Live. Work. Grow. BAY COUNTY

www.bayfuture.com
Each day in Uptown Bay City, we are given the privilege of seeing firsthand the astounding change that has taken place along the riverfront in our community. It fills us with purpose and fills us with pride.

Uptown is just one area of Bay County’s resurgence. In a variety of places throughout the county residents are gainfully thriving in their pursuit of a better quality of life for their loved ones and their children. We realize that this trend is imperative and needs to continue. At the heart of that pursuit is the key to our future: businesses, jobs, and people.

While we are enjoying Bay Future Inc.’s (BFI) successful completion of the recent The Future is Now campaign (2016-2018) with its outperformance in jobs creation and capital investment, we realize that so much more work and effort is yet to be achieved to get us to a dramatic rate of growth that can compete with other like communities. For this reason, we have accepted the responsibility as campaign co-chairs to make a lasting difference!

Our new plan is called “Bay Future: Drive. Forward.” and we need your help.

Bay Future: Drive. Forward, is a bold plan of action that will provide a focused and coordinated long-range economic development effort by our public and private partners. It is an aggressive and comprehensive economic growth and capacity building initiative centered around five distinct tactics:

**TACTIC 1:** DRIVE Existing Business and Entrepreneur Development  
**TACTIC 2:** DRIVE New Business Recruitment and Grow Jobs  
**TACTIC 3:** DRIVE Workforce  
**TACTIC 4:** DRIVE Market Available “Shovel Ready” Locations and Sites  
**TACTIC 5:** DRIVE Local and Regional Communication and Collaboration

With this bold five-tactic plan, we will ramp up our regional business recruitment and expansion functions, expand our support for business-creating entrepreneurs, partner with other vital regional organizations in support of our workforce, and build upon our historic successes achieved in the 2016-2018 campaign. This is all critical work that collaborates with and leverages other public and private agencies engaged in economic development.

National and international competition for businesses, jobs, and talent is fierce. We must take our efforts to the next level if we are to compete and win. Bay Future: Drive. Forward, is about growing businesses and jobs. It is about selling Bay County to the world. We have a quality of life and a lot of natural and workforce assets to sell! This plan also confronts our most prevalent economic challenges.

BFI has a 15-year track record of economic development leadership in the region in securing nearly 3,700 new and retained jobs, more than $1.56 billion in capital investment since its inception, as well as leading a long list of catalytic community projects. BFI is ready to execute Bay Future: Drive. Forward, and now is the time. We will only be successful in these economic growth efforts if all those businesses and other stakeholders that have a vested interest in Bay County’s prosperity step forward, engage with this initiative, and exercise financial leadership through substantial public and private investment.

We need you to join us in driving this campaign and its economic growth initiative to success! We manage significant community assets and workforce in Bay County. We both are committed to this endeavor and we hope you can commit and invest in Bay Future: Drive. Forward!

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**Clarence Sevillian II**  
President & CEO, McLaren Bay Region  
Campaign Co-Chair

**Peter Shaheen**  
Vice President, Shaheen Development  
Campaign Co-Chair

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[Signatures]

Clarence Sevillian II  
Co-Chair

Peter Shaheen  
Co-Chair
A TRACK RECORD OF SIGNIFICANT ACCOMPLISHMENTS

Established in 2004 as a result of the “Whitaker Report” that was commissioned by community leaders, Bay Future, Inc. (BFI) is a public-private partnership that leads the county effort for economic growth and job creation. Its purpose is to accelerate the economy by coordinating, collaborating, and implementing solutions to tackle development barriers and proactively drive economic growth. Bay Future, Inc. is responsible for catalyzing economic development in Bay County.

Since its inception, Bay Future, Inc. has had an enviable record of success. Look at the projects that it completed between 2016 – 2018 in its most recent strategic action plan. Those projects include:

**ATTRACTIONS:**
- Atlas Industrial Development
- ATS Printing
- BGT Aerospace LLC
- CMU-RC Incubator
- Conti Corp
- Cops and Doughnuts
- Falcon Road Maintenance Equipment
- Legacy-Crapo Building
- MDL Companies
- MidMichigan Health

**EXPANSIONS:**
- 1Bid Auctions
- Consumers Energy
- DaMar Properties LLC
- F.P. Horak
- General Motors Powertrain
- Gougeon Brothers, Inc.
- Main Street Uptown Development LLC
- McLaren Bay Region
- New Hope Bay
- NewTech Automotive Services
- S.C. Johnson A Family Company Dow
- Tri-City Brewing
- Universal Printing

These are just some of the more recent developments of the nearly 200 successful and impactful projects by 80 businesses Bay Future, Inc. has assisted in; projects responsible for the creation and retention of nearly 3,700 jobs in Bay County and growing, through business attraction and retention, as well as more than $1.56 billion in capital investment since inception.

