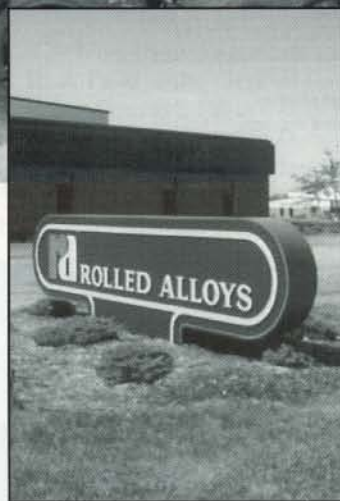
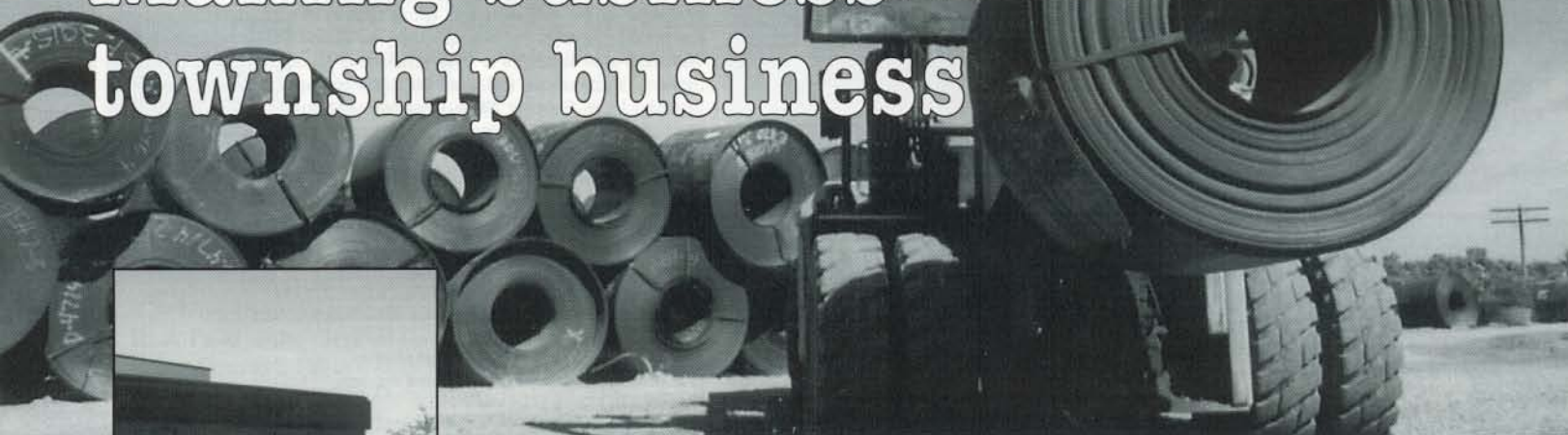


Going to market: Making business township business



At all stages of growth, township officials need to keep the fiscal health of their community in mind. This includes economic opportunities for residents, as well as the revenue base for township programs and services.

Townships are authorized by law to promote economic development. For example, MCL 41.110(c) authorizes a township board to appropriate money to advertise the agricultural, industrial, commercial, educational or recreational advantages of the state, county or township. MCL 125.1601 provides for creating a township Economic Development Corporation to fund projects for public benefit that are approved by the township board. The state also offers programs and incentives to assist townships in attracting business. For more information on state programs for economic development, call the Michigan Jobs Commission Customer Assistance Line, (517) 373-9808.

The two townships profiled here illustrate two successful approaches to attracting and retaining business and industry.

Bedford Township Monroe County

■ **Population:** 23,748

■ **SEV:** \$448,318,918

■ **Successful strategies:** Created an Industrial Development Committee, which later incorporated as an Economic Development Corporation, to work directly with businesses and provide industrial revenue bonds. Developed the 300-acre Bedford Park Center industrial park to attract businesses to the township.

■ **Future development:**

A 21-acre industrial park was formed in 1995.

Bedford Township spurs business growth with industrial park

Located in the extreme southeast corner of Michigan's Lower Peninsula, Bedford Township began planning for economic growth in the early 1970s. The township installed new water and sewer lines to prepare for the residential growth that had been predicted as the communities surrounding Detroit and Toledo, Ohio, began to expand.

The township decided that it needed to balance residential growth with industrial development. Township board members believed that while residential growth was desirable, it could require more public utilities and services than its tax base could support. More residents would increase demands on fire and police protection, water and sewer services, roads, and schools. On the other hand, industrial development could provide a strong tax base with fewer public costs, particularly if the companies were located in an industrial park close to transportation and utilities.

