



There are Great Things Happening in Michigan

June 2008

MICHIGAN GIVES YOU THE UPPER HAND

and the Stanley Cup champions!



Dear Friends,

It's hard to believe anything could top the Red Wings bringing the Stanley Cup back to Detroit this month. Unless it's the welcome decision by General Motors to gear up for smaller-car production at factories in Orion Township, Detroit-Hamtramck and Flint.

Spotlight still on Flint, the city is going into a different kind of production, partnering with Swedish Biogas International to produce alternative energy from wastewater treatment sludge. The resulting fuel can not only power vehicles but generate heat and electricity for residential and business use, and along the way, solidify Michigan's status as an alternative energy R&D hot spot. The project grew out of Governor Granholm's investment mission last August to Sweden, where more than 65 percent of heating needs of all buildings is derived from biomass waste.

Another step forward in alternative energy development is being taken in the Upper Peninsula. There, Renewafuel LLC, a subsidiary of Cleveland-Cliffs (NYSE:CLF), will build a next-generation biomass fuel plant in Marquette to produce high-energy, low-emission biofuel cubes from wood byproducts, corn stalks, grasses and energy crops. Users of biomass fuel from the \$10 million facility will include Marquette Board of Light & Power and Cliffs' two nearby iron ore mines.

That's just the tip of this month's Good News iceberg. In these pages you can read about United Solar Ovonic expanding solar panel manufacturing capacity in Greenville; headquarters dedication for the nation's largest independent electric transmission company in Novi; a new diesel tech center in Troy; a new manufacturing plant in Huron County; growth and relocation of a 21st Century Jobs Fund recipient near Ann Arbor; Israeli and Japanese investment in Michigan, and much, much more.

Enjoy!

James C. Epolito, *President and CEO*
Michigan Economic Development CorporationSM



AWARDS AND ACHIEVEMENTS

MICHIGAN.ORG REGAINS LEAD AS MOST-VISITED STATE TOURISM WEB SITE

With the unofficial kickoff to the summer travel season, Michigan's tourism Web site, michigan.org, is attracting potential travelers to Michigan in record numbers, again becoming the No. 1 state tourism Web site. According to Hitwise, an international company that tracks traffic to major Web sites, michigan.org captured 8.11% of market share, ahead of No. 2 Virginia at 7.66%. The last time michigan.org was in the No. 1 spot was January 2008. Travel Michigan, a division of the Michigan Economic Development CorporationSM (MEDC), is the state's official agency for the promotion of tourism. Visitor spending in the state amounts to \$18.8 billion annually, generating \$1.1 billion in state taxes and accounting for 200,000 jobs statewide.

FIVE MICHIGAN CITIES ON LIST OF 100 BEST PLACES TO LIVE

Brighton, Grand Rapids, Plymouth, Rochester, Rochester Hills and Traverse City have been named to the Relocate America list of America's Top 100 Places to Live for 2008. The real estate organization maintains a directory of more than 6,000 community profiles with information about local housing markets and businesses, culture and activities.

BROWNFIELD SUCCESS STORY: CHRISTMAN CO. HQ FIRST EVER TO RECEIVE TWO TOP GREEN HONORS

The new headquarters of general contractor and developer Christman Co. is the first in the world to receive two platinum certifications from the U.S. Green Building Council's Leadership in Energy and Environmental Design

(LEED) program, one for shell and exterior, the other for office space. The former Mutual Building in downtown Lansing was built by Michigan Millers Mutual Insurance in 1928 and renamed the Christman Building after a \$12 million historical rehab assisted by brownfield tax credits.

MORE TIME ALLOWED FOR 21ST CENTURY JOBS FUND BUSINESS PLAN PROPOSALS

The deadline for proposals in the 21st Century Jobs Fund Business Plan Competition has been extended to June 30. Applicants are competing for up to \$30 million to grow businesses in the areas of alternative energy, life sciences, advanced manufacturing, and homeland security and defense. Proposals in this round will be accepted only from for-profit companies that demonstrate a viable and sustainable business opportunity. Details available online at TheMEDC.org/21CBizPlan.

MEDC SEEKS AGENCY TO CONDUCT TRAVEL, BUSINESS E-MARKETING CAMPAIGN

Proposals are requested to assist the MEDC in the development and execution of a combined one-year travel leisure and business e-marketing campaign as part of the its overall economic development and jobs creation mission. The RFP is available online at TheMEDC.org/emarketingrfp. Deadline is July 7.

'UPPER HAND' WINS DESIGN AWARDS

The state's Upper Hand business marketing efforts have received global recognition in the Ashland, Ky.-based Communicator Awards competition. Three MEDC publications were chosen from a field of 8,500 worldwide for seven awards.



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LARGEST U.S. INDEPENDENT ELECTRICITY TRANSMISSION COMPANY OPENS HQ IN NOVI

ITC Holdings Inc. (NYSE: ITC) celebrated the grand opening of its new \$32 million headquarters in Novi. The environmentally friendly, 188,000-square-foot facility is located on 85 acres along I-696 at Haggerty Road. ITC was spun off by DTE Energy in 2003 and has grown from 38 employees to more than 320. It invests in the electricity transmission grid to improve electric reliability, access to markets and lower the overall cost of delivered energy.

