Case Study:



PONTIAC ASSEMBLY PLANT 2100 SOUTH OPDYKE ROAD, PONTIAC, MI

FACTS

Site ID: 11960 Acres: 162.07 SF at Time of Sale: 3,376,360 FMV: n/a Congressional District: MI-14 Date Sold: Sept. 9, 2011 **Buyer: MMP Group** End-User(s): Challenge Manufacturing Co.; Williams International New Use: 400K SF metal stamping plant (Challenge); Jet manufacturing (Williams) Jobs Pledged: 450 (Challenge); 400 new, 504 retained (Williams) Jobs Actual: n/a Investment Pledged: \$50 million (Challenge); \$344.5 million (Williams) Investment Actual: n/a Est. New Tax Base: \$208,646,000 Lead Agency: U.S. EPA Regulatory Programs: n/a Remedial Activities: n/a Est. Cleanup Cost: \$0 EA budget site



THE CHALLENGE:

The Pontiac Assembly plant began making vehicles in the early 1900s. GM started producing medium-duty pickups at the Property in 1972, and added motorhomes, buses, heavy-duty trucks and full-sized pickups. The plant closed in September 2009. It was among several manufacturing properties in the city of Pontiac that GM relinquished as part of its bankruptcy, which together had a devastating impact on the local economy. Petroleum compounds including gasoline, diesel fuel and various hydraulic oils, as well as paint wastes, resulted in impacts to soil and groundwater at the Property. The Property, which once consisted of 400 acres and more than 60 buildings, was deeded to RACER subject to a purchase and sale agreement that had been entered into prior to the effective date of the Trust by Motors Liquidation Company and the buyer, MMP Group-Assembly LLC. It fell to RACER to close the sale.

THE OUTCOME:

RACER sold the property to MMP Group-Assembly LLC. MMP Group demolished the existing buildings and subdivided the land, selling a portion to Challenge Manufacturing, a Tier 1 automotive supplier, for construction of a 400,000 squarefoot metal stamping plant with 450 jobs. A second parcel was sold to Williams International, a manufacturer of small gas turbine engines for use in small jets, which announced plans to consolidate its southeast Michigan operations in Pontiac and invest more than \$344 million by 2022. Williams is building a 1 million square-foot manufacturing facility on the former Pontiac Assembly plant property. Combined, Challenge Manufacturing and Williams International are expected to create or retain more than 1,350 jobs in Pontiac.



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