Cities Struggle To Revive Abandoned Automaking Plants

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WIXOM, Mich. (AP) — Henry Ford's great-grandson arrived at the shuttered auto plant to brag about a plan to revive the vast empty space: Investors would transform it into a modern factory to make solar panels and high-tech energy systems instead of Town Cars and Thunderbirds.

"I can't imagine a better way to reuse the facility," Bill Ford said during his visit to the former Wixom Assemblyplant in September.

Several months later, a plan that exists only on paper is still awaiting final approval. The plant is still vacant, just like scores of other cavernous auto factories across the nation that have never been redeveloped.

An Associated Press analysis illustrates the scope of the problem: Of 128 manufacturing plants in North America closed since 1980 by the Detroit Three automakers and their largest suppliers, three of every five now sit idle.

At their peak, these roaring engines of economic activity employed hundreds of thousands of people, mostly well-paid union members on the assembly line and white-collar engineers in windowed offices above the factory floor.

Those 128 plants had a payroll of 196,000 workers at the time they closed. Today, only 36,500 people work at those sites that have been redeveloped, and at only three of the revived plants does the number of employees match or exceed the number in their carmaking past. The rest are concrete prairies or steel behemoths waiting for reuse or a wrecking ball, most without any real prospects for new use.

"The cost is going to be borne by the next generation," said James Rubenstein, a professor at Miami University in Oxford, Ohio, who has studied U.S. auto plant closings and openings. "It's the children and grandchildren of the laid-off workers. They won't have the opportunities in those communities."

When factories closed decades ago, many workers just moved to a new plant nearby. But sharp cutbacks in the auto industry mean those jobs will probably never return. "These are genuine closures that aren't being replaced," Rubenstein said.

It's hard to overstate the economic impact of these huge manufacturing centers. Two decades ago, General Motors Co. employed as many as 20,000 workers inside a two-mile ring around the Detroit suburb of Pontiac. The area included assembly plants, administrative offices, and engineering and research labs.

With the closing this fall of a plant that made Chevrolet Silverado and GMC Sierra trucks, the last of those jobs vanished.

"There's a lot of collateral damage that occurs as a result of a plant closure," GM spokesman Dan Flores said. "Some of those properties are located in communities where there is very little interest in real estate markets, and redevelopment is difficult."

Argene Saylor, who left GM in 1973 and bought a bar near the Pontiac plants, says business is down at least 60 percent from three years ago. A film production complex is expected to take over some GM property across the street, but it's facing delays. Saylor harbors no hope that the film business will bring back the tens of thousands of jobs, the standing-room only crowds at Saylor's Bar or the families who left behind vacant, boarded-up homes in the neighborhood.

"If the movie industry does move in, that helps some, but that's not going to bring this town back," said the aproned Saylor, 69, inside a bar frequented mainly by regulars from the plants' past. "I don't know what's going to bring it back."

Of the three plant sites that employ more people today than when they shut down, only one is still used for manufacturing. GM's bus plant in St. Eustache, Quebec, had 200 employees when the closing was announced; Nova Bus Corp. now employs 700 there.

The others are a GM plant in St. Louis that closed in 1980 with 4,600 workers. An estimated 15,000 people now work there at a distribution facility. Ford's Milpitas, Calif., plant shut down in 1983 with nearly 2,400 hourly workers. It's now home to the Great Mall of the Bay Area and other businesses, which together employ about 3,300 workers.

"It's not like you're knocking down the local bookstore," said Oakland County Executive L. Brooks Patterson, whose county has lost four plants since 1980. "These are huge complexes that are going to take huge investment to get them back into productive use."

The obstacles are many. The decline of the domestic automotive industry has come during a slowdown in commercial real estate. Many of the closed plants are far from urban centers, and nearly all have paint waste, heavy metals or other hazardous materials on site that exceed regulatory limits. Cleaning up those toxins can cost as much as $300,000 an acre and take years.

At GM's former powertrain plant in Massena, N.Y., workers used PCBs for about two decades and dumped runoff into the neighboring St. Lawrence and Raquette rivers. It was named a Superfund site in the 1980s, and the Environmental Protection Agency estimates about $150 million in work remains before the land is usable. It's not clear if the money set aside for the cleanup during GM's bankruptcy will cover the tab.

Even if a site is ready for redevelopment, few businesses need the immense space

required to make cars and trucks. In Atlanta, investors bought GM's Lakewood Assembly plant with plans to convert it into a recycling center. The operation employs about 100 people, and about 40 acres at the site remain an open concrete slab.

"At the end of the day, I think it's been reasonably successful but probably hasn't done for the community what they would have hoped," said Byron Kopman, a recycling industry veteran and part of the original and current group of investors.

In Wixom, officials hope to use the plant to build large-scale solar power stations and energy-storage systems by late 2011. But even that ambitious plan — which is dependent on federal loan guarantees that have yet to come through — will use less than half the available space.

Bill Ford, chairman of Ford Motor Co., acknowledged the difficulty of finding projects suitable for closed plants, even though most of them have exceptional access to rail and highways.

"I think any development you have to think of on a grand scale, and that's often hard to do, particularly in this economy," Ford said. "That's one inherent challenge — the sheer size of the plants."

Even some of the apparent successes are limited. In Oklahoma City, the county leased an old GM plant to nearby Tinker Air Force Base. But two-thirds of the 3,000 people who will eventually work there are already employed at the base. That means many of the 2,200 autoworkers who lost their jobs at the plant in 2006 have no hope of finding work there.

Such experiences have taught cities to keep their expectations in check.

Later this year, Chrysler is closing an engine plant in Kenosha, Wis., putting 850 people out of work. Back in 1988, the company cut 5,500 jobs by closing a plant across town.

The city spent $50 million to demolish old buildings along Lake Michigan, clean up environmental problems and put in streets. Now there are about 350 condominium units, two museums, lakefront promenades, parks and a marina.

While technically a success, fewer than 100 people now work there, most of them behind cash registers or waiting tables.

"The jobs were gone already, so we took a very blighted, 100-year-old factory site with a lot of environmental problems, cleaned it up and turned it into a $150 million residential complex," Mayor Keith Bosman said. "We had a unique opportunity to make something very good out of something that was very bad at the time."

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