Board:	Economic Development Corporation
Agenda Date:	August 11, 2026
Presenter:	Patricia West

Staff Report

Agenda Item Title:

EDC Purpose & Future Direction

Background:

The Economic Development Corporation of the City of Gladstone (EDC) is a public corporation established pursuant to Michigan Public Act 338 of 1974, the Economic Development Corporations Act. The EDC's bylaws establish its local purpose, governance, and authority under the Act.

Historically, much of the Gladstone EDC's activity has centered on the Industrial Park, including the ownership, management, and sale of property for industrial development. While this has served an important economic development function, neither Act 338 nor the EDC bylaws limit the Corporation's purpose exclusively to the Industrial Park or to real estate transactions.

Purpose of the EDC

Act 338 establishes EDCs to support local economic development, including retaining industrial and commercial enterprises, strengthening and revitalizing local economies, and encouraging businesses to locate, modernize, improve, and expand within Michigan communities.

Gladstone's bylaws closely reflect that purpose. Article IV states that the EDC exists to:

- assist and retain local industries and commercial enterprises;
- strengthen and revitalize the economy of the City of Gladstone;
- encourage and assist industrial and commercial enterprises in locating, improving, modernizing, and expanding within the City; and
- encourage commercial enterprises that provide needed services and facilities to the City and its residents.

The by-laws also provide the EDC with tools to carry out that mission. Among other authorities, the Corporation may participate in industrial and commercial development projects; acquire, improve, develop, and dispose of property; assist with the rehabilitation or redevelopment of deteriorated properties; and enter into agreements with public agencies, businesses, and other organizations in furtherance of its purposes.

Role of the Board

The by-laws place management of the EDC's affairs with its nine-member Board of Directors. Notably, the Board is intended to broadly represent Gladstone's economic interests, including professional services, financial institutions, development and construction, utilities, manufacturing, hospitality, medical services, government, and other organizations.

Taken together, Act 338 and the EDC by-laws establish a mission that extends beyond the ownership and sale of Industrial Park property. The EDC has the authority to participate more broadly in commercial and industrial development, business retention and expansion, redevelopment, and partnerships that advance Gladstone's economy.

Supporting Documentation:

Act 338 of 1974 | 125.1607: Powers of corporation generally
EDC By-Laws

Recommendation:

As the inventory of available property within the Gladstone Industrial Park becomes increasingly limited, staff believe this is an appropriate time for the Board to evaluate its future role.

The fundamental question is whether the EDC should continue primarily as an oversight body for its remaining property and related transactions, or whether it wishes to more actively exercise the broader economic development contemplated by Act 338 and its bylaws.

This discussion is intended to help the Board clarify its priorities and determine a level of activity, and corresponding meeting schedule, that is appropriate for its desired role.