



The Washtenaw and Livingston County Opportunity Zone Information and Prospectus *Including the Greater Ann Arbor Region*

The Greater Ann Arbor Region Approachable + Authentic

The greater Ann Arbor region has always been known for high tech innovation and education. The density of high-tech growth in Ann Arbor is highest in the Midwest, and Bloomberg rated Ann Arbor as the #3 tech hotspot per capita, only behind San Jose and Boulder.

In 2014, our signature event A2 Tech Trek was born – inviting attendees inside facilities of regional tech companies, gaining an understanding of the ingenuity and culture fostered there.

Now, Tech Trek is joined by more than a dozen events in the week-long series a2Tech360. The way the companies embraced the concept — letting the public into sometimes secure spaces and engaging students and young people — is a testament to the destination and the businesses that grow here.

While the COVID-19 pandemic has had a significant impact and left a path of uncertainty for the near future, the greater Ann Arbor region remains agile through the crisis. As businesses and organizations are starting to reopen, we continue to monitor and bring the latest resources to our area — from high tech startups to boutique businesses — as we navigate these uncharted waters. a2Tech360 events have all gone virtual and we have come together as greater connected communities to aid our regional ecosystem through the crisis.

In addition to the ongoing risk due to the COVID-19 pandemic, workplaces are elevating conversations and actions around diversity, equity, and inclusion. Investing in Opportunity Zones in the greater Ann Arbor region will promote greater economic sustainability. Companies in those zones will benefit from a region rich with talented people, diverse businesses, and educational institutions while providing important tax benefits for investors.

Ann Arbor and Ypsilanti through the University of Michigan and Eastern Michigan welcome thousands of students and scholars from around the world to learn, teach, and innovate here. Additionally, our community colleges bring the latest in reskilling and training in Industry 4.0 sectors such as cybersecurity and big data. We've grown into a region that is approachable and authentic.

Thank you for your interest in looking at the Ann Arbor region for development opportunities. Ann Arbor's unique region includes small town gems like Chelsea home to the maker of "JIFFY" Mix, Ypsilanti with its rich automotive history and unique downtown known for culinary delights, and the advanced manufacturing prowess of Livingston county which together round out an incredibly diverse ecosystem. The wide berth of industry, education, and talent supports businesses and welcomes people with residential opportunities from urban to suburban to lake living.

Since 2005, Ann Arbor SPARK has supported economic development by helping companies of all sizes, developers, STEM talent, manufacturers, academic partners, and new initiatives find success here. With one of the world's leading public research institutions, a talent force that comes from all over the area, and some of the most iconic brands and thinkers, the Ann Arbor region is one of the most compelling — and approachable — economies in the Midwest.

Our team at Ann Arbor SPARK is prepared to help you succeed and make the right decision on how to invest in Opportunity Zones across the region. Please do not hesitate to reach out.

Sincerely,
The Ann Arbor SPARK Business Development Team

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About the Ann Arbor Region



Welcome to the Ann Arbor Region!

The Ann Arbor region's dynamic \$23.5 billion economy includes innovation-driven industry sectors in automotive and mobility, life sciences and healthcare, technology, data, and cybersecurity. World-class companies established locations in Ann Arbor, including Google, KLA, Barracuda Networks, Ford, Toyota, Thomson Reuters, TD Ameritrade, and Nokia. Downtown communities welcome citizens with unique restaurants, culture and the fine arts. The greater Ann Arbor Region has it all!

The Ann Arbor region is a place where innovative people and businesses thrive!

#2 Best Cities
To Live in
America

niche.com 2019

#1 Best Small
College Towns
& Cities in
America

wallethub.com 2020

#1 Most
Educated
Cities

wallethub.com 2019

#9 Most
Innovative
Metro Areas

verizon 2019

#3 Top Tech
Hubs in
America

Bloomberg 2019

#1 Top 5
Car-Free
Metros

CityLab 2019

Regional Demographics Washtenaw and Livingston Counties

MEDIAN HOUSEHOLD INCOME (2017)

\$72,024

Region

\$50,803

Michigan

\$57,652

U.S.

