



Northern Lakes
**ECONOMIC
ALLIANCE**

ECONOMIC PULSE

May 2025

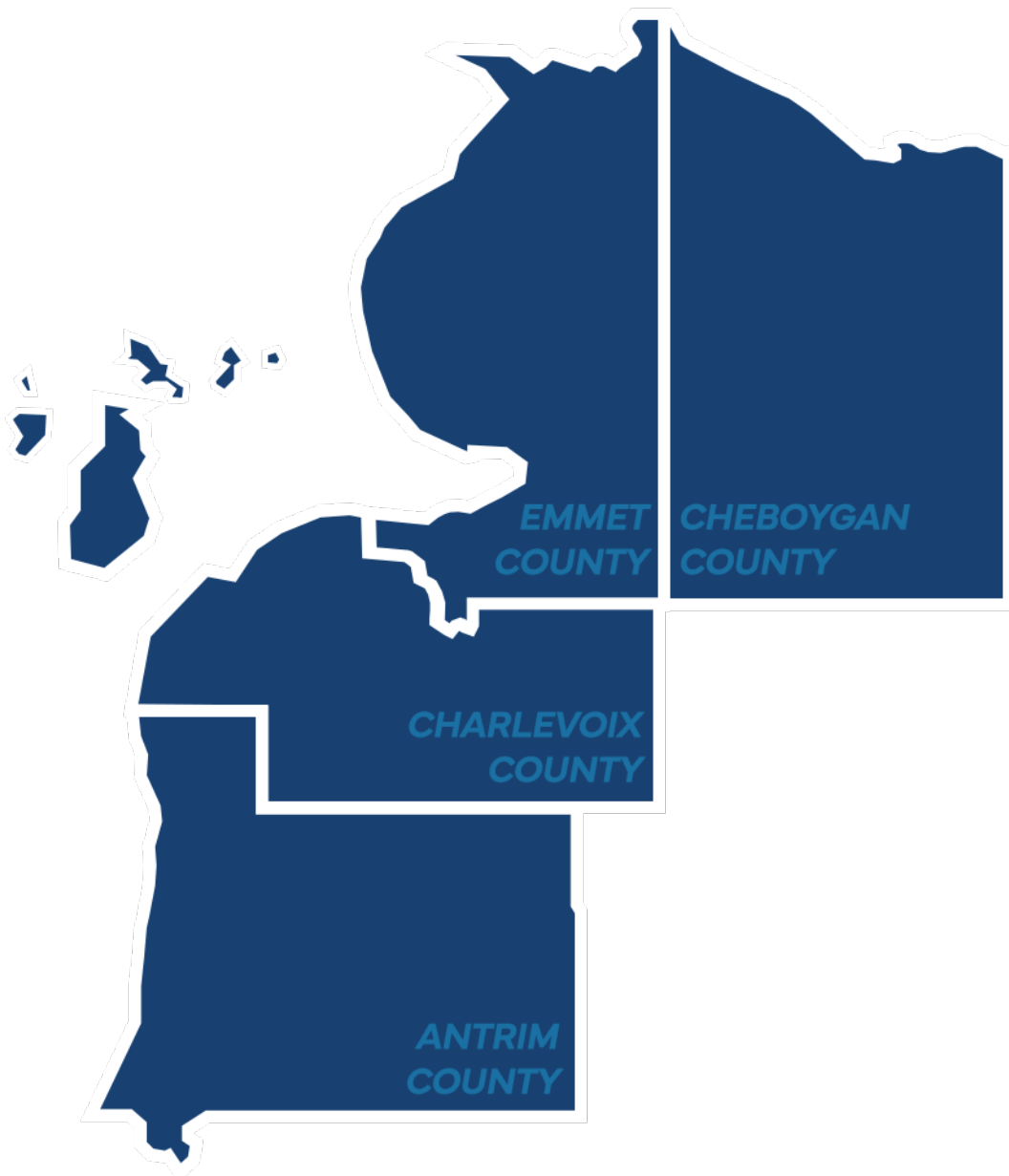
ABOUT NLEA

The Northern Lakes Economic Alliance (NLEA) is the lead economic development organization for the region of Antrim, Charlevoix, Cheboygan and Emmet counties.

