



State of Michigan Site Readiness Strategy

February 2024

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Michigan Site Readiness Strategy

Updated January 2024

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- What is strategic site readiness?
- Strategic Site Readiness Program
- Site Readiness Targeting – Inputs and Filters
- Path to Success



What is Site Readiness and why is it important?



Sites and Talent continue to dominate as top priorities for corporate site selection, followed by energy availability and efficient permitting process, and is a key business development tool

Strategic site readiness is a deliberate process of identifying sites through location targeting and includes land control, land studies, and community support, to document site characteristics and assess for business attraction and expansion opportunities

Site readiness is more important now than ever due to the contracted development timelines associated with potential projects and competitive offerings

Site readiness is an inherently proactive process in which sites continue to evolve toward an investment ready state, thereby mitigating risk for interested parties making site selection decisions

Site Readiness as a Strategy

Strategic Site Readiness is a necessary business attraction tool involving identifying sites of all sizes, for regionally relevant projects, through location targeting, filtering, and studying sites to assess viability and feasibility of development.

Competitive states and countries have actively engaged in site readiness over the last two decades and Michigan must have a robust inventory of investment ready sites available to compete and win.

Local and regional economic development organizations, units of government and energy providers are key partners in site identification.

Real estate service providers and professionals also play an important role in advancing site readiness for the state. CBRE was engaged in October 2023 to provide real estate services.

Strategic Site Readiness Program (SSRP)

- Created in December 2021, under Public Act 134 of 2021, amended the MSF Act to include the Strategic Site Readiness Program, or SSRP.
- Intended to fund transformational projects in the then current pipeline.
- Requires a transfer from the Strategic Outreach and Attraction Reserve Fund (“SOAR”) to the MSF, which has to be approved by the Appropriations Committees of both chambers.
- Public Act 194 of 2022, effective October 2022, authorized additional SSRP funds and directed them to specific categories:
 - \$25M to local EDOs
 - \$100M to eligible applicants
 - \$75M for mega site development
 - \$100M for landfills
- Transfer of these funds occurred in July 2023, except for the \$100M for landfills.

Provides financial incentives for the purpose of creating investment-ready sites to attract and promote investment in Michigan

Definitions

- **Strategic Site** means a site, whether publicly or privately owned, that is or will be used for a manufacturing or other commercial use
- **Mega-Strategic Site** means a Strategic Site that is or will be used for a large industrial site

Eligible Applicant

- A political subdivision of Michigan
- A local economic development corporation
- A person who is the owner of the site, but is not its End User, provided the person apply jointly with an Eligible Applicant
- A person that is or will be the End User of the site

Eligible Activities

- Land acquisition and assembly
- Site preparation and improvement
- Infrastructure improvements that directly impact the site – i.e., transportation, infrastructure, water and wastewater infrastructure, utilities
- Demolition, construction, alteration, rehabilitation or improvement of buildings on the site
- Environmental remediation
- Architectural, engineering, surveying & similar professional fees
- Landfill redevelopment for economic development purposes

Criteria for Award

- General criteria for all awards
- Specific criteria for Strategic Site where an End-User has not been identified
- Specific criteria for Mega-Strategic Site where an End-User is not identified
- Specific criteria for a Strategic Site and a Mega-Strategic Site where an End-User has been identified
- Additional criteria and eligible activities are included for the landfill redevelopment section that was added in the 2022 supplemental.

Site Targeting

- How are areas and sites identified for pursuit?
- Strategic Plan
- MEDC site search requests
- Screening parameters
- Potential 100+ acre sites



Inputs

State of Michigan

Site Readiness Strategic Plan Completed 4/2023

Key Takeaways



Michigan's existing mega sites meet the filtering criteria for determining locations. At least 2 additional mega sites are recommended – 1 in Southeast and 1 in Southwest Michigan. Identifying a site in Southeast Michigan has been in process. Mega site filters can be applied to large sites (100+ acres) in general, because have the same primary filters

While mega sites are critical for attracting mega projects, **a robust inventory of all site sizes is needed**, particularly in gap areas of 100-500 acres, to be a competitive site ready state for site selector and company consideration

Noted that competing states have been actively preparing mega sites and strategic sites for more than 15 years and have a competitive advantage, and that while Michigan has accomplished much in the past year, it is years behind its competition

Presented data on 25 mega sites in competitive locations, including both recently landed projects and current competition, detailing key site selection criteria including acreage, access to work force and energy availability

Stated that the MEDC should coordinate various site readiness efforts throughout the state and agree on the site readiness criteria used to develop a standard state-wide certification program for site readiness. This is also legislatively mandated.



