

Dematic seeks tax break to add 500 jobs

Could bring jobs that pay around \$22 per hour

Updated: Tuesday, 12 Oct 2010, 6:37 PM EDT

Published : Tuesday, 12 Oct 2010, 5:47 PM EDT

- **By Leon Hendrix**

GRAND RAPIDS, Mich. (WOOD) - The Dematic Corporation has asked the city of Grand Rapids for a tax break that would allow it to expand, adding 505 jobs.

The business is located on Grand Rapids' northeast side and specializes in making conveyor systems.

In a memo from Deputy City Manager Eric DeLong, it says Dematic will invest more than \$11 million in the expansions at the facilities, at 500 and 507 Plymouth Ave. NE.

The city estimates the new jobs would bring \$228,987 in new income taxes each year. In exchange, Dematic is asking for a five-year personal property exemption that would mean about \$44,387 in taxes that the city would not receive each year after the expansion.

The proposed jobs would be in the research and development field and include engineers, sales and research workers, as well as administrative support employees. The jobs would start at around \$22 an hour.

The city commission will take up the issue of the proposed tax breaks at its public meeting set for 7 p.m. Oct. 26 at Grand Rapids City Hall.