Industries:

Establishments. In 2012, there were 2,911 establishments in Grand Traverse County. 55% of those establishments had four or less employees. 75% of all establishments are less than 10 employees.

2012 Number of Employees by Employer in Grand Traverse County

Total	1-4	5-9	10-19	20-49	50-99	100-249	250-499	500-999	1,000 or more
2,911	1,596	590	370	236	79	32	6	2	1
	54.83%	20.27%	12.71%	8.11%	2.71%	2.01%	0.21%	0.07%	0.03%

NAICS. 506 six-digit NAICS coded industries were represented in Grand Traverse County in 2012.

Location Quotient:

Establishment Location Quotient. 14 industries were identified as having location quotient for establishments of greater than 10. A total 20 establishments were identified in this range. 12 of the 14 identified industries were manufacturing businesses.

ESTABLISHMENT LOCATION QUOTIENT >10		
221115	Wind Electric Power Generation	1
311520	Ice Cream and Frozen Dessert Manufacturing	2
311813	Frozen Cakes, Pies, and Other Pastries Manufacturing	1
311824	Dry Pasta, Dough, and Flour Mixes Manufacturing from Purchased Flour	3
311911	Roasted Nuts and Peanut Butter Manufacturing	1
311920	Coffee and Tea Manufacturing	2
312140	Distilleries	1
332114	Custom Roll Forming	2
333612	Speed Changer, Industrial High-Speed Drive, and Gear Manufacturing	1
333912	Air and Gas Compressor Manufacturing	2
336340	Motor Vehicle Brake System Manufacturing	1
339994	Broom, Brush, and Mop Manufacturing	1
339995	Burial Casket Manufacturing	1
487990	Scenic and Sightseeing Transportation, Other	1
	Totals	20

Employment Location Quotient. 12 industries were identified as having location quotient for employment of greater than 10. A total of 20 establishments were identified in this range. 10 of the 12 identified industries were manufacturing businesses.

EMPLOYMENT LOCATION QUOTIENT >10		
311421	Fruit and Vegetable Canning	2
311813	Frozen Cakes, Pies, and Other Pastries Manufacturing	1
327910	Abrasive Product Manufacturing	1
332114	Custom Roll Forming	2
332811	Metal Heat Treating	1

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333517	Machine Tool Manufacturing	2
333612	Speed Changer, Industrial High-Speed Drive, and Gear Manufacturing	1
333912	Air and Gas Compressor Manufacturing	2
333992	Welding and Soldering Equipment Manufacturing	1
336340	Motor Vehicle Brake System Manufacturing	1
541360	Geophysical Surveying and Mapping Services	2
551112	Offices of Other Holding Companies	4
	Totals	20

Significant Single Industry Employers. Industries with only one establishment and having significant employment or establishment location quotient or combination were identified. 12 industries with only one establishment were identified. 10 of the 12 identified establishments were manufacturing businesses.

SIGNIFICANT SINGLE EMPLOYERS		
221115	Wind Electric Power Generation	1
311813	Frozen Cakes, Pies, and Other Pastries Manufacturing	1
327910	Abrasive Product Manufacturing	1
332811	Metal Heat Treating	1
333612	Speed Changer, Industrial High-Speed Drive, and Gear Manufacturing	1
333992	Welding and Soldering Equipment Manufacturing	1
335929	Other Communication and Energy Wire Manufacturing	1
336340	Motor Vehicle Brake System Manufacturing	1
336350	Motor Vehicle Transmission and Power Train Parts Manufacturing	1
339994	Broom, Brush, and Mop Manufacturing	1
339995	Burial Casket Manufacturing	1
721120	Casino Hotels	1
	Totals	12

Shift Share:

Notable Industries by Positive Competitive Effect. Industries with a competitive effect greater than 100 were identified.

