



DEFINITIONS, INTENT, AND SCOPE OF WORK FOR THE BLUE WATER BRIDGE BORDER ECONOMIC IMPACT STUDY RFP

DEFINITIONS:

Border-dependent Businesses or Firms and Public Agencies – includes Canadian-owned businesses of all types located in St. Clair County, American-owned international border businesses, and public sector border-related agencies located in St. Clair County. This sector does not include self-employed Canadians in St. Clair County. International border businesses include: private sector customs brokers, warehousemen, freight forwarders, truckers, duty free shops, and consultants (other than lawyers and accountants). Public border-related agencies include: Immigration and Naturalization, U.S. Customs and Border Protection, General Services Administration, Food and Drug Administration, U.S. Department of Agriculture, Federal Bureau of Investigation, and the St. Clair County Sheriff Department's Marine Patrol.

Employment Sector – for the purposes of this report employment sectors to be considered for inclusion are those listed above as well as all within the North American Industry Classification System (NAICS) codes of Manufacturing, Transportation, Utilities, Services, Wholesale Trade, and Retail Trade.

St. Clair County – the geographic area known as St. Clair County, Michigan.

INTENT OF THE STUDY:

Define and identify the total number of border-dependent firms located within St. Clair County by employment sector and their economic impact on the community. (Provide a complete list of the firms contacted for inclusion in this study by employment sector in an appendix.) It is the desire of the agencies sponsoring this study to have an objective analysis of the border-dependent economic situation completed enabling them to make more informed decisions.

SCOPE OF WORK:

The following described data sets are representative of the type and extent of data and analysis that is desired as an outcome of this research. Those responding to this request for proposals should feel free to suggest other data sets or recommend that something other than what is listed below would be appropriate and still provide the information needed to make objective policy decisions regarding a border-dependent economy.

Employment and Payroll

Provide employment and payroll figures for Canadian-owned businesses in St. Clair County for the calendar year 2000, and every two years thereafter as data is available. If data is not available, provide estimates and include the methodology for computing those estimates in report footnotes. Break these figures down and report them in the following sectors: Manufacturing; Trade (wholesale and retail); Transportation; Finance; and Services.

Provide employment, payroll, and the value of trade (wholesale and retail) for international border businesses in St. Clair County for 2000, and every two years thereafter as data is available. If data is not available, provide estimates and include the methodology for computing those estimates in report footnotes. Report these figures by employment sector as defined above.

Provide employment and payroll totals for public border-related agencies in St. Clair County for the calendar year 2000, and every two years thereafter as data is available. If data is not available, provide estimates and include the methodology for computing those estimates in report footnotes.

Provide the total combined employment and payroll from Canadian-owned businesses, international border businesses, and public border-related agencies in St. Clair County for the calendar years 2000, and every two years thereafter as data is available. If data is not available, provide estimates and include the methodology for computing those estimates in report footnotes.

Provide the percent of total employment and total payroll in St. Clair County for calendar year 2000, and every two years thereafter represented by Canadian-owned businesses, international border businesses, and public border-related agencies as data is available. If data is not available, provide estimates and include the methodology for computing those estimates in report footnotes.

Machinery and Equipment Purchases

Provide an estimate of the value of machinery and equipment purchased by Canadian-owned businesses in St. Clair County for the calendar year 2000, and every two years

thereafter as data is available. If data is not available, provide estimates and include the methodology for computing those estimates in report footnotes.

Export Sales from St. Clair County

Provide the value of export sales from St. Clair County for the year 2000 and every two years thereafter as data is available. Data that is no longer directly available from the U.S. Department of Commerce or other government source should be extrapolated. The methodology used to estimate sales figures to 2007 shall be defined within the data footnotes. Anecdotal evidence can be used but must be clearly identified and assumptions used shall be explained within the data footnotes.

Energy

Provide estimates of the volume and value of natural gas purchased from Canada for use in St. Clair County for the calendar year 2000, and every two years thereafter as data is available. If data is not available, provide estimates and include the methodology for computing those estimates in report footnotes.

Provide estimates of the volume and value of natural gas purchased from facilities in St. Clair County for use in Canada during the calendar year 2000, and every two years thereafter as data is available. If data is not available, provide estimates and include the methodology for computing those estimates in report footnotes.

