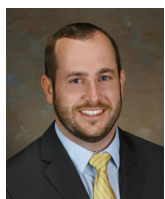


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From the President's Desk



By Joe Sobieralski
President & CEO

The summer of 2020 has certainly been memorable. BCU has been far busier than normal. Not only are we grappling with the coronavirus pandemic, but

several large projects have also moved forward over the past few months. While our admin staff continue to work from home, BCU's executive team returned to the office in June. Fortunately, we all have separate offices and can properly social distance.

BCU continues to support local companies as they deal with the pandemic. In July, the State of Michigan announced several new emergency assistance initiatives, including the Michigan Small Business Restart Program, the COVID-19 Workplace Safety Grant program, and the Agriculture Safety Grant program. These programs are funded by \$100 million of CARES Act assistance and are intended to support Michigan companies impacted by the coronavirus outbreak. BCU staff worked diligently to promote these programs to the local business community, through direct email, social media and our COVID-19 resources website. The MEDC, in cooperation with Southwest Michigan First, is expected to announce grant awards in early September.

Another program companies should be aware of is the Small Business Administration's Economic Injury Disaster Loan (EIDL) program. In the immediate aftermath of the outbreak, the SBA was overwhelmed with loan applications and stopped accepting new applications on April 15. On June 15, SBA began accepting new EIDL applications from qualified small businesses, including agricultural businesses, and non-profit organizations. More information is available on the SBA website [sba.gov](https://www.sba.gov).

See "President's Desk" on page 4

Industrial Partners USA Purchases 55 Acres for New Spec Building

BCU sold 55 acres of land to Industrial Partners USA for the construction of a new spec building. The property is located along Watkins Road along Interstate 94, just off exit 92.

The new development will feature 270,000 square feet of industrial space, including 7,000 square feet of office space; 32' ceilings; columns spaced at 50' x 50'; 6" concrete floors; 16 truck docks, with an additional 30 knock-outs for future development; and the potential to accommodate a future rail spur. The property will include parking for more than 130 employees. The total investment is expected to be approximately \$11 million. The developers broke ground in August and expect to have the building ready for move-in by March 2021.

Industrial Partners USA is a joint venture between Clark Logic and Great Lakes Capital. Clark Logic, based in

Portage, Michigan, provides warehousing, real estate management, and transportation & logistics services. Established in 1969, it owns 45 properties with more than 2 million square feet of space in Calhoun, Kalamazoo, and St. Joseph counties.

Greg Dilone, Jr., Vice President of Development at Clark Logic, said, "Our understanding of Southwest Michigan has been gained by building relationships with communities for the last 50 years. Given Battle Creek's location, workforce, and competitive costs, we believe there is a tremendous opportunity here. This is the first of three phases we have planned for the site. If we are successful, we will build two more buildings, creating an additional 500,000 square feet of industrial space."

See "Industrial Partners USA" on page 3

Torti Taco, Elliott McKone Awarded Grant for Downtown Restaurant, Apartments

Elliot McKone LLC, owner of the building at 56 E. Michigan Ave., was awarded a \$250,000 grant from BCU through the downtown Real Estate Improvement Fund. The project will create a new downtown location for Torti Taco, on the ground floor, with outdoor patio dining space. Plans include residential units on the second floor, with assistance from the City of Battle Creek via Community Development Block Grant dollars.

The fund was made possible by a grant from the W.K. Kellogg Foundation. The program addresses significant hurdles faced by those wanting to invest downtown by focusing on revitalizing vacant space, improving code compliance, resolving structural and mechanical issues, and supporting other upgrades to bring unoccupied properties back into productive use.

Grant dollars to Elliot McKone, a Grand Rapids-based developer, will be supplemented with a \$75,000 award to Torti Taco from BCU. The additional funds will go toward equipment and other uses for the new restaurant, which are not covered through the Real Estate Improvement Fund.

"Downtown Battle Creek's resurgence continues with the revitalization of yet another facility," said Joe Sobieralski, president and CEO of BCU. "It's encouraging to see an outside developer like Elliot McKone recognize the potential in Battle Creek, and that they've partnered with a local favorite in Torti Taco. Yet another Battle Creek staple will join the downtown momentum."

See "Torti Taco" on page 2

US EDA Awards Battle Creek \$2.1 Million for Tiger Room Project

The US Economic Development Agency (EDA) announced a \$2.1 million grant to convert the Tiger Room into a food accelerator. The EDA funds will be matched with \$2 million in local funding. The new Southwest Michigan Accelerator Kitchen will provide local food processors with a built-out shared-use commercial kitchen. The space will help start-up companies expand and grow their businesses.

