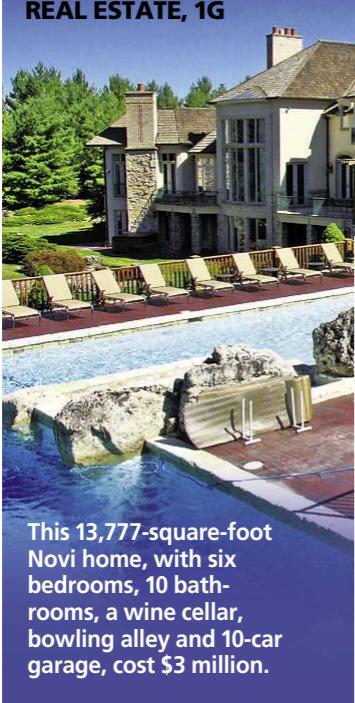


LUXURY FOR LESS TOP 10 PRICIEST METRO HOME SALES

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This 13,777-square-foot Novi home, with six bedrooms, 10 bathrooms, a wine cellar, bowling alley and 10-car garage, cost \$3 million.



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WONDER DOG

New book is
celebration of
Michigan's
coney passion

RON DZWONKOWSKI,
15A



FREE RIDE

Amid money
crunch, Detroit
fails to collect
\$155M in city
income taxes

STEPHEN
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GO, GRANNY, GO
Baby boomers
redefine roles
for modern-day
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STILL WARM, BUT
STORMS MOVE IN

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ON GUARD FOR 180 YEARS

Sunday Free Press

Sunday 3.18.2012

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FILM STUDIO STRUGGLES AFTER STATE SAYS 'CUT!'



PATRICIA BECK/DETROIT FREE PRESS

Anthony Wenson, left, is director of studio operations and Sanford Nelson is in marketing. Raleigh has fallen far short of its job creation goals.

Backers of Raleigh Michigan in Pontiac push for return of hefty movie incentives

By Katherine Yung
Free Press Business Writer

The wizard has departed. The throne room and Glinda's castle are gone. And only a faint trace of the Yellow Brick Road remains.

That was the scene inside the seven sound stages at Raleigh Michigan Studios in Pontiac in late January, a month after the Walt Disney prequel "Oz: The Great and Powerful" wrapped up filming.

Less than a year old, the studio's three floors of office space are mostly dark, its hallways quiet and empty. Designed to accommodate seven medium-budget feature films a year, Raleigh now is struggling to attract just one. It has defaulted on a \$630,000 interest payment, and another payment is due in August. The state-of-the-art ven-

ue employs 15-20 people, a far cry from its goal of 3,000 jobs from year-round productions.

The studio's current predicament is a cautionary tale about how a group of smart and wealthy businesspeople, plus key state officials, made a major miscalculation in assuming Michigan's hefty film incentives would stay among the richest in the nation, and that a growing Michigan movie industry would continue its skyward trajectory.

"In retrospect, it was a mistake," said Robert Kleine, the former state treasurer who signed off on an investment deal for the studio involving state employees' pension funds in June 2010, when former Gov. Jennifer Granholm still was in office.

See RALEIGH, PAGE 4A



PATRICIA BECK/DETROIT FREE PRESS
LADIES IN WAITING: Bare mannequin heads line shelves at the studio.



2011 PHOTO BY ERIC SEALS/DETROIT FREE PRESS
'OZ' JOBS: Vanessa Vore, left, and Vanny McCarthy apply as extras.



PATRICIA BECK/DETROIT FREE PRESS
SLOWDOWN: Visitors tour an empty sound stage at Raleigh Michigan.



PATRICIA BECK/DETROIT FREE PRESS
DOUBLE DUTY: The studio lobby also can serve as a movie set.

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SEE MORE PHOTOS OF
THE PONTIAC STUDIO

Oil boom fears flow in pristine Irish Hills

Many residents worry about
contamination, but firms,
state say safeguards work

By Tina Lam
Free Press Staff Writer

BROOKLYN, Mich. — Bringing with it concerns about potential earthquakes, contaminated drinking water and dangerous spills, an oil boom has hit the popular, pristine vacation destination of the Irish Hills in Jackson and Lenawee counties.

Tall rigs punch holes among lakes and wetlands, and gas flares light up the night sky.