UNITED SOLAR ADDING 400 JOBS IN GREENVILLE TO MAKE SOLAR PANELS

United Solar Ovonix LLC, a subsidiary of Energy Conversion Devices Inc., started hiring the first of 400 new employees for its expanding solar panel manufacturing plant in Greenville. The company, based in Auburn Hills, recently began planning for a 120-megawatt production expansion to reach 300 megawatts in manufacturing capability by the end of 2010. There are currently 242 workers at the plant and United Solar expects employment to reach approximately 800 at capacity. The MEDC approved a business tax credit valued at \$5.7 million over 20 years to attract the company to Greenville. A \$5 million federal Community Development Block Grant approved by the MEDC and awarded to the city of Greenville will fund needed infrastructure improvements to support the new plant. The city granted a tax abatement valued at approximately \$3.6 million over 12 years for the project.



21ST CENTURY JOBS FUND WINNER CELEBRATES EXPANSION

Michigan's largest fuel cell maker, Pittsfield Twp.-based **Adaptive Materials Inc.**, officially relocated from its 11,000-square-foot facility to 50,000 square feet of R&D and pilot production lab space, also in Pittsfield. Recognized as the world leader in design and development of portable fuel cell technology with military applications, AMI was awarded a \$6.27 million loan through the 21st Century Jobs Fund last year, the largest to date, to commercialize its fuel cell system. The battery-tech company opted for a Michigan expansion with the help of a state tax credit of \$760,000 last year. The \$2.8 million project is expected to create 187 new jobs in the industry, including 100 in systems, engineering and manufacturing at the company, which has grown from two employees to 60 since its founding in 2000.

DIESEL ENGINE DEVELOPER PLANS \$7 MILLION TECH CENTER IN TROY

EcoMotors International Inc., developer of next-generation diesel engines, plans to launch a new \$7-million technical center in Troy. The project is expected to create 156 jobs at the company and an additional 183 spin-off jobs. Based on the MEDC's recommendation, the Michigan Economic Growth Authority (MEGA) approved a state tax credit valued at \$5.1 million over 10 years to win the project over a competing site in California. The city of Troy is considering an abatement of up to 12 years to support the expansion. The company currently employs seven associates in Troy.

ISRAELI SUPPLIER INVESTING \$7 MILLION IN ROCHESTER HILLS DESIGN, MANUFACTURING FACILITY

Raval USA Inc., the U.S. subsidiary of Israel-based Raval ACS Ltd., plans to invest \$7 million in a new design, development, and manufacturing facility in Rochester Hills. The company produces valves and venting systems for vehicle fuel tanks. The project is expected to create 65 jobs at the company and an additional 169 spin-off jobs. Based on the MEDC's recommendation, MEGA approved

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a state tax credit valued at \$1.1 million over 10 years to win the project over a competing site in Tennessee. The city of Rochester Hills is considering an eight-year abatement worth \$184,682 to support the project.

TRANSPORTATION SOFTWARE DEVELOPER EXPANDING IN BAY CITY

TransIT Solutions LLC, a developer of software for the transportation industry spun off by Bay City-based Go-To Transport, plans to invest \$3 million over the next five years to expand operations in Bay City. The project is expected to create 247 new jobs, including 105 directly by the company. Based on the MEDC's recommendation, MEGA approved a state tax credit valued at \$986,000 over seven years to win the company's investment over competing sites in Arizona, California and Wisconsin. To support the project, the city of Bay City is considering a 12-year industrial facilities tax exemption abatement worth \$138,500 and a 12-year obsolete property rehabilitation exemption worth \$281,541.

SUPPLIER RELOCATES, EXPANDS IN CANTON

Marimba Auto LLC, global supplier and manufacturer of tubular products, will invest \$16 million to relocate and expand current operations from Belleville to a new 130,000-square-foot facility in Canton. The project is expected to create 170 new Michigan jobs, including 72 directly by the company. Based on the MEDC's recommendation, MEGA approved a state tax credit valued at \$851,000 over seven years to win the company's investment over a competing site in Tennessee. Canton Twp. is considering a 12-year abatement worth \$544,247 to support the project.

REFRIGERATOR MAKER BUILDING NEW PLANT IN GREENVILLE

Northland Corporation Inc., manufacturer of refrigerator/freezer systems, will invest \$10.2 million in a new 175,000-square-foot manufacturing and R&D facility in Greenville. The expansion is expected to create 337 new Michigan jobs, including 157 directly by the



company. Based on the MEDC's recommendation, MEGA approved a state tax credit valued at \$1.8 million over 12 years to win the company's expansion over a competing site in Indiana. In addition, the MEDC will make available up to \$42,500 in job-training funds through the Economic Development Job Training program. To support the project, the city of Greenville is considering a 12-year abatement valued at \$217,000, and the company will realize additional savings by locating the project in the Greenville Renaissance Zone.

