

CRAIN'S

DETROIT BUSINESS

A Flint area megasite's water source could help it land a major manufacturer

By Kurt Nagl



Credit: Karegnondi Water Authority

The Karegnondi Water Authority completed 80 miles of water pipeline in 2016, which can provide at least 5 million now and up to 85 million gallons of water to a megasite in Mundy Township near Flint Bishop Airport.

May 23, 2023

A Flint area megasite being prepped for a massive manufacturing plant has a distinct advantage over other similar sites in the state and country: its water.

The roughly 1,000-acre tract of land in Mundy Township, near Flint Bishop Airport at the city of Flint's southern edge, is targeted for an electric vehicle battery plant or semiconductor factory, said Tyler Rossmassler, executive director of the Flint & Genesee Economic Alliance.

Its Class A roads and proximity to three freeways, an airport, a railroad and talent from three colleges make the site appealing to industry, said Rossmassler, who is overseeing land assemblage and pre-development work for what is being called the Advanced Manufacturing

District of Genesee County. But its already built-out water infrastructure, capable now of providing 5 million gallons of water per day to the site, and up to 85 million gallons daily with upgrades, might be the major selling point.

"That right there is just really unheard of in the nation and in Michigan," Rossmassler said. "From a water and wastewater perspective, this is our differentiator."

That water infrastructure could be what helps secure a transformational development in Genesee County would be a welcome twist of fate for a community haunted by a lead-tainted water crisis and years of population loss.



Credit: Flint & Genesee Group

An approximately 1,000-acre tract of land in Mundy Township, near Flint Bishop Airport, has seen interest from major automotive and semiconductor manufacturers.

Genesee County's population has fallen 6% over the past decade to 401,983, according to the U.S. Census Bureau, driven by the dramatic decline of its largest city. The population of Flint, once home to General Motors Co.'s massive manufacturing complex called Buick City and a symbol of automotive strength, has fallen 20% over the past decade to 79,854 residents. That's less than half of its peak in the 1960s.

"It's no secret that we've been through a lot in Genesee County," Rossmassler said. "This project is all about jobs — jobs for the next generation."

Activity is picking up at the Mundy megasite, which spans about 2 square miles of farmland southwest of the airport. It received \$1.5 million from the Michigan Economic Development Corp. last month, and officials have started to trigger purchase agreements on the property.

Roughly 960 acres are under option to buy, Rossmassler said. Working with Flint Township-based real estate broker Cooper Commercial, the economic development group started executing option agreements with various farmers and private owners about 18 months ago, when Ford Motor Co.'s massive investment in the South turned Michigan's attention to site readiness.

Purchase agreements have been executed on about 50 acres of the site, which is already zoned industrial. Rossmassler said there has been interest in the site for major automotive and semiconductor manufacturing projects, but he declined to name companies kicking the tires. He said there have been no commitments yet.

"We've seen interest from companies in those industries," he said. "It's an amazing time where companies are looking to reshore their supply chain, and obviously the huge technological transformations happening in the mobility industry."

Site assets

The site is served by the Karegnondi Water Authority, which supplies water from Lake Huron to Genesee County.

The authority was formed in 2010 to give the county its own water source, independent of the Detroit-based Great Lakes Water Authority. The \$285 million construction of a water intake structure, 80 miles of pipelines and several pumping stations was completed in 2016, when the pipeline became operational, according to the KWA.

The pipeline stirred criticism amid the Flint water crisis. The city of Flint initially signed on for KWA service, prompting the Detroit Water and Sewerage Department to terminate its contract with the city in 2014. Officials decided to switch the city to highly corrosive Flint River water while the pipe connecting the city to the Karegnondi water supply was being built. That resulted in lead leeching into the city's water.

Today, the new pipeline servicing the I-69 corridor is a major industrial asset, especially for EV battery and semiconductor plants, which require huge amounts of water.

"Water is a critical site selection factor," said John Boyd, principal of The Boyd Co. Inc., a Florida-based consultant that helps large companies in automotive and other industries choose sites. "For some projects, water is a fundamental factor where a company would only consider sites that can supply 10 (million)-15 million gallons of water per day."

A large microchip fabrication plant could consume more than 25 million gallons of water per day, according to Semiconductor Digest.

Infrastructure can be built out to accommodate manufacturers at a site with minimal water service, but it is costly and time consuming. For Ford's \$3.5 billion battery plant in Marshall, the

state is plunging \$100 million into constructing a 5-million-gallon ground storage tank and booster pump station and extending water mains to the site, currently served by well water.

The state's other megasite, the Michigan Manufacturing and Innovation Campus in Eagle Township near Lansing, is also on well water. Big investment on water infrastructure would be required to accommodate any sort of manufacturing plant.

"It's all about speed," Boyd said. "To have all that locked and loaded would be a big advantage."



Tyler Rossmassler

Other site attributes include its proximity to Kettering University, the University of Michigan-Flint and Mott Community College, as well as access to seven freeway interchanges within a 5-minute drive, Rossmassler said. The plant could pull labor from the Flint area in addition to the broader metro Detroit MSA.

The economic development executive said he believes the Mundy Township site is a prime contender for a mega project as automakers race to build battery manufacturing capacity and the microchip industry takes root in the U.S.

"These next generation technological advancements like electrification of the automobile, that's all happening right now, and we want to be part of that wave," Rossmassler said.

At the same time, megasites on Michigan farmland have faced blow-back from residents, including in Marshall, in Big Rapids where Gotion Inc. is planning a \$2.4 billion factory and in Eagle Township. Environmental impact and change to the character of communities have been the primary concerns as well as ties to China in the case of the Ford and Gotion plants.

Rossmassler said those neighboring the Mundy site have valid concerns that will be addressed as the site readiness process continues.

"The overwhelming majority of people in our community want to see this county grow, and so I think there's lots of broad support," he said.