In Adrian, rows of pink flags mark the spots where oil companies are doing seismic testing to determine whether there's oil below homes. Schools and colleges have leased out lands for oil drilling. Horses gaze across fields to pumping oil derricks.

The boom that began with discoveries of oil near tiny Napoleon three years ago has made Jackson County the state's top oil producer. It produces about 2% of the oil customers consume statewide, a company executive said. Manistee County in northern Michigan is the second-highest producer, and Lenawee County is third.

But some say the growing string of more than 60 oil wells in a diagonal line across Jackson and Lenawee counties — in the midst of summer cottages and lakeside pubs — shouldn't be happening. Along with promises of fattened bank accounts and higher tax revenues, there is alarm about deep-injection wells planned for drilling waste, which have been tied to earthquakes elsewhere, and about oil spills in this watery paradise, where everyone gets their water from wells.

"Even the guys collecting oil checks have got to feel some regret," said John Bancroft, a former Troy teacher who retired and built his dream home in the Irish Hills. "What they did changed everybody's life."

■ CONCERN GROW ON INJECTION WELL PLANS. 3A



John Bancroft says he fears oil will leak into a creek in his yard.



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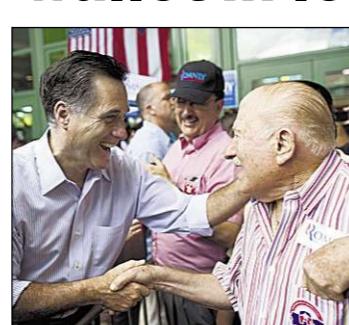
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CAMPAIGN 2012

Santorum's surprise surge taking toll
on Romney's wallet in lengthy battle

By Steve Peoples
Associated Press



EVAN VUCCI/ASSOCIATED PRESS
Mitt Romney greets supporters Saturday in Bayamon, Puerto Rico. Its primary is today, and 23 delegates are at stake.

Super PAC to supplement his spending on expensive TV ads.

Last week, the Michigan native and former Massachusetts

governor spent two days privately courting donors in the New York area, even as his Republican rivals were wooing voters ahead of pivotal elections in places like Illinois, where he hasn't been in four months, and as President Barack Obama was stockpiling cash for the fall general election fight.

On Wednesday, Romney had five finance events in New York, all packed, raising about \$3 million. So the news is hardly all bad. Wednesday "was the best day we've had so far," said New York Jets owner Woody Johnson, who accompanied Romney to multiple events, including a donor breakfast in New York City.

See GOP, PAGE 5A

82498pdf

RALEIGH: Languishing new movie studio still believes it can succeed in Michigan

FROM PAGE 1A

"We might not have done it if the studio wasn't in Pontiac," he said. "We were doing everything we could to help the city."

When asked about the risk of changes to the film incentives, Kleine said: "At the time, we didn't focus on that."

Raleigh's owners say they now are lobbying lawmakers to increase the incentives back to \$100 million from the current \$25-million annual cap, and they're visiting Hollywood executives and others to drum up business as they tout the Pontiac facility and available skilled labor. They say they had every reason to believe in the project's success and Michigan's growing film industry, including market research that showed a studio was needed.

Still, Raleigh was a high-risk venture from the start, with its heavy reliance on state film incentives for movie makers. If approved, a movie production simply would receive a check from the state once expenditures were audited after filming was completed — a strong inducement to make the movie in Michigan.

When it became clear about 13 months ago that the incentives would be reduced to \$25 million a year, it was too late to turn back on the studio project because construction was nearly completed, a Raleigh official said. Nine projects pulled their applications from the state in just a few months, but the studio survived last year because of "Oz."

No time to turn back

Raleigh's owners — who include a local billionaire and other titans of the development and entertainment worlds — acknowledge they were caught off guard when the incentives were slashed by new Gov. Rick Snyder and lawmakers to balance the state's budget.

Last month, Snyder told Free Press reporters and editors, "I'm not supportive of going higher than \$25 million," adding that taxpayer money would be better spent on education, public safety or the successful Pure Michigan tourism campaign.

"If I had incremental dollars to spend, I'd put it in Pure Michigan," he said.

