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## Speakers



### **ECONOMIC TRENDS**

**Jim Robey, Director  
Regional Economic Planning Services  
W.E. Upjohn Institute for  
Employment Research**



### **ECONOMIC DEVELOPMENT**

**Joe Sobieralski, President & CEO  
Battle Creek Unlimited**



### **CURRENT TRENDS/ ECONOMIC DEVELOPMENT**

**Janet Ady, President & CEO  
Ady Advantage**

# ECONOMIC TRENDS

Jim Robey, Director Regional Economic  
Planning Services

W.E. Upjohn Institute for Employment Research

# Peering Into Economic Conditions: A Look at the Nation, the State, and the Battle Creek Region

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A Presentation at the 2020 Economic Outlook  
for Battle Creek Unlimited

Jim Robey, PhD  
W.E. Upjohn Institute for Employment Research

February 18, 2020

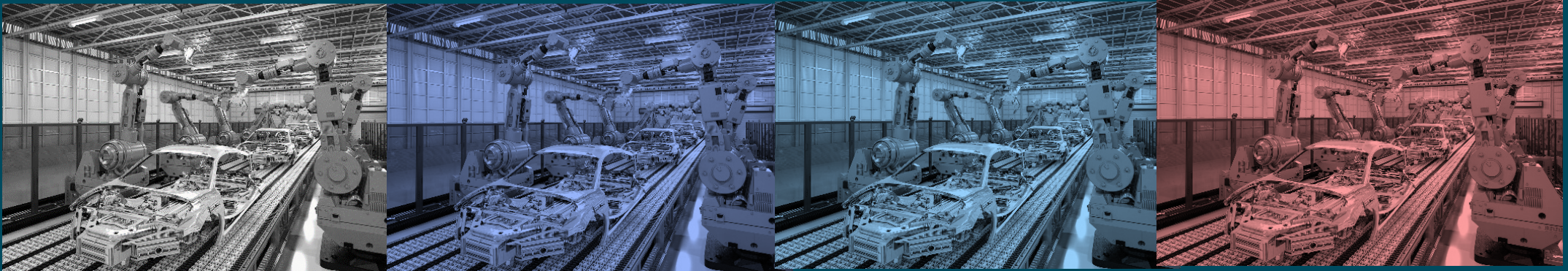


# W.E. Upjohn Institute for Employment Research

The Institute is an activity of the W.E. Upjohn Unemployment Trustee Corporation, which was established in 1932 to administer a fund set aside by Dr. W.E. Upjohn, founder of the Upjohn Company.

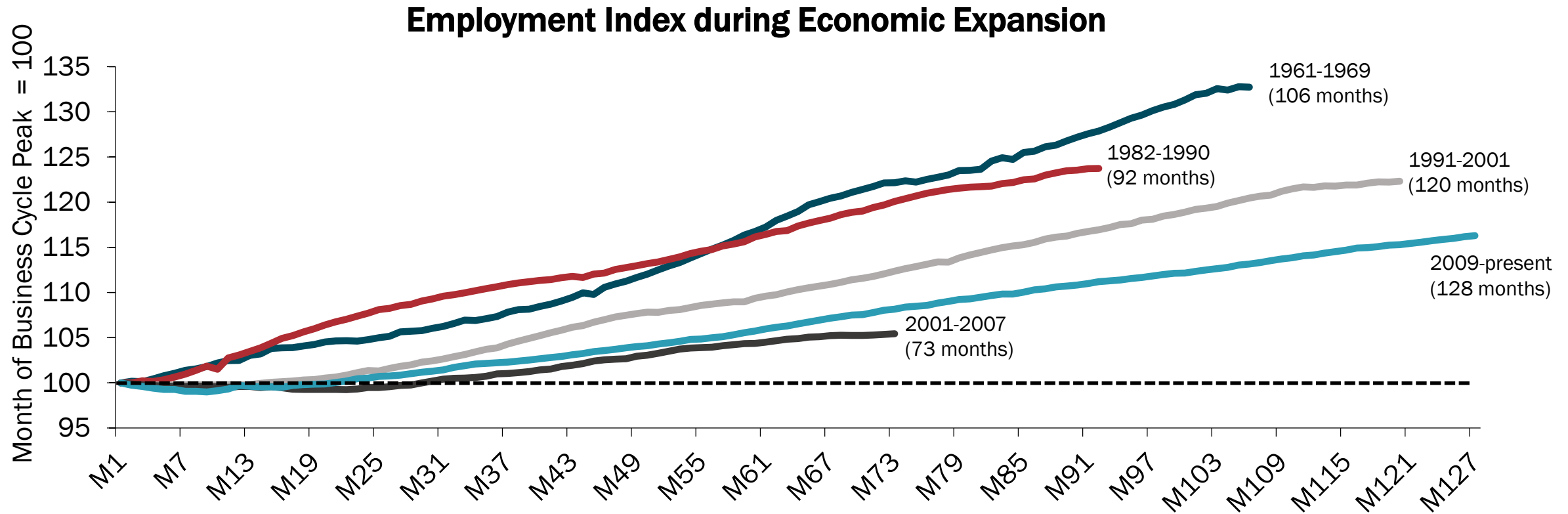
## MISSION:

The W.E. Upjohn Institute for Employment Research is a private, nonprofit, nonpartisan, independent research organization devoted to investigating the causes and effects of unemployment, to identifying feasible methods of insuring against unemployment, and to devising ways and means of alleviating the distress and hardship caused by unemployment.

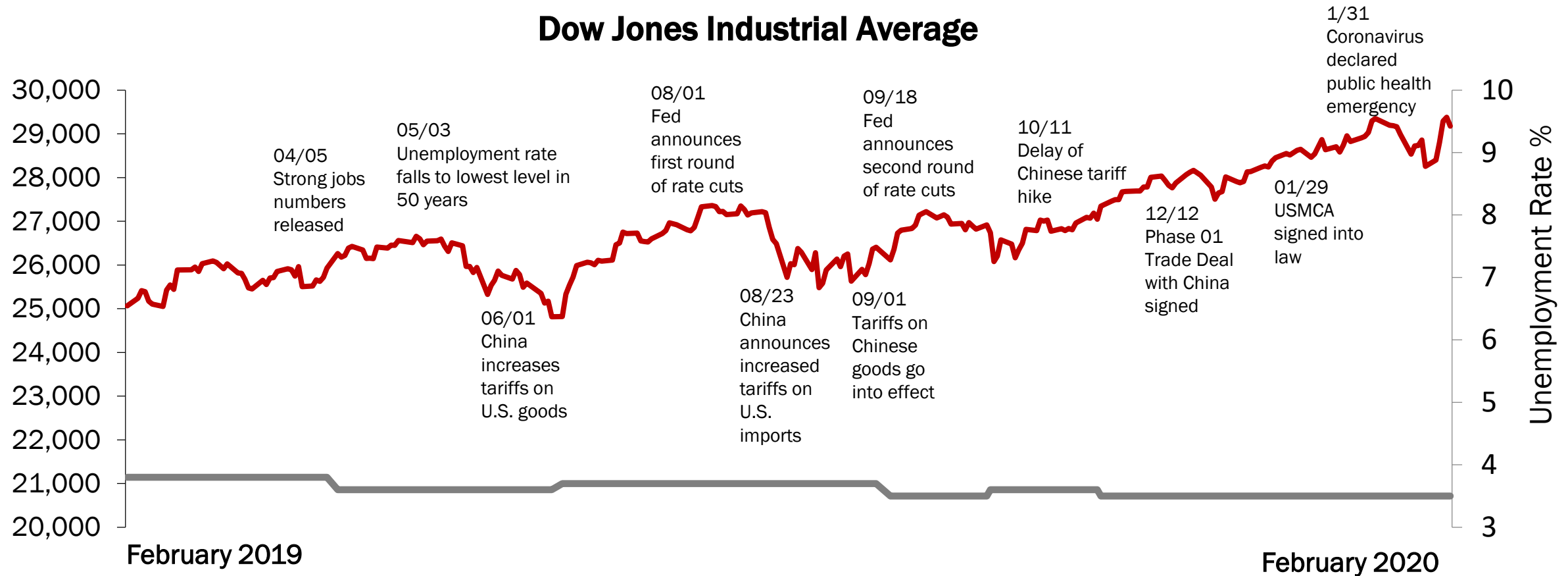


# National Economy

# We are currently in the longest expansion since WWII



# The stock market reacted to various events last year, but continues to grow

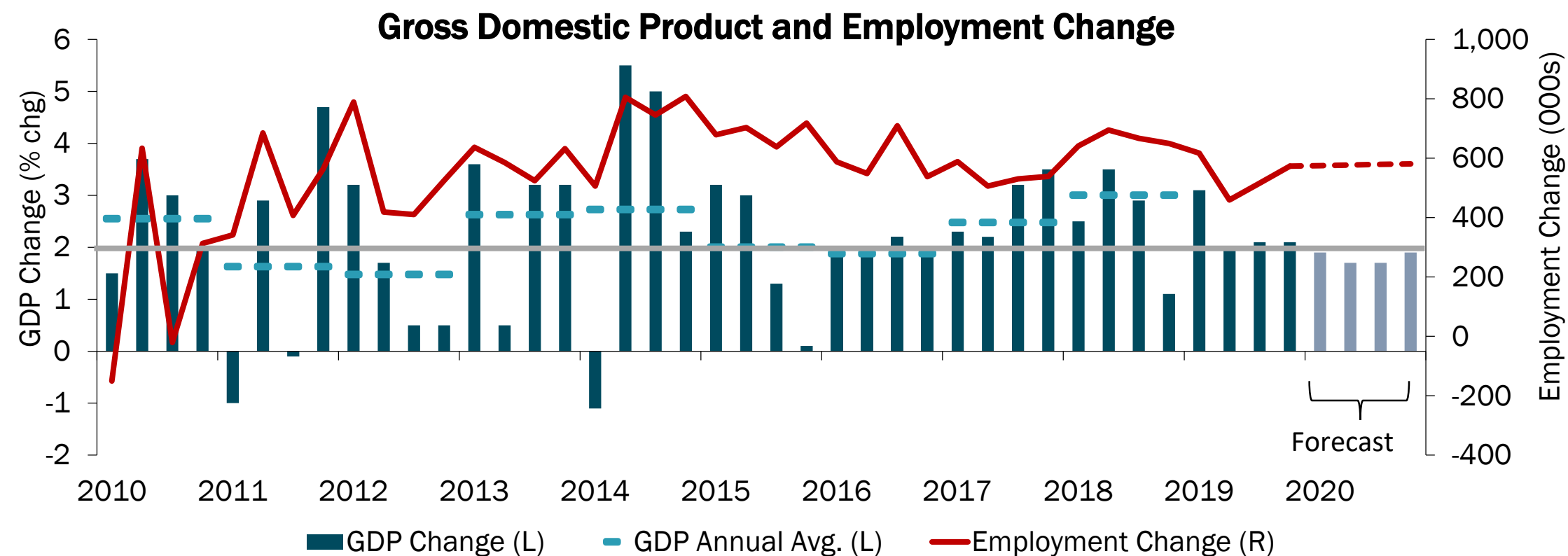


We're in the longest business cycle (contraction and expansion) and the longest expansion, while experiencing the longest recession since measurement began

Length of:	1945-1948	1949-1953	1954-1957	1958-1960	1961-1969	1970-1973	1975-1980	1980-1981	1982-1990	1991-2001	2002-2007	2007-?
Contraction	8	11	10	8	10	11	16	6	16	8	8	18
Expansion	37	45	39	24	106	36	58	12	92	120	73	128
Business Cycle	45	56	49	32	116	47	92	18	108	128	81	142



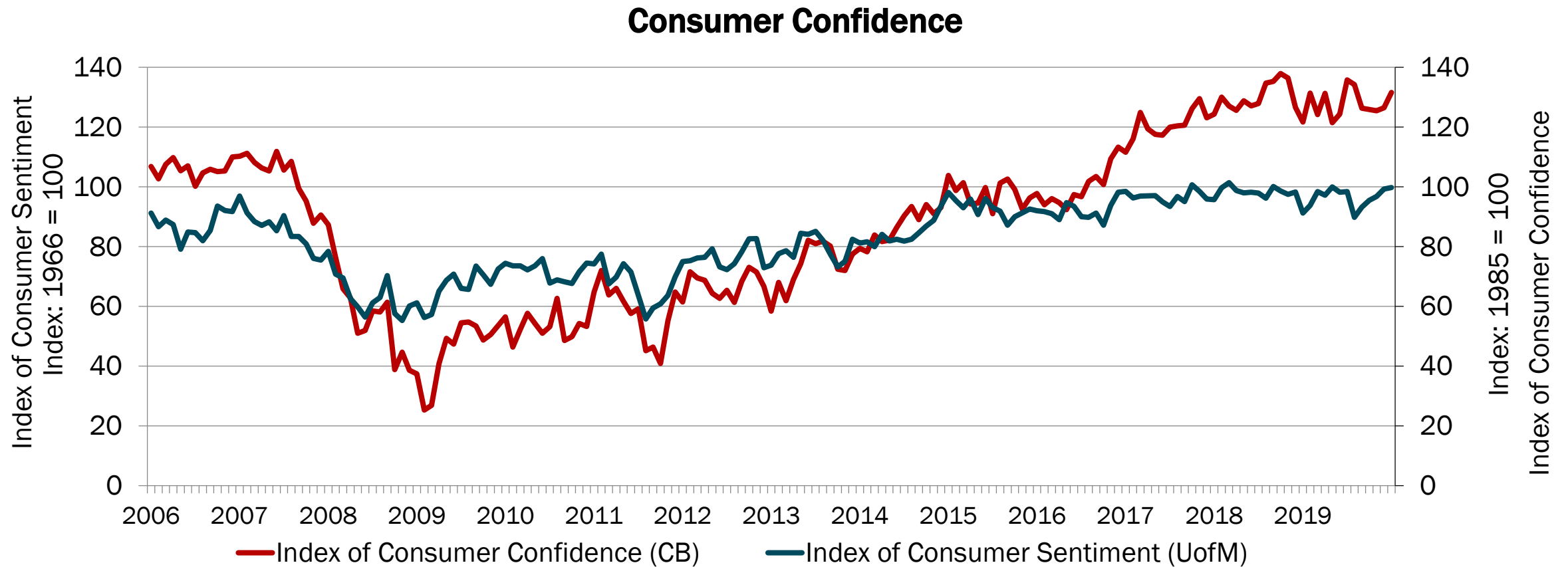
# GDP growth is projected to remain solid, although employment growth is slowing



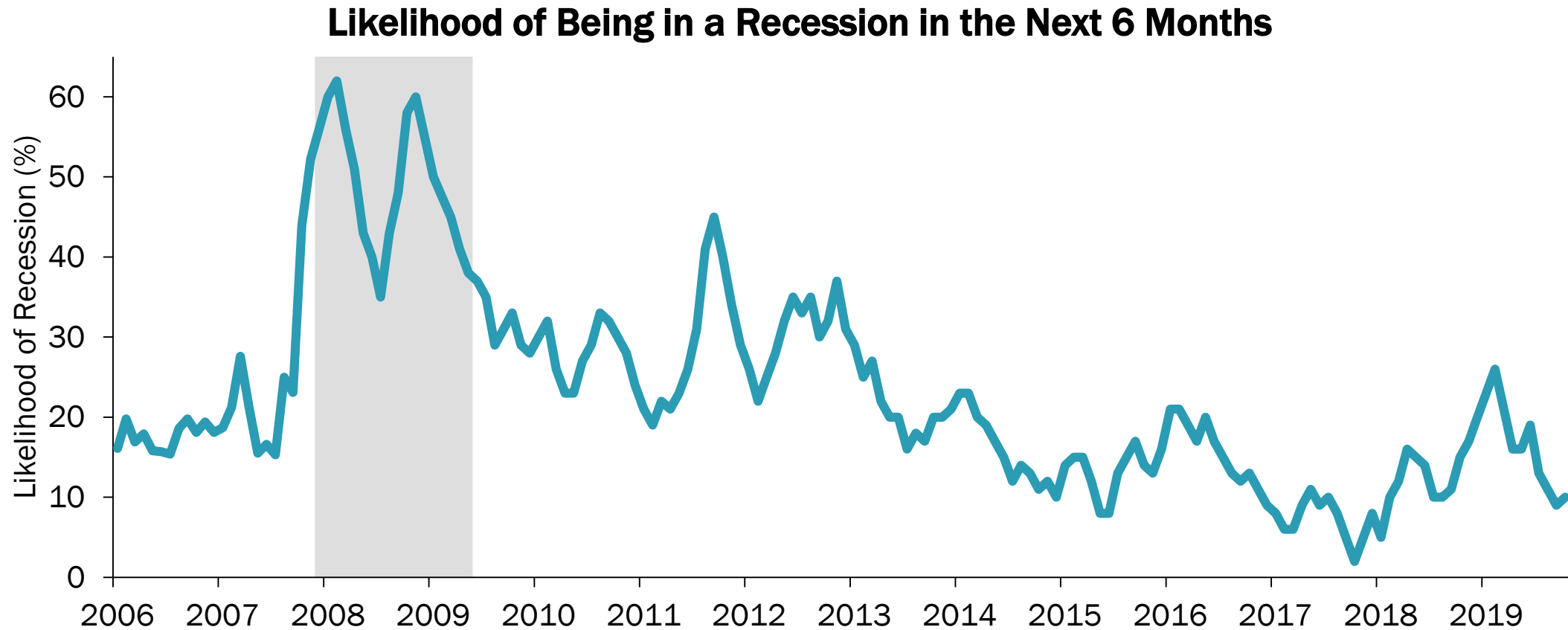
# University of Michigan RSQE national forecast

	<b>2019 (Forecast)</b>	<b>2020 (Forecast)</b>	<b>2021 (Forecast)</b>
GDP	2.3%	1.7%	1.7%
Employment	1.6%	1.3%	1.1%
Light Vehicle Sales (Millions)	17.0	16.8	16.7
Unemployment Rate	3.7%	3.5%	3.4%
Housing Starts (Millions)	1.25	1.26	1.28
CPI/Inflation	1.7%	1.7%	2.0%

