

## Ready for Takeoff: Governor Signs "Next Michigan Development" Tax Incentives Into Law

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December 16, 2010

On Wednesday, December 15, Governor Granholm signed into law the "Next Michigan Development " tax-incentive package, aimed at attracting logistics, transportation and manufacturing firms to transportation hubs and other regional facilities. The 6-bill package requires local governments to cooperatively implement the tax incentives in consultation with State economic development officials.

The Detroit Region Aerotropolis Development Corporation (ADC), a public-private intergovernmental corporation created by Wayne County, Washtenaw County, the cities of Romulus, Taylor, Ypsilanti and Belleville, and Huron, Van Buren and Ypsilanti Charter Townships, expects to employ the Next Michigan incentives to attract jobs and development surrounding Detroit Metropolitan Airport and Willow Run Airport in southeast Michigan. The Aerotropolis Development Corporation and Next Michigan legislation are major policy initiatives of Wayne County Executive Robert Ficano.

Miller Canfield congratulates County Executive Ficano and all the Aerotropolis partners for this success. The firm is proud to have played a central role in crafting the Next Michigan legislation and establishing the Aerotropolis Development Corporation.

The new legislation permits up to 5 "Next Michigan" corporations, such as the ADC, to be established across the state.

The tax incentive package includes a variable mixture of property and other tax abatements for qualifying businesses and the use of tax increment financing to spur infrastructure development.

Miller Canfield lawyer Michael McGee spearheaded the firm's engagement with this project, assisted by Jeffrey Aronoff and Laura Bassett, both in formulating the Next Michigan legislation and in crafting the intergovernmental agreement creating the Aerotropolis Development Corporation. The firm also serves currently as general counsel to the ADC.

The Aerotropolis encompasses approximately 60,000 acres in Wayne and Washtenaw counties. The ADC estimates it could create as many as 50,000 jobs over the next 15 years as logistics-related companies take advantage of the incentives and the proximity to the airports.