Michigan Economic Developers Association

Promoting Economic Development and Economic Developers in Michigan
Economic Development

Creating prosperity for the citizens of our communities
What is Economic Development?

Attracting and growing businesses, creating and retaining jobs and making our communities a better place to live.
Why is Economic Development Important?

• Strengthens our economy
• Provides locally produced goods & services
• Provides tax dollars for vital services
• Generates wealth
What is the impact of Economic Development?

- Full-time jobs with benefits
- Increased household buying income
- Attracts retailers, restaurants and other services
- Provides for amenities
- Generate sales tax revenue
- Quality of life/place
- Attraction
Types of Economic Development

- Business Retention & Expansion (70-80%)
- Entrepreneurship (10-20%)
- Attraction (5-10%)
Why is retention/expansion so important?

- Represents 80% of job growth
- Attraction is very competitive
- Inexpensive way to keep existing businesses
- Supports recruitment efforts
- Connects local businesses
- Keeps recent “wins” engaged
Economic Developers

Help local officials and businesses work together for community progress
What is an Economic Developer (ED)?

Economic Developers are professionals within a community that use various tools to stimulate economic growth, maximize community interest and find mutually beneficial solutions in economic development.
How do ED’s attract and grow businesses?

- Work collaboratively with businesses, developers and government
- Experienced in business assistance, marketing and federal, state and local programing
- It’s all about relationships
How does an ED make a difference?

By understanding how private investment decisions are made and working toward decisions that benefit the business and community.
What tools do ED’s use?

- Incentive programs (local, state & federal)
- Tax abatements
- Bond issuance
- Training assistance
- Technical assistance
- PILOTs
- Loan guarantees
- Deal closing funds
- Grants
- Creative thinking
How do ED’s ensure incentives are in the public’s best interest?

- Due diligence
- Negotiation
- ROI
- Accountability
- Development agreement
- Clawbacks
“Incentives do not make a bad deal good, they only make a good deal better.”

- Site Selector
How can you promote the value of ED in your region?

• Be the “eyes & ears” for community
• Track proposed legislation
• Educate your stakeholders
• Communicate
• Advocate
It’s all about relationships...
Relationship Building Basics

• Start with an introduction, get to know the “person” before issues are discussed
• Take time to learn their priorities and perspective - research their background & current activities
• Respect and trust builds respect and trust
• Be consistent in your messaging
Relationship Building Basics

• Focus on specific issue discussion; be concise - don’t overload
• Build understanding with each connection
• Follow up with a thank you
• Be accountable for action items
• Communicate
Government Relations Tips

- Relationships matter
- Don’t communicate only when you WANT!
- Good communication builds good relationships
- A thoughtful, polite, informed, unapologetic advocate for business
- Government is an important partner and our relationships should be strong
- Communicate far enough in advance that positions aren’t already defined
Government Relations Tips

- Clearly and professionally present your position
- When interacting with government officials and staff, be courteous and professional
- Be direct, straight-forward, honest and accurate
- Be informed, timely and reasonable with requests
Michigan Economic Developers Association

Promoting Economic Development and Economic Developers in Michigan