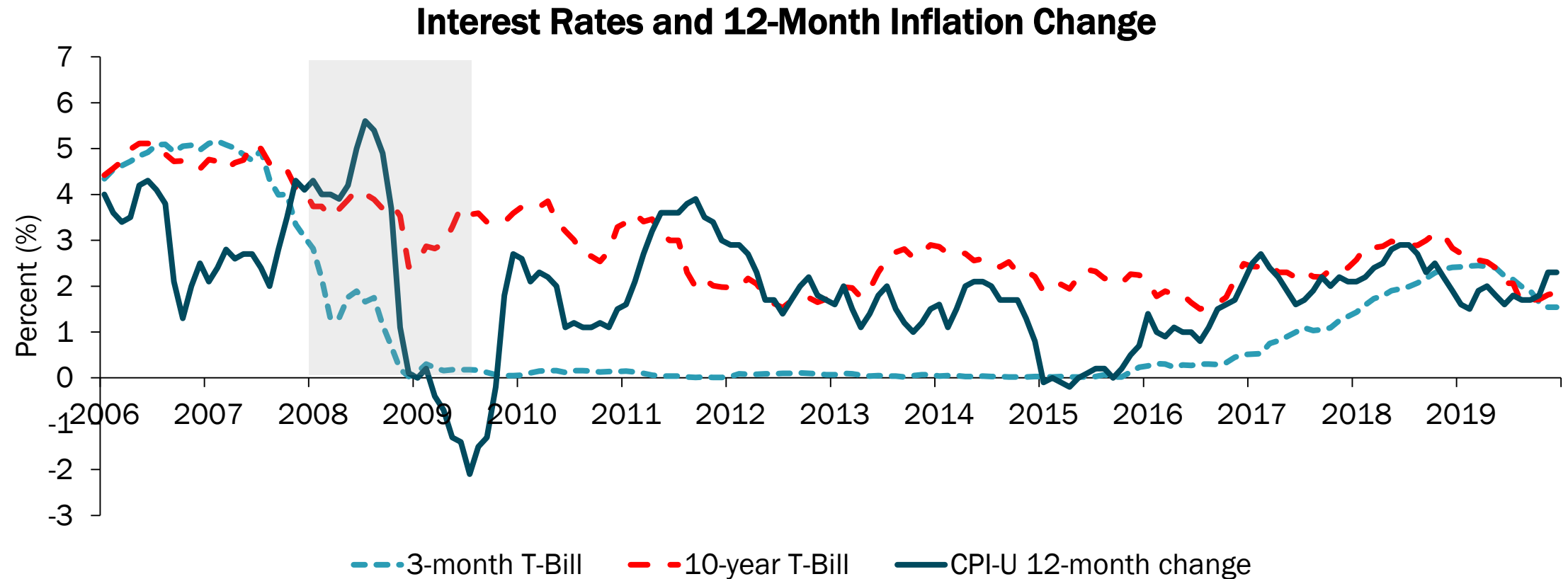
# High and stable consumer confidence



# Moody's predictions of a recession are relatively low: 10% in November



# Inflation and interest rates have increased in the past 2 years







# **The Next Recession:** **What** We're Watching

# What keeps economists up at night worrying about a recession?

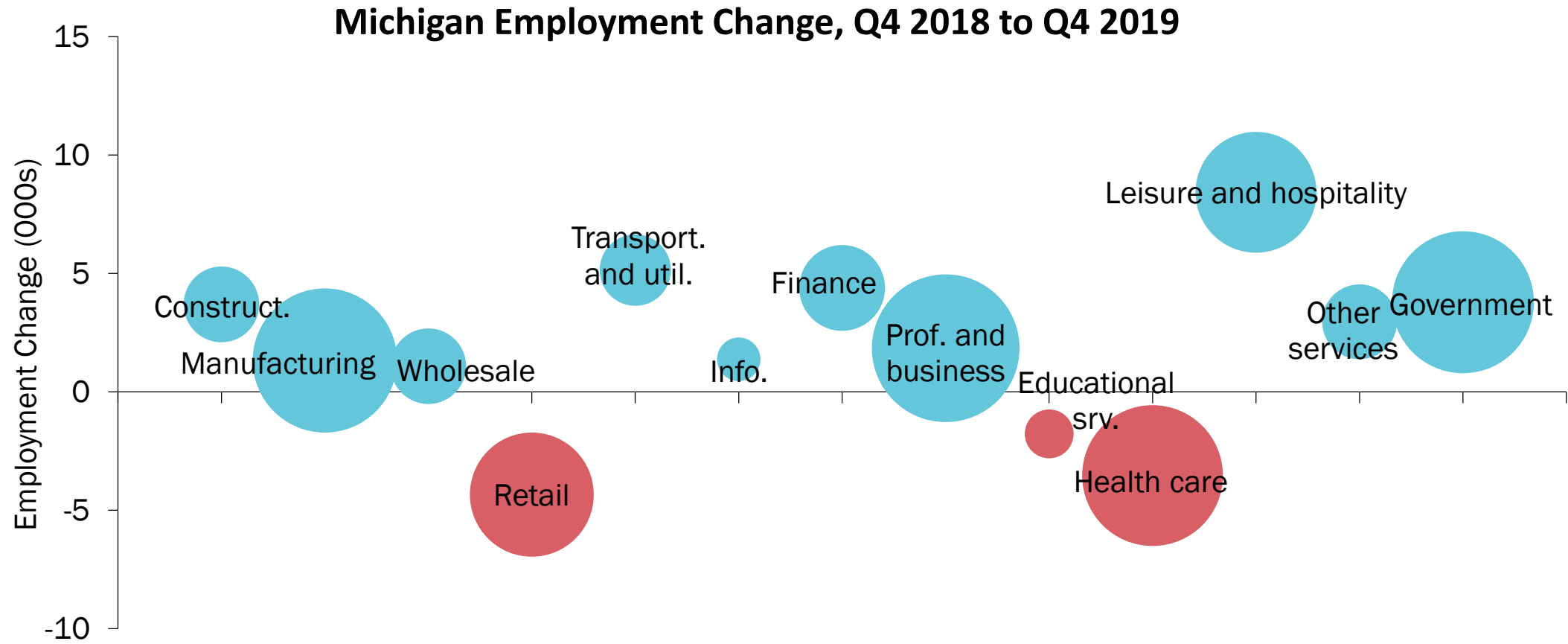
- Trade wars (tariffs and taxes are the same—a cost to consumers)
- Volatility of stock market
- Low interest rates
- Federal debt and deficits
- Tax cuts
- Politics
- Global Pandemics

“Expansions don’t get tired; rather, they end due to policy mistakes.”



**Michigan**

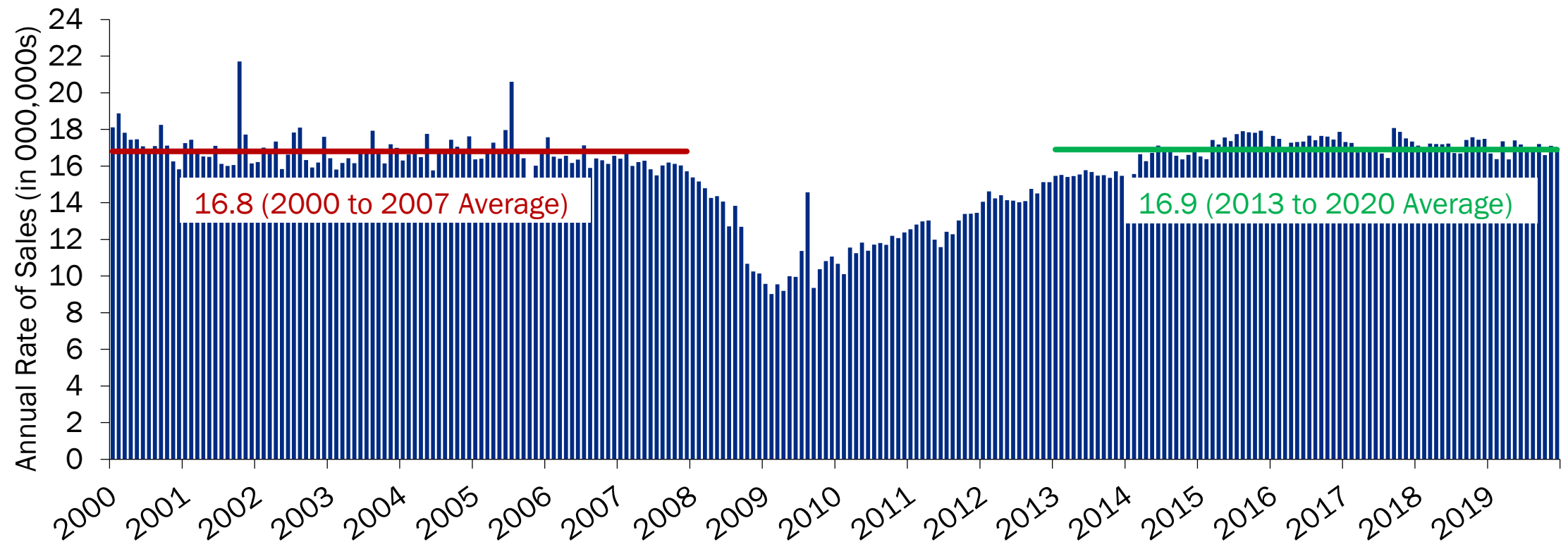
# Michigan has seen declines in some key sectors of the economy



Source: Bureau of Labor Statistics, Current Employment Statistics

# Light vehicle sales have been steady

**Annualized Rate of U.S. Light Vehicle Sales (in millions)**





# University of Michigan RSQE statewide forecast

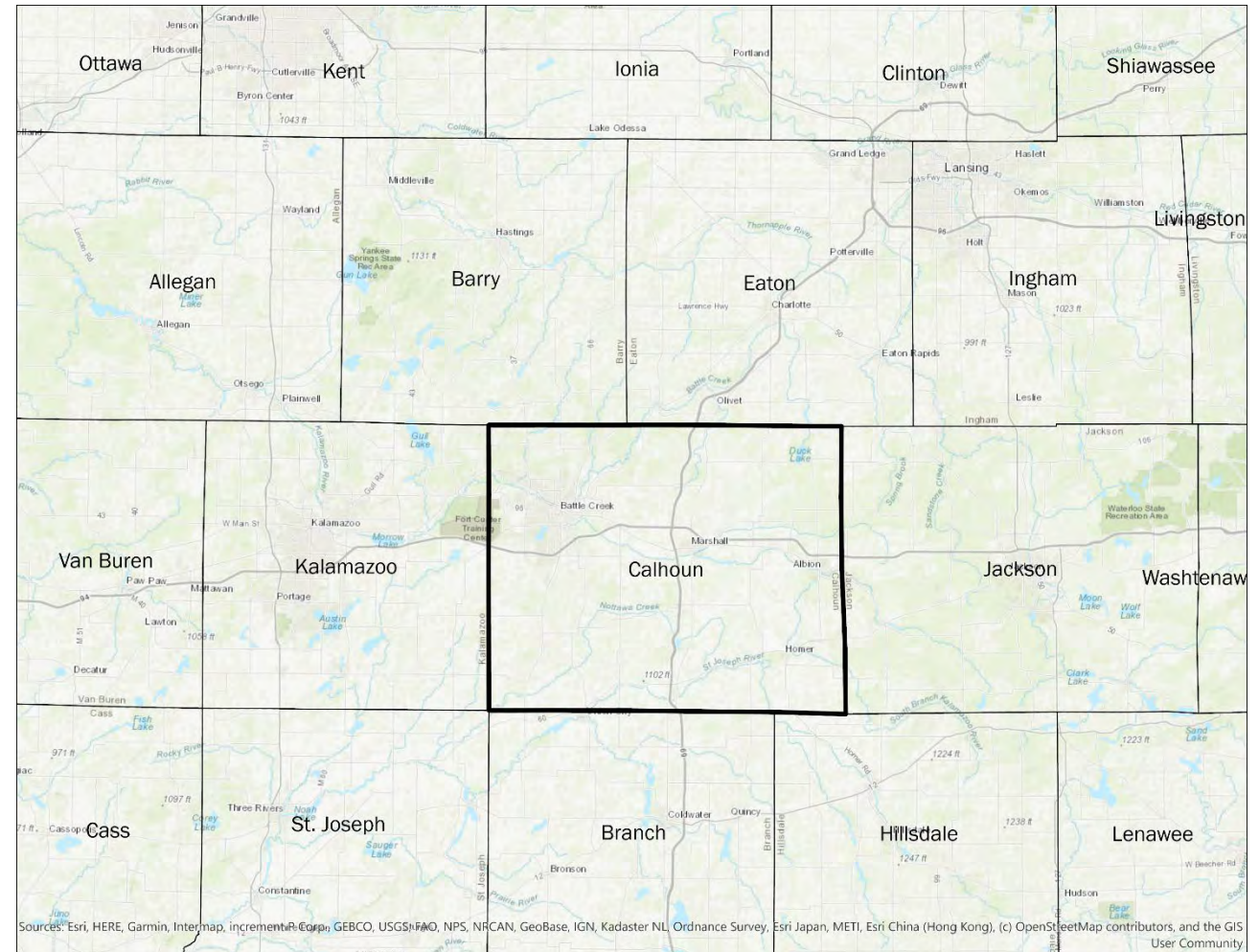
	2019 (Forecast)	2020 (Forecast)	2021 (Forecast)
Employment Change	23,300 (.99%)	29,000 (.64%)	25,900 (.42%)
Manufacturing Employment Change (Workers)	2,100 (.33%)	2,000 (.32%)	1,600 (.25%)
Unemployment Rate	4.1%	3.9%	3.7%
Labor Force Participation Rate	61.9%	61.7%	61.7%



## **Regional Conditions: Battle Creek MSA**

# The Battle Creek Metropolitan Statistical Area

- Calhoun County

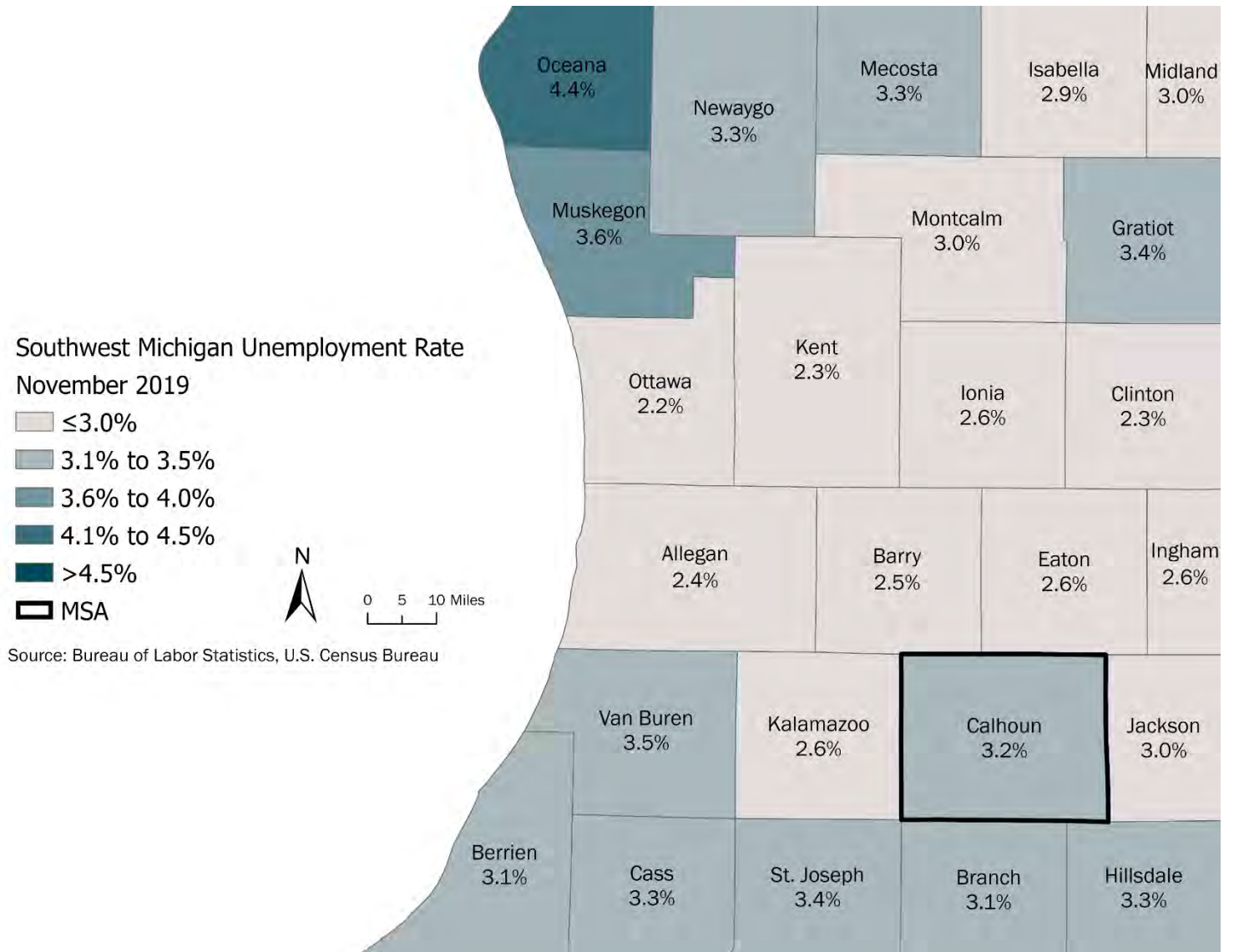




Unemployment rates are between 2.3% and 4.7% for counties in West Michigan

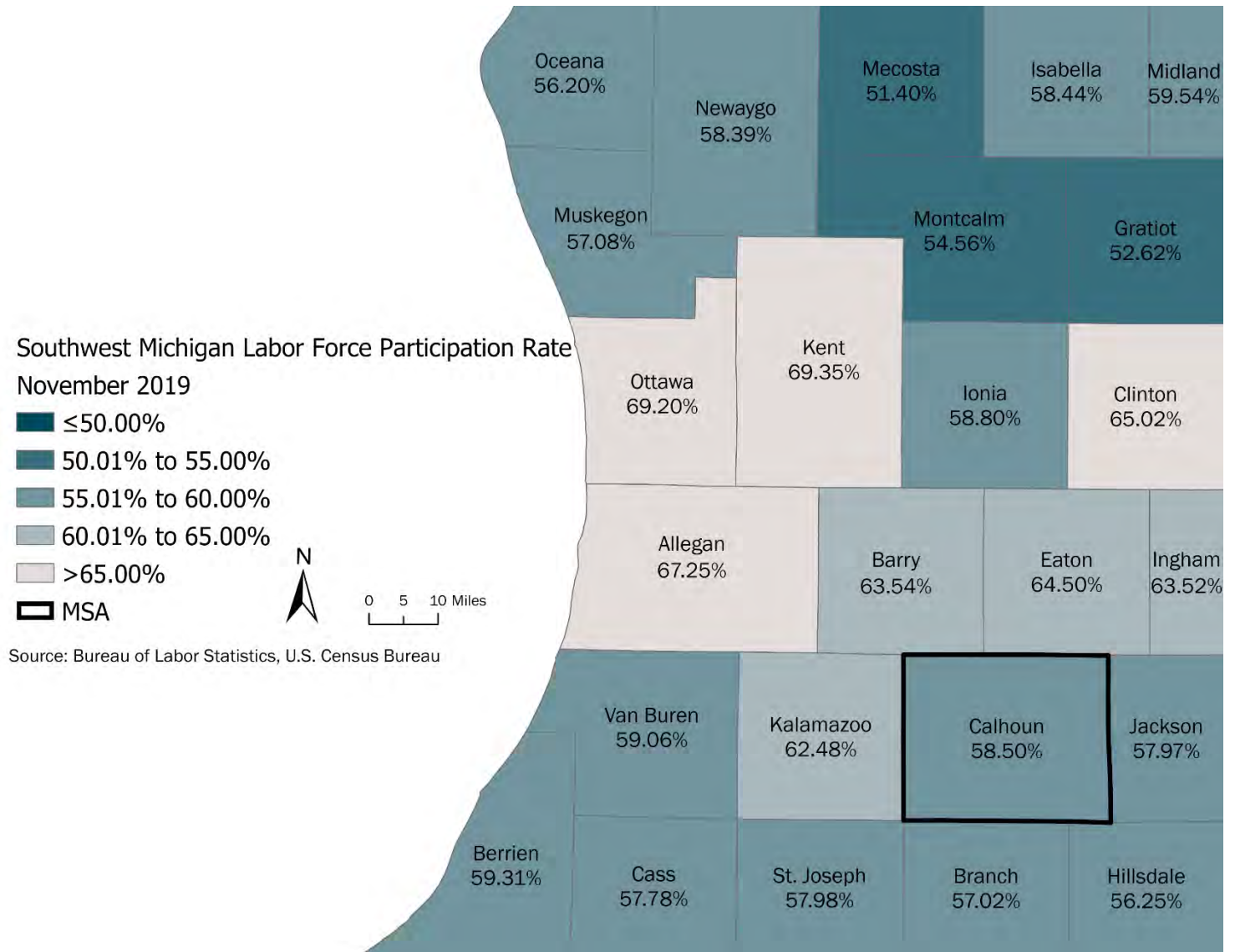
The MSA is at full employment

Michigan's rate is 4.0% (November 2019)



