



Case Study:

BUICK CITY SITE

902 & 1002 EAST HAMILTON AVENUE, FLINT, MI 48505

FACTS

Site ID: 12950
 Acres: 29.952
 SF at Time of Sale: N/A (vacant land)
 FMV: \$11,300
 Congressional District: MI-05
 Date Sold: August 25, 2017
 Buyer: Lear Corporation
 End-User(s): Lear Corporation
 New Use: New 156K SF automotive seat manufacturing facility
 Jobs Pledged: 435 new, 165 retained
 Jobs Actual: Pending plant opening
 Investment Pledged: \$29.3MM
 Investment Actual: N/A
 Est. New Tax Base: \$23.37MM
 Lead Agency: U.S. EPA
 Regulatory Programs: RCRA Corrective Action
 Remedial Activities: Building demolitions; operating multiphasic extraction system to remove LNAPL; monitoring GW for VOCs; addressing impacted soils; submitted Remedy Recommendation Report to EPA in February 2016; DRCs recorded in 2016
 Est. Cleanup Cost: Approximately \$1,500,000 including investigation and remedial activities



THE CHALLENGE:

One of the larger RACER properties, Buick City encompasses nearly 413 acres divided into the Northend (north of Leith Street) and the Southend (south of Leith Street). After extensive full-scale automotive production in the early 1900s, GM manufactured and assembled various transmission and engine components until it ceased operations at the Property in 2010. By 2012, all buildings on the Property had been demolished, leaving large areas of concrete slabs that, while functioning as an engineered cap on impacted soil and groundwater, may be perceived by some in the market as a potential barrier to development. As a community, Flint suffered widespread disinvestment in the manufacturing sector, with tens of thousands of GM jobs lost during a decline that started in the 1980s, and was struggling with perceptions that it was not an attractive place for new investment. The community was eager for new manufacturing jobs at Buick City, but no single employer was available to develop the entire Property and backfill all of the lost jobs.

THE OUTCOME:

For Buick City to reach its full redevelopment potential, RACER sought to subdivide the Property and secure investments by multiple and varied end users. One parcel of the former Buick City Property had been sold to a manufacturer supplying pipe for a regional water infrastructure project. By aggressively marketing the Property, RACER learned of a planned expansion by Lear Corporation, a Fortune 500 auto supplier for a new seat manufacturing plant to supply a nearby GM facility. To induce Lear to select and acquire a portion of Buick City, the city of Flint offered a tax abatement and the Michigan Strategic Fund approved a \$4.35-million performance-based grant to support Lear's \$29.3-million capital investment at the Property, which was to include construction of a 156,000-square-foot manufacturing plant and the creation of 435 jobs. Construction of the new Lear facility began in September 2017 and the building is scheduled to be turned over to Lear by April 1, 2018. RACER Trust will continue post-sale to pursue remedial work necessary on the Lear property to obtain final agency closure approvals.



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