

Midland city council, county board hear about area business attractions

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ERIN KIRKLAND | ekirkland@mdn.net Midland City Council and Midland County Board of Commissioners meet jointly on Thursday at the Midland County Services Building.

Attracting new business to the Great Lakes Bay Region brought the Midland City Council and Midland County Board of Commissioners together for just the second time ever. Speaking at the Midland County Services Building, on Thursday, Matt Felan, chief executive officer of the Great Lakes Bay Regional Alliance (GLBRA), reported about the efforts of his organization to attract new business.

"The alliance was set up to improve the economic vitality and quality of life in the Great Lakes Bay Region," Felan said. "That's what we're focused on. Our No. 1 priority is business attraction."

GREAT LAKES BAY REGIONAL ALLIANCE

Designated as Prosperity Region 5 by Gov. Rick Snyder, the GLBRA serves Midland, Saginaw, Bay, Gratiot, Isabella, Clare, Gladwin and Arenac counties. The alliance collaborates with area economic development organizations: Arenac EDC, Bay Future, Gladwin EDC, Greater Gratiot Development Inc., Middle Michigan Development Corp., Midland Tomorrow and Saginaw Future.

"Our eight counties are absolutely connected," Felan said. "We feel confident that these are eight counties that should be working together. We're connected by industry, from a watershed perspective and culturally."

Following its top priority of business attraction, the No. 2 initiative for the GLBRA is STEM Impact Initiative.

"We need STEM in order to attract business," Felan said. "We had to have that talent before we could go out and attract businesses."

Skilled trades along with the health and health care development round out the four initiatives of GLBRA.

But, it's the numbers: 500,000, 250,000 and 25,000 that are key to attracting business.

"When we're looking to attract new businesses and the site selector is looking at locations, they really don't look on a map. They are not really looking to see if we have great art entertainment. They don't care about our restaurants, schools or health care. They want to see raw numbers and data," Felan said.

Those key numbers include a minimum population of 500,000, a labor force of at least 250,000 and 25,000 businesses combined.

"If you don't have the minimum threshold numbers, you pretty much don't end up coming out on that spreadsheet when they do the first runs," Felan said.

Those threshold numbers for the eight counties add up to 550,000 population, a labor force of 260,000 and 25,000 businesses.

By combining those threshold numbers, the area becomes more competitive, especially when facing competition from areas such as: Cincinnati; the North Carolina triangle of Raleigh, Durham and Chapel Hill; Silicon Valley; or the Greater Orlando area.

"What we are trying to do here is to get us more economically in line with what is happening across the country and put us in a more competitive advantage to go out and recruit and bring jobs here to the region," Felan said.

GLBR functions as a marketing arm for the area.

"Our job is not to pick winners or losers," Felan said. "Our job is to go garner interest from companies to look at our region."

Once a company is interested in relocating to the region, then it becomes a battle inside the region to land a project. "There needs to be fights between Midland Tomorrow and Saginaw Future, Bay Future and Greater Gratiot Development, fighting to see who can put the best deal in place. It is not my job to do a deal. It will never be," Felan said.

BUSINESS ATTRACTION

Last year, the GLBR hired Silverlode Consulting to come in and create a three-year business attraction plan by looking at the GLBR's demographic profile, labor market, economic climate, the real estate, utilities, quality of life, tax burden and transportation. Then ranked them on a 1-10 scale.

The region scored a 7 for demographic profile; labor market came in at 9; business climate, 6; real estate, 8; utilities, 6; quality of life, 9; tax burden, 7; and transportation, 8.

"You have to be six and above to go out and attract new businesses to the region," Felan said.

Silverlode's initial screen resulted in more than 700 companies that are located in the target markets of Chicago, Houston, Indianapolis, Southern California and Philadelphia.

"The list they gave us was refined to about 100 companies," Felan said.

Those companies were in the following industries:

1. Threaded products/fastener manufacturer – "The growth rate in Michigan has been 50.7 percent from 2009-2015. Seven of the eight counties in our region have a fastener manufacturing subcluster already so the local labor force is knowledgeable and has expertise," Felan said.

2. Flexible packaging and storage manufacturing – "This is a phenomenal marriage between the chemical industry and the agricultural industry here in our region. They need raw materials from Dow, so it makes a lot of sense," Felan said.

3. Dry bean processing – "Michigan produces more dry beans than consumed by the entire United States," Felan said. "Processed beans are a good source of protein and fiber at relatively low cost."

4. Fermented food processing – "One of the great things we have in the region, we are home to Bay View and Mr. Chips. I heard this stat recently, if you have any fast food sandwich east of the Mississippi River and it has a pickle on it, it comes from Great Lakes Bay Region manufacturers," Felan said.

5. Frozen specialty food manufacturing – "The global market is fragmented," Felan said. "The top four producers only account for 20 percent of the market. For our region, what we like is that it is not just owned by the big guys. There is a huge opportunity for the boutique guys to come in and do processing. So much of what we produce agriculturally (in the area) can be frozen and shipped across the world."

Just over a year ago, the council and the board of commissioners met for their initial joint session. The two groups heard a presentation by Saginaw Valley State University Assistant Provost Dr. David Callejo Pérez regarding the Midland County Dashboard.

For more information regarding the GLBRA, call: 989-695-6100 or visit: greatlakesbay.com

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