RURAL DEVELOPMENT FUND BOARD

LAURA BRAUN, MEMBER
RURAL DEVELOPMENT FUND BOARD

- Rural Development Fund Act – Act 411 of 2012
- Five member board including
  - Fred Taccolini, Marquette
  - John Walters, Vanderbilt
  - Margaret Minerick, Sagola
  - Laura Braun, Ovid
  - Jamie Clover Adams, MDARD Director
- The purpose of the board is to establish criteria for evaluating project proposals that request funds from the Rural Development Fund.
<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>December, 2012</td>
<td>Legislation enacted</td>
</tr>
<tr>
<td>December, 2015</td>
<td>Rural Development Fund Board appointed by Gov. Snyder</td>
</tr>
<tr>
<td>March and June, 2016</td>
<td>Initial fact-finding meetings of the board</td>
</tr>
<tr>
<td>September 29, 2016</td>
<td>Board acts to establish criteria for project funding</td>
</tr>
<tr>
<td>December 1, 2016</td>
<td>Request for Proposals released</td>
</tr>
<tr>
<td>February 2, 2017</td>
<td>Due date for submission of proposals</td>
</tr>
<tr>
<td>April, 2017</td>
<td>Funding awards announced</td>
</tr>
</tbody>
</table>
RURAL DEVELOPMENT FUND BOARD

- Land-based industries
  - Food and agriculture
  - Forestry
  - Mining
  - Oil and gas production
  - Tourism

- Worker training related to land-based industries

- Infrastructure that further develops rural communities
  - Energy
  - Transportation
  - Communication
  - Water and wastewater
### Rural Development Fund Board

<table>
<thead>
<tr>
<th></th>
<th>Local Portion (65%)</th>
<th>State Portion (35%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Tax owed as filed by taxpayer</strong></td>
<td>$8,282,702</td>
<td>5,383,756</td>
</tr>
<tr>
<td><strong>Tax credits</strong></td>
<td></td>
<td>(2,674,613)</td>
</tr>
<tr>
<td><strong>Total less credits</strong></td>
<td></td>
<td>2,709,143</td>
</tr>
<tr>
<td><strong>Expected Administrative Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>DEQ Surveillance Funds</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Funds Available</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Available for Distribution</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
RURAL DEVELOPMENT FUND BOARD

• Provide for sustainable projects leading to jobs and investment in rural communities.

• Four areas of focus:
  • Capacity building
  • Infrastructure development
  • Business development
  • Talent development and training
RURAL DEVELOPMENT FUND BOARD

• There is no maximum grant, however there is a limit to the funds available.

• A minimum 30% cash match is required. In-kind match will be considered as part of the review of a proposal, but does not count toward minimum match requirements.

• Consideration will be given to projects that can leverage additional state, local, and federal funding.

• Eligible projects will fall within the focus areas of capacity building, infrastructure, business development, and talent and workforce development.

• Applicants may include individuals, organizations, businesses, local units of government, federally recognized tribes, or educational institutions.

• Projects should address expansion and sustainability of land-based industries; worker training related to land-based industries; water and wastewater infrastructure to benefit rural communities and micropolitan statistical areas.
RURAL DEVELOPMENT FUND BOARD

- Preference is to be given to projects in Marquette County and all adjacent counties including Alger, Delta, Menominee, Dickinson, Iron, and Baraga.

- Only rural areas are eligible.
  - Rural being defined as a county with a population of 60,000 or less, and
  - Micropolitan statistic area as defined by the U.S. Office of Management and Budget (counties that include a cluster of population of at least 10,000 but less than 50,000).
Rural Development Fund Eligible and Priority Counties
RURAL DEVELOPMENT FUND BOARD

- 73 total proposals were received; one from Ethiopia which was immediately disqualified, leaving 72 proposals under review.

- Proposals request a total of $12.9 million ($1.5 million is available)
  - Funding requests range from $6,900 to $1.8 million.

- 27 proposals are from the Upper Peninsula
  - 18 from priority counties including Marquette, Alger, Delta, Menominee, Dickinson, and Iron.
  - No proposals came from Baraga County.
**RURAL DEVELOPMENT FUND BOARD**

- 32 projects are for business development activities.
- 22 proposals are for infrastructure development.
- 12 proposals would fund rural capacity building.
- 6 proposals focus on talent and workforce development or other types of projects.
RURAL DEVELOPMENT FUND BOARD

• Going forward, the board will meet twice each year:

  • Review projects
  • Update criteria
RURAL DEVELOPMENT FUND BOARD

Questions?
#CharlotteRising

Revitalizing OUR Community

**WHY**

To unleash Charlotte's community potential!

**WHAT**

#CharlotteRising is a community-driven, 501(c)(3) nonprofit organization emanating from Governor Snyder's selection as 1 of 10 Rising Tide communities.