REGION

209,778

Households

38

Median Age

\$278,400

Median Home Value

AGE CHARACTERISTICS



- Under 20: 23%
- 20-29: 31.7%
- 30-39: 12.2%
- 40-49: 8.3%
- 50-59: 8.9%
- 60+: 15.9%

Source: U.S. Census Bureau

Regional Demographics Washtenaw and Livingston Counties

POPULATION (2018)

Ann Arbor	121,890	Washtenaw County	370,963
Livingston County	191,244	Region	562,207

LABOR FORCE

275,911
2000

287,700
2015

276,913
2010

300,700
2019

Source: Michigan Department of Technology, Management & Budget

MAJOR INDUSTRY SECTORS

Agricultural, Forestry, Fishing	1.4%
Construction	3.5%
Manufacturing	10.5%
Transportation and Communication	1.9%
Finance, Insurance and Real Estate	5.5%
Retail Trade	19%
Services	50.7%
Wholesale Trade	3%
Unclassified	0.8%
Public Administration	3.8%

Source: Michigan Economic Development Corp.

Our Ivy League

MICHIGAN STATE
UNIVERSITY



Michigan Tech



SIENA HEIGHTS
UNIVERSITY



ADRIAN
COLLEGE



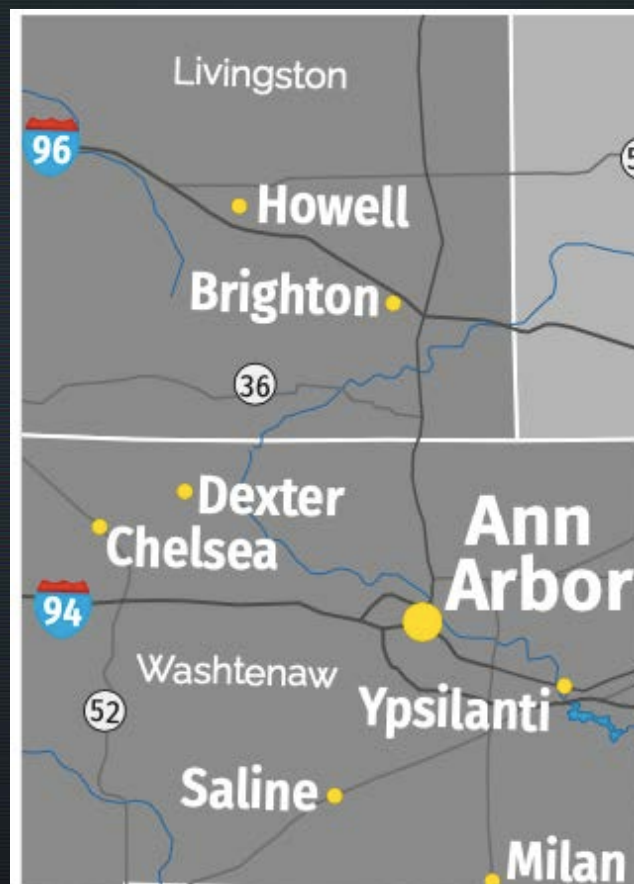
HILLSDALE COLLEGE

The Ann Arbor Region: A Place to Invest and Grow

The Ann Arbor region is home to the University of Michigan and hosts businesses ranging from high tech to culinary giants such as Domino's and Zingerman's.

The region is celebrated for its renowned cultural offerings including the Ann Arbor Art Fairs and the University Musical Society.

Top talent is drawn to the region of 562,000 residents. Ann Arbor ranked #1 in Livability's 2018 Best Place's to live list.



The region's affordability index, as compared with other high-tech destinations as well as a broad range of support services, drive business formation and growth.

Within the region, major sectors in auto, mobility, information technology, life science and healthcare continue to grow.

Companies are drawn to the high quality of life paired with infrastructure, talent and resources available from the University of Michigan and Eastern Michigan University.

The Ann Arbor Region Nurtures Innovation

With a rich automotive history and thriving engineering talent, Industry 4.0 is shaping the region. Advanced manufacturing, software development, big data, and other emerging technologies including augmented and virtual reality are driving new innovative businesses with products and services. One of the region's leading economic engines, Ann Arbor SPARK nurtures startups through its Regional Incubator Network with innovation centers in downtown Ann Arbor and Ypsilanti. The centers assist companies in locating and securing capital, recruiting talent, and connecting emerging businesses with partners and prospective customers.