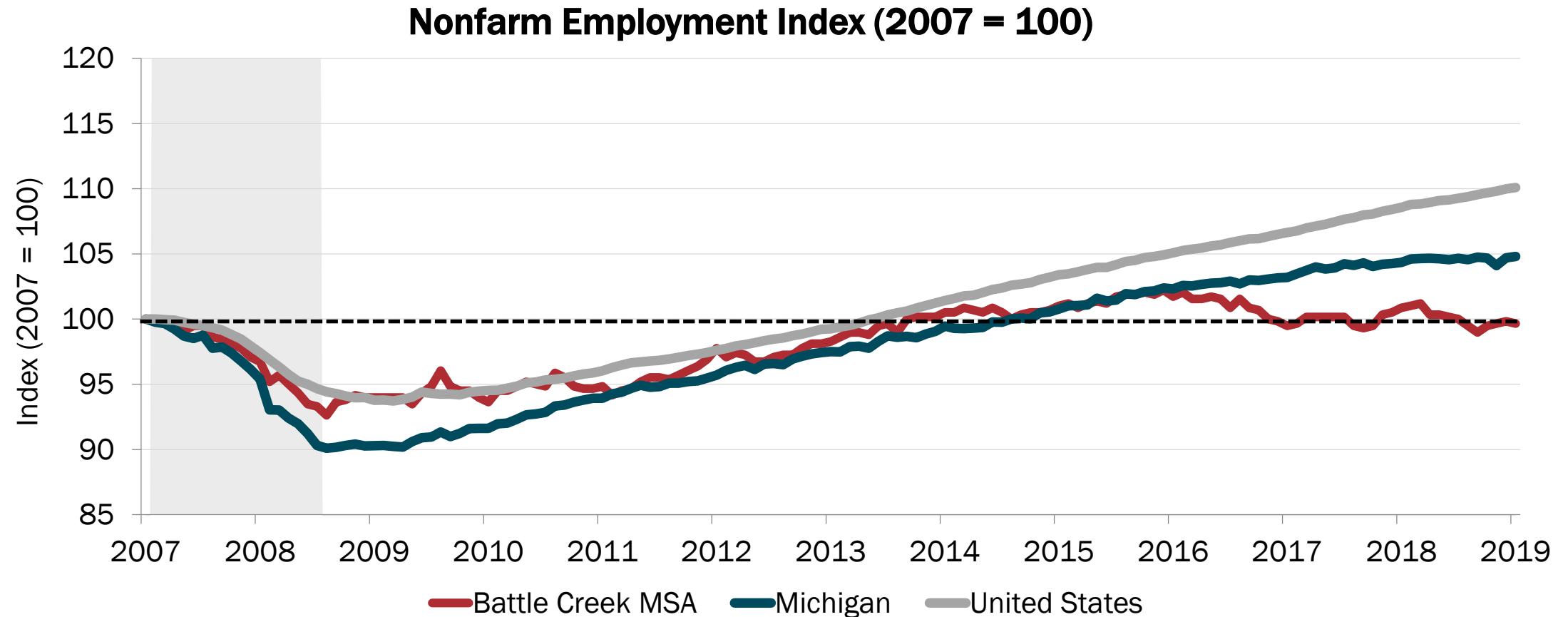
The labor force participation rate in Calhoun county is 58.5%

Michigan's rate is 61.7% (November 2019)

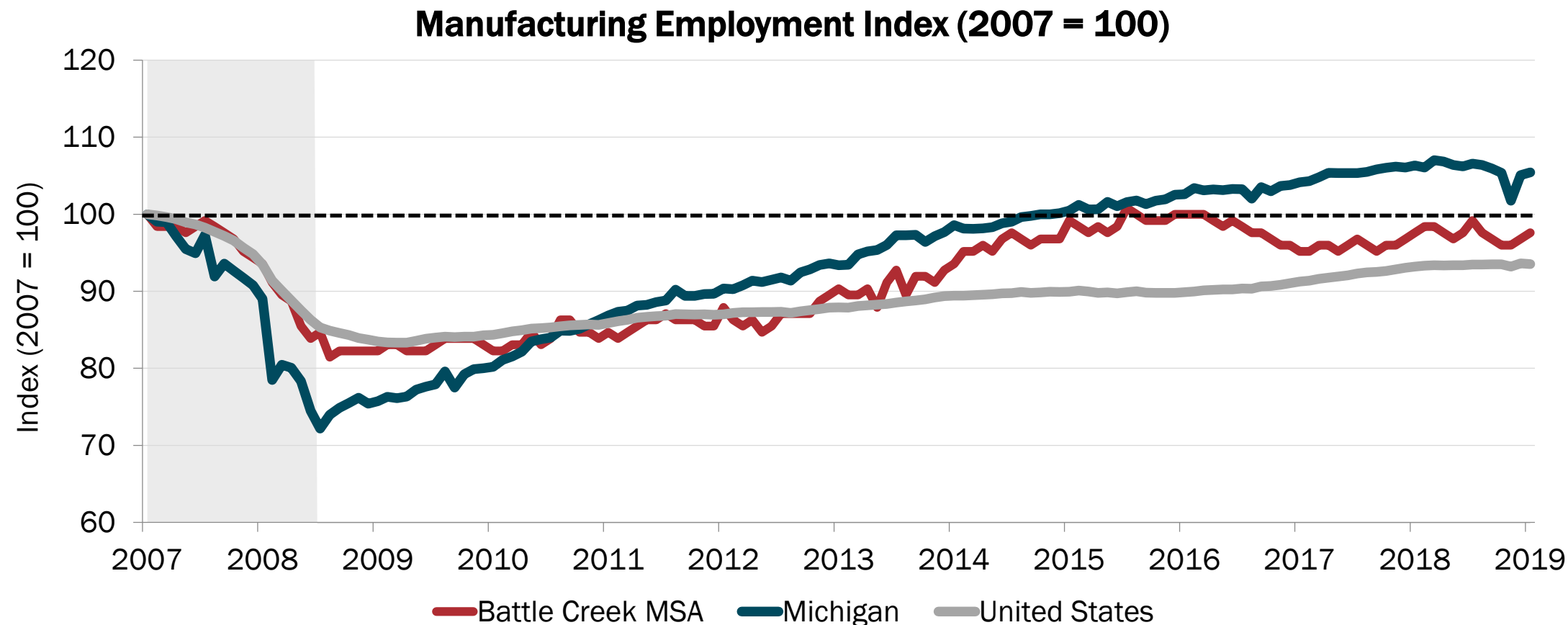




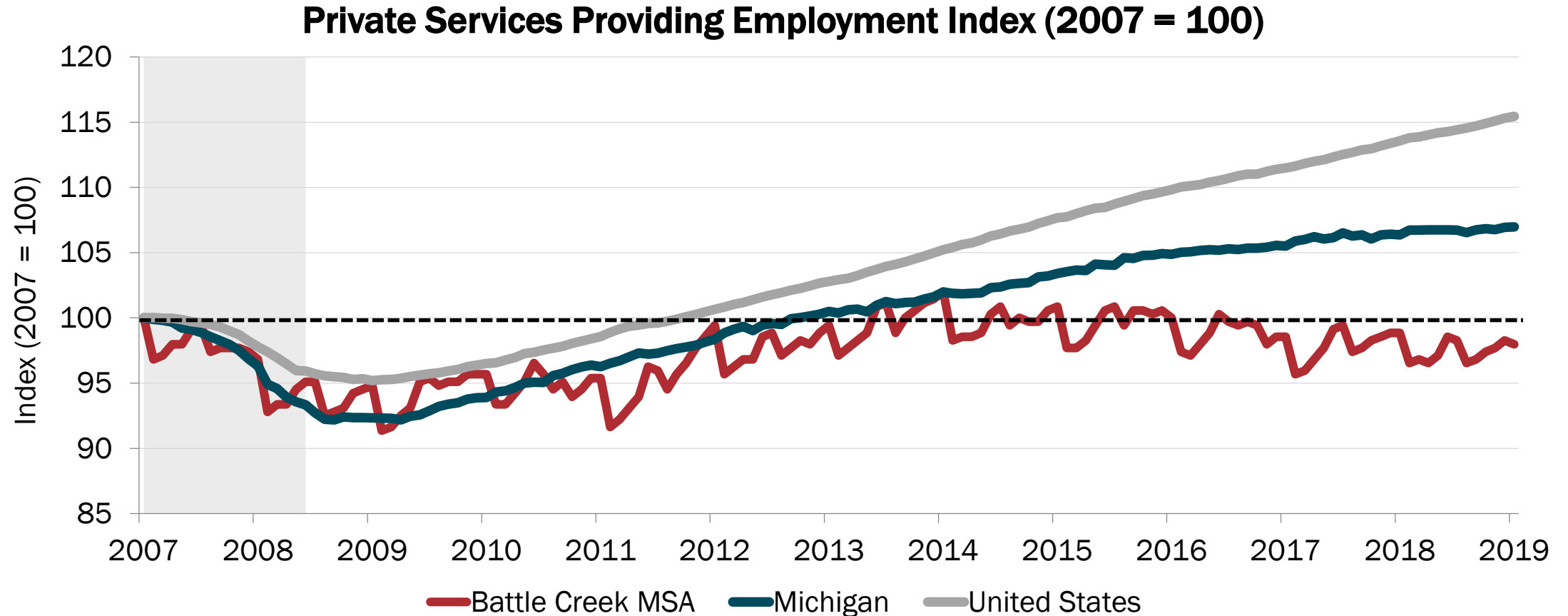
# Total Employment in the MSA continues to be just above pre-recession levels



# Battle Creek manufacturing growth is trending above the nation



# Employment in services has held near pre-recession levels for the past seven years



Overall, a greater proportion of the labor force in Battle Creek is employed than in the past

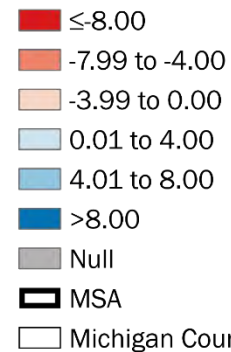
**Total Labor Force: Battle Creek Metro Area**



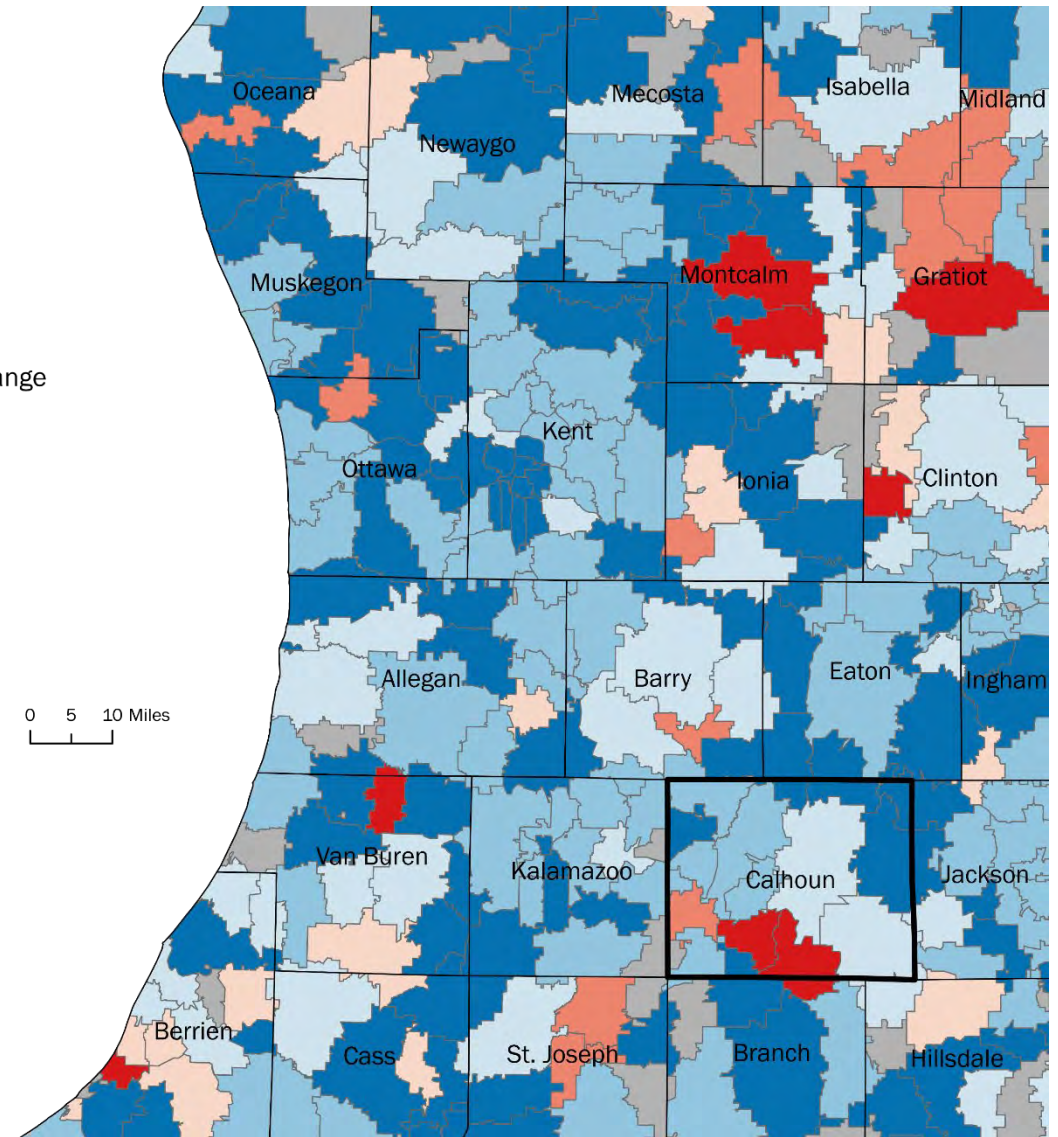
Housing values  
continue to rise.

But the pace  
continues  
to decelerate  
nationally

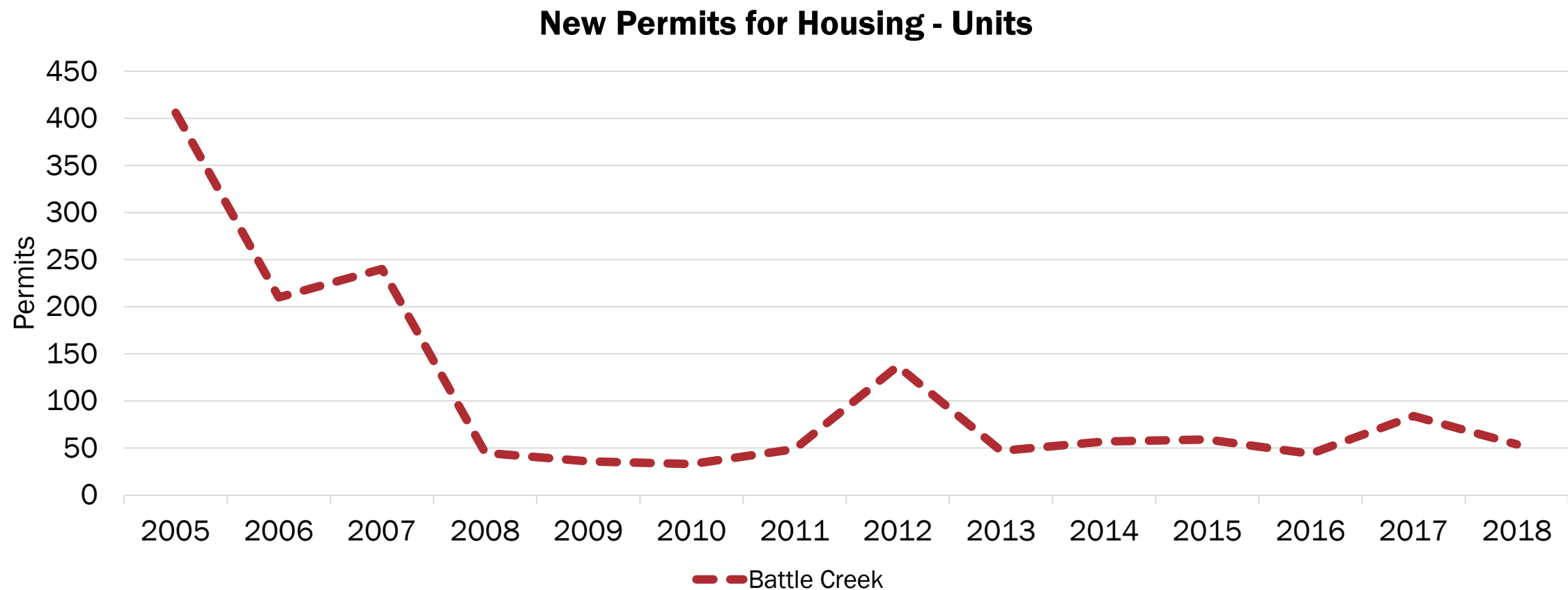
Housing Price Index Change  
2017 to 2018 Annual Percent Change



Source: Federal Housing Finance Agency

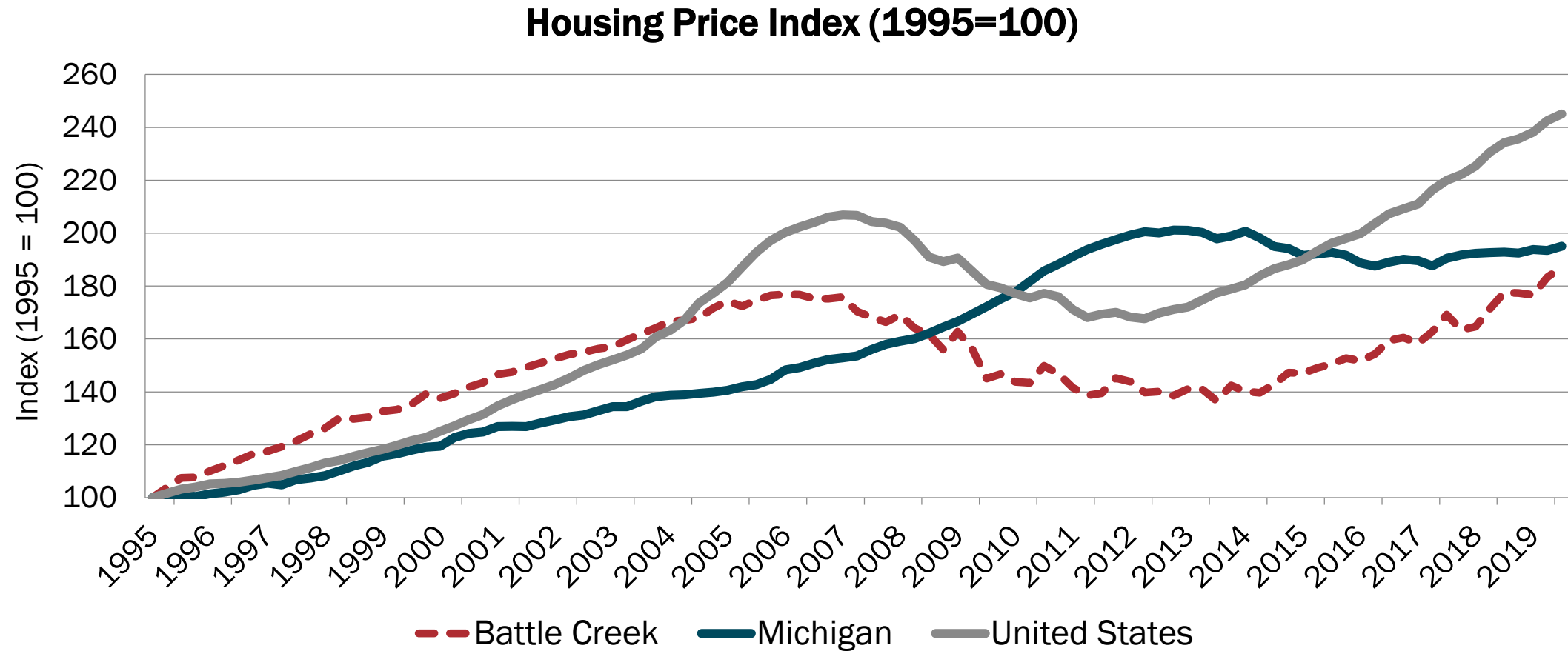


# New construction has remained relatively flat



Source: U.S. Census Building Permits

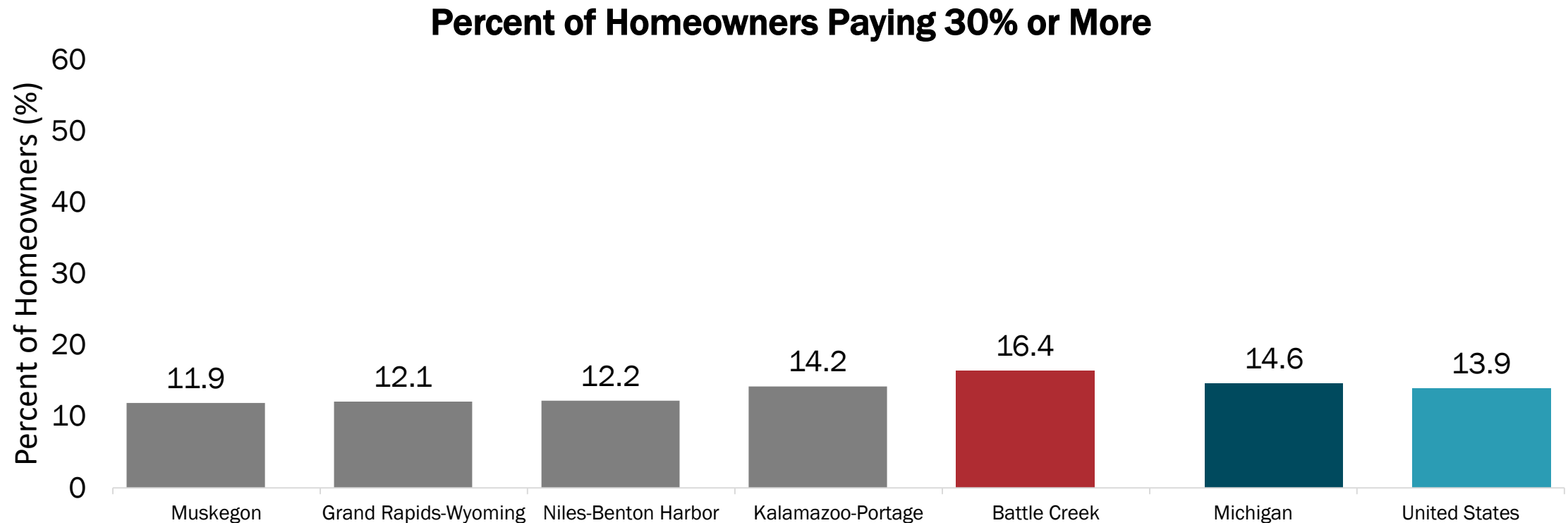
# Housing prices are rising more quickly than the State of Michigan



