

From: Brian Chambers
To: Taylor, Christopher (Mayor); Dohoney Jr., Milton; City Council; Giant, Joseph; Metwalli, Jena
Cc: Planning; Delacourt, Derek; Manor, Courtney; Higgins, Sara; Gomer, Johnathan; Walton, Mariah; Lenart, Brett; Hall, Jennifer (Housing Commission); Stults, Missy
Subject: Re: Economic Development, Housing, and Site Readiness: Observations from Recent Employment and Economic Trend Analyses
Date: Saturday, June 6, 2026 2:28:24 PM
Attachments: [image.png](#)
[Ann Arbor Investment Signals - 06-06-26.pdf](#)

Mayor Taylor and City Administrator Dohoney,

I'm also attaching for your review, a statement on 'investment signals' from recent start-ups, as well as hotels opening within the City, and the implications for a conference center, given U-M's recent purchase of the Concordia property.

This more or less complete the economic development assessment framework, as the Strategic Investment Development Committee of the A2 EDC is review the Office of Economic Development's site selection strategy for economic development investments by the City.

Brian

On Sat, Jun 6, 2026 at 11:26 AM Brian Chambers wrote:

Mayor Taylor, City Councilmembers, City Administration, and Office of Economic Development Team, (Please forward to the Planning Commission)

Over the past several months, I have been reviewing employment, occupational, housing, economic development, and Comprehensive Plan data to better understand the long-term forces shaping Ann Arbor and Washtenaw County.

Attached are several short analyses that synthesize findings from the RSQE Washtenaw County Economic Outlook, Bureau of Labor Statistics employment data, Ann Arbor SPARK information, housing market trends, and the recently adopted Comprehensive Plan.

My intent is not to advocate for any particular project or policy outcome. Rather, it is to highlight what appears to be a consistent theme across multiple data sources: *Ann Arbor remains one of Michigan's strongest and most resilient economies, yet faces growing challenges related to housing affordability, workforce retention, site readiness, and the ability to fully capture private-sector innovation activity emerging from our research and healthcare institutions.*

What struck me most is how closely the findings align with initiatives already underway through the Comprehensive Plan, the Office of Economic Development, SPARK, A2EDC, SIDC, the Affordable Housing Millage, Housing Commission investments, transportation planning, and related city efforts. While reasonable people will continue to disagree about specific implementation choices, the broader direction appears supported by the economic and employment evidence.

The analyses suggest that housing, economic development, mobility, workforce development, placemaking, and infrastructure are increasingly interconnected. Success in one area may depend upon progress in the others.

I am sharing these observations simply as a contribution to the ongoing discussion about Ann Arbor's future and the Comp Plan implementation challenges and opportunities that lie ahead. I hope the material may be useful as the City continues its work to improve affordability, expand opportunity, strengthen economic resilience, and maintain the qualities that make Ann Arbor an exceptional place to live, work, study, and start a business.

Please see these attachments:

Priority	Report	Why Include It
Primary	Ann Arbor's Next Growth Challenge: Housing, Economic Development, and the Complete Knowledge Economy	This is an executive-level document. It integrates housing, economic development, mobility, site readiness, and the Comp Plan into a single framework. It is balanced, policy-oriented, and directly relevant to City responsibilities.
Supporting Analysis	Ann Arbor 5-Year Detailed Occupation Trends and Economic Development Implications	This provides the strongest evidence base. The 5-year horizon is highly relevant to current Council, OED, and election discussions because it captures post-pandemic restructuring and current labor-market conditions.
Background Appendix	Washtenaw's Economic Resilience and Ann Arbor's Next Growth Challenge: Housing, Site Readiness, and the Complete Knowledge Economy	This connects the RSQE forecast to housing and site readiness and explains why growth constraints matter even in a strong economy.

Thank you for your continued public service and consideration.

Brian Chambers, Ph.D.
 Ann Arbor Resident, Third Ward
 Board Member, Ann Arbor Economic Development Corporation (A2EDC)
 Board Member, Equitable Ann Arbor Land Trust (EA2)

Ann Arbor's Next Growth Challenge:

Housing, Economic Development, and the Complete Knowledge Economy

A Discussion Paper for the 2026 Ann Arbor Election Cycle

Executive Summary

Ann Arbor and Washtenaw County remain among the strongest regional economies in Michigan. The University of Michigan, Michigan Medicine, a highly educated workforce, and a robust research ecosystem continue to provide economic stability and resilience.

The challenge facing Ann Arbor is not economic decline.

The challenge is whether the community is creating sufficient housing, infrastructure, employment sites, and economic development capacity to fully capture and retain the opportunities emerging from that success.

Three separate analyses point to the same conclusion.

