

Ep.4 Tom Durkee and Deidra Mitchel_mixdown

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SPEAKERS

Announcer, Ed Clemente, Deidra Mitchell, Tom Durkee

A Announcer 00:01
Welcome to the Michigan Opportunity, an economic development podcast featuring candid conversations with business leaders across Michigan. You'll hear firsthand accounts from Michigan business leaders and innovators about how the state is driving job growth and business investment, supporting a thriving entrepreneurial ecosystem, building vibrant communities and helping to attract and retain one of the most diverse and significant workforces in the nation.

E Ed Clemente 00:28
Welcome to the Michigan opportunity brought to you by the Michigan Economic Development Corporation. Hello, my name is Ed Clemente. I'm the host today. This is a new one for us. We have two guests. And we're fortunate to have Tom Durkee. He's the business development manager with the MEDC. And, Tom, before I finished that, is there any additional title you want to add there before...

T Tom Durkee 00:51
Well it's not a title, but it's I'm a business development manager for the tribal business development program.

E Ed Clemente 00:58
And then the other person we have today is Deidra Mitchell, President and CEO of the Waséyabek. Still off I'm sure...development company LLC. And I'll let her say it properly.

D Deidra Mitchell 01:13
It's Waséyabek Development Company and we are a tribally owned economic diversification company.

E Ed Clemente 01:21
And you could even mention the band that's associated with you too.

D Deidra Mitchell 01:27
Yeah, we form businesses on behalf of the Nottawaseppi Huron Band of Potawatomi, whose reservation lands are located down near Battle Creek.

E Ed Clemente 01:38
Thank you very much. And just so people don't think I'm ignoring you Deidra but the first sort of questions are going to be geared more toward Tom. And the second half will be geared more towards you. But both of you're equally allowed to interrupt each other freely as we go through this process. And it's very conversational thing. But I think a lot of people, you know, one of the reasons I was really excited about doing this, because I don't know a lot now as a legislator who had to work sometimes with the tribes, and I didn't know that much about them. And I'm glad to have this opportunity to learn more, and behalf and hopefully a lot of people are going to learn a lot about what goes on more with you guys. So with that Tom, I wanted to kind of get directly and start with you about can you tell us what the MEDC Tribal Business Development Program is more or less.

T Tom Durkee 02:24
Yeah, sure. So the program was developed in late 2010. And it was part of the MEDC's effort to figure out a way to proactively connect with the tribes in Michigan; there are 12 federally recognized tribes in Michigan, five in the U.P. and remaining seven are the Lower Peninsula, mostly west of 127, if you will, so on the west side of the state, primarily the remaining seven. And it was a way for the MEDC to start to engage more proactively with tribes. And by proactively, that means we're reaching out to them. A big role, or part of

my job is to annually meet several times with the tribes or the representatives, someone such as Deidre. I'm either meeting with tribal leadership at the government governmental level, or at the economic development staff or organization level, and several times a year, try to meet with them. Last year, of course, with COVID, I wasn't able to get in the car and actually physically go and visit a lot of virtual meetings, but typically, and soon, I hope we'll be back on the road, meeting in person on tribal lands to discuss the efforts and projects that the tribes want to enact or engage and the MEDC established the program with a \$1 million annual fund to help in those efforts.

E

Ed Clemente 02:26

So can you get a little specific about some of the programs like you and the MDC have been doing?

T

Tom Durkee 04:00

Yeah, sure. So with that million dollar annual fund that we have, we try to touch as many projects as we can, in a typical year we're doing or affecting probably anywhere from four to seven projects, or four to seven tribes, with projects that they want to move forward. A lot of times our funds are put in place as a kind of a support and not the lead. I guess we're not the biggest amount of money. Typically that does come from the tribes or other partners or investors that they they have. And so that's that's primarily what what we do with that, if you're looking for examples, I'm not sure if that's what you meant.

E

Ed Clemente 04:44

Sure sure, give us one or two if you'd like... And Diedra is going to give some more, I know.