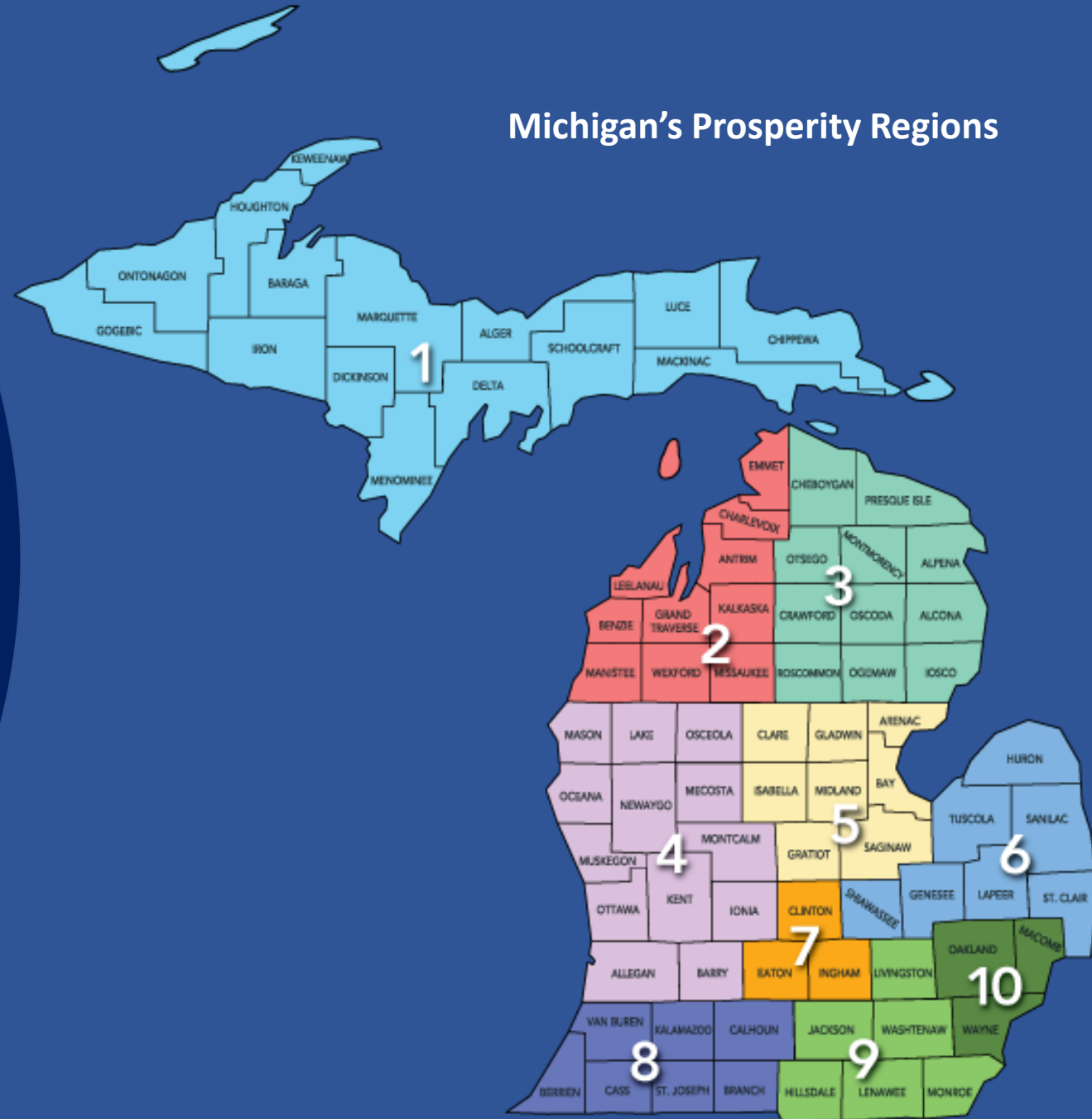
KEY TAKEAWAYS

While large scale sites are required in order to attract mega projects, projects of various sizes can be transformational for the communities in which they locate, and projects are seeking investment ready sites of all sizes.

- At least 1 strategic site should be located in each Prosperity Region
- Additional strategic sites should be identified in gap areas, particularly 100-500 acres