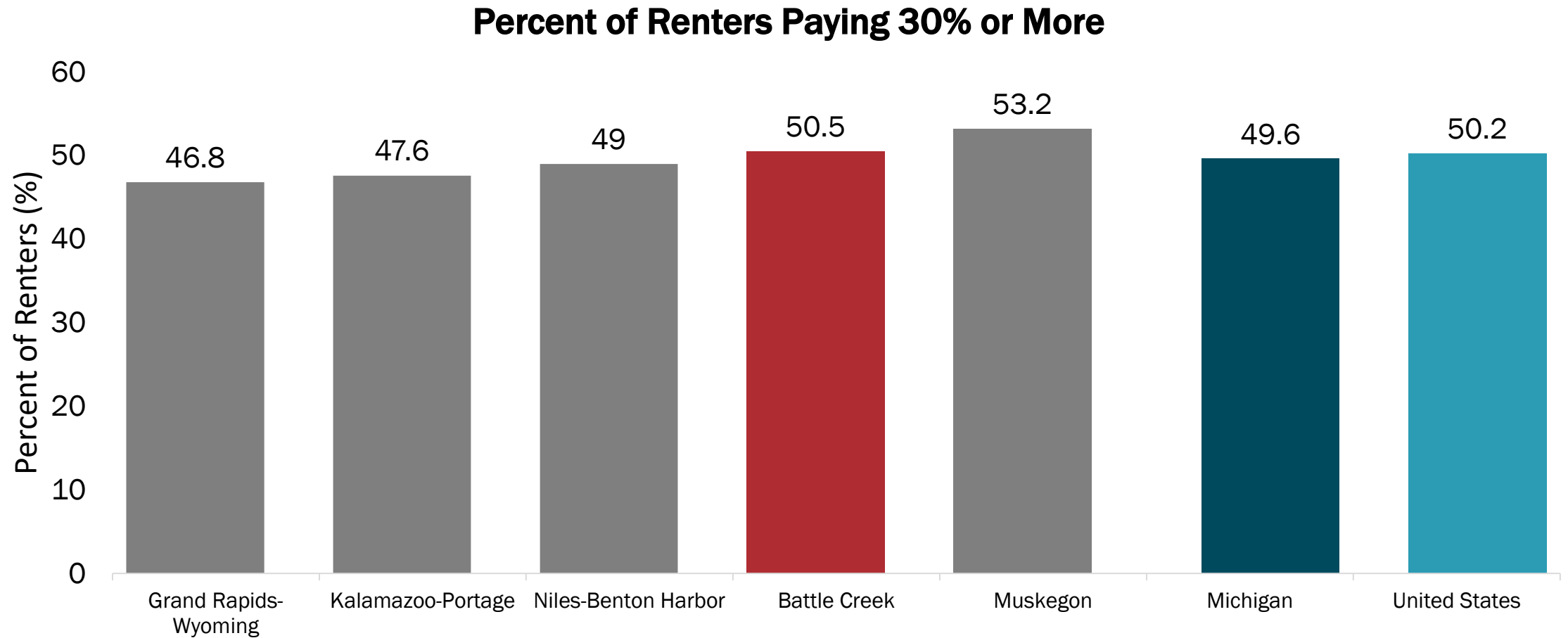
Source: Federal Housing Finance Agency



There are concerns when housing costs exceed 30% of household income



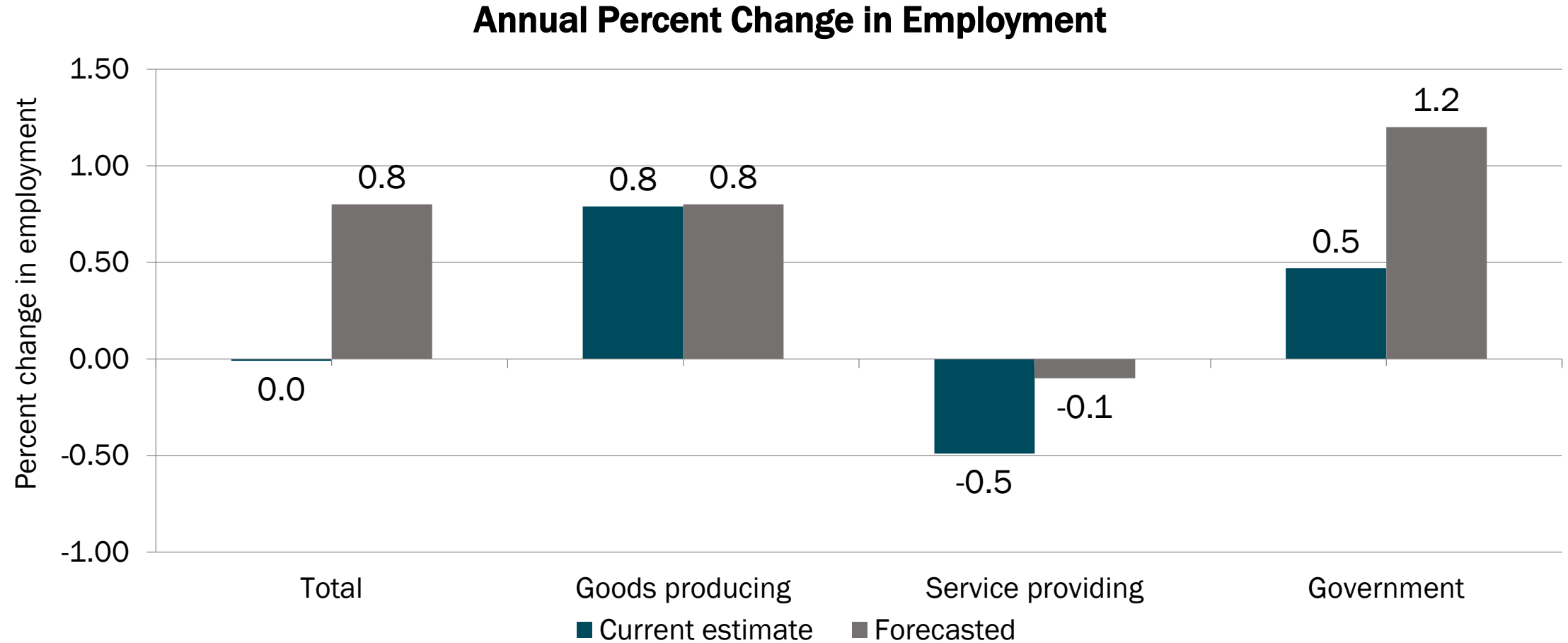
# Would more housing help?





**How did we do last year?**

# Review of last year's forecast



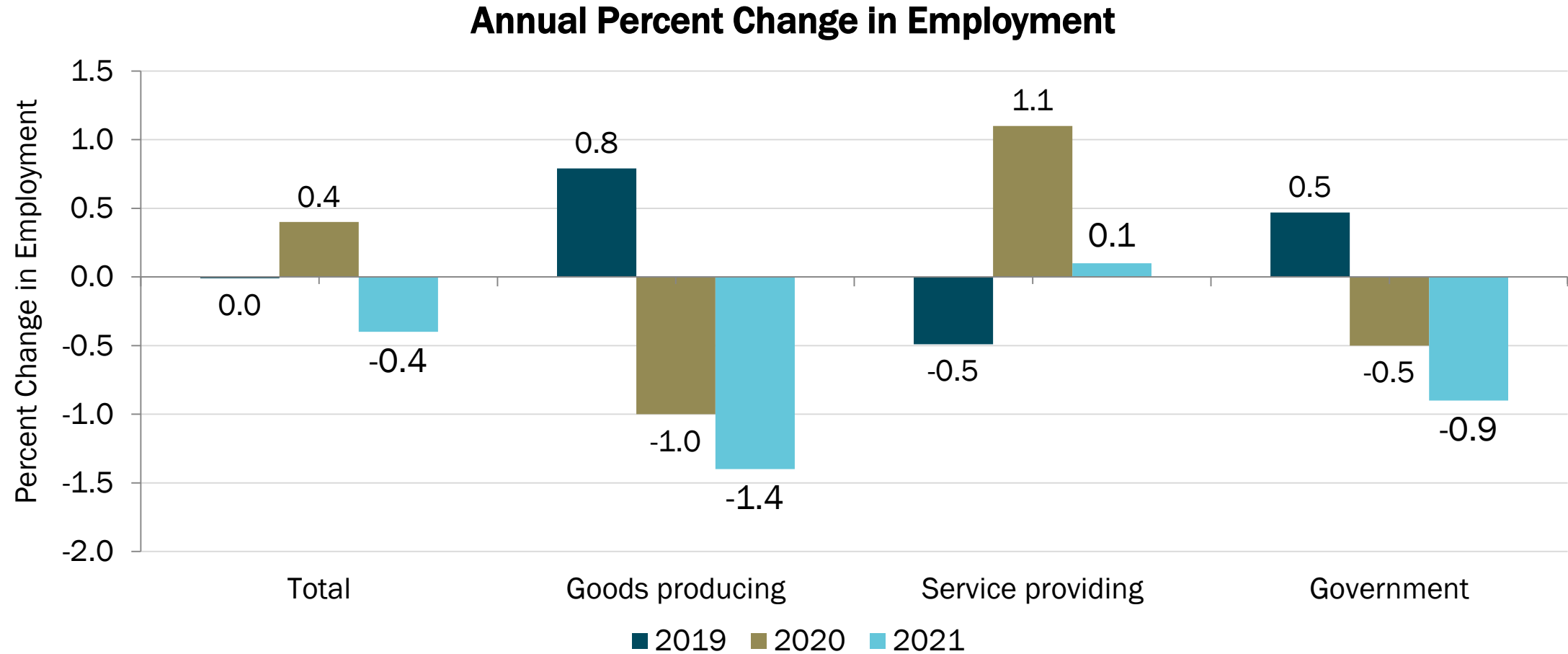
Source: Bureau of Labor Statistics Current Employment Statistics & Upjohn Institute



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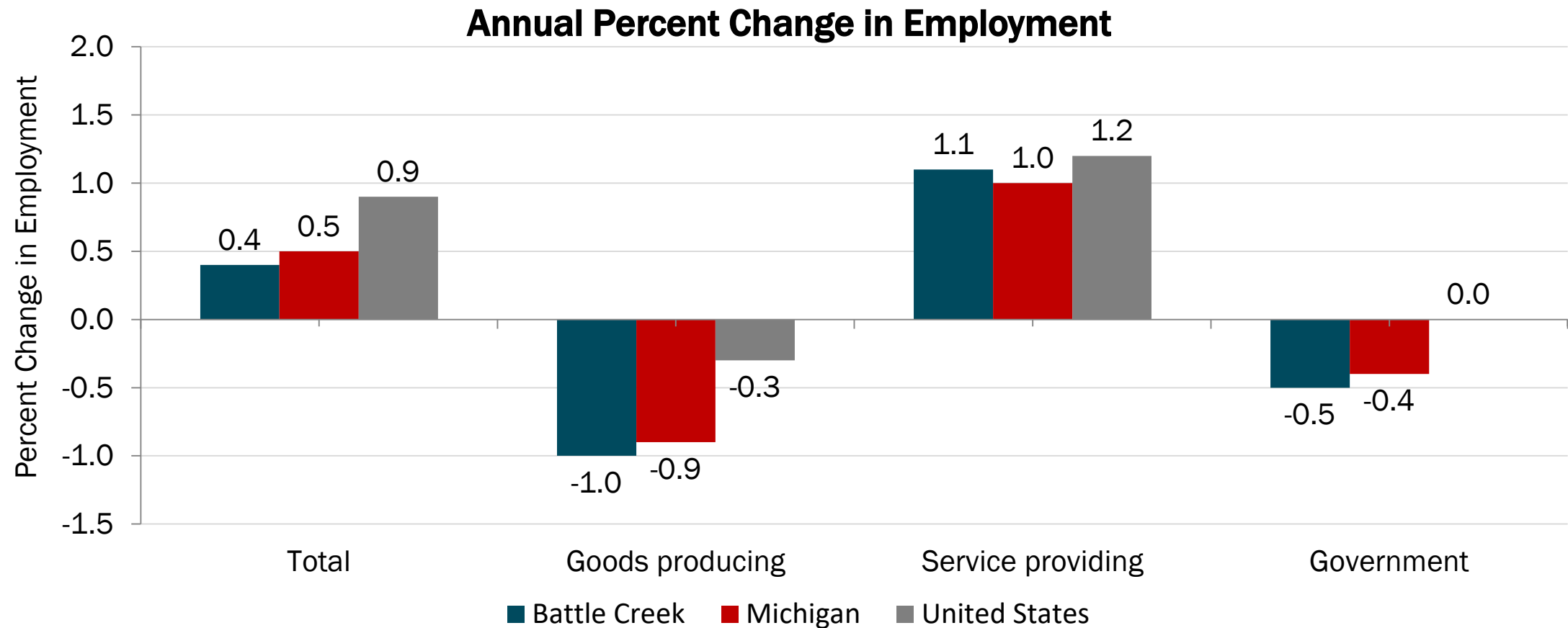
## Our View of 2020 & 2021

# Battle Creek MSA 2020–2021 employment forecast



Source: Upjohn Institute, REMI, and Bureau of Labor Statistics

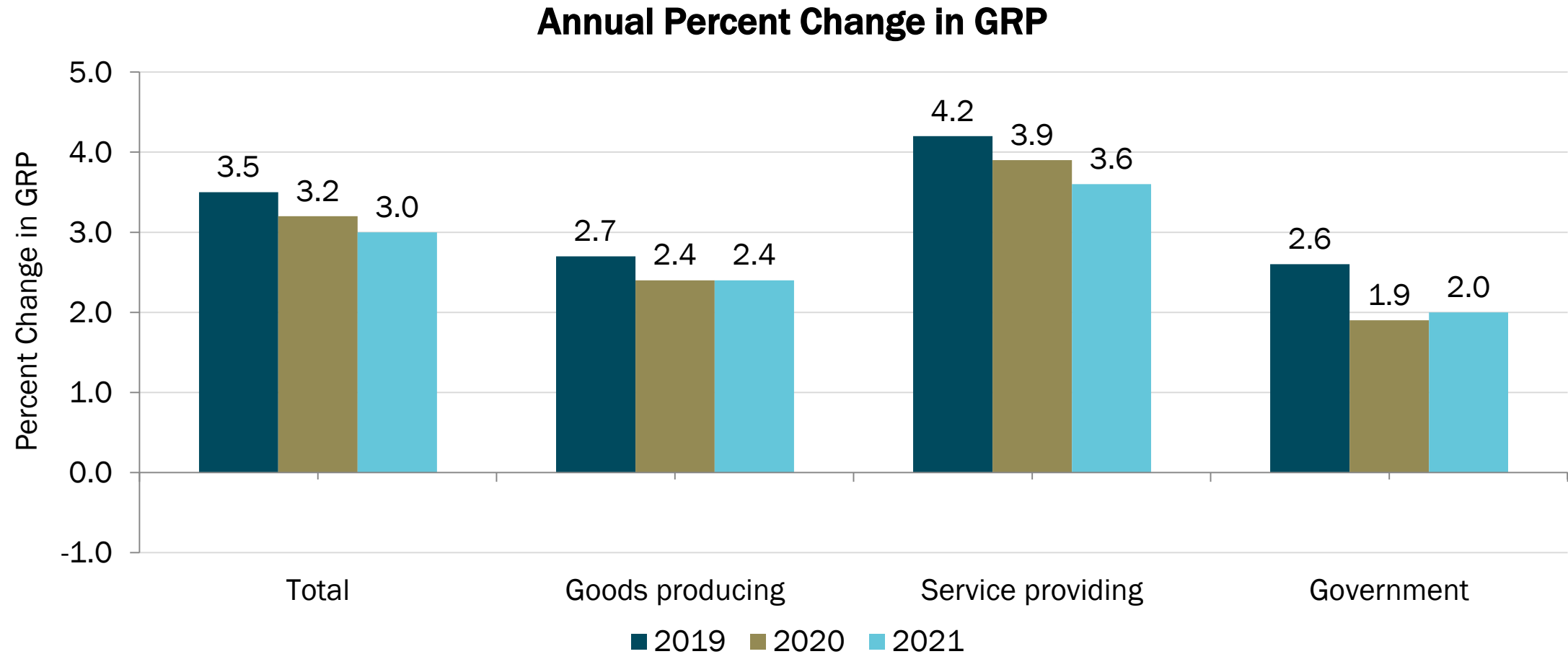
# Battle Creek MSA, state, & national 2020 employment forecast