Groundspeed Analytics is a recent success story. Founded in 2016, Groundspeed uses artificial intelligence and data science systems to serve commercial property and casualty insurance carriers, brokers, and managing agents. Groundspeed continues to grow with more than 80 employees and has now attracted \$30M in Series B Funding.



Our Community and the Arts

The Ann Arbor Symphony Orchestra attracts, inspires, and educates the most diverse audience possible, fosters a growing appreciation for orchestral music and regional talent, and provides imaginative programming through community involvement.





Beyond the mainstage concerts and educational programs, listeners experience the A2SO through chamber concerts in Chelsea, Dexter, and Ypsilanti, and in special daytime chamber programs at the Jewish Community Center near Ann Arbor's Research Park – an Opportunity Zone.



About Opportunity Zones

Opportunity Zones Overview

Opportunity Zones provide federal tax relief for capital gains invested into certain low-income locations around the United States. Through the 2017 Tax Cuts and Jobs Act, the U.S. Congress Opportunity Zone program was created to stimulate investment in economically distressed communities as designated by selected United States census tracts.

States could designate up to 25 percent of low-income census tracts as Opportunity Zones. Here in Washtenaw and Livingston counties, we have Opportunity Zones located in Fowlerville, Ypsilanti, Ann Arbor, and Chelsea.

Since the Federal Opportunity Zone program was introduced, Opportunity Zone information, investment funds, and education about the program continue to be updated. To navigate through the complexity of the program, it is best to research program changes when exploring investment in opportunity zones. A list of resources is provided at the end of this document.

NOTE: It is recommended to consult your tax advisor for additional information and prior to making any investment decision.

What tax incentives exist to invest in Opportunity Zones?

Opportunity Zone legislation provided tax incentives to reduce capital gains for investors that hold their money in a Qualified Opportunity Fund for at least five years with the greatest upside at 10 years or more. Investors must invest through a qualified Opportunity Fund to benefit from the tax incentives.

A tax-payer has 180 days to invest unrealized gains into a Qualified Opportunity Zone Fund (QOZ). A QOZ must invest 90% of the funds into a qualified Opportunity Zone

ARE THERE EXISTING OPPORTUNITY ZONE FUNDS?

Yes, several Opportunity Zone funds have been created. The National Council of State Housing Agencies (NCSHA), for example, has over 183 funds listed in the [Opportunity Zone Fund Directory](#) and is expected to raise \$44B in Opportunity Zone investment.

NOTE: It is recommended to consult your tax advisor for additional information and prior to making any investment decision.

Three ways to get a tax incentive through investing in a qualified Opportunity Zone Fund*



Investors have up to 180 days to invest unrealized capital gains into a qualified Opportunity Zone Fund. Deferral is until the earlier of the date on which the investment is sold or exchanged or December 31, 2026.



Opportunity Zone Fund investments held for at least 5 years can receive a 10% reduction on the deferred gain. If held for at least 7 years, there is an additional exclusion of 5% thereby excluding up to 15% of the original capital gain from taxation.



An investment held for at least 10 years is exempt from capital gains taxes on the taxable income from the sale or exchange of an investment in a qualified Opportunity Zone Fund. This only applies to gains that occurred after an investment in a QOF.

NOTE: It is recommended to consult your tax advisor for additional information and prior to making any investment decision.

OZ Projects and Investment Types

WHAT PROJECTS CAN THEY SUPPORT?

The majority of qualified Opportunity Funds invest in some form of commercial real estate, including multi-family residential, student housing, mixed-use, hospitality, or other commercial development including community revitalization, affordable housing, and workforce housing.

Within Washtenaw and Livingston counties, Opportunity Zones are located in Fowlerville, Ypsilanti, Ann Arbor, and Chelsea.

WHAT TYPES OF INVESTMENTS ARE ALLOWED?

The investment options within opportunity zones are broad, which provides potential investors with a range of options. Broadly, Opportunity Zone Funds can be used for real estate or running a business (partnership interest or stock) with few limitations.

Opportunity Zone Funds are private sector investment vehicles that must invest at least 90 percent of their capital in qualifying assets located in Qualified Opportunity Zone.

Opportunity Zones in the Ann Arbor Region

WHERE ARE THE LOCAL OPPORTUNITY ZONES?

