To our investors and partners:

As we close out another year here at the Lake Superior Community Partnership, it is a great opportunity to reflect on the many accomplishments that have been achieved.

“To stimulate and sustain a vibrant regional economy by facilitating economic growth and prosperity” remains our core mission and is accomplished in a variety of ways as you will see throughout this report.

The staff is extremely proud to have exceeded goals in client numbers and met 82% of our key performance indicators (KPIs). From a client perspective we served 306 clients, a 15.5% increase over 2012 and 5% above our 2013 goal. We appreciate those of you that use our services and refer others to us for assistance.

As we review economic indicators from 2008-2012, Marquette County is on the rise. Increases are reported in population, property tax revenue, median household income and home sales and prices. At the end of the day, successful economic development strategies increase wealth within your community.

A very special thank you to the LSCP Board of Directors under the leadership of Chairman Dennis Smith. Your leadership and commitment continues to drive our vision forward. And, to all our investors and partners in the region, your continued engagement and support creates the foundation necessary for economic success.

I am honored to serve as CEO of the Lake Superior Community Partnership and look forward to an exciting 2014.

Sincerely,

Amy speaking at Governor Snyder’s Healthcare Press Conference
Mission
To stimulate and sustain a vibrant regional economy by facilitating economic growth and prosperity.

Core Values

Leadership - the LSCP will continue to consistently lead economic development efforts across the region, leveraging its staff, resources and partners to spearhead major project efforts, secure collaborative support for key initiatives and deliver measurable value to its constituents.

Expertise - the LSCP will be regionally recognized and respected for its economic development expertise, its track record of delivering tangible results and its highly capable, credible staff.

Focus - the LSCP will maximize its positive impact on the region by remaining clearly and consistently focused on its core economic development mission, and by relentlessly pursuing its carefully crafted, publicly stated agenda.

Integrity - the LSCP will consistently earn the respect and trust of its clients, partners and

Highlights from 2013

- **JAN.** Hosted healthcare reform seminar along with partners VAST and Foster-Swift
- **MAR.** Cliffs Natural Resources and Chuck Bergdahl won Distinguished Service Awards at Annual Dinner
- **APR.** Visited 113 clients in the first quarter - an LSCP record and up 47 clients over the first quarter of
- **FEB.** Record attendance at Ambassador’s U.P. 200 Legislative
- **MAY** The Lake Superior Leadership Academy graduated its 15th class
- **JUN.** Launched new website and membership directory
- **JUL.** Achieved Economic Gardening Certification
- **AUG.** 40 Below Young Professionals hosted Governor Rick Snyder
- **SEP.** Launched Zoom Prospector commercial sites & properties web-based listings
- **OCT.** Set 2014 public policy agenda
- **NOV.** Attended Site Selectors summit in Chicago
- **DEC.** Business Development Department set a record of client visits
### Staff

- **DENNIS SMITH**
  - Board Chair

- **AMY CLICKNER**
  - CEO

- **BETSY MORAIS**
  - Director of Marketing & Communications

- **CARALEE SWANBERG**
  - Director of Business Development

- **SUE HELJISTE**
  - Controller

- **DEREK BUSH**
  - Business Development

- **DENISE ELIZONDO**
  - Business Development Liaison

- **TINA LAVALLEY**
  - Assistant to Events & Marketing

#### Board of Directors

- **DAN AMBERG**
  - Superior Extrusion

- **ROSS ANTHONY**
  - 40 Below Liaison

- **DAVID ARO**
  - Superior Rehabilitation

- **STEVE BALBIERZ**
  - Upper Peninsula Health Plan

- **TOM BALDINI**
  - Retired

- **ED BANOS**
  - Marquette General, A Duke LifePoint Hospital

- **JESSE BELL**
  - Bell Financial Services

- **CHUCK BERGDALH**
  - Bergdahl's, Inc.

