

Economic Development Council of Livingston County

QUARTERLY ECONOMIC
DEVELOPMENT REPORTS 2020

\$1.5 M Grant funds disbursed in Livingston County

Companies supported through Restart Grant

SPARK supports tech firm VTS in Hamburg

SPARK welcomes Tami Salisbury and Denise Murray to the Livingston County team!



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.

SPARK's priority is to keep sharing information to stakeholders and businesses as new programs or resources become available, as well as continue to collaborate on and lead initiatives that will support small businesses in Livingston County.

SPARK-Livingston COVID-19 Response Dashboard

Overview and Results





- Small Town Big Hearts Campaign
- Cash Mob Howell
- Small Business Assistance Fund









SPARK

Regional News

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Livingston Businesses supported through Restart Grant

The Michigan Small Business Restart program, funded by the MEDC is yet another grant program for local businesses experiencing COVID-related distress. The MEDC allocated more than \$69 million through 15 regional economic development agencies to administer across the state. Ann Arbor SPARK was responsible for disbursing funds in Washtenaw and Livingston counties. At least 30 percent of the funds awarded under the program were required to be provided to women-owned, minority-owned or veteran-owned eligible businesses. Ann Arbor SPARK disbursed \$8.6 million throughout our six-county region, of which Livingston received \$1.53 million.

Ann Arbor SPARK convened and led a local committee of business and community stakeholders to review more than 500 applications for grant funding. Through their due diligence, the committee provided grant funds to 153 local businesses, each totaling \$10,000. Businesses receiving the funds will retain up to 860 jobs in the county, as well as re-hire 240 additional jobs based on application information. Half of the recipients were women-owned, minority-owned or veteran-owned businesses, surpassing program requirements.

You can visit this (LINK) to read more about the Restart program including a list of grant recipients.

Despite Pandemic — Business Networking Continues

Thanks to limited group size and social distancing, various organizations were able to hold their annual golf outing fundraiser events this summer. Ann Arbor SPARK was once again pleased to sponsor these events that help cultivate business networking experiences among Livingston County stakeholders.

SPARK had golfers participating in the Hartland Chamber and Howell Chamber golf outings as part of our sponsorship, as well as the Work Skills Golf-a-palooza! SPARK was also a video sponsor of the Brighton Chamber's golf outing (LINK).

Working in Ann Arbor, Living in Livingston County

The Ann Arbor region fosters a growing tech ecosystem, one that attracts and supports innovative businesses and advanced manufacturing. That region includes Livingston County, an expansive community north of Ann Arbor. Of the nearly 200,000 residents that live there, 13,000 of Livingston County's residents are employed by businesses in the Ann Arbor area. Click (LINK) to read SPARK's recent highlight of Livingston residents that work in Ann Arbor, an attribute that makes this region a powerhouse for business and talent.

Tech start-up VTS growing strong in Hamburg

Visualization Technology Services (VTS) is a small tech firm owned by John and Kelly Chwalibog from Brighton. This small company has big sights on entering new markets with a very familiar technology and Ann Arbor SPARK is helping them achieve their goals.

VTS produces digital twins of buildings that can be used for things like virtual tours we all see as a common way to tour homes in the real estate market or other large venues. However, VTS isn't working with realtors for virtual home showcases, but rather focusing on creating these images for large industrial and commercial or multi-family buildings. Using high-tech scanners, cameras, and drones, VTS creates a digital image that covers every inch of a building's interior and exterior.

Their product becomes very valuable in the event of a fire or natural disaster when insurance adjustors and companies can assess damage and costs quickly so reconstruction can begin sooner.

As VTS grows into this largely untapped market, SPARK has brought various resources to VTS to help raise capital and provide new partnership opportunities for sales growth.

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

02 2020

Michigan: 8.7% Livingston: 6.7%

The unemployment rate in Livingston County increased 3% from the first quarter of 2020. Q1 data shows the beginning of the unemployment increase caused by COVID-19 pandemic but increased in Q2. Unemployment for the county decreased by 9.9% from June to July 2020.

Source: BLSLAUS



Wages

01 2020

Michigan: \$1,103 Livingston: \$892

The average weekly wage in Livingston County saw an increase of \$11 from Q4 2019 to Q1 2020. The average weekly wage in Livingston County remains lower than the average weekly wage statewide.