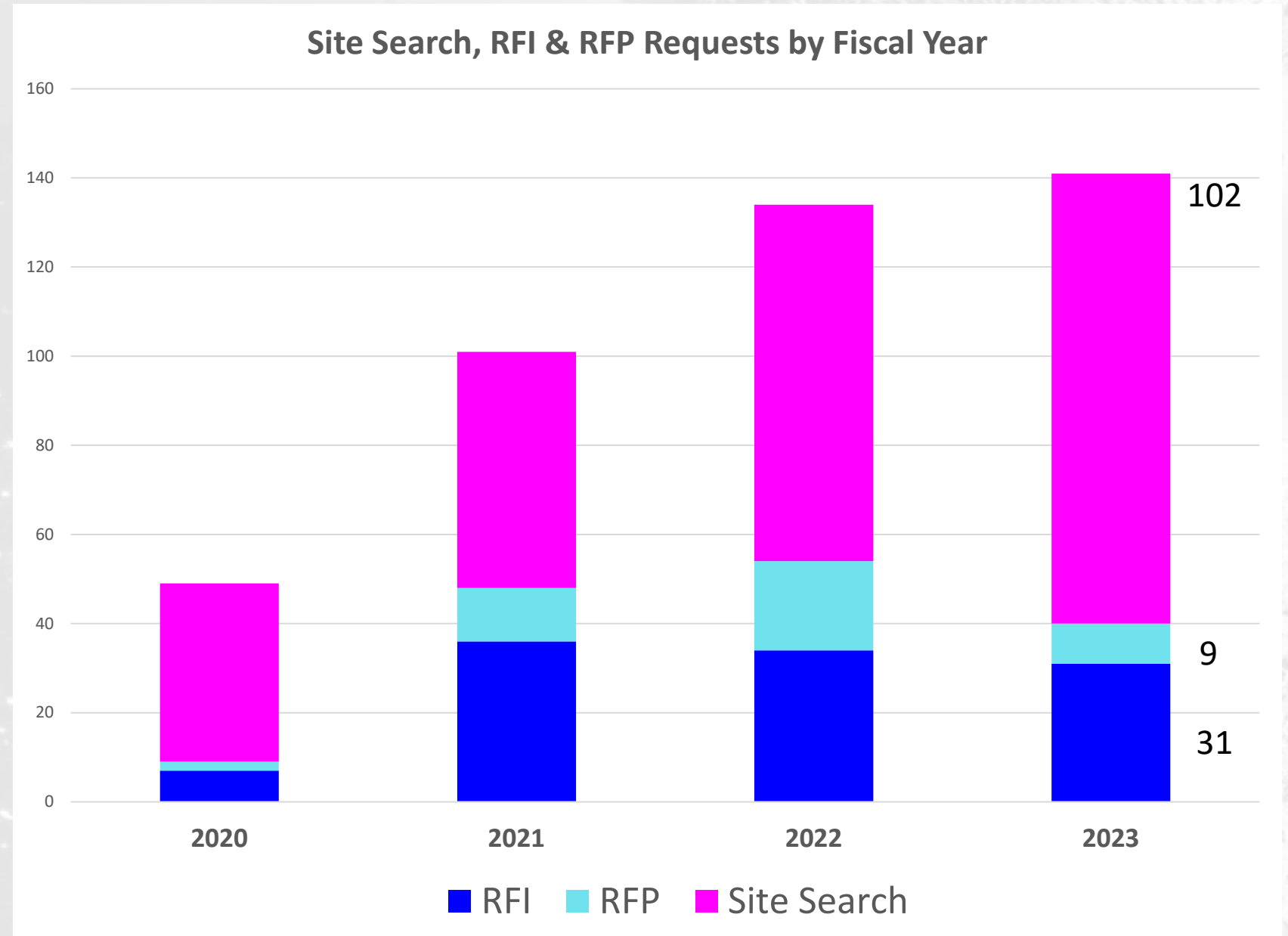


Michigan's Prosperity Regions



Inputs

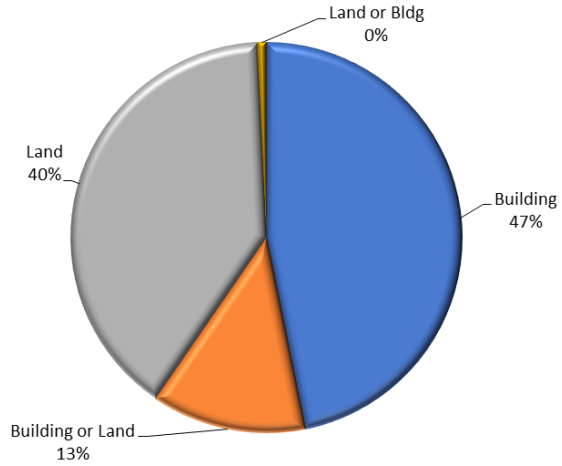
MEDC Site Search Requests by Fiscal Year



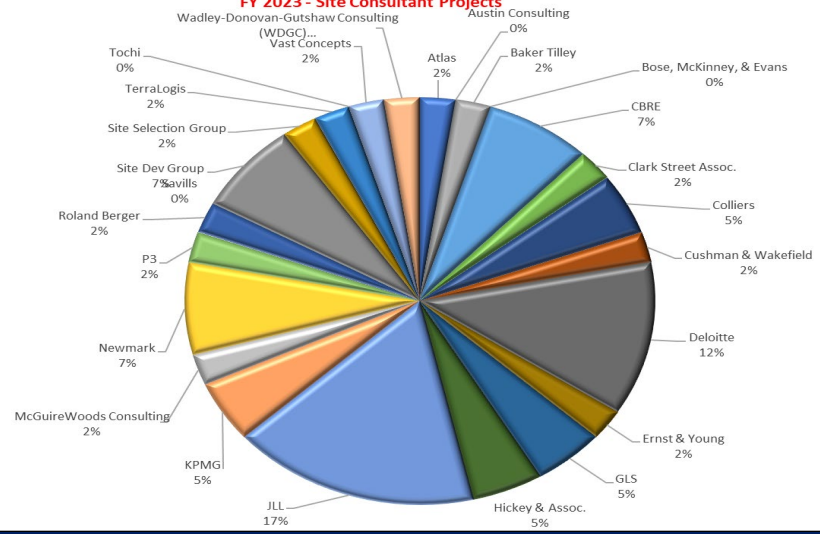
Inputs

FY2023 RFI, RFP & Site Search Requests Example Data Analytics

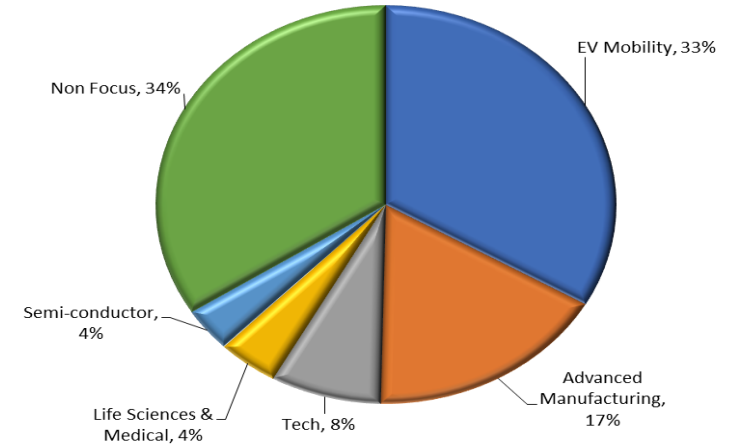
FY 2023 Projects - Building or land Request



