

Detroit Economic Growth Corporation



Powering Progress 2016 Action Plan



We're all business.

It is an exciting time to live, work, and play in Detroit!

Our economy is growing at an incredible rate and the Detroit Economic Growth Corporation is playing a lead role in driving this investment in a sustainable and thoughtful way. Between 2006 - 2012, Detroit had \$1.5B in new private investments; over the following two years we experienced an additional \$2.6B in new investments. Our recovery and revitalization is undeniable. From London to Shanghai and Seattle to Miami, Detroit is on the lips of companies looking for expansion opportunities, real estate investors and developers that want to do catalytic projects, and entrepreneurs seeking a welcoming community. The question now is how we leverage that momentum to build a sustainable, robust, and inclusive economy. The DEGC has been at the forefront of driving economic progress as the City's official economic development partner for over 35 years.



Detroit is at a unique crossroads. Global investors are beginning to see market evidence which demonstrates what we've always known, Detroit is a great investment with world class people, infrastructure, and assets. Concomitantly, local Detroiters are exploiting new opportunities in the city through initiatives such as Motor City Match and the D2D program. Now more than ever, laser focus is required on the things that matter to position the city for sustainable growth. Mayor Duggan has provided exemplary leadership in ensuring that city government performs. Meanwhile, our boards and investors continue to provide us with funding and insights that allow us to develop thoughtful and effective strategies and programs.

We are working diligently to design and implement innovative solutions that drive investments and create jobs. Now is the time to reengage, coordinate, and partner more comprehensively than ever. This action plan clarifies what we do, how we do it, and provides tangible metrics for monitoring progress.

Our 2014 Progress Report highlighted the many companies, large and small, that we have been able to directly assist, driving over \$500M in investment and 4,700 new and retained jobs to the city last year. This Action Plan provides concrete steps that the DEGC staff will take in partnership with a host of partners to further advance Detroit's economy.

We have reorganized our staff and refined our work to ensure that our economy continues to advance and that everyone can participate in our burgeoning prosperity. In keeping with our philosophy of transparency, we deemed it essential to share more detail around how we will promote the city and deliver our core services. This Action Plan outlines the work that will guide each of the divisions within the DEGC for 2016 and provides clear performance metrics to align the expectations of our diverse stakeholders.

Performance measures are an important part of our work. The amount of investment made, the number of jobs produced and retained, the number of Detroit-based businesses we support, and our ability to communicate Detroit's economic competitiveness matter. This Action Plan clarifies our work, provides sound metrics for accountability, and increases our transparency.

Unfortunately, we don't control all of the factors that determine business investment decisions which can make measuring our work difficult. Nevertheless, we have a clear responsibility to be good stewards of our limited resources, leverage partner relationships, and diligently work to secure the best future for Detroit.

New opportunities exist today that warrant different strategies and approaches. We've outlined some of the new ways that the DEGC will be working to secure Detroit's economic future. We welcome your questions, feedback, and partnership.

It is an exciting time to be leading economic development in Detroit.

Build your dream here!

A handwritten signature in black ink, appearing to read "Rodrick T. Miller".

Rodrick T. Miller, President & CEO
DEGC

DEGC Stakeholders

Officers

Chair, James Vella, Ford Motor Company Fund
Vice Chair, Marvin Beatty, Greektown Casino LLC
Vice Chair, John Blanchard, General Motors Corporation
Vice Chair, Andra Rush, Rush Group Family of Companies
Secretary, Reuben Munday, Lewis & Munday
Treasurer, Michael Tyson, NEW (Nonprofit Enterprise at Work)
President, Rodrick T. Miller, Detroit Economic Growth Corporation

