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Crain's Detroit Business

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**HEADLINE:** 2004 ruling prevents another 'Poletown'

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**BODY:**

Twenty-seven years ago, the city of Detroit and General Motors Corp.'s quest to obtain 465 acres of land to build a Cadillac plant in an old Hamtramck-Detroit neighborhood was adamantly resisted by the residents who lived there. Even activist Ralph Nader swooped into town to support the residents.

But the city and the corporation won, and the Detroit-Hamtramck Assembly Plant opened in 1986. Today, the 3.6 million-square-foot plant manufactures the Cadillac DTS, the Buick Lucerne and some special vehicles such as the presidential limousine and Mary Kay cars. It employs about 1,700, according to Janine Fruehan, GM manager of communications.

But the story of the "Poletown" plant, which is what Detroiters of a certain age still call it, and how it came to be is an interesting one. And a law change in 2004 guaranteed what happened in Hamtramck in 1981 won't happen again.

More than 4,200 residents lost their homes when the neighborhood was demolished to make way for the plant, according to *Poletown Community Betrayed*, written by Jeanie Wylie in 1989. Plant supporters included city government, the United Auto Workers, the Catholic archdiocese and the media, who believed the plant would create many new jobs in what they called an "economically depressed area."

Wylie wrote the book in defense of the neighborhood and provided arguments for the area's uniqueness. "Even as late as 1980, the community was known for its sound housing stock, its low rents, its good access to shops and services and its tolerance for divergent ethnic groups and religious denominations. There were some black and white neighbors who had shared a block for 50 years, and a study done by the University of Michigan suggested that 'this area may be one of the most continuously racially integrated areas in Michigan.'"

As a result of a 1981 court decision that said economic-development corporations formed by cities could use eminent domain powers to clear blighted land, the city of Detroit demolished 1,200 homes, six churches and a hospital to construct the General Motors plant on the city's border with Hamtramck, the book states.

But local governments' powers on such matters were severely curtailed on July 29, 2004, when the Michigan

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Supreme Court - overruling its earlier 1981 decision - decided in favor of a lawsuit filed by property owners fighting Wayne County's plan to take their land to create a business and technology project called Pinnacle Aeropark, south of Detroit Metropolitan Airport.

Alan Ackerman of Ackerman & Ackerman & Dynkowski in Bloomfield Hills said the city of Detroit hasn't had any similar condemnation pursuits since.

Ackerman said it was commonplace during the years before Mayor Kwame Kilpatrick was elected for his firm to have 25 to 70 cases with the city; now it has one. "We were in Wayne County Circuit Court every day, now it is hardly ever."

Ackerman's firm, which specializes in representing landowners in eminent domain cases, represented about half the business owners during the Poletown development controversy.

His firm's work included representing property owners where Comerica Park and Ford Field were built, on the east riverfront where the city tried unsuccessfully to locate the casinos, and other locations throughout the city.

Now the company is working in other parts of the state on condemnation cases that involve airports and roads. The dearth of eminent domain cases shows that local government is being respectful of the 2004 ruling, Ackerman said.

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Marriott's piece of Detroit

The Detroit Marriott at the Renaissance Center stands out as Detroit's biggest hotel.

But in the Marriott chain, it stands out as one of the few properties in which the Washington, D.C.-based company has an ownership position.

"We have ownership in about a dozen properties," said Bob Farmery, Marriott's Bingham Farms-based vice president for the central region. "And we're operating close to 3,000."

Marriott owns 30 percent of the deal, General Motors Corp. owns the rest. When GM bought the complex in 1996, Westin was operating the 1,300-room hotel. GM, at the time, sought offers from Westin, Sheraton and Marriott. A stipulation was that the operator take an ownership position.

"It's a 1,300-room hotel in one of America's largest cities, so we were willing to put some skin in the game," Farmery said.

The hotel's average occupancy was 57 percent last year, he said. That's just slightly lower than the 58.6 percent occupancy for the metro Detroit market.

The property draws annual revenue of \$65 million.

- Daniel Duggan

**GRAPHIC:** Art Caption: info box: Marriott's piece of Detroit

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