- 1) The University of Michigan Research Seminar in Quantitative Economics (RSQE) forecast projects continued economic growth through 2028, but at a relatively low level. Most projected growth remains concentrated in government, healthcare, and university-related sectors.
- 2) A five-year detailed occupation analysis shows that several private-sector knowledge economy occupations, including software development, mechanical engineering, chemistry, and management consulting, have been flat or declining locally while healthcare and educational occupations continue to expand.
- 3) A ten-year occupation analysis suggests these trends predate COVID and represent longer-term structural changes in the regional economy.

Taken together, these findings suggest Ann Arbor has successfully built a world-class institutional knowledge economy, but has not consistently captured the full range of private-sector employment that typically develops around a major research university.

The implication is straightforward: housing, economic development, transportation, workforce development, placemaking, and land-use planning should be viewed as *interconnected* components of a single strategy.

The question for voters is not whether Ann Arbor should grow. The economic evidence suggests growth pressures will continue. The question is whether that growth will be shaped intentionally in ways that expand opportunity, strengthen affordability, increase economic resilience, and preserve the qualities that make Ann Arbor attractive.

Preface: Why Economic Development Matters in This Election

The employment and occupational data used in this report is based on the U.S. Bureau of Labor Statistics definition of the Ann Arbor Metropolitan Statistical Area (MSA), which is coextensive with Washtenaw County. This includes the City of Ann Arbor, Ypsilanti, and surrounding communities that function as a single, integrated labor market.

This regional scope is intentional and appropriate. Labor markets do not operate within municipal boundaries. Employers make location decisions based on access to talent across the region, while workers commute across jurisdictions in response to housing availability and cost.

Washtenaw County-level data provides an accurate view of the functional economy that Ann Arbor anchors, capturing employment, wage, and occupational patterns that drive business location decisions.

Economic development is sometimes discussed separately from housing, transportation, climate goals, or quality of life. In practice, they are closely connected.

Housing affordability affects employer recruitment. Transportation affects access to jobs. Land-use policy affects where businesses can locate and expand. Commercial tax base growth affects public services and infrastructure.

The decisions made during Comprehensive Plan implementation, zoning modernization, housing production, mobility investments, and site readiness initiatives will influence Ann Arbor's economic trajectory for decades.

For that reason, economic development deserves a central place in the public conversation during this election cycle.

Finding 1: What the Research Seminar in Quantitative Economics Forecast Says

Indicator	2025	2026 Forecast	2027 Forecast	2028 Forecast	Implication
Payroll Employment Growth	+0.6%	+0.2%	+0.5%	+0.4%	Continued growth, but slower than pre-pandemic trends
Unemployment Rate	4.5%	4.3%	4.2%	4.1%	Labor market remains relatively strong
Real Wage Growth	Positive	+0.7%	+0.7%	+0.7%	Wages continue rising, but modestly
GDP Composition	~70% Higher Education, Healthcare & Government	Stable	Stable	Stable	Institutional sectors remain dominant

Interpretation

The U-M Research Seminar in Quantitative Economics (RSQE), forecast does not describe a community facing economic decline. It describes a community facing capacity constraints. Washtenaw County remains resilient, but future growth is expected to be modest and increasingly dependent upon institutional anchors.

Finding 2: Five-Year Detailed Occupation Trends (2019-2024)

Detailed Occupation	2019-2024 Change	Trend Category	Economic Development Significance
Medical Scientists	+89%	Growing	Strong indicator of life sciences and clinical research potential
Postsecondary Teaching Assistants	+47%	Growing	Reflects continued expansion of university-linked employment
Registered Nurses	+29%	Growing	Healthcare remains the region's strongest employment engine
Educational Occupations (overall)	+18%	Growing	Reinforces importance of higher education and talent development
Home Health & Personal Care Aides	+4%	Stable/Growing	Aging population supports continued demand
Electrical Engineers	+3%	Stable	Important for mobility, robotics, electrification, and advanced manufacturing
Clinical Laboratory Occupations	~0%	Stable	Critical bridge between healthcare and life sciences sectors
Logistics & Distribution Occupations	~0%	Stable	Supports regional supply chains and institutional operations
Operations Managers	-3%	Stable	Large occupation base remains important to business retention and growth
Retail Sales Occupations	-9%	Declining	Reflects structural retail transformation and e-commerce trends
Mechanical Engineers	-13%	Declining	Potential warning sign for mobility, product development, and applied R&D
Management Analysts	-13%	Declining	Suggests slower growth in private-sector consulting and business services
Restaurant Occupations	-21%	Declining	Workforce affordability and labor availability challenges
Software Developers	-25%	Declining	Indicates potential leakage of private-sector innovation employment
Fast Food Workers	-32%	Declining	Reflects automation, labor shortages, and affordability pressures
Chemists	-43%	Declining	Suggests under-capture of chemistry-based research and commercialization activity

Interpretation

Healthcare and education occupations account for most of the strongest employment growth. At the same time, several private-sector innovation occupations are stable or declining. This suggests Ann Arbor may be producing more talent and research than it is consistently retaining locally.