There are 11 federally approved Opportunity zones in Washtenaw (10) and Livingston (1) counties. Eight are in Ypsilanti, and one each in Ann Arbor, Chelsea, Pittsfield Township, and Fowlerville.



Opportunity Zone Highlights

Ann Arbor, MI

- The Ann Arbor region is home to the University of Michigan and hosts a multitude of businesses ranging from startups to national headquarters, including Domino's. The vibrant downtown region has much to explore in the way of events, locally owned shops, and culinary delights — such as Zingerman's Delicatessen.
- The region is known globally as a hub of high-tech companies. Top talent is drawn to the region, consisting of Washtenaw and Livingston counties, which has a population of 562,000. Ann Arbor continuously receives accolades, such as the #1 Best Place to Live, #1 Best College Town in America, and Top New Tech Hub. The region's affordability index as compared with other high-tech destinations, as well as a broad range of support services, drive business formation and growth.
- Within the region, major sectors in auto, mobility, information technology, life science, and healthcare continue to grow. High quality of life continues to draw companies in addition to the infrastructure, talent, and resources available from the University of Michigan and Eastern Michigan University.



Opportunity Zone Highlights

Ypsilanti, MI

- Ypsilanti fosters a progressive community with a vibrant arts scene and a rising downtown area. Ypsilanti, also known by locals as Ypsi, has a rich history which can be seen in the local architecture. There are two main business areas, Downtown and Depot Town, which are known for eclectic shops and local businesses, including the Ann Arbor SPARK East Innovation Center — a business accelerator for entrepreneurs.
- The city is home to Eastern Michigan University (EMU) which has been ranked for 17 consecutive years as one of the best colleges in the Midwest, according to The Princeton Review. EMU offers both undergraduate and graduate programs including a nationally accredited Cyber Defense program — one of a handful in the country.
- The area boasts over 23,000+ acres of public park and recreation areas including opportunities for canoeing, kayaking, and fishing on the beautiful Huron River.



Opportunity Zone Highlights

Chelsea, MI

- Chelsea, Michigan is a charming community with a balance of downtown, residential, and rural geographies. Residents enjoy quality living, a variety of work options, and many recreational opportunities including biking trails and kayaking. On the edge of downtown is the home of “JIFFY” Mix — the Chelsea Milling Company.
- Located in western Washtenaw County, Chelsea is the hub for a larger regional community. The rural character and natural beauty of the surrounding area help give the city its character. Chelsea is located along I-94, within a one-hour drive from Ann Arbor, Jackson, Detroit, and Lansing.
- Chelsea is rich in diverse cultural and recreational opportunities. The city’s vibrant parks and public spaces, historic downtown and active historical society, and public art build a strong sense of identity. Chelsea is also home to the Purple Rose Theatre, founded by actor Jeff Daniels and a venue for professional theater. Recreation opportunities include the city’s three community parks, the Arctic Coliseum Ice Arena, and Pierce Lake Golf Course.

