

*Building the
Community
through
Partnerships*



Cornerstone Alliance

CELEBRATING

20
years

All of the success we have enjoyed over the years would not have been possible without the support and generosity of our investors.

Our sincere thanks!

How did Cornerstone Alliance begin?

>>>In adjusting to the global marketplace in the mid-eighties, Clark Equipment Company, Auto Specialties Manufacturing Company, Michigan Standard Alloys, Whirlpool Corporation, VM Corporation, and other local employers consolidated and down-sized, resulting in the loss of thousands of jobs in the community. Once the county's industrial power hub, Benton Harbor was hard hit by the jobs lost, suffering above average unemployment, decreasing tax rolls, dilapidated housing, and increasing social problems. The city's aging infrastructure—sewer and water, roads and streets—were soon in need of repair, improvement, or replacement.

>>>Recognizing municipal interdependence, business and government leaders took action in 1987 to put the cities of Benton Harbor and St. Joseph; Benton, St. Joseph, and Lincoln Charter Townships; and Royalton Township on a path to revitalization and growth. Working through the Twin Cities Area Chamber of Commerce, they created the Community Economic Development Corporation (CEDC), a non-profit organization to generate economic growth and promote civic development in the community, with emphasis on Benton Harbor.

>>>Based on a consultant-prepared plan, Whirlpool Corporation and 200 area businesses, municipalities, and organizations banded together to create the funding needed to create change in the community. The CEDC addressed a comprehensive program centered around five areas: Industrial Park System, Recreational and Waterfront Development, Infrastructure Improvements, Bellview Neighborhood, and Existing Business & Retention and Expansion.

>>>On July 19, 1991, the CEDC and Twin Cities Area Chamber of Commerce merged into one organization—Cornerstone Alliance—uniting into a single, more versatile and efficient economic and community development organization. Since that time, Cornertone Chamber of Commerce has become an independent organization that is an affiliate of Cornerstone Alliance. Today, Cornerstone Alliance and Chamber of Commerce boasts over 700 members and investors.

The Various Locations of the Organization



777 Building



The Vincent Place

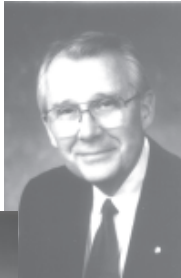


Benton Harbor State Bank

A special thanks to the Chairmen who have led the organization over the years:



Merlin Hanson
(1989-1993)



Dan Smith
(1996-1999)



James Tomczyk
(2002-Current)



Richard Schanze
(1993-1996)



Bill Marohn
(1999-2002)

Staff Executives since the formation of the Organization:



Mike Lawson



Duane O'Neill



D. Jeffrey Noel



Wendy Dant Chesser

The First Five Years

Accomplishments 1989 – 1993

>>>Infrastructure

- Funded, matched funding, and/or obtained government grants for repaving Crystal Avenue, reconstructing Palladium Drive, improving the Paw Paw Avenue bridge and the North of Main Industrial Park, reconstructing sewers and water service on Britain, Empire, and Riverview in Benton Harbor.

>>>Existing Business Support

- Coordinated resources to finance the purchase and rehabilitation of a facility to retain Heath Company, saving 200 jobs in the community.



Groundbreaking for Dawson Manufacturing.

>>>New Businesses/Jobs/Investments

- Established Cornerstone Industrial Park, with total capacity of 500,000 sq. ft. of manufacturing space.
- Attracted Dawson Manufacturing and Atlantic Automotive to Cornerstone Industrial Park, creating 120 jobs.
- Established Elisha Gray Enterprise Park for Commerce and Technology. First tenant, Whirlpool, added \$1

million to property value in Benton Harbor and \$1 million to Benton Charter Township.

>>>Community Involvement

- Promoted racial harmony through workshops; distributed 5,000 cards on raising prejudice-free children & sponsored recreational events for 300 junior high students from across the county.
- Helped fund Benton Harbor Street Ministry for alcohol, drug abuse, and other counseling.
- Provided funding for emergency supplies for homeless, fire victims, physically challenged, disabled, and victims of child abuse through National Rights to Care program.

>>>Housing

- Organized Friendship Paint Blitzes, 700 people contributed 3,000+ hours to paint homes and clean vacant lots.
- Secured \$500,000 from HUD to help first-time buyers finance/renovate homes.
- Cleared title on 88 parcels of Benton Harbor-owned, tax-reverted properties.
- Provided down payment help to 17 families to break the rental cycle and become homeowners.

The Next Five Years

Accomplishments 1994 – 1998

Cornerstone Alliance's major strategic initiatives included: improved government relations as seen by the Renaissance Zone designation, The Edgewater Operating Agreement, funding for multi-governmental applications for Brownfield Strategies, cross-governmental support for grants, and the adoption of the Corridor for Development Initiative.

Cornerstone also moved from being a grant-driven community activist organization to an investor-driven entity focusing on physical redevelopment and business-education partnerships, with the inception of the Community Partnership for Lifelong Learning—over 7,500 students participated in CPLL programming in this timeframe.

