

QUARTERLY ECONOMIC DEVELOPMENT REPORTS 2020



\$178K RELIEF FUNDING

DISTRIBUTED

COVID-19 REFERRALS PROVIDED

Moving forward through the **COVID-19 Crisis**

SPARK Launches COVID-19 Business Recovery Center



Ann Arbor SPARK will advance the economy of the Ann Arbor region by establishing it as a desired place for innovation, business location and growth, and for talented people to live and work. The Ann Arbor region will be recognized for its academic, business, and community resources, and its collaborative culture. For more information visit:

The COVID-19 Crisis

The Economic Development Council of Livingston County maintains a close relationship with private sector industry and local government to provide referrals and services that promote economic growth. This section of the quarterly report usually provides updates on ongoing projects and developments in the community that contribute to local prosperity. As businesses and organizations are starting to reopen, we continue to monitor and bring you the latest resources as we navigate these uncharted waters. The latest information on resources, learnings, and ideas can be found on our Ann Arbor SPARK Business Recovery Center.

Ann Arbor SPARK COVID-19 Business Recovery Center

The EDCLC and Ann Arbor SPARK have compiled ongoing resources available to businesses during the COVID-19 outbreak in our new Business Recovery Center.

ONLINE LEARNING

PPP Loan Forgiveness: Webinar password: UynfJG8J View Webinar | View Materials

Creating Culture in Your Company and Using it to Build Success View Webinar | View Materials

Employment Litigation: Identifying Risks of COVID Quarantine Webinar password: eQNKa3Cw

Bringing Employees Back to Work: Creating Pandemic Plans Webinar password: GgmE9FNV

<u>View Webinar</u> | <u>View Materials</u>

View Webinar | View Materials

Meaningful Meetings: Hosting Virtual Conversations with Energy and Engagement View Webinar | View Materials

The Change Labs — Social Connection View Webinar

Staying Agile Beyond a Crisis Listen to Podcast

EVENTS

Many events are online due to the COVID-19 pandemic. Please confirm with event organizers if you have any questions about the status of an event.

Apprenticeship 101 for Employers in the Restaurant and Lodging Industries

July 27 | Learn More

CAR Management Briefing Seminars Virtual Event August 4 - 5 | Learn More

Foundational Elements of Diversity, Equity, and Inclusion August 24 | Learn More

a2Tech360 September 18-26 | <u>Learn More</u>

Ann Arbor SPARK's 2020 Annual Meeting September 22 | Learn More

U-M Data Science Annual Symposium 2020 November 10 – 11 | <u>Learn More</u>

View more upcoming events.

Regional News

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Michigan Small Business Relief Program

The Michigan Small Business Relief program, funded by the MEDC was established in response to businesses experiencing COVID-related distress. Ann Arbor SPARK administered this funding for Washtenaw and Livingston counties.

The demand for funding through the program was overwhelming and far exceeded the funds available. More than 1,500 companies in Washtenaw and Livingston counties applied for the funding available. Nearly \$15 million in need was requested compared to the \$327,000 in grant funding available to disperse in Washtenaw County and \$168,000 to disperse in Livingston County. Thirty-three Livingston small businesses received grants from the Michigan Small Business Relief fund.

Brighton Small Town Big Hearts Crowdfunding Initiative

The city of Brighton led a <u>Small Town, Big Hearts Initiative</u>, a program designed to provide downtown small businesses financial relief through the MEDC Patronicity crowdfunding platform. This allows community members and organizations to have a direct impact in contributing to their downtown business of choice and reduce the economic burden of revenue loss due to the pandemic. This program was endorsed and supported with marketing funds by the DDA and raised funds through the online platform and was matched by the support of the Lake Trust Credit Union (up to \$750).

Community Foundation Grants

The Community Foundation of Southeast Michigan provided \$10,000 to Livingston County to meet emergency community needs during the COVID-19 crisis. Ann Arbor SPARK was the grant administrator and four area businesses received funding through this program.