T

Tom Durkee 04:48

Sure. So in the recent, some of the more recent years, we've done up, we cover a whole gamut of types of products. On one level, we're helping with studies that might help tribes start to sort out the kinds of things they want to do. And that the other end of the spectrum, we're actually putting funds into place to help buy equipment, or move a construction project forward or redevelopment project forward. A couple examples. Most recently, we assisted a tribe with the Fitz contracting manufacturer that they operate. We helped them buy some equipment and add some space so they could expand. We've done several redevelopment downtown projects, one in the U.P. that took a former vacant cafe in Sault Sainte Marie and they converted that into a business center, which now houses several companies and he actually has some shared space like conference rooms,

and some other amenities almost like an incubator, business incubator, if you will. We helped, we helped construct and put in place a farmers market in the U.P. as well, in an area that was what most often is referred to as a food desert. There's not a lot of food or grocery options in that area. And we help construct a they help obviously with with funds from the tribe, to construct a three season ruffed structure that has electrical water on site restrooms, all the amenities you'd want to have for a growing business. So that when customers, and people come in to visit that farmers market it's a very good experience; their previous farmers market was a tent on a parking lot and they were sharing that space with a boat landing. So it was not a real, not a real convenient way to operate. So those are the kinds of things you'd like to do is to kind of raise the level of activity and commerce that's happening.

E

Ed Clemente 06:58

And yeah, yeah, go ahead Deidra.

D

Deidra Mitchell 07:00

I think an important piece of what Tom does also is he's so knowledgeable about all the tribes, he really does act like you're between the two tribes, and we're trying to do stuff and he just has so much of the history and what their interests are, and that kind of stuff that he's one of my first calls when I want to know who I need to talk to, or is this a good thing or a bad thing? So I think that's another really valuable service that they offer.

T

Tom Durkee 07:24

Yeah, thanks Diedra, cuz that that is something... So besides the money, and a lot of times when when the state is involved with funding programs, a lot of people see it as just the funds that are on the table, if you will. But I do see the job that I have and that the MEDC serves is to be that resource that Deidra just mentioned that, you know, who do we need to be involved with this? Who should we connect you with? What's a good time to talk? Who else should we have table? That kind of thing? And that's part of what I do as well.

E

Ed Clemente 07:51

So let me ask Deidra a question, but so your organization, if someone were to ask you quickly, like, what do you tell people you do? I know I'm familiar, because we're all inside baseball people here. But what would you tell somebody who didn't know anything about what you did?

D

Deidra Mitchell 08:09

Well, it's kind of funny, because my parents, they still keep getting what do you do, really? But my elevator speeches really, that we buy and develop companies on behalf of the Nottawaseppi tribe, not having to do a gaming and the mission of that, because tribes are sovereign, and they're kind of their own nation unto themselves, the proceeds from our business operations go to towards nation building and we want to also provide career development opportunities for tribal members.

E

Ed Clemente 08:43

Could you deep dive a little bit more? What is the word sovereign sort of mean, I know that, for most people, you know, there's a definition in the dictionary, but for you, I'm sure it's maybe a little bit more impactful.

D

Deidra Mitchell 08:56

Yeah, I think a good way to think of it is they're an individual nation within the United States. So when you think of a tribe, they're responsible for supporting their own government structure, their own Fire and Police Services, their own health services, their own judicial services. So they are kind of a independent nation operating within the United States.

E

Ed Clemente 09:21

Yeah, cuz I think a lot of people sort of hear about, but they don't really know that much. And it's nice to hear it directly. So, you know, you sort of touched on this a little bit when you're when when you amplify some of the things Tom was saying, but so how does tribally own businesses, what is the economic impact for like Michigan or to the Michigan economy?

D

Deidra Mitchell 09:43

Yeah, that that's actually one of the projects that we worked on with MEDC and Tom and I work together is in 2020, we pooled nine of the 12 federally recognized tribes in Michigan that nine want to participate and we did a non gaming, tribal economic impact study for the state of Michigan. And the results of that were that the tribes have about a \$289 million economic impact on the state of Michigan. They supply over 1500 jobs, that average wage is about 45,000 a year. And they they operated in 11 different sectors, so pretty broad impacts.