- **STU BRADLEY**
  - Retired

- **ROXANNE DAUST**
  - Range Bank

- **JOE DEROCHA**
  - Humbolt Township

- **JIM DEROCHER**
  - Neguane Public Schools

- **TOM EDMARK**
  - Iron Range Agency

- **SAM ELDER**
  - Elder Agency

- **SCOTT ERBISCH**
  - Marquette County

- **MIKE FEDRIZZI**
  - Blue Cross Blue Shield of Michigan

- **BRETT FRENCH**
  - American Transmission Company

- **DON GLADWELL**
  - Charter Communication

- **GARY GORSALITZ**
  - JDB Consulting, PLLC

- **DAVID HAYNES**
  - Northern Michigan University

- **BRUCE HEIKKILA**
  - Marquette County

- **DALE HEMMILA**
  - Cliffs Natural Resources

- **ROBERT JAMROS**
  - WLUC-TV6

- **STEPHANIE JONES**
  - Select Realty

- **BRIAN KERRIGAN**
  - Michigan Regional Council of Carpenters

- **STEVE LAWRY**
  - Chocolay Township

- **STEVE LILLIE**
  - Upper Peninsula Power Company

- **SCOTT LYMAN**
  - Iron Range Agency

- **JOHN MARSHALL**
  - Retired

- **HUGH MILLER**
  - Upper Peninsula Medical Center

- **KEITH MOYLE**
  - Upper Peninsula Power Company

- **BRIAN NORMAN**
  - AT&T Michigan

- **RYAN NUMMELA**
  - Elder Agency

- **JEFF NYQUIST**
  - UP Home Health, Hospice, & Private Duty

- **RICK PETERSON**
  - Hampton Inn

- **AMY QUINN**
  - Great Lakes Center for Youth Development

- **JAMES REEVES**
  - Mining Journal

- **DON RYAN**
  - Marquette City Commissioner

- **TIM RYAN**
  - Wells Fargo

- **JESSE SCHRAMM**
  - Checker Transport

- **JOEL SCHULTZ**
  - Michigan Works!

- **DENNIS SMITH**
  - Upper Peninsula Health Plan

- **DEBORAH VEIHT**
  - MARESA

- **STEPHANIE ZADROGA-LANGLOIS**
  - ManPower

- **MICHAEL ZINIS**
  - New York Life Insurance Co.
2014 Budget

**Income**

- **Dues**: $230,550
- **Government Service Fees**: $66,235
- **Contracts**: $143,080
- **Fundraising & Services**: $77,010
- **Grants & Other**: $103,325

**Total Income**: $620,200

**Expense**

- **Staff**: $395,810
- **Operations**: $54,270
- **Programs**: $163,188

**Total Expense**: $613,268

**Net Income**: $6,932

Regional Wealth

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>Increase from ‘08 to ‘12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population</td>
<td>66,539</td>
<td>66,765</td>
<td>67,077</td>
<td>67,563</td>
<td>67,906</td>
<td>2.1%</td>
</tr>
<tr>
<td>Property Tax Revenue</td>
<td>$64,177,780</td>
<td>$66,412,661</td>
<td>$69,585,222</td>
<td>$73,000,000</td>
<td>$80,364,299</td>
<td>25%</td>
</tr>
<tr>
<td>Median Household Income</td>
<td>$43,599</td>
<td>$41,576</td>
<td>$44,239</td>
<td>$41,663</td>
<td>$45,149</td>
<td>3.6%</td>
</tr>
<tr>
<td>Per Capita Income</td>
<td>$31,357</td>
<td>$30,407</td>
<td>$31,433</td>
<td>$32,555</td>
<td>$34,141</td>
<td>8.9%</td>
</tr>
<tr>
<td>Median Home Sales</td>
<td>$152,400</td>
<td>$142,000</td>
<td>$152,000</td>
<td>$144,750</td>
<td>$164,950</td>
<td>8.2%</td>
</tr>
<tr>
<td>Number of Home Sales</td>
<td>242</td>
<td>241</td>
<td>287</td>
<td>258</td>
<td>286</td>
<td>18.2%</td>
</tr>
</tbody>
</table>
Business Development Success Stories

Dia de los Tacos
Grants
• MEDC Mobile Cuisine Start-Up Grant - $7,775
• Only recipient in the Upper Peninsula

“The LSCP has played an integral role in helping us get closer to realizing our dream of opening our own business, hire employees, and navigate the problems associated with licensing and tax paperwork (not our strong-suit!) We look forward to a continued relationship with this organization, and being a part of the community they so clearly are an aid to.”
-Mike and Teri Lynn Walker, Owners

CrossFit 906
Expansion
• Purchased property in Ishpeming in 2013
• Facility expansion to be completed mid 2014

“Since opening CrossFit 906 in 2010, LSCP has been at our side. We are pleased to announce that they are now helping us plan our 2nd expansion within our first 3 years of business. Thank you LSCP for your support every step of the way! We look forward to working with you for many, many years to come!”
-Jill and Shay Korpi, Owners/Trainers

Superior Rehabilitation & Professional Services
Job Creation
• Started in 2012 and expanded in 2013
• Added 10 new employees

“...at the LSCP who walked us through the process of everything from obtaining a federal ID number to showing us available space for rental...In large part due to assistance from the LSCP - Marquette has operating a business that pays taxes and employs more than 25 professional employees that live in Marquette and other nearby cities.”