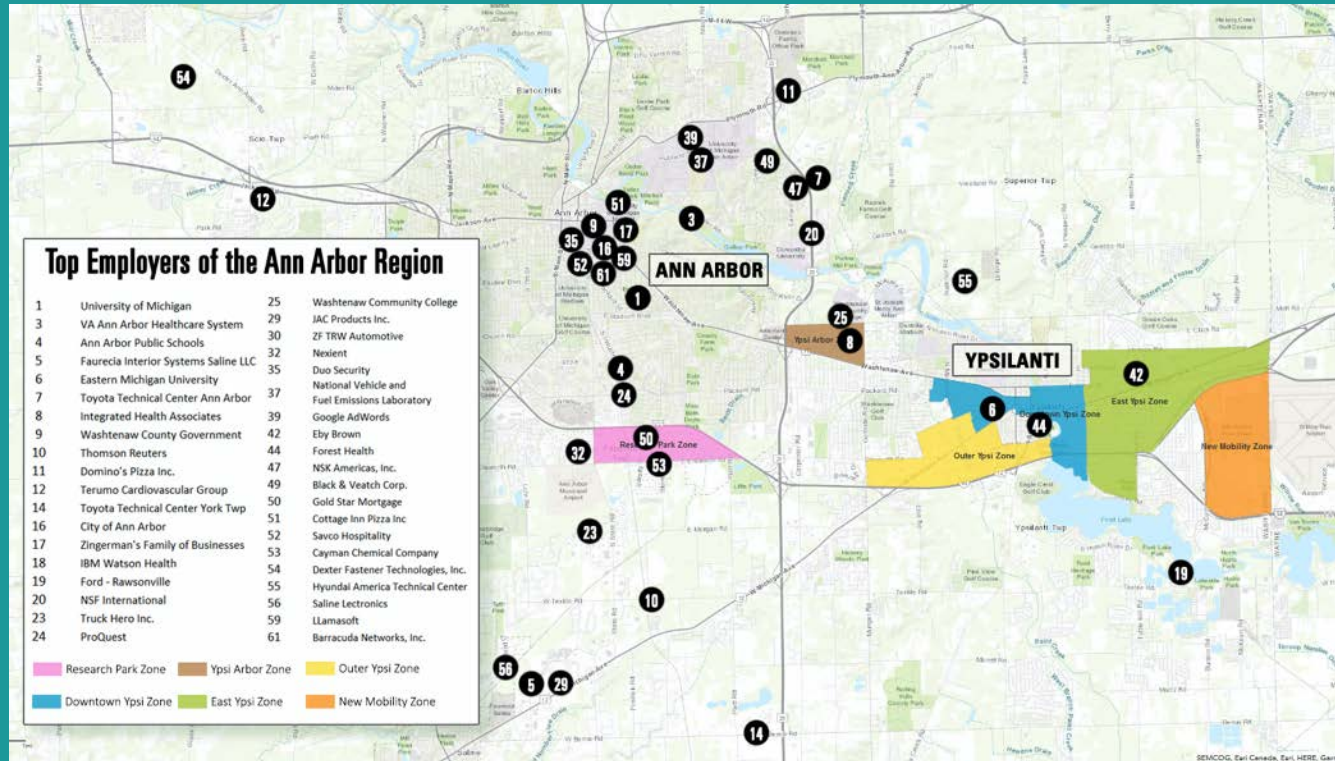


Opportunity Zone Highlights

Fowlerville, MI

- Fowlerville is a village in Livingston County in the U.S. state of Michigan. It is located in the northeast portion of Handy Township and is independent from the township.
- Livingston county is home to to a strong industrial and advanced manufacturing base including Asahi Kasei plastics, Total Security Solutions (Inc. 5000 winner), and is home to Aisin Holdings of America automotive components test track and proving ground in Handy Township.
- Livingston has ample recreational opportunities to explore and enjoy the outdoors with access to over 123 miles of trails and 184 lakes. Livingston county also is home to communities with vibrant downtowns in the communities of Brighton and Howell amongst others.
- KW Corporation is a nation-wide technology implementation contractor specializing in network hardware infrastructure and security solutions and was recently awarded a FastTrack award for rapid growth for three consecutive years.

Ann Arbor and Ypsilanti Opportunity Zones



Ypsilanti Opportunity Zones

- Tract 4056 (South Ann Arbor)
- Tract 4140 (Pittsfield Township)
- Tract 9840 (American Center for Mobility) - Ypsilanti
- Tracts 4103, 4105, 4106, 4108, 4119, 4117, 4120 (Eastern Washtenaw County/ Ypsilanti/ Ypsilanti Township)

Ann Arbor Opportunity Zones

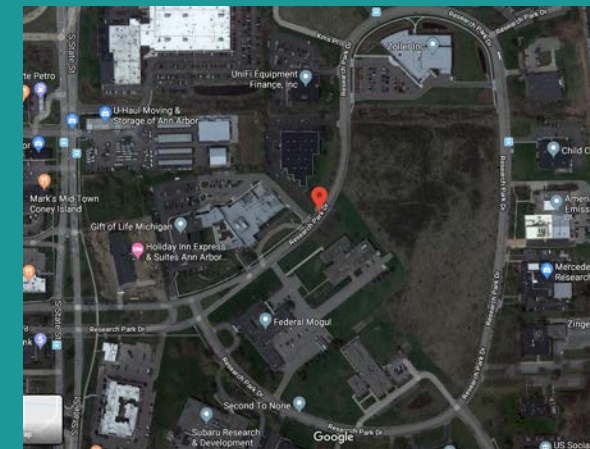
- Tract 4056 (South Ann Arbor)
- Tract 4140 (Pittsfield Township)

Description:

- Zoning: RD (research district) – designed for office space & research
- Build-to-suit
- 3885 Research built in 1985 – owner willing to update
- Light industrial permitted

Tract 4056 (South Ann Arbor)

Tract 4140 (Pittsfield Township)



Project: Research
Park Drive

***3874-3885 Research
Park Dr, Ann Arbor,
MI***

The American Center for Mobility is a collaborative effort comprised of government, industry and academic organizations focused on accelerating the mobility industry through research, testing, standards development and educational programming..