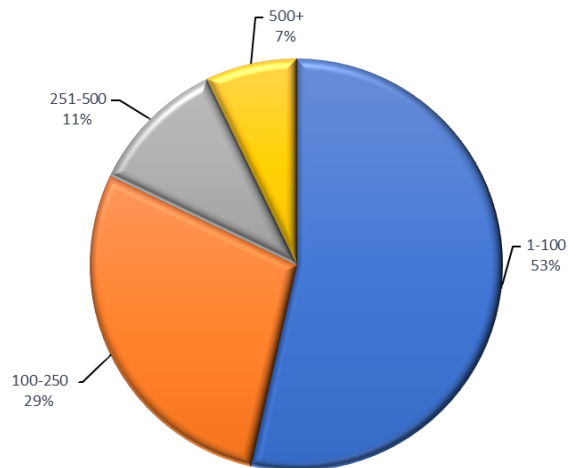
FY 2023 - Site Consultant Projects



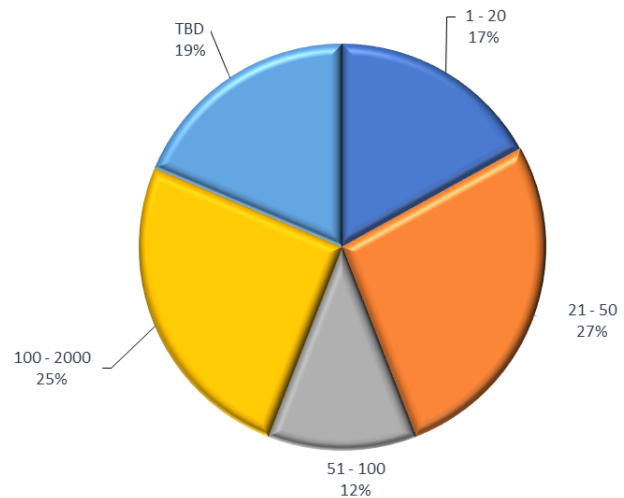
FY 2023 Projects - Focus Industries



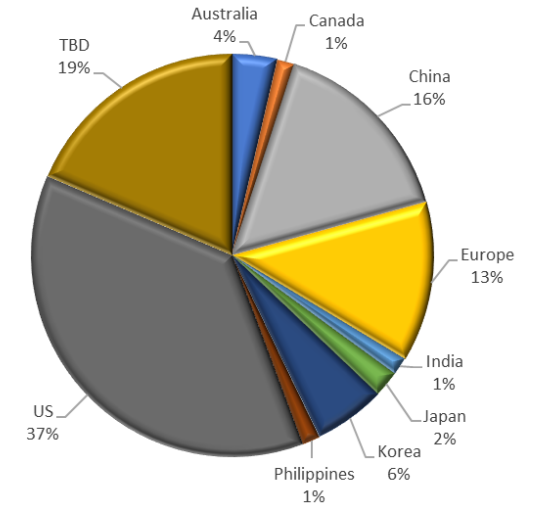
FY 2023 Minimum Acreage (Land-only Submissions)



FY 2023 Projects - Electrical Demand (MW)



FY 2023 Company Country of Origin



Screening

Large-Scale Site Screening Process

Developed for 1,000+ Acre Sites, but can be applied to all large-scale sites as they have similar transportation and workforce requirements



Transportation

- Airports - County must be located within a 90-minute drive time of a commercial services airport with >50,000 annual enplanements
- Highways - County must be located within a 10-minute buffer of an Interstate or Limited-Access Highway (entrance and exit only at interchanges)
- Rail - County must contain an active railroad line

Workforce

- 7,500+ in manufacturing NCAIS in county or adjacent county

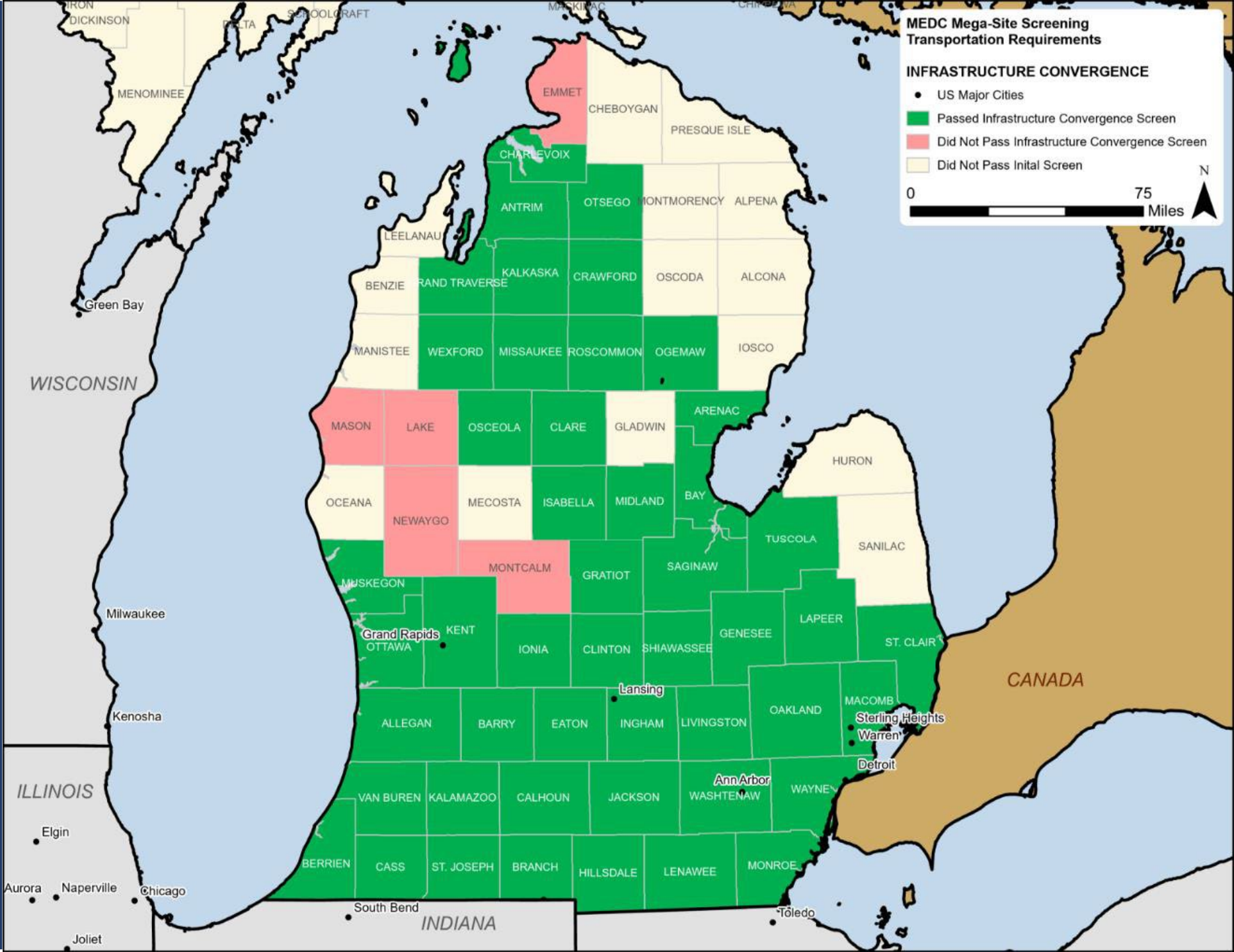
Detailed Screening

- Distance from transportation, ground cover, flood plan, etc.