Our mission is to drive economic resiliency in the NLEA region by ensuring the resources, infrastructure, and policies exist to fuel business growth and community prosperity.

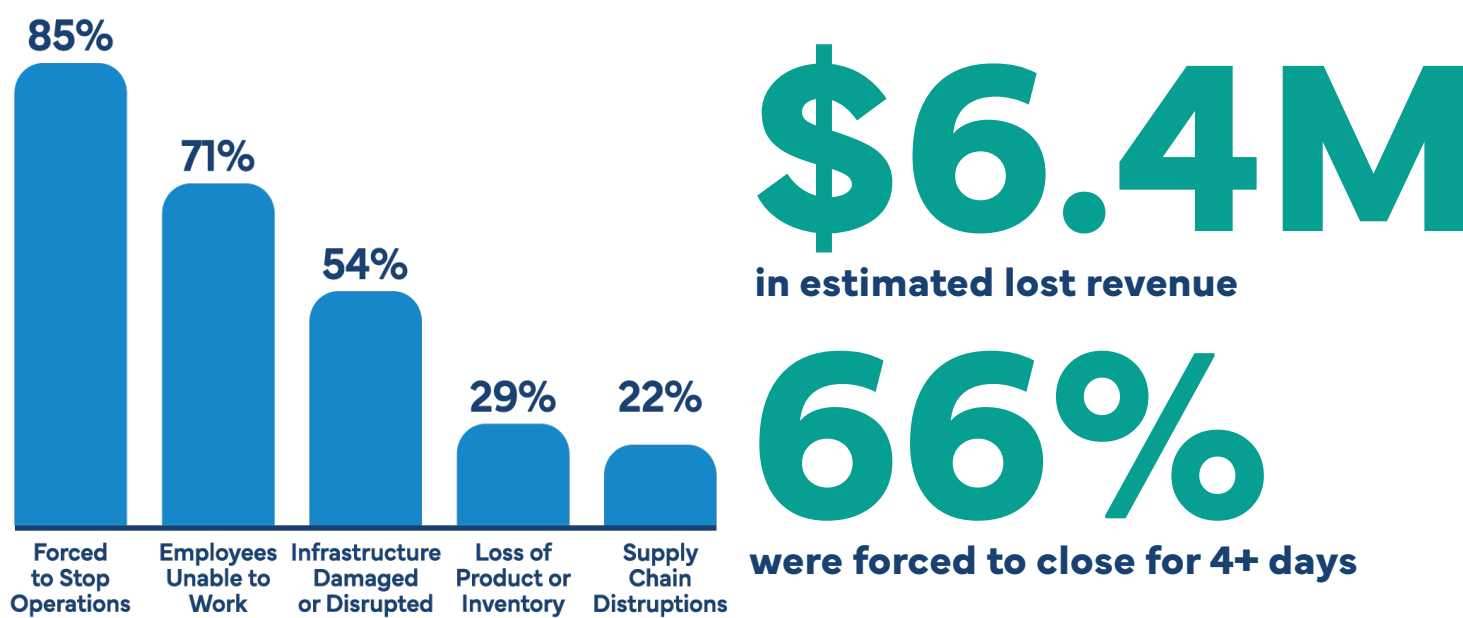
WHY ECONOMIC PULSE?

We believe data is essential for shaping effective strategies, policies, and investments that drive a stronger regional economy. This report provides a snapshot of the latest quarterly trends, including the impact of the recent ice storm, major business expansions, and the top economic issues currently on the minds of local community and business leaders.



