

Metro Detroit projects to generate nearly 2,800 new jobs

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Published 12:13 p.m. ET June 27, 2017 | Updated 12:21 a.m. ET June 28, 2017



(Photo: Justin Sullivan)

Economic development projects that are expected to bring more than a half-billion dollars in private investment and generate nearly 2,800 new jobs in metro Detroit received approval today for millions of dollars in grants from the Michigan Strategic Fund.

The projects include an Amazon.com delivery center in Romulus, a Kroger dry-goods delivery center in Clinton Township, a jet-engine development and testing facility in Pontiac and an auto-safety manufacturing plant in Southfield.

"The commitment and innovation of these companies, combined with the high quality of Michigan's talent, will keep our state moving forward," said Steve Arwood, CEO at the Michigan Economic Development Corp. "Today's MSF actions offer further evidence of our commitment to help companies grow and generate new job opportunities for Michiganders."

The development projects underscore southeast Michigan's geographical appeal as a logistical center and its longstanding ties to manufacturing and the auto industry.

The fund board approved a \$5-million grant for Amazon, the financial commitment the Seattle-based retail behemoth said it needed to build a second distribution center in Wayne County and create at least 1,600 jobs.

A \$2-million grant was approved for Cincinnati-based grocery chain Kroger, which is investing \$25 million in building a distribution center in Chesterfield Township that will be operated by Penske Logistics and is expected to create 377 jobs. Chesterfield Township was competing with Toledo and Ft. Wayne, Ind.

Nearly \$7 million in grants went to two companies — Williams International, a jet engine manufacturer, and Autoliv, an airbag maker — that officials said would lead to \$357 million in capital investments and 784 jobs in Oakland County.

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[Amazon seeks to build center in Romulus, hire 1,600 \(/story/money/business/2017/06/26/amazon-romulus-distribution-center/428907001/\)](#)

[Madonna urges billionaire Jeff Bezos to invest in Detroit \(/story/news/local/michigan/detroit/2017/06/20/madonna-jeff-bezos-detroit/411588001/\)](#)

The Amazon grant, which had been expected to be approved, expands the online retailer's Midwest distribution network in Michigan. The grant goes to offset new road and infrastructure improvement costs.

The regional distribution centers — which Amazon calls "fulfillment centers" — are an important part of the retailer's strategy to speed up delivery amid competition with traditional brick-and-mortar shops and other online sellers.

It follows Amazon's announcement six months ago that it is building a distribution center in Livonia, near the intersection of I-96 and I-275, that would employ about 1,000 workers. That center is expected to be opened in October.

Amazon is expected to spend an estimated \$140 million to build the center in Romulus, bringing the total amount it is spending on the two centers in southeast Michigan to about \$230 million.

The center in Romulus could be built and opened within a year, officials said.

"A second major investment by Amazon since December speaks volumes about Wayne County as a distribution and logistics hub," Wayne County Executive Warren Evans said in prepared remarks. "It reflects the advantages we offer as commerce evolves in the global economy."

Williams praised the city, county and state cooperation that the deal required.

In Oakland County, Williams International is expected to spend \$344.5 million on redeveloping the former home of the Michigan Motion Pictures Studio in Pontiac, at 1999 Centerpoint Parkway, and a General Motors property, at 2100 Opdyke, as a manufacturing facility.

The Commerce Township company makes jet engines.

State officials said the aerospace manufacturer is receiving a \$4-million grant. It is expected to hire about 400 workers and could transfer 500 more who are now in Commerce Township to the Pontiac plant when the complex is built.

Pontiac also offered property tax incentives.

"Pontiac welcomes the solid corporate character and economic development diversity Williams International brings," said Mayor Deirdre Waterman. "We are especially pleased with the significant commitment to the jobs and training in the high-tech industry that we negotiated as part of the development agreement."

Autoliv — based in Stockholm, Sweden, and Auburn Hills — will receive a \$2.6-million grant.

The auto-safety manufacturer — which makes airbags, seat belts, radar and camera systems — plans to invest \$22.6 million in Southfield to build an 180,000-square-foot facility and create 384 jobs over five years.

Southfield, which beat out cities in Ohio and Utah, also offered the company a property tax abatement.

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