- Project Rising Tide is a pilot program dedicated to 10 communities throughout Michigan designated by the Governor as "prosperity regions", offering each tailored resources, tools, and programming to boost economic development.
- Michigan Main Street program was recommended by the Rising Tide team for our community.
- Michigan Main Street program preserves the historic nature of main street districts while molding them to survive and thrive in the modern economy.

**WHO**

#CharlotteRising is a community-wide movement led by the Board of the nonprofit, a full time Executive Director, and Action Team Chairpersons. The following are the Action Teams:

- **Economic Vitality**: business retention/recruitment
- **Design**: aesthetic and physical aspects of downtown
- **Promotions**: community marketing/promo
- **Organization**: structure, personnel management, and fundraising

**WHEN**

The deadline for MI Main Street Select Level application is **December 2, 2016**, which includes:

- City background and history
- Proposed budget
- Physical characteristics of District
- Organizational Structure
- Demonstration of community support

**WHERE**

The initial focus of the organization will be revitalizing **downtown**, which will then spark community-wide and perhaps region-wide economic development.

**HOW**

By establishing a **formal** and enduring **collaborative** force that catalyzes economic growth by:

- revitalizing downtown
- attracting development
- leveraging public resources
- enabling modern affordable housing
- encouraging placemaking
- connecting community assets
- establishing short & long term financing
- facilitating Project Rising Tide
- advancing Michigan Main Street
FAMILY

3rd & 4th GENERATION FAMILY OWNED & OPERATED BUSINESS

FOUNDED IN 1958 BY MARILYN & HARRY HERBRUCK, JR.

ROOTS DATE BACK TO 1920’S – HARRY SR.
MICHIGAN

8 MILLION HENS

2+ BILLION EGGS PER YEAR

13TH LARGEST IN UNITED STATES

$64 MILLION LOCAL FARMERS

$17 MILLION LOCAL CONTRACTORS
CULTURE

“We Serve the Bird”

birds are in a clean and safe environment meeting all their needs and allowing them to exhibit natural behaviors
SUSTAINABILITY

“We’re not just an egg operation, we’re part of our community.”

• BIRD LITTER
• EGGSHELLS
• NATIONAL & STATE PROGRAMS—
  • CONSUMERS ENERGY EFFICIENT
    LOCAL GRAINS
  • COMMUNITY PARTNERSHIPS
WHERE WE’VE COME FROM...
WHERE WE’RE GOING ...
PROJECT PLANS
### Herbruck Hennery Cage Free Conversion Timeline

<table>
<thead>
<tr>
<th>Year 2016</th>
<th>Year 2017</th>
<th>Year 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 2 3 4 5 6 7 8 9 10 11 12</td>
<td>1 2 3 4 5 6 7 8 9 10 11 12</td>
<td>1 2 3 4 5 6 7 8 9 10 11 12</td>
</tr>
<tr>
<td>Hennery House 1</td>
<td>Hennery House 2</td>
<td>Hennery House 3</td>
</tr>
<tr>
<td>Hennery House 4</td>
<td>Hennery House 5</td>
<td>Hennery House 6</td>
</tr>
<tr>
<td>Hennery House 7</td>
<td>Hennery House 8</td>
<td>Hennery House 9</td>
</tr>
</tbody>
</table>

Undetermined timeline. Eventually building will be used as storage.

<table>
<thead>
<tr>
<th>Year 2019</th>
<th>Year 2020</th>
<th>Year 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 2 3 4 5 6 7 8 9 10 11 12</td>
<td>1 2 3 4 5 6 7 8 9 10 11 12</td>
<td>1 2 3 4 5 6 7 8 9 10 11 12</td>
</tr>
<tr>
<td>House 9 (cont)</td>
<td>Hennery House 10</td>
<td>Hennery House 11</td>
</tr>
<tr>
<td>Hennery House 12</td>
<td>Hennery House 13</td>
<td>Hennery House 14</td>
</tr>
<tr>
<td>Hennery House 15</td>
<td>Hennery House 16</td>
<td>Hennery House 17</td>
</tr>
<tr>
<td>Hennery House 18</td>
<td>Hennery House 19</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year 2022</th>
<th>Year 2023</th>
<th>Year 2024</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 2 3 4 5 6 7 8 9 10 11 12</td>
<td>1 2 3 4 5 6 7 8 9 10 11 12</td>
<td>1 2 3 4 5 6 7 8 9 10 11 12</td>
</tr>
<tr>
<td>House 18 (cont)</td>
<td>House 19 (cont)</td>
<td>Hennery House 20</td>
</tr>
<tr>
<td>Hennery House 21</td>
<td>Hennery House 22</td>
<td>Hennery House 23</td>
</tr>
<tr>
<td>Hennery House 24</td>
<td>Hennery House 25</td>
<td>Hennery House 26</td>
</tr>
<tr>
<td>Hennery House 27</td>
<td>Hennery House 28</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year 2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 2 3 4 5 6 7 8 9 10 11 12</td>
</tr>
<tr>
<td>House 28 (cont)</td>
</tr>
<tr>
<td>Hennery House 31</td>
</tr>
</tbody>
</table>

Hennery Complete Aprox 3 million birds Cage Free
MAIN FARM
GREEN MEADOWS ORGANIC
Rector Road

- $23.6M Investment
- 50 New Jobs
RECTOR ROAD & HAYNOR ROAD IMPROVEMENTS
Agriculture Development Division

Peter Anastor
Division Director
Agriculture Development
Agriculture Development Division

- Support growth in the food and agriculture industry to stimulate job growth, investment and sales within the industry.