To implement the township's decision to promote industrial development, the board created an Industrial Development Committee of eight representatives from industry, real estate, citizens-at-large and the township board. The committee developed a plan for a square-mile of the township and zoned it for heavy and light industrial, commercial, and multi-family areas. The committee also consulted with the Michigan Department of Commerce and the developer of the proposed park. As a result of this process, the township approved development of a 300-acre state-certified industrial park called the Bedford Park Center.

Initiated in the late 1970s, the Bedford Park Center project took about 10 years to get off

the ground. The township worked for four years, with the support of U.S. Rep. Carl D. Pursell, to obtain a Local Public Works grant from the federal Economic Development Administration to fund infrastructure and utility development to support the park. The grant provided 75 percent of the cost, with 25 percent in matching funds raised by the township. The Industrial Development Committee was also reincorporated as a non-profit Economic Development Corporation. The corporation could work directly with new businesses and assist them in obtaining tax-exempt industrial revenue bonds.

The township board also realized that the public needed to be kept informed of the plans for the park. A public hearing was held as part of the federal grant process. The township hired a public relations firm to provide information to the community and to create interest among potential clients through news releases and advertisements in national newspapers and trade journals. Local businesses contributed funds for a full-color promotional booklet that described the advantages to locating in Bedford Township. As a result, township residents were very supportive of the proposed new development.

The Bedford Park Center is located within a 100-mile radius of over 200 of America's "Fortune 500" companies. These companies rely on the support of related industries located in Bedford Township to get their products to market. The Ann Arbor Railroad runs through the park and provides direct access to low-cost, efficient transportation.

The first business to develop in the park was the Michelin Tire Company, followed by many steel companies. Development slowed in the early 1980s, but picked up again in 1984. The last subdivided plot was recently sold. Every company in the park has expanded at least once since locating there. A 21-acre industrial park was created in 1995 to accommodate even more development, and the Economic Development Corporation is looking for more land to continue the expansion.

The corporation continues to work with companies after they have located in the industrial park to retain their business and encourage expansion and growth. Each of the companies is visited by a three-member team, consisting of representatives from the township board, the county Industrial Development Corporation and the Michigan Jobs Commission. The team visits each company to ask what they like and don't like about the park, what the corporation can do to help them and whether they are planning to expand. The Michigan Department of Commerce often brings visitors to the park to interest them in locating there, and Monroe County has also been very cooperative.

Bedford Township Supervisor Pearl Albert-Green was clerk when the Bedford Park Center project began. She reports that, "The creation of jobs, increased tax revenues and the economic effect on the community are a few of the tangible benefits that Bedford Township residents have realized through the industrial development of otherwise vacant property. The community's attitude toward the acceptance of industry has encouraged other businesses to want to locate in a well-designed, attractive location."

Albert-Green credits the implementation of this project to the township's positive attitude. "We never gave into the feeling that the project would not work," she says. "You can't be a success unless you try something, so don't be afraid to try!"

For more information about Bedford Township's successful approach to development, contact Pearl Albert-Green at (313) 847-6791.

—Karen Nelson, MTA Education Secretary



Michelin Tire Company, Bedford Township

“The creation of jobs, increased tax revenues and the economic effect on the community are a few of the tangible benefits.”

—Pearl Albert Green
Bedford Township Supervisor

Benton Charter Township Berrien County

■ **Population:** 17,163

■ **SEV:** \$285,656,000

■ **Successful strategies:**

Worked with the county economic development commission to determine a township economic profile. Conducted a "retail leakage study" to see what business activities were leaking to other communities. Developed a plan to evaluate, expand and fund services in expectation of economic growth.

■ **Future development:** Office supply warehouse retailer, two major chain restaurants, major video chain retailer, sporting goods retailer, grocery store, automotive retailer and two multi-screen movie theaters.

Benton Charter Township achieves growth through planning and cooperation

In the last four years, Benton Charter Township has successfully encouraged significant economic growth in its community. The township's state equalized valuation has increased by \$70 million since 1992, and the township expects about \$10 million in new development to be built in 1996.

In order to create an environment attractive to development, Benton Charter Township officials recognized the need to evaluate the township's strengths and weaknesses. In 1992, the township worked with the Berrien County Economic Development Commission to identify the township's economic bases. "We found out that our three greatest economic strengths were, in order, commercial/retail, industrial and residential development. We didn't necessarily like the fact that these were our strengths, but we knew we needed to work with them," said Benton Charter Township Supervisor Jim Boothby.

