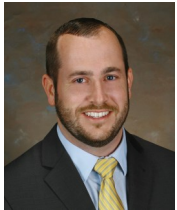


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From the President's Desk



By Joe Sobieralski
President & CEO

Labor Day has come and gone, bringing an unofficial end to the summer. BCU's fiscal year closed on June 30th, and with it, Year 4 of our 5-year Strategic Plan.

Over the summer, I have presented to

the BCU Board of Directors, the Battle Creek City Commission, Southwest Michigan First, the Harper Creek Optimist's Club and others on our progress. I am proud to report that, despite the global pandemic, we have already met or exceeded most of the goals laid out in the plan. In fiscal year 2021-2022:

- 305 new jobs paying more than \$17 per hour were created in Battle Creek
- Companies announced more than \$123 million in new investments
- Six new companies established operations in Battle Creek
- 34 acres have been optioned for development
- BCU received \$28.9 million in grants and leveraged more than \$17.4 million in MEDC funding
- BCU awarded more than \$2.19 million in incentives to companies

As we dig into the numbers, I am struck by everything we have going on around town. Out in the Fort Custer Industrial Park, Viking-Cives has broken ground on their new \$25 million facility. They expect to add 91 jobs by 2025. Bleistahl is in the midst of an \$8 million expansion, which will add 69 new jobs. Most recently, Duncan Aviation announced it would invest \$30 million to add a new building, creating 61 new jobs. The Watkins Road Spec Building is complete; the developer has already leased more 150,000 square feet of space and is working with a prospect for the remaining 120,000 square feet.

See "President's Desk" on Page 3

John Gallagher Passes the Gavel to Erick Stewart

In June, Erick Stewart conducted his first BCU Board of Directors meeting as the new board chair. Erick is a familiar face to many people around Battle Creek, having been on the BCTIFA Board for 16 years. A long-time supporter of BCU, Erick said that his priority is supporting the BCU team to make sure it has the resources needed to keep Battle Creek growing. We thank John for his years of strategic leadership to the Board.



BCU Secures Critical Financing for McCamly Renovation

In June, the Michigan Economic Development Corporation (MEDC) announced that the Michigan Strategic Fund approved \$7.5 million in assistance from the Michigan Community Revitalization Program (MCRP) in support of the renovation of the former McCamly Plaza Hotel.

The program promotes community revitalization and provides gap funding for projects that are contaminated, blighted, functionally obsolete, or historic resources. The MCRP award for the McCamly renovation is in the form of a performance-based loan, to be repaid at 1% interest.

The property originally opened in 1982 as the Stouffer Hotel. The hotel is in

the heart of downtown Battle Creek, one block from the global headquarters of the Kellogg Company. It is adjacent to the Kellogg Arena, a 6,200-seat multi-purpose venue.

The facility is being converted into a DoubleTree by Hilton. When complete, it will feature 239 guest rooms; a new restaurant, beer garden, and kitchen; and a new ballroom and conference facilities. The exterior of the building is being refreshed and will have a new entrance, new windows, and an updated façade. All the hotel mechanical systems are being replaced, including the HVAC, boilers, and elevators. The project is expected to cost \$59 million and will create 165 new jobs.

See "McCamly Renovation" on Page 3

Battle Creek TIFA Extended

In May, the Battle Creek City Commission voted to extend the Battle Creek Tax Increment Finance Authority (BCTIFA) through 2047. The move allows for a 25-year amortization for any project bonds and is expected to help fuel economic growth in Battle Creek. BCU administers the BCTIFA under a contract with the city.

The BCTIFA development district includes the Fort Custer Industrial Park and the Battle Creek Executive Airport. It was the first industrial TIFA in Michigan, created in 1980. The

BCTIFA provides resources for the maintenance of the Fort Custer Industrial Park and for BCU's economic development efforts.

The BCTIFA provided the funds for Kellogg Community College's 2017 expansion of the Regional Manufacturing Technology Center (RMTC) as well as the recent improvements on Watkins Road. Most recently, the BCTIFA agreed to provide \$2.5 million for tarmac and apron improvements in support of Duncan Aviation's \$30 million expansion.

BCU Acquires Kendall Center from WMU

In July, Western Michigan University announced that it would sell the Kendall Center to Battle Creek Unlimited for \$1. With the new \$24-million Aviation Education Center at the Battle Creek Executive Airport, WMU determined that the downtown property was no longer needed, which is when BCU stepped in.

