

GAO

Fact Sheet for the Chairman,
Subcommittee on Housing and
Community Development, Committee
on Banking, Finance and Urban Affairs,
House of Representatives

November 1989

URBAN ACTION GRANTS

Information on Resident and Business Relocation From Poletown Project



Resources, Community, and
Economic Development Division

B-237463

November 27, 1989

The Honorable Henry Gonzalez
Chairman, Subcommittee on Housing
and Community Development
Committee on Banking, Finance and
Urban Affairs
House of Representatives

Dear Mr. Chairman:

As requested in your December 13, 1988, letter, this fact sheet provides information on the use of federal funds to relocate residents in a Detroit, Michigan, community referred to as Poletown in order to prepare a site for an automotive assembly plant. Specifically, as agreed with your office, we were to determine

- the characteristics of the Poletown project area before the project began, including the concentration of Polish people,
- whether federal funds were used to relocate residents,
- whether residents benefitted from being relocated, and
- whether present residents in the neighborhood benefitted through long-term employment at the plant.

In late 1980, the cities of Detroit and Hamtramck began a joint venture known as the Central Industrial Park project to acquire land for the purpose of preparing a site to build a General Motors (GM) automotive assembly plant. The plant was designed to replace two existing plants in other parts of Detroit scheduled to close in 1983. Although a joint venture, the project was administered by the city of Detroit. As shown in appendix II, the project spanned from 1980 to 1985. Plant operations began in 1985.

The community generally referred to as Poletown encompasses Hamtramck and a portion of Detroit. The project area included 465 acres of land within Poletown and included about 13 percent of the population of Poletown in 1980. Appendix I shows a map of Poletown and the project area.

In summary we found that before the project began, the project area had experienced a decline in population, including a decrease in the number of Polish residents, as well as a variety of urban community problems, such as vacant properties and crime. Federal funding for the

project amounted to \$138 million and was used to acquire properties, relocate residents and businesses, and prepare the site. According to studies done after relocation, relocated residents were generally satisfied with their move and their new homes. In addition, we found that few present residents of Poletown are employed at the GM plant. These findings are discussed below and presented in more detail in sections 1 through 4.

Before the project began, the project area had a declining population. Specifically, the population had declined from 15,188 in 1970 to 5,885 in 1980 with Polish residents representing only 11 percent of the population, a decline from 17 percent in 1970. There were a number of urban community problems as well. In 1980 one-third of the project area consisted of vacant properties (i.e., lots, family dwellings, and businesses). In addition, over 60 percent of the relocated residents cited crime and boarded-up and abandoned structures as problems in the area.

Federal funding for the project consisted of a Community Development Block Grant/Section 108 Loan of \$100 million, an Urban Development Action Grant of \$30 million, and an Economic Development Administration grant of \$7.5 million. Nearly all of these funds were used to acquire property, relocate residents and businesses, and prepare the site for construction.

Most property owners accepted the city's purchase offers and residents were generally satisfied with their move and their new homes. Specifically, 90 percent of the property owners in the project area accepted the city's offer to purchase their properties, and those that did not, sought more money through lawsuits. A majority of these lawsuits were settled out of court. One lawsuit involving a hospital is still pending. Furthermore, our review of a sample of relocation files indicated that residents and businesses were paid relocation benefits under the Uniform Act.¹ In addition, all of the residents in our sample and about half the businesses were paid bonuses offered by the city of Detroit of up to \$2,500 for residents and up to \$11,171 for businesses, over and above the requirements of the act. Finally, a majority of residents surveyed by the University of Michigan and Neighborhood Service Organization after their relocation said the overall effect of the move was good; they liked their new homes, and they believed the city of Detroit had treated them

¹Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Uniform Act).

fairly. Fewer residents cited crime and boarded-up or abandoned structures as problems in their new neighborhoods, although many missed their former neighbors and friends.

Few present residents of Poletown are employed at the GM plant. According to GM's agreements with its union and with the cities of Detroit and Hamtramck, hiring priority was given to current GM employees and then to previously laid-off workers, followed by residents in the two cities. In June 1989, 59, or 2 percent, of the approximately 3,600 GM plant employees resided in or near Poletown. An additional 1,506, or 42 percent, of the plant employees resided in other areas of the city of Detroit.

To determine the characteristics of the project area, we obtained selected population and census data from the U.S. Bureau of the Census. We also reviewed data from the city of Detroit on properties it acquired in the project area. To determine the results of resident and business relocations, we met with the Director and other officials of the City of Detroit Community Economic Development Department and reviewed their data on property acquisition, relocation, and project funding. We also obtained two studies on residents relocated by the project and interviewed the officials from the University of Michigan and Neighborhood Service Organization who administered the studies. To assess whether residents and businesses were paid relocation benefits as required by the Uniform Act, we reviewed a judgmental sampling of relocation files. This sample is not representative of all residents and businesses that were paid relocation benefits, but was selected to illustrate the amount of relocation benefits some residents and businesses received. We also held discussions with HUD officials and reviewed their files related to this project. Finally, to determine whether the residents of Poletown benefitted through long-term employment at the plant, we met with representatives from GM, who provided employment data for the GM assembly plant. We conducted our review between April 1989 and August 1989.

We obtained oral comments from officials of HUD's Office of Urban Development Action Grants and have incorporated their comments where appropriate. They generally concurred with the findings and conclusions of the report. We also discussed the information presented in this fact sheet with officials of HUD's Detroit Field Office, the city of Detroit, and General Motors and have incorporated their comments as appropriate.

Copies of this fact sheet will be sent to the Secretary of Housing and Urban Development; the Director, Office of Management and Budget; and other interested parties. Should you require any additional information on the contents of this document, please call me on (202) 275-5525. Major contributors to this fact sheet are listed in appendix IV.