Foundation Chairman Rick Scofield said they are fortunate to have had so many contributors to the Community Foundation over the years, which allowed the foundation to provide much needed financial help to organizations through the COVID-19 crisis.

Michigan Small Business Restart Program

The Michigan Small Business Restart program, funded by the MEDC is the newest grant program for local businesses experiencing COVID-related distress and is underway. Ann Arbor SPARK is administering this funding for Washtenaw and Livingston counties. Read more

Grant funds can be used as working capital to support payroll expenses, rent, mortgage payments, utility expenses, or other similar expenses. Businesses may apply for grants of up to \$20,000. Applications close on August 5.

Microloan Programs in the Ann Arbor Region

Microloans provide a way for rapidly expanding businesses to access financial capital when more traditional financing isn't available. A regional compilation of available microloans around the greater Ann Arbor area is available with a few Livingston area providers highlighted below:

LAKE TRUST CREDIT UNION MICROLOAN

Terms: Variable

Funding Range: Up to \$50,000

Restrictions: Business expenses that are under \$50,000. The lending process is quicker than a traditional business loan timeframe.

CEED LENDING

Terms: Must fully amortize; usually 5 years with interest rate fixed at closing

Funding Range: Up to \$50,000

Restrictions: For-profit companies only; cannot be used for real estate investment; must be current on all federal obligations

SBA

Terms: Variable, depending on the institution that provides the credit

Funding Range: Up to \$50,000. The average loan is \$13,000. Restrictions: The microloans are provided by other credit entities (not the SBA directly) – the institutions have their own credit requirements and often require a personal guaranty and collateral.

Local Dashboard

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The local dashboard tracks demographic trends that are important measures of economic growth. Please note: this data does not reflect the impact of the COVID-19 Crisis as the data is in arrears. The data is compiled from a range of sources, including the Bureau for Labor Statistics, the Census, the Livingston County Association of Realtors, and more. The trend arrow reflects the change in quarterly data, using the most recent data available. Timing of updates vary by source.



Unemployment

01 2020

Michigan: 4.0% Livingston: 3.7%

The unemployment rate in Livingston County increased slightly from 2.8% in Q3 to 3.7% in the first quarter of 2020. Q1 data shows the beginning of the unemployment increase caused by COVID-19 pandemic. Unemployment for the county in May 2020 is 19.7%.

Source: BLSLAUS



Wages

Q4 2019

Michigan: \$1,057 Livingston: \$881

The average weekly wage in Livingston County saw a slight increase from \$852 in Q3 2019 to \$881 in Q4 2019. The average weekly wage in Livingston County remains lower than the average weekly wage statewide.

Source: BLSQCEW



LaborForce

01 2020

Michigan: 4,933,139 Livingston: 103,831

The labor force in Livingston County decreased by 1% between Q4 2019 and Q1 2020. During the same time period, the labor force in Michigan also decreased by 1%. The labor force consists of individuals working or seeking employment.

Source: BLSLAUS



MFG Employment

Q4 2019

Michigan: 625,546 Livingston: 9,795

Employment in manufacturing remained statistically the same from Q3 2019 to Q4 2019 across the state and in Livingston County. The county added 40 new manufacturing jobs in Q4.

Source: BLSQCEW



Job Postings

02 2020

Livingston: 6,028

The total number of job postings in Livingston County decreased by 15% between Q1 2020 and Q2 2020

Source: Workforce Intelligence Network



Home Sales

June 2020

Livingston: 318

The number of home sales in Livingston County decreased by 26% in June 2020 compared to June 2019.

Source: LCAR

Building Great Organizations

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Building Great Organizations is a new bi-monthly series from Ann Arbor SPARK that highlights best practices and tools to promote highly innovative, productive, and positive workplace culture. By Anne Partington

Tools to Lead Through Trying Times: Active Listening Skills

For the foreseeable future, the workplace will be in a state of transition where effective communication, aligned decision-making, and team agility will continue to be the building blocks of great organizations.