(continued on next page)

Going to market

(continued from Page 23)

The township looked for ways to increase the benefits of its strongest economic asset, commercial/retail development. The township worked with a non-profit community economic development corporation called Cornerstone Alliance to conduct a "retail leakage" study to determine which business services township residents shopped for in other communities and why businesses left the township. The township was able to receive partial support to fund the study from the nearby Whirlpool Corporation. The analysis determined that the top five types of retail operations "leaking" from Benton Charter Township were building supply, household furniture, automotive retail, restaurant and grocery, and household appliance business activities.

"The last of those was a big surprise to us, especially with Whirlpool right in our backyard!" said Boothby.

As a result of the study, township leaders asked developers to volunteer to build these types of businesses. "We asked them, what areas of the township do you see as viable for development?" Boothby said.

The township also focused on increasing its industrial development and growth. Industrial Facility Retention Tax Abatements were offered to businesses whenever possible. "Bend over backwards for your local businesses. Offer yourself as a resource and clearinghouse of information to local businesses," recommends Boothby. "You may not be able to provide them with the tax breaks that you would like, but you can provide them with information on other assistance available. It's very important to constantly call current and new businesses to communicate your support. In a time when the business climate and the economy can be very uncertain, local businesses will take comfort in knowing that their local government is behind them."

According to Boothby, "We try to offer IFTs whenever we can. If your township is strategically disadvantaged, as we were because of Michigan's workers compensation laws and tax structure, you need to seriously consider IFTs. Some townships may not think they can afford to provide the incentives, but they should consider doing so."

Before it actively recruited new businesses, the township developed and adopted a written policy on job retention designed to indicate goodwill towards new businesses. "This is the biggest and most important thing a township can do when seeking economic development," emphasized Boothby. He recommends working with the Michigan Jobs Commission or a local chamber of commerce when writing the policy. "Preparing a jobs retention policy is the key to opening the door for good business relations," Boothby adds. "Having the policy developed beforehand gives you something to share with business prospects when you recruit their development."

One way that Benton Charter Township recruits prospective businesses and developers is to use informational brochures that profile the township's vital statistics and extol its strengths. Businesses are also given personal attention by township leaders.

The township prepared a plan for expanding public services in 1993. When the township was faced with a 50 percent increase in sewer costs, township leaders informed residents of the issue. They mailed advisory postcards to survey the residents, who indicated that they would accept an immediate 30 percent increase in fees, with no further increases for another three years. "A township cannot afford to have any infighting when presenting such a plan to the residents," said Boothby.

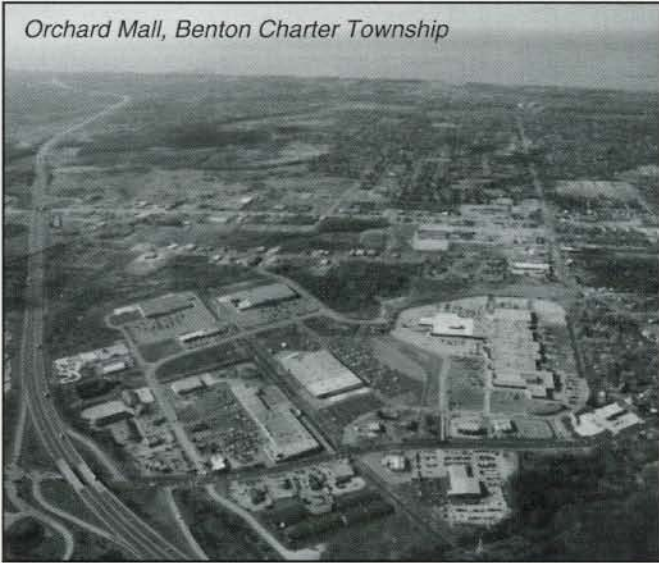
The township attorney and civil engineer were kept involved throughout the planning and development process. "If the attorney and engineer are aware of your plans and vision, they will know ways you can accomplish your plans or find funding," noted Boothby. He pointed out that as the township develops its plans for growth, the civil engineer can identify current and potential infrastructure needs.

Boothby advises townships to adopt five- and 10-year plans that evaluate how to increase services and pay for them before pursuing economic development plans. "Your township must know how and when fire and police services will be needed. You will need to consider whether you will need to consolidate services with other townships, contract services out to other townships or cities, or pursue privatization options."

Success has been sweet, but not necessarily easy. The township was in the running for a Northstar steel plant in 1994, a development that would have brought \$100 million to the community. The township pursued tax rebates, millage rollback, IFTs and cash from the state, but did not receive enough to win the plant. Still, Boothby is proud of what the township has accomplished. "We brought back a township that was stagnant and behind the times and created a plan of action for a new, revitalized spirit."

—Tanya Runtranont

Orchard Mall, Benton Charter Township



"We brought back a township that was stagnant and behind the times and created a plan of action for a new, revitalized spirit."

—Jim Boothby
Benton Township Supervisor