

**SUPERIOR TRADE ZONE
REGULAR MEETING
February 5, 2016**

A meeting of the Superior Trade Zone was held on Friday, February 5, 2016, at 9:30 a.m. at the Maple Ridge Township Hall, 3892 West Maple Ridge 37th Road, Rock, MI 49880.

PRESENT: Bark River Township Supervisor Gregg Johnson, City of Escanaba Assessor Daina Norden, City of Gladstone City Manager Darla Falcon, City of Marquette Commissioner Sarah Reynolds, Delta County Commissioner Patrick Johnson, Ely Township Supervisor Carl Hosang, Ford River Township Alternate Gary Boudreau, Ishpeming Township Supervisor James Nankervis, Maple Ridge Township Supervisor Judy Trudell, Marquette County Administrator Scott Erbis, and Richmond Township Supervisor Scott Mills.

ALSO PRESENT: City of Escanaba Executive Assistant Buffy Smith, City of Escanaba City Manager Jim O'Toole, and Richmond Township Bill Leutzow.

VIA CONFERENCE: Michigan Strategic Fund Administrator for the MEDC, Andrea Robach.

ABSENT: Chocolay Township Supervisor Gary Walker, Forsyth Township Supervisor Joe Minelli, Garden Township Supervisor Ray Young, Nahma Township Supervisor Warren Groleau, and Wells Township Supervisor Robert Therrian.

Marquette Administrator Scott Erbis called the meeting to order at 9:30 a.m.

ROLL CALL

Executive Assistant Buffy Smith conducted the roll call.

APPROVAL/CORRECTION(S) TO MINUTES: Regular Meeting, September 24, 2015 & Work Session Meetings, October 27, 2015 & December 1, 2015.

A motion was made by City of Escanaba Assessor Daina Norden, seconded by City of Marquette Commissioner Sarah Reynolds, to approve the meeting minutes as submitted. Ayes were unanimous.

APPROVAL/ADJUSTMENTS TO THE AGENDA

A motion was made by Ishpeming Township Supervisor James Nankervis, seconded by Delta County Commissioner Patrick Johnson, to amend the February 5, 2016 agenda to move new business item number one (1), a discussion with Michigan Strategic Fund Administrator for the Michigan Economic Development Corporation Andrea Robach, as the first item of discussion, and to add new business agenda item number three (3), the discussion of the draft budget. Ayes were unanimous.

NEW BUSINESS

1. Update/Discussion – Michigan Economic Development Corporation Program Options:

Andrea Robach, the Michigan Strategic Fund Administrator for the Michigan Economic Development Corporation, joined the meeting via teleconference. She began discussion stating the Michigan Strategic Fund (MSF) is the center of the economic development tools available. The MSF is in charge of all the available incentives. The Superior Trade Zone came before the Michigan Strategic Fund to have the Next Michigan Development Corporation improved. Once potential services are offered to a company that is a qualified entity, the Board would present the entity before the Michigan Strategic Fund to request approval of the recommendation. Andrea Robach stated the Public Act 270 of 1984, as amended outlines the MSF Act, which explains everything the MSF and the Board have the power to do for the State of

Michigan and the economic development state. Incentives include a cash incentive, business development funding, community development funding, and a variety of entrepreneur capital venture funds. The MEDC and the Michigan Strategic Fund work closely together; they have a memorandum of understanding that the MEDC staff can administer the Michigan Strategic Fund program, including all incentives ranging from attraction, retention, completion of a project, compliance, and other due diligence. Andrea Robach stated the MSF is responsible for monitoring and delivering any Federal money that the state receives for economic development.

Scott Erbisch stated the status of the Superior Trade Zone, Next Michigan Development Corporation, to Andrea Robach, which includes working on the basics such as By-Laws, the RFP, advertising, and creation of a website.

Andrea Robach stated there is a lot of technical assistance available, a lot of match making opportunities available, a full list of providers all over the state for Pro bono or reduced cost services, from marketing to legal services. Mrs. Robach stated along with the external benefits, there are a lot of internal skill sets available including marketing design, technical assistance, or any other way they can create awareness of what the STZ Michigan Economic Development Corporation goals are.

Scott Erbisch stated branding can be a challenge and asked for resources from Andrea Robach so that when a steering committee is in place they would be moving in the right direction with branding.

Mrs. Robach stated the value and opportunity that they can provide to have our STZ successful. Andrea Robach will be providing Scott Erbisch material on the Next Michigan Development Act which highlights why people should live in Michigan, have a business in Michigan, and what incentives our corporation can provide to the potential businesses. The MEDC has the authority to grant what is determined as a qualifying entity that a corporation presents from their Renaissance Zone which can provide up to 100% on lien for real and personal property taxes; there is local development financing, personal property tax exemptions, and industrial facility tax exemptions available as well. Mrs. Robach stated this really gives our designation the authority to provide to these businesses that we are trying to attract. This is a good relationship for investment commitment from both the community and the developer. A local government or a corporation that is willing to grant shows the community is very invested, investments going into property will increase the value of the property offering more tax revenue for the community, and will allow the business owner or developer to use the tax capture to reinvest in their project to help pay for certain items. All incentives are designed to attract businesses to relocate in our area and take advantage of the tax exemptions available to them.

City of Escanaba City Manager Jim O'Toole questioned how many Renaissance Zones are allowed within the Next Michigan Superior Trade Zone. Andrea Robach stated she believes twelve (12) is the maximum but she will confirm this number.

City of Escanaba City Manager Jim O'Toole also asked about the Delta County Renaissance Zone located within the City of Escanaba which is set to expire next year. He questioned Andrea Robach if they would be able to re-apply to get that Ren Zone designation again if it was enrolled as a Superior Trade Zone Renaissance Zone. Andrea Robach believes it would be possible to do so under this designation, but will follow up with this question.

