



Michigan's Largest Utility Company Relocates to Brownfields

JACKSON COUNTY, MI

Six adjacent brownfields in the City of Jackson, within Jackson County, Michigan, will soon be home to Michigan's largest utility company. Consumers Energy is relocating its headquarters to these brownfields in a \$113 million brownfields redevelopment project. The Jackson County Brownfield Redevelopment Authority (BRA) Brownfields Assessment Demonstration Pilot spent \$60,000 of its \$200,000 EPA grant for environmental assessments on the six properties, which include a former gas station and auto repair shop, a machine shop, and an iron scrap yard. The City of Jackson is contributing \$43 million in infrastructure improvements, and Consumers Energy is investing \$70 million in the construction of its new headquarters. In addition, more than \$11 million in other funding has been leveraged for this project, which is working in partnership with the City of Jackson's "Grand New Vision" community revitalization efforts.

Jackson County (population 155,000) is located in south-central Michigan about 80 miles west of Detroit. The City of Jackson began as an agricultural town and quickly developed into an industrial and manufacturing community focusing on the automotive industry. When the nation's economy changed during the late 1970s and early 1980s, the city's and county's industrial base fell apart as plants closed, resulting in job loss, population decline, and hundreds of vacant and abandoned industrial and commercial properties. The Jackson County BRA estimates that there are more than 2,000 brownfields countywide. The Jackson County Pilot targets 20 of these properties, including several commercial or industrial sites in the City of Jackson's industrial corridor, for assessment and redevelopment. The Grand River bisects the targeted area in the city and offers opportunities for riverfront redevelopment.

The \$113 million Consumers Energy headquarters is relocating along the Grand River. Consumers Energy has been headquartered in Jackson since its founding in 1886, and when the

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JUST THE FACTS:

- The Jackson County Pilot targets 20 commercial and industrial sites, including several within the City of Jackson's industrial corridor for assessment and redevelopment.
- Relocation of Consumers Energy's headquarters onto six adjacent brownfields will retain 1,400 jobs in the City of Jackson.
- The Brownfields Pilot also played a role in the redevelopment of a 100-acre, former tire manufacturing plant, now being redeveloped as a \$300 million power plant.

The Jackson County Brownfield Redevelopment Authority spent \$60,000 of its \$200,000 EPA grant for environmental assessments on six brownfields. The City of Jackson is contributing \$43 million in infrastructure improvements, and Consumers Energy is investing \$70 million in the construction of a new headquarters.

lease on its current headquarters location was ending, the company decided to look for a new location. The City of Jackson invited Consumers Energy to move its headquarters to the six adjacent brownfields that make up a three-block area downtown. As an incentive for Consumers Energy to locate there rather than on an undeveloped greenfield, the city is investing \$43 million in infrastructure improvements—including roads, a sewer, and a parking garage that will serve the new headquarters. The company agreed to this proposal, and part of Consumers Energy's \$70 million investment includes renovating and restoring an old U.S. post office occupying one of the brownfields. The post office is a national historic site and will serve as the formal entryway into the new headquarters building. Ground was broken for the new headquarters on April 10, 2001, and this project is on the fast-track, with construction to be completed in 18 months. Relocation to the downtown area will retain 1,400 jobs in the City of Jackson.

In addition to the funds provided by the city for infrastructure improvements and the investment by Consumers Energy, the project has leveraged financial support totaling more than \$11 million, including a \$465,000 Senate appropriation for Jackson to purchase the post office building; a 10-year, zero-interest \$1 million Urban Land Assembly Loan from the Michigan Economic Development Corporation to the city to finance the project; an \$8.6 million Single Business Tax credit from the state to Consumers Energy; and a \$1 million Brownfields Cleanup Revolving Loan Fund grant and a \$150,000 Brownfields Supplemental Assistance grant from EPA.

Construction of the new Consumers Energy headquarters is part of Jackson County's Grand New Vision. The headquarters campus will include a grand plaza in front of the old post office, an outdoor theater located on the grounds along the Grand River, and additional parking on the site, which will allow the city to schedule a variety of community events downtown—the parking lots being built by the city will be used by Consumers Energy during the work day and will be available to visitors in the evenings and on weekends. In addition to this redevelopment project, the Grand New Vision includes community initiatives in education, recreation, and beautification. Carol Konieczki of the City of Jackson reports that there has been a "resurgence in interest in the downtown area" with new businesses relocating downtown and current businesses renovating the facades of their downtown locations.

The Jackson County BRA is involved with other Pilot activities in the county, including leveraging assessment and cleanup at the Michigan Industrial Holdings, Inc., site. This 106,000-square-foot facility was abandoned in 1994 along with several 55-gallon drums and 27 pits containing various unknown substances. The Pilot leveraged assessment and cleanup of the property from EPA, which estimates the approximate cost of assessment and removal to be between \$600,000 and \$900,000. Once the cleanup is completed, the BRA will use a \$721,000 grant from the State of Michigan to demolish and remove the building. The adjacent property owner, Edscha North America, plans to build a 100,000-square-foot expansion on this site, a \$10 million investment that will create 125 new jobs. The Pilot has also played a role in the redevelopment of a brownfield that was once the home of a Goodyear tire manufacturing plant. This 100-acre site is being redeveloped as a \$300 million power plant that is scheduled to be completed in June 2003.

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Visit the EPA Brownfields web site at:
<http://www.epa.gov/brownfields/>