MARCH 2025 STORM - BUSINESS IMPACT

In March, the region experienced severe storms that damaged homes and businesses and severely affected the power grid. To understand the impact on businesses, NLEA launched a survey in partnership with the Petoskey Regional Chamber of Commerce, Charlevoix Area Chamber of Commerce, Cheboygan Chamber of Commerce, and Harbor Springs Area Chamber of Commerce. With more than 225 responses from across the region, the results demonstrate the storm had wide reaching impacts from power outages to lost inventory for businesses. 99% of respondents experienced power outages. Respondents estimated \$6,429,984 in lost revenue which does not include the additional cost of repairs, cleanup, financial support to their employees, and more. Despite the damage, the survey highlighted the compassion and resilience displayed by businesses supporting their employees through additional pay, opening their doors as warming shelters to the community, donating equipment and food to emergency shelters and first responders, and looking after their neighbors.



".....we will not be able to make syrup for several years (3-5). Lost revenue is \$140,000 per year minimum..." – Maple Syrup Operation

"We were able to get most machines back online, but still, two weeks later, do not have all of our equipment operational, which continues to impact the business revenue." – Manufacturer

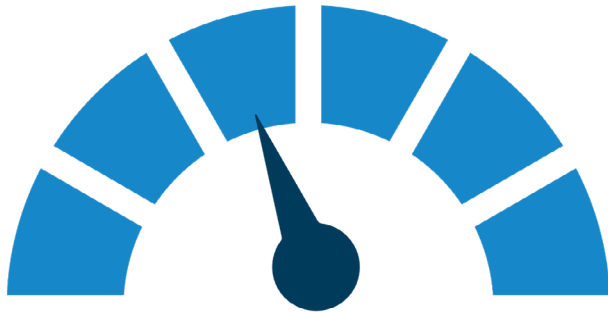
"I'll be taking out a loan—and likely picking up a second job—to help cover the financial fallout. This storm has devastated my business, disrupted the lives of my employees, and deeply impacted the communities we serve." – Cleaning Services Company



BUSINESS OUTLOOK

NLEA surveyed business leaders with operations in Antrim, Charlevoix, Cheboygan, and Emmet counties to understand their perception of the local business climate, barriers to success, and economic outlook. Responding businesses represent a multitude of industries and over 3,000 employees in the region.

Our Region is a Good Place to Grow Your Business.



42% of respondents agreed.

Our Region is Improving as a Place to Grow Your Business.

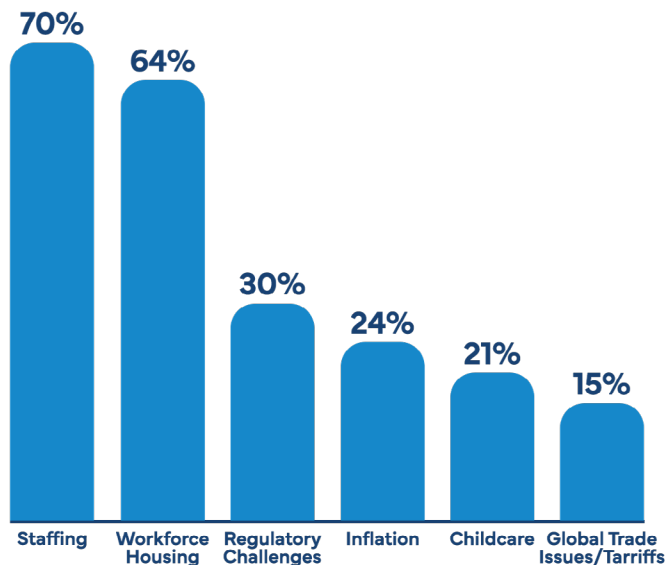


48% of respondents agreed.

42% of respondents were neutral on the first statement and 36% were neutral on the second statement above.

What are the Largest Barriers to Growing Your Business?

Survey respondents were able to select up to three barriers.