Raleigh Studios investors include Birmingham businessman Linden Nelson; A. Alfred Taubman, the billionaire shopping mall developer; John Rakolta Jr., the CEO of Walbridge, one of the largest construction companies in the country; William Morris Endeavor Entertainment, one of the world's leading talent agencies, and Raleigh Entertainment, the nation's largest independent studio operator. Nelson is chief spokesman for the investor group.

"The film incentives were passed and backed by strong bipartisan support, so with that as the background for the law, we did not anticipate the magnitude of the change that occurred last February (2011)," said Steven Lemberg, Raleigh's chief financial officer, in an e-mail responding to Free Press questions.

"Once the change (in incentives) occurred last February, there was no turning back with the studio as construction was nearly complete," he said.

Neither Nelson nor Lemberg would comment on whether any promises about the stability of the film tax incentives were made by Granholm.

Through a spokeswoman, Granholm said she did not make any promises. "The governor wasn't in any position to make that promise, and investors are smart and savvy enough to know that," said spokeswoman Liz Boyd. "That's a ridiculous assumption because no governor could make that promise."

Key financial documents, prepared for potential investors ahead of construction, warned of the risks. "If the Michigan tax incentive is eliminated, significantly reduced or otherwise limited to the point of being non-competitive with credits of

fered by other states, the viability of the company and the master tenant could be questionable," noted a July 2, 2010, private placement memorandum that was issued to potential bond investors.

Because of the risk, \$18 million in tax-exempt bonds issued to help finance the studio offered above-average interest rates of 7% and could be sold only to institutional buyers. They were purchased by municipal bond funds, including Goldman Sachs Asset Management, DWS Strategic High Yield Tax-Free Fund and Neuberger Berman Intermediate Municipal Fund.

In an unusual move, the State of Michigan Retirement Systems — which manages the pension funds of state employees, teachers, police and judges — agreed to guarantee the bonds. This was the first time it made an investment of this kind. The SMRS has \$47 billion in assets.

In exchange, the pension funds stood to earn hefty fees of \$450,000 a year, an amount that would increase over time.

The pension funds could be on the hook for bond interest payments, if Raleigh continues to default.

Rising projections

In 2009, nearly \$300 million of film production had occurred in Michigan in just two years, triggered by the most generous state film tax incentives in the nation. Major stars including Robert De Niro, Hilary Swank and George Clooney made plans to come to Detroit.

Nelson, Taubman and Rakolta thought Michigan needed a full-service movie studio, and plans were in the works.

Raleigh Studios expected to make money as soon as it opened its doors. Projections called for it to earn a gross operating profit of \$5.2 million in its first year, a figure that would rise steadily to \$13.7 million by its 10th year of operation. Revenue would come from renting out Raleigh's sound stages and 360,000 square feet of office space.

Raleigh's owners provided more than \$20 million of the \$80 million needed for construction, in the form of bond purchases, equity and loans. The rest of the financing came from a bond issue, federal and state tax credits and federal stimulus money.

Since last year, Raleigh executives have been working to overcome opposition in Lansing and persuade Hollywood to return to Michigan.

"We were successful in doing what we set out to do," Nelson said, referring to building a world-class movie studio. "Let this industry blossom in Michigan."

A destination studio

From the beginning, they were determined to create a movie studio like no other in the world.

Situated on 22 acres on Pontiac's east side, Raleigh was designed to be a destination campus where every facet of filmmaking occurred at one location. Laid-off autoworkers and others would undergo training for production jobs. The campus would be home to film-related businesses, everything from animation and post-production work to casting.

"It is the premiere studio facility in the U.S.," said Vans Stevenson, senior vice president of state government affairs for the Motion Picture Association of America.

The studio boasts seven sound stages from 12,000 to more than 31,000 square feet. Three can be combined to form a nearly 93,000-square-foot stage, one of the largest in the world. One of Raleigh's main selling points is that its sound stages are right next to its office space; in Hollywood, the two usually are separated by a short drive.

Raleigh renovated a vacant office building where 3,000 General Motors engineers used to work. And Walbridge built two new buildings to house the 45-foot-tall sound stages, which come equipped with wood lighting.

SEE NEXT PAGE



Since the new lower cap for incentives took effect last year, Michigan has attracted only one movie with a budget of more than \$15 million — "Five Year Engagement" starring Jason Segel and Emily Blunt. It has an \$18.5-million budget.