Cornerstone Alliance and its community partners created 1,890 jobs, increased the community tax base by over 33%, and 2,100 more individuals were working in its service area compared to the previous five years.



Corridor for Redevelopment Map.

>>>Physical Redevelopment

- Renaissance Zone designated.
- Edgewater Redevelopment Plan established.
- Brownfield Redevelopment Strategy—\$498,000 grant resulted.
- Corridor for Development Strategy established.
- Foreign Trade Zone approved, 1997.
- Nationally acclaimed W.E. Upjohn Institute Benchmarking Study.
- New businesses attracted to and existing

businesses expanded in the community: Heathkit, DT Peer, Atlantic Automotive and Dawson Manufacturing (located into Cornerstone Industrial Park), Tobian Metals, U.S. Tissue, Preferred Manufacturing, and Target anchored the redevelopment of the Fairplain Plaza.

- Elisha Gray II Enterprise Park was dedicated, and WAVE (a joint venture of Worthington Steel and Armstrong World Industries) and Nuway Paper located in the park.
- Mall Drive extended to connect M-139 to Pipestone.
- House of David Cold Storage facility demolished; Social Security building constructed.
- Grant funding procured for the Southwest Michigan Regional Airport for physical development projects; loan for acquisition and development of hanger space; commercial marketing initiative.
- Northside Business Association formed.

The Next Five Years

Accomplishments 1994 – 1998

>>>Increasing Individual Opportunity

- Cornerstone Alliance Small Business Assistance and Development program assisted companies like JA Foodservice, Marché Fashions, Roosevelt Weekly of C&R Trucking, the Grand Bazaar, and Watson's Grocery.
- Funding for the DropStop Mentoring Partnership.



Herbert and Audre Mendel strong supporters of the Community Renewal through the Arts Initiative.

>>>Community Renewal Through the Arts

- \$1,534,000 Cornerstone investment in arts-related redevelopment.
- Cornerstone Alliance renovated former Benton Harbor State Bank building for its offices—\$350,000 investment.

>>>Business-Education Partnerships

- On Location funding procured from the St. Joseph/Benton Harbor Rotary and expansion funding from the Berrien Community Foundation.
- AT&T mini grant program with Benton Harbor Area Schools.
- INROADS business-education partnerships.

Please note

Unlike most economic development organizations, Cornerstone Alliance does not record all projects for which we have assisted, only those that otherwise would not have occurred without Cornerstone. The accomplishments shared on these pages are simply a sampling of the numerous achievements of the organization.

It is not an all inclusive list.

The Next Five Years

Accomplishments 1999 – 2003

Cornerstone Alliance embarked on an ambitious visioning process to market the southwest Michigan region, launching a community brand: Michigan's *Great Southwest...into the business of life.*

>>>Physical Redevelopment

- Critical Investments in Edgewater (State's 8th most contaminated site).
 - \$80 million in private investments.
 - \$41 million in grant funds.
- Completion of over \$18.3 million in build-to-suit investments.
- Completion of over \$6.5 million of brownfield work on Graham Avenue.
- Completed re-location of Ox Creek, \$22 million Atlantic Automotive Project.
- Launch of Edgewater Dunes, over 100 single-family housing development.
- Co-developer of Woodridge Place, 104 single-family subdivision.
- Acquisition of 66 parcels, demolition of 1.2 million sq. ft. of condemned buildings.
- Over \$8.0 million of building renovation including: Fidelity Building, Integrity Design, and Hunt Studio.
- Over \$1.5 million in downtown St. Joseph retail projects.

>>>Increasing Individual Opportunity

- Assisted 75 small business start-ups in securing over \$4.5 million in funding.
- Created & retained 1,758 jobs.
- Provided process to generate \$2.6 million in minority contracts on Cornerstone led projects.
- Over 3,700 students, 927 teachers, 149 businesses have participated in On Location.
- Over 5.2 million Career Pages distributed.
- Over 1,000 students in American Youth Foundation, HOSTS, and leadership programs.
- Over 15,000 participants in education training and seminar programs.

>>>Leadership/Community Development

- Examples of funding support provided to various projects: Benton Harbor Children's Art Fair, Liberty Preservation Program, Scholarships for Citadel Students, All Benton Harbor Clean-up, Parking for Ideal Place, Brownfield Authority Training, National Conference for Black Mayors Attendees, training for Neighborhood Block Clubs, Grassroot Leadership Training at HUD, Small Business & Grass Root E.D. Training, and Ox Creek Clean-up.
- Examples of awards received by Cornerstone Alliance: EPA Brownfield Demonstration, Governors Top Economic Developer 1996-2000, HOSTS National Partnership Award, Governors Award for Education Excellence, Governors Top Advocate for Small Business, and States highest per capita Renaissance Zone investment.