ACM Focus Areas Include:

- Accelerating the research, development, test, and validation process of mobility products and technologies in a safe and re-configurable environment.
- Supporting industry standardization and policy requirements of mobility products and technologies.
- Empowering workforce development, through education and immersion with mobility products and technologies.
- Build-to-suite future development areas are available.

Nearby Existing Industry Sectors:

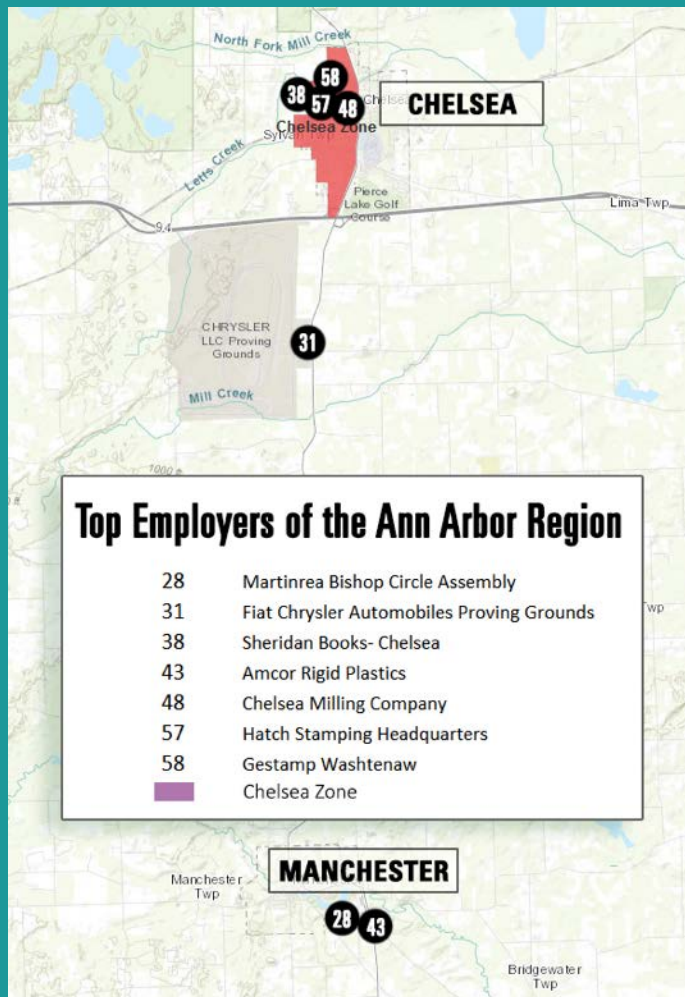
- Education, Manufacturing, multiple automotive technology centers
- Key Assets: Proximity to I-94, US 23
- Proximity to southeast Michigan original equipment manufacturers (OEMs) as well as tiered-supply base, and 189 mobility companies in Washtenaw County

For more information please visit: <https://www.acmwillowrun.org/technology-park/>



Project: American
Center for Mobility

Ypsilanti, MI



Chelsea Opportunity Zone

The Chelsea Opportunity Zone was once home to a former industrial auto supplier Federal Screw Works. The site spans approximately two acres within walking distance of downtown Chelsea and the hospital campus.

The property is currently zoned Industrial and the city's Future Land Use Plan calls for Mixed-Use. Please contact the city for more information.