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**Campaign Leadership**

- **Jim Barcia**
  County Executive, Bay County
  
- **Jim Fabiano**
  President & CEO
  Fabiano Brothers, Inc.

- **Mary Kulis**
  Area Manager, Governmental, Regulatory and Community Affairs, Consumers Energy

- **Jeffrey Mayes**
  Executive Director, Business Customer Care, Consumers Energy

- **Dana Muscott**
  City Manager, City of Bay City

- **Magen Samyn**
  Vice President, Marketing & Business Development, McLaren Bay Region
Bay County, Michigan is fortunate to have a strong, resilient economic base. The foundation for today’s complex economy began with generations of a hard-working, blue-collar labor force. However, while the groundwork is there for a certain level of quality of life, it cannot and should not be taken for granted. A proactive advocate is needed. A plan for the county is required.

The current modern economy has a historic legacy in the lumber and shipbuilding industries. Today, those industries have evolved into our present economic base made up of an industrial mix of agribusiness and advanced manufacturing; logistics along the I-75 and US-10 corridors, warehousing and distribution due to its strategic location on the Saginaw Bay, as well as improved by IT/Data Centers in the re-use of buildings recently vacated by retail due to the prevalence of e-commerce.

While the base is strong, the community can’t be complacent. We face significant challenges to our future success and prosperity, including:

**A Documented Population and Workforce Loss:**
For the first decade of 2000, known in Michigan as the “lost decade”, Bay County’s population had been on the decline. Today as we see population updates to the 2010 census, most particularly in 2017, county population losses have been slowed and stemmed as a result of some proactive measures. This population loss coupled with an aging workforce have put a dual strain on the tax base as well as on the local economy. In addition, the community has seen more-and-more open jobs as well as a “brain drain” of some of the community’s youth and young professionals. If the local economy doesn’t continue to address these negative trends, the community’s quality-of-life may deteriorate. It is imperative that any economic development effort and strategy here in Bay County must be proactive, not reactive.

**Intense Competition for Businesses, Jobs, and Talent:**
Bay County faces the competitive reality that other regions are hard at work pursuing the same companies, jobs, and workers. Many of these regions have strong public-private partnerships in place and well-funded economic development plans. They are improving their competitive posture and chasing the same opportunities. See the chart on page 5 of organizations like ours that are attempting to recruit businesses to their communities.
**Workforce Challenges:**

Another top challenge in our local economy is the number of jobs left unfilled. There are approximately 3,373 open positions in Bay County requiring individuals from entry-level skills to advanced degrees. The State of Michigan states publicly that there are 266,236 open jobs throughout the state. (September 2019) Not addressing these open jobs is not only detrimental to the businesses and industries that need them, it also leaves potential payroll dollars out of the local economy for the benefit of the entire community. Research indicates that these positions remain open due to:

- **A prevailing skills gap in the work force.** With a labor force at full capacity, employers are finding it difficult to recruit a qualified workforce; spanning entry-level jobs to technically skilled workers.

- **An Insufficient quantity of available workers.** Bay County faces the challenges of an aging workforce, population decline, and strong competition for talent, especially for young talent, from other communities and regions throughout the state. Our net population is forecasted to decrease by 17% (-15,000) between 2020 and 2045. Bay Future, Inc. remains situationally aware of this forecast and is compelled to stay proactive as a result to address this challenge.

These challenges: population loss, peer competition and workforce challenges, create a slow, existential “undermining” to the local economy. Our community must be proactive and not fall prey to complacency by settling for the status quo. Clarence Sevillian of McLaren Bay Region put it wisely at one time, “If you are not growing, you are dying.” What follows is our achievable plan for growth.

**The Opportunity:**

Today we find ourselves in a much better place than at the beginning of the decade shortly after the Great Recession of 2008. The national economy has recorded some impressive years of growth and expansion. Bay County’s own businesses have benefited from that growth. Bay Future, Inc. demonstrated the value of its own proactiveness in the former The Future Is Now campaign and Strategic Action Plan. In that three-year initiative from 2016-2018, Bay Future, Inc. was responsible for 27 business attractions and expansions surpassing its goals with 715 jobs created or retained, and $486 million in new capital investment realizing an economic impact of nearly $30 million in new annual payroll alone.

