

## Ready for Takeoff: Michigan Legislature Passes "Next Michigan Development" Tax Incentive for Detroit Region Aerotropolis

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### Miller Canfield Crafts Legislation and Intergovernmental Agreement to Establish Aerotropolis

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The Michigan Legislature on Friday, December 3, enacted a major tax incentive package, the "Next Michigan Development" initiative, aimed at attracting logistics, transportation and manufacturing firms to transportation hubs and other regional facilities. The six-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) and Next Michigan legislation are major policy initiatives of Wayne County Executive Robert Ficano.

The law firm of Miller Canfield represented Wayne County both in formulating the Next Michigan legislation and in crafting the intergovernmental agreement creating the ADC. The firm also currently serves as general counsel to the ADC. The legal team was led by public finance lawyer Michael P. McGee and included lawyers Jeffrey S. Aronoff and Laura M. Bassett.

The 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.

"Miller Canfield congratulates County Executive Ficano and all the Aerotropolis partners for this success," said McGee. "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 five "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.

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.