Key Assets:

- Proximity to I-94
- University of Michigan and St. Joseph Mercy Hospital campuses
- A thriving industrial park
- Charming historic downtown
- Vibrant neighborhoods

Recent Investments:

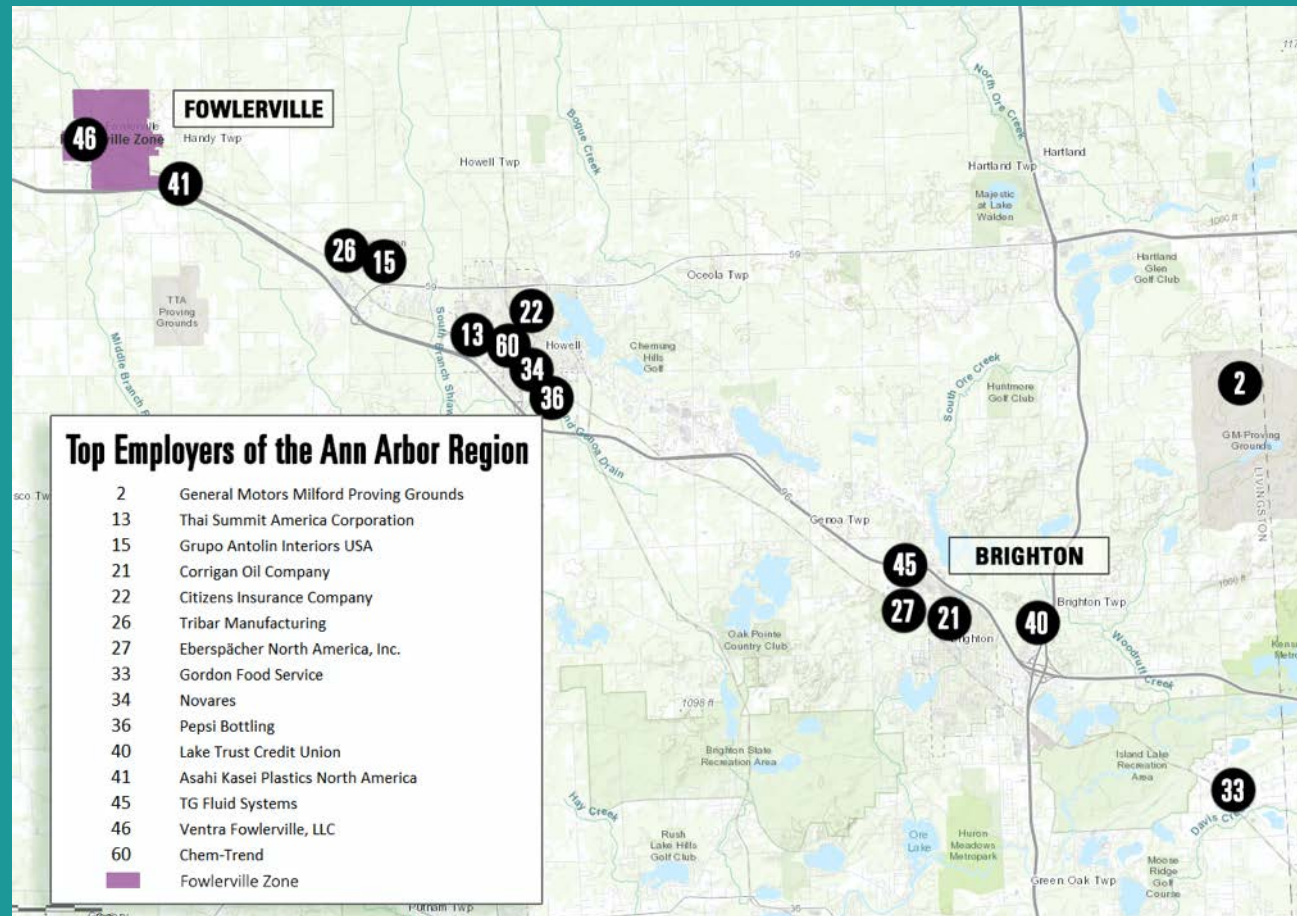
- Agricole Farm Stop (formerly the Mack Building)
- Palmer Commons
- Clocktower Complex

Tract 4062



Project: Federal
Screw Works

Chelsea, MI



Fowlerville Opportunity Zone

The Fowlerville Opportunity Zone area has access to major freeways and is zoned industrial. Please contact the township for more information.

Description: 223 National Drive has 25,000 - 50,000 SF over 3.4 acres. New construction up to 25' clear height, 4 docks. Can be duplexed. Finished-to-suit. Can be leased or sale possible.