Finding 3: What the Employment Data Suggests

Observation	Evidence
Institutional employment remains strong	Healthcare and education occupations continue to grow
Private-sector innovation growth is mixed	Software, engineering, chemistry, and consulting occupations are flat or declining
Housing increasingly affects workforce availability	Healthcare support and service occupations face affordability pressures
Ann Arbor remains attractive	Wage levels remain above state averages
Future growth depends on capacity	Growth is constrained more by housing, sites, and infrastructure than by demand

Interpretation

The strongest economic development opportunities are not about creating demand. Demand already exists. The challenge is creating sufficient housing, employment sites, infrastructure, and workforce capacity to support future growth.

Finding 4: Economic Development Questions for the Community

Strategic Question	Why It Matters
Can Ann Arbor retain more U-M generated innovation jobs?	Supports private-sector growth and tax base expansion
Are there enough development-ready employment sites?	Needed for scaling firms and commercialization activity
Is workforce housing available near employment centers?	Supports recruitment and retention
Can middle-wage employment remain in the city?	Supports economic diversity and resilience
Can the tax base grow with employment growth?	Supports public services and infrastructure investment

Interpretation

These questions connect many of the issues residents already discuss, including housing affordability, transportation, sustainability, downtown vitality, workforce access, and fiscal stability.

Finding 5: Site Selection Priorities by Comprehensive Plan Geography

Area	Primary Opportunity	Occupations Supported
Downtown	Mixed-use innovation districts	Software, data, professional services, entrepreneurship
Hub Districts	Employment + housing integration	Knowledge workers, startups, neighborhood services
North Campus Area	R&D, life sciences, mobility, robotics	Engineers, scientists, researchers
Commercial / Light Industrial Areas	Flex-tech, repair, logistics, prototyping	Skilled trades, technicians, support occupations
Residential Areas	Workforce housing	Nurses, teachers, technicians, service workers

Interpretation

Economic development is not only about attracting firms. It is also about ensuring the city has the right mix of places for people to live, work, innovate, and build careers.

Finding 6: The Central Election Question

Not the Question	The Question
Should Ann Arbor grow?	How should Ann Arbor shape growth?
Housing vs. Economic Development	How can housing and economic development reinforce each other?
Development vs. Neighborhoods	How can growth strengthen quality of life and affordability?
Public Sector vs. Private Sector	How can both contribute to a more complete knowledge economy?

Interpretation

Reasonable people will disagree about specific developments, zoning changes, or public investments. However, the broader challenge is how Ann Arbor can align housing, economic development, transportation, workforce development, and placemaking to support long-term prosperity.

Conclusion

The combined employment and economic outlook analyses point to a common conclusion.

Ann Arbor's challenge is not whether it can continue to grow. The evidence strongly suggests that it will.

The challenge is whether growth will be sufficiently balanced to support a broad range of residents, workers, entrepreneurs, employers, and future generations.

The data suggests Ann Arbor has successfully built a strong institutional knowledge economy anchored by higher education, healthcare, and research. The next phase is ensuring that this foundation translates into broader private-sector innovation, workforce opportunity, housing accessibility, and economic resilience.

Reasonable people may disagree about the best policy tools to achieve these goals. However, the broader discussion deserves a central place in the 2026 election.

How will Ann Arbor ensure that housing, economic development, transportation, workforce development, and placemaking work together to support a complete and inclusive knowledge economy? That may be one of the most important questions facing the city over the next decade.

End Notes and Data Sources

1. University of Michigan Research Seminar in Quantitative Economics (RSQE), Washtenaw County Economic Outlook, April 2026

Primary source for employment growth forecasts, wage forecasts, unemployment projections, and sector outlooks. <https://lsa.umich.edu/econ/rsqe>

Direct report: https://lsa.umich.edu/content/dam/econ-assets/Econdocs/RSQE%20PDFs/RSQE_Washtenaw_Forecast_April2026.pdf

2. U.S. Bureau of Labor Statistics (BLS), Occupational Employment and Wage Statistics (OEWS), Ann Arbor Metropolitan Statistical Area

Primary source for detailed occupation employment and wage estimates used throughout this analysis. <https://www.bls.gov/oes/>

Ann Arbor MSA Occupational Employment and Wage Statistics:

https://www.bls.gov/regions/midwest/news-release/occupationalemploymentandwages_annarbor.htm