Source: Upjohn Institute and REMI



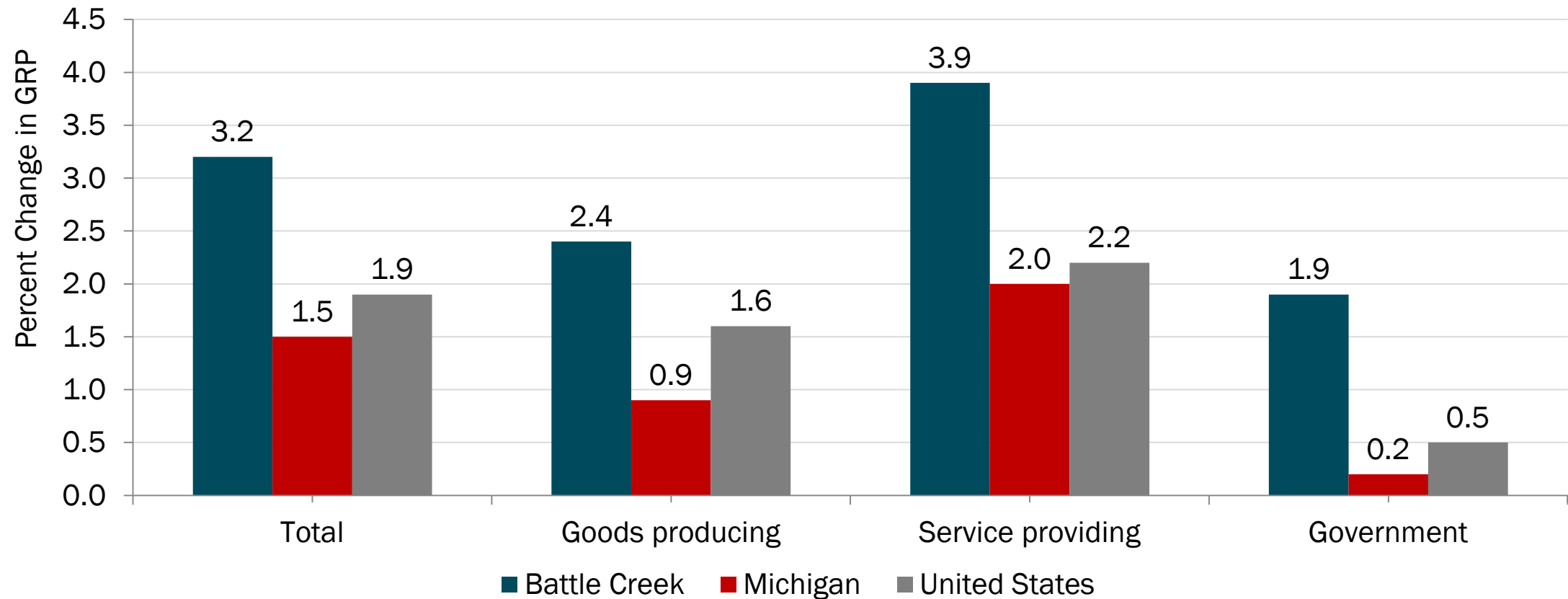
# REMI Battle Creek MSA 2020–2021 GRP forecast



Source: Upjohn Institute and REMI

# Battle Creek MSA, state, & national 2020 GRP forecast

## Annual Percent Change in GRP



Source: Upjohn Institute and REMI

# Questions?

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  - Emily Boyle, Project Coordinator / Copy Editor

# ECONOMIC DEVELOPMENT

Joe Sobieralski, President & CEO  
Battle Creek Unlimited



# 2020 ECONOMIC OUTLOOK

## CURRENT ACTIVITIES

## Job Metrics

Calendar Year 2019

Jobs Created: 174

Capital Investment: \$10,077,815

### *Airport Investment*

#### WACO Aircraft Corporation

*Investment: \$18,000,000*

*80,000 sq. ft. hanger space*

*30 Jobs Anticipated*

*Completion Date: June 2020*



AVIATION / DEFENSE





### *Airport Investment*

#### WMU College of Aviation

*Investment: \$24,000,000*

*60,000 sq. ft. space being added*

*35 Jobs Anticipated*

*Completion Date: June 2020*



AVIATION / DEFENSE



WESTERN MICHIGAN UNIVERSITY  
College of Aviation

### *FCIP Investment*

#### DENSO North American Technical Training Center

*Investment: \$1,950,000*

*Completion Date: June 2019*



AUTOMOTIVE / OEM SUPPLY CHAIN

# CURRENT FORT/AIRPORT

## 2020 ECONOMIC OUTLOOK

### *Foreign-Trade Zone 43 Outreach Progress*

- Refocused on scope expansion
  - Growth of existing Zones
- 4 new Zone sites in applicant/activation phase (6 more to meet Strategic Plan Goal)
- 5,890 jobs impacted
- Additional prospects being pursued
- 117 meetings, 61 companies

***DENSO***



FTZ 43 Service Area





# CURRENT DOWNTOWN

## 2020 ECONOMIC OUTLOOK

### *Downtown Investment*

BCU Grant: \$38,000

MDARD Grant: \$150,000

MEDC Grant: \$212,000

### Snackwerks

Investment: \$3,750,000

38 Jobs Anticipated



FOOD / BEVERAGE



# CURRENT DOWNTOWN

## 2020 ECONOMIC OUTLOOK

### *Downtown Investment*

*BCU Grant: \$50,000*

### Rafaynee Southern Cuisine

*97 W. Michigan Avenue*



FOOD / BEVERAGE

### *Real Estate*

#### *Improvement Fund*

*Grants Awarded to Date:*  
*\$949,126*

- Jay Andrew Development Co.
- LKV Ventures, LLC
- Umami Ramen, LLC
- JPG Resources/Café Rica

#### **Four of nine projects announced**

- 7:1 ratio grant to other sources
- 54,600 sq. ft. improved space
- 122 jobs

#### **All nine projects**

- 10:1 ratio grant to other sources
- 124,500 sq. ft. improved space
- 182 jobs



### *Real Estate Improvement Fund REIF Grant: \$250,000*

#### **Jay Andrew Development Co.**

*103 W. Michigan Avenue*

*Investment: \$3,800,000*

*Sq. Ft. Improvement: 34,000*

*60 Jobs Anticipated*

Phased redevelopment including roof repair, white-boxing the first floor, and affordable housing on the second floor.



# CURRENT DOWNTOWN

## 2020 ECONOMIC OUTLOOK

**Real Estate**  
**Improvement Fund**  
REIF Grant: \$240,508

**LKV Ventures, LLC**  
70 E. Michigan Avenue  
Investment: \$601,270  
Sq. Ft. Improvement: 15,600  
9 Jobs Anticipated



Affordable Housing:  
2<sup>nd</sup> & 3<sup>rd</sup> Floors  
2 1-bedroom apartments  
1 2-bedroom apartment





# CURRENT DOWNTOWN

## 2020 ECONOMIC OUTLOOK

**Real Estate  
Improvement Fund**  
REIF Grant: \$250,000

**Umami Ramen, LLC**  
215 W. Michigan Avenue  
Investment: \$805,000  
Sq. Ft. Improvement: 3,000  
18 Jobs Anticipated



FOOD / BEVERAGE



Restaurant  
relocation  
and building  
upgrades



# CURRENT DOWNTOWN

## 2020 ECONOMIC OUTLOOK

*Real Estate  
Improvement Fund  
REIF Grant: \$208,618*

### JPG Resources/Café Rica

*62 E. Michigan Avenue*

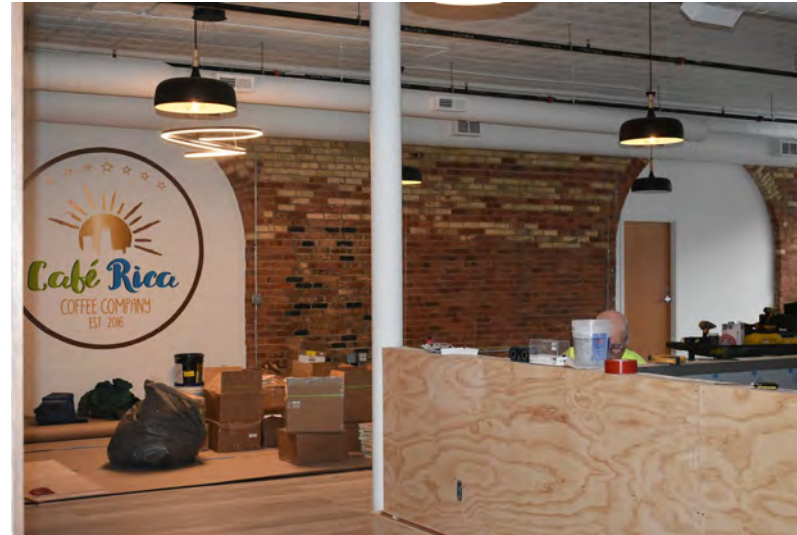
*Investment: \$521,545*

*Sq. Ft. Improvement: 2,000*

*35 Jobs Anticipated*

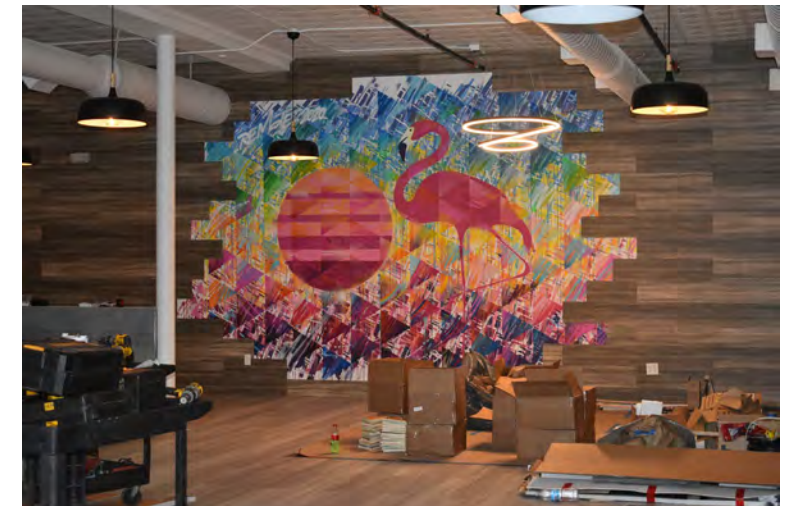


FOOD / BEVERAGE



**Café Rica opens in  
new location  
February 29, 2020**

Coffee shop & light  
food retailer;  
expanded menu to  
include craft beers,  
cocktails, and wine.





# CURRENT DOWNTOWN

## 2020 ECONOMIC OUTLOOK

### *Downtown Investment* **The Milton**

*25 W. Michigan Avenue*  
*Investment: \$34,000,000*

*85 apartments*

*28 tenants leased*

*1 commercial tenant leased*

*3-4 additional commercial tenants  
considering*

**Residents have  
moved in**



### *Pilot Real Estate Improvement Fund*

*Grants Awarded to Date:  
\$500,000*

### **Two projects totaling:**

- 26,650 sq. ft. improved space
- 74 jobs

- *New Holland Brewery*
- *Restore 269*
  - *Record Box Loft*
  - *HandMap Brewing*
  - *Collab BC*

# CURRENT DOWNTOWN

## 2020 ECONOMIC OUTLOOK

### *Pilot Real Estate Improvement Fund*

*Pilot REIF Grant: \$265,000*

*BCU Grant: \$250,000*

*MEDC Grant: \$968,500*

### **New Holland Brewery**

*64 W. Michigan Avenue*

*Investment: \$5,000,000*

*Sq. Ft. Improvement: 13,500*

*50 Jobs Anticipated*



FOOD / BEVERAGE



# CURRENT DOWNTOWN

## 2020 ECONOMIC OUTLOOK

### *Pilot Real Estate Improvement Fund*

*Pilot REIF Grant: \$235,000*

*MEDC Grant: \$415,000*

### **Restore 269/Record Box Loft**

*15 Carlyle Street*

*Investment: \$2,000,000*

*Sq. Ft. Improvement: 13,150*

*10 Jobs Anticipated*



FOOD / BEVERAGE

RESTORE (269)  
RESTORING COMMUNITY THROUGH BUILDING



RECORD  
BOX  
*Loft*

# CURRENT DOWNTOWN

## 2020 ECONOMIC OUTLOOK

### *Downtown Investment*

*BCU Grant: \$200,000*

### **HandMap Brewing**

*15 Carlyle Street*

*Investment: \$500,000*

*Sq. Ft. Improvement: 6,000*

*12 Jobs Anticipated*



FOOD / BEVERAGE



# CURRENT DOWNTOWN

2020 ECONOMIC  
OUTLOOK

## *Downtown Investment*

*BCCF/BCU Grant: \$30,000*

### Collab BC

*15 Carlyle Street*

*Investment: \$100,000*

*Sq. Ft. Improvement: 4,000*

*2 Jobs*





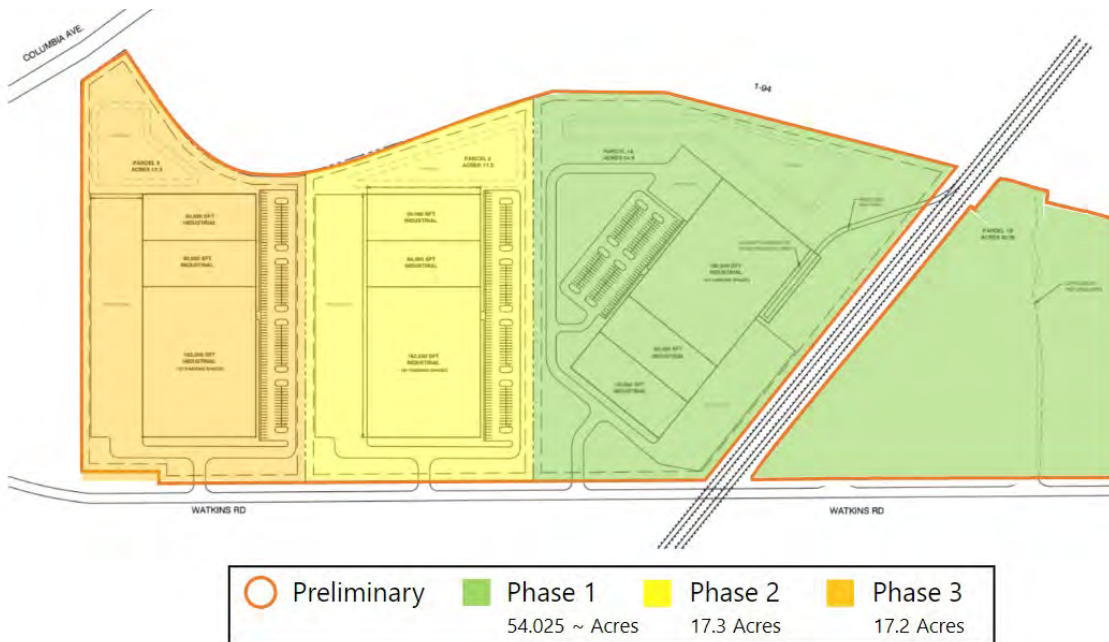
# 2020 ECONOMIC OUTLOOK

## FUTURE ACTIVITIES

# FUTURE FORT/AIRPORT

2020 ECONOMIC  
OUTLOOK

## *Project Triplet*

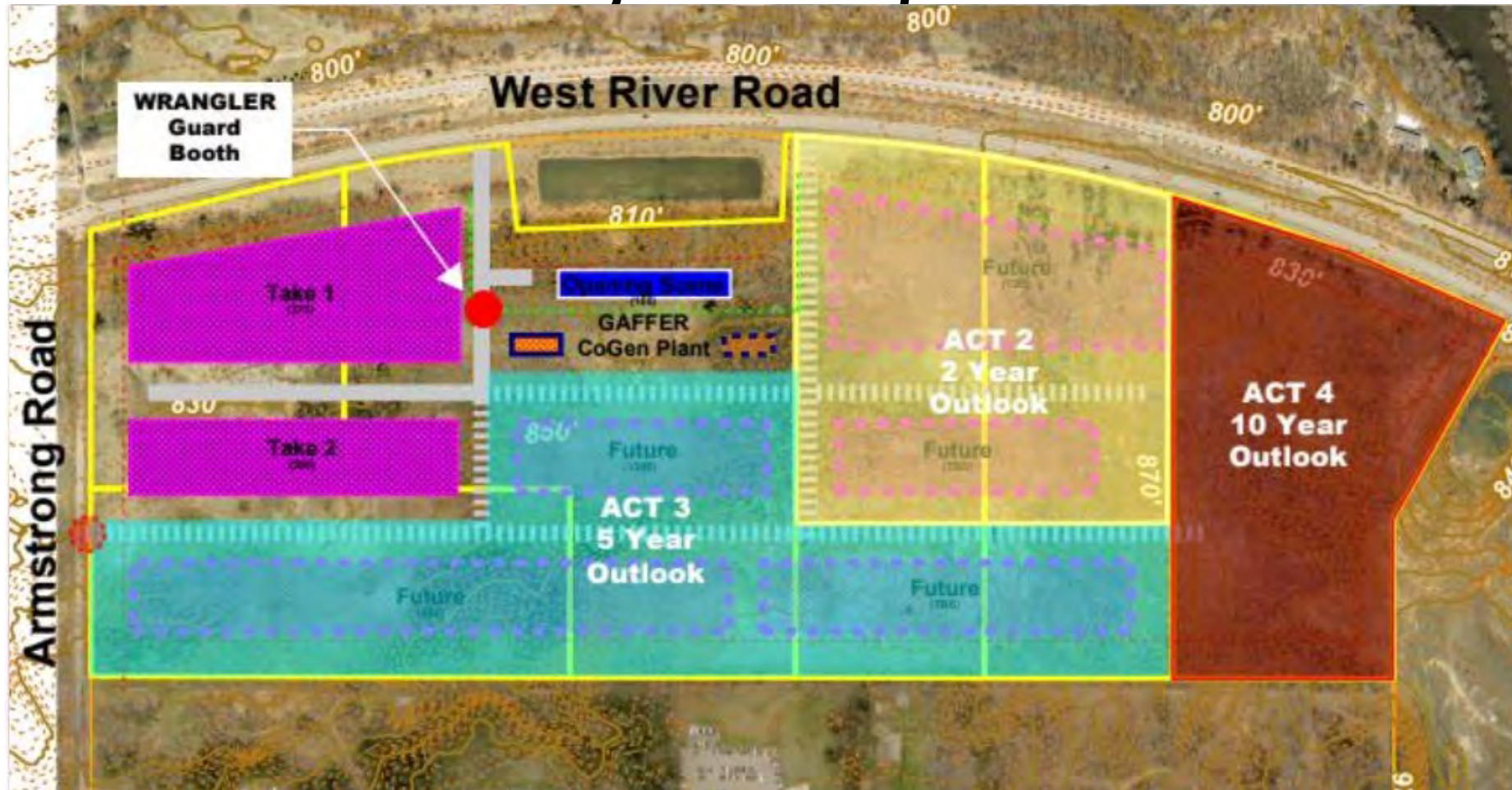




# FUTURE FORT/AIRPORT

2020 ECONOMIC  
OUTLOOK

## *Project Deep Dish*



### UAS/Drone Park

- Airport development - become a leading competitor in the UAV market
- BC's advantage – airport land mass and financial/human resources
- Taskforce created
- Feasibility study completed
- Site visit Grand Sky Drone Park
- Participated UAS Expo
- Working with key stakeholders, elected officials, and partners
- Next step: review funding options (bonds, etc.)



**Battle Creek Delegation**  
visited Grand Sky Drone Park  
Grand Forks, North Dakota



### Real Estate Marketing Strategy

- Listing multiple BCTIFA parcels.
- Strong nationwide and international presence and significant support resources in industrial properties.



### *Real Estate*

### *Improvement Fund*

REIF Grant: \$250,000 *(Committed)*

*Pending EDA Grant: \$2,092,412*

### *Tiger Room Accelerator*

30 W. Van Buren Street

Investment: \$4,184,825

Sq. Ft. Improvement: 21,500

24 Jobs Anticipated



FOOD / BEVERAGE



### *Real Estate*

### *Improvement Fund*

REIF Grant: \$250,000 (Committed)

BCU Grant: \$150,000 (Committed)

### Battle Rock Climbing Gym

50 W. Michigan Avenue

Investment: \$4,684,956

Sq. Ft. Improvement: 34,000

5 Jobs Anticipated



Year-round rock-climbing gym



# FUTURE DOWNTOWN

## 2020 ECONOMIC OUTLOOK

*BCU Investing \$800,000 in 2020*



99 W. Michigan Avenue



119-121 W. Michigan Avenue



# FUTURE DOWNTOWN

## 2020 ECONOMIC OUTLOOK

### *BCU-Owned Strategically Purchased Properties*



17 W. Michigan Avenue



85-87 W. Michigan Avenue



# AFFORDABLE & WORKFORCE HOUSING

2020 ECONOMIC  
OUTLOOK

  
**HOLLANDER**  
DEVELOPMENT **BYCE**  
& ASSOCIATES, INC.  
ENGINEERS | ARCHITECTS **FREDERICK**  
CONSTRUCTION



# AFFORDABLE & WORKFORCE HOUSING

2020 ECONOMIC  
OUTLOOK



**AFFORDABLE DOWNTOWN BATTLE CREEK HOUSING OPTIONS FOR  
WORKERS, FAMILIES, AND SENIORS**



### *Blight Reduction/Redevelopment Ready*

#### Potential Development

*200 Capital Avenue SW*

WKKF Grant: \$1,643,000

Blight reduction by demolishing an unsafe building. This demolition will allow for new growth and investment in downtown Battle Creek.

