

Attractive to industry

Region has benefits that are drawing new industries

By **PATTY RAMUS**
Sun Special Writer

Industries continue to be attracted to locate in Isabella, Clare and Gratiot counties despite the perception that they would be located out in the middle of nowhere.

They have been attracted by lower business costs, the presence of Central Michigan University in the Mt. Pleasant community, and the relatively close location of mid-Michigan to major areas such as Grand Rapids and Detroit, said George Dunn, president of

Middle Michigan Development Corp.

"We're close enough away to get to Detroit in three hours but we're far enough away to not be impacted by their higher costs. That's a big draw," he said.

New industry takes land to develop it.

Different industries have flocked to industrial parks in Clare and Isabella counties. Most of the available space has been used up, Dunn said.

"We do have a shortage and we're in the process of trying to develop some new industrial parks. That's a high-class problem," he said.

Mt. Pleasant Industrial Park South has used 131 acres out of 135 acres, Mt. Pleasant Industrial Park North is full,

Growth in mid-Michigan

About this series of reports: Members of Central Michigan University journalism faculty member Mark Ranzenberger's Public Affairs Reporting class examined issues spurring growth - and holding back growth - in mid-Michigan.

- Sunday: The growth group
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Clare Industrial Park has only one small parcel left, and Farwell Enterprise Park has 52 acres left out of 67 acres.

In Gratiot County, space is still available in the industrial parks. Land has also been set aside to be zoned industrial by local municipalities if the prop-

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Tax break zones a tool

By **PATTY RAMUS**
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Businesses and residents located in Renaissance Zones can save big bucks by being exempt from paying most taxes for a certain period of time.

According to the Greater Gratiot Development Inc. Web site, a Renaissance Zone is a "region created to generate economic growth in selected areas of the state by abating state and local taxes for any business or resident

currently in or moving into one of these regions."

"The tax incentive structure, it's a sweetener. It provides a reason for somebody that may want to look at that location though it may not be in their first line of examination," said Don Schurr, president of Greater Gratiot Development Inc. "Because of the tax-free status it looks at the tax-free incentive that may outweigh some of the other things."

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er project came along, said Don Schurr, president of Greater Gratiot Development Inc.

The Alma Industrial Park, St. Louis Woodside Industrial Centre, Ithaca Industrial Park, and South Ithaca Industrial Park make up the industrial parks located within Gratiot County. The South Ithaca Industrial Park has the most space available, with 97 acres available out of 150 acres.

"Each municipality does it differently. In general it has to be adjacent to an existing industrial area, away from residential and accessible to existing infrastructure," Schurr said of how land is chosen to be set aside. "In Gratiot County we're concentrating on existing industrial areas where old build-

ings have been torn down so that we don't have to go into primary agricultural areas."

Most of the set-aside land in Gratiot County is located within tax-free Renaissance Zones. If all the land set aside is zoned for industrial development, then there shouldn't be a shortage of land, Schurr said.

The Renaissance Zones in Gratiot County are South Ithaca Industrial Park, St. Louis Bethany Renaissance Zone, Emerson North Start Renaissance Zone, Breckenridge Zone, Wheeler Renaissance Zone and North Shade Renaissance Zone.

A total of 85.5 acres out of 1,562 acres has been used between these five Renaissance Zones.

A lot of the space hasn't been used because not all of the land within the zones is zoned for industrial use. All, with the exception of Ithaca Industrial Park, have a mixture of agricultural, commercial and some industrial zoning, Schurr said.

Schurr said companies are not solely attracted to a location based on the tax exemptions offered in the Renaissance Zones.

"Taxes are not the reasons businesses locate. There has to be a market reason," he said. "It's an exclusionary process. They go out and look for reasons not to locate and they whittle it down from there. It has to be high quality, and simply being tax free doesn't look attractive."

Recently a Toyota looked at property at Emerson North Star for an assembly plant. It

chose a property south of Indianapolis, because it felt the labor force was not adequate enough, Schurr said.

Dunn said more industry is needed in these counties to share the tax burden with homeowners, in communities like Mt. Pleasant.

"Places such as the (Central Michigan) University, Mt. Pleasant Center, churches and the hospital don't pay taxes," he said. "There's a good portion of the land that would be taxable, and the tax burden falls on the homeowner."

Dave Rowley, Mt. Pleasant city assessor, estimated about 50 percent of Mt. Pleasant's land is tax exempt.

"It's safe to say because there are more residential properties that they (homeowners) do have a substantial tax burden. That's not to say that the commercial and industrial don't have a burden, because they do," he said.

Gratiot County has been working to diversify its development out of the automobile industry, Schurr said.

"We are working on the manufacturing end as a matter of diversification strategy. We've had a good deal of success of diversifying out of the large automotive suppliers and going into other smaller companies. We continue to plan on doing that," he said.

"More (auto plants) will close. That's why we're working to diversify our manufacturing base. It's a need of the entire state."

Dunn said the companies have greatly diversified.