The Next Five Years

Accomplishments 2003 – Present

>>>Job Creation & Retention

- Over 725 jobs were created or retained thanks to the efforts of Cornerstone Alliance. Some of the projects include: Atlantic Automotive expansion, Kipp Industries, Powell Relocation, Kohl's Department store, Pero Vegetables, Ace Metals, Edgewater Automation as well as others.
- First Choice program launched to assist area companies in recruiting their first choice candidates. Thousands of candidates have been served by the program. The program provides an average of 365 tours per year including group tours with an average of 22 groups and 136 people per year.
- Assisted Whirlpool Corporation through its acquisition of Maytag including providing First Choice and Dual Career services to many of the candidates.



The former Kay Building.

>>>Physical Redevelopment

- Renovation of the Kay Building along Main Street Benton Harbor to house a division of Whirlpool Corporation.
- Completion of the renovation of the Fidelity Building for senior living. Cornerstone Alliance funding and manpower provided to the project.
- Launching of the Harbor Town project which will create market rate homes in the downtown area of Benton Harbor. First new road in 25 years.
- Benton Harbor Arts District projects include

renovation of the Hinkley Building, renovation of the Sun Building and infrastructure improvement project.

- Continued redevelopment of the Edgewater Area including housing and office development as well as infrastructure improvements.
- Redevelopment of the City of Benton Harbor through providing funding and assistance to the following projects: renovation of the Kay Building for Whirlpool Corporation, Hinkley Building, Fidelity Building, Stokes/Raglon Main Street apartment, Michigan Works Building, Integrity Design Building, Richard Hunt Studio, Trade Line Building, LeBeau Building, Salvation Army Thrift Store as well as others.
- Community received a \$16.1 million federal HOPE VI grant as well as funding from the Michigan State Housing Development Authority which will result in over 300 new homes in the city of Benton Harbor.

>>>Waterfront Development

- Partner in plans to develop Whirlpool Field and the Bluffside area in the city of St. Joseph.
- Partner in the proposed Harbor Shores Redevelopment Project. The proposed project is 530 acres in three communities and includes a public Jack Nicklaus signature golf course.

The Next Five Years

Accomplishments 2003 – Present



The opening of the Women's Business Center.

>>>Financial and Small Business Services

- Launching and operation of the Women's Business Center at Cornerstone Alliance. The program is designed to service Berrien, Cass & Van Buren counties. The WBC at Cornerstone Alliance provides women and others with opportunities to develop the skills and acquire the knowledge needed to achieve financial independence.

- Facade Improvement program launched

to enhance the downtown area of Benton Harbor.

- Special events conducted for area entrepreneurs included: Benton Harbor Business Symposium, SBA Workshop on Government Contracting, and a Business Opportunity Forum with the Michigan Economic Development Corporation.
- Technical Assistance was provided to over 1,200 entrepreneurs.
- Development funds were launched in Benton Harbor, St. Joseph, Stevensville, and Coloma. Small Business Services administered and serviced four Community Development Loan Funds consisting of 22 individual loans valued at over \$650,000. Each loan is instrumental in business retention and physical development in the respective communities.
- SCORE counselors assisted southwest Michigan entrepreneurs by providing counseling and training seminars. Small Business Services provides staff and facilities support for SCORE.

>>>Cornerstone Chamber of Commerce

- An average of 617 members annually attend the Chamber picnic.
- The Fall Trade Fair draws an average of 90 exhibitors and 1,400 attendees.
- An average of 16 Business After Hours events are held each year with an average of 3,000 attendees per year.
- An average of 13 Ribbon Cuttings and Groundbreaking Ceremonies are held each year.
- An average of 133 detailed calls are made on existing business each year.

>>>Leadership/Community Development

- Active Stewards of Michigan's Great Southwest and Chairman's Advisory Council groups.
- Annual Coming Home Coming Together Concert held in the City Center area of downtown Benton Harbor.
- The Annual Reception and Salute to Business Awards averages 760 in attendance each year.

Major Projects

Following is a sampling of some of the major projects that Cornerstone Alliance has been involved in over its years as an organization.



The Edgewater Project

<<<Before. One of the most contaminated sites in the state. >>>After. Ten-year complete development strategy overseen by Cornerstone. Funding to date: \$17.2 million from MDOT; \$13.7 million from MDEQ; \$6.6 million for M-TECSM at Lake Michigan College; \$1.9 EDA; \$2.4 HUD BEDI; \$6.5 million MEDC; Over \$80 million in private investments.



Atlantic Automotive Components Ox Creek Plant

<<<Before. Numerous vacant and deteriorating facilities occupied this prime industrial space. >>>After. Acquisition of 28 parcels of property. Permit approval and funding of demolition of 300,000 sq. ft. of condemned building space. Renovation of two existing businesses, agreements to remodel and provide exterior to 100,000 sq. ft. of building. Obtained permits for and funding of relocation of Ox Creek for location of property. Submission for and funding of \$2.8 million grant for remediation of highly contaminated Brownfield site. Submission of and approval for baseline environmental assessment. Design and construction of 77,000 sq. ft. building.