UNFINISHED BUSINESS

1. Discussion/Approval - Board By-Laws:

Marquette County Administrator Scott Erbisch began discussion regarding the draft Board By-Laws, asking if there are any changes to be made to the draft document.

A motion was made by Ishpeming Township Supervisor James Nankervis, seconded by City of Marquette Commissioner Sarah Reynolds, to approve the draft Board By-Laws with one revision to have the language be more precise on page three (3) under the duties of all Board members section in regards to whom, what administration, would be doing the site inspections. Ayes were unanimous.

2. Discussion/Approval – Website Design Request for Proposal:

Marquette County Administrator Scott Erbisich began discussion regarding the draft RFP, asking if there are any changes to be made to the draft document.

As part of the question of how the project would be funded, City of Escanaba City Manager Jim O’Toole stated there is \$40,000 budgeted part of which can be used toward the creation of the website (Delta County, Marquette County, City of Escanaba, and the City of Marquette all contributed \$10,000 and have committed to doing so for 3 years). Jim O’Toole will be providing a digital copy of the RFP to all jurisdictions for distribution once finalized.

A motion was made by City of Escanaba Assessor Daina Norden, seconded by City of Gladstone City Manager Darla Falcon, to approve the draft RFP as presented and post and distribute with one change, the word “authority” be changed to “corporation”. Ayes were unanimous.

NEW BUSINESS

2. Discussion – Quorum Definition and Executive Committee Formation:

Marquette County Administrator Scott Erbisich stated the STZ has had quorum challenges with the past two (2) meetings. After group discussion, it was determined that the location continue to be the Maple Ridge Hall located in Rock, MI, the date of the meetings will be the third (3rd) Tuesday of every month, the time to be 9:30 a.m.

City of Escanaba City Manager Jim O’Toole suggested rotating meetings per month, one month the full Board would meet, the following month the Executive Board would meet and rotate going thereafter. He further suggested that should an Executive Board be created, the Executive Board consist of one member from Delta County, Marquette County, a Delta County member City, a Marquette County member City, and a Township representative for Delta County, and the Township representative for Marquette County.

Marquette Commissioner Sarah Reynolds suggested the Executive Committee rotate locations between Marquette and Escanaba.

Also discussed was the possibility of scheduling a regular monthly meeting date such as the 3rd Tuesday of each month at 9:30 a.m. beginning April 19, 2016 with the location being the Maple Ridge Hall in Rock. This was the agreed next meeting date/time.

A motion was made by City of Marquette Commissioner Sarah Reynolds, seconded by Delta County Commissioner Patrick Johnson, to approve rotating the meetings per month with the full Board meetings to be held on the third (3rd) Tuesday of the month at 9:30 a.m. in Rock, and the Executive Committee meetings to be held the third (3rd) Tuesday of every other month at 9:30 a.m. with the possibility of a different location of Marquette or Escanaba. Ayes were unanimous.

Marquette County Administrator Scott Erbisich stated in Section 7.01, Executive Committee, it states by a two-thirds vote of the voting members of the Corporation Board then serving in office, the Corporation may establish an Executive Committee with such powers, duties, rules, and procedures as may be set forth in the resolution of the Board establishing the Executive Committee. Until such time as an Executive Committee is established and empowered by the Corporation Board, the Corporation Board shall be the sole governing body of the Corporation.

A motion was made by Delta County Commissioner Patrick Johnson, seconded by Bark River Township Supervisor Gregg Johnson, to appoint one representative from - the City of Escanaba, the City of Marquette, Delta County, Marquette County, and one Township Representative from Delta and Marquette Counties. Ayes were unanimous.

Marquette County Administrator Scott Erbisich stated the specific representatives for the Executive Committee members will be selected at the April 19, 2016 meeting.

3. Discussion – Membership Admission:

Marquette County Administrator Scott Erbisich stated that three townships have requested to be added to the Next Michigan Superior Trade Zone Corporation. Those being Humboldt Township of Marquette County, Negaunee Township of Marquette County, and Masonville Township of Delta County. The Interlocal Agreement states under Section 10.01, Procedure, that following the effective date, a public agency may become a Party by submitting a written request to the Corporation Board pursuant to guidelines established by the Corporation Board, payment of the then applicable membership fees, and in accordance with law. The Corporation Board shall approve or deny the request. Approval of this agreement shall be by resolution of the entity seeking to become a Party.

A motion was made by Delta County Commissioner Patrick Johnson, seconded by City of Escanaba Assessor Daina Norden to accept Negaunee Township of Marquette County, Humboldt Township of Marquette County, and Masonville Township of Delta County into the Next Michigan Superior Trade Zone Corporation effective immediately. Ayes were unanimous.

4. Discussion – Review of the Draft Budget

Marquette County Administrator Scott Erbisich reviewed the draft budget for period ending 1/31/2016 (see attached).

A motion was made by Ishpeming Township Supervisor James Nankervis, seconded by Ely Township Supervisor Carl Hosang, to approve the draft budget as submitted. Ayes were unanimous.

PUBLIC COMMENT

None.

AUTHORITY/STAFF COMMENT AND ANNOUNCEMENTS

None.

ADJOURNMENT

A motion was made by City of Escanaba Assessor Daina Norden, seconded by City of Marquette Commissioner Sarah Reynolds, to adjourn the meeting. The meeting adjourned at 10:29 a.m. Ayes were unanimous.

Scott Erbisich, Chairperson
Marquette County Administrator

Patrick Johnson, Secretary
Delta County Commissioner

