

# **Jackson County, Michigan—Consumers Energy Corporate Headquarters**

## **Key Players**

Consumers Energy  
City of Jackson  
Jackson County Brownfield Redevelopment Authority  
U.S. Environmental Protection Agency, Region 5

## **Background**

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, rapid population decline in Jackson, and hundreds of vacant and abandoned industrial and commercial properties.

The Jackson County Brownfield Redevelopment Authority (BRA) estimates that there are more than 2,000 brownfields countywide. An EPA Brownfields Assessment Pilot Grant of \$200,000 targets 20 of these properties—including several commercial or industrial sites in Jackson's industrial corridor—for assessment and redevelopment. The Grand River bisects the targeted area in the city and offers opportunities for riverfront redevelopment.

One of the brownfield sites, consisting of 36 tax parcels, included a coal yard, junk yards, wholesale grocers, several gas stations, machine shops, a storage battery manufacturer, a Beaux Arts U.S. Post Office, offices, automobile repair shops, roadways and alleys. The site contained heavy metals, including arsenic, copper, lead, mercury, chromium, selenium, and nickel; volatile aromatic compounds such as benzene, ethyl benzene, xylenes, and C3-benzenes; volatile chlorinated solvents including tetrachloroethene and dichloroethenes; and polycyclic aromatic hydrocarbons. Abandoned underground storage tanks also were discovered at the site, and buildings were contaminated with asbestos and lead paint.

## **Project Features**

Established in 1886, Consumers Energy is one of Jackson's longest standing businesses and has been one of the area's largest employers for decades. The company's lease on its Jackson headquarters building was scheduled to expire in 2003, and Consumers Energy recognized the financial implications to the city that would result from the loss of 600 high-paying jobs, including a significant reduction of income and property tax revenues, as well as the negative impacts to downtown commercial and retail business. Therefore, in 1999 company executives began discussing ways to avoid these negative community impacts as well as accrue the competitive advantages of consolidating their operations into a new, state-of-the-art downtown facility.

The city responded by proposing a downtown brownfield site composed of 36 abandoned and underused parcels on 15 acres for Consumer Energy’s new corporate headquarters. The city assembled 21 parcels of land for the headquarters—a 13-story, 360,000-square-foot office tower—and two parking decks, and an additional 15 parcels for two surface parking lots.

## **Financing**

Jackson is contributing \$43 million in infrastructure improvements—including roads, a sewer, and a parking garage—that will serve the new headquarters, and Consumers Energy is investing \$70 million in building construction. In addition, the project has leveraged financial support totaling more than \$11 million, including a \$465,000-Senate appropriation for Jackson to purchase the U.S. Post Office building; a 10-year, zero-interest \$1-million Urban Land Assembly Loan from the Michigan Economic Development Corporation to the city; 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 U.S. EPA.

## **Impacts**

Construction of the new Consumers Energy headquarters is part of Jackson County's Grand New Vision, which also includes community initiatives in education, recreation, and beautification. The headquarters campus includes a grand plaza in front, with the historic old post office serving as the building’s formal entrance; an outdoor amphitheater located on the grounds along the Grand River; and additional parking on the site with



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1,400 public parking spaces. The parking lots will be used by Consumers Energy during the work day and will be available to visitors in the evenings and on weekends, enabling the city to schedule a variety of community events downtown. City officials report a resurgence in interest in the downtown area, with new businesses relocating downtown and current businesses renovating the facades of their downtown locations.

Consumers Energy's relocation to downtown retains 1,350 Jackson jobs while bringing new jobs into the downtown area. This redevelopment effort received the 2003 Phoenix award at the National Brownfields Conference in Portland, Oregon.

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### **Sources**

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