"We have experience owning downtown properties and holding them. It was something that we had a little bit more comfort in doing, stepping up to help out where we can," BCU President & CEO Joe Sobieralski said. "We have no plans for the building at this point. We just want to make sure that the building

that was given to Western is returned back to the community and put to use in the highest and best use."

The building is located at 50 W. Jackson Street. WMU acquired the property in the early 1990s for \$1. The building has 38,500 square feet of office and classroom space.

"I think this is a very strategic location," Sobieralski said. "It is in the heart of downtown, across from the Kellogg Company corporate headquarters, it is going to be across the street from the revamped McCamly Hotel, and the [Kellogg] arena... I think it lends itself to tons of opportunities and that is why we

want to make sure it is utilized for its highest and best use."



The Kendall Center at 50 W. Jackson Street in downtown Battle Creek

KCC Dedicates New Mobile Trainer

In August, Kellogg Community College (KCC) dedicated its new Bruin Industrial Trades (BIT) Mobile Trainer. In 2020, the DENSO North America Foundation (DNAF) awarded KCC with a grant for \$100,000 to establish the trainer and increase community outreach.

At a ceremony held at KCC's Regional Manufacturing Technology Center (RMT) in the Fort Custer Industrial Park, Interim President Dr. Paul Watson presented a plaque to DENSO Operations Director Joel Markucki to recognize the company and DNAF for their support of the project. "The Bruin Industrial Trades Mobile Trainer is designed to bring KCC's Industrial Trades programs to the members of our community, meeting them where they are," Watson said. "We are grateful to DENSO for their support and partnership as we continue to encourage

young prospective students to engage in the skilled trades and to see themselves joining this exciting and essential educational pathway."

The mobile trainer provides flexibility for K-12 school tours at the RMT by offering engaging, age-appropriate activities. To date, KCC has taken the mobile trainer to more than 30 events with over 3,700 students in attendance, many of them from groups traditionally underserved in higher education.

The equipment inside the trailer can easily be rolled out for presentations and hands-on activities. Equipment in the trailer includes: a Skill Boss Manufacturing System, an Augmented Reality Welding System, a desktop CNC router for machining, an HVACR Trainer and miscellaneous "tools of the trade" that allow students to handle and

experiment with handheld tools and equipment used in fields such as HVACR, pipefitting, and electricity/electronics.

Organizations interested in scheduling the BIT Mobile Trainer should contact KCC CTE Career Coach Paula Lane at 269-565-2867 or lanep@kellogg.edu.



At the dedication ceremony for KCC's new Bruin Industrial Trades (BIT) Mobile Trainer

Viking-Cives Breaks Ground

Viking-Cives recently broke ground on their new manufacturing facility in the Fort Custer Industrial Park. In 2021, the company purchased 40 acres on Shiga Drive. The company will manufacture snowplows and ice control equipment in Battle Creek. The new facility will feature 75,000 square feet for manufacturing plus 10,000 square feet of office space.

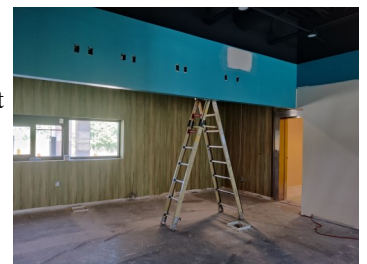


Work has begun at Viking-Cives' lot on Shiga Drive.

Coming Soon: Biggby Coffee

The Fort Custer Industrial Park will soon be home to a Biggby Coffee. The former Chase Bank at the intersection of Dickman Road and Hill Brady Road is currently being renovated. Owner Charles Solano said that the new location is expected to open in early October. It will have a drive through, as well as seating for more than 20 people and will include a large community room, ideal for meetings. Charles said the new facility will have more than a dozen staff. The store will open at 5:00 AM to serve those employees on their way to work the early shift.

The corner of Dickman and Hill Brady is one of the few parcels in the industrial park zoned for a restaurant or retail operation. Charles said the building will have a second space, with approximately 900 square feet, and is looking for a quick-serve restaurant such as a sandwich shop to lease the space. For more info, visit facebook.com/BiggbyHillBrady



McCamly Renovation cont'd from page 1

Along with the MCRP award, local partners have pledged nearly \$30 million to the hotel project and adjacent development. The Battle Creek City Commission also approved an Obsolete Property Rehabilitation Act tax abatement valued at \$3.23 million.

As a part of the project, BCU will work with Grand Valley State University and Kellogg Community College to create a hospitality career program. The program will provide on-the-job training and enable students to build meaningful careers in the hospitality sector.