Former Kmart property



# STRATEGIC PLAN

## 2020 ECONOMIC OUTLOOK



**Mission:** Build a strong community by driving strategic investment and job creation.



**Vision:** Engage the community to meet the opportunities and challenges of the future.



**Our Commitment:** By July 2023, BCU will generate a quarter of a billion in capital investment and 750 new jobs paying an average of \$17 per hour with benefits. We will do this through retention, expansion, and attraction of targeted next-generation industries and talent.

### *Community Development*

#### *HOUSING*

Support increase  
and variety of  
housing options

#### *EDUCATION*

Strengthen talent  
pipeline and  
connectivity

#### *TRANSPORTATION*

Support equitable  
transportation  
options

#### *PLACEMAKING*

Enhance the  
desirability of  
Battle Creek

#### *DOWNTOWN*

Increase the  
vibrancy of  
downtown

#### *ENTREPRENEURSHIP*

Work with partners  
to establish strong  
entrepreneurial  
services

#### *IMAGE & REPUTATION*

Use positive media  
and communications  
to create a positive  
narrative

#### *INFRASTRUCTURE*

Help develop  
assets for the next  
generation

## TRANSFORMATIONAL COMMUNITY PROJECTS

- Former Tree House Foods lot redevelopment
- Kalamazoo River naturalization
- Downtown building purchases and mixed-use redevelopment
- **Former Kmart redevelopment**
- Fountain/Division Streets (SEMCO) redevelopment
- West End corridor property acquisitions and redevelopments/housing
- Capital Avenue acquisitions/housing
- Riverside Drive acquisitions/housing
- Columbia Avenue corridor property acquisitions and redevelopments
- Wayfinding/Welcoming signage
- Dog parks/Parks
- Beckley Road retail corridor redevelopment
- Light rail/Transit

## BCU Grants Awarded

New Holland Brewing	\$250,000
HandMap Brewing	\$200,000
Rafaynee Southern Cuisine	\$ 50,000
Aequitas Mobility Services	\$ 50,000
Snackwerks	\$ 38,000
Collab BC	<u>\$ 30,000</u>
<b>TOTAL</b>	<b>\$618,000</b>

### BCU Investments

99 W. Michigan Avenue	\$ 550,000
64 W. Michigan Avenue	\$ 300,000
119-121 W. Michigan Avenue	\$ 300,000
15 Carlyle Street	\$ 250,000
85-87 W. Michigan Avenue	\$ 200,000
17 W. Michigan Avenue	<u>\$ 10,000</u>
<b>TOTAL</b>	<b>\$1,610,000</b>



## Grants Received/Leveraged

The Milton (Heritage Tower) (MEDC Real Estate Improvement Fund Match Grant (WKKF)	\$10,000,000
Kmart Grant (WKKF)	\$ 2,000,000
New Holland Brewery (MEDC)	\$ 1,643,000
Pilot Real Estate Grant (WKKF)	\$ 968,500
Tiger Room Accelerator (Kellogg Company)	\$ 500,000
Dennis Group (MEDC)	\$ 500,000
Restore 269 (MEDC)	\$ 415,000
Snackwerks (MEDC)	\$ 212,000

continued on next page

## Grants Received/Leveraged

Defense Industry Growth Area Grant (MEDC)	\$ 150,000
Snackwerks (MDARD)	\$ 150,000
Tiger Room Accelerator (MDARD)	\$ 125,000
Michigan Department of Talent and Economic Workforce	\$ 115,300
Site Readiness Grant Sackrider Farms (MEDC)	\$ 100,000
Battle Creek Community Foundation Grant (BCCF)	<u>\$ 30,000</u>
<b>TOTAL</b>	<b>\$17,408,800</b>
<b>Tiger Room (EDA) PENDING</b>	<u><b>\$ 2,000,000</b></u>
<b>TOTAL</b>	<b>\$19,408,800</b>

# STRATEGIC PLAN

## 2020 ECONOMIC OUTLOOK

### *Community Partners*



GWJ

SECONDMUSE 



United Way of the  
Battle Creek and  
Kalamazoo Region

HR&A

# STAFF COMMUNITY INVOLVEMENT

## 2020 ECONOMIC OUTLOOK

### Joe:

- BCCHS Career Academy Council, Co-Chair
- BC Communication Coordination Collaboration
- BC Vision
- BC Rotary
- Calhoun County EDC, Vice Chair
- City of Battle Creek Planning Commission
- City of Battle Creek Economic Development Board
- Deal Team
- Harper Creek Optimist Club

### Adam:

- City of Battle Creek Historic District Commission

### Bridgette:

- BC Communication Coordination Collaboration
- BC HR Group
- BC Vision
- BCAMSC Policy Advisory Committee
- City of Battle Creek Technical Review Committee
- City of Battle Creek Wastewater Odor Smell Committee
- Grace Health Board
- Regional Prosperity Committee for Region 8
- Small Business Community Loan Grant Fund Committee

### Brenda:

- City of Battle Creek Economic Development Board

### Shabaka:

- BCPS – Ford NGL Planning Committee
- Battle Creek Promise Zone Authority Board
- BC Vision Workforce Development Committee
- City of Battle Creek Wastewater Odor Smell Committee
- IEDC Higher Education Committee
- Manufacturing Consortium
- Military Affairs Committee
- US Global Leadership Council-Michigan Advisory Committee

### Robert:

- Japan America of Society – Chicago
- Jet AA - Chicago
- Downtown Parking Committee
- KCC Advisory Committee
- US Japan Council



# BCU BOARD OF DIRECTORS

## 2020 ECONOMIC OUTLOOK

**John Gallagher, Chair**

President  
Gallagher Uniform

**Dave Powell, 1st Vice Chair**

Dean  
Western Michigan University  
College of Aviation

**Nate Darlington, 2nd Vice Chair**

Director – BTL Aircraft  
Modifications  
Duncan Aviation

**Hugh Coward, Treasurer**

West Michigan Field  
Representative  
Michigan State Building and  
Construction Trades  
President  
West Michigan Construction  
Alliance

**Karen Boyer, Secretary**

Retired – VP/General Admin  
DENSO Manufacturing Michigan,  
Inc.

**Kris Bahner**

Senior Vice President of Global  
Corporate Affairs  
Kellogg Company

**Adrien Bennings, Ph.D.**

President  
Kellogg Community College

**Rebecca Fleury**

City Manager  
City of Battle Creek

**Stacey Hamlin**

CEO  
CTS Telecom, Inc.

**Drew Schweitzer**

President, CEO  
Schweitzer, Inc.

**Jim Sholl**

Chairman  
Direct Investment Fund  
Committee

**Andris Staltmanis**

TAC Business Leader  
DENSO Manufacturing Michigan,  
Inc.

**Erick Stewart**

CEO/President  
STEWART Industries, LLC.  
Chairman, Battle Creek Tax  
Increment Finance Authority

**Sara Wallace**

President & CEO  
The Miller Foundation

**Joel Wittenberg**

Vice President & Chief Investment  
Officer, W. K. Kellogg Foundation

**EX-OFFICIO MEMBERS:****Joe Sobieralski**

President & CEO  
Battle Creek Unlimited, Inc.

**Mark A. Behnke**

Mayor  
City of Battle Creek

**Albert Bobrofsky**

Former Chairman  
Battle Creek Tax Increment  
Finance Authority

**Joe Schwarz, M.D.**

Retired Congressman

## **CURRENT TRENDS/ECONOMIC DEVELOPMENT**

Janet Ady, President & CEO  
Ady Advantage

A dark blue background featuring a faint, light blue world map. The map shows the continents of North America, South America, Europe, Africa, Asia, and Australia. The text is centered over the map.

# Economic Growth and Diversification circa 2020

Battle Creek Unlimited Annual Meeting

February 18, 2020

**STRATEGY MATTERS**



# TODAY'S AGENDA





# TODAY'S AGENDA

## What to expect

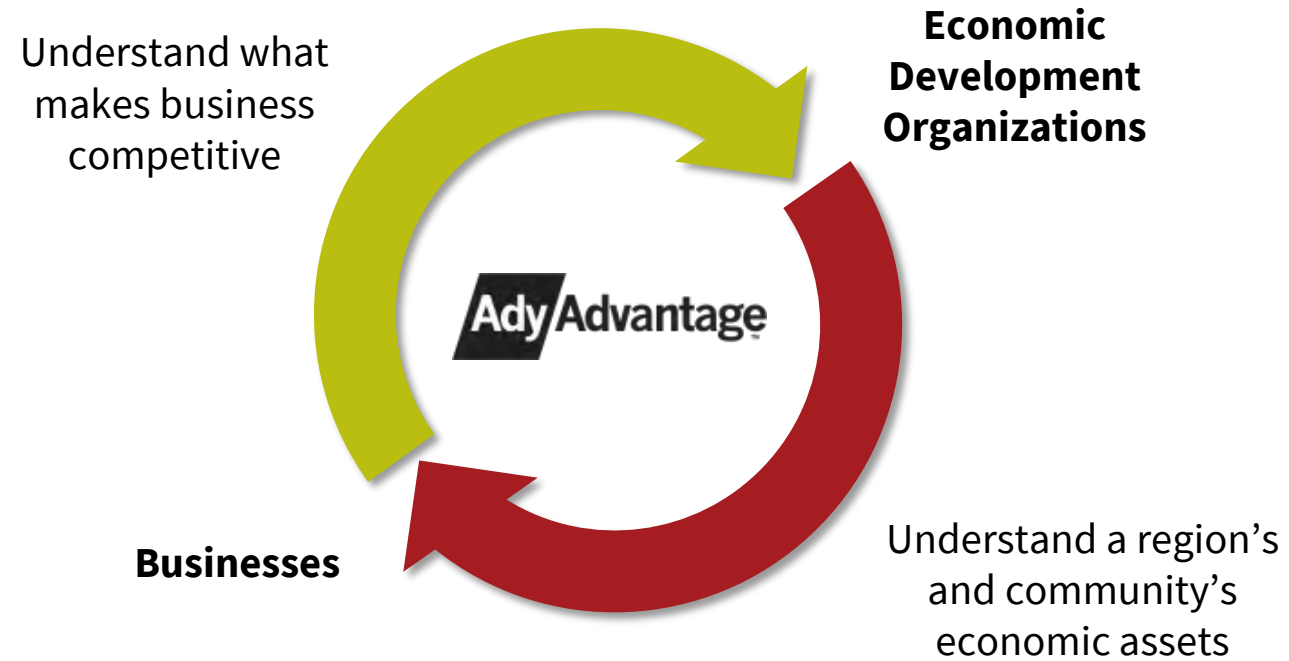
- Why and how the economic development world has changed
- What it means for EDOs and the communities they serve
- Some ideas of what to be thinking about next!

*Note: “EDO” = Economic Development Organization*

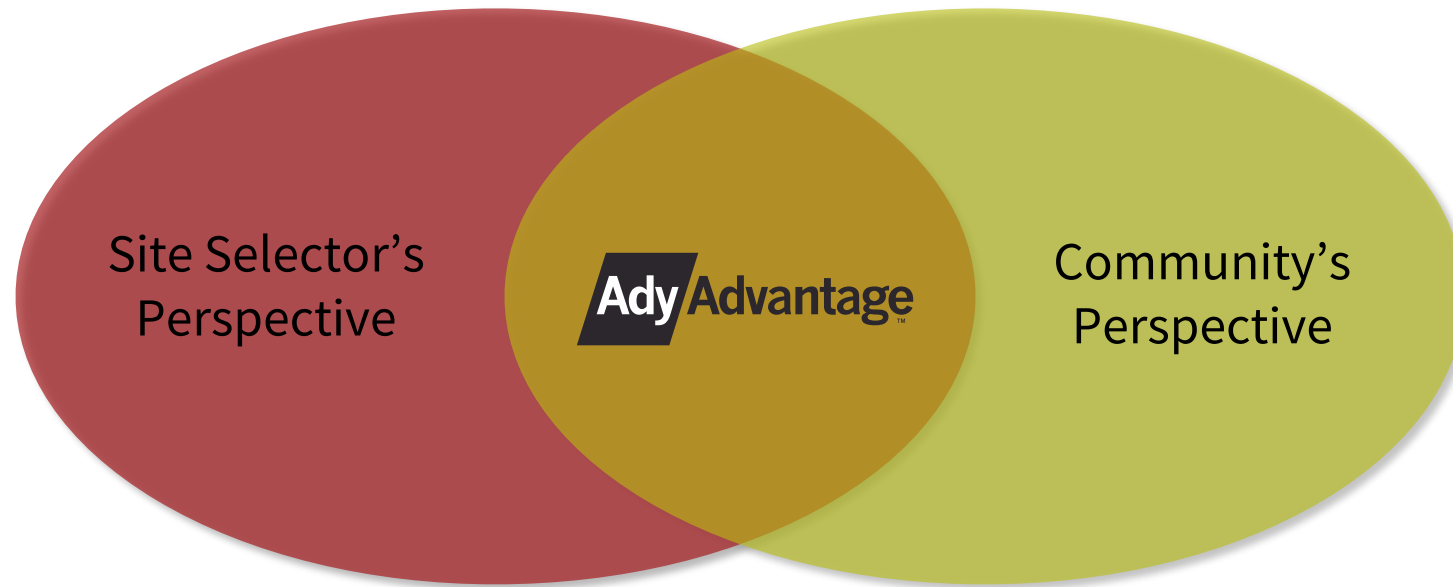
# ABOUT ADY ADVANTAGE



# OUR SWEET SPOT



# THE ADY ADVANTAGE ECOSYSTEM





# ADY ADVANTAGE AREAS OF EXPERTISE

## Issues We Help EDOs Address

### REPRESENTATIVE AREAS OF EXPERTISE

*Strategic issue requiring a mix of research, competitive positioning and marketing.*

- How do we develop an industrial site, from feasibility through marketing of the site?
- How do we create a strategy for our location based on Quality of Place?
- How do we proactively go after prospects?
- How do we identify and address our talent issues?
- How do we improve our success rate with RFIs?

### RESEARCH

*Gathering and analyzing data to support decision-making.*

- Talent-led target industry analyses
- Economic Development strategic plans
- Research among site location decision makers
- And more



### COMPETITIVE POSITIONING

*How do we zero in on our strongest positioning and express it?*

- Asset mapping
- Positioning platforms for talent and industry
- Logo and brand standards
- And more



### MARKETING COMMUNICATIONS

*How do we communicate with decision makers about our area?*

- Marketing plans
- Websites, social media, PR
- Marketing campaigns and lead generation
- And more

# ADY ADVANTAGE AREAS OF EXPERTISE

## Representative Clients



# TRADITIONAL E.D.: THE SITE SELECTION PROCESS & KEY EDO SUCCESS FACTORS





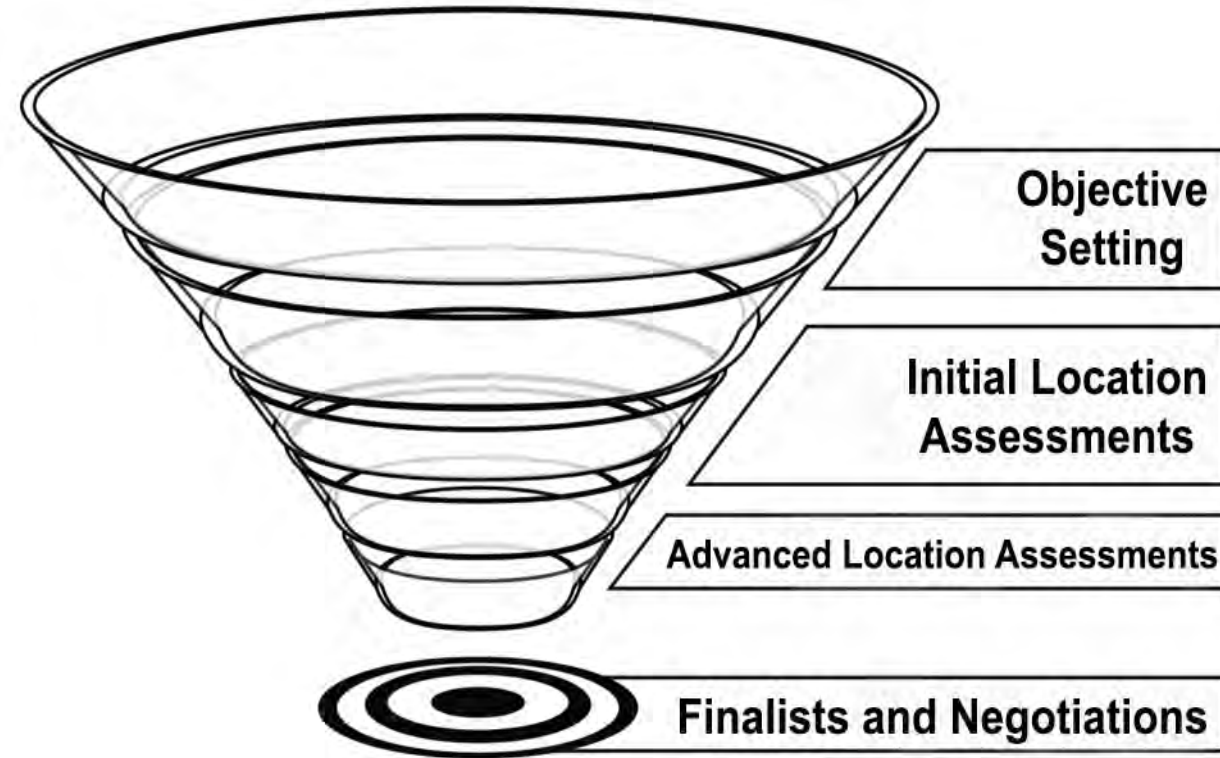
# ECONOMIC DEVELOPMENT TODAY



SPOILER  
ALERT!

# TRADITIONAL ECONOMIC DEVELOPMENT

## The Site Selection Process





# THREE ECONOMIC DEVELOPMENT MEGATRENDS

## Summary

MEGATREND	IMPLICATION
Minimizing Risk	Alignment Readiness
ED Ecosystems	Regionalism
Increasing Competitiveness	Differentiation

A man with a beard and curly hair is lying on a dark brown leather sofa, looking at a smartphone. He is wearing a light-colored t-shirt and blue jeans with a tear at the knee. A black watch is on his left wrist. The sofa has patterned cushions. The background shows a patterned rug and a wooden chair.