Key Assets:

Proximity to I-96 and US-23

University of Michigan and St. Joseph Mercy Hospital campuses

Tract 1331



Project:
223 National Drive
Fowlerville, MI

Resources:

Opportunity Zone Resources additional information:

[Ann Arbor SPARK Regional OZ Summary and Interactive Maps](#)

[Novogradrac Opportunity Zone Resource Center](#)

[CBRE Opportunity Zones](#)

[Michigan State Housing Development Authority - Opportunity Zones](#)

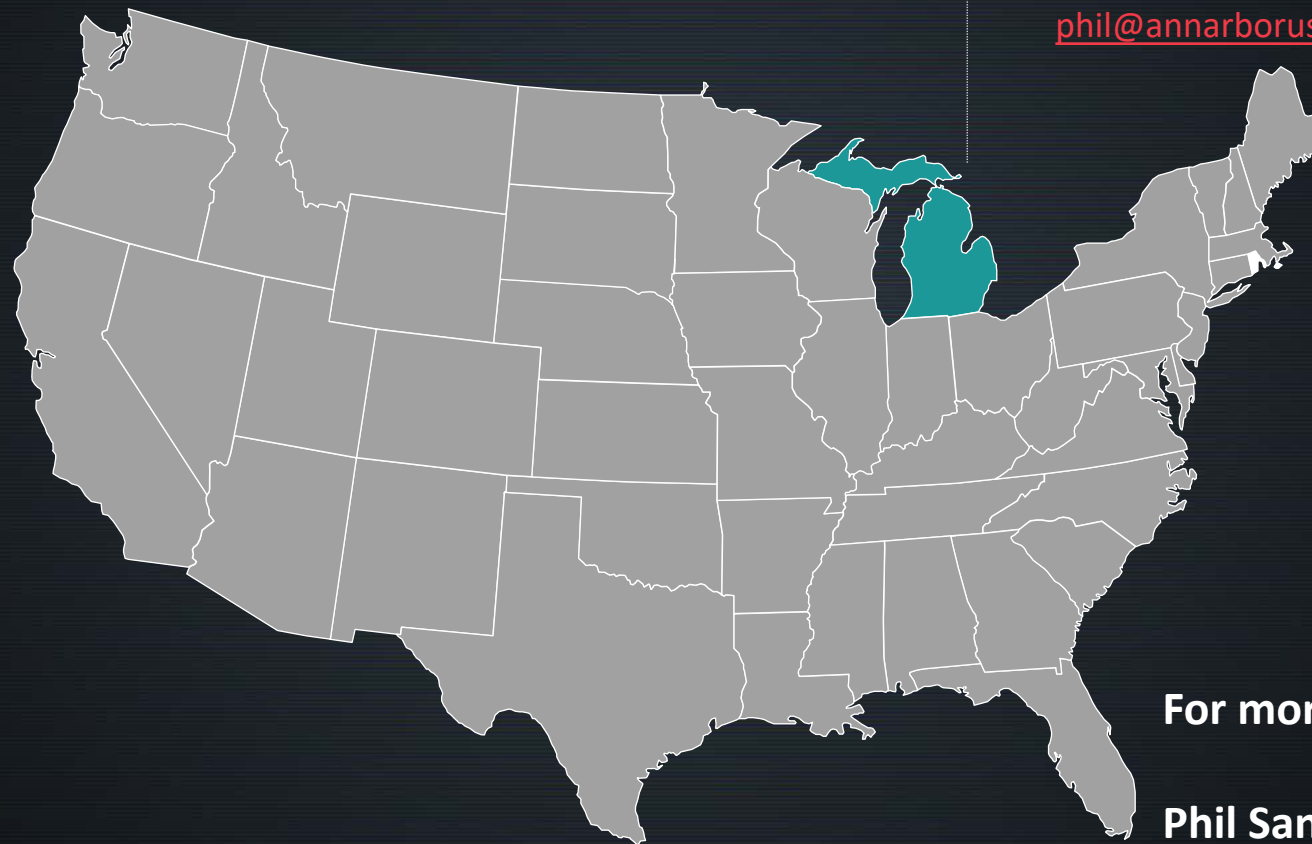
[State of Michigan Portal on Opportunity Zones](#)

[Federal Opportunity Zone website](#)

Contact Us

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