



**ECONOMIC DEVELOPMENT STRATEGIC PLAN
2014-2018**

*Positioning SMEGA's Communities as Southwest Michigan's premier
location for Community & Economic Development Vitality*

**Adopted by the Full Board of Directors
Southwestern Michigan Economic Growth Alliance
September 12, 2013**



*Positioning SMEGA's Communities as Southwest Michigan's
Premier Location for Community & Economic Development Vitality*

Introduction

This comprehensive and strategic Economic Development Plan ushers in a new era for SMEGA. This plan not only outlines objectives like past SMEGA strategic plans have, it also includes goals that will be measurable, in which the organization can point to and define as community and economic development successes. The new comprehensive and strategic plan also outlines a specific plan or path on how to achieve success of the outlined measurables in this plan. The strategic plan outlines a very ambitious, but attainable community and economic development vitality plan over the next five (5) years for SMEGA. This plan is intended to become the guiding framework for SMEGA's operation, both financially and strategically, and at times, will require a review and revision process.

Historical Content

The Southwestern Michigan Economic Growth Alliance (SMEGA) began as the Greater Niles Economic Development Foundation (GNEDF) in 1982 and served the 49120 zip code. Today we are known as SMEGA and serve 11 communities in southern Berrien and Cass Counties. Our current Investors and Board of Directors represent a variety of businesses, educational institutions, financial institutions, healthcare providers, manufacturers, public and private sector organizations, and utility providers – all dedicated to supporting economic development in our area.

SMEGA's 30-year track record represents new businesses, new jobs, retained and expanded businesses, a new industrial park, new business organizations and committees, millions of dollars of infrastructure grant money invested into the community, and many new public/private partnerships and projects created to improve the overall quality of life in Southwest Michigan.

Vision

SMEGA's vision for economic development is to increase economic development activity in all business sectors by closely partnering with several local and regional organizations. These partnerships/resource sharing will allow our area to have a unified voice/message supporting community and economic development objectives, branding ourselves as the premier place to do business while at the same time offering a vivacious quality of life in which to live, work and play. SMEGA can become a partner/support organization for the many local non-profit agencies working towards community and economic development successes. Local partners to include: Municipalities, Chambers of Commerce, Downtown Development Authorities, and Tourist Organizations.



*Positioning SMEGA's Communities as Southwest Michigan's
Premier Location for Community & Economic Development Vitality*

Mission Statement

SMEGA's mission is to promote and support the retention and expansion of existing businesses, to attract new businesses, and to encourage the diversification of the economic base in Southwest Michigan.

Strategic Plan

Strategic Overview

SMEGA recognizes that it is a small economic development organization with limited resources. Therefore, we must focus and utilize our resources in a different way that sets us apart from the rest. SMEGA will utilize its regional resources/partners to participate in the larger economic development activities such as, but not limited to, site selector relationships, policy, regional issues, state issues, and federal issues. This will allow SMEGA to have voice at the table while keeping a "pulse" on the region. SMEGA will follow its five (5) objectives and accompanying goals and actions strategies, but will focus its resources more towards relationship building with local business leaders, alumni, realtors, construction companies, etc. in an effort to attract and retain businesses to the SMEGA communities.

Objective 1: Attract New Businesses

Goal: Attract and diversify job bearing employers, both in the commercial and industrial sectors, which will increase employment opportunities locally and also increase our tax bases.

Action Strategy: Market Area to Commercial and Industrial Businesses

- Compile and maintain up-to-date data/facts (market demographics) and turn it into promotional material, specifically targeted to various commercial and industrial sector businesses. Approximate cost of \$5,000 annually.
- Maintain a current database of available commercial and industrial space as well as vacant land listings on a national economic development site selection site, along with proper contact information for potential businesses to access readily.



*Positioning SMEGA's Communities as Southwest Michigan's
Premier Location for Community & Economic Development Vitality*

- Participate in regional, state, and national site selection trade shows to build relationships with site selectors and to promote the SMEGA area as the place to locate a business. Average cost to attend one show = \$2,500 x2 per year = \$5,000 annually.
- Build relationships with local and regional commercial real estate brokers, as they are usually the first point of contact from businesses looking to expand or relocate to the area.
- Build relationships with local and regional construction companies.
- Identify common suppliers/vendors of our existing manufacturers and build relationships with both local manufacturers and their suppliers/vendors in an effort to attract them to SMEGA communities.
- Identify business alumni from the local colleges and reach out to them in an effort to attract them to SMEGA communities.
- Brand SMEGA as the go-to organization for anything economic development in SMEGA communities.