Positive (>100) or more Competitive Effect	
Private households	679
Securities, commodity contracts, investments	399
Insurance carriers and related activities	367
Performing arts and spectator sports	325
Educational services	250
Fabricated metal product manufacturing	203
Ambulatory health care services	182
Administrative and support services	176
Real estate	172
Textile mills; Textile product mills	165
Hospitals	147
Plastics and rubber product manufacturing	136
Management of companies and enterprises	123
Motion picture and sound recording industries	119
Publishing industries, except Internet	106

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Notable Industries by Negative Competitive Effect. Industries with a competitive effect greater than -100 were identified.

Negative (>-100) or more Competitive Effect

Construction	-962
Retail trade	-914
Motor vehicles, bodies and trailers, and parts manufacturing	-839
Social assistance	-752
Food services and drinking places	-731
Repair and maintenance	-433
Monetary authorities - central bank; Credit intermediation and related activities; Funds, trusts, & other financial vehicles	-427
Rental and leasing services; Lessors of nonfinancial intangible assets	-295
Support activities for mining	-293
Personal and laundry services	-182
Membership associations and organizations	-173
Waste management and remediation services	-172
Oil and gas extraction	-138
Wholesale trade	-113
Professional, scientific, and technical services	-110
Amusement, gambling, and recreation	-105

Focus on Key Industries:

Health care and social assistance. Health care and social assistance has a location quotient of 0.8 for employment and 1.2 for establishments. Specifically, general medical and surgical hospitals have a location quotient of 0.6 for employment and 0.5 for establishments. Hospitals have a competitive effect of 147 between 2002 and 2012. In 2002, there were 356 establishments and 7,093 employees. In 2012, there were 396 establishments and 8,802 employees.

Construction. Construction has a location quotient of 1.1 for employment and 1.2 for establishments. Between 2002 and 2012, the competitive effect for construction was -962. It is expected that the decrease was due to the drop in building development in the County after boom of growth in the early 2000s. Construction bottomed out in 2009 and is slowly recovering. In 2002, there were 472 establishments and 3,081 employees. In 2012, there were 313 establishments and 1,803 employees.

Retail trade. Retail trade has a location quotient of 1.3 for employment and 1.3 for establishments. Between 2002 and 2012, the competitive effect for retail trade was -914. It is expected that the decrease was due to the drop in building development in the County after boom of growth in the early 2000s. In 2002, there were 660 establishments and 7,917 employees. In 2012, there were 565 establishments and 7,035 employees

Seasonal Employment:

Large Industries (2004-2014)

- Retail Trade – Some seasonal fluctuations but generally decreased from 2004 to 2014
- Manufacturing – Some variation, it dropped in 2009 and 2010 but is regaining
- Health care and social assistance – Gradually increasing from 2004 to 2014
- Accommodation and food services – Noticeable seasonal fluctuation is apparent but holding steady from 2004 to 2014

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Mid-Large Industries

<u>Construction</u> – Noticeable seasonal fluctuation; slightly regaining after major drop following 2006

<u>Professional and technical services</u> – No noticeable seasonal changes; generally holding steady from 2004 to 2014

<u>Wholesale trade</u> – No noticeable seasonal changes; generally holding steady from 2004 to 2014

<u>Finance and insurance</u> – No noticeable seasonal changes; slight lowering from 2004 to 2014

Other services – No noticeable seasonal changes; generally holding steady from 2004 to 2014

<u>Administrative and waste services</u> - Noticeable seasonal variations; follows Construction pattern with slight regain after drop following 2006

Mid-Small Industries

<u>Information</u> – No noticeable seasonal changes; slight lowering from 2004 to 2014

<u>Transportation and warehousing</u> – Some seasonal variation; slight lowering from 2004 to 2014

<u>Educational services</u> – Very noticeable seasonal changes during the summer; these changes are attributed to Interlochen summer camps; overall increasing and higher in 2014 than 2004

<u>Real estate and rental and leasing</u> – Slightly noticeable seasonal variations; slight regain after 2010 and 2011

Small Industries

<u>Arts, entertainment, and recreation</u> – Major seasonal fluctuations in the summer; fluctuations have been more significant from 2004 to 2014 with higher summer peaks

<u>Utilities</u> – No noticeable seasonal variations; holding steady from 2004 to 2014

<u>Management of companies and enterprises</u> – Generally steady with some drops in 2009 and 2010 and from 2012 forward