- Teams
  - Economic Development
  - Export
  - Grape and Wine
  - Grants and Commodities
Economic Development

• Grow the industry to $125 billion by 2020
• Company visits – 78 Visits
• Partner visits – 53 Visits
• Response times – 5 day (100%)
• Jobs – 546
• Investment - $259.1 million
Economic Development

- Focus Areas
  - Food Processing
  - Forestry
  - Economic Developers
  - Branding/Marketing
• Grow exports to $4.25 Billion by 2020
  – Export Assistance
  – Export Seminars
  – Company Visits
  – Trade Shows
  – Buyers Missions

![Michigan Agricultural Exports](chart.png)
ACCOMPLISHMENTS:

• Conducted first ever MDARD Director lead trade mission to China
  • 7 companies and 1 commodity group participated
  • Companies reported a total of 45 new buyer contacts as a result of participating and an expected increase of sales over the next 6-12 months of $950,000

• Awarded the 2016 MI Ag Exporter of the Year to Bayside Best Beans of Sebewing

• 80 companies participated in Food Export Association of the Midwest export programs and services
# Export

<table>
<thead>
<tr>
<th>Date</th>
<th>International Marketing Activities</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TRADE SHOWS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>February</td>
<td>Michigan Pavilion at Gulfood 2017</td>
<td>Dubai</td>
</tr>
<tr>
<td>May</td>
<td>National Restaurant Association (NRA) Show</td>
<td>Chicago</td>
</tr>
<tr>
<td>May</td>
<td>Beverage Alcohol for Restaurants (BAR) Show</td>
<td>Chicago</td>
</tr>
<tr>
<td>June</td>
<td>Michigan Pavilion at the United Fresh Show</td>
<td>Chicago</td>
</tr>
<tr>
<td>September</td>
<td>Michigan Pavilion at Americas Food &amp; Beverage Show</td>
<td>Miami</td>
</tr>
<tr>
<td>October</td>
<td></td>
<td>Germany</td>
</tr>
<tr>
<td><strong>BUYERS MISSIONS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>May</td>
<td>National Restaurant Association (NRA) Show</td>
<td>Chicago</td>
</tr>
<tr>
<td>May</td>
<td>Craft Beverage Buyers Mission at the 2017 BAR Show</td>
<td>Chicago</td>
</tr>
<tr>
<td>June</td>
<td>2017 Institute of Food Technologists Show</td>
<td>Las Vegas</td>
</tr>
<tr>
<td><strong>TRADE MISSIONS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>September</td>
<td>Specialty and Natural Products</td>
<td>Toronto</td>
</tr>
<tr>
<td>November</td>
<td>MDARD Food and Agriculture Trade Mission to China</td>
<td>China</td>
</tr>
</tbody>
</table>
Grape & Wine Industry Council

• Promote the Michigan Grape and Wine Industry
  – Increase the gallons of wine bottled (2.5 million gallons)
  – Increase the acres of wine grape production (2,850 acres)
  – Approved 9 new wineries and cideries – total producers increased to 127
  – Annual Grape and Wine conference
  – Launched Michigan Certified Alcohol Service Training
  – *Wine Enthusiast* magazine named Michigan one of six “Wine Regions on the Rise” around the world
  – *Food & Wine* magazine published a list of the “Best Michigan Wineries to Visit”
Grape & Wine Industry Council

• What’s Next
  – Conducting an Economic Impact Study in FY17
  – USDA NASS to conduct a grape survey
  – Chicago marketing campaign
  – Coordinating the 40th annual Michigan Wine Competition – open only to wines made with at least 75% Michigan fruit
Grants

• Value Added Regional Food Systems Grant
  – Value added, food hubs, food access
  – In 2017, MDARD received 62 proposals requesting more than $6.6 million in funding
  – Nine proposals were selected for funding
  – 1.4:1 match ratio
Grants

• Rural Development
  – Received 72 proposals
  – Over $12.8 million in requested funding

• Specialty Crop Block Grant proposals are due on April 6, 2017
  – $1.8 million allocation

• Average disbursement response = 5.1 days
Commodity Groups

• Priorities identified with each commodity group
  – Export, Research, Marketing, Product Development

• 100% Meeting Participation
Questions?