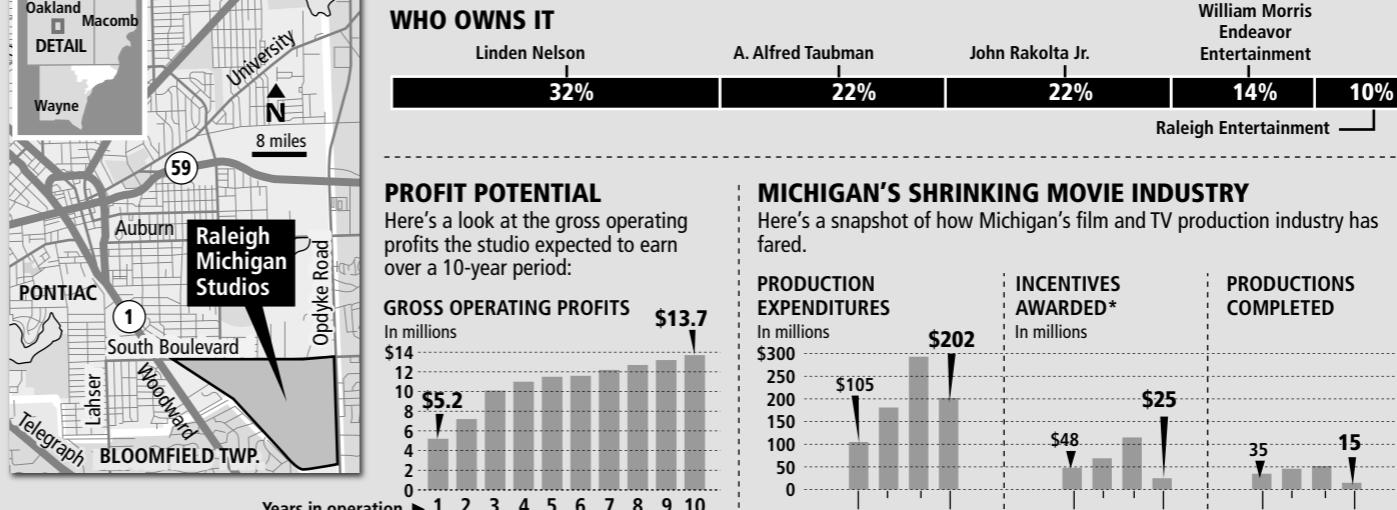
HOW THE MICHIGAN FILM AND DIGITAL MEDIA ASSISTANCE PROGRAM WORKS

The state offers incentives as a direct refund of up to 32% of a project's budget. After an audit is completed, a check is issued after the production is finished. The refunds are capped for the entire pool of projects over a year at \$25 million a year.

HOW COMPANIES GET INCENTIVES

- The Michigan Film Office and other state economic development officials accept and review applications of companies planning to spend at least \$100,000 on employees, goods and services. Once an application is deemed complete by the film office, it must be approved or denied in 21 days.
- Production-related spending is eligible for an incentive up to 32% of certain expenditures, with the possibility of an additional 3% for using a qualified facility or qualified post-production facility in the state. Different from the previous program, it's not a tax credit but a direct refund.
- The company produces its film or other project in Michigan, on average taking about 3 months.
- The company's accountants compile production-related spending at Michigan restaurants, hotels, hardware stores, caterers, retailers, etc., and then submit an audit completed by an independent Michigan CPA.
- The Film Office and the Michigan Economic Development Corp. review the expenditures and the film office issues a certificate of completion listing the incentive amount.
- A payment is issued to the production company.

RALEIGH MICHIGAN STUDIOS



*New higher incentives went into effect in April 2008; **new lower incentives cap took effect last year.

SOURCES: Michigan Film Office; Entertainment Partner; Michigan Motion Pictures Studios bond documents; Michigan Film Office annual reports

DETROIT FREE PRESS



SEATS IN SEARCH OF AN AUDIENCE: One of two screening rooms at the state-of-the-art Raleigh Michigan Studios sits empty in January. Designed to accommodate production of seven medium-budget feature films a year, Raleigh now is struggling to attract just one.