Sincerely yours,

A handwritten signature in black ink that reads "John M. Ols, Jr." in a cursive script.

John M. Ols, Jr.
Director, Housing and
Community Development Issues

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Abbreviations

CDBG	Community Development Block Grant
CIP	Central Industrial Park
EDA	Economic Development Administration
GM	General Motors
HUD	Department of Housing and Urban Development
UDAG	Urban Development Action Grant

The Project Area Had a Decline in Its Polish Population and Had a Number of Urban Community Problems

The project area known as the Central Industrial Park (CIP), located in the Poletown community, experienced a decline in its Polish population between 1970 and 1980 and had a number of urban problems when the project was approved in 1981. While the overall population and number of Polish residents had decreased in Poletown and the CIP project area, the percent of change was significantly greater in the project area. Further, Poletown as a whole had a larger concentration of Polish residents than did the CIP project area. We also found that the residents affected by the project identified many urban problems in the area, including crime, boarded-up and abandoned structures, and run-down buildings. In addition, data from the city of Detroit indicated that one-third of the properties it had acquired for the project were vacant.

Population Had Declined in Poletown and the CIP Project Area

Between 1970 and 1980, the Poletown population declined from 70,805 to 44,954, or 37 percent. During the same period, the population in the CIP project area declined from 15,188 to 5,885, or 61 percent.

Between 1970 and 1980, while the number of white and black Poletown residents declined at about the same rate, the number of white residents in the CIP project area declined at a significantly greater rate. Further, while the Polish population in Poletown declined by 14 percent, the Polish population in the CIP project area declined by 75 percent. (See table 1.1.)

Table 1.1: Ethnic Population Change in Poletown and CIP Project Area

	Poletown			CIP Project Area		
	Number of residents		Percent change	Number of residents		Percent change
	1970	1980		1970	1980	
White	39,725	24,156	39.2	9,981	2,598	74.0
Black	31,080	19,287	37.9	5,207	3,047	41.5
Other ^a		^b 1,511	^b	^b	240	^b
Total	70,805	44,954	36.5	15,188	5,885	61.3
Residents of Polish descent	13,736	11,765	14.3	2,644	654	75.3

^a"Other" includes American Indian, Eskimo, Aleut, Asian, Pacific Islander, etc.

^bBureau of Census categorized races in 1970 by black and white, therefore, this information was unavailable.

Source: Bureau of the Census.

Section 1
The Project Area Had a Decline in Its Polish
Population and Had a Number of Urban
Community Problems

Concentration of Polish Residents Was Lower in CIP Project Area

While the CIP project area population represented 13 percent of the total population in Poletown in 1980, less than 6 percent of the Polish residents lived in that area (see table 1.2); that is, the project area had a lower concentration of Polish residents than Poletown as a whole.

Table 1.2: Comparison of Poletown Population to CIP Project Area Population in 1980

	Number of residents		
	Poletown	CIP area	CIP area residents/ Poletown residents (percent)
White	24,156	2,598	10.7
Black	19,287	3,047	15.8
Other	1,511	240	15.9
Total	44,954	5,885	13.1
Residents of Polish descent	11,765	654	5.6

Source: Bureau of the Census.

Residents Identified Numerous Problems in CIP Project Area

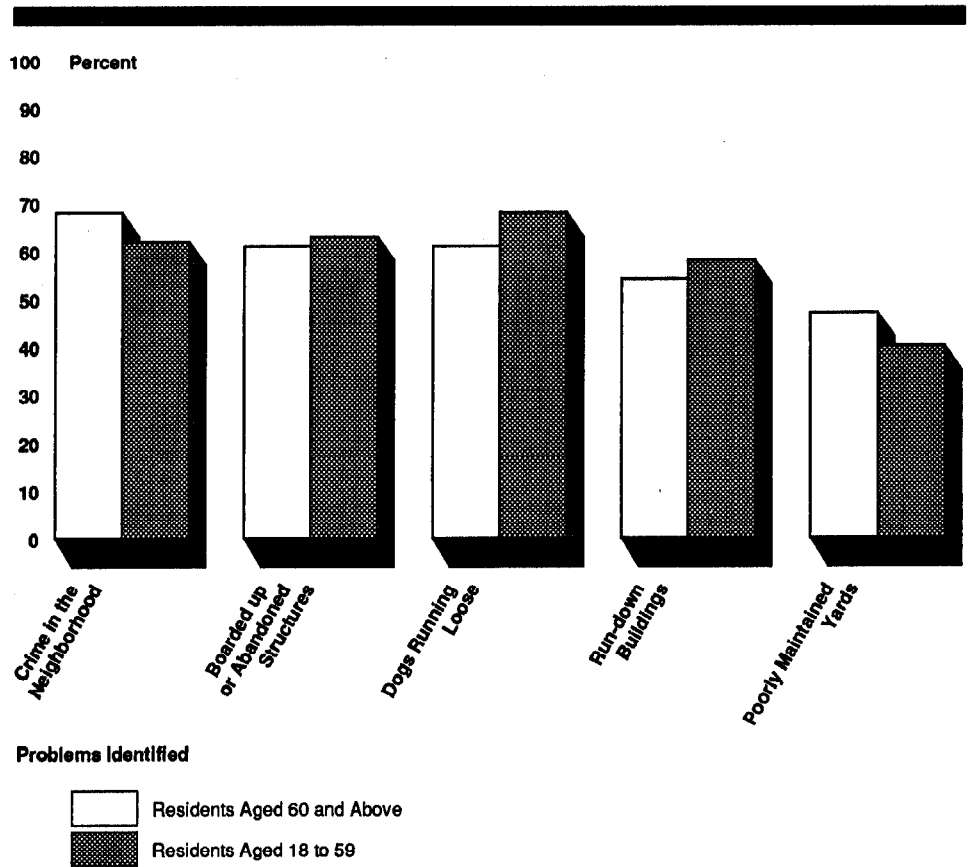
In 1981 and 1982, the city of Detroit contracted for two surveys of residents relocated by the CIP project to determine the impact of the relocation process and to obtain their suggestions on ways to improve the relocation process. The first survey was performed by a gerontologist from the University of Michigan and involved a sample of 100 residents aged 60 and older. The second survey was administered by the Neighborhood Service Organization¹ and involved residents between the ages of 18 and 59.