3. U.S. Bureau of Labor Statistics, Ann Arbor Metropolitan Area Occupational Employment and Wage Estimates (May 2024)

Detailed occupation-level employment and wage estimates.

https://www.bls.gov/oes/current/oes_11460.htm

4. U.S. Bureau of Labor Statistics, Ann Arbor Metropolitan Area Occupational Employment and Wage Estimates (May 2019)

Historical baseline used for the five-year occupation trend analysis.

https://www.bls.gov/oes/2019/may/oes_11460.htm

5. U.S. Bureau of Labor Statistics, Economy at a Glance – Ann Arbor MSA

Source for payroll employment, unemployment, labor force, and sector employment trends.

https://www.bls.gov/eag/eag.mi_annarbor_msa.htm

6. Michigan Center for Data and Analytics (MCDA) and Michigan Labor Market Information (MILMI)

State labor market and occupational trend data used to validate regional employment patterns.

<https://www.michigan.gov/mcda/labor-market-information>

<https://www.michigan.gov/mcda>

7. Ann Arbor SPARK

Regional economic development organization. Source for economic development, business attraction, startup ecosystem, site selection, and regional competitiveness information.

<https://annarborusa.org>

Economic Forecast Program:

https://annarborusa.org/news/economic_forecast_2026/

8. Brookings Institution – Research Universities and Regional Economic Development

Research on university-driven economic development, innovation districts, and commercialization ecosystems.

<https://www.brookings.edu/articles/how-research-universities-are-evolving-to-strengthen-regional-economies/>

<https://www.brookings.edu/articles/institutionalizing-inclusive-growth-rewiring-systems-to-rebuild-local-economies/>

9. Richard Florida, Michigan's Great Inflection: A Strategy for the Age of Technology and Talent

Framework for understanding talent-driven economic development and innovation economies.

https://michauto.org/wp-content/uploads/2023/05/Richard-Florida-Report_Full-Report.pdf

10. City of Ann Arbor Office of Economic Development

Background materials regarding economic development strategy, site readiness, business retention, and implementation of economic development initiatives.

<https://www.a2gov.org/economic-development/>

11. Ann Arbor Comprehensive Land Use Plan (2025)

Primary planning framework referenced for Hub Areas, Transit Corridors, housing, employment centers, placemaking, and land-use strategy.

<https://www.a2gov.org/planning/comprehensive-plan/>

Methodology Note

Unless otherwise noted, employment and occupational data in this report are derived from the **Ann Arbor Metropolitan Statistical Area (MSA)** as defined by the U.S. Bureau of Labor Statistics.

The Ann Arbor MSA is geographically equivalent to **Washtenaw County** and represents the functional labor market anchored by the City of Ann Arbor.

This geography is the most appropriate scale for evaluating workforce trends, employer location decisions, housing-market impacts, and long-term economic development strategy because labor markets operate regionally rather than within municipal boundaries.

Washtenaw's Economic Resilience and Ann Arbor's Next Growth Challenge: Housing, Site Readiness, and the Complete Knowledge Economy

The April 2026 RSQE Washtenaw County forecast provides an important and generally encouraging assessment of the region's economic resilience. Despite federal research funding uncertainty, elevated interest rates, and broader national volatility, the forecast concludes that Washtenaw County remains comparatively stable because of its highly educated workforce, institutional anchors, and concentration in knowledge-based industries. That stability is real and should not be understated.

At the same time, when viewed alongside the Comprehensive Plan, the Washtenaw County Housing Study, and recent occupational trend analyses prepared for A2EDC/SIDC, the forecast also points to a more structural challenge facing the region.

The issue is not whether Ann Arbor and Washtenaw County will continue to grow. The issue is whether the region is building the housing, infrastructure, and site capacity necessary to fully capture and retain the next generation of private-sector innovation and workforce growth emerging from the University of Michigan ecosystem.

The RSQE forecast is therefore best understood not as a warning of economic decline, but as a ***warning about constrained economic capacity***.

RSQE projects only modest payroll employment growth over the next three years, including 0.2% growth in 2026, 0.5% in 2027, and 0.4% in 2028, with employment only modestly exceeding pre-pandemic levels by the end of the forecast period.

At the same time, the report notes that roughly 70% of Washtenaw County GDP is tied to private higher education services and government activity, with much of the projected employment growth concentrated in education, healthcare, and related institutional sectors.

For A2EDC and the Strategic Investment Development Committee, this should not be interpreted negatively. These institutional sectors are major strengths and provide stability that many regions would welcome. However, the broader implication is that Washtenaw County remains heavily dependent on anchor institutions and *has not yet fully diversified its private-sector innovation economy at the scale seen in peer university regions* such as Austin, Boulder, Cambridge, or the Research Triangle.