DEGC Board

Mike Aaron, Laborer's Union 1191
Marvin Beatty, Greektown Casino LLC
Robert (Rob) Biskup, Deloitte
John Blanchard, General Motors Corporation
David Blaszkiewicz, Invest Detroit
William (Bill) Brooks, BPI Communications LLC
Tim Bryan, GalaxE. Solutions
Jon Cotton, Meridian Health Plan
Matthew Cullen, Rock Ventures
Sonya Delley, Invest Detroit
Eva Garza-Dewaelsche, Ser Metro Detroit
K. Scott Doyle, Huntington National Bank
Mike Duggan, City of Detroit Mayor
Juliette Okotie-Eboh, MGM Grand Detroit
Fred Feliciano, Michigan Minority Supplier Development Council
Tatiana Grant, Infused PR & Events
Alton Gunn, Detroit Medical Center
Lydia Gutierrez, Hacienda Mexican Foods
Willie Hampton
Kenneth Harris, Michigan Black Chamber of Commerce, Inc.
George Hill, Diversified Chemicals
George W. Jackson, Jr. Ventra LLC
John James, James Group International
Brenda Jones, Detroit City Council
Peter Kellett, Dykema
Blake Kenny, PNC- Corporate Banking
Marshall S. Kleven, Fifth Third Bank
Eric Larson, Downtown Partnership, Inc.
Thomas Lewand, Jr.
Thomas Lewand, Sr., City of Detroit / Mayor's Office
David Baker Lewis, Lewis & Munday
Denise Lewis, Honigman Miller Schwartz and Cohn LLP
Daniel Loepp, Blue Cross Blue Shield of Mich.
Conrad Mallett, Detroit Medical Center
Steve Marquardt, Olympia Development of Michigan
Dave Meador, DTE Energy
Joseph Melnick, Honigman Miller Schwartz and Cohn LLP
Rodrick T. Miller, Detroit Economic Growth Corporation
Reuben Munday, Lewis & Munday
Jacques Panis, Shinola
Cynthia Pasky, Strategic Staffing Solutions
Lonnie Peek, E-Business Strategies & Cos
Irvin D. Reid, Wayne State University
Kathryn A. Reid, Comerica Incorporated
Douglas Rothwell, Business Leaders for Michigan
Andra Rush, Rush Group Family of Companies
Ron Scott, 3 Wheel Run, Inc.
David Segura, Vision Info Technologies
Denise Starr, HR Director, City of Detroit
Tony Stovall, Hot Sam's
Tosha Tabron
Terence Thomas, Thomas Group Consulting
Michael Tyson, NEW (Nonprofit Enterprise at Work)
James Vella, Ford Motor Company Fund
Linzie Venegas, Ideal Group
Lalit Verma, Sakthi Automotive Group
Walter C. Watkins, Jr., WCW Enterprises LLC
Steven White, Detroit Renewable Energy
Geneva J. Williams, New Season Consultants & Collaborators, LLC
Jacqueline (Jacci) Woods, Motor City Casino Hotel
Donna Zalewski, ITC Holdings Corp.

Program Sponsors:

(Providers of financial support for specific DEGC programs)

Ally
Charter One Bank Foundation
Community Foundation for Southeast Michigan
Fifth Third Bank
Fred A. and Barbara M. Erb Family Fund
Hudson-Webber Foundation
Invest Detroit
W.K. Kellogg Foundation
John S. and James L. Knight Foundation
The Kresge Foundation
Local Initiatives Support Corporation (LISC)
MGM Grand Detroit
Michigan Economic Development Corporation (MEDC)
New Economy Initiative (NEI)
Nonprofit Finance Fund
University Cultural Center

Partners:

(Contributors of \$10,000 or more to support general operations)

Blue Cross Blue Shield of Michigan
Bank of America
Comerica Bank
DTE Energy Foundation
Ford Motor Company Fund
General Motors Corporation
Motor City Casino
PNC Foundation
Quicken Loans
Strategic Staffing Solutions, LLC



State Level

- Marketing
- Corporate Attraction
- Business Development
- Incentive Programs
- Policies



Regional Level

- Marketing
- Corporate Attraction
- Research
- Policy & Advocacy

**Detroit
Economic
Development
Ecosystem**



City Level

- Corporate Attraction
- Business Retention + Expansion
- Small Business Services
- Real Estate Development
- Physical Redevelopment
- Public Authorities



City Level

Over 40 local partners, spanning place-based, industry expertise, entrepreneurial assistance, financing and other assistance.



City Level

- Regulations
- Licenses & Permitting
- Planning
- Incentives

DEGC Vision:

Be the leading economic development and jobs organization for the City of Detroit, leveraging our expertise and innovation to advance a sustainable, robust, and inclusive economy.