PAVILIONS OF TROY REPLACING FORMER KMART HQ

The city of Troy will use state and local tax capture valued at \$13.2 million to support the new \$320 million **Pavilions of Troy redevelopment project** on the 40-acre site of the former Kmart headquarters on Big Beaver Road. Developer Richardson Development Group Inc. will demolish the vacant structure and transform the site into a pedestrian-friendly, mixed-use development to include 440,000 square feet of commercial/retail space, 132 residential units, public ice skating rink, 3,000 seat theater, restaurants, grocery store, and parking. The project is expected to create 500 new jobs.



NEW NEIGHBORHOOD GROCERY, RETAIL CENTER FOR SOUTHWEST DETROIT

State and local tax capture valued at \$1.8 million will be used to support **demolition of severely blighted and abandoned industrial and commercial buildings** on 16 acres near the corner of Warren and Livernois in Southwest Detroit. The Detroit Brownfield Redevelopment Authority will support construction of an 85,000- to 90,000-square-foot neighborhood commercial center for grocery and department stores and other commercial uses. The project will create 150 new jobs and generate \$7.4 million in capital investment.

DETROIT BROWNFIELD REDEVELOPMENT CREATES NEW RETAIL, RESIDENTIAL SPACE

A **five-story mixed-use commercial structure housing 10,000 square feet of retail space** will rise on Cass Avenue near Warren at the heart of the Wayne State University campus in midtown Detroit, formerly a gas station site. The Detroit Brownfield Development Authority will use state and local tax capture of \$429,998 to support the project which will create 64 residential suites in the upper four stories and 26 enclosed parking spaces. Total investment of \$13 million is projected with 33 jobs created.

GRAND RAPIDS FOUNDRY BECOMES HOTEL

Developer **SSGRCC LLC** will use a state brownfield tax credit of \$3.2 million to transform a vacant building on the site of the former Grand Rapids Foundry into a mid-price, extended-stay hotel at the corner of Trowbridge Street and Bond Avenue in Grand Rapids. The nine-story, 90,000-square-foot facility with 137 suites will be one of the highest density buildings in the Monroe North neighborhood and within walking distance of Michigan Street Medical Hill. The \$21 million investment is expected to lead to creation of 30 new jobs.

'GREEN' RESIDENTIAL, RETAIL DEVELOPMENT COMING TO LANSING

State and local tax capture of \$1.1 million will be used by **Sycamore Street Partners LLC** for three-phase residential and retail development on a contaminated site in Lansing. The Lansing Brownfield Redevelopment Authority will support construction of 70 condominiums and a 5,000-square-foot neighborhood retail center on Ottawa Street. It is designed as a "green" project, incorporating open public green space, energy efficiency, and water-saving features. Creation of 11 jobs is anticipated on capital investment of \$11.9 million.

MEDC, MDOT SUPPORTING NEW STEEL CASTING PLANT IN HURON COUNTY

Huron Casting Inc. (HCI) is building a \$10-million manufacturing plant and adding 150 new jobs at its headquarters in Pigeon, Huron County. A \$1.1 million grant made available by the MEDC with funds provided by the federal Community Development Block Grant (CDBG) program and a \$996,000 Transportation Economic Development Fund (TEDF) Category A grant provided by the Michigan Department of Transportation will support the expansion. The 180,000-square-foot steel foundry will be owned and operated by Blue Diamond Steel Casting LLC, a fully owned subsidiary of Huron Casting. The village will provide \$152,850 to support the project and Huron County will contribute \$60,000. Road improvements required to accommodate additional

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traffic will be done on portions of Sturm, Weale and Caseville roads. The proposed cost of these transportation improvements is \$1.2 million, including \$996,367 in state TEDF funding, \$15 million private investment and \$249,093 in local match from Winsor Township and the Huron County Road Commission.

MEIDEN AMERICA OPENS \$17 MILLION NORTHVILLE TOWNSHIP TECH CENTER

Meiden America Inc. celebrated the grand opening of its new \$17-million, 88,000-square-foot Technical Center North America in Northville Township. The expansion providing contract testing and engineering services for the development of advanced gasoline and diesel combustion engines is expected to create at least 20 new jobs. The wholly owned subsidiary of Meidensha Corp. was established in 2003 to service the growing North American customer base. Meiden America was among 12 companies Governor Granholm met with during her three-day investment mission to Japan in 2006. A state and local incentive package valued at \$1.5 million offered through the MEDC and Northville Township helped convince the company to invest and grow in Michigan. Headquartered in Japan with facilities in the United Kingdom and Asia, Meidensha employs over 7,000 people working in the growing fields of energy, transportation, environment, information technology, construction and industrial systems.

NEW MEXICO COMPANY RELOCATING TO LAINGSBURG

Distributor and manufacturer of scientific supplies **United Nuclear Scientific LLC** is relocating operations from Sandia Park, New Mexico to Laingsburg. The company currently with five employees is involved in government contract work and plans to start manufacturing hydrogen fuel conversion kits for U.S. and foreign cars starting in 2009–2010. Laingsburg previously received an \$80,000 CDBG from the MEDC for exterior improvements to the downtown building that will be the company's new facility.