Source: BLSQCEW



LaborForce

Q2 2020

Michigan: 4,765,732 Livingston: 91,763

The labor force in Livingston County decreased by 12% or 12,068 workers between Q1 to Q2 2020. During the same time period, the labor force in Michigan also decreased by 3% or 167,407 workers. The labor force consists of individuals working or seeking employment.

Source: BLSLAUS



MFG Employment

Q1 2020

Michigan: 613,927 Livingston: 10,374

Employment in manufacturing increased 6% from Q4 2019 to Q1 2020 in Livingston County, however decreased in Michigan by 2%. The county added 579 new manufacturing jobs in Q1.

Source: BLSQCEW



Job Postings

Q3 2020

Livingston: 13,244

The total number of job postings in Livingston County increased by 30.5% between Q2 2020 and Q3 2020.

Source: Workforce Intelligence Network



Home Sales

Q3 2020

Livingston: 312

The number of average home sales in Livingston County increased by 10% in Q3 2020 compared to Q3 2019.

Source: LCAR

a2Tech360 in Review

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Thanks to everyone who joined us for a2Tech360 — the week-long celebration of the Ann Arbor region's dynamic, growing, and innovating tech ecosystem. For the entire week, we had more than **4,000** registrations from **37** states and **25** countries for **16** events which produced more than 30 hours of content.

Three Livingston Companies Celebrated for Remarkable Growth During a2Tech360

Kicking off a2Tech360, Ann Arbor SPARK presented its 22nd annual FastTrack Awards to 19 companies located in Washtenaw and Livingston counties. More than half of the 2020 FastTrack Award recipients were multiple-year winners.

"During this time when most headlines focus on business uncertainty, it's gratifying to honor these companies for their impressive and consistent growth," said Paul Krutko, president and CEO of Ann Arbor SPARK. "After more than two decades, we have presented 303 FastTrack Awards to 123 fast-growing companies from Washtenaw County and this year, we are excited to add three Livingston County organizations to the ranks."

FastTrack Awards are presented to companies with consistent and substantial records of growth. Recipients of this year's awards were required to have revenue of at least \$100,000 in 2016, with an average growth of at least 20 percent for the following three years. Rehmann is the 2020 Ann Arbor SPARK FastTrack Awards accounting partner and verified all of the award applications.

Three Livingston firms were named One-Year Award Winners:

- The Hartland Area Chamber of Commerce: proudly serves its business members with information, support, and networking opportunities.
- KW Corporation: is a nation-wide technology implementation contractor specializing in network hardware infrastructure and security solutions.
- Thriving Minds Behavioral Health: is a psychology clinic helping children, adults, couples, and families

FastTrack Award winners were recognized on Friday, September 18, during a virtual celebration and supported by presenting sponsor Northstar Bank. You can watch the ceremony celebrating our local businesses here (LINK)





EVENT VIDEO LINK

a2Tech360 in Review

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Ann Arbor SPARK Hosts Annual Meeting, Details Results of 2019 Annual Report

At its annual meeting, Ann Arbor SPARK presented the results of its work in 2019 as well as its work to-date to support the business community during COVID-19. At the meeting, which was rescheduled from an in-person event in April to a virtual event during a2Tech360, SPARK announced that MI-HQ was selected as the Business Development Project of the Year. May Mobility was also named as the Entrepreneurial Company of the Year, and Ted Dacko as Volunteer Leader of the Year at the event.

"Every year the Ann Arbor SPARK's annual meeting is an important community event celebrating the collective successes of our private, public and academic regional economic development partnership. We were determined to hold this meeting virtually and had more stakeholders and community members register than ever before to hear our report on what the partnership has achieved in 2019 in terms of investment, jobs and company formation and growth," said Paul Krutko, president and CEO, Ann Arbor SPARK. "SPARK's work in attracting, retaining, and growing businesses that sell products and services to national and global markets has built and is building the foundation that is necessary for our recovery from today's economic uncertainty as well as our future growth."

In its annual report, Ann Arbor SPARK announced the following results for 2019:

- Thirty-one company growth projects that generated \$132 million in new investment commitments, 534 new jobs, and nearly 1200 retained jobs.
- Assistance through intensive services and grants to 262 startups, including 86 early stage companies housed at the SPARK Central Innovation Center, located in downtown Ann Arbor, and at SPARK East in Ypsilanti.
- More than \$1 million invested in 11 early stage companies through the Michigan Angel Fund, which is administered by Ann Arbor SPARK.



