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**CROSS COUNTRY****Detroit as Dream Factory**By **DALE BUSS**

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Actor Jeff Daniels loves his native Michigan so much that he produced a movie about deer hunting in the Upper Peninsula and stars in TV ads for the state's economic development. Philadelphia-born Mitch Albom, author of "Tuesdays With Morrie," set his latest best-selling novel, "For One More Day," in his adopted state. It pained him when the TV movie was shot in Connecticut instead.

So it was in keeping for this pair of loyal Michiganders to want to help alleviate the misery in a state where the 8.5% unemployment rate remains three percentage points higher than the nation's. Michigan, they decided, could become a mini-Hollywood of the Midwest, churning out movies, TV shows and commercials the way the slowing factories around here once spit out pickup trucks and SUVs.



Associated Press

Jeff Daniels, seen here testifying before a Michigan congressional committee, and Mitch Albom hope the state can become a mini-Hollywood.

Three months ago Messrs. Daniels and Albom got a posse of state legislators and Gov. Jennifer Granholm to push through the nation's most generous rebate for video and film production: up to 42% of the costs a producer incurs on everything from key grips to honey trucks. And Hollywood is marching in.


Just two months later, Michigan already had signed 24 agreements under the new law, representing projects that call for a purported total of nearly \$200 million in spending here -- and state-treasury paybacks totaling more than \$70 million. Also, the Michigan Film Office reports that 84 scripts were submitted for its

consideration just a week after the new law passed, compared with only seven all of last year.

This doesn't surprise Mike Binder, a Michigan native and Hollywood director. "People ask me, 'Why did you set "The Upside of Anger" in Detroit but shoot it in London?'" he says. "Because they gave me a tax break."

But it isn't clear that the legislature has done the right thing in selecting the Albom-Daniels script for economic recovery. The obvious weakness of this ploy is that many cities and states are hankering for Hollywood's table scraps. Pittsburgh is trying to create "Hollywood on the Mon (ongahela River)." New Mexico and Louisiana are well ahead on this path. And there's nothing

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stopping Kentucky, Colorado or Florida from leapfrogging Michigan, which previously hiked its rebate to 20% in 2006.

Critics also have lambasted the new incentives as a Band-Aid that can't come close to covering the state's gaping wounds. Detroit car makers' U.S. market share now stands at a near-historic low of 47%, and Michigan has lost 69,000 payroll jobs in the past year alone. Yet because Michigan retains great competency in complex manufacturing, the law of comparative advantage would argue for redoubling efforts in that arena rather than chasing moviemakers.

Others have knocked the basic unfairness of selecting a single industry for privileged treatment. "It involves picking winners and losers in the marketplace so there is less for everyone else," complains Michael LaFaive, director of fiscal policy for the Mackinac Center for Public Policy, a think tank in Midland, Mich.

Besides, the state treasury already is facing a projected deficit of more than \$400 million for the fiscal year that begins Oct. 1 -- after huge new boosts in personal-income and business-receipts taxes. The movie rebates are "an insult to every business that just got a big tax increase," says Patrick Anderson, principal of Anderson Economic Group, in East Lansing, Mich.

Michigan's celluloid pedigree is skimpy -- and checkered. "Somewhere in Time," shot at the Grand Hotel on Mackinac Island in 1979 and starring Christopher Reeve and Jane Seymour, showed the state's breathtaking beauty. Thanks to the Big Three auto makers, Michigan once ranked as a leading site for TV ads. But moviegoers are much more apt to recall tumbled-down images of Detroit, a city that has lost about half its population over the past half-century.

Recently, the producers of "Transformers" joined a roster of peers who have used the crumbling Michigan Central train depot in southwest Detroit, and its now-toothless beaux-arts façade, as an apocalyptic metaphor. And there's "DEA," the new Spike TV series that followed Drug Enforcement Agency officers as they busted down crack-house doors in Detroit. With "the highest murder rate in the country," Detroit "is a deadly city," an announcer intoned. It's no wonder that one of the first new movies announced in the new rebate era was "The Job," whose director wants to take advantage of the "vivid streets" here to depict people living "far on the margins."

Find television listings for [Jeff Daniels](#)<sup>1</sup> and [Christopher Reeve](#)<sup>2</sup> at [LocateTV](#)<sup>3</sup>.

Rebate backers don't mind continuing to offer genuine Motown grittiness. But they believe that producers will press many other settings into use, including

Michigan's quaint tourist towns, vast deciduous forests and lengthy shoreline. Johnny Depp reportedly has been scouting sites around one watery haven, Traverse City. The new law also includes breaks for digital moviemakers who can work -- inside - anywhere.

"If you have five films shooting at the same time, with five full working crews, that's a small industry of people constantly working," says Mr. Albom. "And then you've built a creative force that can justify moving to, living in, and staying in Michigan."

Beyond that, however, lies the even bigger question of whether Michigan could ever harbor a critical mass of the creative class for the long term. Are screenwriters, make-up artists, movie agents and paparazzi ever going to haunt Woodward Avenue in Detroit the way they blanket Beverly Hills?

Connecticut has been able to attract some long-term investments in movie-making not just because it preceded Michigan as the most generous rebater -- at 30% -- but also because it's part of greater New York and Boston. "It's important to be in close proximity to creative centers of the world, and schools and universities that feed them," says Joan McDonald, Connecticut's economic and community-development commissioner.

For Michigan to succeed, says Richard Florida, a University of Toronto business professor and author of the new book "Who's Your City," it "will have to knock off a Toronto." He concedes that currency exchange no longer favors the Canadian dollar but notes that, just a few hundred miles from here, Toronto already has leveraged hefty rebates into "a huge infrastructure and very deep networks" that cultivate a thriving film industry.

One local newspaper wag couldn't decide whether the state would become known as "Michiwood" or "Wishigan." In any event, Michigan's Louis Mayer wannabes were encouraged recently by a gathering at a suburban Detroit sound stage. It was publicized only on the state's film office Web site, "but 800 people came out," Mr. Albom reports. "Everyone from hairdressers to actors to producers to camera operators -- they were all there. That tells me there is an enormous base of people who are anxious to work in these fields here and just waiting for the work to come."

*Mr. Buss is a journalist and author based in Rochester Hills, Mich.*

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