In addition to the ongoing risk due to the COVID-19 pandemic, workplaces are elevating conversations and actions around diversity, equity, and inclusion in society, as well as making everyday decisions regarding business investments in people, operations, and future strategy.

To lead through these turbulent times, leaders who are including employees at all levels will need even more evolved listening skills to promote understanding and aligned action. Listening — more importantly active listening — is one of those tools that can have a major impact on workplace effectiveness.

The Basics: What is Active Listening?

Active listening is about connecting to the person with whom you are communicating to understand if the complete message you heard is the message the other party intended.

Active listening is about effective listening. It requires attention, an open attitude, and ongoing adjustments. Let's talk about the key elements of active listening.

More than 70 percent of communication is non-verbal. Body language on web-based meetings is even more difficult to discern and understand. Therefore, whether meeting in person or in web meetings, pay attention to your own facial expressions, gestures, and nodding.

Best practices around non-verbal active listening cues

- Be mindful of body language avoid crossed arms
- Facial expression
- Pay attention
- Nodding, maintain eye contact
- · Leaning in



Reach Alignment through Inquiry Questions

Have you ever been in a conversation where you wondered if the person you were speaking with was actually listening? Inquiry questions are a great way to ensure alignment of messaging.

You can use different types of questions whether you are receiving the information or providing the information for general communication or to decision makers. There are three broad areas of questions that can demonstrate active listening engagement:

Clarifying

- Tell me more about ...?
- How did ...?
- What do you think ...?
- Would you mind sharing with us your thoughts on this topic?

Holding Judgement & Reflecting

- Paraphrase to ensure understanding
- Keep paraphrase brief
- Ask for confirmation that your paraphrase reflects the intention
- Silence is ok processing time. Refrain from filling it whether you need the time or someone else has paused to reflect

Summarize & Share

- Similar to paraphrase:
- Several points are paraphrased ending with a question for confirmation.
- Summarize the key points discussed, followed with a "Did I get that right?"

Building Great Organizations

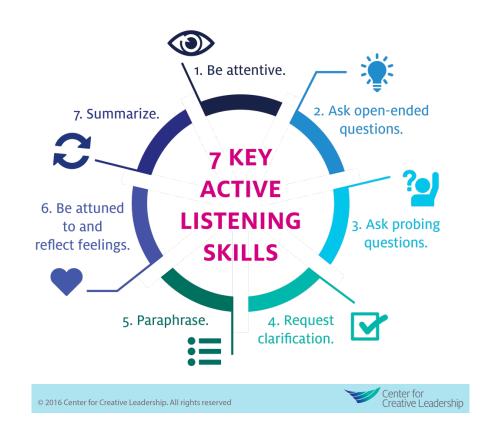
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Active Listening Skills (Continued)

Fostering Trust & Respect

Using active listening techniques can foster communication with a foundation of trust and respect. Regardless of the industry or workplace, starting with active listening demonstrates a listener's engagement and willingness to have a conversation based on willingness to understand first.

By asking questions in a non-threatening and information-gathering perspective, communication is more accurate and provides a framework to work through conflict. Furthermore, by ensuring that there is clear understanding, active listening can build forward momentum and propel teams into aligned action on next steps. Not only can active listening create a great team atmosphere, it is the basis for effective planning and productivity. So, the next time your team may be struggling in a meeting, try using an active listening question.



Read More

What Great Listeners Actually Do by Jack Zenger and Joseph Folkman Harvard Business Review

<u>Use Active Listening to Coach Others</u> Center for Creative Leadership

SPARK Metrics

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The project pipeline April 1, 2020 - June 31, 2020

PROJECT PIPELINE

Pipeline metrics track projects that SPARK staff are currently working to complete. If and when these projects are complete, they will contribute additional jobs and capital investment into the local economy.