Local support was provided by Battle Creek Unlimited, St. Philip's Church, the Diocese of Kalamazoo, the Kellogg Company, the Battle Creek Community Foundation, the Binda Foundation, the Catholic Campaign for Human Development Foundation, and Michigan Department of Agriculture and Rural Development, as well as many individual donors.

The project is expected to create more than 100 jobs and generate \$8 million in private investment. The 20,000 square-foot facility, owned by St. Philip, will also support the church's healthy food and community wellness initiatives.

Northern Initiatives and the Battle Creek Small Business Loan Fund

Rooted by the legacy of W.K. Kellogg, a small-business owner whose entrepreneurial spirit lives on locally, Battle Creek is a community committed to creating a vibrant economic climate.

Embracing this entrepreneurial spirit, Amanda Sunthang and Jennifer Cole sought to bring a unique dining experience to the people of Battle Creek. With a solid business plan to open a restaurant that would provide their community with exquisite cuisine and an opportunity to learn the Burmese culture they were eager to launch. When access to capital proved to be a barrier and they had just about given up on their dream, they connected with Northern Initiatives (NI) and tapped into the Battle Creek Small Business Loan Fund to launch their restaurant — Shwe Mandalay.

"When we felt like quitting because of so many barriers and shut doors, Northern Initiatives' support gave us the momentum to overcome obstacles and accomplish our mission." Amanda Sunthang and Jennifer Cole, owners Shwe Mandalay.

The Battle Creek Small Business Loan Fund

was established in 2018 by the W.K. Kellogg Foundation (WKKF), supported by major contributors including Battle Creek Unlimited, and is managed locally by Northern Initiatives.

As a Community Development Financial Institution, Northern Initiatives is dedicated to helping business owners get the capital and know how they need to launch or grow a business. Their work helps create vibrant, thriving communities throughout Michigan and bordering Wisconsin.

Since the start of the Battle Creek Small Business Loan Fund, Northern Initiatives has provided 24 loans totaling \$2,505,000 with over \$1.8 million in prospect loans.

Every loan customer receives complimentary access to Northern Initiatives' business services. These services include access to Initiate, NI's online business resource with hundreds of interactive tools, templates, videos, and one-on-one coaching services focused on strategies and tactics to help business owners meet their goals.

See "Northern Initiatives" on page 3

Battle Creek Promo Videos

BCU kicked off a social media campaign in 2019, posting periodic videos to promote opportunities in Battle Creek. Each video is approximately 30 seconds long and targets a specific audience. A new video is typically posted every six weeks. Past videos have focused on entrepreneurs, local schools, the job market, and Battle Creek's quality of life. The tenth video, titled "Small Town Grit, Big City Drive", was released in July and highlighted some of the work going on in downtown. The next video will be

released in mid-September. Look for it on BCU's website, Facebook, Twitter or LinkedIn pages.



Torti Taco cont'd from page 1

"We're excited to bring this long vacant building back into service," said Tim VanderStel, member of Elliot McKone. "We're glad to partner with Torti Taco – and are confident they'll draw even more people to downtown Battle Creek."

Torti Taco's new downtown location will complement its

existing operations on Beckley Road.

"We're ready to bring something new and different to downtown," said Javier Fortoso, owner and operator of Torti Taco. "We are grateful for the support from the City of Battle Creek, BCU, and our customers in the community."

Reminder on the Fort Custer Industrial Park Covenant

When the Fort Custer Industrial Park was established in 1972, the City of Battle Creek put in place a protective covenant which governs development in the park. The covenant ensures that the industrial park is well maintained and that buildings remain in good condition. BCU maintains the industrial park, mows the common areas, and picks up trash. BCU is also responsible for enforcing the covenant.

The covenant prohibits industries such as housing, scrap processing, and rendering facilities. It also prohibits any retail, and recreational uses. In addition, the covenant outlines performance standards for noise, air pollution, dust control, waste, and even radioactivity. It sets standards for building size, height, parking, fencing, outside storage, and landscaping.

As a reminder:

- The BCU Development Review Board is responsible for approving all new building designs as well as building additions and improvements in the industrial park
- All building signs, whether on the property or on the side of a building, require approval from the Development Review Board
- No temporary yard signs are allowed
- Materials and finished goods can be stored outside but must be screened by a solid wall or fence.

For more information about the protective covenant, contact Paula Young at 269-962-7526 or young@bcunlimited.org.