The detailed occupation analysis prepared for SIDC reinforces this conclusion. Over the past decade, growth has concentrated in healthcare, education, and management occupations, while several engineering, scientific, computing, and technical occupations have grown more slowly or declined locally. This suggests that Ann Arbor continues to generate extraordinary research capacity and talent, but is not consistently retaining the full range of private-sector employment that normally scales around a world-class research university ecosystem.

Housing emerges as one of the most important constraints in this transition.

The Washtenaw County Housing Study makes clear that the traditional housing ladder has become increasingly inaccessible for many working households. By the mid-2020s, even households earning approximately \$100,000 annually often struggled to access ownership opportunities, while reliable entry into homeownership increasingly required household incomes approaching \$150,000.

This has direct economic development implications. Employers evaluating Ann Arbor increasingly compete not only on talent access, but also on workforce affordability, commuting burdens, and quality-of-life considerations for employees across income levels.

The Comprehensive Plan similarly identifies the relationship between housing, commuting, transportation, infrastructure, and economic competitiveness. The city currently supports approximately 94,000 jobs, while tens of thousands of workers commute into Ann Arbor daily because housing supply and affordability constraints limit the ability to live near employment centers. The plan correctly recognizes that continued employment growth without corresponding housing growth will place increasing pressure on transportation systems, infrastructure, affordability, and regional sustainability goals.

From an economic development standpoint, this means housing should increasingly be viewed as economic infrastructure.

For SIDC and the Office of Economic Development, the implication is that future competitiveness depends on integrating several strategies simultaneously:

- Expansion of mixed-use innovation and employment districts
- Greater housing production across multiple price points and housing types
- Workforce housing near transit and employment corridors
- Site readiness for research, flex-tech, and innovation-oriented employers
- Infrastructure investments that support long-term growth capacity
- Stronger alignment between University growth, city land use, and regional economic strategy

The core issue is not whether Ann Arbor should grow. The economic evidence strongly suggests growth pressures will continue because of the city's role within the knowledge economy. The question is whether the city and region will proactively shape that growth in ways that allow more residents, workers, entrepreneurs, and employers to participate in the opportunity being created.

The RSQE forecast ultimately tells us that Washtenaw County remains resilient. The broader body of evidence suggests resilience alone is no longer sufficient.

The next phase of economic development will require moving from institutional stability toward a more complete and integrated knowledge economy system, where research, commercialization, housing, workforce access, mobility, and place-making reinforce one another over the long term.

Ann Arbor 5-Year Detailed Occupation Trends and Economic Development Implications

Submitted to the A2EDC for Site Selection Profiling

Executive Summary

A 5-year employment trend analysis is the most useful frame for Ann Arbor's current economic development discussion because it focuses on the economy residents, employers, and policymakers are experiencing now. The 10-year view remains valuable for context, but the 2019 to 2024 period better captures the post-COVID restructuring of work, the acceleration of housing affordability pressures, the persistence of hybrid work, and the urgent need for a more intentional site readiness strategy.

The main finding is straightforward: Ann Arbor's regional economy remains strong, but its strengths are uneven. Healthcare, education, and institutional employment continue to grow or remain dominant. At the same time, several private-sector knowledge economy occupations, including software development, mechanical engineering, business consulting, and chemistry, have weakened or failed to scale at the pace Ann Arbor's innovation identity would suggest.

This does not mean Ann Arbor is failing. It means Ann Arbor has reached a strategic inflection point. The region has extraordinary assets: the University of Michigan, Michigan Medicine, SPARK, a highly educated workforce, strong entrepreneurial capacity, and an increasingly active Office of Economic Development. But the occupation-level data suggests the city is not yet consistently capturing the full range of private-sector jobs that should grow around those assets.

At the Detailed Occupation Level, the 5-year picture shows three broad patterns. Growing occupations are concentrated in healthcare, education, selected science roles, and some care-related work. Flat or mixed occupations include management, electrical engineering, support services, and some logistics roles. Declining occupations include software development, mechanical engineering, chemistry, restaurant and retail work, some administrative and consulting roles, and selected middle-wage production and service occupations.

This makes economic development central to Ann Arbor's 2026 policy agenda. The issue is not whether Ann Arbor is prosperous. It is whether Ann Arbor can convert its prosperity into a complete local economy that includes private-sector innovation jobs, middle-wage technical jobs, workforce housing, and taxable employment growth.

The policy implication is clear. Ann Arbor should prioritize economic development as a core city function, not as a secondary activity. OED, A2EDC, SPARK, the DDA, the University of Michigan, Michigan Medicine, and Washtenaw County should be aligned around a practical strategy: prepare sites, retain firms, support scale-up companies, protect middle-wage employment locations, and build housing near transit and job centers.