18

Projects in Pipeline

1,256

Potential New Job Commitments \$1.2B

Potential Capital Investment



SUCCESS METRICS

Metrics of success are recorded when SPARK assists projects that successfully create jobs and/or investment in the community.

1

Successful Projects 10

New Job Commitments \$3M

Capital Investment



CALL PROGRAM

The Call Program is SPARK's outreach program to local employers. Company visits are made to build relationships, identify projects, and connect employers to community resources.

15

Company Visits

716

FTEs at Companies Visited

49

Referrals

Call Program & COVID-19 Support

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SPARK continues to monitor and bring you the latest resources as we navigate these uncharted waters. SPARK pivoted to supporting our businesses with the the Ω 2 COVID-19 resources, learnings, and funding needed for business sustainability through the crisis. Here are some of the highlights below as well as our retention visits.

COVID-19 Relief Efforts: SPARK Team Highlights

COVID-19 Business Recovery Center

- Hosted or planned multiple webinars with subject matter experts to keep business owners informed of resources and provide technical assistance
- Made more than 40 referrals to resources in response to COVID-19 to Livingston businesses
- Launched <u>on-demand webinars</u> as part of the Business Recovery Center

Funding

SPARK was the grant administrator for the MSBRF, providing \$168,000 of <u>working capital grants</u> to 33 small businesses experiencing financial hardship. SPARK also ran the Community Foundation grant programs for Livingston small business relief, resulting in four additional awards of \$10,000 total.

Community Support

SPARK served on the planning committee and supported the the Brighton DDA <u>Small Town Big Hearts</u> campaign through social media campaigns on multiple platforms. SPARK also engaged in the planning and promotion of the <u>Cashmob Howell</u> campaign. In collaboration with the LCCVB and local chambers SPARK worked with two communities to submit applications to the MEDC for Match-On-Main funds.

To aid growing businesses in gaining access to capital, SPARK Compiled available <u>microloans</u> for Livingston businesses.

Return to Work

Created business and community re-opening guidelines and supported area businesses in start up efforts.

COI	MPANY NAME	LOCATION
Q 1	Grit & Lavender	City of Brighton
Q 1	Surgical Safety Scanner	City Of Brighton
Q 1	VTS	Hamburg Township
Q 1	Asahi Kasei	Fowlerville
Q 1	Little Diablo Salsa	Green Oak Twp.
Q 1	Industrimax	Hartland
Q 1	The Bear Factory	Green Oak Township
Q 1	Dewitts Radiators	Genoa Township
Q 1	C & B Machinery	Green Oak Township
Q 1	Boss Engineering	Green Oak Township
Q 1	UPS	Genoa Township
Q 1	Livingston County Airport	Howell Township
Q 2	Total Security Solutions	Fowlerville
02	Legacy Center	Brighton Township
Q 2	Zero Gravity Filters	Green Oak Township
02	Flexible Metals	Hamburg Township
Q2	Aludyne	Howell Township
Q2	Uniplas	City of Howell

Fundraising

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+ TOTAL	\$286,767.22	
Livingston County	\$175,000	
Municipal Partners	\$114,267	

City of Brighton: \$9,065.98; City of Howell: \$6,799.49; Genoa Township: \$23,283.09; Green Oak Township: \$19,574.28; Hamburg Township: \$20,604.50; Handy Township: \$3,467.00; Hartland Township: \$13,392.93; Oceola Township: \$10,579.95; Village of Fowlerville: \$5,000; Village of Pinckney: \$2,500

EXPECTED PRIVATE SECTOR CONTRIBUTIONS

+ TOTAL \$134,079

Asahi Kasei Plastics; Boss Engineering; Brighton Chamber; Chem-Trend; Chemical Bank; Cleary University; Consumers Energy; Corrigan; Crystal Gardens; DTE Energy; Duncan Disposal; Elite Insurance; Era Griffith Realty; Financial Plus+ Credit Union; First National Bank; Hartland Insurance; Howell Chamber; IHA; ITC Holdings; J&J Joseph Properties; Lake Trust Credit Union; Livingston Association of Realtors; Lindhout Associates; Lowry Solutions Inc; May & Scofield; Old National Bancorp; Refrigeration Research; Rudolph Libbe; Senior Care Equities #4 LLC; Signature Associates; Thai Summit; Trinity Health