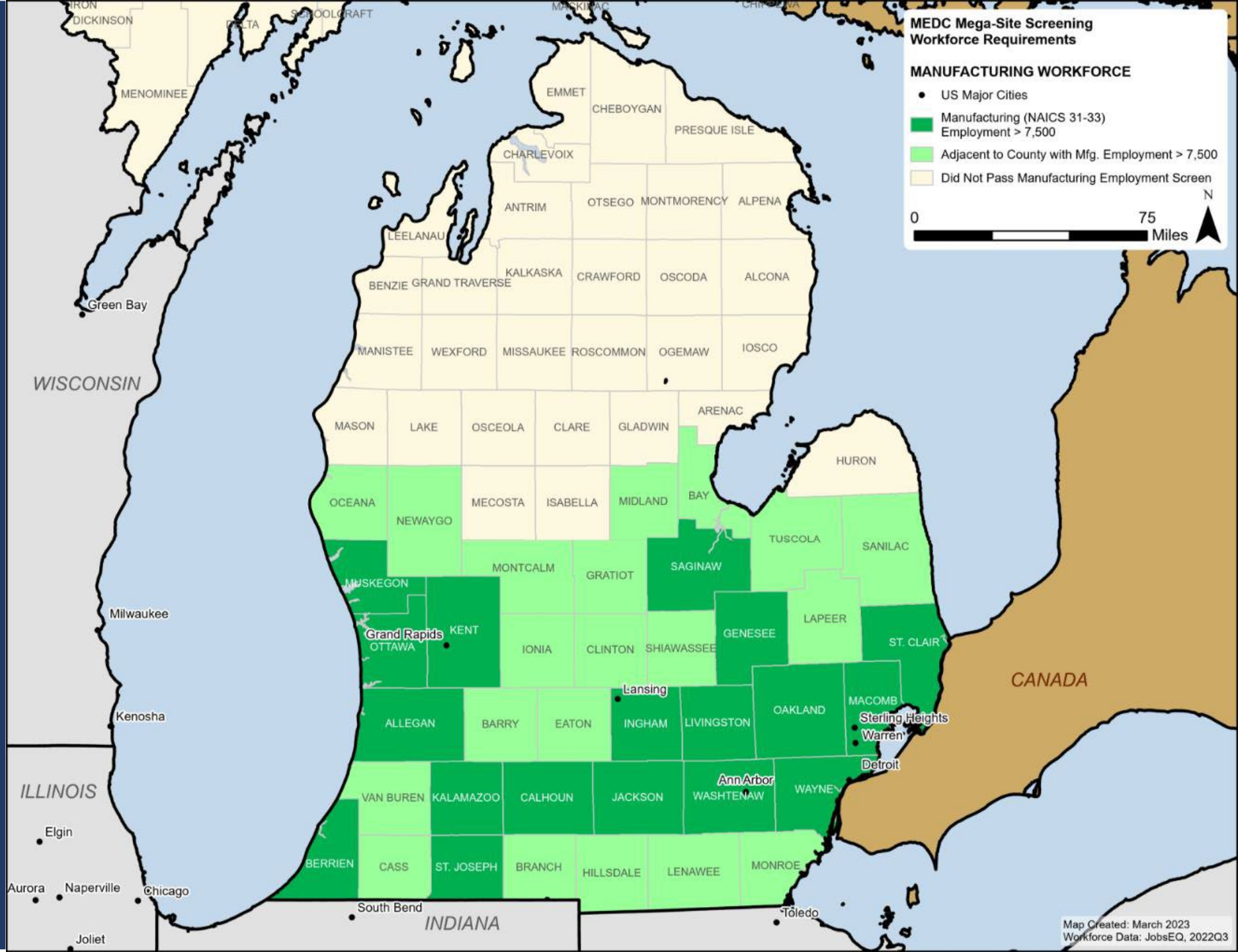
Energy Availability

- The availability of energy is a key screening and decision-making factor for site selectors and is being layered into mapping.

Transportation Screening



Workforce Screening



CBRE Custom Built Mapping Tool to Identify 100+ Acre Sites in Target Counties



MEDC Parcel Overview

☰

Select Acreage Size (All Parcels)
Clear Size Filter

77

-

100

Reset
Clear

Wetlands (All Parcels)
No number selected

Mean Slope (All Parcels)
No number selected

Land Use Category (50+ Acres)
No category selected

Score (50+ Acres)
70 - 200



Sources: Esri, USGS | Province of Ontario, Esri, HERE, Garmin, FAO, NOAA, USGS, EPA... Powered by Esri

Assemblages

| Assemblage Name | Next Steps | Assemblage Size | Comments |
|---------------------------|------------|-----------------|--|
| Huron Distribution Center | Completed | 149.40 | Owned by Ashley Capital and could be ex... |

Assemblages
50 Acre+ Parcels
All Parcels

Closed Auto Plants &

B
US Steel Site | Quality Dr & W Jefferson Ave, Ecorse, Michigan, 48229
Former steel manufacturer 269.00 Acres