T

Tom Durkee 10:31

And I want to reiterate, or stress, but Deidra mentioned earlier about the non gaming aspect of the economic development activities that they're doing at Waséyabek; that is also MEDCs focus with the tribal Business Development Program. All the projects and activity that we're doing at MEDC are the non gaming aspects of the tribes. And she also mentioned all the services, governmental and other services that the tribes provide. It's important to note that tribes generally exist in very rural areas of our state. And oftentimes, they are one of the top if not the top employer in those regions, because of all those governmental things like schools, health services, you know, on top of the casinos, and hotels and restaurants that they operate, but oftentimes, if you were to gauge a region, and top employers, tribes in those regions will often be at the top of that list.

E

Ed Clemente 11:32

So kind of bridging off of that. But Deidra, do you... I know, you probably have a mission like any other organization and sort of a overview of what your sort of portfolio is, but is there something you want to break down for us just to kind of break down a little bit more granular?

D

Deidra Mitchell 11:49

Yeah, I think it's important to note that different things to each different department. For us we defined it as anything not having to do with gaming or hospitality, because we really wanted it to be something that could help sustain revenue in case the gaming revenue was impacted. And that seemed like a very far fetched idea until COVID happened last year. Wow, this is really real. So our mission, then, like I said, iss to buy and developed companies outside of that realm. So we have manufacturing companies, we have a business consulting companies, we have a real estate portfolio, and our portfolio is divided into real estate, commercial operating businesses and then we have, I think, eight businesses now that offer goods and services to the United States government so they're our federal contracting arm.

A

Announcer 12:45

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E

Ed Clemente 13:02

You have to interact with a lot of different agencies because you're sort of the sovereign nation within the nation. I would imagine the federal government has a lot of say on both your aspects of how you guys do things, I presume...

T

Tom Durkee 13:14

Maybe I'll pick that up first because I know that partnering with other agencies, I mean, the MEDC doesn't do this alone, Waséyabek doesn't do this alone- I'm sure Deirdra would agree. But agree. Oftentimes, you're partnering with state or federal agencies, as an example, Deidra was talking about the federal contracting opportunities. That's a program to the federal government SBA 8A program that Waséyabek has now been certified into. And there's a few tribes that have and that's part of the growth of the tribal business realm that we've been working with 10 years ago, when we first started, there were no 8A certified tribal entities. And now I think we're up to three, which doesn't sound like a big number, but it's moving in the right direction. And there's actually a couple that are going to be probably coming up board over the next one to two years.

E

Ed Clemente 14:03

Anything else you want to add to that Deidra about, like working with county governments or any other issues or federal?

D

Deidra Mitchell 14:10

Yeah, you know, I know the tribe has several contracts with the state and they have agreements to help provide services with the reservation, there are a whole plethora of inter agency cooperation that benefits both sides of that coin. And then as Tom mentioned, you're part of the Small Business administration's 8A program and there are kind of a whole host of requirements there. And I think one of the most important is we talked about sovereignty earlier. When you do business with the federal government, as a tribe, you have to agree to partially waive that sovereignty so that you can you can work out any issues that may arise in a state or federal court. And that's kind of one of the that the items that tribes have to encounter when they're doing business. So there's just kind of all these different nuances to be in your tribe and and doing business and being in a sovereign nation.

E

Ed Clemente 15:07

Well, yeah, I would imagine sometimes that's probably a lot of bureaucracy to get to deal

with, just like everybody else. I'm sure it doesn't move smoothly. You know, I, you probably highlighted on this Tom, but I think what you know, Deidra is saying too, is, it sounds like they're fulfilling the strategic plan of the MEDC, somewhat. And I think she's a good example of quite a few things she just said but is there anything else you want to add about strategic plan for the state?

T

Tom Durkee 15:34

Yeah, I mean, I mean, one of the there's a several key components to MEDC strategic plan, one that comes to mind is the equitable distribution of opportunities for so that all citizens of the state can seize on those opportunities have those options available. And by having the MEDCs tribal business program, it does open up some doorways and some pathways for very rural communities to access some of those opportunities. And the tribes, there's been some trends recently - when you first started off 10 years ago, what we saw were relatively what I consider smaller type projects, under a million dollars total investment, for instance, and not as many jobs. As times gone on, and Deidra's well aware of this, that the amount of investment taking place on these projects has increased by a vast number, the largest project that MEDC participated in, up near taski is a 20 plus million dollar investment for a complete several square blocks, if you will, the former casino converted into a business center complex. I don't think it's fully completed yet, because that takes a long time to put that much on the ground. But definitely, they've got some footprints on that site in the commercial realm. And those are the kind of projects that we've seen happening more and more, I'm starting to see more projects that are the multimillion dollar investment, and create great paying jobs, many employees being added, versus where we started. So I love where this is going. I like to see this trend continuing, Waséyabek's been a big part of that, too.