Partnerships generate greater impact than can be achieved by individual institutions. Working closely with Bay County, the City of Bay City, public sector partners, and our private investors, we hope to create a powerful force for change and opportunity in our community. Bay Future, Inc.’s response to these challenges is a call to action through the launch of **Bay Future: Drive. Forward.**
In response to our community’s key challenges, the BFI Board developed “Bay Future: Drive. Forward.” with five bold tactics to move the economy forward. For each of these tactics, BFI developed supporting strategies and metrics. Bay Future: Drive. Forward. is comprised of five key tactics:

**TACTIC 1:**

**DRIVE Existing Business and Entrepreneur Development**  
Projected Five-Year Budget: $600,000

80-90% of new jobs are created from existing businesses. In our new Strategic Action Plan, BFI is re-directing resources to grow the existing business and entrepreneurial ecosystem in Bay County. BFI can bring statewide support to bear in assisting local businesses and entrepreneurs. BFI will:

- **Action 1:** Aggressively pursue the retention and expansion of existing business through targeted annual visitations.
- **Action 2:** Facilitate Business-to-Business Interactions, Events, Matchmaking Opportunities, and Councils with small and large businesses.
- **Action 3:** Develop and participate with business-to-business pitch competition offering entrepreneurial support with sizing and financing along with the connection to local resources.
- **Action 4:** Update the Governor’s Prosperity Region #5 cluster analysis with additional Bay County companies.

**TACTIC 2:**

**DRIVE New Business Recruitment and Grow Jobs**  
Projected Five-Year Budget: $600,000

The future success of Bay County depends on our ability to generate jobs through the attraction of companies which will create new opportunities for our community’s residents. BFI’s role is to proactively market the county in collaboration with regional partners. BFI will:

- **Action 1:** Develop collateral marketing materials and conduct marketing campaigns to targeted industry clusters (Agribusiness, Advanced Manufacturing, Data Center, Call Center, IT, Medical Device Manufacturing, Warehousing, Distribution & Logistics.)
- **Action 2:** Facilitate the creation of 800 jobs and $500 million in new capital investment.
- **Action 3:** Increase and track RFP and RFQ submissions for site selection, familiarization tour participation, and implementation in targeting industry and site selectors to build the awareness of Bay County and the Great Lakes Bay Region.
- **Action 4:** Increase community and organizational awareness through: lead generation, attendance at trade shows, market blitzes, conferences annually, and collaborate with regional resource providers.
- **Action 5:** Establish Prospect Fund, in partnership, to incentivize economic development projects in the County.
**TACTIC 3:**

**DRIVE Workforce**

Projected Five-Year Budget: $250,000

Workforce is a key factor, if not the most significant consideration, in nearly every business location and re-location decision. We must effectively recruit, grow, develop, and retain a workforce that is aligned with the specific needs of current and future Bay County employers. Bay Future will:

- **Action 1:** Collaborate with regional partners to recruit and grow workforce.
- **Action 2:** Promote the Going PRO (formerly Skilled Trades Training Fund) campaign to change perception of Professional Trades while securing dollars for training and growing industry talent and the Choose Michigan campaign to attract and retain our talent here.
- **Action 3:** Work with Great Lakes Bay Mi Works! to specifically establish the MiCareerQuest program.
- **Action 4:** Develop with regional partners and employers a website like “HelloWestMichigan.com” to promote Bay County and the Great Lakes Bay Region as a place where business thrives, and people want to live and work.
- **Action 5:** Enhance the education to work connection through apprenticeships and internships with area businesses.

**TACTIC 4:**

**DRIVE Market Available “Shovel Ready” Locations and Sites**

Projected Five-Year Budget: $700,000

In economic development experience and practice, the adage “build it and they will come” consistently applies. Businesses and employers who are seeking relocation, often look for existing facilities and developed infrastructure that will directly address their needs. Bay Future, Inc. recognizes the disadvantage of having an inadequate inventory of sites and locations to take to market. In recognition of this, BFI will:

- **Action 1:** Maintain and update a comprehensive list of available sites and buildings; Support efforts to add to and improve sites and buildings inventory.
- **Action 2:** Develop and execute site-specific marketing plans for select sites.