↓

Southeast Michigan

★
Lapeer Rd, Metamora, MI | 516.00 Acres Land | **Sale Price: \$7,590,000**

★
Ecorse Rd, Van Buren Township, MI | 440.00 Acres

↓

DRP Properties

D
The Advanced Manufacturing District of Genesee County | Mundy Township MI 48473
Ag; Advanced Manufacturing Overlay | 1,009.00 Acres

↓

Southwest Michigan

★
3384 Clawson Rd, Dowagiac, MI | 350.00 Acres Specialty | **Price: \$3,990,000**

61809 Stonegate

↓

0

No data

No data

Site Certification Program

MI sites



State-Wide Site Certification Program



- 📍 PA 194 of 2022 added a requirement that Eligible Applicants agree to use a consistent statewide rating system to identify the level of readiness for each site
- 📍 The site certification program is near final with a target launch by June 30, 2024
- 📍 Recommends a tiered approach to ensure competitiveness for site selection projects
- 📍 While reaching the highest tier status is an indication that a property is substantially prepared for development **relative to competing sites**, there is no specific point in time that an available property is deemed ready and advancing site readiness should be a continual process

Community Engagement and Site Identification



Community Engagement



- 📍 Community engagement starts at the local level, with LEDOs and elected leadership indicating what they believe to be the community's position on what kind of projects and incentives that a community may be agreeable to
- 📍 Master planning and zoning changes legally require certain public notice and engagement opportunities
- 📍 LEDOs and local units of government, including elected officials and employees work collaboratively with the MEDC to determine best path for community engagement
- 📍 Public Comment ≠ Resident Sentiment



- **1960s:** Owner of 800+ acres requests rezoning of Marshall site to industrial, promoted as a premiere location in the country
- **1990's and 2,000's** – high profile missed opportunities
- **2005:** County Master Plan identifies the megasite property located in Marshall Township.
- **2006:** 425 Agreement between Marshall Township and the City of Marshall to expedite economic development, enacts a Master 425 Agreement for that purpose.
- **2018:** MEDC and MAEDA start marketing Marshall and highlight the Marshall site on their websites and local meetings, including Chamber. MEDC begins funding option agreements for MAEDA to gain control of the site.
- **2019:** Public meetings between- Chamber and Calhoun County; Burns McDonnell retained to begin site studies
- **9/21:** Ford announces battery plants in Kentucky and Tennessee
- **10/21:** Bridge Magazine, front page, picture of Marshall megasite and “MAEDA has a 1600 -acre tract of farmland near the I-69 and I-94 interchange in Calhoun County that it has been marketing for a decade for a new large sale industrial development”
- **5/2022:** Township PC agenda item – discussion of revision of master plan – public meeting
- **5/2022:** Front page article in the Detroit News: Marshall Area In Mich. Plans for Big Projects”
- **6/2022:** Township PC agenda item – discussion of revision of master plan; mega site discussed – public meeting
- **7/2022:** Township sends out enclosure to all residents regarding Master Plan update – includes link to website where a draft of the plan is available or specifies that it can be viewed at the township offices
- **9/2022: Public hearing on amended master plan.** One Citizen opposed related to solar. County BOC approves proposed master plan, with the mega site district identified and posts on website.

No Decision On Rezoning

The decision made by Holz, to c farm land

Over 140 township fire ing. The ger the meeting rezoning. The the township the next few decision.

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The only op a small grou preserve the more as a re the county r dustry

Amc were Marsh officia road ning commiss nesses a n plants, and th er Company.

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are ions be nity pre- mo- mer high art Mon-cov- with red. aint- d a rom nity

Pickup 3rd pgh: "His circula- tion

No Decision

(Concluded from Page 1).

attorney, presided over t h e meeting, and Robert Gerholz spoke again of the great value, industrial-wise, of the area in question which is located between W. Michigan avenue and the Kalamazoo river along C Drive North. Gerholz said that this land within a short distance of the I-94 and I-69 interchange is one of the best in America today for the location of big industry. The promoter said that his plan would be to sell

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"W popu home start witho he sa Sev repor conce

... Is one of the best in America today for the location of big industry

neighborhood. The township zoning board is composed of Harold Doolittle, Henry Parker, Charles Bosserd, and William White.

Incidental Incidents

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Industrial Real Estate Developer Seeks Rezoning Of 800 Acres Of Land

A Flint industrial real estate developer has taken notice of the strategic area west of Marshall as a potential plot for industry, and will seek rezoning of 800 acres of farm land to an industrial classification at a public hearing Thursday, 8 p.m. at the Marshall township fire hall.

The area under consideration consists of over 800 acres between W. Michigan avenue and the Kalamazoo river, along C Drive North. This section takes in the Harry Mutch farm, 360 acres owned by Mrs. Mary Vary, and also land owned by Rene Herman

Rigid Restrictions Set Up For Rezoned District

A new district was adopted as an addition to the Marshall Township zoning ordinance at a joint meeting of the township board and the township zoning board held last night in the town hall at the fire station.

The D-2 Park Industrial District created is, with two minor changes, the one already agreed upon at previous meetings. The changes are the provision that parking or loading shall be prohibited within 50 feet of another district; and there will be a 330-foot setback for industrial buildings on Michigan avenue.

Rezoning machinery was set in motion last fall when the owners of about 800 acres of land in Marshall Township approached the township board with a rezoning request to create an industrial park on either side of C drive north from West Michigan Avenue to the Kalamazoo River. The owners are Harry V. Mutch, Mrs. Mary Vary, and Randy Herman

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Calhoun County Commissioners approve potential economic development project

By MARY STAGE Staff Writer

The Calhoun County Commissioners approved six potential economic development projects to be placed into the County's Overall Economic Development Plan (OEDP). Placing these projects into the OEDP allows them to possibly receive federal funding for development.