DEGC Mission:

To design and implement innovative solutions that drive investment, create jobs in and advance the economy of the City of Detroit through public and private sector collaborations.

DEGC Top Priorities for 2016

DEGC has served as the nonprofit economic development agency for the City of Detroit since it was founded in 1978. In concert with Mayor Mike Duggan's administration, it continues to serve as the lead agency for job creation. We do this by delivering corporate attraction, business retention and expansion initiatives, small business programs, and real estate development projects and strategies. This work is undergirded by our project management expertise, strategy and research support and marketing and communication tactics. For 2016, our top priorities include the following:

Serve as the Lead Agency on Commercial, Industrial, and Retail Development in Detroit

- Establish priorities for catalytic, industrial, commercial, and retail development throughout Detroit
- Work closely with partners to leverage real estate in a way that promotes the highest and best use of properties

Drive Long-Term Economic Sustainability and Results for Detroit

- Lead on behalf of the City of Detroit, with input from other partners, the development of a strategic economic development plan
- Strengthen DEGC's corporate attraction program
- Strengthen DEGC's programs to support and encourage small business, local business, and entrepreneurship

Pursue Organizational Excellence

- Increase communication, both internally and externally, around scope of work and key initiatives
- Reposition brand of DEGC
- Raise the profile of DEGC
- Improve interaction and engagement with stakeholders
- Develop clear and begin execution of fundraising strategy and program
- Reorganize the agency to provide greater role clarity

Corporate Attraction

DEGC will advance an aggressive corporate attraction strategy that will help deliver high value jobs and capital investment to the city and its residents. Our plan includes leveraging the tools and resources from the Strategy and Research and Marketing and Communications divisions to promote Detroit's competitive advantage and reinforce the city's position as a next generation business location.

2016 Action Items

- Identify and recruit qualified leads within our target industries (advanced manufacturing, professional services/corporate headquarters, transportation and logistics, and innovation and technology) to help create jobs and investment in Detroit, so that we can build a clear and understandable pipeline for investment.
- Be an advocate and facilitator for companies by connecting them to other resources, shepherding them through state and city processes, connecting them to local incentives, if needed, and providing site selection support.
- Expand DEGC's presence at trade shows to increase exposure to decision makers for corporate relocations and expansion.
- Leverage prospector relationships and contract with a third party firm to generate qualified leads in targeted markets and sectors.
- Work in partnership with the Strategy and Research team to build business cases for Detroit that can be used in attraction efforts.

2016 Metrics

- Number of new jobs created
- Dollar value of capital investment secured
- Average annual wage of all net new jobs for DEGC-facilitated projects
- Amount of square footage activated

Business Retention and Expansion (BRE)

DEGC will leverage existing and seek opportunities to create new business retention and expansion tools to support existing businesses and help key employers in their efforts to expand and grow in Detroit. Successful execution will encourage continued investment in the city through the growth of the existing business base and improve our own ability to leverage the City's assets in our economic development strategies.

2016 Action Items

- Conduct one-on-one meetings with Detroit employers to assist them in growing in the city and prevent them from exiting the market.
- Refine DEGC programs and assistance to reflect market realities.
- Be an advocate and facilitator for companies by connecting them to other resources, shepherding them through state and city processes, connecting them to local incentives, if needed, and providing site selection support.
- Use BRE information and resources to assess the health and vitality of existing businesses.
- Enhance the DEGC's existing early warning system for at-risk companies.
- Work with partners on establishing skill and talent pipelines and sustainable training solutions that address employer needs and provide opportunities for Detroit residents, in alignment with Mayor Duggan's workforce development vision.

2016 Metrics

- Number of new jobs created
- Dollar value of capital investment secured
- Average annual wage of all net new jobs for DEGC-facilitated projects
- Percentage of minority, women, and minority women owned businesses assisted
- Amount of square footage proposed

Small Business

DEGC will retool and re-launch its small business program in order to deliver a more cohesive strategy that best leverages Detroit's rich entrepreneurial ecosystem and past investments in specific small business programs. Through this work, we will amplify opportunities for small business growth in Detroit.