One survey question asked residents to identify problems existing in the CIP neighborhood. Residents identified a number of problems, as shown in figure 1.1 and appendix III. The most prevalent were crime, boarded-up and abandoned structures, dogs running loose, run-down buildings, and poorly maintained yards. Other problems, such as heavy traffic and street or highway noise, were also noted.

¹The Neighborhood Service Organization is a social service agency funded by a number of sources including the United Foundation, the State Mental Health Department, and the city of Detroit. During the CIP project, the agency was contracted by Detroit to provide services to residents who were displaced.

Section 1
The Project Area Had a Decline in Its Polish
Population and Had a Number of Urban
Community Problems

Figure 1.1: Problems Identified by Relocated Residents in the CIP Project Area



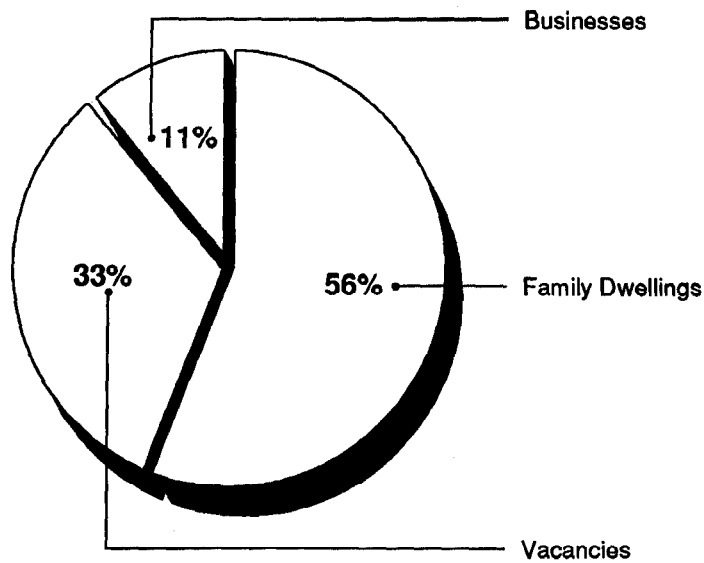
Source: A Study of Relocation of Elderly Residents: The Detroit Central Industrial Park Project, prepared by Leon Pastalan, University of Michigan, and Survey 1981-1982 Central Industrial Park Relocation Project, prepared by Joseph Gorham, Relocation Unit of Neighborhood Service Organization.

**Section 1
The Project Area Had a Decline in Its Polish
Population and Had a Number of Urban
Community Problems**

**One-Third of the CIP
Project Area
Properties Were
Vacant**

According to the city of Detroit data, at the time of property acquisition, one-third, or 33 percent, of the CIP project area properties — including lots, houses, and businesses — were vacant. About 56 percent were family dwellings, and 11 percent were businesses (see fig. 1.2).

**Figure 1.2: Types of Properties Acquired
in the CIP Project Area**



Source: City of Detroit, Community Economic Development Department.

Federal Funds Were Used for Relocation

Approximately \$138 million in federal funds were spent on the CIP project. These funds were primarily used to acquire property, relocate residents and businesses, and prepare the site for construction. Federal funds included a \$30 million Urban Development Action Grant (UDAG), a \$100 million Community Development Block Grant (CDBG)/Section 108 Loan, and a \$7.5 million Economic Development Administration (EDA) grant. (See table 2.1.)

Table 2.1: Federal, State and Private Expenditures on the the CIP Project as of April 1989

Dollars in thousands	
Source of funds	Expenditures
Federal	
UDAG	\$30,000
CDBG/Section 108 Loan ^a	100,000
EDA	7,500
State	
Roads and Rail	26,800
Land Bank Loan	1,425
Private	711,000
Total	\$876,725

^aIn 1980, the city of Detroit advanced its CDBG money to the CIP project until the Housing and Urban Development (HUD) Section 108 loan was approved. The loan was then used to repay the city of Detroit's CDBG letter of credit. Under Section 108, HUD guaranteed repayment of the loan to the lender—the Department of Treasury—if the city failed to do so.

Source: UDAG 1989 Semi-Annual Progress Reports and General Motors Corporation.

Most federal funds were used for property acquisition, relocation, and site preparation (see table 2.2). Federal funds were major sources of funding for these activities, paying 81 percent of the total property acquisition cost of \$99 million, 97 percent of the relocation costs of \$18 million, and 96 percent of the site preparation cost of \$42.1 million.

**Section 2
Federal Funds Were Used for Relocation**

**Table 2.2: Uses of Federal Expenditures
on CIP Project as of June 1983**

Dollars in millions				
Source	Acquisition	Relocation	Site preparation	Total
CDBG/Section 108 Loan	\$80.6	\$2.1	\$18.4	\$101.1^a
UDAG	0	15.3	14.4	29.7^b
EDA	0	0	7.5	7.5
Total	\$80.6	\$17.4	\$40.3	\$138.3

^aIncludes \$1.1 million in interest earned on loan.

^bAccording to city of Detroit 1989 accounting records, \$35,961.86 still remains in the UDAG account. We have informed HUD of these unexpended funds in a September 20, 1989, letter and have requested that HUD recapture these funds.

Source: Peat, Marwick, Mitchell and Company audit report for period covering June 30, 1982, to June 30, 1983.