The first project was for Albion City and Sheridan Township. The site is in sections 25 & 36 of Sheridan Township. Located on the east side of the city, it has an area of approximately 250 acres, with access to I-94 and a rail spur nearby that previously extended through the site.

The development of this site would require municipal water and sewer service and possible road access improvements. The road improvements would depend on the industrial prospects, and may require extension of the rail spur.

The second was for Marshall Township - the Gerholz Project Road. It is a 750 acre, privately owned, industrial site with railroad and I-69 access. Road access would need to be improved to avoid a small residential area or an indirect rural route.

With this development, it is proposed to construct a new one-mile north-south section of 14 Mile Road between Michigan Ave. and the Conrail tracks. This would provide a more direct industrial road access. When industrial development occurs, C Drive North, just west of the last residence, is proposed to be closed.

The third project ties in with the above project, providing it with water and sewer. It would involve either an on-site system or extending pipelines from the City of Marshall systems.

The fourth project is the Sackrider Project Water and Sewer Service, in Emmett Township. This site is a 1,200 acre, privately owned industrial site with railroad and I-94 access. The water and sewer system would need to be improved to provide for any major industrial development. This would require a system on-site or an extension of the Townships systems, which connect with Battle Creek's system.

concerning Interstate Exit Improvement. The exits 103 and 104 are both partial interchanges. Major industrial prospects have noted that these would be inadequate to their needs. Calhoun County

Community have requ Transporta corridor stu to I-94. \$25,000,00 The la County His a 75-acre Parks & 1 educational The pa attract ger professor County, as and one his The pl countywid Country Na All of planning r scheduled. The Co Union Sala this appro effective th An in provided, w step on the then be el anniversary The Co of Calhoun Dr. Lynne the Commi in the In A commitme She noted Learning N necessary a and develop Haley children v children ar children are Haley develop po children; caregivers prevention remedial ar

What does a successful site readiness state look like?

Michigan has **multiple strategic sites throughout the state** progressing to advanced stages of site readiness – meaning site is owned, pre-development studies are complete, engineering and design for off-site improvements is complete and utilities, energy and infrastructure are extended to the site.

Available sites are a mix of of 4-6 large-scale sites (over 1,000 acres) and multiple, **various sized sites** responsive to current and anticipated market demands.

A state-wide **site certification program** is in place with properties continuously being added to a robust, state-wide site inventory that is aggressively marketed.

How can local government facilitate strategic site readiness and business attraction opportunities in their region?

- **Identify sites that may be attractive for business growth opportunities and share with local, regional or State EDO to begin the collaborative process of site readiness**
 - **These sites may or may not be currently available for sale or lease, but worth pursuing for the possibility**
- **Modernize master land use plan and zoning ordinances in the likely growth areas and prioritize infrastructure development around it**
- **Provide thoughtful engagement opportunities as the environment is being created to understand community sentiment and foster economic growth**
- **Support regionally relevant business attraction and site readiness efforts at the local and state level**

Path to Success



Collaboration

- Local government and EDO have active, concerted participation
- Local support through community engagement
- Master plan and zoning changes; 425 agreements
- Site plan approvals
- Streamlined permitting and inspections

Funding

- Site control and due diligence
- Staffing and consultants necessary to achieve goals
- Engineering and design advancement to refine project cost estimates
- Site ownership
- Infrastructure improvements

Partnerships

- Energy and utility providers
- Transit – road, rail, ports
- State and Federal agencies prioritizing projects – EGLE permitting timelines and process improvements are critical
- Real estate & site consultant community