2020 EDCLC EXPENSES

+ Ann Arbor SPARK	\$0	

Quarterly Highlights

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Livingston County News

EDCLC Chairman bids Farewell to Livingston

Following 13 years of dedicated service to Hartland, Township Manager James Wickman's last day was May 29. We wish him the best in his next venture as Township Manager for Saginaw Charter Township.

James also served on the Ann Arbor SPARK executive committee and was the board chair of the Economic Development Council for Livingston County. Marcia Gebarowski, Ann Arbor SPARK director of business development for Livingston County, sat down with James for a reflection on his tenure with the EDCLC Board, Hartland, and future prospects for the county.

LivCo Road Rally

The LivCo Road Rally is a county-wide scavenger hunt that has participants chasing clues throughout Livingston county for a great cause — student scholarships. Organized by the Livingston ESA, proceeds from the event fund scholarships for graduating high school students pursuing careers featured in Michigan's HOT 50 Jobs list. Ann Arbor SPARK is a scholarship sponsor as well. Although the rally could not be held this year, organizers were still able to award 12 students county-wide scholarships totaling more than \$11,000.

The scholarship funded by Ann Arbor SPARK was awarded to Pinckney Community High School senior Jack Sleeman who will be studying engineering at Michigan State University in the fall.

"The Road Rally scholarship will allow me to focus on my academics rather than worrying about paying for them," Sleeman said. "I chose to pursue engineering as it is a field that interests me and has a growing number of job opportunities.

Partnership continues between SPARK and MI Works Southeast in Livingston County

MI Works Southeast renewed their commitment with Ann Arbor SPARK and other regional economic development partners to help promote business resources with local employers. The Business Services team at MI Works oversees many resources available to businesses including:

- Talent Recruitment Services
- Employee Training Programs
- Layoff Aversion Services
- Business Resource Networks
- Youth paid work experience program

Many programs MI Works administers are federally funded, including on-the-job training and incumbent worker training. These programs, focused on upgrading employee skills and acquire occupational experience, are currently available for application.

The MI Works Business Services team can also be a one-stop shop for employers to promote open positions, assist in drafting job descriptions, screen candidates, and help coordinate interviews with job seekers.



Livingston County Resources

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Community events are a great way to make connections between local leaders, and industry to create a vibrant network of individuals committed to economic prosperity.

Chamber of Commerce Information

See your local Chamber of Commerce websites for additional information regarding local COVID-19 updates as well as webinars. The EDCLC And Ann Arbor SPARK are working closely with the Howell, Brighton, and Hartland Chambers to support the communities through this crisis.



Howell Chamber of Commerce Read More



Hartland Chamber of CommerceRead More



Greater Brighton Chamber of CommerceRead More

Report Definitions

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COMPANY VISITS:

Company visits are meetings with local businesses regarding their current business outlook. This is a core "economic gardening" strategy that provides opportunities for referrals like workforce development training, state-level resources, tax incentives, business development opportunities, cost reduction strategies, access to capital, etc.

EMPLOYMENT MULTIPLIER:

Employment multiplier is a figure calculated by economic modeling through Regional Economic Models, Inc., which quantifies the indirect assistance provided through new job creation. For example, an employment multiplier of 2.0 would indicate that one new job would affect two total jobs (the new job itself, and another indirect job). Employment multipliers are based on the company's industry and investment, among other factors.

PROJECT PIPELINE:

The project pipeline represents potential projects that have been identified, along with their current status and probability of completion.

REFERRALS:

Referrals to outside resources or value-added services provided by staff. This could include a referral regarding a state-level program, a review to determine the feasibility of entry into a new sector, or technical assistance with local or state-level programs.