Provide estimates of the volume and value of electrical energy purchased from Canada for use in St. Clair County for the calendar year 2000, and every two years thereafter as data is available. If data is not available, provide estimates and include the methodology for computing those estimates in report footnotes.

Provide estimates of the volume and value of electrical energy purchased from facilities in St. Clair County for use in Canada for the calendar years 2000, and every two years thereafter as data is available. If data is not available, provide estimates and include the methodology for computing those estimates in report footnotes.

Health Care Data

Provide an estimate of the value of health care services provided to border-dependent firms located within St. Clair County for 2000, and every two years thereafter as data is available. If data is not available, provide estimates and include the methodology for computing those estimates in report footnotes. Report these figures by total border-dependent firms, Canadian-owned firms, and Canadian citizens.

Provide an estimate of the value of capital expenditures, patient revenues, and value of ancillary services provided to Canadian patients in 2000, and every two years thereafter as data is available. If data is not available, provide estimates and include the

methodology for computing those estimates in report footnotes. Provide an explanation of the methodology used to develop these estimates in the data footnotes.

Provide an estimate of the Canadian patient and revenue provided services in St. Clair County from surveys of physicians, other health care service providers, and pharmacies for the calendar year 2000, and every two years thereafter as data is available. If data is not available, provide estimates and include the methodology for computing those estimates in report footnotes. (Include eye doctors, orthodontists, dentists, physical therapists, Planned Parenthood, psychologists, chiropractors, acupuncturists, massage therapists, stress management program providers, ambulance services, nursing homes, substance abuse services, home health services, medical equipment suppliers, dermatologists, radiologists, plastic surgeons, pediatricians, and pharmacies. Each patient should be counted only once.)

Financial and Professional Services

This sector includes banking institutions, accountants and financial services, lawyers, insurance companies, and temporary employment services. The economics of border-dependent businesses and agencies is assessed in this section through the value of services purchased by these businesses and agencies from financial and professional service providers in St. Clair County.

Provide an estimate of the aggregate average collected balances for accounts held by Canadian individuals, Canadian-owned businesses, international border businesses, and public border-related agencies for the year 2000, and every two years thereafter as data is available. If data is not available, provide estimates and include the methodology for computing those estimates in report footnotes. Provide the number of banks or financial institutions that have been included in the reported data. Include a list of those banks or financial institutions that reported and the contact person at the institution.

Provide the estimated aggregate average collected balances for term and demand accounts held by Canadian individuals; Canadian-owned businesses in St. Clair County and outside of St. Clair County, international border businesses, and public border-related agencies for the calendar years 1990, 2000, and every two years thereafter as data is available. If data is not available, provide estimates and include the methodology for computing those estimates in report footnotes.

Provide an estimated dollar value of accounting business conducted in St. Clair County with Canadian-owned businesses, international border businesses, and public border-related agencies for the calendar year 2000, and every two years thereafter as data is available. Report figures on Canadian-owned businesses located in St. Clair County and those located outside of St. Clair County. If data is not available, provide estimates and include the methodology for computing those estimates in report footnotes.

Provide an estimated dollar value of legal businesses conducted in St. Clair County with Canadian-owned businesses in St. Clair County and outside of St. Clair County,

international border businesses, and public border-related agencies for the calendar year 2000, and every two years thereafter as data is available. If data is not available, provide estimates and include the methodology for computing those estimates in report footnotes.

Provide an estimate of the number of incorporations in St. Clair County as reported by law firm respondents for the calendar year 2000, and every two years thereafter as data is available. Report the number of all corporate incorporations, the number of new Canadian-owned business incorporations reported, and the number of Canadian-owned business owner transfers reported. If data is not available, provide estimates and include the methodology for computing those estimates in report footnotes. Include the number of law firms that reported data and a list of those firms.

Provide an estimate of the dollar value of insurance premiums sold within St. Clair County to Canadian-owned businesses in and outside of St. Clair County; international-border businesses; and public border-related agencies for the calendar year 2000, and every two years thereafter as data is available. If data is not available, provide estimates and include the methodology for computing those estimates in report footnotes.

Provide an estimate of insurance premiums paid by Canadian individuals for non-commercial real estate in St. Clair County for the calendar years 2000, and every two years thereafter as data is available. If data is not available, provide estimates and include the methodology for computing those estimates in report footnotes.