2016 Action Items

- Retool and relaunch the small business team and our approach in order to transition from the delivery of siloed small business programs to a cohesive strategy that strengthens Detroit's existing small businesses and grows new ones. Create a streamlined referral and tracking system to support small business partners throughout the city and enhance the networks and connectivity between those partners to better serve Detroit's rich entrepreneurial ecosystem.
- Grow the D2D Buyers Council, increase the number of Pre-Rehabilitation Opportunity (PRO) sessions, and expand small and medium enterprise participants to deliver even greater widespread results.
- Continue to provide quality support for Motor City Match, Mayor Duggan's signature small business program. This program will stimulate growth along commercial corridors throughout city neighborhoods through new business investment.
- Achieve specific programmatic goals associated with the Green Grocer Project, NEIdeas, and REVOLVE Detroit.

2016 Metrics

- Number of small businesses assisted
- Number of new jobs created
- Dollar value of capital investment secured
- Dollar value of new Detroit contracts secured
- Percentage of minority, women, and minority women owned businesses assisted

Real Estate and Financial Services

DEGC will leverage its longstanding real estate and deal-structuring expertise to support the City of Detroit in achieving its land disposition goals, while working collaboratively to develop new real estate and land assembly strategies that can support our collective business development, employment district, and neighborhood development goals. In addition, we will leverage DEGC's financing tools with those of partners, including other development incentives and tax abatements, to increase the pipeline of

2016 Action Items

- Position DEGC as the go-to source for information and financial analysis on commercial, industrial, and mixed-use real estate opportunities.
- Establish a real estate round table that consists of real estate decision makers to proactively engage them in development opportunities for publicly owned land.
- Identify real estate opportunities that will be marketed to developers interested in the City of Detroit in order to increase the supply of high-quality and attractive commercial and industrial space.
- Build a team that will take the lead in disposing and evaluating offers for the sale of major real estate assets that are owned by the City in coordination with the Mayor's Office, the Detroit Building Authority (DBA) and The Detroit Alliance.
- Develop a comprehensive land assembly strategy to enable high impact job creation in concert with the Detroit Land Bank Authority and DBA.
- Assume a leadership role in educating neighborhood focused developers on development strategies for mixed-use and commercial development.
- Continue to support the efforts of the City of Detroit, Invest Detroit and other economic development partners to increase development capital available for investment in the city.

Real Estate and Financial Services (continued)

commercial, retail, office, hotel and entertainment, industrial and mixed-use developments in the City of Detroit. Through this work, we will help unlock the potential for economic growth through our community's underutilized real estate assets.

Project Management

DEGC will apply its project management experience and expertise across the organization's many projects and initiatives in order to facilitate private sector investments by responding to business and developer needs, whether it is streetscapes, infrastructure, or working with the Real Estate and Financial Services team to provide real estate transaction assistance. Through this work and often over a longtime horizon, the Project Management Group will deliver comprehensive redevelopment initiatives that support the City's economic development strategies.

- Manage DEGC's loan portfolio in a way that continues to minimize risks and supports growing businesses in the City.
- Utilize the DEGC's economic impact model to demonstrate the City's return on investment for each deal done and negotiate the appropriate community benefits that will be included in the transaction.

2016 Metrics

- Number of proposals analyzed for development
- Dollar value of capital investment secured
- Amount of square footage activated
- Number of loans approved

2016 Action Items

- Further ready I-94 Industrial Park, a 140 acre area near I-75 and I-94, for commercial and industrial development, which will be marketed by DEGC's Business Development and Real Estate teams. Continue to facilitate property purchases, demolition, site clearing, and infrastructure improvements.
- Develop a strategy and implementation plan to optimize the Mt. Elliott District's potential as a global hub for manufacturing and logistics companies.
- Coordinate with the Small Business division to successfully execute Motor City Match by providing building assessment services to program participants and supporting their design-build needs.
- Monitor progress and facilitate regulatory approvals for the development of the \$450 million Detroit Events and Entertainment Center.
- Support implementation of the redevelopment strategy outlined by the City of Detroit for the East Riverfront District by adding mixed use, medium density, primarily residential development, and public access.
- Drive new solutions for storm water management systems that complement the work of the Detroit Water and Sewer Department (DWSD) and build a less expensive alternative for commercial property owners to convey roof and parking lot storm water.
- Serve as project facilitator and fiduciary for LINK Detroit and Inner Circle Greenway, two non-motorized public space projects, including completing the schematic design for the Inner Circle Greenway.
- Provide coordination and support for utility relocation and planned infrastructure improvements, among other things, at the City's request.
- Serve as project facilitator for Gordie Howe International Bridge. This includes assisting with land acquisition, utility relocation, permitting and partnering with BRE team to assist impacted businesses.