PATRICIA BECK/DETROIT FREE PRESS

GOP: Romney's cash at lowest level since campaign launch

FROM PAGE 1A

But it's less encouraging for the campaign that the money is badly needed to refill coffers that are near their lowest levels since Romney launched his presidential run last year.

It's unclear whether Romney, whose personal wealth is estimated between \$190 million and \$250 million, will loan his campaign money, as he did in 2008 with a \$42-million infusion of cash.

Top aide Eric Fehrnstrom said Romney has not loaned his campaign any new funds this cycle and has "no plans" to do so.

Raising money to survive a protracted primary fight is clearly not how Romney wanted to spend his spring. He had hoped to have the nomination wrapped up, giving him the freedom to raise money for the general election against Obama.

The incumbent Democrat already is well into running for reelection. He spent 14 hours Friday raising money, including at one big event in Atlanta with actor/director Tyler Perry and musician Cee Lo Green.

As Romney reloads for his GOP fight, his chief Republican rival, Santorum, is showcasing new fund-raising success. The once-lopsided money race between the top two Republican candidates has never been closer. In February, Romney boasted his second-best fund-raising month ever, taking in \$11.5 million. Santorum, with a vastly smaller organization to support, wasn't far off, with \$9 million.

For months, the former Pennsylvania senator's campaign was marked by disorganization and a shoestring operation that largely depended upon passionate but inexperienced volunteers. Now Santorum has opened a national headquarters to replace the post office box that previously served that role. And he has added several paid staff members.

Romney aides acknowledge they are looking to reduce costs.

The campaign stopped conducting expensive polling ahead of the Michigan primary. Instead, it now counts on lower-cost voter ID phone calls, which aides contend are nearly as accurate as internal polls. Romney also stopped using the 150-seat plane that could accommodate the news media after the March 6 Super Tuesday races and is, instead, flying with a small group of aides and Secret Service agents on a smaller, cheaper aircraft.

Further, his staff is pursuing what it calls creative ways to maximize free television coverage to supplement a flood of



CHRISTOPHER GREGORY/GETTY IMAGES



JEFF ROBERSON/ASSOCIATED PRESS

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paid TV advertising. Romney notified local news media, for example, that he would be arriving at the San Juan airport at 2:30 p.m. Friday. There were no formal events planned — not typical for a campaign that has had a tightly controlled news media schedule.

Publicly, Romney and his senior team have offered no hint of financial stress.

"We started March with more cash on hand than any of our opponents. Our fund-raising continues to be healthy," Fehrnstrom said. "We have all the resources we need to remain competitive in this race."

Indeed, Romney scored narrow victories over Santorum in Michigan and Ohio in recent weeks, drawing on his financial advantage to outspend his opponents on the local airwaves. It was the same in Mississippi and Alabama last week. But in those

Southern races, Santorum overcame his cash deficit and scored twin victories that threatened to reset the Republican contest.

Henry Barbour, a Republican operative who is helping Romney's fund-raising in the South, said money won't necessarily decide the nomination.

"Cash is always a fundamental factor, but if it becomes a one-on-one, it becomes a little less important," Barbour said. "Romney has several structural advantages — cash is one. He also tends to have more staff, surrogates, party regulars and leaders who should make it easier for him to fight on multiple fronts. Santorum's back is still against the wall, but we need to close the deal."

Santorum hopes to maintain momentum by defeating Romney today in Puerto Rico's GOP primary, which offers candidates the opportunity to score points with Hispanic voters, while building a broad donor base with ties throughout Florida and New York.

But after his two days of fund-raising in New York, Romney arrived in Puerto Rico on Friday without any fund-raisers scheduled. Aides were concerned that the trip might be portrayed as an ATM withdrawal. Instead, only a handful of deep-pocketed donors are expected to contribute the maximum allowed under federal law, \$2,500.

Illinois, which hosts a primary on Tuesday, is the next big test. And despite financial strains, Romney is showing little sign of abandoning his traditional paid advertising dominance, thanks in part to the Romney-aligned Restore Our Future Super PAC working on his behalf.

Romney and that group have been running Illinois television advertising that, combined, exceeds \$2.4 million. Santorum's aligned Super PAC is spending \$400,000 in the state so far.

Romney super donor Johnson says the fund-raising community is as engaged as ever.