Looking forward, 55% of respondents hold a positive outlook for their industry and 85% reported stable or increasing sales. Additionally, 42% of respondents stated that they have plans for a physical expansion within Antrim, Charlevoix, Cheboygan, and/or Emmet counties in the next four years. The majority of those with expansion plans are in the Manufacturing sector. Businesses with expansion plans range from 5 to 350 employees with an average of 56.8 employees. Unsurprisingly, 92.9% of this group reported experiencing stable or increasing sales and generally held a positive outlook for their industry.

LOCAL GOVERNMENT OUTLOOK

NLEA surveyed elected and appointed leaders from local units of government across Antrim, Charlevoix, Cheboygan, and Emmet counties to understand their perception of the local business climate, what they consider barriers to success, and desired forms of development.

Your Community is a Good Place to Grow a Business.



48% of respondents agreed.

Your Community is Improving as a Place to Grow a Business.

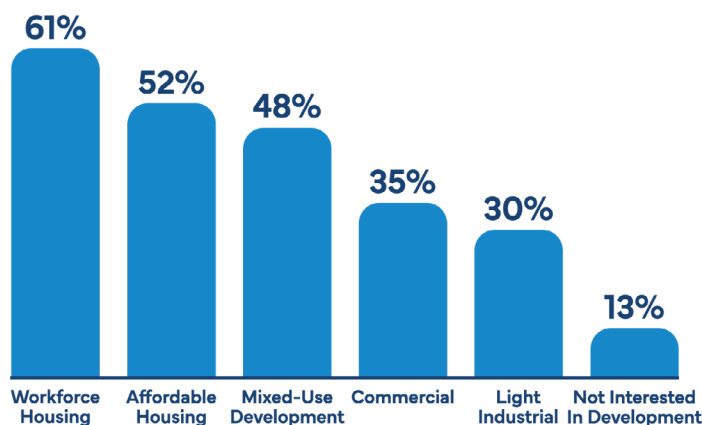


61% of respondents agreed.

43% of respondents were neutral on the first statement and 22% were neutral on the second statement.

Desired Types of Development in Your Community?

Survey respondents were able to select multiple types of development



Looking forward, the development most leaders are interested in seeing is Workforce Housing, defined as 80% to 120% of Area Median Income. Affordable Housing is defined as 80% of Area Median Income and below. The desire for additional housing development aligns with extremely low residential vacancy rates in the region.



EMPLOYMENT DATA



LABOR FORCE
53,618



EMPLOYMENT
48,605



UNEMPLOYMENT
5,013

Source: US Bureau of Labor Statistics:
Local Area Unemployment Statistics' Preliminary March Data

UNEMPLOYMENT RATE



ANTRIM
8.0%



CHARLEVOIX
6.6%



CHEBOYGAN
15.4%



EMMET
8.4%

Source: US Bureau of Labor Statistics:
Local Area Unemployment Statistics' Preliminary March Data

The prominence of the hospitality and tourism sector, which is more seasonal than other sectors, leads to greater seasonal unemployment fluctuations across the region. Each county typically reaches full employment in the summer months, which our region is fast approaching. The labor force in Antrim, Charlevoix, Cheboygan, and Emmet counties is expected to grow by approximately 1,500, 1,800, 1,000, and 2,000 individuals based on data from the Bureau of Labor Statistics.

The unemployment rate will again climb in the winter, being especially stark in Cheboygan County where the Retail Trade, and Accommodation and Food Services sectors make up 47% of the county's average annual employment according to 2023 data. As a result, Cheboygan County experiences the largest off-season unemployment rate and an annual local unemployment rate that tracks above state and national averages.

BUILDING PERMITS



ANTRIM
85



CHARLEVOIX
126



CHEBOYGAN
76



EMMET
240

Total Construction Permits Issued Jan 1 to Mar 31

Source: County Building Departments

*Data includes new construction, additions, alterations, and demolitions.

