

DETROIT REGION AEROTROPOLIS® QUARTERLY REPORT



DIRECTOR'S UPDATE

As the holidays approach and 2017 draws to a close, it's worth taking a few minutes to consider your many achievements this year. While not all sunshine and rainbows, reflection has a way of providing perspective, instilling a sense of pride, and offering confidence, clarity, and energy for the work ahead.

For the Detroit Region Aerotropolis, 2017 was a banner year. In partnership with the four communities and two counties we represent, and in collaboration with the Wayne County Airport Authority, State of Michigan, and DTE Energy, we've set a new path for the Aerotropolis and are progressing full speed into the new year. Most importantly, we've refocused our strategy to deliver maximum value to our stakeholders and the companies with whom we engage.

From a business development standpoint, the Aerotropolis team worked on a record setting 47 projects this year, showcasing 104 sites to companies from around the world. In the last six months alone, three global leaders in their respective industries announced substantial investments in the region. Between June and November, Amazon, Penske, and Brose announced projects totaling \$330 million in capital investment and the creation of over 2,600 jobs. The Aerotropolis played a major role in each of these

projects (see page 2) and is happy to support such significant development.

We also catalogued every greenfield site in the Aerotropolis region above 25 acres, on the market, and zoned for industrial or commercial development, and analyzed each site's existing infrastructure and development potential. Over 3,000 acres in all, these sites are now profiled and available for download on the Aerotropolis website.

Lastly, the Aerotropolis established a Local Development Finance Authority (LDFA) to help subsidize the cost of public infrastructure in the region — a lack of which has previously hindered development.

I remain confident that the Aerotropolis region is the premier site for greenfield expansion in southeast Michigan, and am certain that our momentum in 2017 will carry over into the new year. In 2018, the Aerotropolis team will be much more active in the marketplace, meeting with companies and the site selectors with whom they consult. As always, all of our efforts will be based on a mantra of mission, purpose, and value.

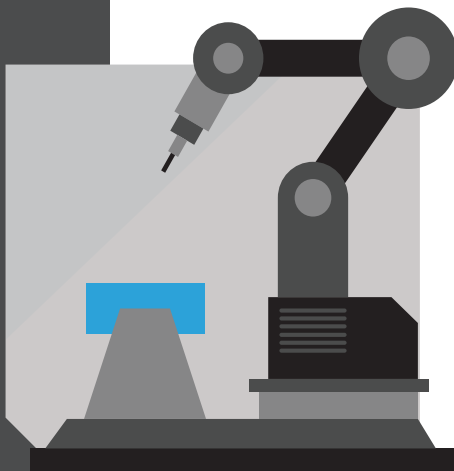
Happy holidays,
Rob Luce



MAJOR INVESTMENT ANNOUNCEMENTS IN 2017

AMAZON

In June, Amazon announced construction of a 1.1 million square foot distribution and fulfillment center in Romulus, just north of Detroit Metropolitan Airport. The development, expected to be completed by September of 2018, will consist of \$140 in capital investment and the creation of 1,600 jobs. This transformational project was enabled, in part, by the newly established Aerotropolis Local Develop Finance Authority (LDFA). The Aerotropolis LDFA, in tandem with the City of Romulus and Wayne County, will be providing funds for the construction and improvement of public infrastructure near the site. You can read more about this exciting project [here](#).



PENSKE CORPORATION

In August, Penske Logistics announced construction of a 600,000-square foot, cold-storage distribution facility in Romulus, just south of Detroit Metropolitan Airport. This \$98.6 million investment will create over 400 new jobs upon completion in 2018. The Detroit Region Aerotropolis Executive Committee, with the blessing of the City of Romulus City Council, approved a 10-year Industrial Facilities Tax Exemption in support of the project. You can read more [here](#) about this exciting project.

BROSE

In November, Brose New Boston announced a \$105 million expansion of their manufacturing facility in Huron Township. When complete, the project will result in the creation of 300 new jobs and make Brose the largest employer in Huron Township. The Detroit Region Aerotropolis, with the blessing of the Huron Township Board of Trustees, approved a 12-year Industrial Facilities Tax Exemption in support of the project. The Huron Township Local Development Finance Authority played a leading role in the expansion project, and in the initial recruitment of Brose to Huron Township before that. You can read more [here](#) about this exciting project.

PARTNER SPOTLIGHT

MEDC

We are excited to announce that the Michigan Economic Development Corporation (MEDC) has joined the Aerotropolis and will serve as a member of the Executive Committee. Much of the growth of the Aerotropolis this year is due to a new and improved relationship with the MEDC, and their formal participation in the organization and seat on the board will only strengthen this partnership and lead to increased collaboration. Representing MEDC on the Aerotropolis Executive Committee is Josh Hundt, chief business development officer & executive vice president.



MICHIGAN ECONOMIC
DEVELOPMENT CORPORATION

“THE MEDC IS EXCITED TO BE ENHANCING OUR PARTNERSHIP WITH THE DETROIT REGION AEROTROPOLIS CORPORATION. WE WILL PARTNER WITH THE MEMBER COMMUNITIES IN AN EFFORT TO BRING DEVELOPMENT TO OVER 6,000 ACRES OF DEVELOPMENT READY LAND NEAR TWO WORLD-CLASS AIRPORTS.”