2016 Metrics

- Dollar value of infrastructure projects
- Percentage of on budget projects as a whole of all projects managed
- Amount of square footage served by construction management

Strategy and Research

Strategy and research provides critical program direction, market data, benchmarking, and analysis to elucidate and clarify the investment opportunities in Detroit. DEGC will provide the internal strategy and research infrastructure to provide the foundation to support the economic growth goals of the city, consistently communicate market findings, and develop and advance new strategies. This new division will establish best practices, provide context for investment decisions, and support all divisions within the DEGC with the strategy and research tools needed to succeed.

Marketing and Communications

DEGC will enhance its marketing and communications infrastructure to better support its key goals and strategies. DEGC's goal is to help amplify Detroit's story both locally and nationally in order to attract more people and investment to the city. Telling our story widely to help increase understanding of the economic opportunities in Detroit and DEGC's role in advancing it, will not only help us attract more investment in Detroit but also attract additional financial support for the organization. This may include increased media relations, seeking awards and recognitions, and increasing the audience and reach of our marketing and communications vehicles.

2016 Action Items

- Build DEGC's internal research infrastructure, including data libraries and partnerships, staffing, and processes. This infrastructure will undergird our work with solid evidence and support DEGC in responding efficiently and persuasively to site selectors, business prospects and investors.
- Develop a research publication to further promote Detroit's economy.
- Develop industry business cases which support the DEGC business attraction strategy. These business cases will be fundamental tools for the organization in making the case for investment in Detroit.
- Identify, clarify, and regularly communicate Detroit economic realities, and share DEGC's programs to increase public awareness of what's happening in the city and what economic opportunities are available. We will reinforce the positive narrative to corporate and real estate decision makers, citizens, and policymakers through consistent communication of relevant data.

2016 Metrics

- Number of research, industry case, and other publications produced or supported

2016 Action Items

- Reposition DEGC's brand to better reflect its current direction and focus and Detroit's market realities.
- Launch a new website; develop and execute a social media strategy; improve segmentation of communications vehicles to targeted audiences.
- Support the investment strategies developed by Corporate Attraction, BRE, Real Estate and Financial Services or Small Business teams with appropriate communications strategies and marketing collateral.

2016 Metrics

- Audience reach of earned media
- Number of media mentions
- Average number of organic impressions

Internal Operations

DEGC's Internal Operations (IO) division makes the organization run. The department encompasses Accounting, Human Resources, Information Technology, Finance and Loan Servicing, Legal, and Administration components of the organization. IO makes it possible for everyone at the DEGC to do their jobs by making sure the bills are paid, reports are filed, computers are running, loans are being collected, contracts are well written and enforceable, payroll is met, receivables are collected and anything else that is necessary for the other areas of the organization to make their deals, manage their projects, build that next revenue generator for the City, or relocate that next business.

2016 Action Items

- Position the DEGC for leadership by ensuring that the back office is up and running to allow for the other divisions of the organization to perform at maximum capacity.
- Support DEGC leadership in fundraising and revenue enhancement efforts, specifically “fee for service” projects.
- Continue to provide high quality in-house legal counsel across all divisions and the entities that the DEGC administers. Having a single point of contact for legal matters has resulted in cost savings and efficiency to the organization.
- Meet deadlines and produce unqualified opinions for audits for the DEGC and all of the entities we administer.
- Measure revenues and expenses against our budget and maintain minimal variances.