Provide an estimated dollar value of temporary employment services provided in St. Clair County to Canadian-owned business, international border businesses, and public border-related agencies for the calendar year 2000, and every two years thereafter as data is available. If data is not available, provide estimates and include the methodology for computing those estimates in report footnotes.

Culture and Education

Provide an estimate of the dollar value of advertising receipts and sponsorships received by television, radio, and magazine media in St. Clair County for the calendar year 2000, and every two years thereafter as data is available for Canadian-owned businesses, international border businesses, and public border-related agencies (located in and outside of St. Clair County). If data is not available, provide estimates and include the methodology for computing those estimates in report footnotes.

Provide an estimate of charitable contributions by Canadian individuals, Canadian businesses (located in and outside of St. Clair County), international border businesses, and, public border-related agencies for the calendar year 2000, and every two years thereafter as data is available. If data is not available, provide estimates and include the methodology for computing those estimates in report footnotes.

Provide an estimate of the number of Canadian students and the value of tuition paid to St. Clair County schools for the academic years of 1990 – 1991, 2000-2001, and

subsequent academic years as data is available. If data is not available, provide estimates and include the methodology for computing those estimates in report footnotes. Report these figures for: colleges, universities, and miscellaneous higher education, public elementary and high schools, and private elementary and high schools. Provide a complete list of the educational institutions responding to this data request for this portion of the report in an appendix to the report.

Real Estate

Provide the assessed value and property tax contributions of Canadian-owned commercial property in St. Clair County for the year 2000, and every two years thereafter as data is available. If data is not available, provide estimates and include the methodology for computing those estimates in report footnotes. Data is to be reported by total equalized assessed value, total equalized taxable value, total property tax generated (including payments in lieu of taxes), municipal (county, city, township, village) dollar portion, and school tax portion.

Provide the assessed value and property tax contributions of international border businesses' commercial property in St. Clair County for the calendar years 2000, and every two years thereafter as data is available. If data is not available, provide estimates and include the methodology for computing those estimates in report footnotes. Data is to be reported by total equalized assessed value; total equalized taxable value; total property tax generated (including payments in lieu of taxes); municipal (county, city, village, township) dollar portion; and, school tax portion.

Provide the assessed value and property tax contributions of private sector border-dependent firms' non-residential real and personal property in St. Clair County for the year 2000, and every two years thereafter as data is available. If data is not available, provide estimates and include the methodology for computing those estimates in report footnotes. Include total equalized assessed value, total equalized taxable value, and taxes paid.

Provide the assessed value and property tax contributions, or payment in lieu of taxes, of public sector, border-dependent agencies' real property in St. Clair County for the year 2000 and every two years thereafter as data is available. If data is not available, provide estimates and include the methodology for computing those estimates in report footnotes. Include total equalized assessed value, total equalized taxable value, and taxes or payment in lieu of taxes paid.

Provide the assessed value and property tax contributions of Canadian-owned residential property in St. Clair County for the year 2000, and every two years thereafter as data is available. If data is not available, provide estimates and include the methodology for computing those estimates in report footnotes. Data is to be reported in the following categories: primary residential (non-seasonal); seasonal property, waterfront and non-waterfront; total Canadian residential ownership, seasonal and non-seasonal.

Provide an estimate of the purchases of commercial and residential real estate in St. Clair County by Canadians in the calendar year 2000, and every two years thereafter as data is available. If data is not available, provide estimates and include the methodology for computing those estimates in report footnotes. Report this data by total price of parcels transferred, total transfer tax generated, total number of parcels involved in the transactions, and average parcel sale price.

Provide an estimate of the square feet and rental value of rented commercial space in St. Clair County by Canadians for the calendar year 2000, and every two years thereafter as data is available. If data is not available, provide estimates and include the methodology for computing those estimates in report footnotes.

Provide an estimate of the dollar increase in St. Clair County property taxes per \$1,000 of equalized assessed value of taxable real estate necessary to offset a loss of State sales tax revenue generated in and returned to municipalities in St. Clair County (including St. Clair County) by the State of Michigan from Canadian-visitor spending. Provide this estimate for the years 2000 and 2007. Provide the methodology for computing those estimates in the body of the report with appropriate technical explanations in the report footnotes.