SPARK Metrics

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The project pipeline July 1, 2020 - September 30, 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.

2

Successful Projects 19

New Job Commitments \$53K

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.

23

Company Visits

1,209

FTEs at Companies Visited

58

Referrals

2020 Q3 Call Program

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COMPANY NAME	LOCATION	
Q1 Grit & Lavender	City of Brighton	
Q1 Surgical Safety Scanner	City Of Brighton	
Q1 VTS	Hamburg Township	
Q1 Asahi Kasei	Fowlerville	
Q1 Little Diablo Salsa	Green Oak Twp.	
Q1 Industrimax	Hartland	
Q1 The Bear Factory	Green Oak Township	
Q1 Dewitts Radiators	Genoa Township	
Q1 C & B Machinery	Green Oak Township	
Q1 Boss Engineering	Green Oak Township	
Q1 UPS	Genoa Township	
Q1 Livingston County Airport	Howell Township	
Q2 Total Security Solutions	Fowlerville	
Q2 Legacy Center	Brighton Township	
Q2 Zero Gravity Filters	Green Oak Township	
Q2 Flexible Metals	Hamburg Township	
Q2 Aludyne	Howell Township	
Ω2 Uniplas	City of Howell	

COMPANY NAME		LOCATION
Q3	Novares	City of Howell
Q 3	Fortech Products, Inc	Green Oak Township
Q3	KW Corporation	Village of Fowlerville
Q3	Pop Daddy Popcorn, LLC	Green Oak Township
Q3	Grace & Porta Benefits	Genoa Township
Q3	CGE Energy	Green Oak Township
Q 3	EmPower HR	City of Brighton
Q 3	Michigan Laser Manufacturing	City of Brighton

Fundraising

EXPECTED PUBLIC SECTOR CONTRIBUTIONS

+ 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 Q1	\$97,340	+ Ann Arbor SPARK Q2	\$97,340		
+ Hartland Insurance	\$450				
+ Bredernitz & Wagner	\$675				

Quarterly Highlights

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Livingston News

#LoveLivCo Small Business Assistance Fund

Since the start of the COVID-19 pandemic, <u>Ann Arbor SPARK</u>, <u>Brighton Area Chamber of Commerce</u>, <u>Howell Area Chamber of Commerce</u>, <u>Hartland Area Chamber of Commerce</u>, and the <u>Livingston County Convention & Visitors Bureau</u> have provided numerous business resources and information for the local business community.

The group formed a countywide Small Business Assistance Fund to provide financial relief to local businesses due to COVID-19 through small grants. The fund is supported through the sale of #LoveLivCo T-shirts and swag — 100% of the proceeds are allocated to the fund and dedicated solely for Livingston County small businesses.

The goal of this fund is to provide an equal opportunity for businesses to apply for assistance and resources collected. The funds will be dispersed to small businesses in Livingston County.

For more information and to contribute to the fund: https://edclivingston.org/small-business-assistance-fund



SPARK grows Livingston County team — Welcoming Tami Salisbury and Denise Murray

Two incredibly talented individuals have been recruited to work in Livingston County alongside Director of Business Development,

Marcia Gebarowski.



Tami Salisbury joins SPARK as the first Development Coordinator for Livingston County. Tami's focus is to create awareness of the EDCLC's work to regional private employers as well as grow private sector funding and engagement on the EDCLC Board.

Tami is President of TLS Consulting & Fundraising, LLC, her own consulting firm after a long career leading and growing various non-profit organizations in Metro-Detroit.

Denise Murray joins Ann Arbor SPARK as the Economic Development Coordinator for the City of Brighton.

The city approached SPARK requesting the opportunity to have SPARK fulfill a local economic development role dedicated to commercial business development. Work that would focus on working with the DDA Board as well as city staff. The city approved a three-year contract with SPARK in July, and Denise started her new role in September.

Prior to joining Ann Arbor SPARK, Denise was the Director of Mall Marketing at Briarwood Mall. Denise is also an associate broker with Reinhart Real Estate Group.



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 Commerce Read 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.

RFFFRRALS:

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.