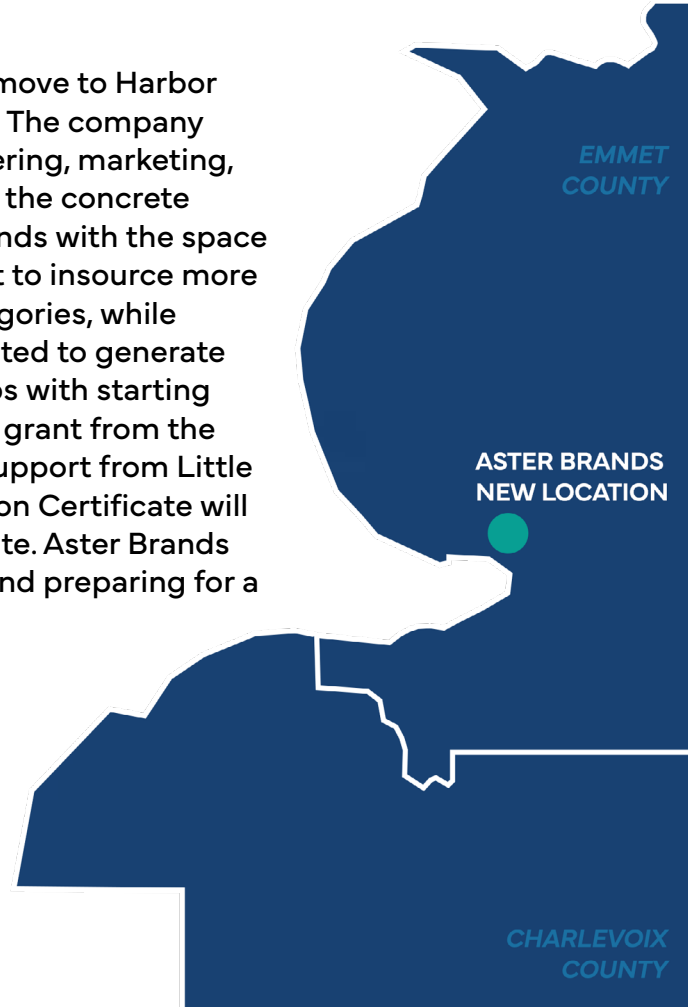


BUSINESS EXPANSION PROJECTS

Aster Brands

In February, Aster Brands announced their expansion and move to Harbor Springs after outgrowing their space in Charlevoix County. The company manufactures steel forming systems and provides engineering, marketing, and sales support as well as new product development for the concrete manufacturing industry. This project will provide Aster Brands with the space needed to continue investing in manufacturing equipment to insource more steel manufacturing and develop new, larger product categories, while maximizing operational efficiencies. The project is anticipated to generate more than \$7M in capital investment and create 15 new jobs with starting wages greater than the regional median wage. A \$750,000 grant from the Michigan Economic Development Corporation and local support from Little Traverse Township through an Industrial Facilities Exemption Certificate will help with the cost of renovation to the existing industrial site. Aster Brands is already making physical improvements to the building and preparing for a move from its existing sites. For more information, visit:

<https://www.asterbrands.com/knowledge-hub/aster-brands-moving-headquarters-to-harbor-springs/>



Precision Hardwoods

In February, Precision Hardwoods in Onaway announced a \$12 million investment to expand their facility and add new jobs. The company specializes in the production of high-quality locally sourced wood products and is adding 45,000 square feet to its sawmill building. This expansion is expected to generate nearly \$12M in capital investment and create 18 jobs paying above the regional median wage. "Right now, we're producing a little over 1.5 million board feet [of wood] and we're going to go to 7.5 million to 8 million board feet with the new facility," said Roger Nash of Precision Hardwoods. The project is leveraging a \$130,000 grant from the Michigan Economic Development Corporation and New Markets Tax Credits.



PRECISION HARDWOODS
EXPANSION





Northern Lakes **ECONOMIC ALLIANCE**

1313 Boyne Ave, Boyne City, MI 49712
231-582-6482 | info@thenlea.com | thenlea.com