

OCEA Progress Report – First Half 2010

Diana's Delights

Renovation is currently underway to convert the former Nelson's Drug store building at 138 West Main Street to the new Diana's Delights restaurant. The new Diana's will feature an expanded kitchen and as-yet to be named Pub. Financing was provided by mBank and Northern Initiatives. Interior and exterior design was done by Butcher & Associates. Bob Volant Construction is handling the renovation. The OCEA assisted Diana's owners with financial packaging for the project. The Diana's façade is part of the City of Gaylord Façade Improvement Project No. 2 (see below). The expanded Diana's will re-employ 17 laid off workers and create 6 new jobs when completed. The re-opening is planned for sometime in August.

City of Gaylord Façade Improvement Project No. 2

The bid for the second round of façade improvements was awarded to Integrity Construction of Gaylord. Seven buildings are participating in the \$687,999 improvement project. In addition to the façade work, building owners will invest an additional \$225,688 in other improvements to their buildings. Façade improvement funding comes from a \$350,000 Community Development Block Grant from the MEDC, \$55,020 from DDA for Architectural work and \$63,037 cash contributed by building owners. Buildings include 138 W. Main (Diana's), 144 W. Main (Tools to Teach), 252 W. Main (Main Street Shoes), 232-236 W. Main (Real Estate One), 114-118 W. Main (Gilling Chiropractic), 317-319 W. Main (Ben Franklins) and 302 W. Main Street (Dan Webster's). Work is to be completed by the end of the summer/early fall. The OCEA, working with the City DDA, packaged the project for CDBG financing and is providing project management and grant administration.

The DDA is currently taking requests for participants in a third round of downtown façade improvements for 2001. Contact Joe Duff at the City of Gaylord or Jeff Ratcliffe at the OCEA for more information.

Northern Michigan Eco Industrial Park Brownfield Project

The Otsego County Brownfield Redevelopment Authority received a \$743,750 grant from the Michigan Department of Environmental Quality to undertake a Phase I and Phase II site assessment and prepare a Baseline Environmental Assessment and Due Care Plan for a proposed redevelopment of the former Georgia Pacific plant and property. Work is being done by Sagasser and Associates of Gaylord. The OCEA is providing project management and grant administration.

City of Gaylord Infrastructure Improvement Projects

Completed the \$877,000 improvement of South Wisconsin, North Court and East Mitchell Streets. Work included replacement of water, sewer, storm sewer, curbs, gutters, sidewalks, pavement and planting of street trees. Project was financed \$377,096 in CDBG funds from the MEDC and \$500,000 from the City of Gaylord.

Secured a \$705,800 in CDBG funds to assist the City of Gaylord with \$990,300 in improvements to its waste water treatment plant and north water tower. Work will begin later this summer.

The OCEA, working with the City of Gaylord, packaged the project for CDBG funding and is providing grant administration.

Amendment to Tax Abatement Act

At the request of the OCEA, Sen. Stamas secured passage by both the House and Senate of SB 500 which will allow an Industrial Facilities tax abatement to be granted to one existing building in Otsego County that has been vacant for at least 4 years. Buildings currently meeting eligibility include the Kimball Electronics building in Gaylord, Glen's warehouse building in Waters, and the Dozer Construction building in Vanderbilt. Only manufacturing projects purchasing or leasing one of these buildings are eligible. Contact Jeff Ratcliffe at the OCEA for details.

Small Business Assistance Provided

The SBDTC assisted 49 customers resulting in seven business start ups and 3 existing businesses assisted in Otsego since the beginning of the year. SBTDC assisted companies created 25 new jobs, retained 17 jobs and had new investment of \$1.283 million.

New Micro Loan Fund Available

Northern Initiatives (NI) has recently rolled out its new on-line micro loan fund program. They are pleased to announce that Northern Initiatives is now taking applications for loans under \$50,000 on-line. The link can be found at NI's website <http://www.niupnorth.org/business-loans/apply-online>.

Small first stage businesses have been the most productive part of the Michigan economy for the last decade. Thanks to Michigan LISC, NI has partnered with ACCION Texas (ACCION is an international Microfinance Institution) to bring their Microloan Management System technology to our rural Michigan communities. The on-line application will support expedited underwriting providing borrowers with a credit decision within 48 hours.

NMC's Michigan Manufacturing Technology Center to expand territory

TRAVERSE CITY, Mich. – More northern Michigan manufacturers will receive training and support through NMC's Michigan Manufacturing Technology Center's (MMTC) expansion into eleven additional counties of the Northern Lower Peninsula.

Northwestern Michigan College hosts the regional office of the MMTC. The center is part of the nationwide Manufacturing Extension Partnership program under the National Institute for Science and Technology.

The expansion – taking MMTC's service area from 10 counties to 21 counties – is part of a statewide redistricting. It also aligns with NMC's strategic agenda calling for the college to increase its role in support of economic development, workforce development and community growth.

“For the Northern Michigan region to grow and prosper, the manufactures here must employ highly-skilled and educated people, use world-class quality processes and apply advanced manufacturing technology in order to continually improve their global competitiveness,” said Richard Wolin, Director of the regional office. “Workforce education is increasingly a key component of business retention, growth and attraction efforts of economic developers.”

The MMTC is required to achieve performance metrics regarding the number of clients served as well as client-reported impacts to ensure the effective use of state and federal tax funds for support of business and job growth. Through the regional MMTC office assessment services and basic improvement advice are offered at no cost along with a number of low cost introductory training topics. The office is required to maintain an average of 15 to 1 return on investment as reported by clients using the services. Client organizations are surveyed by a national, third-party firm between six and twelve months after project completion to assess project impacts.

“We will provide the training services necessary to enhance the global competitiveness of Northern Michigan’s small to mid-sized manufacturers,” Wolin said. “We will work with each client to assess needs and design solutions aligned with organizational strategies. We can provide access to state and national resources through our partnership with the Michigan Manufacturing Technology Center.”

Contact Richard Wolin, Director of Training & Research, (231) 995-2003, rwolin@nmc.edu. For more information go to their web site at www.nmc.edu/training.