JOSH HUNDT

AEROTROPOLIS LDFA

An Aerotropolis Local Development Finance Authority (LDFA) was established this year to help subsidize the cost of public infrastructure in the region, which ultimately enables corporate investment and development nearby. As with all LDFA's, the Aerotropolis LDFA provides for the capture of tax increment revenue and its expenditure on specific projects, namely public infrastructure like roads, bridges, drains, etc. The Aerotropolis LDFA can be utilized in tandem with similar tax capture vehicles at the local level, doubling its effectiveness and providing no disadvantage to the local communities themselves. Going forward, the Aerotropolis LDFA will be a critical tool in the development of the region.



“I AM EXCEPTIONALLY PLEASED WITH OUR SUCCESS TO DATE AND REMAIN CONVINCED THAT THE AEROTROPOLIS REGION IS THE PREMIER SITE FOR GREENFIELD EXPANSION IN SOUTHEAST MICHIGAN.”

ROB LUCE, EXECUTIVE DIRECTOR

6,000 AVAILABLE
ACRES

5 RAIL LINES

3 FREEWAYS

2 AIRPORTS



DETROIT REGION AEROTROPOLIS®

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BUSINESS DEVELOPMENT ACTIVITY

MAEDC

Earlier this month, Rob Luce attended the Mid America Economic Development Council's Competitiveness Conference and Site Selector Forum in Chicago. The Aerotropolis was a sponsor of this event and participated in an invitation only dinner with 6 site selectors from the Chicago area, many of whom have clients in the target industries of the Aerotropolis. Several connections were made and the Aerotropolis team looks forward to future business development opportunities as a result.

CORENET GLOBAL SUMMIT

In November, Marco Salomone attended the Corenet Global Summit in Seattle. Corenet Global is a leading professional association for corporate real estate, workplace, and economic development professionals. The Summit brings together thousands of corporate real estate professionals and provided a fantastic opportunity to connect with individuals with responsibilities for large corporate real estate portfolios of companies in the Aerotropolis target industries.

OESA ANNUAL CONFERENCE

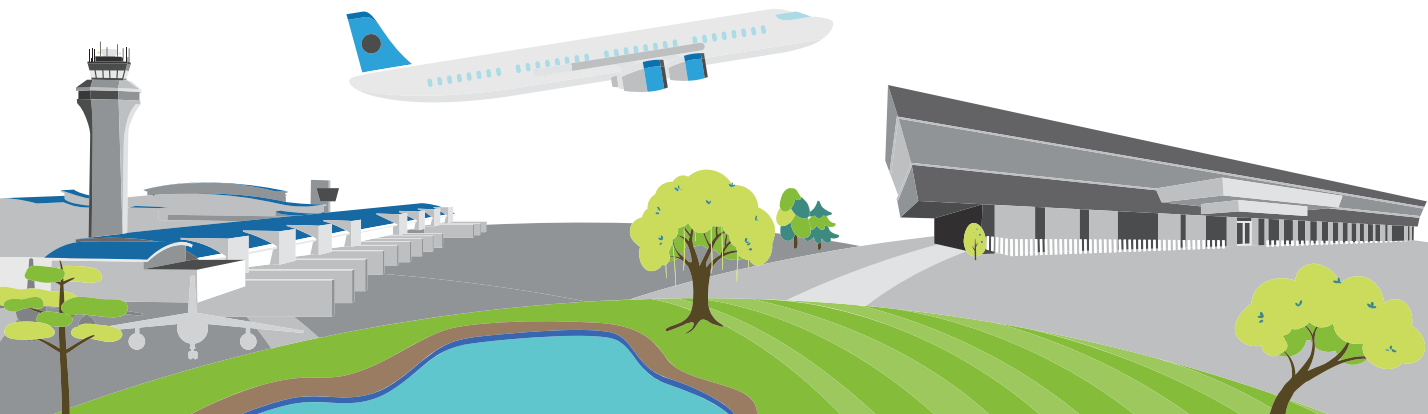
Also in November, the Aerotropolis sponsored and attended the Original Equipment Suppliers Association (EASA) Annual Conference in Novi, MI. The premier automotive association in North America, OESA's annual conference is regarded as one of the leading automotive events of the year and attended by over 1,000 industry executives. Sponsorship of the event, and personal attendance, provided the Aerotropolis with exposure to hundreds of companies and direct access to many decision makers in one of its focus industries.

SAVE THE DATE

DETROIT REGION AEROTROPOLIS ANNUAL MEETING

03/22/2018, 8:30 a.m. - 10:30 a.m.
Westin DTW, Romulus, MI, 48242

» More information to follow soon



NEW SITE SEARCH FEATURE ONLINE

The Aerotropolis recently completed construction of a real estate database to showcase more than 40 greenfield sites in the region – sites that are 25 acres and above, currently on the market, and zoned for industrial or commercial use. Property sheets for all 40 sites are available on the Aerotropolis webpage, and include infrastructure-related information that is typically requested from companies and/or site selectors considering expansion, including but not limited to the presence of wetlands and floodplains, utilities, water, storm and sewer, etc. Please view the site selection tab of the Aerotropolis webpage for detailed information on each of the sites.

FEATURED PROPERTY: AERO-26



COMMUNITY

Taylor

ACREAGE

24.5

PRICE

\$55,000 per acre

ZONING

Light Industrial

ELECTRIC

13.2 kva distribution line
near site

40 kv sub-transmission line
on site

120 kv transmission line 0.5
miles north

WATER

8"

SEWER

15"

STORM

72"

WETLAND

None

FLOODPLAIN

No

RAIL

No

CLEARED

Partially