

## REMI Terms and Definitions

**Benefits estimated by the model:** the total number of jobs created in Michigan (by major industry, including spin-off jobs), and the associated personal income and state government revenue generated due to the gain in economic activity resulting from the project.

**Direct jobs:** the jobs created at the project facility itself, as estimated at the end of the incentive period.

**Employment multiplier:** the total number of jobs created (direct plus spin-off) for every direct job introduced constitutes the employment multiplier. The numerator of the employment multiplier equals the number of jobs (direct and spin-off) created on average over the incentive period when the facility is at full operations. The denominator of the employment multiplier represents the direct jobs created yearly over the same period.

**Personal income:** the income of Michigan residents from all sources, after deduction of contributions to social insurance programs but before deduction of income tax and other personal taxes.

**Spin-off jobs:** Spin-off jobs are generated from two sources: increased purchases from Michigan suppliers; and spending by people who receive income due to the increased economic activity.

**Total employment effects:** direct jobs created at the facility itself plus spin-off jobs, as estimated at the end of the incentive period.

*REMI estimates do not include the nonmeasurable effects that would produce additional economic and fiscal benefits for Michigan, such as the intangible advantages of influencing other location and expansion decisions.*

**Second Chance Armor**  
**Economic and Fiscal Effects on Michigan - Net Benefits with the Incentive Package**

Economic/Fiscal Indicator	2006	2007	2008	2009	2010	2011	2012	2013	2014	Total
<b>Total Employment</b>										
Manufacturing	99	122	152	155	156	156	157	158	160	
Non-Manufacturing	60	79	98	98	98	98	99	100	101	
Retail Trade	39	43	54	57	58	58	58	58	59	
Services	6	7	8	9	8	9	8	8	7	
Other	20	23	28	29	29	29	29	29	29	
	13	13	18	19	21	20	21	21	23	
<b>In Current Dollars (Thousands):</b>										
Personal Income	\$3,082	\$4,089	\$5,463	\$6,042	\$6,500	\$7,019	\$7,477	\$7,813	\$8,087	\$55,572
Gross State Revenue	237	315	421	465	501	540	576	602	623	4,280
Mega Cost	48	68	88	96	99	103	108	113	118	841
State Revenue Net of MEGA Cost*	\$189	\$247	\$333	\$369	\$402	\$437	\$468	\$489	\$505	\$3,439
<b>Adjusted for Inflation (Thousands of 2006 Dollars):</b>										
Personal Income	\$3,082	\$4,004	\$5,240	\$5,678	\$5,985	\$6,334	\$6,615	\$6,776	\$6,876	\$50,590
Gross State Revenue	237	308	404	437	461	487	510	522	530	3,896
Mega Cost	48	67	84	90	91	93	95	98	100	766
State Revenue Net of MEGA Cost*	\$189	\$241	\$320	\$347	\$370	\$394	\$415	\$424	\$430	\$3,130

\* These estimates do not include any state government revenue losses due to the Investment Tax Credit, the Renaissance Zone Credit or the property tax abatement.