<u>Mining</u> – No noticeable seasonal variations; peak years in 2008 and 2009

<u>Agriculture, forestry, fishing and hunting</u> – Seasonal fluctuations with overall increase from 2004 to 2014

Jobs Multipliers

Multipliers account for any displacement impacts that can occur when a new business (retailer for example) opens and takes business away from existing firms. Note: the total employment impact includes the 100 new jobs in the specific industry. The top ten multipliers are as follows:

	<u>100 Hundred New Jobs in:</u>	<u>Total County Employment Impact</u>
1	Petroleum and coal products manufacturing	351
2	Telecommunications	294
3	Broadcasting, except Internet	247
4	Utilities	232
5	Computer and electronic product manufacturing	221
6	Support activities for mining	218
7	Monetary authorities - central bank; Funds, trusts, & other financial vehicles	213
8	Beverage and tobacco product manufacturing	208
9	Paper manufacturing	201
10	Publishing industries, except Internet	196

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Migration

Net Migration. In 2012, there was a net migration of 621. Of those 621, 87% of the migrants were "economic migrants" or those seeking employment in Grand Traverse County while the remaining 13% were "retiree migrants." This ratio is expected to continue through 2025. Most economic migrants are in the Natural Resources, Construction, Maintenance industries.

Net Migration by Occupation	
Occupation	**Net Jobs**
Natural Resources, Construction, Maintenance	201
Production, Transportation, Material Moving	192
Service	165
Sales and Office	70
Military Specific	10
Management, Business, Science, Arts	-24
Net Total	614
Source: U.S. Census Bureau, 2008-2012 5-year American Community Survey	

Top 10 Outbound Destinations

Rank	County	State	Net Change in Population	Major City
1	Kalkaska County	Michigan	-167	Kalkaska
2	Baldwin County	Alabama	-153	Mobile/Pensacola
3	Cheboygan County	Michigan	-107	Cheboygan
4	Cook County	Illinois	-94	Chicago
5	Los Angeles County	California	-92	Los Angeles
6	Kalamazoo County	Michigan	-84	Kalamazoo
7	Saginaw County	Michigan	-82	Saginaw
8	Marquette County	Michigan	-75	Marquette
9	Kent County	Michigan	-71	Grand Rapids
10	Marion County	Indiana	-61	Indianapolis

Top 10 Inbound Destinations

Rank	County	State	Net Change in Population	Major City
1	Genesee County	Michigan	201	Flint
2	Antrim County	Michigan	191	Bellaire/Elk Rapids
3	Wayne County	Michigan	181	Detroit
4	Berrien County	Michigan	159	Benton Harbor/St. Joseph
5	Benzie County	Michigan	142	Frankfort
6	Gogebic County	Michigan	107	Ironwood
7	Williamson County	Tennessee	100	Nashville
8	Calhoun County	Michigan	97	Battle Creek
9	Hillsborough County	Florida	95	Tampa
10	Bay County	Florida	83	Panama City

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Comparisons (To be determined):

Peers
Aspirations

Other Indicators:

Unemployment Rate. In 2002, the annual average unemployment rate was 5.7%. In 2012, the annual average unemployment rate was 8.0%. In November, 2014, the unemployment rate was 4.3% - lowest since October, 2005.

Income. In 2013, per capita income was $27,660 in Grand Traverse County, $25,681 in Michigan, and $28,155 in the United States. In 2013, median income was $50,755 in Grand Traverse County, $48,273 in Michigan, and $52,250 in the United States.

Residential Building Permit Growth. In 2003, 737 residential building permits were issued. In 2013, 365 residential building permits were issued.

Education. The percentage of high school graduate or higher, percent of persons age 25+, 2009-2013, was 93.3% in Grand Traverse County and 88.9% in Michigan. The percentage of bachelor's degree or higher, percent of persons age 25+, 2009-2013, was 30.4% in Grand Traverse County and 25.9% in Michigan.