Property Acquisition and Relocation Results Were Positive

Most owners of property in the CIP project area accepted the city of Detroit's acquisition offer. In addition, the relocation files we reviewed indicated that relocated residents and businesses were paid relocation benefits as required under the Uniform Act. The two surveys of relocated residents indicated that a majority of those residents believed the move was beneficial. They liked their new homes and believed the city had treated them fairly. While many said crime, boarded-up or abandoned structures, and run-down buildings were less of a problem in their new neighborhoods, a number of residents missed their former neighbors and friends.

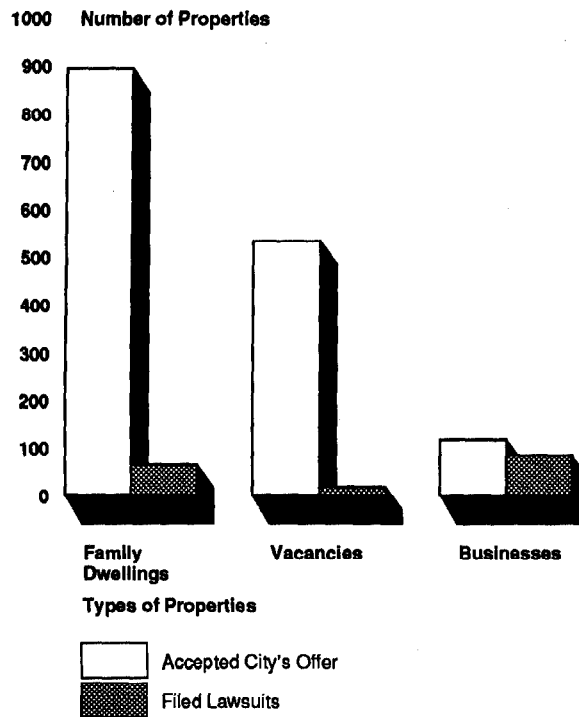
Most Property Owners Accepted the City's Acquisition Offer

The city of Detroit acquired 1,708 parcels of land in the CIP project area: 951 family dwellings, 199 business parcels, and 558 vacant properties. A total of 1,542, or 90 percent, of the property owners of these acquired parcels accepted the city's acquisition offer and 166, or 10 percent, filed lawsuits.

A total of 65, or 7 percent, of the homeowners filed lawsuits against the city in order to obtain more money for their property. Similarly, 83, or 42 percent, of the businesses and 18, or 3 percent, of the vacant property owners filed lawsuits. (See fig. 3.1.) Over 70 percent of these lawsuits were settled out of court. The remaining 44 lawsuits (27 percent) went to jury trials: 38 were awarded more money, 4 were awarded the same amount originally offered by the city, and 1 was awarded the original amount plus interest. One lawsuit involving a hospital is still pending judgment.

**Section 3
Property Acquisition and Relocation Results
Were Positive**

Figure 3.1: Number of Property Owners Who Accepted the City's Acquisition Offer



Source: City of Detroit, Community Economic Development Department.

Payments Were Made to Relocated Residents

Approximately 1,720 households and 141 businesses were relocated because of the CIP project. Residents were eligible to receive the following relocation benefits, as required under the Uniform Act at that time:

- up to \$15,000 for replacement housing of homeowners,
- up to \$4,000 for replacement rental housing of tenants, and
- up to \$300 in moving expenses and a \$200 dislocation allowance, for a total of up to \$500.

The city of Detroit also offered the following added benefits to homeowners and tenants:

- \$1,000 bonus for relocating within 90 days after notification to vacate and
- \$1,500 to homeowners if taxes in the new house exceeded that of the old dwelling. (The \$1,500 was a one-time amount.)

We reviewed a judgmental sample of 25 residential relocation files: 9 homeowners and 16 tenants. These files were selected to illustrate the amount of relocation benefits some residents received and is not representative of all residents that received relocation benefits. According to the city records, nine homeowners were paid replacement housing payments and moving expenses as required by the Uniform Act. Each was given the maximum allowable moving expense/dislocation allowance of \$500, a \$1,000 bonus for relocating within 90 days, and the added \$1,500 tax differential payment. Six of the nine homeowners were paid the maximum replacement housing payment of \$15,000. One was paid \$18,725, a last resort replacement housing payment,¹ according to the file. A city official responsible for overseeing relocation payments told us that he could not explain the specifics of the situation, but he said the additional payment only could have occurred if the city's relocation department could not identify a new dwelling within the homeowner's financial means. The 16 tenants were paid replacement housing payments, moving expenses, and a \$1,000 bonus for relocating within 90 days of notification. Seven were paid the maximum replacement housing payment of \$4,000. One was paid \$9,036 under the last resort replacement housing payment provision. The responsible official again could not explain the specifics of this payment. Six were paid the maximum moving/dislocation payment of \$500.

Payments Were Made to Relocated Businesses

Under the Uniform Act businesses are entitled to between \$2,500 and \$10,000 in moving expenses or the actual cost of the move. In addition, the city offered a supplemental bonus of \$10,171 for unforeseen costs associated with relocation and a \$1,000 bonus for relocating within 90 days after notification.

We reviewed a judgmental sample of 15 business relocation files to determine the benefits that were paid. As with relocation files of residents, we selected business relocation files to illustrate the amount of relocation benefits some businesses received. This sample is not representative of all businesses that were paid relocation benefits. We found that each business was given moving expense payments. Three were paid the maximum of \$10,000 in moving expense payments and six were paid the minimum of \$2,500. Two were paid the actual cost of the move of \$552 and \$2,775. None received more than \$10,000 in moving

¹The last resort housing provision of the Uniform Act allows an agency to provide payments in excess of the requirements of the act if it determines that a project cannot proceed because a comparable replacement dwelling will not be available on a timely basis to persons being displaced.