**TACTIC 5:**

**DRIVE Local and Regional Communication and Collaboration**

Projected Five-Year Budget: $350,000

Bay Future, Inc. is a community player and a leader in collaborative efforts. If our mission is to improve the Bay County economy and its community infrastructure and assets, then the fostering of communication and partnering only enhances the work that we do. Connecting and engaging with investors as well as municipalities and other stakeholders in the marketing of economic growth efforts, BFI will:

- **Action 1:** Conduct “Economic Development 101” orientation presentations and discussions with newly elected officials to broaden their knowledge of opportunities and barriers in Bay County from an ED perspective.
- **Action 2:** Collaborate and fund with BFI partners - Bay Area Chamber of Commerce, United Way of Bay County and the Bay Area Community Foundation an aggressive branding campaign through an online monthly periodical.
- **Action 3:** Expand Awareness of Importance of Economic Development by means of Shared Events, Forums, and Newsletters.
- **Action 4:** Host investor events for retention of BFI investors.

**Total Budget Required**

$2,500,000
The Goals
Bay Future: Drive. Forward. with your support commits to the following goals:

- Number of NEW JOBS created .................................. 800
- Amount of NEW CAPITAL INVESTMENT ............ $500 million
- Amount of NEW TOTAL ANNUAL PAYROLL produced ... $50 million
- Amount of NEW ANNUAL CONSUMER SPENDING for Bay County ......................... $39.9 million

The Cost
TOTAL Campaign Budget

$2.5 million

- Existing Business & Entrepreneur: $350,000
- New Business Recruitment & Grow Jobs: $700,000
- Workforce: $250,000
- Market Available Locations: $600,000
- Communication & Collaboration: $600,000

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When asked to make a financial investment in Bay Future: Drive. Forward., our leaders should expect a measurable return on their investments. Because of the nature of its work, Bay Future, Inc. can assure that return.

The most immediate benefits of a strong economy brought about by planned economic development initiatives accrue to those who sell their products and services locally. However, economic research indicates that people are more drawn to communities in which employment opportunities are increasing and improving. Therefore, a strong economy provides local employers with a larger and better-qualified workforce. Both the private and public sectors benefit from a larger local payroll, increased demand for goods and services, greater capital investment in plants, equipment, and a broader tax base.

The following table shows what 800 net new jobs will mean to Bay County, the City of Bay City, and the county’s municipalities...

<table>
<thead>
<tr>
<th>BAY COUNTY JOBS, WAGES AND PERSONAL INCOME</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bay County, Michigan</td>
</tr>
<tr>
<td>Number of New Primary Jobs</td>
</tr>
<tr>
<td>Primary Wage Rate Paid (hourly)</td>
</tr>
<tr>
<td>Total Direct Payroll</td>
</tr>
<tr>
<td>Total Payroll</td>
</tr>
<tr>
<td>Total Jobs</td>
</tr>
<tr>
<td>Calculated Indirect Jobs Created</td>
</tr>
<tr>
<td>Calculated Indirect Wage Rate Paid (hourly)</td>
</tr>
</tbody>
</table>

Definitions:

Primary Wage Rate – The primary wage rate is based on the weighting presented that resulted in a targeted wage rate for future jobs of $21.12, which converted to an annual earnings level of $43,926 based on 2,080 hours worked per year, consistent with standard state methodology.

Total Payroll – Total earnings of both direct and indirect jobs created, calculated using RIMS multipliers.

Total Jobs – Total of both direct and indirect jobs, calculated using RIMS multipliers.

Calculated Indirect Jobs – The results of the model are back-tested to test the level of reasonableness, that is, will the results make sense to the reader. In this case, the indirect local hourly wage rate is $13.95.

Net Personal Consumption Expenditures – This figure reflects total payroll less area leakage, since the results are utilized in an area spending impact model. It also reflects personal tax and non-tax payments, personal savings, interest, and transfer payments.

<table>
<thead>
<tr>
<th>AREA VALUES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Income</td>
</tr>
<tr>
<td>Disposable Personal Income</td>
</tr>
<tr>
<td>Net Personal Consumption Expenditures</td>
</tr>
<tr>
<td>Deposit Potential for Area Financial Institutions</td>
</tr>
</tbody>
</table>
# The 2016-2018 “THE FUTURE IS NOW” INVESTORS

## Platinum
- Bay County
- Charter Township of Bangor Downtown Development Authority
- City of Bay City
- Dow
- Firehouse Soft Car Wash/Boutell Enterprises

## Gold
- Chemical Bank
- Consumers Energy
- Fabiano Brothers, Inc.
- Frances Goll Mills Fund
- Labadie Auto Company
- McLaren Bay Region
- Michigan Sugar Company

## Silver
- Bay City Downtown Development Authority
- Bay County REALTOR® Association
- Williams Charter Township

## Bronze
- Covenant HealthCare
- Fifth Third Bank
- Fisher Companies
- Garber Management Group
- IBEW/NECA Local 692
- Independent Bank
- Institute for Energy Innovation
- Lake State Railway Co.