Median Age. In 2009-2013, median age was 41.1 in Grand Traverse County and 39.1 in Michigan and 37.3 in the United States. In 2009-2013, percentage of population age 65 and over was 15.4% in Grand Traverse County and 14.2% in Michigan and 13.4% in the United States. 2025 forecast have age 65 and over at 21.5% in Grand Traverse County.

Population. The 2013 population of Grand Traverse County was 89,987. Between 2000 and 2010, Grand Traverse County was the third fastest growing county in Michigan. Percent change of population from April 1, 2010 to July 1, 2013 was 3.4% in Grand Traverse County and 0.1% in Michigan. The projected population for Grand Traverse County is 101,164 for 2020; 111,925 for 2030; and, 120,127 for 2040.

Travel Time to Work. The mean travel time to work (minutes), workers age 16+, 2009-2013, was 20.3 in Grand Traverse County and 24.0 in Michigan.

Patents per Thousand Persons. The number of patents issued in an area per 1,000 residents according to the U.S. Patent and Trademark Office. Patents are a traditional measure for the amount of applied research and development in an area.

Grand Traverse County Utility Patent Grants from 2003 to 2013:

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
14	15	15	20	20	11	14	14	9	6	10	9	18	15

Patents per Thousand Persons:

	2000	2013
Grand Traverse County	0.018	0.017
Michigan	0.374	0.517
United States	0.559	0.877

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Other Indicators (incomplete):

Private Sector Job Growth. Indicates the percentage of growth in private sector employment from 2002 to 2012 as reported by the Bureau of Labor Statistics.

Average Hourly Earnings Growth. The average hourly earnings growth of a region is shown as the percentage of the average hourly wage growth of an individual from 2002 to 2012 according to U.S. Department of Labor data.

Labor Force Growth. Growth in the number of people employed.

Labor Force Participation Rate. The labor force participation rate is defined as the percentage of the civilian noninstitutional population 16 and over working or looking for work. It is largely determined by demography, most notably the share of the adult population of prime working age, typically 25 to 54.

Percent Growth in Employer Establishments. The percentage of the growth in the number of employer establishments according to the Bureau of Labor Statistics.

Business Formation Rate – Establishment Births/Person. The business formation rate is the number of new businesses started in a metropolitan area divided by the population. The indicator is based on data from the U.S. Department of Commerce and shows the relative ability of a community to generate new businesses.

Potential Infrastructure Issue Areas in Relation Local Economy:

Transportation: Improved Logistics and Supply Chain
Housing: Accessibility to Workforce Housing
Technology: Access to Broadband
Energy: Localized, Sustainable Energy Sources

The following is an economic impact analysis summary of a computer and electronic product manufacturer locating in Grand Traverse County in 2016. The company is expected to employ 8 workers in 2016, 17 in 2017 and then stabilize at 25 workers in 2018. Estimated occupational wages for the workers, which are higher than the county averages, were provided and used in the analysis. On average, every worker hired at the firm will generate another 1.6 to 1.8 jobs in the county, mostly through their consumption expenditures.

Employment Impact

Grand Traverse County	2016	2017	2018	2019	2020
Direct Employment	8	17	25	25	25
Indirect	13	28	43	44	44
Total	21	45	68	69	69
Multipler	2.6	2.7	2.7	2.8	2.8
Personal income ($1,000)	$ 1,025	$ 2,326	$ 3,642	$ 3,909	$ 4,118

In conducting this test run on the model:

1. According to the model, all of the county's computer and electronic product manufacturers sell nearly 100 percent of their products to customers located outside the county.
2. Using the wage information provided, instead of the county's average occupational wage levels, pushed the company's overall employment and income impact up by 28 percent.
3. The model estimated very little economic spillover impacts to the surrounding counties.

NORTHERN NEXUS

SUBJECT: Michigan Logistics and Supply Chain Steering Team

FROM: John Sych

FOR MEETING DATE: February 26, 2015

Northern Nexus is a participant representing the Grand Traverse area on the Logistics and Supply Chain Steering Team for the State of Michigan. The Team is assisting the state in its implementation of Michigan's Logistics and Supply Chain Strategic Plan. For your information, attached is an update from Peter Anastor of the Michigan Economic Development Corporation (MEDC) who is the lead staff person on this initiative. A couple of notes:

- Northern Nexus is part of the business development action of the six-part effort which also includes talent, infrastructure, marketing, stakeholder engagement and efficient process. Business development focuses on business growth and improving supply chain operations.
- The first annual Supply Chain Innovation Summit will be held on August 31, 2015 in Dearborn.

