

3 Oakland cities cited for aiding entrepreneurs

Auburn Hills, Troy and Wixom were among four cities cited for their ability to attract and retain "entrepreneurial firms," according to a study by the **University of Michigan-Dearborn School of Management**.

Ann Arbor was the other city named.

The study used an "entrepreneurial cities index" that examines community factors that influence entrepreneurship, economic development and job growth, according to **Kim Schatzel**, director of iLabs, the Center for Innovation Research. It used public records to assemble a six-factor, 25-item index to measure entrepreneurial activity, looking at such factors as "clustering," incentives, growth, community and education.

Schatzel led the study with **Tim Davis**, senior research manager in iLabs, and students **Jeffrey Dancho**, **Timothy Lin**, **Keith Minetee** and **James Zagar**.

The researchers examined a representative sample of 14 communities in four Southeast Michigan counties, ranging from populations of fewer than 5,000 to more than 100,000 residents.

Successful communities work to determine the needs of business and carry out relationship marketing akin to private sector firms, the U-M-Dearborn study found. "They have professional staffs that make regular visits to existing businesses to understand the changing needs of these firms and what the city can do to aid in the changing environment, and the staffs work closely with prospective firms to assist in the review and approval process of development projects," Schatzel said.

The leading communities also balance the use of incentives, and each of the top four cities offers tax abatements, typically targeted with respect to industry and impact. Abatements are more likely to be offered for high-tech industries that will bring skilled jobs.

Creative uses of zoning and substantial planning efforts also are part of the success of these communities, and their governments also look for ways to mitigate zoning constraints that hinder high-tech firms from expanding or locating in the community. ■