**“Just bring us qualified candidates,  
and we’ll take it from there!”**

# ECONOMIC DEVELOPMENT REIMAGINED

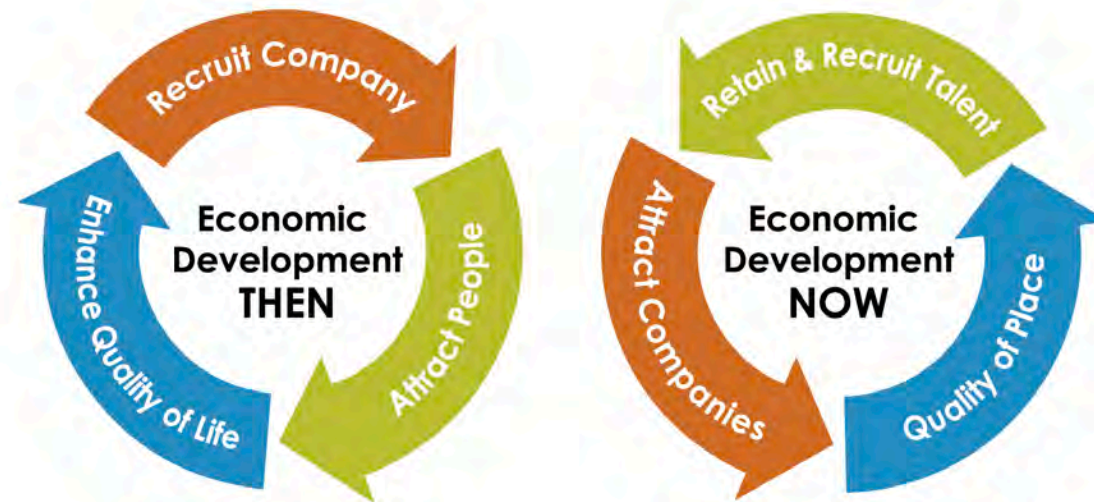




# ECONOMIC DEVELOPMENT REDEFINED

## Access to Talent

***The availability of talent has become the most important location criterion for site selectors and companies.***



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# ECONOMIC DEVELOPMENT REDEFINED

## Talent Framework

### Labor Force Dynamics Framework



# ECONOMIC DEVELOPMENT REDEFINED

## Lessons Learned on Talent

1. Not unique to Battle Creek.
2. Not a single “Talent Issue” but a combination of “talent issues.”
3. Solutions are unique because each community has its own unique assets and goals.
4. Root causes.
5. Conventional wisdom is only half right.

and.....

# ECONOMIC DEVELOPMENT REDEFINED

## Lessons Learned on Talent

6. There is no one left to point fingers at. And no time to do so.



# ECONOMIC DEVELOPMENT REIMAGINED

## Factors Impacting the Location Decision Process

### Location Decision Process



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→ What they want    → How they get it

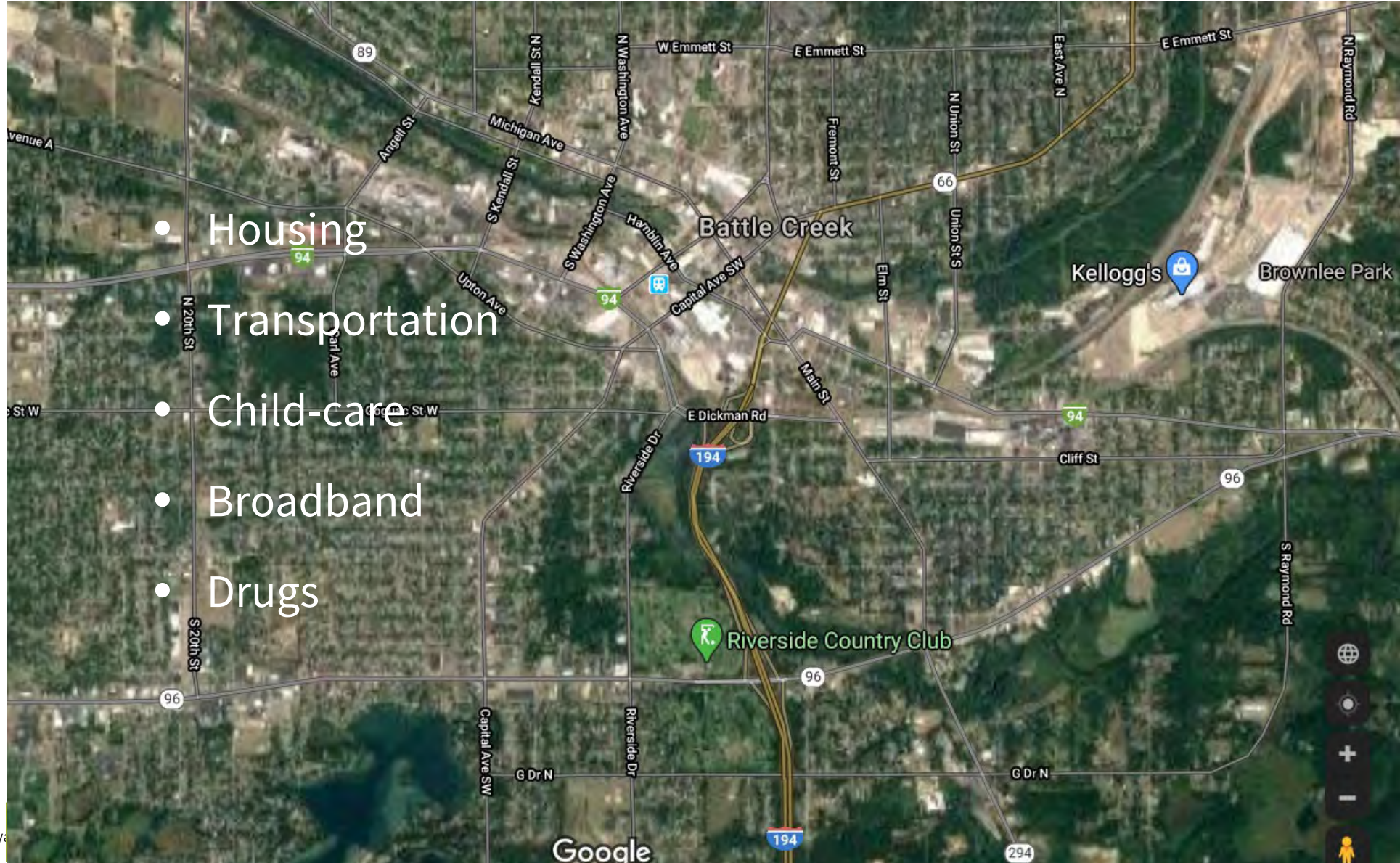
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# ECONOMIC DEVELOPMENT REDEFINED

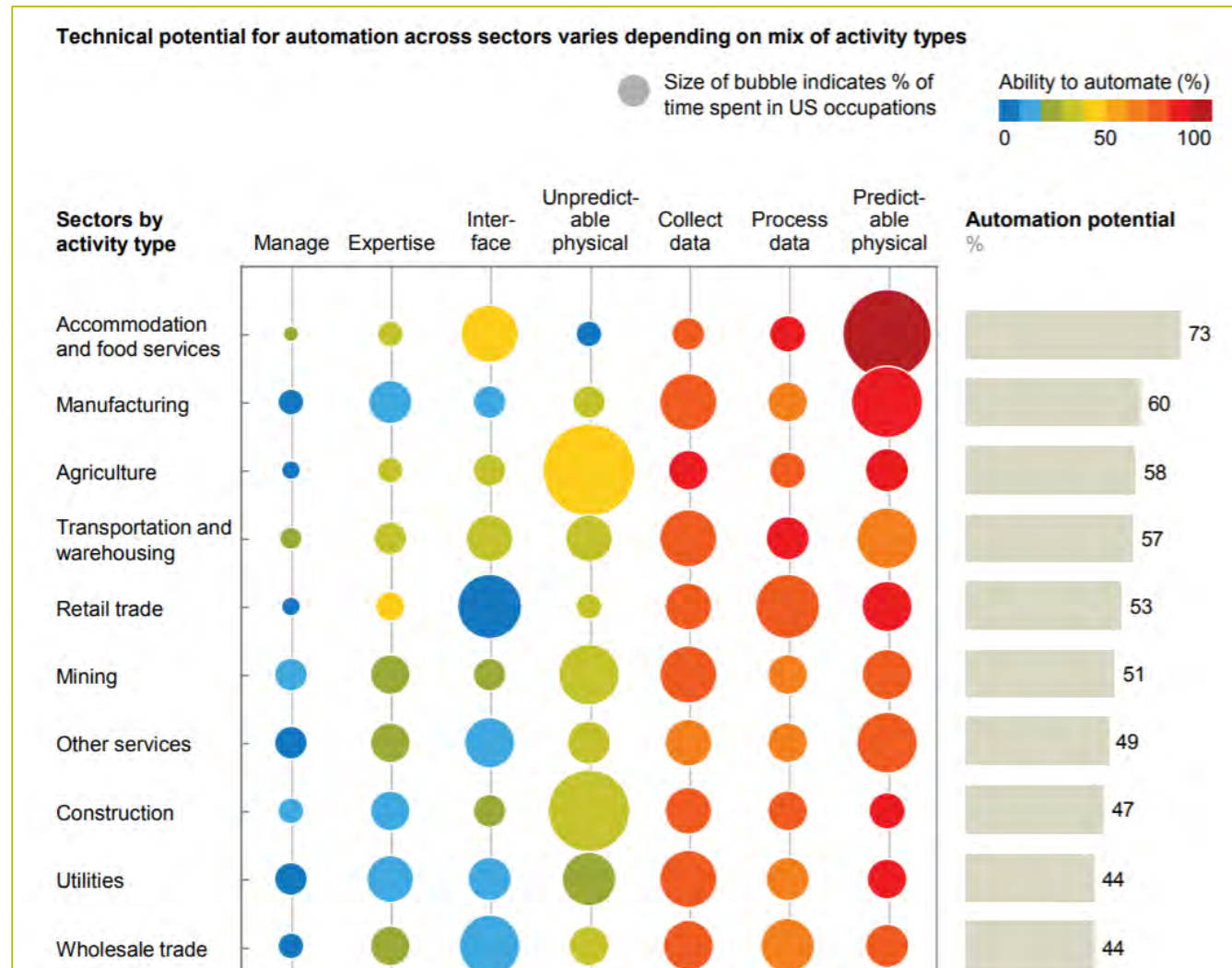
## Biggest Barriers to Talent Retention and Recruitment

- Housing
- Transportation
- Child-care
- Broadband
- Drugs



# ECONOMIC DEVELOPMENT REDEFINED

## Automation and AI

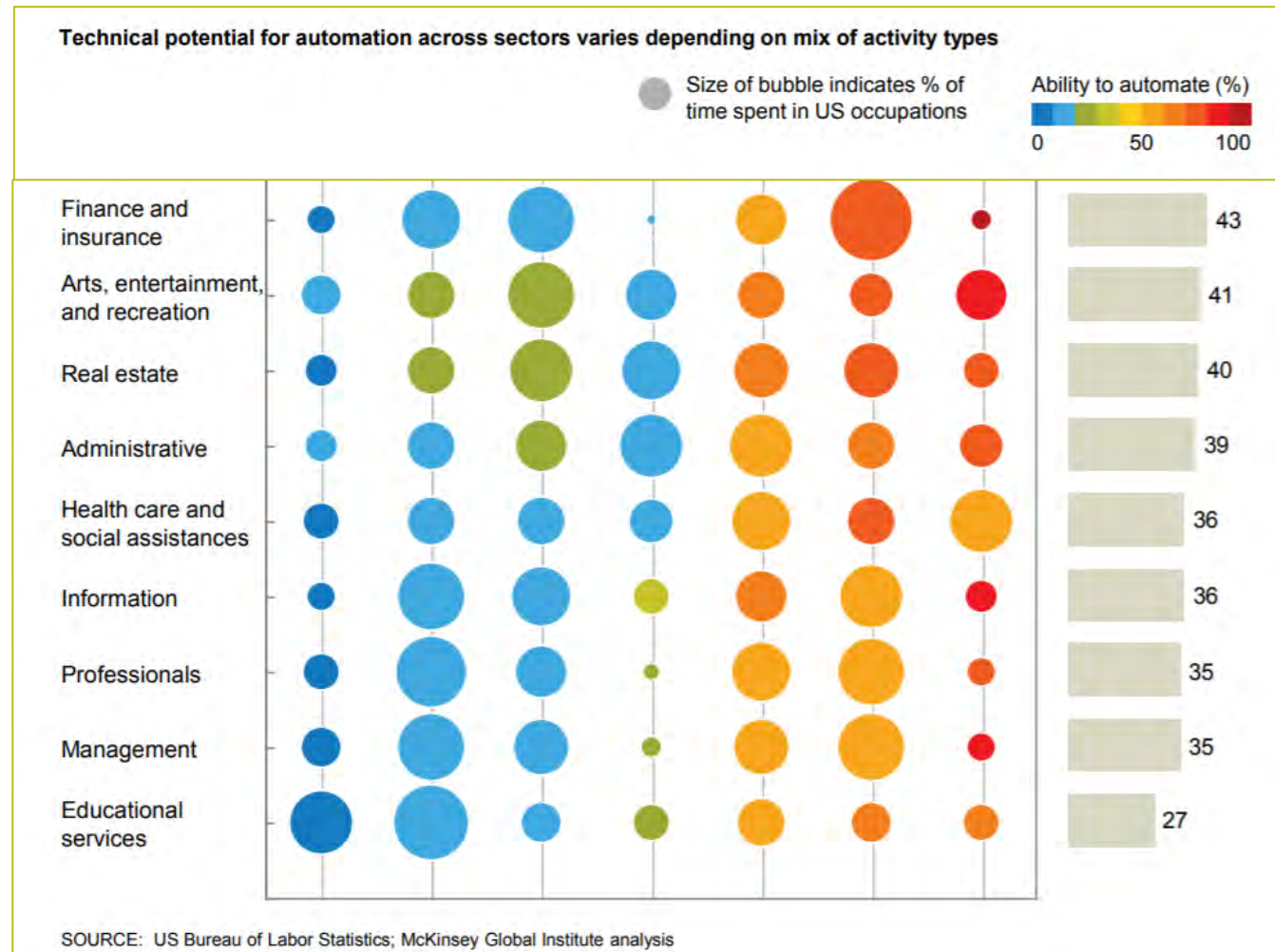


Source: McKinsey Global Institute, [A Future That Works: Automation, Employment, and Productivity](#).



# ECONOMIC DEVELOPMENT REDEFINED

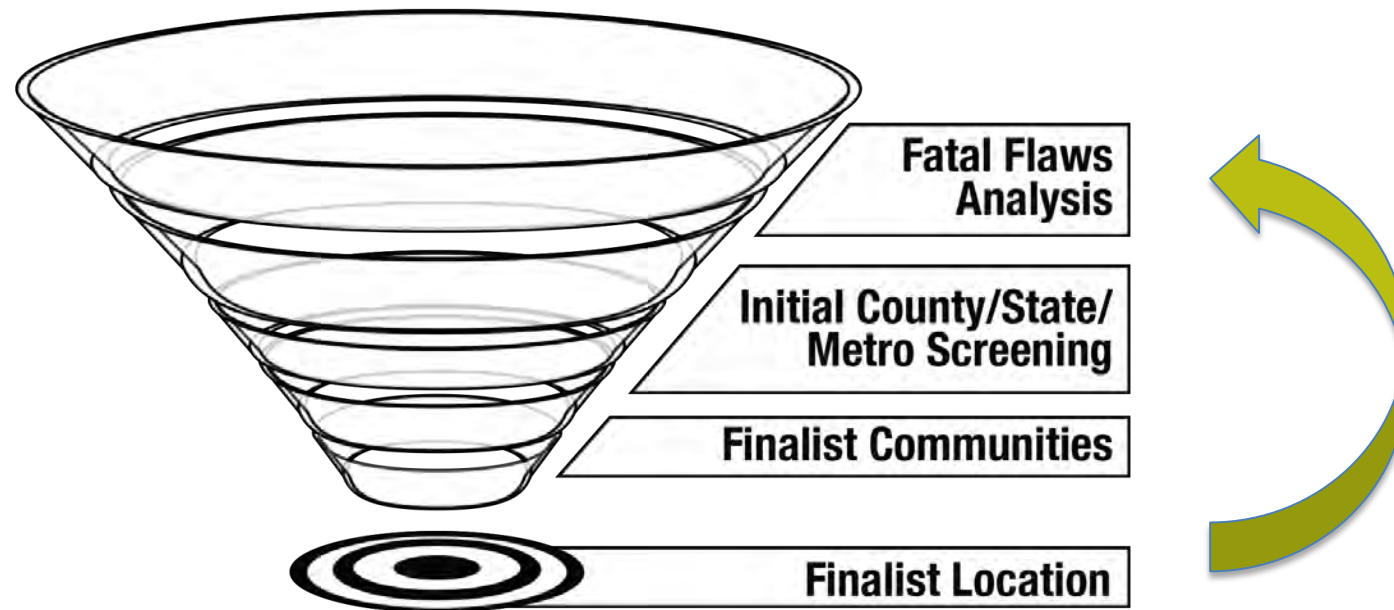
## Automation and AI



Source: McKinsey Global Institute, [A Future That Works: Automation, Employment, and Productivity](#).

# ECONOMIC DEVELOPMENT REIMAGINED

## Quality of Place's Role in Business Development





# PARTING THOUGHTS



# ECONOMIC DEVELOPMENT REIMAGINED

## Impact on EDOs

### **Implication #1: A New “Three Legs of the Stool” of Economic Development.**

EDOs need to intentionally structure their programs around talent development and placemaking as well as traditional business development.

#### The New “Three Legs of the Stool”



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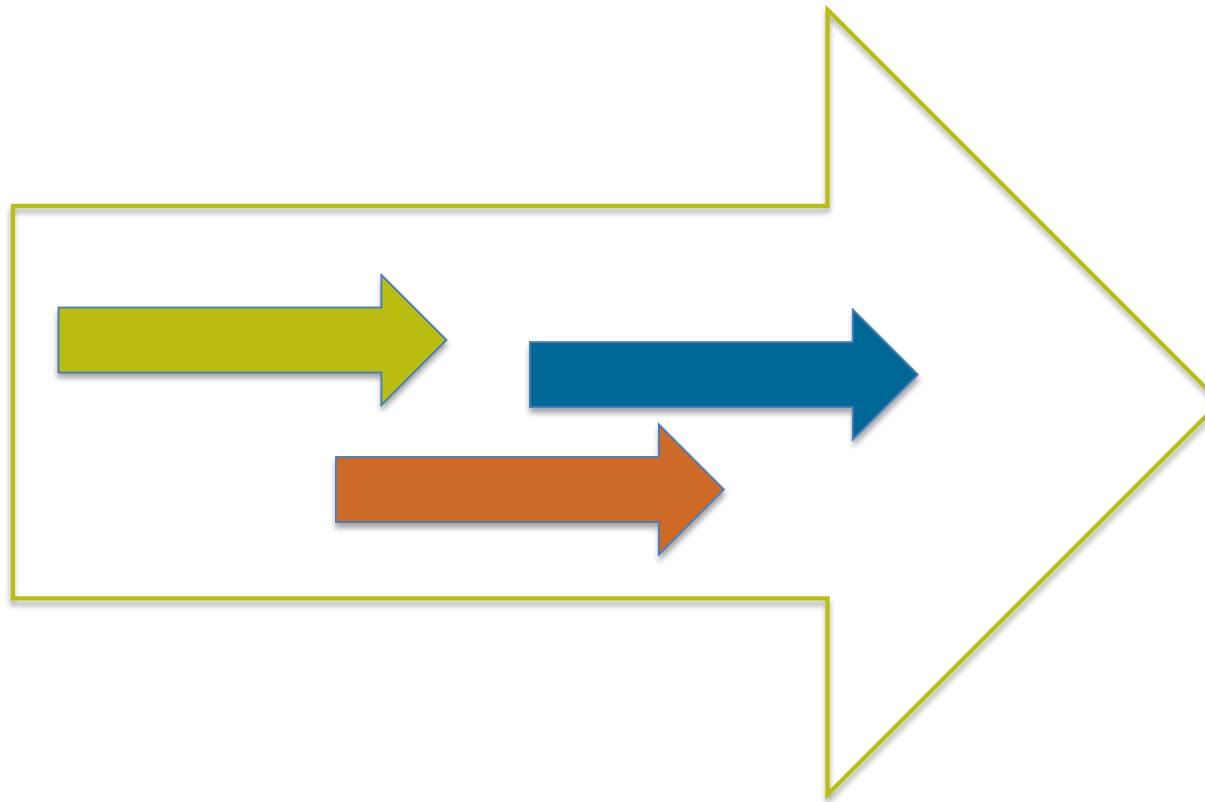