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LOGISTICS & SUPPLY CHAIN SOLUTIONS

Logistics and Supply Chain Steering Team

PETER ANASTOR
February 5, 2015

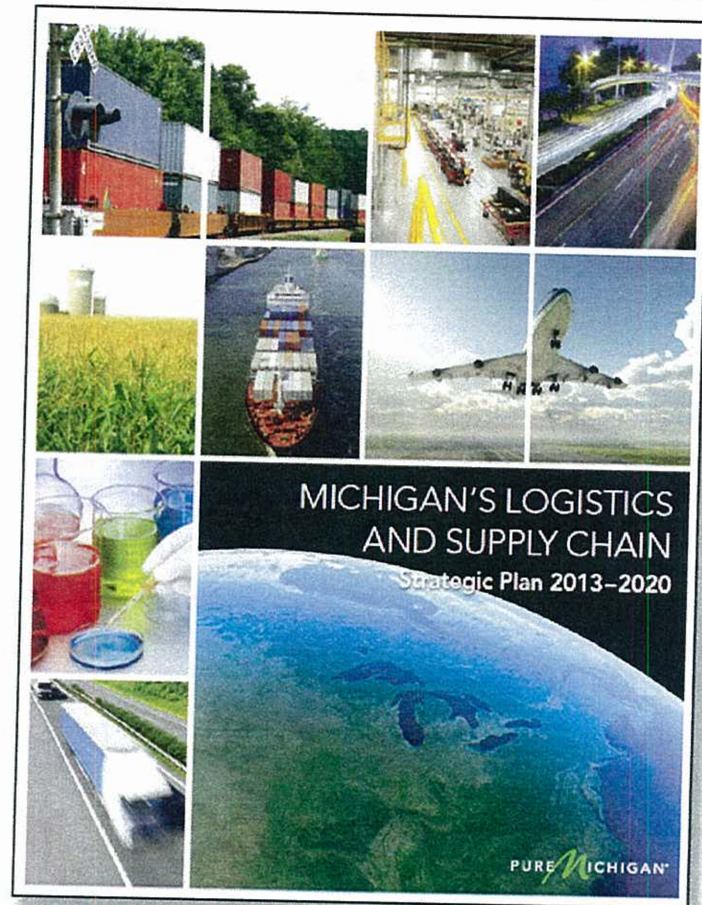
VISION & MISSION

VISION

"Michigan provides a collaborative, business-focused logistics and supply chain ecosystem that ***lowers cost***, ***reduces time***, ***removes risk*** and promotes job creation to support the movement of freight across the state and around the world."

MISSION

"To ***lower cost***, ***reduce time*** and ***remove risk*** for firms by developing an efficient logistics and supply chain ecosystem that leverages our assets and provides opportunities for collaboration and partnership."



