

# Pontiac on revival track as businesses move in

[Candice Williams](#), The Detroit News Published 10:30 p.m. ET Dec. 3, 2019 | Updated 11:21 a.m. ET Dec. 4, 2019

CONNECT [TWEET](#) [LINKEDIN](#) COMMENT EMAIL MORE

*Pontiac* — What a difference a decade makes.

As the Great Recession bottomed out in 2009, Pontiac was in especially dire straits. Ravaged by auto industry job losses and a shrinking population, the city faced swaths of vacant factory sites, a \$6 million budget shortfall and \$100 million in accumulated debt.

To stave off bankruptcy, the state put the city under an emergency manager, who began selling off assets, slashing services and laying off employees.

But as 2020 approaches, Pontiac's budget is in the black, new businesses are opening in town and development projects are giving residents hope for a brighter future.



Rubicon Capital co-owner Manuel Ferraiuolo speaks in front of a rendering of a proposed cannabis park and future shopping center in Pontiac, during a recent job fair. (Photo: Daniel Mears, Detroit News)

The employers range from engine manufacturer Williams International, which moved to the city last year, to retail giant Amazon, which plans to build fulfillment and distribution centers on [the site of the former Pontiac Silverdome](#) starting next year in a \$250 million project that will create 1,500 jobs.

“There’s certainly a lot of economic activity happening and about to happen, at least in the area surrounding the downtown area,” said Kevin Johnson, a planner with the Southeast Michigan Council of Governments.

Since 2010, employment in Pontiac has risen 14.2%, topping the statewide average of 12%, said James Hohman, director of fiscal policy for the Mackinac Center, citing figures from the U.S. Bureau of Labor Statistics.



This is a conceptual rendering of the Cannabis park, including a grocery store and future shopping center in Pontiac proposed by Rubicon Capital and Pharmaco Inc. (Photo: Daniel Mears, Detroit News)

“In this economic recovery, the employment of Pontiac residents has outpaced the state’s growth, which is a very good thing for the city,” Hohman said. “There are still some issues. It’s generally poor, and the people there earn less income, but that’s growth that matters to residents.”

City officials hope Amazon will be a catalyst for further development. The online retailer plans to open a distribution center in August 2020 and a fulfillment center by August 2021, making Pontiac the first location in the U.S. to have both such facilities at one site, Mayor Deirdre Waterman said.

“This is a novel situation for Pontiac,” she said.

The Silverdome, at M-59 and Opdyke Road, had become a symbol of Pontiac's decay as it fell into disrepair after closing for good in 2013. In 2009, Toronto-based Triple Properties Inc. purchased the site for \$583,000 at auction from the city.

Other ideas for the site had been batted around over the years, including mixed-use development, but ultimately Amazon's plan appears to be coming to fruition.



Buy Photo

Pontiac Mayor Deirdre Waterman discusses various business development projects planned for the city during an interview in her office. (Photo: Clarence Tabb Jr., The Detroit News)

Amazon declined to comment on the project, but in September, company representative Ryan Wilson told city officials gathered at a planning commission meeting that "we want to be a part of your community, and we want to answer questions and be as transparent as possible throughout this process," Wilson said. "Because this is a historic site, this is a significant site for this community."

A site layout Waterman shared shows a five-story fulfillment center on the west side of the property and a two-story fulfillment center on the east side.

"They want to be ready for the Christmas season in 2021 so a lot of people will be receiving their Christmas packages compiled and packed and sent right here from the city of Pontiac," Waterman said.

Work has already begun to prepare the site for construction, the mayor said, adding the city will hire additional building and safety staff to accommodate developer schedules.

“We are a city that is going to be a one-stop ready city,” she said. “We want to know what the developers and investors need to meet their goals and their deadlines. We’re prepared to do that, and we’ll have the resources to match that.”

As Amazon prepares to build atop Pontiac's pro sports past, other employers are breathing new life into the abandoned sites of the city's automotive heyday.

Waterman said when she took office in 2014, Pontiac had the nation's largest inventory of vacant General Motors property. The city once had eight GM plants; now just two remain in operation: the Global Propulsion Systems center and the Pontiac Metal Center.

The mayor said that all but one of the former GM properties have been remediated through the Revitalizing Auto Communities Response Trust, which was established by U.S. Bankruptcy Court in 2011 after the automaker's bankruptcy.

One of the cleaned-up sites is the M1 Concourse, a complex that opened in 2016 with a racetrack, luxury garages and event space just west of Woodward Avenue.

Last year, construction management firm George W. Auch Co. opened a 20,000-square-foot facility at University Drive and Woodward, a site GM once used for employee development, prototype vehicle engineering and construction.

Other Pontiac properties are finding favor with businesses looking to expand.

Last year, Williams International moved its headquarters from Commerce Township to 2000 Centerpoint Parkway in Pontiac, with plans to hire 400 people and invest \$344.5 million to buy and develop four parcels, including the former Michigan Motion Picture Studios. Waterman said she expects the company's investment to grow to \$1.5 billion over the next five years.