# ECONOMIC DEVELOPMENT REDEFINED

## Impact on EDOs

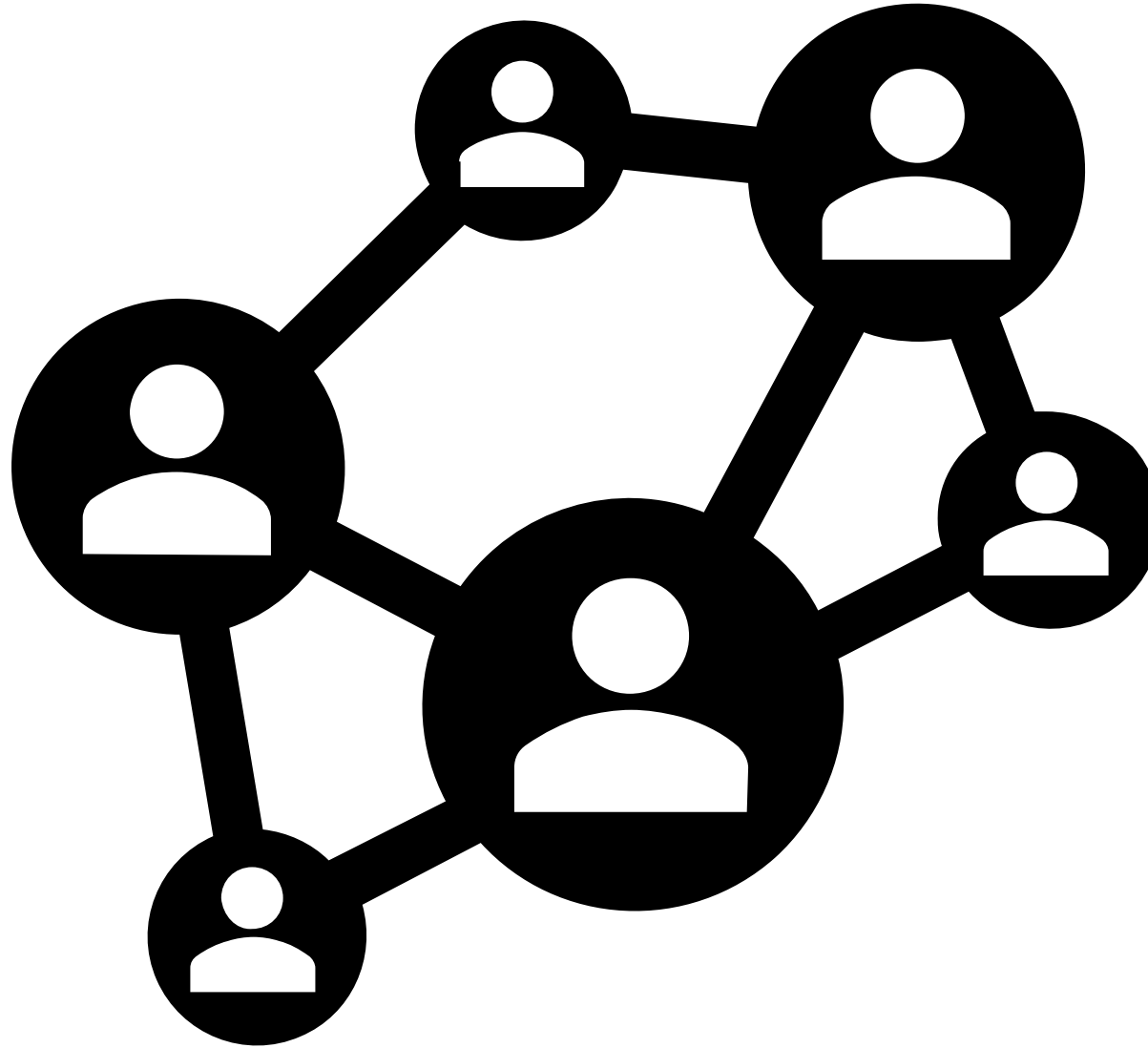
### **Implication #2: The Need for Economic Development Ecosystems.**

EDO must coordinate an ecosystem of strategies to grow and diversify their economies.



Success is predicated on:

- Greater community engagement
- Agreement on shared goals
- Ability to align organizations and resources to achieve those shared goals



# ECONOMIC DEVELOPMENT REDEFINED

## Impact on EDOs

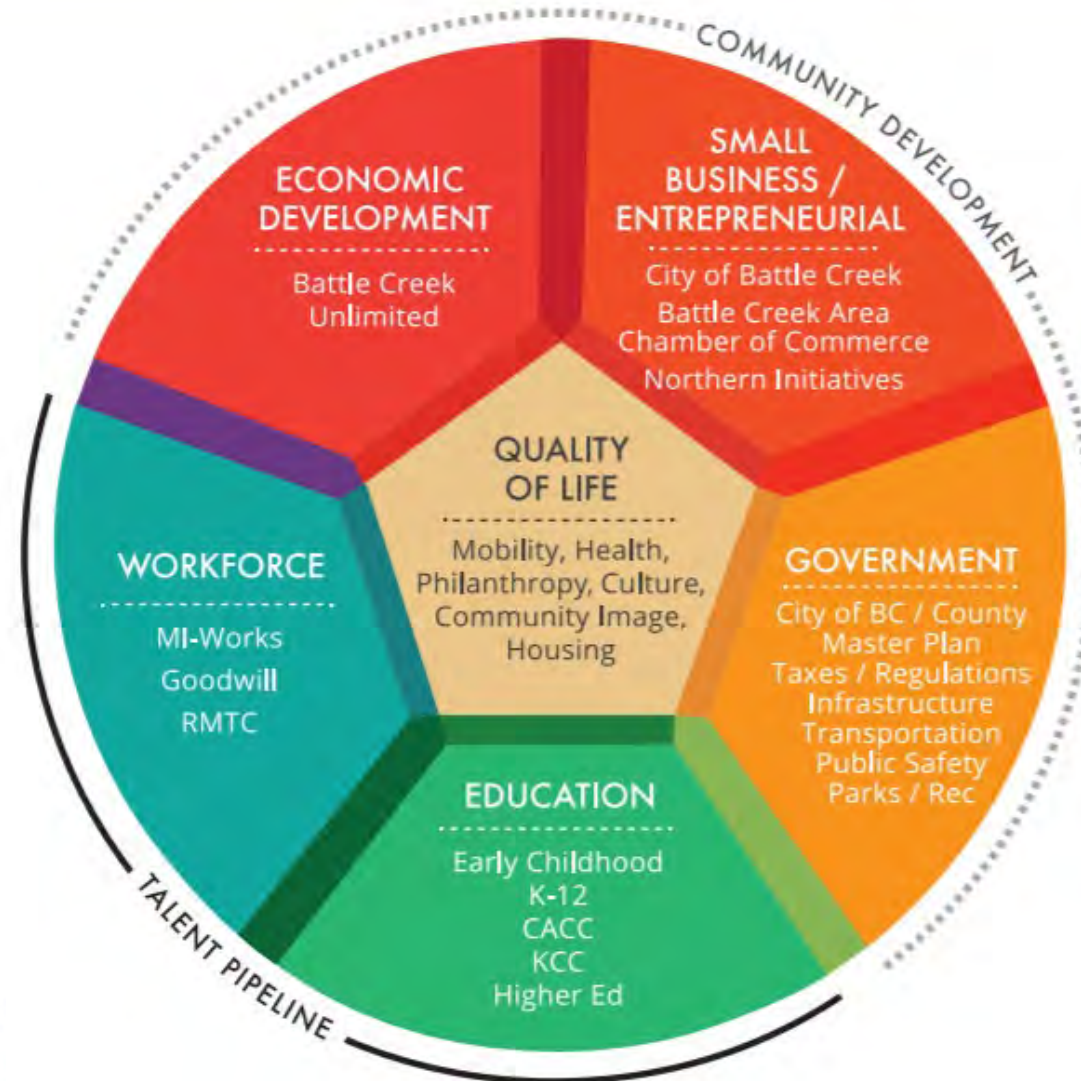
**Implication #3: Talent Development and Business Development should both be considered as areas to include in your plan and programs.** Increasingly, EDOs are dedicating a greater share of their resources to talent programs; these should be reflected in their goals and strategies rather than just appended to traditional business development framework.

Success is predicated on:

- Intentionality of talent programs
- Coordination of talent programs with business development programs



# BATTLE CREEK ECONOMIC DEVELOPMENT ECOSYSTEM SNAPSHOT



# ECONOMIC DEVELOPMENT REDEFINED

## Impact on EDOs



**Implication #4: EDOs have a stake in placemaking and “place managing”... but it may be as a convener rather than as a “doer.”** EDOs can bring perspective and relationships across organizations to help create or improve a sense of place.

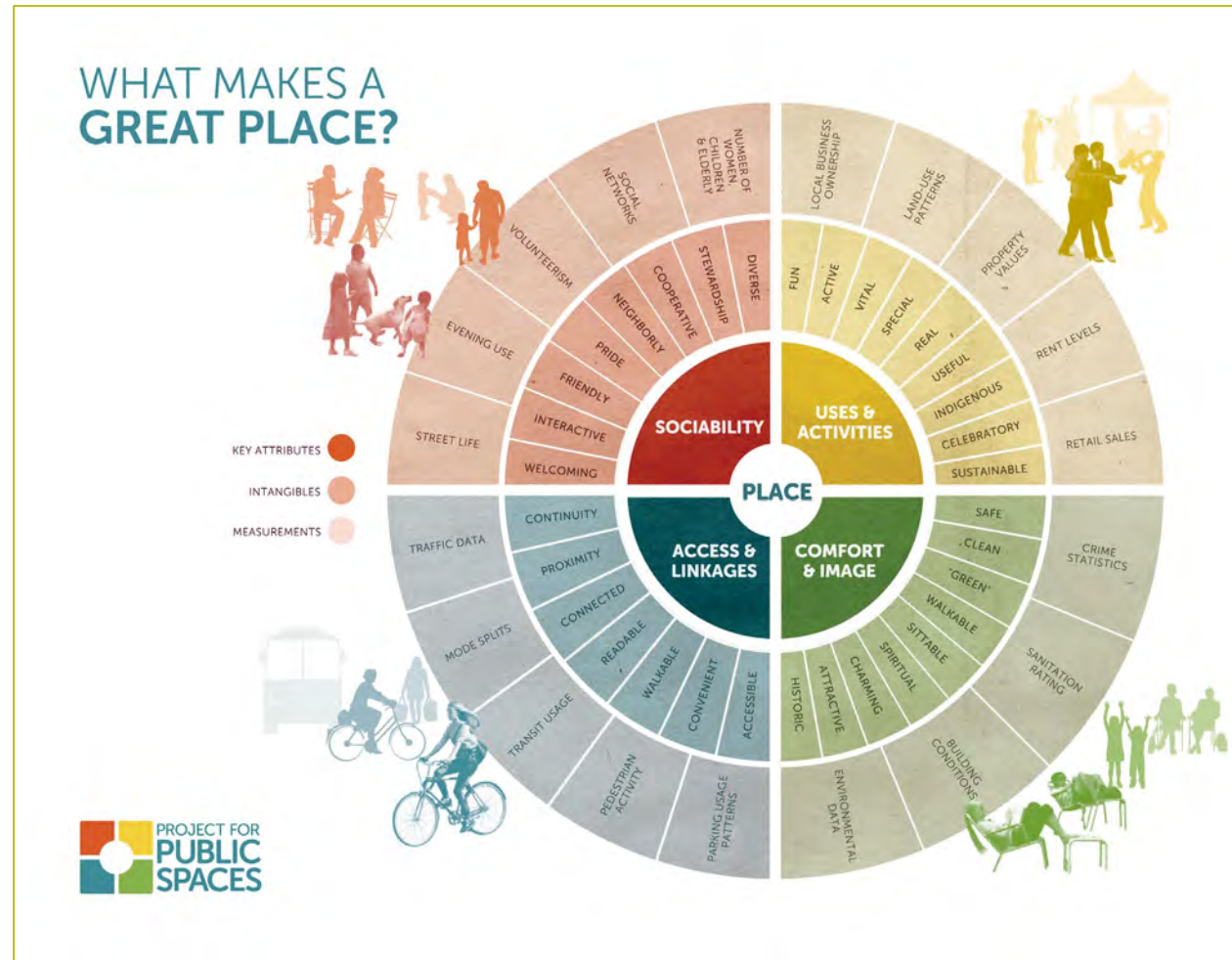
Success is predicated on:

- Being able to help understand what elements of quality of place to focus on and in what order to make their community’s true brand shine.
- Being able to coordinate with communities and others to implement the strategies

# ECONOMIC DEVELOPMENT REDEFINED

## Impact on EDOs

Placemaking defined:



We see the following areas as key community development focus points for BCU's involvement in leadership or assistance roles:

- **Housing** Support the increase and variety of housing options to facilitate social mobility of current and future residents and provide desirable options for in-migration from other areas.
- **Education** Help strengthen the talent pipeline and connectivity between the business community and education system.
- **Transportation** Work to support equitable transportation options for all residents with a key emphasis on workers and students.
- **Placemaking** Enhance the desirability of Battle Creek as a destination place for tourists, students, current residents, and potential new residents.
- **Downtown** Help increase the vibrancy of downtown Battle Creek as a talent attraction and retention tool.
- **Entrepreneurship** Partner with appropriate agencies to establish strong entrepreneurial services within Battle Creek.
- **Image and Reputation** Use positive media and communications to define and promulgate a favorable narrative of Battle Creek.
- **Infrastructure** Help develop assets for the next generation of community infrastructure technology, e.g. charging stations, energy storage projects, downtown/community Wi-Fi, etc.



# ECONOMIC DEVELOPMENT REDEFINED

## Impact on EDOs

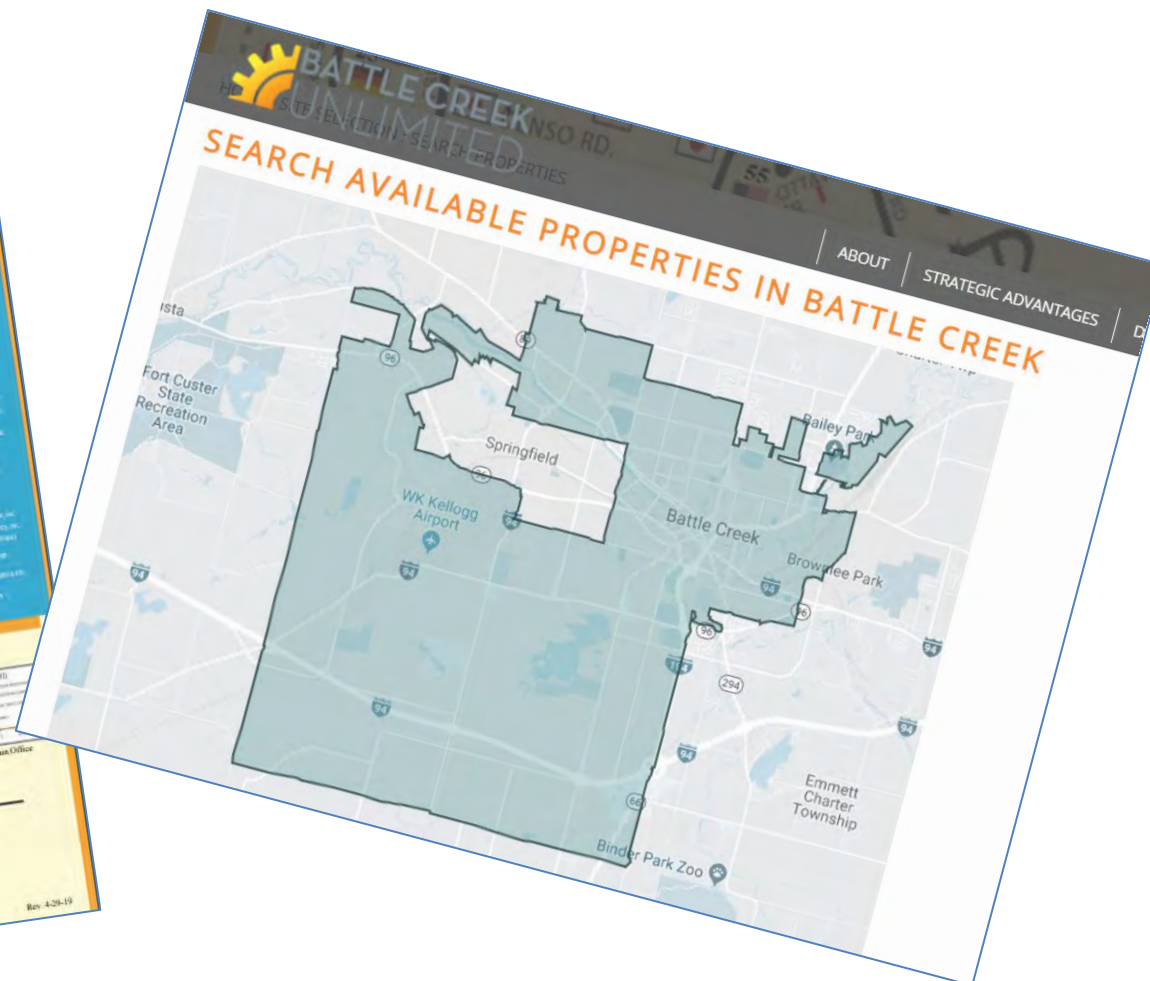
### Implication #5: Key Success Factors.

Readiness, differentiation, and alignment are still the relevant success factors for ECOs, but the definition of each has expanded tremendously to reflect the importance of talent and placemaking in addition to business development.

### Key EDO Success Factors

	Traditional	Current/Future
<b>Readiness</b>	Site Readiness	Site Readiness Talent Readiness Entrepreneurship and Innovation Community Readiness (Placemaking) Organizational Development
<b>Marketing/Differentiation</b>	Business retention, expansion and recruitment	Business retention, expansion and recruitment Talent retention, development and recruitment Placemaking to support the above
<b>Alignment/Stakeholder Engagement</b>	E.D. universe (education, workforce, employers, elected officials)	E.D. universe (education, workforce, employers, elected officials) Players who touch on talent (Chamber, Tourism, new employer-led coalitions, etc.)

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# ECONOMIC DEVELOPMENT REDEFINED

## Impact on EDOs

### **Implication #6: Key Performance Metrics.**

The legacy metrics for EDO performance are still relevant, but insufficient to capture the role of economic development, especially at a time when talent is in such scarcity. A new slate of metrics narrows in on specific jobs/wages and adds economic mobility and equity as additional indicators.

### Key EDO Performance Metrics

	Traditional	Current/Future
<b>Performance Metrics</b>	Investment Jobs	Investment Jobs – targeted to region’s needs Economic mobility Economic equity



- **Increase Population** Increase the retention of current community members. Increase the return of individuals and families with ties to Battle Creek. Grow the number of non-Battle Creek associated individuals and families who choose to live and/or work in Battle Creek.
- **Increase Housing Density** Increase the concentration of housing across multiple zoning districts to improve efficiency and allow for a wide variety of housing.
- **Facilitate Increased Job Creation** Grow the number of job opportunities in the city.
- **Increase Market Value** Grow the amount of private dollars invested into multiple sectors of the city.
- **Increase Investment in Battle Creek (Public/Private)** Grow capital investment in the City of Battle Creek.
- **Increase Education Attainment** Grow the college and career readiness of students progressing through the Battle Creek academic and training systems.
- **Increase Mobility** Grow and strengthen the opportunity for community members to engage all the community's offerings.
- **Increase Median Income** Grow the average income level of all City of Battle Creek community members in an equitable manner with a focus on living wages.



# THANK YOU

# THANK YOU



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**Midwest Talent Strategy Innovation**

Published July 2019

**Talent Toolbox for Economic Developers**

Published February 2016

**Rural Economic Development Toolbox**

Published September 2014



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