



MICHIGAN ECONOMIC DEVELOPMENT CORPORATION

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MEMORANDUM

DATE: August 14, 2007
TO: Michigan Economic Growth Authority
FROM: Mark Morante, Vice President
Development Finance
Toni Brownfield, Project Manager
Development Finance
SUBJECT: Briefing Memo – Bolton & Associates, LLC
Standard Credit

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COMPANY NAME AND ADDRESS:

Bolton & Associates, LLC
3000 Town Center Drive, Suite 750
Southfield, Michigan, 48075

HISTORY OF COMPANY:

Bolton & Associates, LLC is a highly technical civil engineering, land planning and surveying firm with an excellent reputation for quality performance. Bolton & Associates, LLC offers civil engineering, surveying, land planning, builder, construction, and environmental planning services. Bolton Latham was founded in Waldorf, Maryland in 1999, with three employees. By 2005, the company moved to La Plata, Maryland, changed its name to Bolton & Associates, LLC and had over 50 employees. Today the company is headquartered in La Plata, Maryland with a branch office in Southfield, Michigan. Bolton & Associates, LLC employs over 65 associates, and currently employs 12 associates in Southfield.

PROJECT DESCRIPTION:

Bolton & Associates is considering expanding operations in Michigan or supporting growth in a different branch office to be located in Charlotte, North Carolina. To support Bolton's growth, the company will hire up to 150 associates over the next five years, paying an average weekly wage \$1,012. Bolton will invest approximately \$1 million in personal property to support this proposed expansion.

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BENEFITS TO STATE:

According to the economic analysis done by The Michigan Economic Development Corporation utilizing Regional Economic Models, Inc. software, it is estimated that this facility will create a total of 300 jobs in the state by the year 2014. It is also estimated that the project would increase total state government revenues through the year 2014, net of MEGA cost and adjusted for inflation, by \$5 million (2007 dollars) due to the expansion of this operation.

BUT FOR:

Bolton & Associates will be opening a branch office in Charlotte, North Carolina, where they could support their growth. When comparing the Michigan and North Carolina locations, the company estimates that wage rates in North Carolina are significantly lower.

OTHER STATE AND LOCAL ASSISTANCE:

The City of Southfield has proposed and will consider a 100% abatement of the company's new personal property taxes under PA328 for three years at its August 27 council meeting. The estimated value of this abatement is \$51,000.

In addition, MEDC is offering an Economic Development Job Training (EDJT) grant to update worker skills. The MEDC will provide \$1,000 per job for up to 50 jobs toward the company's training needs. The total value of this incentive is up to \$50,000.

RECOMMENDATION:

The Michigan Economic Development Corporation recommends a 100 percent standard employment tax credit for seven years, for up to 150 net new employees.