Airport Projects Moving Forward

The Battle Creek Executive Airport at Kellogg Field (formerly known as the W.K. Kellogg Airport) has seen a flurry of activity recently. Crews recently started long-planned taxiway improvements. And while the expansions at WACO Aircraft and the WMU College of Aviation were impacted by COVID-19, both projects are now in full swing.

Following its acquisition by the German company Dimor Aerospace, WACO broke ground on a major expansion in May 2019. The company is adding 80,000 square feet of space which will include new offices, expanded shop space, and an avionics department. The \$18 million expansion will also include space for visiting private pilots as well as a restaurant that will be open to the public.

The College of Aviation broke ground on its own expansion a week after WACO. The school is adding new classrooms, a computer room, composites/paint laboratory upgrades, a state-of-the-art simulation center, student briefing rooms, faculty offices and a café. The \$20 million project—including a \$15 million grant from the state—will add more than 67,000 square feet of space. Dean Dave Powell expects the facility to be ready in time for the Summer 2021 session.

*TOP: WACO Aircraft's new building.
BOTTOM: The College of Aviation's new entrance.*



Industrial Partners USA cont'd from page 1

Great Lakes Capital, of South Bend, Indiana, is a real estate private equity firm established in 2005. The company provides office, industrial, retail, medical office, multifamily and mixed-use space. The company's portfolio includes seven industrial spec buildings in northern Indiana, home to companies like Amazon, AM General, and Borg Warner.

Jeff Smoke, Managing Director and Principal at Great Lakes Capital, said, "This development will be a great complement to the Fort Custer Industrial Park. There is nothing like this property available in this region right now. With its easy access to the highway and high visibility along I-94, we expect that this project will attract a lot of

attention from major national companies."

BCU President Joe Sobieralski explained, "There is a significant lack of industrial space in this region, which is driving investment to other markets. This project will meet the local demand for modern facilities. These types of investments have been proven time and time again to capture companies that go elsewhere due to lack of immediate availability and inventory in the market. An industrial building like this could easily support 100 to 200 jobs."

The property was owned by the Battle Creek Tax Increment Finance Authority (BCTIFA), which is managed by BCU. The BCTIFA acquired the property in 1997 and has since leased it for farmland.

Northern Initiatives cont'd from page 2

Northern Initiatives found the community-driven, collaborative effort in supporting the Small Business Loan Fund in Battle Creek to be integral to successfully helping small businesses. Torti Taco owner, Javier Fortoso would agree.

"There is help available, and from good people. Northern Initiatives brought technical, financial, and marketing tools to my business. I intend to share what I have learned with other small businesses in Battle Creek. We need to support each other," said Javier Fortoso, owner of Torti Taco.

With the mission to provide delicious, authentic Mexican food in Battle Creek, Javier Fortoso and his family opened their doors in 2016. Like many small businesses, Javier faced a tough business climate during the winter months and it was during this time that he looked to Northern Initiatives for support. Javier was able to secure financing to update equipment, purchase a new cash register system, increase inventory, and support permanent working capital. He also tapped into Northern Initiatives' business services, using Initiate to help prepare monthly cash flow projections. During COVID-19, Javier has been able to lean on NI's business

coaches to help him weather the pandemic storm.

Today with the help community partners like Battle Creek Unlimited, and support from Northern Initiatives, Javier is planning to expand to a second location in downtown Battle Creek.

For details on how to apply for a loan with the Battle Creek Small Business Loan Fund, please contact Northern Initiatives' Kellie Hoffman at 269-274-8912 or Israel Flores at 734-546-2018 or start the application process online at Northerninitiatives.org.

BCU Swag Boxes

In August, BCU sent more than 70 Battle Creek care packages. The boxes were sent to companies in Japan with operations in Battle Creek, as well as several companies considering new facilities here. Boxes were also sent to site consultants, who advise companies on strategic expansions.

The boxes were filled with a variety of products from local companies, including Pringles, Kellogg and Post cereals, granola bars from Junkless and Kashi, hats or t-shirts from Handmap Brewing, and hot cocktail K-cups from Cask & Kettle. Each box was accompanied by a note from

BCU, highlighting recent announcements like the Tiger Room grant, Torti Taco's expansion downtown, and the new spec building under construction.



Battle Creek swag boxes being filled with local goodies.

President's Desk cont'd from page 1

Despite the pandemic, we have seen a significant uptick in the number of companies looking at investments in Battle Creek. Some of this interest may be companies looking to diversify their supply chains or considering reshoring some manufacturing. Other companies may be taking advantage of the interruption of normal business operations to research long-term strategic expansions. Whatever the cause, our investment pipeline is as full as it has ever been. We have even conducted several site visits during the pandemic.

