

Kay Manufacturing

Kay Manufacturing, headquartered in Calumet City, Illinois, produces precision machined drivetrain components to domestic automotive companies. Due to significant growth, Kay determined that in order to meet growing customer demand, the company needed a second manufacturing operation in the upper Midwest.



Kay Manufacturing, which employs over 100 team members, had maxed out their 96,000 square foot manufacturing space at their Calumet City manufacturing plant. Kay hired McGuire Sponsel to perform building/site selection in examining the option of establishing a new manufacturing operation in Illinois, Indiana or Michigan.

Kay Manufacturing engaged McGuire Sponsel to assist in locating a viable new facility and procuring incentives for the potential manufacturing project. McGuire Sponsel worked closely with company executives to examine multiple site location scenarios and costs. McGuire Sponsel negotiated with the Michigan Economic Development Corporation (MEDC) and the Cornerstone Alliance in Berrien County to procure tax credits and incentive assistance.

State and Local Incentives:

- \$ 350,000 Michigan Business Development Program
- \$ 96,000 Michigan Works! Service Centers
- \$ 426,318 PA 198 Property Tax Abatement
- \$1,003,909 Industrial Personal Property Tax Relief
- \$1,224,248 Procured Lease Rate Savings
- \$ 534,000 Sales Tax Exemptions
- \$ 19,000 Specialty Tooling Property Tax Exemption
- \$3,653,475 Total Incentives**

CLIENT SNAPSHOT

Client:

Kay Manufacturing
602 State Street
Calumet City, Illinois

Project Type:

New Manufacturing
Operation

Project Location:

St. Joseph, MI

Project Objective:

Building/Site Selection &
Comparison,
Economic Incentives
Procurement

Capital Investment:

\$9.3 MM

New Jobs:

80

New Square Footage

120,000 sf



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