E

Ed Clemente 17:15

Don't get mad me. But I only got a couple questions left in timewise. But okay, I asked one for both of you at the end. But right now, what is Deidra a little bit about like, how do tribal businesses differ from say that I use air quotes you can see, but for like regular economic companies in Michiga.

D

Deidra Mitchell 17:34

Yeah, I think there's some important differences. One is we've become really important when we're looking at making acquisitions to those companies who are concerned about their employees and want the business to stay in the area and to grow, they don't want an outsider buying the company, and they're moving it out of the state of Michigan. So since

we are tribes, and these are, you know, ancestral lands, and we are here for the long haul. And I don't know if everybody knows this, but tribes practice is seven generation thinking. And so we are buying companies to hold grow and develop over seven generations. So that makes us really important community partners, stable community partners, Tom mentioned, you know, capital deploy to deploy, since we just since we started building our portfolio in 2017. We alone have deploy \$40 million in capital, and I know there are several tribes, you know, come to in that category. So you can start to see the impact in the way that we are stable, build business partners, and we when we move into a community with a business, we are interested in growing that community and being good partners, because we're going to be together for the next seven generations.

E

Ed Clemente 18:49

Yeah, that's a that'ser use 20 years, that's 140 years - Right.? So it's quite a long time. Hopefully I'll be around for that. The the last couple of questions and this one's more of a competitive thing for you Deidra, but I see you do a podcast too.

D

Deidra Mitchell 19:09

I do, it is called Tribal Talks, and it is really an attempt to bring really kind of meaty, substantial substantive information about tribal economic development. There's a lot of really good organizations out there and the FOA, rez a couple of them but then they have big conferences, but they really with that many people have a hard time getting too detailed and and kind of meaty topics on how to go about building a tribal economic development and diversification strategy. So that's what we focus on everything from governance, to legal structure to how to start if you don't have a lot of revenue, how to assess what resources you have, whether they be personnel or financial resources or natural resources, you know, suggestions on how to grow and scale... So that's what we're attempting to do there.

E

Ed Clemente 20:08

Can they find that through your website?

D

Deidra Mitchell 20:11

Yes there's a link on our website. And that is www.waseyabek.com



Ed Clemente 20:20

Just the way it sounds Yeah, just the way it's on the the last question for both of you, and you can narrow it down. But what do you like living, you know, in Michigan? What do you like best about it? I'll start with you, Tom. If you have a certain destination, or just what you'd like in general about living in Michigan?



Tom Durkee 20:36

Well I'm a transplant from northern Wisconsin. And so coming to another Great Lakes State was an easy move for me, if you will. So I guess when I think about you know what I like about Michigan. The number one is the Great Lakes access. And my parents grew up in the U.P., I spent a lot of summers and winters there. Yes, the winters as well. I love the snow. I grew up in the snow. And so I do like everything that Michigan has to offer. It's just like I grew up.



Ed Clemente 21:07

Deidra, I know you're not exactly you're not from Michigan originally either, are you?



Deidra Mitchell 21:12

No I was born and raised in Ohio and when I graduated from college, I started traveling. So I've lived all over the United States. I've lived in Alaska, I've lived in Guam, I've lived all over the Pacific Rim. And up to this point, I would have said the Pacific Northwest was my favorite place. But I have to tell you that I really like Grand Rapids, I just think it's a great town. It's it's accessible. It has a lot of culture, a lot of events. And I've lived here now for about four years and I just really can't say enough good about it.



Ed Clemente 21:46

Well, Pure Michigan will appreciate both your comments. And with that, again, I want to thank both my guests, both Tom and Deidra and we will hopefully talk to you guys in the future. But thanks for taking time out of your busy schedules to be with us here today.



Tom Durkee 22:03

Thank you



Deidra Mitchell 22:04

Yeah, thanks, Ed, I appreciate it.



Announcer 22:07

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