From a site selection standpoint, this points to four priorities. **First**, Ann Arbor needs R&D, lab, and flex sites near North Campus, mobility corridors, and research assets. **Second**, downtown and Hub areas should support high-quality mixed-use employment districts, not only residential growth. **Third**, light industrial and commercial transition areas should be preserved for middle-wage technical, repair, logistics, prototyping, and support roles. **Fourth**, housing policy should be treated as workforce

infrastructure because the city cannot retain nurses, technicians, teachers, service workers, and early-career knowledge workers without attainable housing.

The 5-year data makes the case for urgency. The city is not starting from weakness. It is starting from strength, but that strength needs a more complete land use and site readiness strategy to become broadly shared and durable.

Preface: Use of Regional Employment Data

The employment and occupational data used in this analysis is based on the U.S. Bureau of Labor Statistics definition of the Ann Arbor Metropolitan Statistical Area, which is coextensive with Washtenaw County. This includes the City of Ann Arbor, Ypsilanti, and surrounding communities that function as a single labor market.

This regional scope is appropriate for Ann Arbor economic development planning because employers do not evaluate sites based only on municipal boundaries. They evaluate access to talent, housing, transportation, institutional anchors, business services, and quality of place across the region. Ann Arbor is the region's primary employment and innovation center, while many workers live outside the city because of housing costs and supply constraints.

For that reason, Washtenaw County-level employment data is not a limitation. It is the correct labor-market geography for understanding the economy Ann Arbor anchors. The question for A2EDC and OED is how to use Ann Arbor sites to capture more of the regional economy's long-term value.

Why the 5-Year Trend Is Relevant Now

A 10-year trend is useful for showing structural change. The 5-year trend is more useful for action. It shows what has happened since the last pre-COVID labor market baseline and helps clarify what has changed in the economy that current city leaders must address.

The 2019 to 2024 period includes several forces that directly affect economic development strategy: hybrid work, institutional growth, rising construction and financing costs, housing affordability pressures, changes in retail and food service employment, and renewed competition among university cities for talent and private-sector investment.

A 5-year trend also makes the issue more relevant to the 2026 City Council and Mayoral election. Voters are not only debating housing or zoning in the abstract. They are debating whether Ann Arbor can remain an inclusive, economically dynamic city where research, employment, housing, and public investment reinforce each other.

1. Five-Year Detailed Occupation Trends

The following tables use BLS Occupational Employment and Wage Statistics for the Ann Arbor MSA. Employment estimates are rounded. Some occupational definitions changed between 2019 and 2024, so the most reliable use is directional: growth, flat, or decline.

A. High-Wage Knowledge Economy Occupations

Detailed Occupation Level

Occupation	2019 Employment	2024 Employment	5-Year Change	Trend	Economic Development Implication
Software Developers and Related Software QA / Test Roles	3,280	2,450	-25%	Decline	Ann Arbor is not fully capturing private-sector software scale-up jobs.
General and Operations Managers	3,250	3,150	-3%	Flat	Organizational leadership remains large, but not growing meaningfully.
Mechanical Engineers	2,460	2,140	-13%	Decline	A warning sign for mobility, product development, robotics, and applied R&D.
Management Analysts	1,020	890	-13%	Decline	Professional services and consulting capacity may not be scaling locally.
Electrical Engineers	590	610	+3%	Flat	Stable but not scaling; relevant to EVs, sensors, semiconductors, and hardware systems.
Chemists	460	260	-43%	Decline	Suggests weakness in chemistry-based private research or lab employment.
Medical Scientists	450	850	+89%	Growth	Strong signal for life sciences, clinical research, and med-tech potential.
Data Scientists / Statistical Data Roles	~170 comparable statistical roles	280	Directional growth, small base	Growth	AI/data roles are promising but still small relative to Ann Arbor's talent base.

The most important finding is the divergence inside the knowledge economy. Medical science has grown, but software, mechanical engineering, chemistry, and management analysis have declined. That is not consistent with a fully functioning innovation district economy. It suggests Ann Arbor has talent and research, but not enough prepared sites, scale-up space, lab capacity, or private-sector retention capacity to capture all the jobs that should be growing around those assets.

B. Healthcare and Anchor Economy Occupations

Detailed Occupation Level

Occupation	2019 Employment	2024 Employment	5-Year Change	Trend	Economic Development Implication
Registered Nurses	9,340	12,030	+29%	Strong growth	Healthcare is the dominant employment growth engine.
Nursing Assistants	3,410	3,120	-9%	Decline	Support roles are wage- and housing-constrained.

