

**City of Sault Ste. Marie**  
**ECONOMIC DEVELOPMENT CORPORATION**  
**Minutes of the Board of Directors Meeting**  
**March 14, 2017**

**1. Call to Order**

Chairman Welton called the meeting to order with the time being 12:10 p.m.

**2. Roll Call**

Members Present:	Gwen Worley	Dan Dasho	Tom Veum
	Bob Mattson	Doug Welton	Jim Devaprasad

Members Absent:	Kelley Bunker	Dr. Rachael McCoy	Steve Glezen
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Staff Present:	Jeff Holt	Tracey Laitinen
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Also Present:	Lee Brown, Superior Insurance
	Tom Ewing, Chippewa County EDC
	Ray Bauer, City Commission Liaison
	Jeff Hagan, EUP Regional Planning/MI Works

It was moved by Veum, supported by Worley to excuse those board members not in attendance. The motion carried unanimously. Bunker was unable to leave work. McCoy and Glezen were at training.

**3. Agenda: Changes, Additions, or Deletions**

Holt noted that Item #9 should read MMA – May 15<sup>th</sup>.

It was moved by Worley, supported by Mattson to amend item #9 and accept the agenda as presented. The motion carried unanimously.

**4. Matters presented by the Public**

None at this time.

**6. Approval of Minutes**

It was moved by Dasho, supported by Veum to accept the February 14, 2017 minutes with the change that Welton led the meeting, not Bunker as he was absent. The motion carried unanimously.

**5. Presentation by EUP Regional Planning – Jeff Hagan**

Hagan reported that the concept for the EUP Regional Transportation Strategy started taking shape in 2015. EUPRP received \$24,000 to commission a study of the region and transportation logistics. EUPRP sought federal funding and was awarded an additional \$28,000. Then in talking with MEDC along with EDA they were able to secure additional funding. Chippewa County EDC has allocated \$4,000 in funding to support this project. Altogether \$112,000 is available for this two phase project. Phase 1 will be to look at our transportation assets including the Sault and Kinross and how they could be positioned with land, infrastructure and broadband to make a market case for a transportation logistics hub. A consultant will be hired. Phase II would be pushing Phase I forward with implementation by meeting with key companies and having conversations on what it would take to have them locate here. A previous study undertaken by the County EDC showed that it wasn't feasible, however, the EDC board and regional stakeholders feel that the study did not assess the appropriate measures to determine feasibility of such

an effort. Hagan noted that bids are due this Friday and they are using a quality based vendor selection. Once the review team chooses a vendor they will negotiate the fee. So far 5-7 firms have shown interest.

Holt referred to the RFP in the meeting packet specifically page 4 where the Air Industrial Park, Industrial Park, Reese Coal Dock and Sanderson Field are mentioned. Funding would allow assistance in our development process. Holt noted that transportation has been talked about for quite some time and that this regional approach may help us move the needle on rail access which has been a critical component for our Canadian clients.

Worley inquired about the implantation stage and if they were looking at private sector investments in warehousing and docks. Hagan replied yes. Worley wondered if there were any feelers out already for companies to come to our area and Hagan noted that he had been in discussion with some firms and they were working on removing barriers for them.

Ewing supported the study and was excited about Phase II and identifying companies like customs, freight haulers, etc...this includes presentation and marketing materials. Ewing noted that if we start off small it will build citing Minnesota, Detroit and Chicago.

Worley noted that Sault, Ontario was not mentioned in Phase I, but that it would be critical in our success to include them in Phase II.

Ewing noted the current turmoil with Algoma and Essar Steele while also mentioning their robust commercial airport and robust airport maintenance program.

Hagan followed up with ATTRACTION PITCH

-Develop a pitch that outlines the business case for locating in the EUP.

-Develop materials (brochure / 1-page fact sheet, PowerPoint) that can be used in meetings and presentations with prospective firms that concisely explain the potential benefits of locating in the EUP.

-Schedule meetings with prospective firms, coordinate with EUPRPDC and local economic development staff, and meet with firms (with local staff present). The contractor (or sub-contractor) will be expected to arrange and lead, at a minimum, 5 such meetings.

Holt questioned Bauer on support of the project at the City Commission level. Bauer indicated that if the carbide dock was part of the project and since that was a City Commission identified goal, that he would think their position would be favorable. Hagan noted it was an important asset to keep in the project.

Holt noted that the \$4,000 was available in the EDC budget for this fiscal year.

It was moved by Dasho, supported by Devaprasad to support the EUP Transportation Logistics Strategy in the amount of \$4,000 based on the presentation and RFP as presented. The motion carried unanimously.

**7. Approval of Financial Report & Check Detail**

Profit & Loss, Balance Sheet and Check Detail were submitted. Holt noted that there was an increase in snow removal costs due to the weather.

It was moved by Worley, supported by Mattson to accept the financial report as presented. The motion carried unanimously.

**8. Approval of Part Time Temporary Staff**

Holt gave some history as to the manning of the front desk. When SSMart was operating the building there was normally an intern available through LSSU. Since taking over operating the building in July we

have not had someone manning the desk. An LSSU student has been interning in several City Departments throughout last Fall and this year. He has been volunteering his time to assist Laitinen with events and projects but up until this time he has not been paid. In discussions with Robin Troyer, Deputy City Manager, we are able to offer him a part time temporary position Level S-1. Alex is very familiar with the EDC and Airport and has been assisting with PowerPoint presentations, errands, mailings and database entry. Hagan noted that with the Regional Prosperity Initiative (RPI) there may be funds available to help small Economic Development offices with staffing issues. When these funds become available he will let us know. Dasho inquired about what will happen when Alex works 40 hours and Laitinen replied that if that is necessary she will come back to the board and ask for additional hours. Worley noted that Alex is a good choice because he is already familiar with our procedure and projects and that front desk coverage is essential.

