

Bopp-Busch granted tax abatement for facility expansion

By Kevin Bunch

News Editor | news@arenaindependent.com

Au Gres — The Au Gres City Council unanimously approved a proposed industrial facility tax abatement (IFT) for a facility expansion project at Bopp-Busch Manufacturing after holding a public hearing Nov. 13.

The parts manufacturer is seeking a 12-year, 50-percent tax abatement on its new construction, which Au Gres City Manager Pat Killingbeck said is the maximum amount allowed under state law.

Killingbeck said the purpose of an IFT is to encourage industrial facilities to expand their operations, hiring more workers and bringing in more tax revenue to the area.

"It's a state program for new construction and manufacturing facilities," Killingbeck said. "It increases the tax base for all units of government, not just the city."

She said while the city, county and surrounding units would only get 50 percent of the estimated taxable value on the new addition while the abatement is in effect, it is still more than they would

receive otherwise.

Bill Busch, owner of the Bopp-Busch plant, said at the public hearing he is working on an addition to one of the facility's plants for a future manufacturing area, in addition to remodeling the old building. Work on the old building includes a new roof.

In order to keep the IFT, Bopp-Busch must employ a minimum of four new workers, though Busch said the company could end up hiring more than that, depending on need. He listed shipping people and handlers as possible additional personnel.

Bopp-Busch currently

employs 36 people.

The abatement does not apply to state taxes, which are exempt, but would halve taxes on the addition to the city, county, library, and school district. It does not apply to the existing facility infrastructure, which will continue to be taxed at its current rate.

Killingbeck recommended the abatement, citing Bopp-Busch as being a very stable employer in the community and pointing out that the city has had at least six tax abatements with the company since it opened in 1948.

Au Gres Mayor LaVern Dittenber supported the

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abatement and said he was glad the company found room for improvement and growth.

"I'm happy they're successful and hope to see it continue," Dittenber said.

Arenac County Commissioner Mike Snyder, who represents Au Gres, said he was "delighted" that Bopp-Busch has continued to stay in Arenac County and

is adding room to grow.

Councilman Tom Ennes agreed, and before making the motion to approve the IFT request, said the city needs to support its local businesses.

The request now goes up for state approval, though Killingbeck said functionally it is the city council that has the greatest say on the IFTs.