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Chemical company relocates to township

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DELHI TWP. - A new building is being built in Delhi Township despite economic woes.

The growth is happening in the township's executive office park area near Jolly and Dunkel Roads and includes a chemical company moving from Minnesota.

The company, Draths Corporation, will occupy 75 percent of a 40,000 square foot building on English Oak Drive.

The building is owned by Dart Development, which plans to use the remaining space for another tenant.

Dart has been busy in that part of Delhi Township, expanding Oakwood Executive Park by 40,000 square feet and bringing in businesses to fill the space.

It even built a new road for the area to accommodate the expansion last year.

Draths will bring more jobs

Draths Corp., a Michigan State University spinoff company, plans to add 200 jobs over five years in Delhi Township.

Draths, a chemicals company, will spend \$41.3 million on a new headquarters at 4055 English Oak Drive.

The Plymouth, Minn.-based company, which has an office in Okemos, received a state tax credit of \$5.2 million over 10 years. The Michigan Economic Growth Authority board approved the tax credit Tuesday as an incentive to Draths to expand in Michigan instead of Minnesota.

Draths expects to hire about six employees by the end of the year, and the remaining 194 by 2014, said co-founder John Frost. Positions range from senior engineers to technicians and operators with a background in chemistry and biology.

Employees will earn an average of \$952 a week, plus health care benefits, according to the Michigan Economic Development Corp., which oversees the MEGA board.

Frost and his wife, Karen Draths, founded the company in Okemos in 2005. The headquarters was moved to Minnesota in 2007.

Frost and Draths taught chemistry at MSU before starting the company.

Draths Corp. creates chemicals for nylon, plastic bottles and other products from renewable materials

instead of petroleum.

"This is an example of technology that was created at MSU and spun off outside," Frost said.

"We obviously wanted this company in Michigan."

The Minnesota office will close, and the 20 employees in the 8,000-square-foot Okemos office will move into a new 30,000-square-foot facility by January 2010.

The new building will include a pilot plant and several research facilities.

"This project is significant because it shows the role that universities play in diversifying and growing the economy," said Bridget Beckman, an MEDC spokeswoman.

"This technology spun out of MSU and it's very exciting to see it get to the point where it's going to be commercially available."

Beckman said the company received one of the last available high-tech MEGA tax credits. The state used up the 50 high-tech, high-wage and rural tax credits allowed for the year. Officials are awaiting legislation to raise the cap.

Draths Corp. received a 14-year, 50 percent real and personal property tax abatement from Delhi Township at its meeting Aug. 18.

"Even though it's an abatement, it's still 50 percent of industrial tax dollars which are valuable," said John Elsinga, Delhi Township's manager.

"Probably the most important components are the jobs it creates for the local and regional economy."

Dart received a \$350,000 abatement as well, for constructing the speculative building.

The abatement was approved pending identification of the tenant, according to township Planning Executive Director Tracy Miller.

Township Supervisor Stuart Goodrich said the township is excited about the company.

"We are thrilled with it," Goodrich said. "Draths officials had nothing but good things to say about Delhi Township."

Goodrich said Draths officials have said the word is out that Delhi Township is open to working with businesses.

"He told me more companies would be coming thanks to the dedication of Dart Development and employees like our Tracy Miller."