

What Does It Take to Secure Industrial Development?

The Landscape: Global Competition, Local Decisions

Industrial site selection is a global competition.

When a company decides to build a new manufacturing plant, distribution center, or food processing facility, it typically evaluates dozens of sites across multiple states, and often multiple countries, simultaneously. Site selection consultants use detailed scoring criteria to narrow options, and sites can often be eliminated because they aren't already prepared for speedy development. If an investment opportunity comes their way, but they don't have all the utility providers aligned or know what land is readily available (or can be purchased), a site selection process may be moving faster than the community is ready to participate in and therefore, they are eliminated before they really have a chance.

The Detroit Region competes for these projects against sites throughout the U.S., Canada, and Mexico. Each competitor region brings its own advantages: lower energy costs, fewer regulatory hurdles, warmer construction seasons, or more aggressive incentive packages.

The Detroit Region's competitive advantages are real. The region offers a deeply skilled workforce, world-class engineering and research institutions, extensive supplier networks, multimodal logistics connectivity, and proximity to the Canadian border. However, these advantages only matter if communities can deliver projects on a predictable timeline with transparent processes. A strong location means nothing if a company cannot get a site permitted and built within their investment window.

Best Practices for Attracting and Retaining Industrial Investment

The communities that consistently win industrial projects share a set of common practices. None of these require large budgets. They require deliberate action and sustained attention.

Get site-ready before a project arrives.

See Site Readiness and Feasibility

This means completing environmental assessments, confirming utility capacity, resolving title issues, and updating zoning to accommodate modern industrial uses. *VIP by DRP* and the Michigan Economic Development Corporation's Site Readiness programs both offer resources to help communities do this. Being site-ready shortens timelines from years to months, and months to weeks.

Designate a single point of contact.

See The Development Review Process

Companies and site selectors want to work with one person who can navigate local processes. This does not need to be a new hire. It can be a city manager, planning director, or economic development coordinator who serves as the project's internal champion. The key is that inquiries receive a response within 24 hours, not 24 days.

Build a permitting fast-track for qualified projects.

See The Development Review Process

This means concurrent review rather than sequential review, pre-application meetings, and clearly published timelines and checklists. It does not mean waiving standards. Georgia, Tennessee, and Indiana have attracted billions in investment partly because their permitting timelines are predictable and published. Michigan communities can adopt similar practices at the local level.

Engage the community early and honestly.

See The Two Big Challenges: Community Engagement and Communication

Public opposition derails more projects than infrastructure gaps. Communities that hold informational sessions before formal public hearings, provide plain-language project summaries, and create structured feedback channels significantly reduce the risk of conflict. Engagement should start with listening, not presenting.

Negotiate strong development agreements.

See Community Benefits

Good agreements include specific job creation and wage commitments, performance milestones tied to incentive disbursement, **claw back provisions** if commitments are not met, local hiring preferences, workforce training partnerships, infrastructure improvement guarantees, and ongoing community liaison requirements. Communities should approach negotiations with the same rigor that a company brings.

Invest in workforce pipeline coordination.

See Thinking Holistically: Workforce Training and Education

A community that can show a company it has a plan to fill 500 positions within 18 months is dramatically more attractive than one that cannot. This means building relationships with community colleges, Michigan Works! agencies, career technical education programs, and union training centers. Workforce is the number-one site selection factor in most surveys, ranking ahead of taxes, incentives, and even land cost.

Coordinate regionally.

See Thinking Holistically: Quality of Life

Industrial investment does not respect municipal boundaries. A plant in one community creates supplier demand in neighboring communities, generates traffic impacts on shared roads, and draws workers from across the region. Communities that coordinate on infrastructure planning, workforce development, and marketing through organizations like DRP improve outcomes for the entire region.

What is a “claw back provision”?

It is a contracted requirement that a company agrees to in exchange for receiving a grant or economic incentives to return funds if specific performance criteria are not met. This can include penalties in addition to repayment.

Local Challenges to Securing Industrial Development

Across the 11-county DRP region, several recurring challenges slow or prevent communities from competing effectively for industrial investment.

Infrastructure Gaps

Many otherwise attractive sites lack adequate electrical capacity, water and sewer service, or broadband connectivity. Data centers require enormous power loads that local grids may not support. EV battery plants need high-capacity water service. These infrastructure gaps can take years to close, and the cost of upgrades often exceeds what a single community can fund. Overcoming this requires early coordination with local utility and broadband providers—ideally before a specific project arrives. Communities that conduct infrastructure audits and pre-position capacity gain a measurable advantage.

Fragmented Governance and Permitting

The Detroit Region's governance structure—hundreds of municipalities, townships, and counties, each with its own zoning code, review process, and timeline—is a well-documented challenge. A company evaluating a site in Oakland County may encounter an entirely different permitting process than one in Monroe County. **This inconsistency creates uncertainty, and uncertainty is the single biggest dealbreaker in site selection.** Streamlining permitting does not mean lowering standards. It means making timelines predictable, designating a single point of contact, and ensuring that review processes do not loop endlessly between agencies.

Community Trust Deficits

Decades of deindustrialization, environmental contamination, and unmet promises have left many communities in the Detroit Region skeptical of industrial development. This skepticism deserves respect. Rebuilding trust requires transparency, early engagement, and measurable commitments—not glossy presentations or vague promises of future benefits. Organizations that build trust before a project arrives are better positioned than those that try to earn it during a contentious public hearing.

Outdated Zoning and Land Use Codes

Many local zoning ordinances were written for a manufacturing economy that no longer exists. They may not include provisions for logistics hubs, battery manufacturing, or modern distribution facilities. Outdated use classifications force projects into variance processes that add months to timelines. Updating zoning language to reflect current industrial uses—with appropriate performance standards for noise, traffic, emissions, and aesthetics—is one of the most impactful steps a community can take.

Brownfield Complexity

There are thousands of acres of formerly industrial-used land. Reusing these sites offers significant environmental and community benefits, but brownfield redevelopment involves environmental assessment, remediation, and regulatory compliance that add cost and time. Communities can improve brownfield competitiveness by maintaining up-to-date environmental assessments, securing baseline environmental assessments in advance, and working with the Michigan Department of Environment, Great Lakes, and Energy (EGLE) to streamline the cleanup process.

Many communities face these challenges.

Whether in Michigan or elsewhere, top communities stand out through strong organization, open communication, and a drive to solve problems alongside businesses. Of course, solving for these things before the project arrives is better, but that's not always possible. Proactive communication and willingness to work is paramount.

The case studies presented in the next section demonstrate how communities and businesses are thinking creatively to solve problems and work together for the benefit of Michigan communities.