

Albemarle Corporation
Summary Estimates
(All monetary estimates in 2006 dollars)

TOTAL JOBS RETAINED & CREATED (as of 2017)	404
Direct	139
Spin-off (includes Indirect Jobs)	265
NET POSITIVE STATE REVENUE IMPACT	\$18,397,000
Revenue Foregone	\$4,114,000
Revenue Gain	\$22,511,000
Personal Income Generated Over Life of MEGA Agreement	\$292,326,000
Statewide employment multiplier (average, 2012–17)	3.11
Average Weekly Wage of Direct Jobs (as reported by the company at time of application)	\$1,221

Albemarle Corporation
Economic and Fiscal Effects on Michigan - Net Benefits with the Incentive Package

Economic/Fiscal Indicator	2007	2008	2009	2010	2015	2016	2017	Total
Direct Jobs Created & Retained	139	139	139	139	139	139	139	3.11
Employment Multiplier								
Personal Income & Revenue Impact								
<i>Thousands of Current Dollars</i>								
Total Employment Impact	\$20,900	\$23,900	\$26,218	\$28,073	\$35,092	\$36,497	\$35,214	\$332,858
Personal Income	1,609	1,840	2,019	2,162	2,703	2,810	2,712	25,632
Gross State Revenue	307	329	357	389	491	516	543	4,689
MEGA Credit Cost	\$1,302	\$1,511	\$1,662	\$1,773	\$2,212	\$2,294	\$2,169	\$20,943
State Revenue Net of MEGA Cost*								
Thousands of 2006 Dollars (Inflation Adjusted)								
Total Employment Impact	\$20,466	\$22,925	\$24,636	\$25,850	\$29,250	\$29,823	\$28,210	\$292,326
Personal Income	1,575	1,765	1,897	1,991	2,253	2,296	2,172	22,511
Gross State Revenue	301	316	335	358	410	422	435	4,114
MEGA Credit Cost	\$1,274	\$1,449	\$1,562	\$1,633	\$1,843	\$1,874	\$1,737	\$18,397
State Revenue Net of MEGA Cost*								

* 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.

REMI Terms and Definitions

Benefits estimated by the model: the total number of jobs retained and 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 retained and created at the project facility itself, as estimated at the end of the incentive period.

Employment multiplier: the total number of jobs retained and 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) retained and created on average over the incentive period when the facility is at full operations. The denominator of the employment multiplier represents the direct jobs retained and 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 retained and 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.