## Partner
- City of Midland
- City of Pinconning
- Craig & Elizabeth Cooley
- COPOCO Community Credit Union
- Davidson Building Company
- Delta College
- Mitzi Dimitroff
- DoubleTree by Hilton
- Bay City Riverfront Hotel
- Downtown Restaurant Investments
- Mike Duranczyk
- Edward Jones – Michael Staudacher
- Trey and Rachel Keyes
- Lee Kilbourn
- Latitude 43 Grill & Bar
- Madison Professionals, P.C.
- Magline, Inc.
- Jeff Mayes
- MCG Plastics, Inc.
- Merritt Township
- New Hope Bay
- OHM Advisors
- R & R Ready Mix, Inc.
- R.D.S. Management
- Dave Reitzel
- Gary Riedlinger
- RiversEdge Development Corporation
- Tim & Jodi Rokosz
- Rowleys Tires & Automotive Services
- Rowleys Wholesale
- Saginaw Bay Underwriters

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These members of our community have indicated their support of the tactics and actions of Bay Future: Drive. Forward, the 2020-2024 plan for economic development intended to lead the Bay County effort for economic growth and job creation:

- Ashley Anderson, Two Men And A Truck
- Wayne Barber, PNC Corporate Banking
- Jim Barcia, Bay County
- Kerice Basmadjian, City of Bay City Commissioner
- Vaughn Begick, Bay County Commissioner
- Dr. Anthony Bowrin, Saginaw Valley State University
- Travis Brady, Mid-Michigan Area Labor Council, AFL-CIO
- Nikki S. Burgeson, Rehmann
- Laurie Bush, Century 21 Signature Realty
- Ron Campbell, Frankenlust Township
- Kendra Christensen, COPOCO Community Credit Union
- Rob Clark, Michigan Sugar Company
- Kevin Cotter, Fisher Companies
- Mike Debo, Chemical Bank
- Linda Doan, COPOCO Community Credit Union
- Michael Duranczyk, Bay County Commissioner
- Larry Ehrlinger, Frankenmuth Credit Union
- Jim Fabiano, Fabiano Brothers
- Bill Gagliardi, Davenport University
- Sherrie Gray, Bay Future, Inc.
- Todd Gregory, 1st State Bank
- Michael Hanisko, Weinlander Fitzhugh
- Lynn Hebert, Dow
- Wayne Hofmann, Spence Brothers
- John Kaczynski, Saginaw Valley State University
- Trevor Keyes, Bay Future, Inc.
- Lee Kilbourn, City of Auburn
- Tom Kos, DoubleTree by Hilton-Bay City-Riverfront
- Kevin Kuhl, Bay Future, Inc.
- Jeffrey Mayes, Consumers Energy
- Megan Manning, Bay Future, Inc.
- Dana Muscott, City of Bay City
- Seth Perigo, The Huntington National Bank
- Cheryl Ratynski, Independent Bank
- Matt Reinbold, Independent Bank
- Magen Samyn, McLaren Bay Region
- Don Scherzer, Spicer Group
- Pedro Santos, UAW Region 1D
- Chris Sheridan, Yeo & Yeo CPAs & Business Consultants
- Erich Smith, Wade Trim
- Michael J Stodolak, Independent Bank
- Ryan Tarrant, Bay Area Chamber of Commerce
- Scott Trepkowski, Chemical Bank
- Shawna S. Walraven, Bay County Treasurer
- Thomas Webb, Attorney at Law
- Kristen Wenzel, Great Lakes Bay Michigan Works
- Jennifer Wysong, Independent Bank
What 800 New Primary Jobs will mean to Bay County:

$21.12  Primary Wage Rate Paid (hourly)
$35,141,350  Total Direct Payroll
$50,603,544  Total Payroll
1,333  Total Jobs
533  Calculated Indirect Jobs Created
$13.95  Calculated Indirect Wage Rate Paid (hourly)