Home Health and Personal Care Aides	3,320	3,460	+4%	Flat / modest growth	Essential care roles need workforce housing and transit access.
Medical Assistants	1,800	Not consistently reported in same format	Directionally stable to mixed	Stable / mixed	Important to clinic expansion and healthcare access.
Clinical Laboratory Technologists and Technicians	1,000	Not consistently reported in same format	Directionally stable	Stable	Important middle-wage link between healthcare and life sciences.

Healthcare growth is the clearest employment strength in the 5-year data. Registered nurses increased by nearly 30 percent, reinforcing the importance of Michigan Medicine and the broader clinical economy. However, the decline in nursing assistants and the constrained growth of care-support roles show why economic development cannot focus only on high-wage jobs. Healthcare growth requires a full workforce system, including housing, transit, childcare, and career ladders.

C. Education and Institutional Knowledge Economy Occupations

Detailed Occupation Level

Occupation	2019 Employment	2024 Employment	5-Year Change	Trend	Economic Development Implication
Educational Instruction and Library Occupations, Total	25,000	29,510	+18%	Growth	Education remains Ann Arbor’s most distinctive employment concentration.
Teaching Assistants, Postsecondary	8,780	12,930	+47%	Strong growth	U-M-linked employment remains a defining feature of the regional labor market.
Registered Nurses and Clinical Education-Linked Roles	See healthcare table	See healthcare table	Strong growth	Growth	Education and healthcare are increasingly intertwined through Michigan Medicine.

The education and institutional knowledge economy remains Ann Arbor’s foundation. This is an asset, not a problem. The risk is that institutional growth alone can increase housing demand without generating enough taxable private-sector employment. The opportunity is to convert more university-linked research, talent, and clinical activity into private-sector firms that remain in Ann Arbor.

D. Middle-Wage Technical, Production, and Support Occupations

Detailed Occupation Level

Occupation	2019 Employment	2024 Employment	5-Year Change	Trend	Economic Development Implication
Stockers and Order Fillers	2,460	2,480	+1%	Flat	Supports local retail, logistics, institutional operations, and supply chains.

Maintenance and Repair Workers, General	2,150	Not consistently reported in top 2024 table	Directionally stable	Stable	Essential to buildings, infrastructure, and clean energy retrofits.
Laborers and Freight, Stock, and Material Movers	2,050	~1,400 to 2,000 range depending classification	Mixed	Mixed	Logistics and support roles remain needed but land-constrained.
Machinists	650	Not consistently reported in top 2024 table	Directionally declining	Decline / mixed	Important to prototyping and advanced manufacturing capacity.
Office Clerks, General	Not isolated in prior report table	5,520	Directionally large but changing	Mixed / transition	Admin work remains large but is exposed to automation and restructuring.

Middle-wage employment should be treated as an economic development priority. These roles do not always appear in innovation narratives, but they make the economy work. If Ann Arbor loses service yards, repair locations, flexible industrial buildings, contractor spaces, and lower-cost commercial areas, it will weaken the employment system that supports healthcare, research, housing production, public infrastructure, and local services.

E. Service and Place-Based Occupations

Detailed Occupation Level

Occupation	2019 Employment	2024 Employment	5-Year Change	Trend	Economic Development Implication
Fast Food and Counter Workers	8,050	5,450	-32%	Decline	Service labor remains essential but constrained by wages, housing, and post-COVID restructuring.
Retail Salespersons	4,690	4,280	-9%	Decline	Retail is not a growth engine but remains central to placemaking.
Waiters and Waitresses	3,500	2,750	-21%	Decline	Downtown and corridor vitality require a stable service workforce.
Cashiers	2,860	3,410	+19%	Growth	Reflects ongoing local service demand, though wages remain constrained.
Cooks, Restaurant	1,070	Not consistently reported in top 2024 table	Directionally mixed	Mixed	Restaurants need workforce stability and attainable commuting patterns.

Service-sector change is not just a labor market issue. It is a place-making issue. Ann Arbor’s downtown, corridors, cultural life, restaurants, retail, hotels, and events depend on workers who often cannot afford to live near their jobs. A complete economic development strategy must therefore connect place-making with workforce housing.

2. Interpretation: The 5-Year Pattern

The 5-year trend shows Ann Arbor moving into a new phase. The city is no longer simply recovering from COVID. It is now managing the consequences of being a high-demand, high-skill, institutionally anchored knowledge economy.

The most positive finding is that Ann Arbor's healthcare, education, and research foundation remains strong. Registered nurses, medical scientists, and postsecondary teaching support roles show substantial growth. This confirms that the University of Michigan and Michigan Medicine remain the region's core economic engines.

The most concerning finding is that several private-sector innovation occupations are not growing as expected. Software development, mechanical engineering, chemistry, and management analysis declined over the same period. This suggests the region may be producing talent without fully retaining the firms, sites, and private-sector employment pathways needed to keep that talent local.