A local Battle Creek company which has responded to the pandemic is Stewart Industries. The company recently announced a new venture, Stewart Medical, which will manufacture, source, and supply medical products and PPE. This will include medical equipment, such as disposable heat and moisture exchangers, surgical masks, sanitizer, and other products. The company will work to eliminate price-gouging and support companies as they return to work. The company, which is a certified minority-owned business, continues to find new ways to expand and grow their business in Battle Creek.

At the same time we are dealing with COVID-19, we have also been confronted with systemic inequities and persistent racism that exist in our society today. In light of recent events, BCU reaffirmed its commitment to equity and inclusion in an open letter to the community. In it, we announced several steps to address inequality in our community. These include new professional development focused on diversity, inclusion and equity; diversifying our Boards and Committees so they better reflect the community we serve; increased partnerships with organizations that serve local Communities of Color; promoting business incentives which are more equitable and inclusive; and partnering with the BCPS Career Academy on a new internship program. Economic organizations like BCU have a responsibility to lead and advocate for equitable community development. The full letter can be read at BCUnlimited.org.

Battle Creek Rings Bells to Mark 75 Years of Peace since Hiroshima and Nagasaki

August 2020 marked 75 years of peace since the atomic bombings of Hiroshima and Nagasaki. The City of Battle Creek participated in a simultaneous ringing of bells across the US and Japan to commemorate this anniversary and celebrate peace through our sister-city relationship.

Bells were rung at exactly 7:15 PM on Wednesday, August 5, and again at 10:02 PM on Saturday, August 8. These coincided with the exact time and date the bombs fell on Hiroshima and Nagasaki.

Battle Creek's relationship with Japan started in 1974 when a business delegation traveled to Japan to meet with companies interested in establishing operations in the US. Today, 19 Japanese companies have facilities in Battle Creek and employ more than 7,000 people. Denso, the Tier-1 auto parts company, is now the city's largest employer. More than 400 Japanese expats live in the Battle Creek area.

In 1981, Battle Creek established a sister city relationship with Takasaki in Gunma Prefecture, home to Kellogg's cereal factory. Since that time, hundreds of high school students have participated in homestays here and in Japan.

Sister Cities International (SCI) organized the bell ringing effort. Today there are more than 450 sister city/state relationships between the US and Japan, the largest number the US has with any country. Founded by President Dwight D. Eisenhower in 1956, SCI is a nonpartisan nonprofit organization which helps communities build global relationships based on cultural, educational, and business exchanges.

Help Needed for National Manufacturing Day in October

Planning is underway for National Manufacturing Day 2020, scheduled for mid-October. For the past several years, BCU has partnered with Kellogg Community College, area high schools, and local employers to highlight career opportunities in the manufacturing sector.

We are seeking manufacturers willing to help make the event a success. For 2020, organizers are planning a series of **VIRTUAL** panel discussions, with speakers discussing manufacturing careers.

There will also be **VIRTUAL** company showcases, to introduce students and parents to local manufacturing companies.

We need companies to participate in the panel discussions as well as companies for the virtual showcase. This is a great way to introduce your company to potential employees.

To sign up, or to get more information, contact Shabaka Gibson at gibson@bcunlimited.org or call 269-441-1669.

EV Charging Stations at BCU

BCU's two charging stations continue to be a hit with area electric vehicle owners. BCU installed two pedestal chargers at its office in the Fort Custer Industrial Park in 2018. Each pedestal has two charging ports, meaning up to four cars can charge at once. The charging stations are free to use and are part of the ChargePoint network.

Consumers Energy's PowerMIDrive program provides rebates to defray the cost of installing EV charging stations. It is designed to increase EV charging capacity across Michigan. To learn more, visit Consumers Energy online.



Contact BCU

Battle Creek Unlimited (BCU) is focused on investment generation and job creation in Battle Creek, Michigan. BCU works closely with community partners to attract new companies to the Battle Creek region while also supporting the growth of existing companies. BCU was established in 1972 to develop the Fort Custer Industrial Park (FCIP), the largest industrial park in Michigan. Today the FCIP is home to over 80 companies, including 25 international organizations, which collectively employ more than 13,000 people. FCIP covers more than 3,000 acres, with over 1,000 acres available for development, and offers convenient access to rail, air cargo, interstate and international trade highways as well as an international port of entry and a Foreign-Trade Zone.

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