

A G E N D A

NORTHERN NEXUS

(Grand Traverse Region Next Michigan Development Corporation)

Thursday, May 26, 2016 – 1:30 p.m.

Governmental Center, 400 Boardman Avenue

Second Floor – Commission Chambers

Traverse City, MI 49684

1. ORDER OF BUSINESS

- a. Approval of January 28, 2016 Minutes..... 1
- b. Vote on Annual Meeting Schedule..... Verbal

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 3
- b. 2015 Annual Report 4

4. PUBLIC COMMENT/INPUT

Refer to Rules under PUBLIC COMMENT/INPUT above.

5. NOTICES

6. ADJOURNMENT

NORTHERN NEXUS
Grand Traverse Region Next Michigan Development Corporation (NMDC)

January 28, 2016

Chair Korn called the meeting to order at 1:30 p.m. in the Commission Chambers located in the Governmental Center, 400 Boardman Avenue, Traverse City, Michigan.

MEMBERS PRESENT: Brian Haas, Bob Johnson, Chuck Korn and Patrick Pahl

EXCUSED: Glen Lile

STAFF PRESENT: Marcia Carmoney, Jean Derenzy and John Sych

WELCOME

New member and City Commission Representative, Brian Haas, was welcomed by the Board.

ELECTION OF CHAIR & VICE CHAIR

Korn called for nominations for Chair of the NMDC Board.

Moved by Pahl, seconded by Johnson to nominate incumbent Korn as Chair. There being no further nominations, nominations were closed.

Approved unanimously.

Korn called for nominations for Vice Chair of the NMDC Board.

Moved by Korn, seconded by Pahl to nominate Haas as Vice Chair. There being no further nominations, nominations were closed.

Approved unanimously.

APPROVAL OF ANNUAL MEETING SCHEDULE

Sych reported that in past years the NMDC meetings were held on a monthly basis. The recommendation, as outlined in the draft public notice, is to hold regular meetings on the second month of each quarter. Consensus of the Board is to adopt the 2016 NMDC meeting schedule as presented.

APPROVAL OF MINUTES

Moved by Johnson, seconded by Pahl to approve the August 27, 2015 NMDC minutes as presented. **Approved unanimously.**

PUBLIC COMMENT/INPUT

City Manager, Marty Colburn asked the Board to help champion the housing issue through continued outreach and staff support.

REPORTS/Receive and File Communications:

Economic Development Update

Sych identified the other NMDC's in the State. There are 6 in total, with a seventh pending in the City of Detroit. Korn and Sych attended the Michigan Supply Chain Innovation Summit in Dearborn last August. Sych reported it was well attended and the programs presented were interesting. Also reported: \$175K Revolving Loan Fund (RLF) loan to Kajara's Bridge will create 6 new full time positions; out of the State's 41 RLF's, only 10 are active; State may take back Community Development Block Grants that aren't performing.

Since the local business leader interviews were conducted by Parallel Solutions, an economic strategy concept has been drafted and feedback will be sought from those same business leaders. Derenzy reported a second taxing jurisdiction meeting is anticipated for March. Under consideration is to bring in other entities to help determine vision and next steps.

PUBLIC COMMENT/INPUT

None

NOTICES

None

ADJOURNMENT

Meeting adjourned at 2:14 p.m.

Chuck Korn, Chair

NORTHERN NEXUS

SUBJECT: Update on Economic Development
FROM: John Sych
FOR MEETING DATE: May 26, 2016

We will be providing you with an update on our economic strategy efforts. Building on our Community Business Leader interviews from last year, we've been meeting many individuals, primarily from tech companies, in seeking opportunities for business attraction, job creation, and projects that start new businesses.

NORTHERN NEXUS

SUBJECT: 2015 Annual Report
FROM: John Sych
FOR MEETING DATE: May 26, 2016

Attached is the draft 2015 Annual Report for Northern Nexus.

Recommendation: Approve the 2015 Annual Report.



NORTHERN
NEXUS

ANNUAL REPORT

2015

www.northernnexus.org

Economic Strategy

Northern Nexus has been supportive of efforts to develop an economic strategy in Grand Traverse County. Strategy efforts have been taken to identify opportunities to bolster local companies in creating job opportunities and to attract new businesses into the area.

Electro-Optics Opens New Facility

Northern Nexus approved a tax abatement for Electro-Optics Technology (EOT) in 2014. In 2015, EOT opened its new facility in the Peninsula Business Park. The new \$4,000,000 investment in East Bay Township will allow EOT to expand beyond its current 75 positions by adding 25 new jobs. The new 40,000 square foot facility features a nearly 15,000 square ft. clean room. The new space and layout allows for increased efficiency in our workflow and production lines. 80% of EOT's sales are international with a significant portion of their product being shipped out via air.

