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STATE APPROVES PLAN FOR SUPERIOR TRADE ZONE

A state board has signed off on a plan for local governments in Marquette and Delta counties, including the City of Marquette, to join forces to provide business incentives in a coordinated way.

The Michigan Strategic Fund board gave its blessing to the creation of the Superior Trade Zone, which becomes the state's sixth Next Michigan Development Corporation (NMDC).

NMDCs are regionally based economic development entities provided for under state law. The first five were set up through legislation approved in 2010. In 2013, the law was amended and paved the way for a sixth NMDC centered in Marquette and Delta counties.

The idea is to bring together regional communities via an inter-local agreement to form these NMDCs, which are able to grant incentives like property tax abatements and tax increment financing districts, said Peter Anastor, managing director of logistics, supply chain and manufacturing for the Michigan Economic Development Corporation (MEDC).

Anastor said many existing NMDCs have marketing plans and websites, and have set up boards to govern them. The incentives involved are handled at the local level, he said.

Though many of these incentives aren't new for these local communities to use to attract business, Anastor said the NMDC provides the structure to offer those incentives in a more streamlined manner and opens up opportunities to communities that didn't previously qualify for certain incentives.

For example, a city may be eligible to use a specific economic development tool, but other nearby communities may not qualify.

“Now that the fact they're part of an inter-local agreement to form this Next Michigan Development Corporation, that now makes those other communities also eligible to provide that incentive,” Anastor said.

Marquette Mayor Mike Coyne said he is looking forward to seeing the newest NMDC - the Superior Trade Zone - in action.

"It took three years of work by many different communities to make this happen, but this is one of the most exciting economic tools I have seen in the last four decades," he said. "If you take the time to see the kind of impact these zones have had downstate, it's obvious that this has great potential, not just for Marquette and Delta counties, but for the entire Upper Peninsula."

The Superior Trade Zone will include 16 communities in the U.P., including the cities of Marquette and Escanaba, as well as Delta and Marquette counties.

Rep. John Kivela (D-Marquette), who sponsored the House legislation paving the way for the U.P. NMDC, was at the MSF meeting in support.

Anastor said state funding isn't involved in setting these entities up.

Asked about what difference these NMDCs make for communities for cooperating on economic development, Anastor said, “It provides a structure for that collaboration, in a state-authorized statute.

“What this does, we have these strengths of assets in our region, and we're taking a formal action to bring our communities together to basically understand those assets and leverage them about how we can take advantage of opportunities,” he said.

The other NMDCs are either known as or situated in the I-69 International Trade Corridor (Flint-Port Huron region), Port Lansing, the Grand Traverse Area Region, Vantage Port (southeastern Michigan at Metro Detroit Airport) and the West Michigan Economic Partnership.

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