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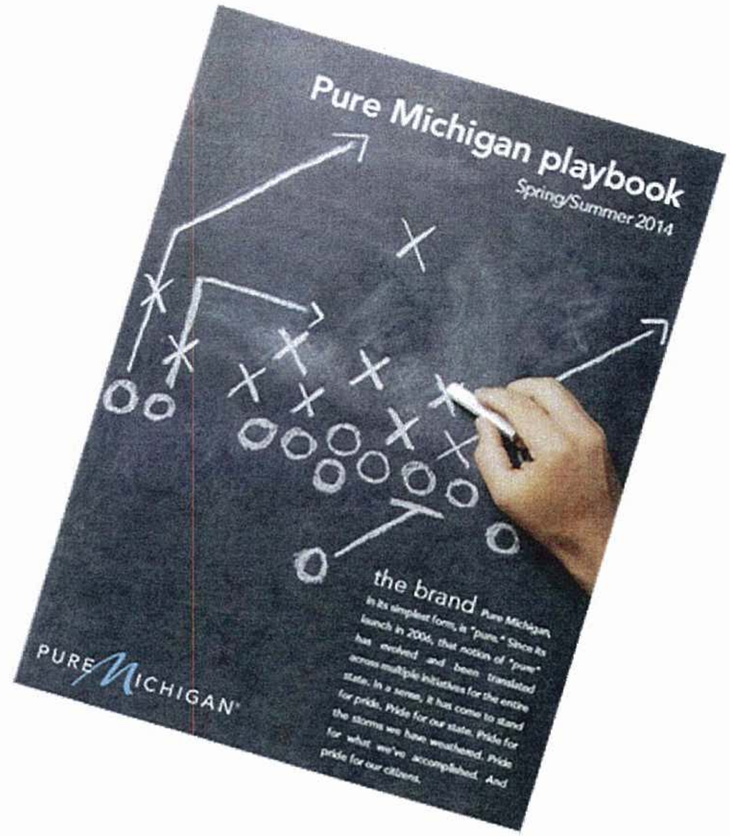
LOGISTICS & SUPPLY CHAIN SOLUTIONS

FY15 ACTIONS

- **Business Development**
- **Talent**
- **Infrastructure Development**
- **Marketing**
- **Stakeholder Engagement**
- **Efficient Process**



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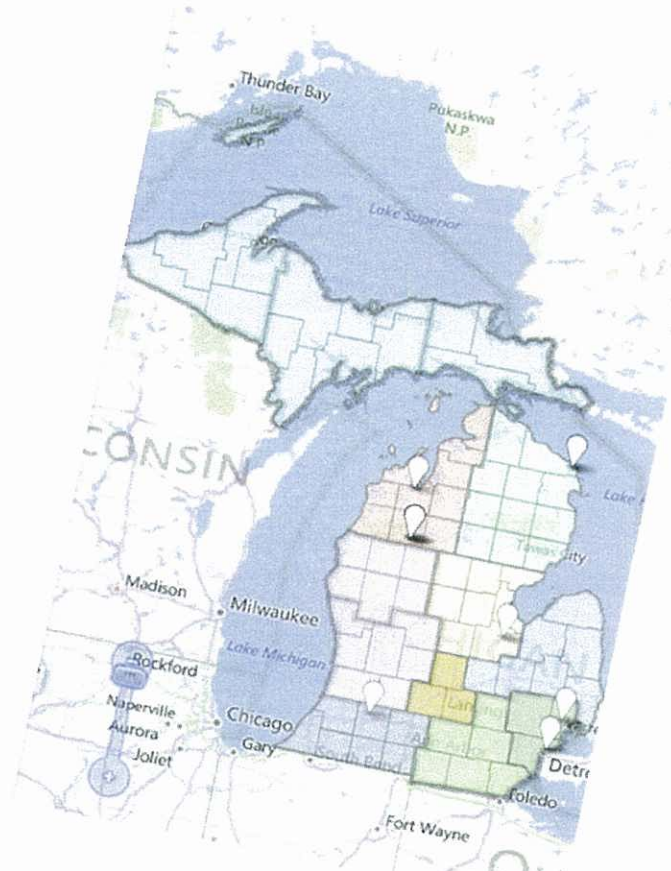
LOGISTICS & SUPPLY CHAIN SOLUTIONS

BUSINESS DEVELOPMENT

- Supply Chain Acceleration Tool
- Freight Mapping Tool
- Foreign Trade Zone Fact Sheet
- China Strategy
- Developer Showcase
- Supply Chain Mapping
- Next Michigan Development Corporations



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LOGISTICS & SUPPLY CHAIN SOLUTIONS

TALENT

- Truck Driver Capacity
- Logistics and Supply Chain Certification
- Wayne State/AIAG Auto Certification Partnership

