$75 million in construction projects begin at Tacoma center in Warren

By Chad Halcom

Livonia-based Brix Corp. and Granger Construction Co. of Lansing officially began two side-by-side projects worth roughly $75 million at the U.S. Army Tacoma Life Cycle Management Command in Warren, the companies' presidents said today.

Brix President Ije Osuagwu and Granger President Glenn Granger both said site work has begun on projects related to the consolidation of personnel to Warren from Rock Island, Ill. Both were on hand for a groundbreaking ceremony on the new building projects Monday morning.

"As a construction management and design-build company, we are in many industries and a portion of our contracts will always be in government projects," Osuagwu said. "Obviously, in this economic downturn there is very little construction in the area and automotive activity is idle, so we are doing a lot more government work (proportionally)."

Brix is the general contractor on a $4.85 million contract to renovate and improve the Weapons Maintenance and Operations Center at Tacoma, awarded in February. Osuagwu said some preparatory work has begun at the site, but it should escalate this week and be complete by 2011.

Brix also is handling a utilities improvement project, valued between $2 million to $3 million, Osuagwu said, which could be complete by year's end.

Next to the Brix project at the weapons center is a proposed administration building and parking garage, under a contract valued at $69,229,000 awarded in late March.

Glenn Granger said that construction on that project begins this week, and is set for a completion date of March 25, 2011 — although it may not be fully occupied until later the same year.

Granger said the company expects to finish the garage first, due to current parking space needs on the arsenal grounds, followed by the eight-story, 230,000-square-foot office building. Southfield-based Neumann Smith is the architect on that project.

"We're also looking at a number of projects where we'll be engaging small businesses on the grounds of the base," Granger said.

Tacoma has at least four planned construction projects at the base to help absorb a transfer of nearly 1,200 positions from Rock Island, Ill., to Warren by 2011. The transfer was ordered as part of the 2005 federal base realignment and closure commission report in 2005.

At least 100 of the current Rock Island personnel were on hand Monday for the groundbreaking, said base commander Maj. Gen. Scott West.

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The defense corridor
Mound Road and Van Dyke
Avenue from central Warren
to southern Shelby
Township form a growing
defense industry hub.
Here are highlights of some of the recent economic activity:

**Jobs**

- **2003:** 7,100
- **2009:** 10,500
- **2011:** 12,200*

**Contracts**

- **2003:** $1.52 billion (535 contracts)
- **2007:** $3.69 billion (1,249 contracts)

- **Warren:** 6,800 estimated jobs
- **Sterling Heights:** 3,200 estimated jobs
- **Shelby Township:** 500 estimated jobs

* Includes 1,700 new jobs from the projected Tacom consolidation and Sterling Heights expansions.

Source: Sterling Heights and Warren economic development, [www.governmentcontractswon.com](http://www.governmentcontractswon.com)
Defense work, jobs on march in Macomb: Zone puts its strengths to use

By Chad Halcom

They call it the "new defense corridor."

No one has given that title formally to the manufacturing and office space along Mound Road and Van Dyke Avenue from central Warren to southern Shelby Township, but business leaders and economic development officials say that area is almost magnetic to new defense industry activity.

That region, 12 miles long and less than three miles wide, accounted for up to 10,500 defense-related jobs in January, compared with 7,100 or so in 2003.

Defense contract activity also increased by $1 billion for Macomb County in 2007 — the last year for which data is available — and more than 1,700 new jobs should arrive in western Macomb by the end of 2011.

"As you go up that (corridor), there's a lot of automotive manufacturing space and research and development," said James Ruma, secretary of the board of directors for the National Defense Industrial Association Michigan chapter, and vice president of engineering programs for General Dynamics Land Systems in Sterling Heights.

"There's not really a sense of exclusivity in terms of that (location), but you have several contractors there, and both the city of Sterling Heights and the state of Michigan have shown interest in building that industry up."

Earlier this month, the U.S. Army Corps of Engineers awarded a $4.9 million construction contract to Southfield-based Brix Corp. to renovate and rebuild the Weapons Maintenance and Operations Center at the U.S. Army Tacom Life Cycle Management Command in Warren.

It's one of four planned construction projects at the base and is supposed to help absorb a transfer of nearly 1,200 positions from Rock Island, Ill., to Warren by 2011.