Erick Stewart, Chair of BCU's Board of Directors, said, "The McCamly Hotel has played a vital role in Battle Creek for 40 years. The facility has hosted countless weddings, proms, conferences, and business meetings. With these sweeping renovations, it will once again be the premiere hotel and conference facility in the region. When the hotel reopens next year, it will be something that everyone in Battle Creek will be proud of."

BCU President & CEO Joe Sobieralski said, "This is the latest piece in BCU's ongoing effort to revitalize downtown. This project will have a transformative impact on Battle Creek and will bring new opportunities to our community. We are grateful to our community partners, the State of Michigan, and the MEDC for supporting our vision for Battle Creek."



New elevators have been installed at the McCamly Hotel. The hotel will have three passenger elevators as well as two service elevators.

President's Desk cont'd from page 1

Downtown, the McCamly Hotel project is moving ahead at full speed; the exterior brick has been stained, new elevators and windows have been installed, new mechanicals will soon be going in. We are on track for a grand opening towards the end of 2023. BCU is also working with a developer interested in converting the former Hamblin Opera House at 17 W. Michigan Avenue into a mixed-use development with 30+ apartments. Torti Taco is open downtown now and has been a great addition. Work continues at New Holland, with an opening expected in early 2023. Work on the Southwest Michigan Accelerator Kitchen at the Tiger Room is also picking up speed; BCU recently kicked off the bid process for project, with bids due at the end of September.

BCU has successfully worked with elected officials at the local, state, and national level to secure funds for a variety of projects. This includes \$10 million from the Defense

Department to build a new entrance for the Air National Guard; \$13 million from the state for efforts to naturalize the river downtown; and \$6.5 million from the city, county, and state for the McCamly Hotel project. We administered \$2 million from the W.K. Kellogg Foundation for the Washington Heights Entrepreneurial Fund. And we have distributed \$192,000 as a part of the Battle Creek Talent Retention, Attraction, Inclusion Incentive (BC TRAIN) program, which provides matching funds to employees looking to secure housing within the city limits.

As we enter the last year of our strategic plan, we continue to push ahead. We will finalize the financing for the McCamly Hotel and begin work on the next phase of project, which includes the hospitality management training program. We will ramp up our retention effort to existing companies, to ensure we are up to speed on their needs and concerns. We will continue to work to attract companies to the industrial park as well as

BCU Secures \$13 Million for River Naturalization

The budget bill which Governor Gretchen Whitmer signed into law in July includes \$13 million for Battle Creek's river naturalization project. The money will go to BCU under an economic development and workforce grant. Funds will be used for environmental assessment, property acquisition, demolition, and road realignment.

The concrete channel which runs through downtown Battle Creek today was designed by the U.S. Army Corps of Engineers in the early 1960s as a flood control measure. The channel, which has long been considered an eyesore by local residents, has exceeded its 50-year life expectancy.

The former Graphic Packaging facility, which closed earlier this year, and TreeHouse Foods site are among the properties which would likely be demolished. The City of Battle Creek is requesting a feasibility study from the U.S. Army Corps of Engineers, which has a program that provides financial support and assistance for river naturalization projects.

Local nonprofit Battle Creek Whitewater has been championing the effort to return the concrete channel to a more natural state for almost 20 years. The organization will continue to work with BCU and the City as the project moves forward.

"This is a major step forward in transforming the riverfront and for the continued revitalization of downtown Battle Creek," said Battle Creek Unlimited President and CEO Joe Sobieralski. "We are extremely appreciative for the hard work State Rep. Matt Hall did in working with House Appropriations Chair Thomas Albert to make this happen for Battle Creek. This funding would not have happened without their joint leadership."

"We also thank State Rep. Jim Haadsma, State Sen. John Bizon, and Governor Gretchen Whitmer for supporting a state budget that works to make communities more vibrant and viable through place-based economic development."

downtown. We will accelerate our efforts to develop a drone park on the west side of the Battle Creek Executive Airport and partner with the MEDC and other regional stakeholders on Calhoun County's mega sites. Looking ahead, BCU will continue to take full advantage of state and federal funding. And finally, we will begin the planning for our next multi-year strategic plan. Stay tuned because the best is yet to come!



Proposed concept for the naturalization of the river through downtown.

Burma Center Launches Capital Campaign

The Burma Center recently kicked off a multi-year capital campaign, with the goal of raising \$2.5 million. The money will fund critical infrastructure upgrades at their facility, located at the former Springfield High School.