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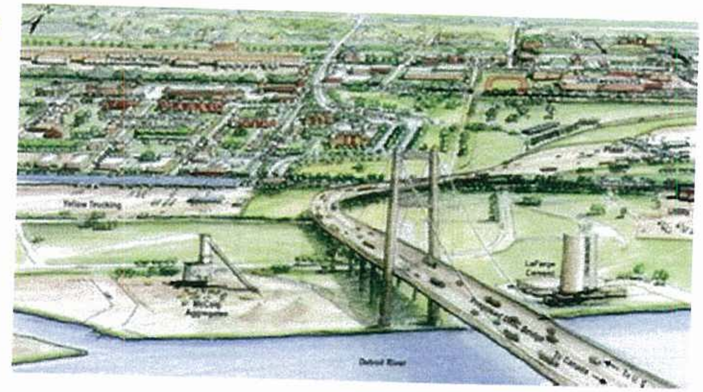
LOGISTICS & SUPPLY CHAIN SOLUTIONS

INFRASTRUCTURE

- Statewide Logistics and Supply Chain Study
- NITC
- Freight Rail Crossing
- Detroit Intermodal Freight Terminal
- Port Facilities
- Intermodal Facilities
- Air Cargo Facilities
- Transload Facilities



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CSX TRANSPORTATION

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LOGISTICS & SUPPLY CHAIN SOLUTIONS

MARKETING

- **Logistics and Supply Chain Marketing Brochure**
- **New Logistics and Supply Chain Videos**
- **Supply Chain Solutions Bulletin**
- **Web page and LinkedIn Development**
  - www.michiganbusiness.org/lsc
  - "Follow" the ongoing postings at our Showcase Page on LinkedIn here.

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LOGISTICS & SUPPLY CHAIN SOLUTIONS

STAKEHOLDER ENGAGEMENT

- 2015 Logistics and Supply Chain Innovation Conference
- Company Outreach
- Stakeholder Outreach
- AIAG Partnership/Forums
- Regional Forums
- Commission for Logistics and Supply Chain Collaboration
- Logistics and Supply Chain Steering Team
- MEDC Matrix Team

PURE MICHIGAN®

LOGISTICS & SUPPLY CHAIN SOLUTIONS

SUPPLY CHAIN INNOVATION SUMMIT

- First Annual Supply Chain Innovation Summit
- Focus: Innovation and Cutting-Edge Supply Chain Thinking
- Target Audience: Businesses that want a more efficient supply chain
- August 30 (Dinner at Henry Ford Museum) and August 31, 2015 (Summit)
- The Henry Ford, Dearborn
- Registration Fees- $250
- Sponsorships are available and needed

PURE MICHIGAN

LOGISTICS & SUPPLY CHAIN SOLUTIONS

SCHEDULED MEETINGS

Logistics and Supply Chain Steering Team

- May 7, August 6 and November 5

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LOGISTICS & SUPPLY CHAIN SOLUTIONS

THANK YOU

PETER ANASTOR / MANAGING DIRECTOR

LOGISTICS, SUPPLY CHAIN AND MANUFACTURING TEAM
AUTOMOTIVE OFFICE, MICHIGAN ECONOMIC DEVELOPMENT CORPORATION

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LOGISTICS & SUPPLY CHAIN SOLUTIONS

NORTHERN NEXUS

SUBJECT: Update on Next Michigan Development Corporations

FROM: John Sych

FOR MEETING DATE: February 26, 2015

In January, Governor Rick Snyder signed a bill to allow the Michigan Strategic Fund Board to establish a Next Michigan Development Corporation (NMDC) for the City of Detroit. Michigan already has five NMDCs, and a sixth one has been provided for the Upper Peninsula through legislation passed in 2013. The creation of the five NMDCs was originally authorized under the Next Michigan Development Act in 2010.

The five original NMDCs include:

- Northern Nexus (Grand Traverse County)
- I-69 International Trade Corridor (Shiawassee, Genesee, Lapeer, and St. Clair Counties)
- Port Lansing (Ingham County)
- VantagePort (Wayne and Washtenaw Counties)
- West Michigan Economic Partnership (Kent and Muskegon Counties)

The Upper Peninsula NMDC (Escanaba and Marquette Counties) is presently in the early stages of its application to the Michigan Economic Development Corporation.