



**MICHIGAN ECONOMIC
DEVELOPMENT CORPORATION**

BUSINESS DEVELOPMENT PROJECT EVALUATIONS, FACTORS AND PATHWAY JOBS

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MEDC IS COMMITTED TO ENABLING LONG-TERM ECONOMIC OPPORTUNITY FOR ALL MICHIGANDERS



MISSION

Achieve long-term economic prosperity for Michiganders by investing in communities, enabling the growth of good jobs and promoting Michigan's strong image worldwide



VISION

Make Michigan's economy the nation's fastest growing, most equitable and most resilient by:

- Achieving 'Top 10' status for:
- Job growth in targeted sectors
 - Equitable job growth
 - Real median household income growth

Attaining the largest net gain of talent in the Midwest.

GUIDING PRINCIPLES



Sustainable, long term growth

Catalyze long-term job growth. **Ensure resilience** of Michigan's economy against downturns and **automation potential**.



Regional impact

Empower and support every region – from rural areas to urban cores – in improving economic outcomes.



Equitable, high-wage growth

Drive equitable pathways toward high-wage growth by enabling industries, communities and businesses that provide opportunities for all.



Customer focus

Ensure a customer (businesses, communities, entrepreneurs) and partner orientation in all we do.

STRATEGIC FOCUS AREAS



Attract, retain and support businesses

Aggressively work to attract and retain companies in target industries that support growth in jobs, wages and investment



Foster high-wage skills growth

Collaborate on efforts to produce, attract and retain the skills needed for in-demand and high growth occupations in focus industries



Develop attractive places

Attract talent through innovative placemaking and streamlining development processes at the community level to transform underutilized properties into vibrant areas



Catalyze entrepreneurship

Strengthen the ecosystem that enables more entrepreneurship, commercialization and new business creation



Market the state

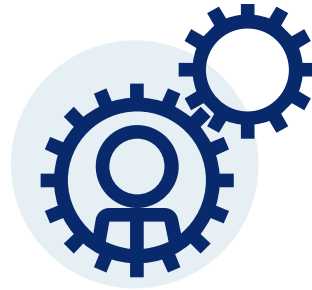
Promote Michigan's image as a world-class business location and travel destination

BUSINESS DEVELOPMENT PROJECT EVALUATIONS, FACTORS AND PATHWAY JOBS

**Who will benefit?
How will they benefit?
How do we ensure the benefits?**



**Job Opportunities
and Characteristics**



**Strategic Plan
Alignment: Focus
and Regional Impact
Industries**



**Private Investment in
Communities – Both
Rural and Urban –
Throughout the State**



**Community Impact
Consideration**

Project Factors and Considerations

- **Company/Customer**
- **State, Local and Regional Impact**
- **Equitable, High-Wage Growth and Pathway Jobs**



COMPANY/CUSTOMER CONSIDERATIONS



- MEDC Strategic Focus Industry: Mobility and Automotive Manufacturing; Medical Device Technology; Engineering, Design and Development; Technology; Advanced Manufacturing; or Professional and Corporate Services.
- Regional Impact Industry: Agribusiness, Tourism, Logistics, Financial Services and Other Manufacturing.
- Demonstrates characteristics related to technology/innovation utilization, resiliency to recessions and automation, or special importance to Michigan.
- Does project fill a supply chain need or gap for an existing or emerging Michigan sector or major Michigan employer(s)?
- Is the company a leader in its sector – performance, innovation, technology, workplace?

Project Factors and Considerations

- **Company/Customer**
- **State, Local and Regional Impact**
- **Equitable, High-Wage Growth and Pathway Jobs**



STATE, LOCAL AND REGIONAL IMPACT



- Is project located in a Geographically Disadvantaged Area? Is project located outside, but near and highly impactful to, a Disadvantaged Area?
[Michigan Geographically Disadvantaged Areas Website](#)
- Is project in an Eligible Distressed Community or area of with unemployment rate above state average?
- Is project located in a rural or urban area?
- Is project utilizing an existing facility, brownfield site and/or reducing blight?
- Job creation, wage and capital investment and other special economic considerations, in relation to size of community or region?

STATE, LOCAL AND REGIONAL IMPACT



- Readiness of infrastructure and services – public/private utilities, housing, transportation, public transit and other community services. If public investments are required, is the cost vs. benefit favorable and acceptable? Is there risk of a cost or maintenance burden for community?
- Revenue generation – tax base, user fees, utilities – to support economic growth and project investments
- Direct/Indirect ROI
- Community Development: Does community need any technical assistance from MEDC's Community Development team to improve strategy and project outcomes, such as for housing, infrastructure or other community improvements?