**Section 3
Property Acquisition and Relocation Results
Were Positive**

expense payments. In addition, eligible businesses were paid the \$10,171 supplemental bonus for unforeseen relocation costs. Over half were paid the \$1,000 bonus for relocating within 90 days of notification.

**Most Residents
Believed Their Move
Was Positive**

Many of the residents said the effect of the move was positive primarily because their new residences and neighborhoods were better and safer. The negative effects included loss of neighbors and friends and financial expenses related to the new location. (See table 3.1.)

Table 3.1: Residents' Views on the Effect of Their Move

Responses	Percentage Giving Indicated Response	
	Residents aged 60 and over	Residents ages 18 to 59
Good effect	85	62
Bad effect	12	20
Unsure	3	17
No response	0	1

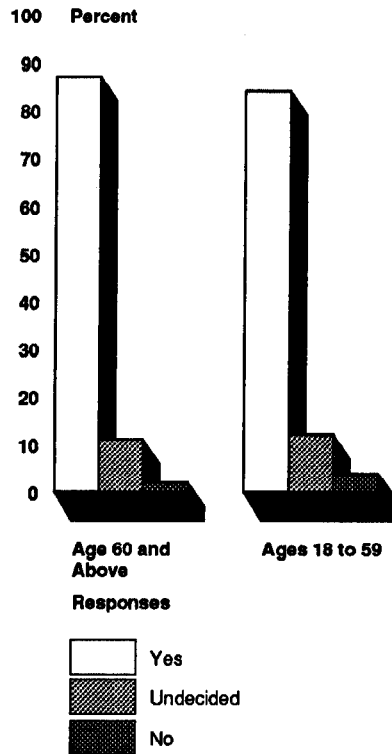
Source: A Study of Relocation of Elderly Residents: The Detroit Central Industrial Park Project, prepared by Leon Pastalan, University of Michigan, and Survey 1981-82 Central Industrial Park Relocation Project, prepared by Joseph Gorham, Relocation Unit of Neighborhood Service Organization.

**Most Residents Liked
Their New Homes**

The surveys conducted by the University of Michigan and Neighborhood Service Organization showed that most residents liked their new homes. As shown in figure 3.2, over 80 percent of the residents in both surveys liked their new homes, while less than 5 percent did not.

**Section 3
Property Acquisition and Relocation Results
Were Positive**

Figure 3.2: Residents Who Liked Their New Homes



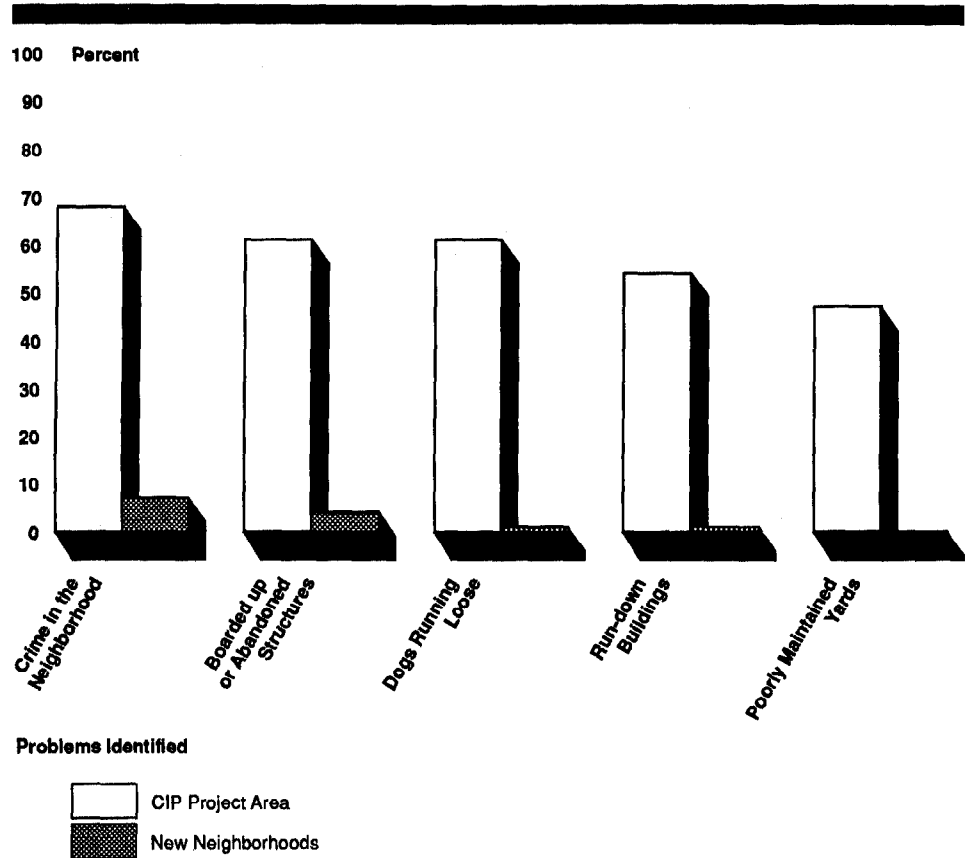
Source: A Study on Relocation of Elderly Residents: The Detroit Central Industrial Park Project, prepared by Leon Pastalan, University of Michigan, and Survey 1961-62 Central Industrial Park Relocation Project, prepared by Joseph Gorham, Relocation Unit of Neighborhood Service Organization.

Problems Identified in the CIP Project Area Were Less Prevalent in the New Neighborhoods

Figure 3.3 and 3.4 show that while over 60 percent of the residents cited crime and boarded-up or abandoned structures as problems in the CIP project area, less than 10 percent cited such problems in their new neighborhoods. As shown in appendix III, several other problems were identified in the CIP project area but were also less prevalent in the new neighborhoods.

