



Case Study:

# PCC VALIDATION INDUSTRIAL LAND I & II

25 RAPID STREET, PONTIAC, MI 48341

## FACTS

Site ID: 13061/13062

Acres: 85.66

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

FMV: \$800,000

Congressional District: MI-14

Date Sold: August 6, 2014

Buyer: M1 Concourse, LLC

End-User(s): M1 Concourse, LLC

New Use: New 1.5-mile performance track, 250+ private garages, restaurants, an auto-focused shopping village and office space

Jobs Pledged: 70 new

Jobs Actual: 200 temp. construction

Investment Pledged: \$40MM

Investment Actual: N/A

Est. New Tax Base: \$31MM

Lead Agency: U.S. EPA

Regulatory Programs: RCRA Corrective Action

Remedial Activities: Investigations of soil, groundwater and LNPAPL impacts were completed to verify past remedial actions were adequate. DRC executed in 2014; minor additional excavation of PCB-impacted soil was completed in 2015; groundwater monitoring planned to evaluate stability of groundwater impacts.

Est. Cleanup Cost: \$470,639

## BEFORE



## AFTER



## THE CHALLENGE:

GM originally acquired this Property from the Wilson Foundry Company, which made motors and castings, in 1940. The Property was occupied by four GM plants, which historically manufactured automotive motors and castings. GM demolished one of the plants and converted the area to a parking lot. GM used the remaining plants for vehicle painting operations and for manufacturing motors and castings. The remaining buildings were demolished while the Property was under GM ownership. The abandoned, vacant land came to RACER after the GM bankruptcy. Institutional controls imposed on the Property include a requirement that the concrete building foundations remain in place as an engineered cap, a prohibition against the use of groundwater and a prohibition against residential reuse. The Property is situated in a highly visible but blighted area in the city of Pontiac, and so its redevelopment was considered integral to realizing the city's broader revitalization efforts. However, the demand for vacant land for development in this market was very weak at the time RACER assumed title to the Property.

## THE OUTCOME:

RACER aggressively marketed the Property to developer prospects and, with the support of city officials, RACER sold the Property to a local entrepreneur whose business plan is to create a destination for car enthusiasts. The project, known as M1 Concourse, is an unqualified success, with more than 250 privately owned, high-end garages for storage of collectible cars already built and sold, along with a 1.5-mile test track with its own motorsports club and covered event space that can accommodate up to 500 people. Auto-themed commercial and retail space is planned, including a large events center for car shows, media events, vehicle auctions and other occasions, as are demonstration garages showcasing vehicles and products. The venue already has hosted several well-attended community events, bringing ancillary tourism spending to Pontiac. M1 Concourse has transformed the southern gateway to the city and is the jewel in the crown of Pontiac's premier annual event, the Woodward Dream Cruise.



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