The Burma Center was established in 2014 as a nonprofit organization to support Burmese residents who live and work in the Battle Creek region. The first Burmese refugees arrived in Battle Creek in the early 1990s when the First Baptist Church sponsored the Thwanghai family. Today, Battle Creek is home to nearly 3,500 Burmese, mostly from the Chin State in western Myanmar. Services at the Burma Center include resource navigation, childcare, K-12 supplemental education support, health and wellness programs, interpretation services, and much more.

The Burma Center operates a 1,000-square-foot building, divided into office space and a community center. The facility houses two independent childcare centers, an alternative high school, a program for adults with disabilities, early childhood services, services for

veterans, and other small businesses. Together with the Burma Center, these organizations serve over 300 people daily. On weekends, the facility is used for meetings, retreats, town halls, weddings, and parties.

Funds raised from the capital campaign will be used for a new HVAC system, a new roof, parking lot improvements, updates to the courtyard, and ADA upgrades. Burma Center staff are working with local philanthropic partners and stakeholders to secure donations. BCU's Board of Directors approved a donation of \$300,000, structured as a dollar-to-dollar matching grant to encourage other donations. The City of Battle Creek also approved a grant of more than \$347,000.

To learn more about the Burma Center or to make a donation, contact Burma Center Executive Director Tha Par at 269-441-1131 or tha.par@burmacenterusa.org.



BCU Applauds Passage of CHIPS Act

In August, President Biden signed the CHIPS and Science Act, which is intended to bolster the U.S. semiconductor sector and R&D of advanced technologies. Key provisions include:

- \$52.7 billion over five years to fund grants, loans, loan guarantees, and other programs to incentivize semiconductor manufacturing.
- "FABS Act" investment tax credit, a 25% tax credit for investments in semiconductor manufacturing facilities in the United States.
- \$170 billion in funding over five years for R&D in artificial intelligence, advanced energy, data storage, and robotics.
- \$10 billion to create regional

innovation and technology hubs across the country. These hubs will create jobs, spur regional economic development, and position communities to lead in the development of next generation technologies.

With its strong manufacturing base and top-tier engineering schools, Michigan is well positioned to take full advantage of this new federal support, especially as it relates to the automotive and EV sectors. BCU will continue to work with local, state, and national leaders to take full advantage of federal funding and attract high tech investments to the Battle Creek region.

Effort to Close VA Medical Center Halted

Plans to close the Battle Creek Veterans Affairs Medical Center have been put on hold. The Battle Creek facility was one of 35 centers in 21 states recommended to the Asset Infrastructure Review (AIR) Commission for closure or realignment. The AIR report published in March recommended that inpatient and outpatient services be moved from the Battle Creek VAMC to the Grand Rapids/Wyoming area. The recommendations stemmed from the 2018 Mission Act, which required the VA to assess its physical footprint and deliver recommendations to the commission. In total, the report represented a nearly \$2 trillion infrastructure overhaul.

The Battle Creek VAMC hospital has 276 beds, including 55 mental health beds, 109 community living center beds, and 101 rehabilitation treatment beds. The center first opened in 1924 and sits on 206 acres. The campus has nearly 30 buildings, all built between 1931 and 1960.

In response to the AIR recommendations, BCU enlisted local elected officials, civic leaders, and businesses to contact our congressional delegates in Washington, DC. In late June, a bipartisan group of a U.S. senators expressed their opposition to the AIR recommendations. Members of

the House of Representatives then voted to defund the commission, effectively ending the process.

While the move means the Battle Creek VA Medical Center will remain open for now, the effort highlighted the need to modernize the facility. Between 1996-2020, the federal government has invested over \$2.4 billion in the Battle Creek Medical Center. There are several ongoing projects to modernize the Battle Creek facility. Roads are being repaved around campus this year. The urgent care center is being updated, with upgraded patient and exam rooms. Floors and walls at many outpatient buildings are slated to be replaced. The pharmacy waiting room was recently upgraded. In 2023, work will begin on an addition to the community living center. Crews will add private rooms with private baths.

The VA already has a modern outpatient clinic in Wyoming. The VA recently broke ground on a new outpatient clinic in Muskegon and will open a new clinic in Benton Harbor will open this year.

The Battle Creek VA Medical Center is an invaluable community resource and BCU is committed to ensuring that its long-term sustainability.

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 nearly 90 companies, including 25 international organizations, which collectively employ more than 13,000 people. The 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.

Battle Creek Unlimited

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