FY15/16 Metrics

- 100% unqualified opinions on all entity audits
- Amount of corporate funding raised



Board Administration

DEGC's Board Administration division provides timely, efficient, streamlined and effective oversight and administration to several public authority boards. These boards provide an array of financial and other tools that fuel the engine for economic development to occur in the City of Detroit. DEGC provides staff services to the following entities on behalf of the City of Detroit:

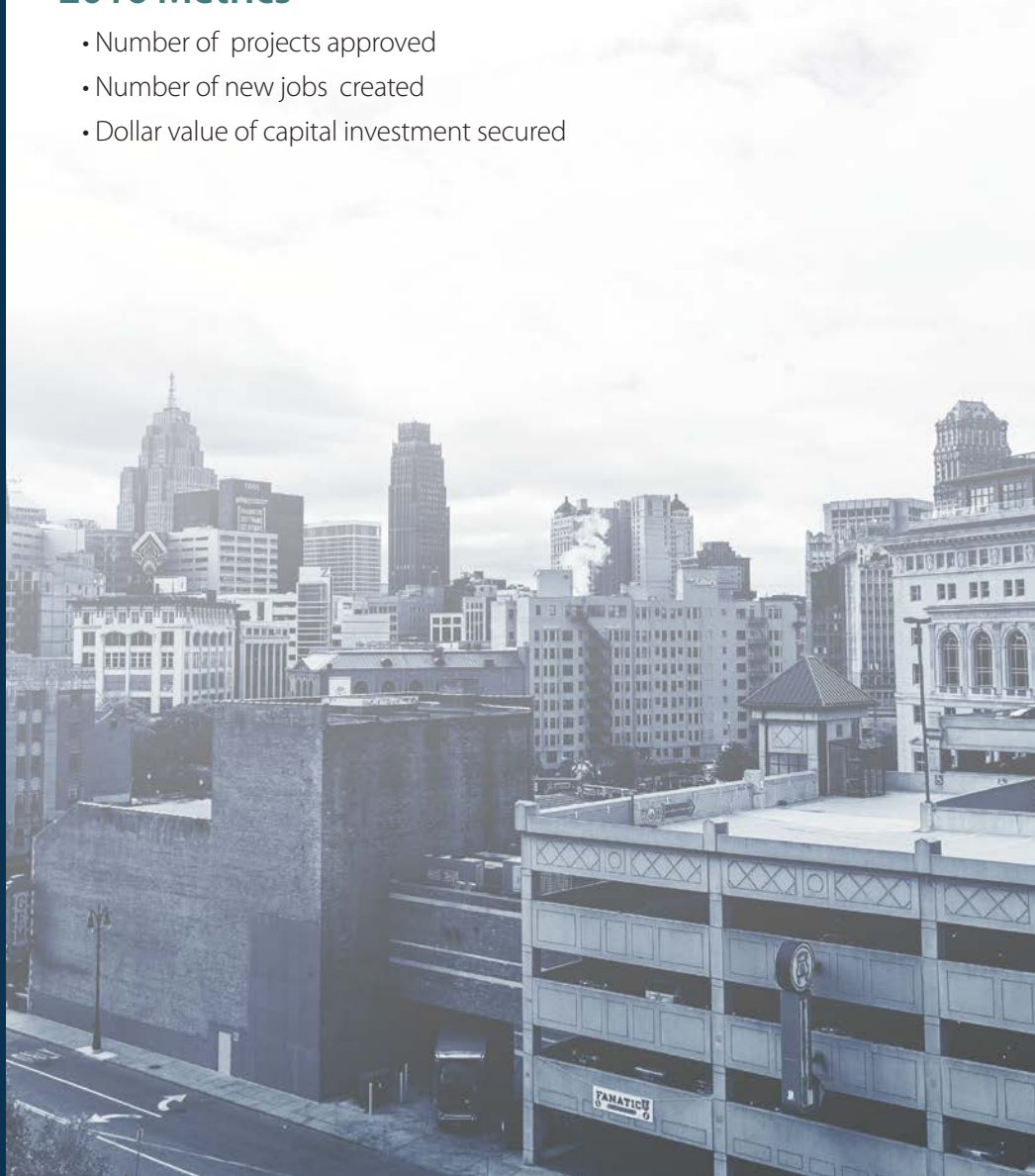
- *Downtown Development Authority (DDA) – supports private investment and business growth within the central business district using a combination of property taxes, grants, and other funds.*
- *Detroit Brownfield Redevelopment Authority (DBRA) – supports the redevelopment of blighted, obsolete, contaminated, and historic resource properties through captured state and local property tax reimbursements and grant and loan programs that can be used for specific cleanup and development efforts.*
- *Economic Development Corporation (EDC) – supports private investment and business growth within the neighborhoods throughout the city of Detroit using land acquisition and a combination of taxes, loans, grants, and other funds, including bonds.*
- *Neighborhood Development Corporation (NDC) – supports private investment and development of housing within the NDC project area commonly referred to as Jefferson Village.*
- *Local Development Finance Authority (LDFA) – provides financial incentives to industrial and technological development projects via tax increment financing.*
- *Eight Mile/Woodward Corridor Improvement Authority (EMWCIA) – provides financial incentives in an area around the intersection of Eight Mile Rd. and Woodward Ave.*