Canadian Visitor Spending

Provide an estimate of the number of Canadian visitors to St. Clair County and their length of stay for the calendar years 2007 and 2008. Report this data by the following categories: Same-day trips, stays of 1-2 days, stays of 3-7 days, and stays of more than 7 days. Provide the number of stays and percentage of total visitor days per year for each category. Provide a summary of the methodology used to develop this data in report footnotes.

Provide an estimate of the approximate spending per trip by Canadian visitors responding to the survey for the calendar years 2007 and 2008. Provide a summary of the methodology used to develop this data in report footnotes. Report this data by the following categories: Less than \$10 U.S., \$11 - \$100 U.S., \$101 - \$300 U.S., \$301 - \$500 U.S., and more than \$500 U.S. Provide the approximate spending and percentage of total spending per year for each category.

Provide an estimate of the categories of most spending, and categories they spent money on, in recent visits by Canadian visitors responding to the survey for 2007 and 2008. Provide a summary of the methodology used to develop this data in report footnotes. Report this data by the following categories: food, gasoline/other fuels, apparel, lodging, entertainment/recreation, liquor/tobacco, services/repairs, and other. Allow respondents to choose more than one response to this question. Provide the number of responses by category and as a percentage of total selections.

Provide an estimate of the usual form of payment used by Canadian visitors to St. Clair County for the calendar years 2007 and 2008. Provide a summary of the methodology

used to develop this data in report footnotes. Report this data by the following categories: Canadian currency, credit cards, checks, U.S. currency.

Provide an estimate of the number of trips per year that Canadian visitors make to St. Clair County in 2007 and 2008. Provide a summary of the methodology used to develop this data in report footnotes. Report this data by the following categories: one trip per year, 2 – 6 trips per year, 7 – 12 trips per year, 13 – 24 trips per year, and more than 24 trips per year.

Provide for Canadian respondents their place of residence. Report this data by the following categories: Sarnia, Lambton County, London, Wallaceburg, Ontario, and other.

Provide for Canadian respondents the estimated drive time from home to the border crossing they use most frequently in St. Clair County; Report this data by the following categories: less than 15 minutes, 15 to 30 minutes, 30 minutes to one hour, and greater than one hour.

Provide an estimation of the total annual spending by Canadian visitors in St. Clair County for the calendar years 2007 and 2008. Provide a summary of the methodology used to develop this data in report footnotes.

Provide an estimate of annual sales tax revenues from spending by Canadian visitors in St. Clair County during the calendar years 2007 and 2008. Provide a summary of the methodology used to develop this data in report footnotes.

Marinas

Provide an estimate of annual gross sales by St. Clair County marinas to Canadian customers in calendar years 2007 and 2008. Provide a summary of the methodology used to develop this data in report footnotes.

Provide an estimate of the number of slips in St. Clair County marinas leased to Canadian customers in calendar years 2007 and 2008. Provide a summary of the methodology used to develop this data in report footnotes. Report the data by the total slips leased and total nights slips leased. Provide a list of marinas and contact persons for those marinas participating in the survey.

Optional Submission:

The Blue Water Area Chamber of Commerce is seeking an optional, and therefore submitted as a separate proposal, report indicating what the potential economic impact may be of the expected increased traffic and movement of goods resulting from proposed improvements to the border crossing. This proposal should address what types of increases in existing economic investment may occur as well as what new or currently

non-existent economic investments and business ventures are likely to occur once these infrastructure improvements are complete.

Information on the proposed border crossing infrastructure investments can be found at http://www.michigan.gov/mdot/0,1607,7-151-9621_11058_22978---,00.html

The basis for this expected outlook, as well as methodology used to develop these findings should be fully documented.

PROJECT CONTACTS:

Ms. Vickie Ledsworth, Director
Blue Water Area Chamber of Commerce
512 McMorran Boulevard
Port Huron, MI 48060
810 985 7101 or 1 800 361 0526 (toll free)
vledsworth@bluewaterchamber.com

or,

Mr. Bill Kauffman, Director
St. Clair County Metropolitan Planning Commission
200 Grand River Blvd., Suite 202
Port Huron, MI 48060
810 989 6950
bkauffman@stclaircounty.org

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