American Airlines
Advocacy

“I consider them our “go to” team on the ground in Michigan. They have always been there for American/ American Eagle Airlines, on various initiatives important to our company. Always available, they have a strong commitment to getting the job done in an efficient, professional manner. American looks forward to working with the LSCP as we continue to grow and prosper in Marquette County”
-Dale E. Morris, Regional VP, Government Affair
The LSCP provides a full range of business development services that address the challenges and opportunities that businesses face in all stages of their development. The economic development team works collaboratively with public and private sector partners in assisting our business development clients. In 2013, LSCP economic development activities supported projects in all stages of development that represented:

- 10,639 jobs impacted
- 856 jobs projected
- 323 jobs retained

The LSCP provided assistance to **306** clients seeking economic development services. The following types of services were provided to these clients:

- 193 - General business development
- 165 - Retention of existing businesses
- 57 - Business financing
- 77 - Business plan development
- 34 - Site location services
- 30 - Marketing assistance

Here is a five-year look at what the LSCP Business Development Department has accomplished:

<table>
<thead>
<tr>
<th>Development Stage of Businesses Served</th>
<th>5 Year Total</th>
<th>2013</th>
<th>2012</th>
<th>2011</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retention/Expansion of Existing Services</td>
<td>35% of population - 69 clients</td>
<td>38%</td>
<td>56%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Start-Ups</td>
<td>46% of population - 161 clients</td>
<td>38%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Attraction/Prospects</td>
<td>19% of population - 44 clients</td>
<td>6%</td>
<td>35%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Distribution of Clients - 2013

- 32 non-region specific clients (including clients not located in a specific region)

The LSCP provides support and staff to the Economic Development Corporation (EDC) of the County of Marquette, who holds and administers a revolving loan fund to provide capital to businesses not served by traditional lending sources.

The EDC loan fund served **nine** clients in 2013 with over **$670,000** in loan proceeds, which supported over **132** jobs in Marquette County.
In June, the LSCP launched a new website. The site has expanded information for site selectors and additional tools for companies needing assistance. The blog and RSS feed are now combined on the homepage. In the upper left-hand corner is the new business directory which is managed through ChamberMaster, the new membership database used to keep track of all partners. The website also features the ability for partners to register for events and pay dues online. The new site has averaged 2,361 visitors per month, up from 2012.

Vision Magazine continues to showcase the best of the community through original features and photography. Sponsored by the LSCP in collaboration with the Mining Journal, the print publication is the community’s primary economic development marketing tool. The piece is distributed throughout Marquette County and also available on marquette.org. For the first time, the piece was also distributed throughout the state at every Welcome Center.

Business After Hours has remained a popular event for both attendees and hosts. Average attendance was over 100 people per event. The LSCP continues to host, on average, two per month. Business owners/managers see this as a great opportunity to get new customers and clients in the door while attendees get the chance to meet and network with business people representing many industries throughout the county.

Fall Fest is a great marketing tool for local businesses. They are able to get their information, products and services directly in front of thousands of NMU students within only a few hours. This past year nearly 100 businesses participated as well as many non-profits and student organizations.

**Investor Relations Numbers from 2013**

37 New Partners (up 12% from ‘12)
$14,845  New Partner Revenue (up 50% from ‘12)
91% Retention Rate
534 Total LSCP Partners*
76 Total LSCP on Tiered Dues Plan
Foundation

Career Day - Pathways to your Future: Northern Michigan University, Lake Superior Community Partnership and Marquette-Alger Regional Educational Service Agency partnered once again to host Career Day in which 600 high school students were invited to explore career choices. The event brought volunteers from businesses, government and community organizations to share information regarding job skills, training and a look at opportunities in their careers.