**Section 3
Property Acquisition and Relocation Results
Were Positive**

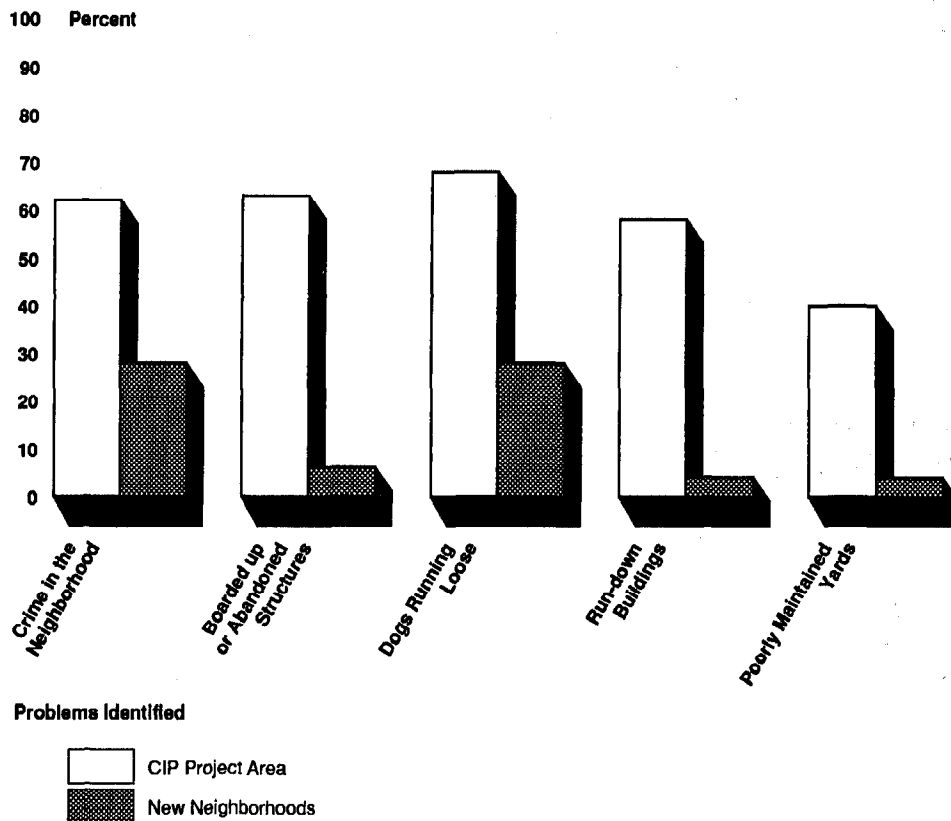
Figure 3.3: Problems Identified by Residents Aged 60 and Over in the CIP Project Area and the New Neighborhoods



Source: A Study of Relocation of Elderly Residents: The Detroit Central Industrial Park Project, prepared by Leon Pastalan, University of Michigan.

**Section 3
Property Acquisition and Relocation Results
Were Positive**

Figure 3.4: Problems Identified by Residents Aged 18 to 59 in the CIP Project Area and the New Neighborhoods



Source: Survey 1981-82 Central Industrial Park Relocation Project, prepared by Joseph Gorham, Relocation Unit of Neighborhood Service Organization.

Many Residents Believed They Were Treated Fairly

The surveys asked residents if they believed they were treated fairly by the city of Detroit. The first survey of relocated residents aged 60 and over asked about the notification of move and monetary compensation. The second survey of relocated residents between the ages 18 to 59 asked about the notification of move and more specific questions about the monetary compensation. Over 80 percent of the residents in both surveys were satisfied with the notification of move. Residents 60 and over were more positive about the monetary compensation. (See table 3.2.)

**Section 3
Property Acquisition and Relocation Results
Were Positive**

Table 3.2: Number of Residents Satisfied With the Notification of Move and Monetary Compensation

Relocation steps	Residents aged 60 and over			Residents aged 18 to 59		
	Yes	No response	No	Yes	No response	No
Notification of move	89	0	11	82	1	17
Monetary compensation	92	0	8	a	a	a
Moving payment	a	a	a	79	0	21
Rehousing payment	a	a	a	60	17	23
Bonus payment	a	a	a	67	14	19

^aInformation was not available for these relocation steps for the designated age group.

Source: A Study of Relocation of Elderly Residents: The Detroit Central Industrial Park Project, prepared by Leon Pastalan, University of Michigan, and Survey 1981-82 Central Industrial Park Relocation Project, prepared by Joseph Gorham, Relocation Unit of Neighborhood Service Organization.

Residents Missed Neighbors and Friends

When asked what they missed about their old neighborhoods, residents aged 60 and over most frequently said neighbors, friends, and the church (see table 3.3). Residents under age 60 also cited neighbors and friends, although 32 percent said they missed nothing (see table 3.4).

Table 3.3: What Residents Aged 60 and Over Missed About the CIP Neighborhood

Aspect of community missed	Percentage of residents
Neighbors	36
Church	24
Friends	18
Stores	9
Close to work	5

Source: A Study of Relocation of Elderly Residents: The Detroit Central Industrial Park Project, prepared by Leon Pastalan, University of Michigan.

Table 3.4: What Residents Ages 18 to 59 Missed About the CIP Neighborhood

Aspect of community missed	Percentage of residents
Neighbors and friends	51
Don't miss anything	32
Other	16
No response	1

Source: Survey 1981-82 Central Industrial Park Relocation Project, prepared by Joseph Gorham, Relocation Unit of Neighborhood Service Organization.

Few Poletown Residents Are Employed at the GM Plant

The GM automotive assembly plant was built to replace two existing plants located in Detroit that were scheduled to close in 1983.¹ According to the CIP project development agreement between GM and the cities of Detroit and Hamtramck, GM would employ at least 3,000 employees by April 1985 without reference to their residence. Hiring priorities would be given to those employed at the two existing plants, followed by laid-off GM workers and then by residents in the two cities. According to GM statistics, as of June 1989, 2 percent of the 3,554 Detroit-Hamtramck assembly plant employees resided in or near Poletown.² Nearly half of the plant employees resided in the city of Detroit.