Employers in the corridor


• Shelby Township companies/employers: General Dynamics Land Systems, MT Acquisitions L.L.C. d/b/a Models and Tools Inc. (currently relocating from Troy), CMG Aerospace L.L.C.

Source: Sterling Heights and Warren economic development, www.governmentcontractswon.com

Defense prime contractor BAE Systems last week held a groundbreaking for its redevelopment of the former TRW Automotive Holdings Corp. plant it acquired late last year along Van Dyke near 15 Mile Road.

The company expects to demolish the site by summer, begin construction in the third quarter and complete the project by the end of 2011, said BAE director of facilities Michael Bocek.

"Proximity to the customer was important," he said of the TRW location in Sterling Heights, a few miles from Tacoma, as the local contract awarding office. "Our need for work in tracked vehicles was also compatible with a lot of the engineering skills, and frankly we also looked at the strong colleges and universities in engineering there."

BAE Systems has hired 200 people in metro Detroit since it won its first tax incentives a year ago for the Sterling Heights project.

Another 200 will be added by year's end. Bocek said the company will be close to the site's 600-person capacity after redevelopment is complete and other employees move from Warren, Sterling Heights and Troy.

Total defense contracting in Macomb County is also on the rise, with $3.69 billion awarded in 1,249 contracts in 2007.
That compares with $2.67 billion awarded in 1,369 contracts in 2006 and $1.52 billion awarded in 535 contracts in 2003, according to www.govtcontractswon.com, the private information service that collects defense contract data.

By comparison, Wayne County companies collected $428 million in total contracts in 2007, and Oakland County amassed just $249.7 million.

William Lichwalla, president and CEO of Southfield-based Plante Moran Cresa L.L.C., said he believes the new corridor on Van Dyke and Mound is partly due to Tacom contracts and partly to the availability of laid-off automotive engineers.

Plante Moran Cresa represented BAE in the TRW acquisition deal and also handled the December relocation of Force Protection, Inc. offices from Clinton Township to expand in Sterling Heights.

"Sometimes, the very thing that makes for a bad local economy also makes for a very good site selection (process)," he said. "You've got properties in that (corridor) at very attractive value right now, a great labor pool readily available due to automotive cuts and some assistance with incentives from the state."

GDLS, on Mound Road in Sterling Heights, has added nearly 1,200 jobs since 2003 in Sterling Heights and Shelby Township, going from 1,839 in 2003 to 3,046 in January, said Vice President of Communications Peter Keating.

Much of the growth was tied to development of Mine Resistant Ambush Protected vehicles, or MRAPs, which came into heavy demand after the proliferation of improvised explosive devices in the Iraq war, which began in 2003.

Local defense industry leaders have said military demand for new vehicles should continue even as forces move out of Iraq and elevate the campaign in Afghanistan.

Force Protection, based in Ladson, S.C., moved into a larger space near Mound and 18 Mile Roads and is part of a joint venture company with GDLS making a bid on the pending $3 billion MRAP-ATV, or all-terrain MRAP project.

Sterling Heights has more than 3,200 defense-related jobs in six local companies, all based on or near Mound and Van Dyke. At least three of them — BAE, Force Protection and Science Applications International Corp. — had no significant local presence a decade ago, said Luke Bonner, the city's economic development manager.

The city also obtained state approval for a SmartZone tax capture district to aid business growth last October. It includes a defense and homeland security business incubator on 15 Mile between Mound and Van Dyke.

Factoring in the incubator tenants, BAE gains and possible expansion for Force Protection, the city could add another 500 jobs by 2011.

SAIC opened a second location in Sterling Heights recently, in Plumbrook Technology Park, and now has more than 60 employees in the city, up from five at a single office that opened in 1991, said Melissa Koskovich, deputy media relations director.

Tacm's total civilian and military employment was around 6,500 in Warren in January, compared with 5,500 or so a few years earlier, said Diana Kolakowski, Warren's director of economic development. Oshkosh, Wis.-based Oshkosh Truck Corp. also opened an office in Warren last spring.

Anthony Scicluna, corporate vice president of global sales at Sterling Heights-based Rave Computer Association Inc., estimated that defense contracts as of this year accounted for more than 60 percent of business for its 40 or so employees. That's compared with about 20 percent of business at the beginning of the decade, according to President and CEO Rick Darter.

The company added a new sales office at the end of January in Virginia, outside Washington, D.C., to help expand defense contract work even further. Rave makes information technology and computer hardware systems and generates about $30 million in annual revenue.

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