Action Strategy: Identify State and Local Incentives

- Work with the Michigan Economic Development Corporation on every potential project, large or small, to try and garner the best possible incentive package for a company.
- Work with the Michigan Department of Agriculture on every Ag related project, large or small, to try and garner the best possible incentive package for a company.
- Work with local municipalities to offer localized incentives such as tax abatements, commercial redevelopment districts, utilization of revolving loan funds, annexations (P.A. 425), and utility assistance.
- SMEGA may be able to offer small amounts of attraction assistance from excess internal funds.
- Work with local utility providers to offer potential assistance.
- Work with BCMC to offer talented workforce.
- Work with Kinexus (MI Works!) and the local colleges to offer workforce training incentives.



*Positioning SMEGA's Communities as Southwest Michigan's
Premier Location for Community & Economic Development Vitality*

Action Strategy: Employee Training

- Advance the economic development tool box of our employees by way of career development training and certification programs. CECD classes and travel would cost roughly \$8,000 per employee from beginning to end spread out over several years. \$1,600 annually.

Objective 2: Support the Retention and Expansion of Existing Businesses

Goal: To strengthen, retain, and assist in the expansion of existing businesses, with emphasis on job retention and expansion.

Action Strategy: Company Visits

- With the help of the Berrien County Manufacturers Council set up 100 different (20 per year) company visits throughout our area with the “decision makers” of the companies.
- Better understand companies current and future plans and identify how SMEGA can and will help them.
- Follow-up with company concerns in a timely manner.
- Visit companies on a yearly basis and document the visits (5 annual visits to the same company is equal to only one (1) company visit out of the 100 different company visit goal.
- Work with other economic development agencies by inputting company visit data into a shared tracking system. This will allow us to record and track activity within our area. \$2,500 initial investment with an annual \$750.00 licensing fee.

Action Strategy: State and Local Incentives

- Work with the Michigan Economic Development Corporation on every potential expansion/retention project, large or small, to try and garner the best possible incentive package for a company.
- Work with local municipalities to offer localized incentives such as tax abatements, commercial redevelopment districts, utilization of revolving loan funds, annexations, and utility assistance.
- Work with local utility providers to offer potential assistance.
- Work with BCMC to offer talented workforce.
- Work with Kinexus (MI Works!) and the local colleges to offer workforce training incentives.



Objective 3: Promote a Skilled Workforce

Goal: Foster an abundant supply of skilled workers enabling current employers to expand while also allowing SMEGA to showcase to prospective companies that we have skilled workers to fill their needs.

Action Strategy: Identify Employer Needs

- Through company visits and working with the BCMC, and local colleges, identify current and future employer needs.

Action Strategy: Fill Workforce Needs

- Utilize the BCMC's skilled workforce campaign to help fill skilled workforce needs of current employers. Potentially contribute funds annually.
- Work with local colleges to help develop programs and courses that will help foster a more skilled workforce.
- Work with local high schools and BCMC to match students with internships at various manufacturers and provide scholarships to retain these workers. Potentially contribute funds annually.
- Utilize Kinexus (MI Works!) for their various workforce development initiatives to essentially "double-down" on an effort to fill workforce needs.

Action Strategy: Market Skilled Workforce Successes

- Market success of various programs to potential companies looking to move to the area in search of a skilled workforce.
- Track numbers of skilled laborers that have gone through the various programs.
- Testimonials from employees and employers.
- Market at site selector shows along with other area/regional data.



Objective 4: Partner Locally (Enhance Local Community Development Efforts)

Goal: Engage all of our Municipalities, Chambers, DDA's, and Tourist organizations in a unified vision for the SMEGA communities through partnerships and sharing of resources.