According to GM, the company began to employ salaried workers at the Detroit-Hamtramck plant in February 1981 and hourly workers in October 1983.³ Production officially began in February 1985. By the end of 1985, GM had an active workforce of about 3,200 employees and had reached a high of 5,900 employees in 1986. In 1987, employment was reduced to about 3,700 and has slightly declined since then. In June 1989, the plant employed 3,554 workers. (See table 4.1.) According to GM officials, the changes in employment at the plant are the result of changes in the marketplace; that is, consumer demand for products built at the plant is less than forecast.

Table 4.1: Employment at Poletown Plant

Date	Number of employees
December 1984	1,201
December 1985	3,165
December 1986	5,941
December 1987	3,731
December 1988	3,668
June 1989	3,554

Source: General Motors Corporation.

According to GM's legal agreements with its employees' union and with the cities of Detroit and Hamtramck, hiring priorities would be given to current GM workers and laid-off workers, followed by consideration of

¹The plants closed in 1987. According to GM officials, a change in market conditions and consumer demand kept the plants open longer than anticipated.

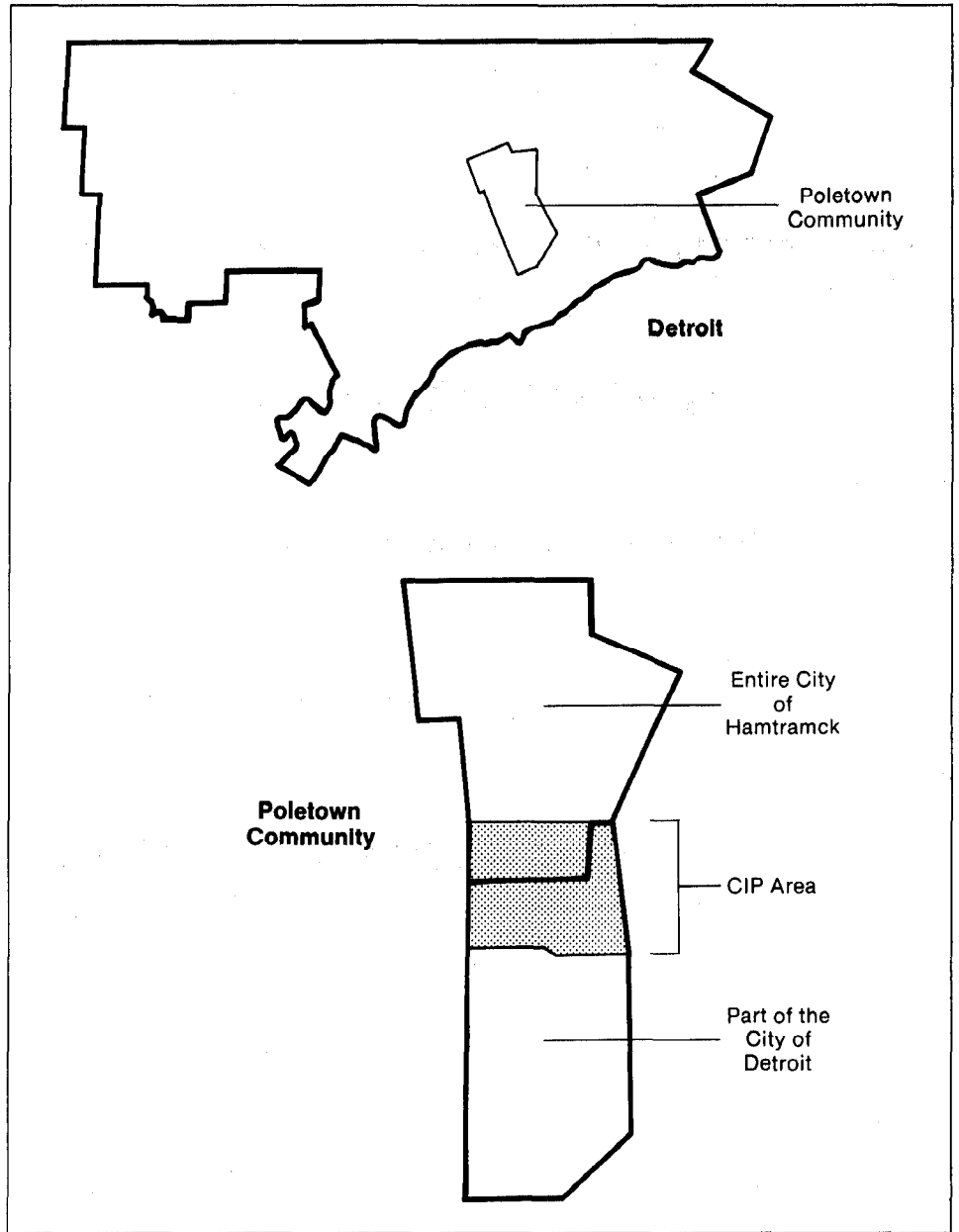
²On the basis of zip codes. The area covered by the zip codes extends somewhat beyond the boundaries of Poletown.

³Salaried employees are noncontractual employees paid on a monthly basis. Hourly employees are contractual employees (i.e., members of the United Auto Workers).

Section 4
Few Poletown Residents Are Employed at the
GM Plant

applications from residents in the cities of Detroit or Hamtramck. Statistics were not available on the number of employees that transferred from the two plants that closed; however, according to GM officials, most of the employees at the two plants accepted offers to transfer to the Poletown plant or went to other GM facilities. In June 1989, while 1,565, or 44 percent, of the plant's employees lived in the cities of Detroit and Hamtramck, 59, or 2 percent, of those employees lived in or near Poletown. Of the 59, 2 were new employees. Employment statistics for earlier years were not available because some employees transferred out of the Poletown plant and/or changed residence.

