



Case Study:

EMPLOYEE DEVELOPMENT CENTER

65 UNIVERSITY DRIVE, PONTIAC, MI 48342

FACTS

Site ID: 10010

Acres: 3.663

SF at Time of Sale: N/A (vacant land)

FMV: \$220,000

Congressional District: MI-14

Date Sold: February 15, 2017

Buyer: George W. Auch Company

End-User(s): George W. Auch Company

New Use: New 20K SF company HQ

Jobs Pledged: 50 retained

Jobs Actual: 0

Investment Pledged: \$3.6MM

Investment Actual: N/A

Est. New Tax Base: \$2.83MM

Lead Agency: MDEQ

Regulatory Programs: Part 201 of the Michigan Natural Resources and Envir. Protection Act

Remedial Activities: Soil boring and GW wells installed; delineated extent of contamination; excavation of 14,480 sq.ft. of soils/concrete/asphalt down as far as 17' below grade; removal of underground hydraulic lifts and trench drains; backfilled/compacted/graded w/9,152 tons of Class II sand and 268 yards of 21AA crushed stone; MDEQ approved the DRC and No Further Action in 2016.

Est. Cleanup Cost: \$1,213,426



THE CHALLENGE:

Located on the eastern edge of the downtown Pontiac central business district, this Property, originally an auto dealership in the 1950s, most recently was used by GM from 1994 to 2007 as an employee development center. Engineering and construction of prototype vehicles took place between 1978 and 1992. Buildings on the Property were vacated in 2007 and demolished in 2010. Petroleum-impacted soil was removed and follow-up groundwater monitoring is in progress. Deed restrictions prohibit use of groundwater on the Property or reuse of the Property for residential purposes. Asphalt, concrete and portions of a building slab were intact. A buried county drain bisects the parcel from north to south, limiting the buildable space. The location of the Property — a corner lot along a well-traveled thoroughfare into downtown Pontiac — made its revitalization a priority for the city of Pontiac. Environmental conditions at the Property required close coordination between RACER's redevelopment and remediation teams to overcome perceptions that the Property presented too great a risk to potential buyers and end users.

THE OUTCOME:

RACER aggressively marketed the Property to commercial-retail and office developer prospects. RACER sold the Property to George W. Auch Company, a 109-year-old general contractor and construction management firm, which celebrated the groundbreaking for a new, 20,000-square-foot corporate headquarters in September 2017, an event attended by several elected officials, including the lieutenant governor of Michigan. The headquarters will be within walking distance of many urban amenities and will maintain 3.5 acres as an open urban meadow and green space. The company will retain 40 to 50 engineering, construction management and administrative jobs in Pontiac, in addition to the jobs created during the design and construction phases of the project. The company will move from offices elsewhere in Pontiac when construction is completed in May 2018 and plans to develop the balance of the site for other, commercial uses. Founded in 1908, Auch is consistently ranked in the top 10 of Southeast Michigan construction firms.



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