Action Strategy: Identify ways SMEGA and Local Organizations can Work Together

- SMEGA will continue to provide economic development services to municipalities as it has over the last 30 years.
- Work to engage all municipalities served.
- SMEGA will work with Downtown Development Authorities of the various municipalities and identify projects in which they can partner to develop that are tied into economic development.
- SMEGA will work with the Chambers of Commerce of the various municipalities to identify ways they can work together for economic development, specifically with commercial retail businesses, when appropriate.
- SMEGA will work with various tourist organizations to help promote SMEGA communities through economic development and quality of life aspects.
- SMEGA will participate on community & economic development related boards, when appropriate.
- SMEGA can utilize its 501(c)3 and 501(c)4 status, when appropriate, to partner and apply for grants with the various partner organizations. SMEGA can be utilized as a conduit for administering grants focused on community and economic development.



Objective 5: Partner Regionally

Goal: Remain independent but utilize regional partnerships in an effort to promote and utilize regionalism to our advantage.

Action Strategy: Identify regional partners and the resources they can provide to SMEGA

- Partner with Cornerstone Alliance in advancing the message of economic development in Southwest Michigan, particularly Berrien County. Perform company visits with Cornerstone Alliance and seek and give assistance to and from them whenever possible.
- Work with Michiana Partnership Incorporated, whose primary focus is the market the Indiana/Michigan (Michiana) region to site selectors by attending trade shows and marketing the region with up-to-date data. Bring leads into the region. SMEGA's cost to be part of MPI is \$7,500 annually, based on population of SMEGA's communities.
- Southwest Michigan First is designated by the MEDC as our regional Economic Development organization. Work with SWMF on help with State and Regional issues and receiving and sending off RFP's that are funneled down from the MEDC.
- Promote regional successes.
- Work with Berrien County on economic development projects requiring infrastructure funding and brownfield incentive assistance.
- Work with the Southwest Michigan Planning Commission on "teeing-up" projects for federal economic development funds for our area.
- Work with Cass County on economic development projects requiring infrastructure funding and brownfield incentive assistance.
- Work with Kinexus (MI WORKS!) on community development projects, workforce development needs of economic development, and small business resource assistance.



Measurable Targets

Over the next 5 years...

1. Secure \$750,000 in Capital Investment for operations, an increase of 36.4% from traditional levels over the current investment level of \$550,000.
2. Participate in 20 economic development projects.
 - A. Attraction (Businesses that are new and locate to SMEGA communities)
 - B. Expansion (Businesses that are existing and add employment #'s/Expand their facilities)
3. Job creation and retention.
 - A. Creation of 300 jobs over five (5) years in the SMEGA communities.
 - B. Retention of 200 jobs over five (5) years – jobs retained by current SMEGA community employers.
4. Participate in the development of 50 acres (Assisting businesses develop on virgin ground).
5. Participate in adding 250,000 sq. ft. of new industrial floor space (@ \$40 per sq. ft. = \$10,000,000 in real property on the tax rolls).
6. Participate in adding 30,000 sq. ft. of new commercial floor space (@ \$175 per sq. ft. = \$7,000,000 in real property on the tax rolls).
7. Spur \$80,000,000 worth of investment (\$30,000,000 – SMEGA communities; \$50,000,000 via BCMC) Real and Personal Property.
8. 100 company visits (100 different companies over five (5) years).
9. Grow number of investors from 95 to 110 (16% increase).
10. Grow Board Membership from 31 to 40 (29% increase).

Challenges

- Funding
- Uncertainty in the Economy
- Cooperation
- Political Forces
- Skilled Workforce
- Stagnant Population



*Positioning SMEGA's Communities as Southwest Michigan's
Premier Location for Community & Economic Development Vitality*

Implementation

The Strategic Plan has several key strategies along with several targets, all of which should be reviewed on an annual basis to determine if the proper resources or techniques are being applied to each strategy in order to achieve outlined measurable targets. SMEGA's activities shall focus on the various objectives and goals outlined in this document in order to achieve the outlined targets.

Measure of Success

SMEGA will update Investors and Full-Board Members annually on its progress towards its measurable targets, objectives and accompanying goals/strategies. In addition SMEGA's Operations Board will have more frequent oversight with the Executive Director to make any mid-course adjustments to the strategic plan.