"You'd think you'd see some donor fatigue, but we haven't," Johnson said. "From the beginning, we said we'd be in this a long time, and we planned accordingly."

Republican presidential candidate Mitt Romney, right, with supporter Puerto Rico Gov. Luis Fortuno, speaks Friday at Isla Grande Airport in San Juan, Puerto Rico's primary is today, with 23 delegates at stake, 20 of whom go to the candidate with more than 50% of the vote.

Former U.S. Sen. Rick Santorum of Pennsylvania, another GOP presidential contender, greets supporters Saturday at Westminster Christian Academy in Town and Country, Mo.

The Campaign Trail

STRATEGY

Santorum must cut Romney lead

Rick Santorum's strategy for becoming the Republican presidential nominee comes down to this: Prevent Mitt Romney from winning enough delegates to arrive at the GOP convention this summer with a mandate and persuade delegates to ignore election results in their states.

The hope is that delegates will go with Santorum as the more conservative option over front-runner Romney. But there's a hitch: Newt Gingrich is refusing to quit the race.

Gingrich is splitting the conservative vote and is dismissing pressure on Santorum to drop out after losing this past week in Alabama and Mississippi.

Not that Santorum, who has defied expectations to become Romney's chief challenger, seems daunted by the odds.

"You've been listening to math class and delegate math class instead of looking at the reality of the situation," the former Pennsylvania senator said last week. "It's going to be very difficult for anyone to get to the number of delegates that is necessary to win with the majority at the convention."

"This isn't about math," Santorum says. "This is about vision."

So far, it's all adding up for Romney. He has captured 495 delegates, more than all of his rivals combined.

Romney's advisers claim it would take an "act of God," as one put it, for Santorum to take the lead in the delegate count. "If he is able to pull off a miracle, so be it. He'll be the nominee," Romney said.

Santorum, whose Catholic faith is central to his campaign, was not amused. "I don't know about him, but I believe in acts of God," Santorum said.

OBAMA CAMPAIGN
President reactivates 2008 election machine

The Obama campaign is up and running — determined to make the most of its head start by reactivating the much-vaulted organization that prevailed in 2008.

The campaign has spent months and tens of millions of dollars building an on-the-ground and cyberspace organization earlier and larger than any previous presidential campaign. By January, it already had a payroll to rival a professional baseball team, albeit a small-market one.

The Obama effort has staff in every state. Its tentacles, which reach into red territory such as Wyoming, are all over the key battlegrounds. It has 15 field offices in Florida and 10 each in Ohio and Pennsylvania. A cavernous Chicago headquarters — 50,000 square feet in a high-rise overlooking the city skyline — is the hub.

MISSOURI

Santorum seeks 11th-hour support in St. Louis

Former U.S. Sen. Rick Santorum of Pennsylvania was mining suburban St. Louis for last-minute support on Saturday, as Missouri Republicans began gathering in local caucuses.

Former Massachusetts Gov. Mitt Romney and U.S. Rep. Ron Paul of Texas also campaigned in Missouri earlier in the week. Former House Speaker Newt Gingrich skipped the state.

No winner will be declared from the nearly 140 local caucus meetings Saturday. That's because the state party rules do not require local delegates to be bound to any candidate, and no straw poll is being conducted.

Saturday's meetings will elect 2,123 people to advance to congressional district conventions on April 21 and a state convention on June 2. It's at those meetings that most of Missouri's 52 delegates will be bound to presidential candidates.

— Compiled from reports by Free Press news services

RALEIGH: Film studio gets high marks in first big test — 'Oz'

FROM PAGE 4A

ing grids, catwalks, gigantic openings called "elephant doors" that allow trucks to enter and more electrical power than Beaumont Hospital uses.

A rave from the director

The studio underwent its first test last year when "Oz," the \$105-million Walt Disney 3D prequel, took over all seven sound stages for much of the year. "I give it an 'A,'" director Sam Raimi, a Royal Oak native, told the Free Press. "It's the best I've ever seen. I recommend it to the world."

"Oz" came to Pontiac because it was approved for a \$40-million Michigan film tax credit in 2010. In December, the state further revised the incentives, turning them into grants and reducing the percentage of money paid to production companies. The new law keeps the film incentive program until September 2017.