2016 Action Items




















- Continue to strengthen relationships with Detroit City Council Members by being responsive and proactive in addressing issues related to public authority budget and project approvals.
- Work with Internal Operations division to prepare operating budgets for the public authorities and corporations and present to their respective boards.
- Secure tax incremental revenue capture from collecting agencies for all DEGC-staffed tax increment revenue authorities.
- Convene and lead discussions and strategy development on critical economic development policy issues.
- Partner with the City of Detroit to create the Next Michigan Development Corporation as permitted by state statute.
- Support legislation that increases the competitiveness of diverse infrastructure assets in the Detroit region.
- Successfully manage all board and committee functions in compliance with the appropriate statutes.

2016 Metrics

- Number of projects approved
- Number of new jobs created
- Dollar value of capital investment secured



2016 Metrics

METRIC	THRESHOLD	TARGET	STRETCH
 Number of new jobs created	1,300	2,100	4,800
 Dollar value of capital investment secured	\$75M	\$230M	\$650M
 Average annual wage of all net new jobs for DEGC-facilitated projects ¹	\$24,877	\$42,120	\$54,330
 Amount of square footage proposed	2M	2.5M	4M
 Percentage of minority owned businesses assisted		25%	
 Percentage of women owned businesses assisted		15%	
 Percentage of minority women owned businesses assisted		10%	
 Number of businesses assisted	1,875	2,125	2,350
 Number of small businesses assisted	1,800	2,000	2,200
 Dollar value of infrastructure projects	\$13.5M	\$15M	\$20M
 Percentage of on-budget projects as a whole of all projects managed	80%	90%	100%
 Amount of square footage served by construction management	700K SF	800K SF	1M SF
 Number of research, industry case, and other publications produced or supported	2	5	7
 Audience reach of earned media mentions	3.5B	4.2B	4.9B
 Number of media mentions	2,000	2,400	2,800
 Average number of organic impressions	5,500	6,000	6,500
 Dollar value of new Detroit contracts secured	\$50M	\$75M	\$100M
 Percentage of unqualified audit opinions	100%	100%	100%
 Corporate funding raised	\$400K	\$600K	\$1M

¹Average wage targets established via Massachusetts Institute of Technology Living Wage calculator (annual wage based on 2080 hours per year): <http://livingwage.mit.edu/counties/26163>

Two Adults (both working) and One Child (threshold)	\$11.96/hour
Two Adults (one working) and One Child (target)	\$20.25/hour
One Adult and Two Children (stretch)	\$26.12/hour

Fiscal Year 15/16 Budget

(July 1, 2015 - June 30, 2016)

SOURCES BUDGET	2015-16 BUDGET
City Contract	867,000
Public Authorities	3,705,000
Foundation Funding	1,449,000
Fee for Services	299,000
Private Sector	425,000
Other Income	55,000
Budget Deficit	0
TOTAL REVENUE	6,800,000

USES	
Personnel	5,422,700
Contract Services	269,000
Travel/Meetings & Marketing	294,700
Rent/Utilities/Insurance	438,500
Equipment	237,500
Other	137,600
TOTAL EXPENSES	6,800,000



We're all business.

Detroit Economic Growth
Corporation
500 Griswold St.
Guardian Building, Suite 2200
Detroit, MI 48226-3480

Phone: 313-963-2940

Fax: 313-963-8839

Email: contact@degc.org

www.degc.org

Facebook/Twitter/YouTube:
[@degcallbusiness](#)