Buy Photo

Exterior of United Shore in Pontiac. (Photo: Clarence Tabb Jr., The Detroit News)

Mortgage firm United Shore repurposed a building when it moved 2,300 employees from its headquarters from Troy to Pontiac in 2018. The company redesigned the former Hewlett Packard building, outfitting the 600,000-square-foot space for offices with amenities including a salon, convenience store and free fitness center.

The building, which now houses nearly 4,800 employees, is bursting at the seams. To solve the space crunch, United Shore is buying the 900,000-square-foot building across the street and plans to erect an enclosed bridge connecting the two buildings.

“We were looking for a place we could be forever,” CEO Mat Ishbia said. “Great building, great parking, great opportunity for our team members to grow and also very conveniently located near the expressways.”

Ishbia said he plans to close on the purchase in January and move about 1,200 employees in starting Jan. 13. About 250,000 square feet will be ready for use the first day, including a training center.



Buy Photo

Mat Ishbia, President/CEO of United Wholesale Mortgage/United Shore discusses his experience working with the city of Pontiac and his company's future expansion. (Photo: Clarence Tabb Jr., The Detroit News)

“We’re going to make it one inclusive campus that’s going to have great things at both spots,” he said.

One recent day, the United Shore building bustled with activity. As some employees worked at their desks, others filed into the auditorium for training, exercised in the fitness center or played basketball in the gymnasium.

Ishbia said he considers Pontiac business-friendly and said many of the company's employees patronize local shops and restaurants.

“We come here every day,” Ishbia said. “Fifty percent of those people eat lunch in the cafeteria, the other 50% go around the communities, and so the city of Pontiac’s been fantastic. We’re proud to be partners with them and hopefully a small part of their continued success.”

Completing Pontiac's comeback won't be without challenges.

Job training for the city’s residents and preserving affordable housing are crucial, said Ryan Hertz, president and CEO of Lighthouse, a nonprofit service organization based in Pontiac. Lighthouse operates the Center for Working Families program in partnership with United Way of Southeast Michigan and Local Initiatives Support Corporation.



This is a conceptual rendering of the Cannabis park, including a grocery store and future shopping center in Pontiac proposed by Rubicon Capital and Pharmaco Inc. (Photo: Daniel Mears, Detroit News)

Hertz said his organization has had some preliminary discussions with a few companies regarding employment for Pontiac residents. He declined to name the companies.

“We’re hopeful that we’ll be able to partner with and work with companies that are looking at Pontiac to help ensure that to the degree that there is an interest and commitment to employ Pontiac residents that they’re able to find that workforce and that workforce is ready for them,” Hertz said.

Mattie McKinney Hatchett, a longtime Pontiac resident, educator and community activist, stressed the need for job training.

“Pontiac residents have to be trained,” said Hatchett, a former interim Pontiac mayor and Oakland County commissioner. “Somebody’s got to take them through a training process so they understand. For Amazon, even down to filling out applications and how to conduct an interview.”

Employment for some residents could also come through the emerging medical marijuana industry; city voters narrowly agreed last year to allow such facilities.

There have been numerous delays in starting the application process for companies interested in opening medical marijuana-related businesses. According to the city clerk’s office, the application process will run from Jan. 6-27.

“I see it as a chance for Pontiac to get a shot in the arm as far as some of the community development we need,” Hatchett said.

Local investment firm Rubicon Capital plans to develop Glenwood Plaza as a \$45 million medical marijuana complex to house tenant Southfield-based Pharmaco Inc. If approved, the complex will bring 400 jobs.

During a recent job fair, dozens of hopefuls gathered in one of the vacant storefronts at the plaza to interview for positions with Pharmaco, including Pontiac resident Amy Banks. The 49-year-old stay-at-home mom has worked numerous part-time jobs, including food delivery and ride-sharing. She said employment with Pharmaco would be a bonus for her family.



Cars arrive on a snowy Tuesday morning as job seekers fill out applications and interview at the Rubicon Capital and Pharmaco Inc. job fair for a proposed cannabis park and future shopping center in Pontiac. (Photo: Daniel Mears, Detroit News)

"I think any refurb of the Pontiac area is going to increase property values, it's going to bring in more diversity, more jobs, it's going to help the schools," she said. "I don't see a downside."

In addition to the medical marijuana facility, Manuel Ferraiuolo, a partner at Rubicon Capital, said plans also call for construction of a grocery store.

Ferraiuolo said he hopes the project will encourage development in the area around the plaza, which once housed Kmart, Farmer Jack and Federal stores.

“With the way Glenwood Plaza is so rundown, it’s futile to do any kind of development or try to do other developments around it,” Ferraiuolo said.

He added: “It starts with this, and then it ripples to the community around it.”

*cwilliams@detroitnews.com*

*Twitter: @CWilliams\_DN*