

Some 2006 Success Stories

MAG Powertrain

The EDA worked diligently with City officials and the MEDC to coordinate a package of assistance resulting in the company's decision to bring approximately 100 new professional, white collar jobs to Port Huron. In 2006, MAG Powertrain made the Port Huron Industrial Park the new home for the company's administrative, engineering, purchasing and program management operations. Approximately 20,000 square feet of the Cross Hüller building, a MAG subsidiary, was remodeled to accommodate 100 new professionals. Part of the assistance package provided property tax abatements on the \$500,000 investment to remodel part of the 144,000 square foot building located at 2555 20th Street in the City's Industrial Park.

DANA Corporation

The EDA crafted a package of assistance that helped influence Dana to locate additional production opportunities in its facility in St. Clair. The assistance coordinated via the EDA included property tax abatements, investment tax credits, SBT credits for personal property investments and resolving several issues related to approval of its site plan. Dana's 28,000 square foot expansion created 130 new jobs, with associated investment in building construction and new process technology totaling approximately \$9.7 million. Dana is a supplier of drivetrain, chassis, structural, and engine technologies to every major vehicle and engine producer in the world.

SMW Automotive

In 2006, EDA worked closely with SMW Automotive to expand their second facility in the Port Huron Industrial Park and later open a third plant in the former Takata Petri building on Dove Road. Together these two projects created 246 new jobs with associated investment of approximately \$15 Million.

The expansion of plant #2 created 46 new jobs and approximately \$4.75 Million in new investment, bringing total jobs to 86 and investment to \$13.7 Million for this plant first established in 2004 with the active involvement and assistance of EDA at that time.

Later in 2006, SMW through a sale negotiated by the EDA, purchased a 56,312 square foot industrial building at 2223 Dove Road from the City of Port Huron. SMW is investing approximately \$10 million in new machinery and equipment and is creating approximately 200 new jobs through 2008 as it implements several new contracts awarded the company by General Motors and Chrysler to assemble chassis and braking systems. This third SMW facility in the Port Huron Industrial Park supports existing operations on Petit Street and Dove Road. SMW Automotive, headquartered in Troy, Michigan is a Global supplier of forged and cast metal automotive components. In addition to negotiating purchase of the building, EDA staff assisted SMW with project financing and in securing tax abatements, job training, and other state and local assistance.

Examples of 2005 Success Stories

Marysville Ethanol

EDA staff worked closely with the City of Marysville, the Michigan Economic Development Corporation (MEDC) and St. Clair County to help secure commitment for construction of a new \$95 Million fuel ethanol plant in the summer of 2005. Marysville Ethanol, LLC, a private partnership of investors and Michigan energy companies has since constructed its Ethanol facility on a 40-acre portion of the site located between Busha Highway and Range Road that is also occupied by Marysville Underground Storage Terminal. The facility will produce over 50 million gallons of fuel ethanol a year, annually using approximately \$40 Million in locally grown corn. In addition to fuel ethanol, the process also will produce dried distiller's grain as feed for cattle. **EDA assisted the City of Marysville in negotiating terms of an agreement with Marysville Ethanol LLC that included a short term Agricultural Processing Renaissance Zone (APRZ), an overlapping local property tax abatement, and water/sewer discounts that will be triggered by enormous volumes used by the project. EDA prepared the APRZ application on behalf of the company and St. Clair County and coordinated its approval through the participating local governments and later the Michigan Strategic Fund process in Lansing.** The project was completed in late 2007, and has initiated operations creating 35 well paying permanent positions.

ALD Thermal Treatment

In the summer of 2005, EDA successfully recruited ALD Thermal Treatment Inc. to the Port Huron Industrial Park over several competing locations in Ontario and Ohio. Thanks to a unique and aggressive set of incentives packaged by EDA in cooperation with the City of Port Huron and the Michigan Economic Development Corporation (MEDC), this German based heat-treating company has created 95 new jobs in Phase I of its new operations in our community. EDA negotiated for the purchase of the 58,332 sq. ft. former Takata Building No. 2 by the City of Port Huron and its subsequent lease to ALD. The company has completed installation of approximately \$22 Million in state of the art heat-treating equipment and improvements to the building located at 2656 24th Street in the City's Industrial Park. EDA also helped secure other incentives that were important in ALD's choice to locate here including local property tax abatements, abatement of the state education tax and significant job training dollars through the State of Michigan's Economic Development Job Training (EDJT) program. Our community received consideration by ALD for this project very late in their site selection process and were successful due to the quick and decisive response of both the City of Port Huron and the MEDC. Without their help this project would not have been possible.