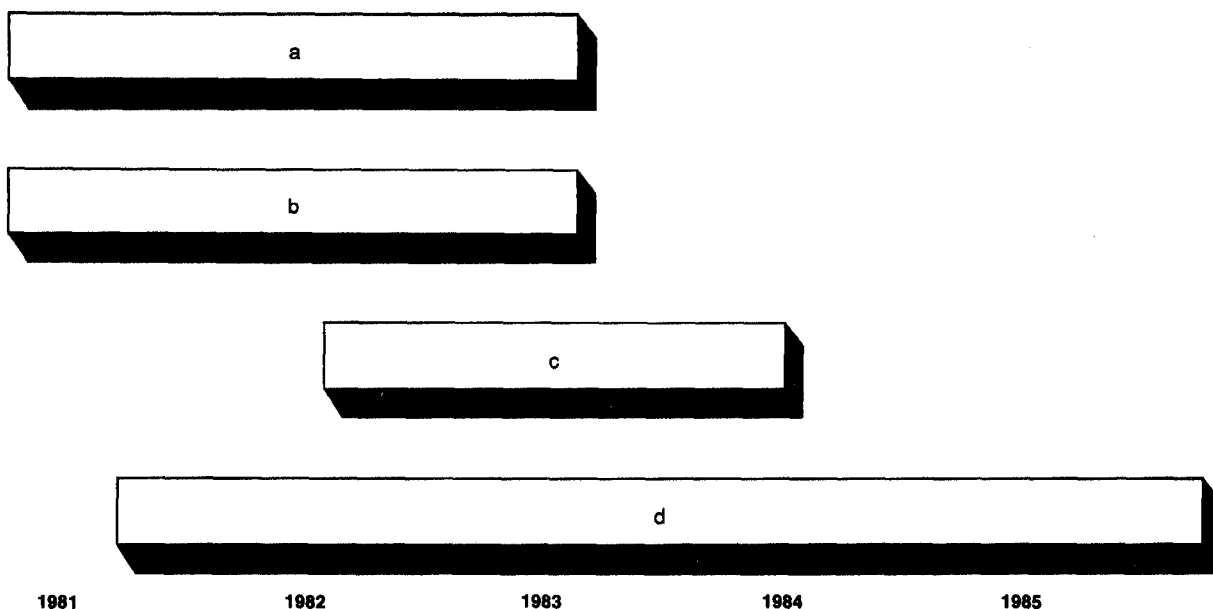
Map of Poletown and CIP Project Area



CIP Project Time Frame

The CIP project spanned from November 1980 to December 1985.¹ Property acquisition and relocation activities were scheduled to last 3 years; however, most took place in 1981 and 1982 because GM planned to begin construction in 1981. Figure II.1 shows the project's progress between 1980 and 1985.

Figure II.1: CIP Project Time Line



- ^aProperty Acquisition
- ^bRelocation Activities
- ^cDemolition of All Existing Structures and Site Preparation
- ^dConstruction of Automotive Assembly Plant

Source: HUD 1989 Semi-Annual Progress Report.

¹ Although the joint venture agreement was not signed until 1981, the project began in 1980. A project close-out had not been done as of August 1989.

Problems Identified in CIP Project Area and New Neighborhoods

Table III.1: Survey Results of Problems Identified in the CIP Project Area

Problems identified	Percentage indicating problems	
	Survey 1 (residents aged 60 and above)	Survey 2 (residents aged 18-59)
Crime in the neighborhood	68	62
Boarded-up and abandoned structures	61	63
Dogs running loose	61	68
Buildings in run-down condition	54	58
Poorly kept up yards	47	40
Local businesses leaving the area	45	26
Heavy traffic	42	38
Street or highway noise	42	30
Not enough parking places	35	27
Children and teenagers who misbehave	32	40
Streets in poor repair	26	29
Poor street lighting	27	23
Noisy neighbors	20	28
Constantly changing neighbors	20	16
Air pollution	16	31
Too many different types of people	16	12
Garbage collection service	10	34
Poor police relations	8	20
Lack of public transportation	4	7

Source: A Study of Relocation of Elderly Residents: The Detroit Central Industrial Park Project, prepared Leon Pastalan, University of Michigan, and Survey 1981-82 Central Industrial Park Relocation Project, prepared by Joseph Gorham, Relocation Unit of Neighborhood Service Organization.

**Appendix III
Problems Identified in CIP Project Area and
New Neighborhoods**

**Table III.2: Survey Results of Problems
Identified in the New Neighborhoods**

Problems identified	Percentage indicating problems	
	Survey 1 (residents aged 60 and above)	Survey 2 (residents aged 18-59)
Lack of public transportation	16	11
Heavy traffic	10	26
Streets in poor repair	10	20
Not enough parking places	8	14
Crime in the neighborhood	7	28
Children and teenagers who misbehave	4	19
Street or highway noise	4	17
Poor street lighting	4	16
Boarded-up or abandoned structures	4	6
Air pollution	2	7
Local businesses leaving the area	2	2
Dogs running loose	1	28
Garbage collection service	1	16
Buildings in run-down condition	1	4
Noisy neighbors	0	8
Constantly changing neighbors	0	8
Poor police relations	0	7
Too many different types of people	0	5
Poorly kept up yards and streets	0	4

Source: A Study of Relocation of Elderly Residents: The Detroit Central Industrial Park Project, prepared by Leon Pastalan, University of Michigan, and Survey 1981-82 Central Industrial Park Relocation Project, prepared by Joseph Gorham, Relocation Unit of Neighborhood Service Organization.

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