It's called the Michigan Film and Digital Media Assistance program because it applies to other entertainment media projects, including video game development, said Carrie Jones, director of the Michigan Film Office.

The state still is competitive with others vying for Hollywood's dollars. But in an industry where incentives often dic-

\$630K PAYMENT COMING DUE

The studio has an interest payment of \$630,000 due to bondholders on Aug. 1. The State of Michigan Retirement Systems, which invested in the \$80-million project, is obligated to cover the payment if the studio can't pay the money. But because of a complicated financing arrangement involving federal tax credits, the pension plan can't foreclose on Raleigh's property until 2017.

tate the deal, experts say the lower \$25-million cap is not high enough to attract big-budget films, such as "Oz." Since the cap, Michigan has been able to attract only one production with a budget of \$15 million or more, the \$18.5-million feature film "Five Year Engagement."

"Everything is not what it was," said Marcia Fishman, executive director of the Detroit branch of the Screen Actors Guild. "People worry about the cap. It's a low cap."

An eerie quiet

Inside one of Raleigh's cavernous sound stages, visitors in late January could still see a faint black imprint of a small part of the Yellow Brick Road. Except for a leftover blue screen, the stages were clean, empty and eerily quiet, waiting for someone to hang cameras and lights from the wooden grids 45 feet above the ground. The scene reminds visitors of a high school or college basketball court before the season starts.

A few men were removing furniture from the third floor of the studio's office building as a

handful of the last "Oz" workers finished their jobs. Stacks of chairs filled some of the rooms, and the enormous cafeteria was silent and dark.

Colorful artwork, including a U.S. map, still hung on the walls of a small classroom used by one of the child actors in "Oz."

The Michigan surprise

"Oz" and the larger promise of Raleigh attracted people to metro Detroit, eager to grab their slice of Michigan's booming movie industry.

Some had never set foot in the area, and are now in a precarious position with the potential collapse of Raleigh's business. Others canceled their plans to come.

Merrilee Reynolds, the movie's production accountant, heard only negative things about metro Detroit but wound up liking it so much she and her family left Charlotte, N.C., and bought a three-bedroom house in Birmingham.

"No one was more shocked than me," Reynolds said about discovering pleasant and inexpensive living in metro Detroit. She finished working on "Oz" in mid-February and said she hopes more movies come to Michigan. If not, the industry veteran, who has worked on films such as "Sex and the City 2" and "Mr. and Mrs. Smith," will have to travel outside the state to work. Her husband, a software product manager, works from home.

Matthew Hirsch, a production supervisor for "Oz" who has worked on "CSI: Miami," also liked metro Detroit so much that he wanted to relocate from California. He changed his mind after Snyder reduced the film tax

credits. Raleigh "is about as close to what you would get in L.A." he said of the facilities.

Studio isn't giving up

Opponents of the film incentives do not have sympathy for Raleigh's plight. "If it was built on sand ... without the government propping it up, (then) maybe they need to scale it back," said state Rep. Tom McMillin, a Republican from Rochester Hills and a former mayor of Auburn Hills. "Trying to create Hollywood in Michigan is something risky. A change in the incentives should have been factored into their decisions."



SOLD ON MICHIGAN: The Reynolds family: Archer, 5; Dan, 38; Freya, 20 months, and Merrilee, 45, who worked on "Oz," liked metro Detroit so much, they relocated to Birmingham from Charlotte, N.C.

But Nelson, who made millions from the sale of a successful promotional products company he founded, is not giving up. In late January, he and other Raleigh executives spent a week in Los Angeles, pitching Raleigh to Hollywood production companies.

In Lansing, the studio is lobbying legislators to raise the cap to \$100 million. Last year, Nelson took more than 100 Michigan legislators, as well as Snyder and members of his administration, on tours of the facilities.

Raleigh also has the backing of one of the state's most influential Republicans, Oakland County Executive L. Brooks Pat-

erson.

"It's a good thing," Patterson said of the studio. "It's the potential to have good jobs in an industry we don't have." It was a beehive when the initial rebates were offered. I've seen what it can do in my county."

Nelson likes to compare Raleigh to a high-tech factory that builds one of the nation's leading exports — movies.

"This is a very important piece of what you need for this industry to be here in Michigan," Nelson said. "Always, for everyone, this was about jobs."

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