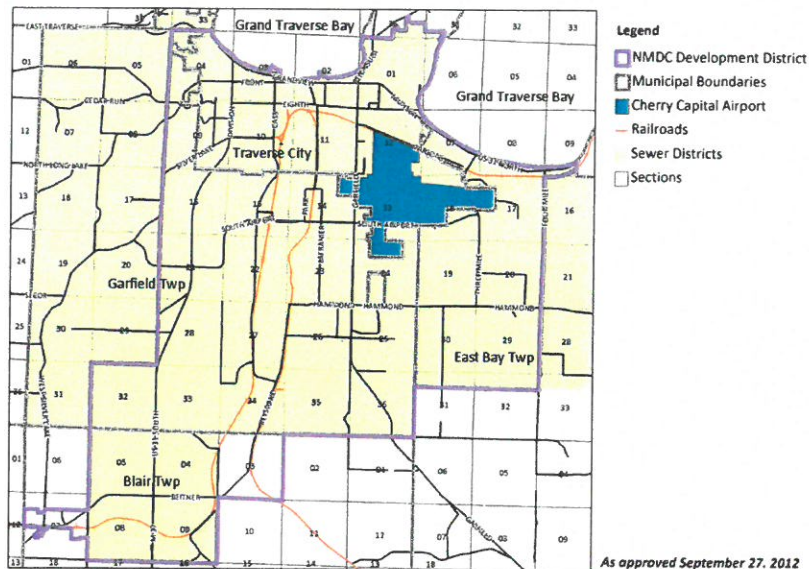
The other abatement project was Quantum Sails, an international company with its headquarters in East Bay Township. With the help of the tax abatement from Northern Nexus, the company invested \$382,000 into new equipment with 8 new jobs to be created.

Michigan Logistics and Supply Chain

As part of its engagement in with the Michigan Logistics and Supply Chain Steering Team, Northern Nexus representatives attended the inaugural Michigan Supply Chain Innovation Summit on August 30-31, 2015 in Dearborn, Michigan. Hosted by the Michigan Economic Development Corporation and Prima Civitas, the summit covered current best practices in complexity management, talent development and leadership, and supply chain integration.

The Grand Traverse region of northwest lower Michigan is home to a diverse set of industries, a dedicated workforce, and unparalleled natural beauty. As a Next Michigan Development Corporation, Northern Nexus provides development assistance for expanding local businesses and new businesses locating in the area.

City of Traverse City □ Grand Traverse County
East Bay Charter Township □ Garfield Charter Township □ Blair Township



As approved September 27, 2012



Development District Boundaries

Grand Traverse County Planning & Development Department
400 Boardman Avenue
Traverse City, MI 49784



The Northern Nexus Development District (see purple outline on map) determines the jurisdiction in which Northern Nexus may apply its tools. The District includes all of the City of Traverse City, the majority of Garfield Township, the northwest corner of East Bay Township and the Chum's Corner area in Blair Township.

Northern Nexus is the Next Michigan Development Corporation serving Northern Michigan. **Next Michigan Development Corporations (NMDC)** were created by PA 275 of 2010 to foster economic opportunities in the State of Michigan. There are currently six (and a seventh under consideration) active NMDCs that can grant incentives not only to new businesses engaged in multi-modal commerce but also to expanding businesses currently residing in Michigan. The designated NMDCs are as follows:



Northern Nexus NMDC: northernnexus.org. Located within the Northwest Region of Michigan hosting five participating jurisdictions.

I-69 International Trade Corridor NMDC: i-69internationaltradecorridor.com. Located in the East Central Region of Michigan with a depth of 33 participating jurisdictions.

Port Lansing NMDC: portlansing.com. Located within the Central Region of Michigan with participation from the City of Lansing and Ingham County.

VantagePort NMDC: vantageport.org. Located within Southeast Michigan spanning across nine jurisdictions.

West Michigan Economic Partnership NMDC: greenlightwm.com. Located within the West Central Region of Michigan involving participation from seven jurisdictions.

Superior Trade Zone NMDC. Located in the Upper Peninsula of Michigan hosting sixteen jurisdictions.

Detroit NMDC. New legislation allows for a seventh NMDC which is anticipated for the City of Detroit.

Next Michigan Businesses are those located or locating within the NMDC regions that utilize multi-modal transportation in their supply or production chains. NMDCs aim to assist these logistics-based companies and the opportunities offered include renaissance tax-free zones, tax increment financing for infrastructure, and facility and property tax exemptions.