Some 2004 Accomplishments

GMA Cover Corporation

EDA assisted GMA Cover Corp. in its site selection and purchase of a 63,000 square foot facility in the Port Huron Industrial Park formerly occupied by Waltec. EDA's coordination of Industrial Revenue Bond financing, provided by JP Morgan Chase, and property tax abatements persuaded Canadian based GMA to expand in Port Huron. The company retained 60 employees and added 25 new positions while purchasing approximately \$2 million in additional machinery and equipment for its new facility.

Shawmut Corporation

Shawmut Corporation enlarged its Dove Road facility in the Port Huron Industrial Park in 2004 by 21,000 square feet and created approximately 72 new jobs while retaining 90 existing employees. Shawmut invested approximately \$1.5 million toward building improvements and \$1.25 million in new machinery producing covering materials for interior automotive applications. **The EDA formulated the solution to site development issues and crafted a set of incentives helping land the expansion over a competing company facility in Indiana. A job training grant from the Macomb/St. Clair County Workforce Development Board, IDR financing and local tax abatements completed the transaction.**

Schefenacker Vision Systems

Support generated through a unique partnership crafted by the EDA with MEDC, Citizens First Bank and the City of Marysville convinced Schefenacker headquarters in Germany to locate a new paint plant in Marysville over alternative locations it had considered in Mexico and Tennessee. Under an innovative incentive package developed by the EDA, the City of Marysville purchased a 5.5-acre vacant lot south of Schefenacker's existing facilities and assigned the land to EDA who constructed a 65,000 sq. ft. facility for lease, at its cost, over ten years to Schefenacker. If at the end of ten years Schefenacker maintains employment targets they will receive the building for \$1 for their continued use. Citizens First Bank provided EDA with financing to complete the building structure.

A \$1,000,000 Community Development Block Grant (CDBG) was provided by the State of Michigan to the company toward direct costs associated with its expansion efforts. The loan to Schefenacker later became a grant upon verification that the company had created at least 50 new jobs and retained 750 existing employees as a result of the project. Other incentives included a 12-year/50% property tax abatement through the City of Marysville and \$100,000 in customized workforce training assistance through the MEDC. Location of the new paint plant in Marysville supports and protects the existing 750 mirror production jobs next door. The EDA is proud of its leading role in crafting and facilitating this innovative package of assistance that convinced Schefenacker to stay and grow in Marysville.



2003 Success Stories

Dunn Paper

The rescue of Dunn Paper was a success story for both EDA's business retention program and the community at large. **In the summer of 2003, when staff learned of the pending closure and liquidation of Curtis Paper in Port Huron, it brought together plant management with local financial institutions and community leaders to work toward a solution to keep the mill operating.** From these meetings, mill management forged a relationship with Citizens First bank, which ultimately allowed them to purchase the business from Curtis Paper. Additional investment support was received from Meriturn Partners, who specialize in middle market restructurings and turnarounds. A federal loan guarantee, provided by the U.S. Rural Development Administration completed project financing. A "must do" spirit of cooperation from a variety of people in the community including the mill's unionized workforce and the City of Port Huron solved important issues as they arose. **Through the several month process, EDA staff worked to resolve critical issues such as the company's long standing property tax appeal, regulatory matters and workforce approval of a new contract.** In the end, the community met the demands of a very tight time line to save 180 jobs many of which are second and third generation paper makers. The new team of management and ownership immediately moved to rename the facility Dunn Paper in recognition of its 80-year history as an economic cornerstone of the greater Port Huron area.

Fagerdala

Fagerdala World Foams, a Swedish foam molder, expanded its North American operations into Marysville in 2003. In cooperation with the EDA, MEDC and the City of Marysville, the company has completed construction on a new 107,000 square foot manufacturing facility at the intersection of Busha Highway and Wills Drive. **EDA staff worked with the company to identify this site and later processed a tax abatement application on their behalf with the City of Marysville. Staff further worked to successfully resolve a critical issue with MEDC related to a previous infrastructure grant that had prepared this site for development.** The \$4.2 Million facility houses a variety of functions related to the processing of polypropylene and polyethylene products. The facility has employed about 30 people since becoming fully operational in early 2005.

Mapal

The EDA coordinated the creation of a package of incentives helping Mapal reach the decision to consolidate their North American operations in Port Huron Township over a competing company facility in New Jersey. The project retained 85 highly skilled positions in tool making and added 35 new employees with approximately \$1.5 million in new investment.