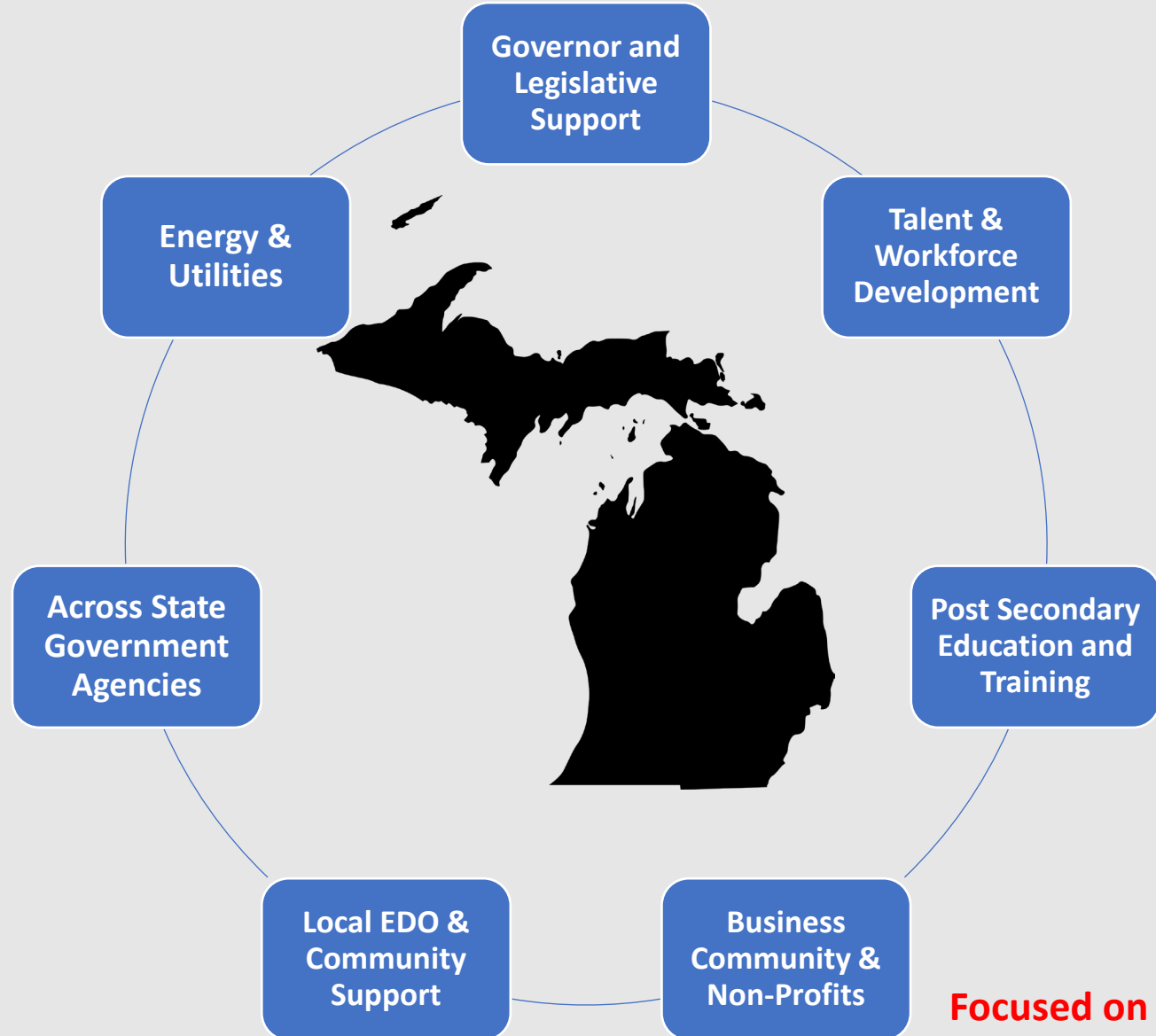
Political

- Bi-partisan support for moving site readiness efforts forward, embracing a pro-active, long-term strategy for investing in state assets, resulting in job and population growth for the benefit of the State of Michigan

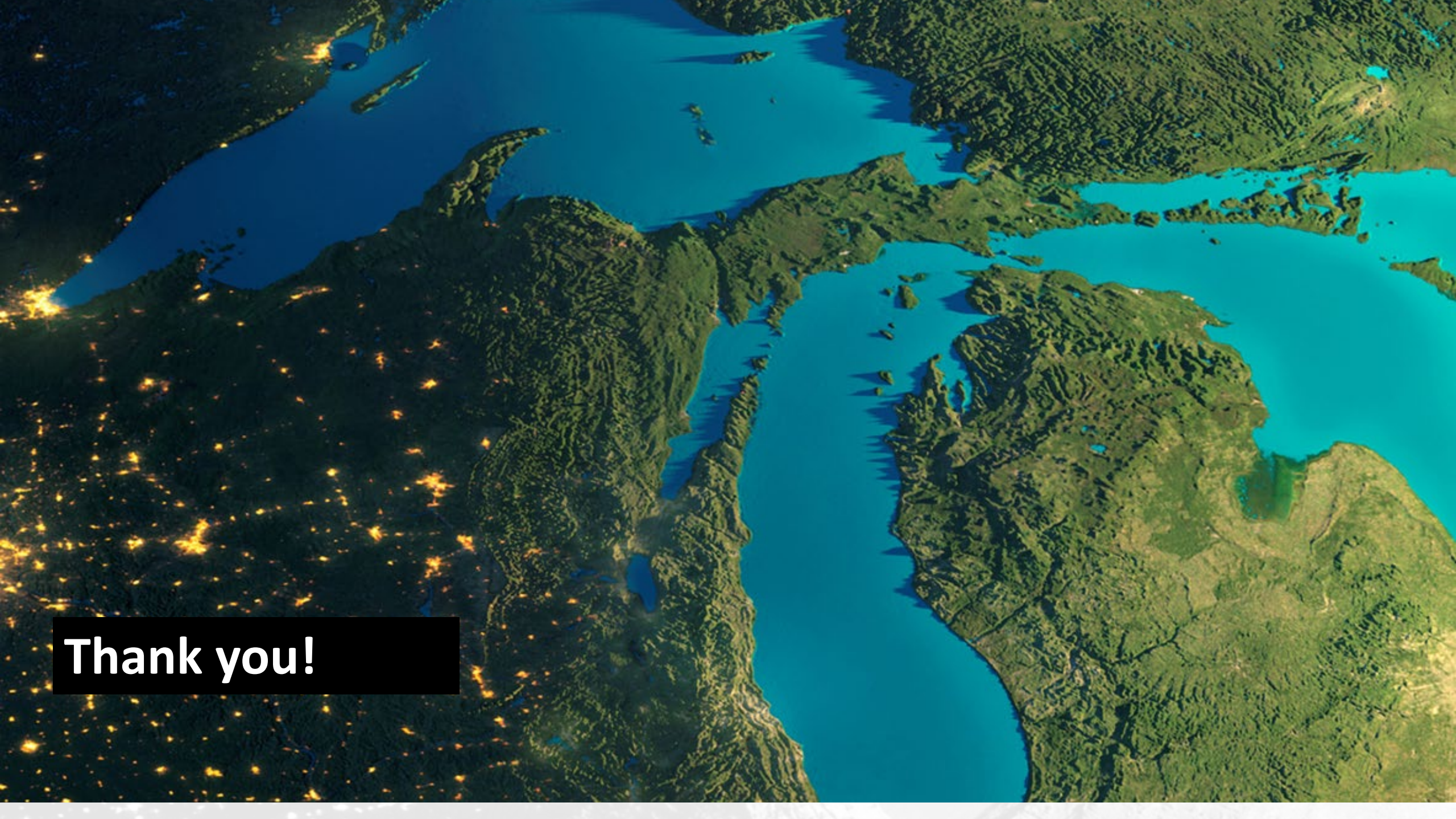
All of Michigan
Approach to
meet site and
project needs



We Are Team Michigan



Focused on Relationships



Thank you!