Electric Line Technician School: This program is a partnership between Northern Michigan University, the Midwest Skills Development Center and the Lake Superior Community Partnership Foundation. The nine month program trains students to install, maintain and operate electrical systems which supply electric energy to customers. Currently, over 76% of the program’s graduates are successfully employed.

Geometry in Construction: This program began at Ishpeming High School with a group of students who are co-taught by both a geometry and a construction teacher. In applying the construction and geometry concepts together, the class is able to grasp the subjects in a nontraditional way. This program will be piloted at other schools in the Upper Peninsula next school year. LSCPF granted $1,000 for use in the classroom and instructor training.

Lake Superior Leadership Academy: The LSLA graduated its 15th class in 2013. The program is a project of the LSCP Foundation and is a community leadership and professional development program geared toward educating emerging and potential leaders about the inner workings of Marquette County, while developing business networks and leadership skills.

A. Lindberg & Sons, Inc.  
Advanced Center for Orthopedics  
American Transmission Company  
AT&T  
Blue Cross Blue Shield of Michigan  
Champion  
Checker Bus  
Cliffs Natural Resources  
Eagle Mine  
Frei Chevrolet  
Holiday Stationstores  
Integrated Design  
Iron Range Agency  
J.M. Longyear, LLC  
Marquette Board of Light and Power  
Mining Journal  
Northern Michigan Bank  
Northern Michigan University  
Northern Tire  
Oasis Fuel  
Range Bank  
Semco  
TriMedia Environmental & Engineering  
U.P. Catholic Credit Union  
U.P. Health Plan  
U.P. Home Health, Hospice & Private Duty  
Upper Peninsula Power Company  
VAST  
Veridea Group  
We Energies
Ribbon Cuttings

The LSCP and Marquette County Ambassadors assisted with 34 ribbon cuttings in 2013.

40 Below

Lead by their board of directors, 40 Below continues to grow and evolve. Highlights from 2013 include a successful 2nd Annual Young Professionals Conference, hosting Governor Snyder at a roundtable meeting and once again sponsoring families in need during the holiday season. They continue to host networking events throughout the year.

Staff Community Involvement

40 Below Marquette County Young Professionals - board member, committee members, members
Blue Water Woman Awards - judges
Career and Technical Education Committee - board member
Evergreen Awards - selection committee
Iron Ore Industry Museum - treasurer
Ishpeming-Negaunee Rotary Club - member
Kiwanis Club of Marquette - member
Lake Superior Leadership Academy - current students, graduates
Marquette County Economic Club - board member, members
Marquette Symphony Orchestra - vice president
MI Top 50 Companies to Watch - judge
Northern Michigan University Student Leader Fellowship Program - mentor
TruNorth Credit Union - supervisory committee
Strategic Plan

The LSCP is beginning its third year working with our Strategic Plan. Below are the eight strategies we currently work off of on a daily basis:

1. Serve as the Region’s Most Proficient Organization for Economic Growth
2. Leverage the LSCP’s Business Network to Strengthen our Economic Development Efforts
4. Effectively Market the LSCP’s Unique and Measurable Value
5. Become a Model Financial Performer
6. Enable and Deliver Sustained Employee Excellence
7. Provide Valuable Partner/Client Services that Strengthen our Mission

Credentials

The LSCP strives to stay educated and informed. Below is a list of accreditations our staff members have and awards/designations we’ve worked to achieve:

Lake Superior Community Partnership
- Accredited Economic Development Organization (AEDO)
- Silver Medal Award in the High Performing Economic Development category for economic development
- Lead for Region 1 of the Collaborative Development Council

Staff
- International Economic Development Council - board member
- Certified Economic Developer
- Certified Global Business Professional
- Certified Fund Raising Manager
- Certified Economic Gardening Specialist
- Michigan Economic Development Association

Government Relations

- Adopted 2014 Policy Agenda
  - Support a regulatory climate that will help the region attract quality business, industry and jobs to the area and to retain/expand existing business and industry while balancing environmental stewardship
  - Support development and maintenance of infrastructure systems that encourage economic development
  - Advocate for changes necessary in P-20 education to prepare all students for careers of the future and to provide a skilled workforce to support the region’s employers
- Northern Michigan Chamber Alliance
- Marquette County Ambassadors
  - U.P. 200 Legislative Reception
  - Lansing Trip (24 meetings)
- Government Relations Task Force meets regularly
- Mackinac Policy Conference