It was moved by Worley, supported by Dasho to approve the hiring of Alex Robinson on a part time temporary basis up to 40 hours over the next few weeks. The motion carried unanimously.

It was noted that when we do look to hire an additional part time staffer after July 1 that the board review the job description. Laitinen will put this on the next agenda.

## **9. Events**

Holt invited everyone to the Business After 5 event this week Thursday from 5-7pm at the Hampton Inn. Please join us and make sure to wear your nametags. Our EDC will be highlighting our Concierge Program. Initially we had tried to find a manufacturing venue to host this event but it didn't work out. We are hoping to coordinate this sometime in the future.

The Construction Summit is progressing nicely for April 4<sup>th</sup> at LSSU. If this is successful it will lead to a larger MEDC-EUP Regional Planning Developer's Showcase in early 2018. Holt reminded the group that we will need ambassadors so please plan to attend. The ERA group will be highlighting 5 key properties for development.

Holt and Devaprasad explained the Road Scholar bus tour coming to our area in May. The majority of attendees will be U of M staff and they plan to meet with local EDOs and colleges. This is an opportunity to showcase our community. It was noted that some of these educators have never been to the U.P.

MEDC International representatives will be here April 17 and 18<sup>th</sup> to visit sites in Sault, Ontario.

## **10. Goals**

Holt noted that we are waiting to hear back from CREAD on the Air Industrial Park proposal.

Holt updated the group on the Capital Improvement Plan and budgeting process. Once we receive final approval at the City Commission level we can move forward with obtaining quotes to renovate the Incubator offices.

Holt is still working on obtaining business plans from our manufacturers.

Holt highlighted the Concierge Program. Information is on our social media, website and mailings are going out weekly to target markets. If you have ideas for distribution or want materials please let our office know.

## **11. Director's Report**

Holt reported that the Bambi/Family Dollar Brownfield project is moving forward. This has been a great way to clean up blighted properties and increase the overall value. Since this project has come about

there have been several other inquiries. Laitinen has been working with other key staff to put together a process and a Phase I and II application that will need approval.

Holt noted that several board member's terms were due to expire in June. Please let Laitinen know if you plan to continue serving.

Laitinen reported on speaking at the Sault Convention & Visitors Bureau board meeting and noted their buy in to the Concierge Program is essential because they are a first point of contact with visitors and business professionals. Laitinen also spoke to the noon Rotary club in efforts to make key stakeholders and the public aware of what we can now offer. Laitinen participated in Sault Area High School's Interview Day and felt it was a good use of her time to educate a younger generation on how to come prepared.

Welton noted that the EDC received several thank you notes including a letter from Sault Area High School for Interview Day, the Sault Chamber of Commerce on supporting the annual Chamber dinner and Sault Events for participation in the ice sculpture event.

Silver Valley court date has been postponed until March 22<sup>nd</sup> and at that time we hope to get an order to vacate the premises due to nonpayment of rent.

Holt has had contact with Soo Ontario EDC and while they are in transition so there is no meeting scheduled at this time beyond the April 17-18<sup>th</sup> visits.

## **12. Other matters**

Holt referred to the press releases and media coverage in the board packet. Ads went out in the St. Ignace News for the Business After 5 event as well as a press release in the Sault News. Holt's article was picked up in the March edition of UP Business Today highlighting the Soo Locks. Additional coverage ran in the Sault News on Feb. 18<sup>th</sup> on New Business Ventures. Our ice sculpture was one of the nicest and was featured front page in January. Also in January the Sault News ran a summary of actions from 2016 which was a great wrap up to our year.

Worley noted that the millage is coming up in May for career technical education. Holt reminded everyone that if you voted at Washington School the Smartzone was your new polling location for May, August and November this year, noting it will be a chance to showcase our building and what the EDC can offer. Holt touched on a grant that may be available for upgrades as needed and he will assess that after our first May election.

Worley also noted the upcoming Job Fair sponsored by the EDC. If you need a flyer or a photo for social media please ask Laitinen.

Worley inquired about vacant buildings including Kmart and Family Fare. Holt noted that there has been no activity on the Kmart building, but a new business is moving in to the Family Fare location but the owner of the strip mall has not released this information to us yet.

Ewing discussed dollar stores in general noting that the Family Dollar franchise was owned by one brother and that his brother also owns the Dollar General franchise. It seems as those when one franchise goes up in a location, the other follows. Ewing noted that a Dollar General is coming to his location near Anderson – Tackman this year in Kinross.

Worley inquired about the opening of Meijer. Hagan noted that mass hiring was taking place and anticipates a May-June opening.

Ewing noted that Marquette, Michigan will be putting in 3 more roundabouts to handle their increase in traffic and that they too anticipate a Meijer opening.

**13. Adjournment**

It was moved by Veum, supported by Dasho to adjourn the meeting at 1:05 pm. The motion carried unanimously.



Dan Dasho, Secretary