Project Factors and Considerations

- **Company/Customer**
- **State, Local and Regional Impact**
- **Equitable, High-Wage Growth and Pathway Jobs**



EQUITABLE, HIGH-WAGE GROWTH AND PATHWAY CONSIDERATIONS



Targeted Wage Defined:

- Established for each County (or MSAs)
- Considers a County's living costs and income levels.
- Based on Asset-Limited, Income-Constrained, Employed (ALICE) cost of living threshold for a family to sustain living needs – food, shelter, utilities, transportation, childcare and healthcare.
- Targeted Wage serves as a benchmark wage that could enable 50% the # of households with children living below ALICE living threshold to move above threshold with this level of income.
- Statewide list of Targeted Wages to be attached in MEDC Toolbox

EQUITABLE, HIGH-WAGE GROWTH AND PATHWAY CONSIDERATIONS



Pathway Jobs:

- **Targeted Job:** A new job which pays at or above the Targeted Wage for the county and includes employer-sponsored healthcare.
- **Promising Job:** A new job which pays below the Targeted Wage for the county, however, is demonstrated to provide a career pathway to a Targeted Job typically within five years through training and industry-recognized credentials or occupational mobility data, and includes employer-sponsored healthcare.

Other Jobs: A new job that does not meet the criteria of either a Targeted Job or a Promising Job due to either wage level, lack of healthcare or career pathway opportunities. Although Other Jobs are a vital source of work and income for the people who hold them, their low pay and lack of benefits or pathways to better jobs leave many working families without sufficient resources to meet all their basic needs and without a viable pathway to a more economically secure future.

EQUITABLE, HIGH-WAGE GROWTH AND PATHWAY CONSIDERATIONS



Identify Targeted, Promising and Other Jobs:

- Review breakdown of all proposed jobs and wages and county Targeted Wage.
- What employee benefits are provided by company? Family benefits? Employee share of costs, if any, to receive health insurance and other benefits?
- Review jobs below Targeted Wage level to consider if pathway opportunities exist.
- Does company have employee advancement programs and a demonstrated track record for providing career pathways for employees?
- What is company's training plan on this project? Will they provide technical training, apprenticeships, company-specific or industry skills training. Will training lead to an industry-accepted certification or credential that provides upward economic mobility?
- Review Standard Occupational Classification codes to determine probability of jobs having pathways for advancement?

EQUITABLE, HIGH-WAGE GROWTH AND PATHWAY CONSIDERATIONS



Additional Factors:

- Proposed wages compared to industry sector, community and region.
- Proposed wages in relation to required skill level of positions, job accessibility for lower skilled workers.
- Does company engage service providers/programs to opportunities for economically disadvantaged populations, disabled individuals, veterans, ex-offenders or other underserved populations (however, not based on granting preferential treatment on the basis of race, sex, color, ethnicity or national origin).
- Availability of public transportation and/or participation in other transportation programs, childcare services or other wrap-around services to improve job access.

EQUITABLE, HIGH-WAGE GROWTH AND PATHWAY CONSIDERATIONS



- Does company work with MiWorks, other local/regional talent partners or programs?
- Does company have its own onsite training facilities, center or academy?
- Is company recognized as a top employer to work for in the region, state or nationally?

PROJECT ILLUSTRATION

Project Oriole (Initial Project Intake)

- Company: (Existing MI Company)
- Sector: Technology (IT systems)
- Location(s): considering three Michigan locations, and IN, OH
- Project Summary: Has outgrown existing space. Substantial growth opportunities requires construction of new 30,000 sf office and tech center.
- Capital Investment: \$5,000,000 (Real)
 \$2,000,000 (Personal)
- Current MI Employment: 40
- Proposed New Jobs: 44

Note: Project example is for illustration purposes only and does not represent a past or current project

PROJECT ILLUSTRATION

Project Oriole (Portal Information and Follow-up Vetting)

- Location: considering one Michigan location, IN and OH
- New Job/Wage Breakdown:

	<u># of Jobs</u>	<u>Wage/Hr</u>
IT Service Technicians:	20	\$15.00+
Senior IT Technicians:	10	\$35.00
Engineers, Sales, Management:	14	\$50.00
- Benefits: Employer-sponsored healthcare for employee and family, 401K match, education reimbursement
- Avg. Wage: \$30.68 Target Wage: \$19.50
- Recruitment/Training/Advancement: Company provides IT training and higher education for its employees with pathways to higher income and positions. Company participates in area school-to-work programs, to target high school graduates for entry-level positions and provides training/education that can lead to industry recognized certifications/credentials in CompTIA+, network administration, Cisco CCNA, Microsoft SCCM, PMP, Lean Sigma Six, Agile and ITIL. Service Tech wages increase as training completed, typically reaching \$22.00 to \$25.00/hr within 12 to 24 months. Demonstrated track record in reaching underrepresented populations and providing, higher education with additional career advancement.
- Other Considerations: Brownfield site, Geographically Disadvantaged Area, urban area

BUSINESS DEVELOPMENT PROJECT EVALUATIONS, FACTORS AND PATHWAY JOBS

Better Project Information



Better Vetting, Evaluation



Strategic Incentive Support



Equitable, High-Wage Jobs
Successful, Growing Companies
Thriving, Attractive Communities



MICHIGAN ECONOMIC
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QUESTIONS?

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THANK YOU