The third finding is that middle-wage and service roles remain essential but vulnerable. They are exposed to automation, wage pressure, housing costs, and displacement of lower-cost commercial space. If these roles are not supported, Ann Arbor's high-wage economy will become increasingly dependent on long-distance commuting, which weakens equity, sustainability, and business resilience.

3. Site Selection Priorities by Comprehensive Plan Area

Downtown and Core Mixed-Use Areas

Downtown should remain the primary location for software, data, professional services, management, entrepreneurship, creative industries, hospitality, and high-density mixed-use employment. The city should support more housing downtown, but not treat every commercial opportunity as a residential-only conversion. The goal should be a balanced downtown that combines housing, employment, transit, civic life, and place-making.

Site priorities should include modern office reuse, startup and scale-up space, university-adjacent innovation space, and mixed-use redevelopment around transit. A2EDC should evaluate downtown sites based on whether they can support employment density, taxable value, and workforce access.

Hub and Transit Corridor Areas

Hub and corridor areas should become complete employment districts, not only housing growth areas. These locations are appropriate for tech office, professional services, applied AI, digital health, neighborhood-serving commercial activity, and housing for workers across income levels.

Zoning implementation should allow mixed-use buildings with flexible employment space on lower floors, housing above, reduced parking dependence, and strong pedestrian and transit connections. A2EDC should prioritize sites where public action can unlock both housing and employment.

North Campus and Research-Adjacent Areas

North Campus and nearby corridors are the most important locations for R&D, engineering, mobility, robotics, life sciences, clean tech, med-tech, and advanced research commercialization. The decline in

mechanical engineering and software employment, combined with the growth in medical scientists, makes this area especially important.

Site priorities should include lab-ready buildings, flex R&D space, prototyping facilities, wet lab capacity, mobility and robotics facilities, and mixed-use housing nearby. This is where Ann Arbor can best convert U-M research strength into private-sector job capture.

Commercial and Light Industrial Areas

Commercial and light industrial areas should be treated as strategic economic assets. They support middle-wage work, trades, repair, logistics, small manufacturers, contractors, clean energy installation, and prototyping. These areas may not produce the highest immediate land value, but they are essential to the full employment system.

A2EDC should consider acquisition, land banking, or partnership models where these sites are at risk of being lost to uses that do not preserve employment capacity. The city should avoid accidentally displacing the very occupations needed to build housing, maintain infrastructure, and support institutional growth.

Residential and Neighborhood Areas

Housing is workforce infrastructure. The 5-year occupation data reinforces the need for housing policy to support nurses, teachers, technicians, service workers, public employees, early-career researchers, and startup workers.

Low-rise residential reform, missing middle housing, ADUs, land trusts, land-lease models, and transit-oriented housing should be understood as economic development tools. The goal is not simply more units. The goal is a labor market that can support the full range of workers Ann Arbor's economy depends on.

4. Recommended Economic Development Priorities

Ann Arbor should make economic development a core implementation priority for the Comprehensive Plan. This should include a stronger site readiness program, a targeted land acquisition strategy, and a clear framework for evaluating economic development sites based on jobs, wages, tax base, transit access, housing alignment, and community benefit.

The first priority should be private-sector knowledge job retention. Software, engineering, AI, life sciences, mobility, clean tech, and med-tech firms need prepared sites and predictable approvals. Without that, firms may continue to start in Ann Arbor but scale elsewhere.

The second priority should be healthcare and education anchor alignment. Michigan Medicine and U-M are growing and will continue to shape the labor market. The city should work with these institutions to support workforce housing, clinical innovation, supplier networks, lab space, and transit connectivity.

The third priority should be middle-wage employment preservation. Ann Arbor needs places for repair, logistics, trades, prototyping, healthcare support, food systems, and small-scale production. These uses should not be planned out of the city.

The fourth priority should be workforce housing near transit and job centers. Housing affordability is not separate from economic development. It is one of the main constraints on business retention, workforce stability, and equitable growth.

Conclusion

The 5-year detailed occupation trend analysis makes the economic development case more immediate and more compelling than the 10-year view alone. Ann Arbor's economy is strong, but incomplete. Its institutional knowledge economy is growing, while several private-sector innovation and middle-wage support occupations are not scaling as they should.

That finding supports the direction already underway through OED, A2EDC, SPARK, site readiness work, and Comprehensive Plan implementation. The task now is to make economic development a visible civic priority.

Ann Arbor's opportunity is to build a complete knowledge economy: research, commercialization, private-sector job growth, middle-wage employment, workforce housing, transit access, and place-making working together. That should be central to the city's policy agenda and to the 2026 election conversation.

End Notes

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