

MEMORANDUM

Date: April 14, 2009

To: Michigan Economic Growth Authority

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Portfolio Management & Packaging

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Subject: Briefing Memo – Urban Science Applications, Inc.
High Technology MEGA Credit

COMPANY NAME

Urban Science Applications, Inc.
200 Renaissance Center
18th Floor
Detroit, MI 48243

HISTORY OF COMPANY

Urban Science Applications, Inc. was founded in 1977 in Detroit, Michigan. The company has grown from its headquarters in Detroit and currently has offices throughout the world. Urban Science Applications uses its state-of-the-art business analysis process and its proprietary software to optimize their clients' retail networks, retail outlets, and marketing ability. The company serves a wide range of industries including automotive, retail, financial services, and information technology.

Urban Science Applications currently has 190 full-time employees in Michigan.

PROJECT DESCRIPTION

The proposed project will be the relocation of the company's headquarters to 400 Renaissance Center in the City of Detroit, Wayne County. The company will also make a substantial investment in computers and other information-technology equipment related to this expansion.

Urban Science Applications will invest approximately \$29.2 million and create 69 jobs over the next five years paying an average weekly wage of \$1,275 as a result of this project. The company will also offer healthcare benefits and pay a portion of the benefit costs.

BENEFIT 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 generate a total of 146 jobs in the state by the year 2019. Total state government revenues through the year 2019, net of MEGA costs, would be increased by \$5.1 million (current dollars) due to the presence of this facility.

BUSINESS CASE

Urban Science Applications, Inc. considered Alabama, North Carolina, New Jersey, and California for this expansion project. As the company continues to diversify, its client base locations in these states would have put them in major cities closer to more of their clients' corporate offices.

OTHER STATE AND LOCAL ASSISTANCE

The City of Detroit is supportive of this project and plans to approve a property tax abatement under PA 328 of 1998. The estimated value of this abatement is not known at this time.

The Michigan Economic Development Corporation has approved job training funds through its Economic Development Job Training program. The grant will be for up to \$138,000 for the training of 69 new and existing employees.

QUALIFYING HIGH-TECHNOLOGY ACTIVITY

The company is a qualified high-technology business whose primary business activity is advanced computing, as defined in the Act.

RECOMMENDATION

Based on the factors described above, the Michigan Economic Development Corporation recommends a 100 percent high-technology employment tax credit for 10 years for up to 69 net new employees in excess of the company's established employment base of 190.