DELTA TOWNSHIP,
GREATER LANSING, MI

LG Ultium Cells

Battery manufacturing, 425 agreements, and strategic infrastructure coordination

Why LG Ultium Cells and why Delta Township? The Ultium Cells battery manufacturing facility in Delta Township represents one of the most significant industrial investments in Michigan in recent decades. Developed to support the rapidly evolving electric vehicle supply chain, the project reflects the scale, complexity, and infrastructure demands that increasingly define modern industrial development.

Announced as a multi-billion-dollar investment, the facility was planned as a high-volume battery cell manufacturing plant designed to supply EV production across General Motors' North American operations. At full build-out, the project was expected to employ approximately 1,700 workers and occupy a campus of roughly 2.8 million square feet.

Asset Class: advanced battery cell manufacturing. Battery cell manufacturing sits at the center of the EV transition. These facilities are capital-intensive, highly automated, and utility-dependent, requiring exceptional reliability in power, water, and wastewater systems. They also demand close coordination with fire services, environmental regulators, and workforce partners. From a site selection perspective, this asset class places a premium on speed, certainty, and the ability to scale infrastructure quickly.

Tools Used:

- **6. Site Readiness and Feasibility** ●○○
- **11. Conducting a Successful Public Meeting** ●●○
- **15. 425 Agreements** ●○○
- **16. Communicating During Construction** ●●●

Site Context and Facility Details

The Delta Township site encompasses approximately 220 acres along the Davis Highway corridor.

Local review focused on issues typical of large, modern industrial campuses.

This included traffic access and routing, wetland and environmental features, utility capacity, stormwater management, and first-responder preparedness. Planning and entitlement discussions included coordination on roadway improvements, site access points, chemical handling protocols, and ordinance compliance.

The site's size and location required close collaboration between township staff, regional agencies, and service providers to ensure that approvals and infrastructure planning progressed in parallel.

Infrastructure and intergovernmental coordination supported project operations.

A defining feature of the project was the level of infrastructure coordination required to support operations. Significant investments were made to expand electric capacity, upgrade water and wastewater systems, and prepare the surrounding transportation network for construction and long-term operations.

A 425 agreement played a central role.

A long-term, revenue-sharing 425 agreement helped align jurisdictional boundaries, service provision, and fiscal impacts between the City of Lansing and Delta Township, allowing the project to move forward without prolonged boundary or service disputes. State and local partners worked in tandem to deliver utility upgrades on an accelerated timeline.

By the Numbers

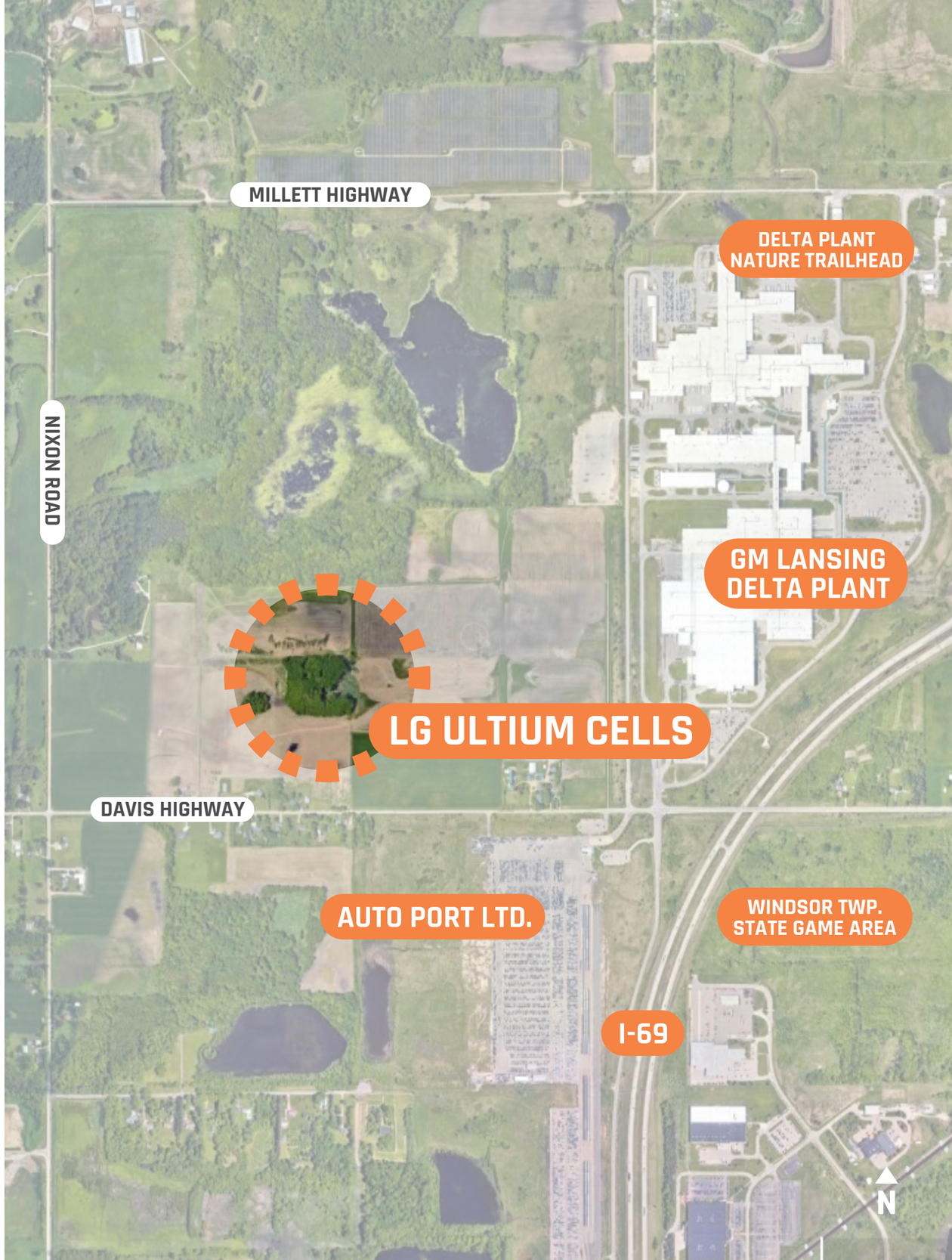
Campus size:
2.8 million square feet

Projected investment:
$2.6 billion

Projected jobs: 1,700

Site Location:

7111 Davis Hwy, Lansing, MI 48917



Incentives and Public Investment

The project was supported through a combination of state and local economic development tools.

These included performance-based grants, long-term tax exemptions, and targeted site readiness funding to address infrastructure gaps. Together, these tools reduced upfront risk, supported major utility investments, and improved the project's competitiveness relative to other potential locations.

A 25-year 425 revenue-sharing agreement was tied to the project geography, alongside other local approvals and utility-rate actions.

The project included a state-level $600 million Critical Industry Program grant, an 18-year Renewable Energy Renaissance Zone, and a $66.1 million Strategic Site Readiness Program (SSRP) award to support infrastructure/utility upgrades. They also received a $2.5 billion loan from the Department of Energy in 2022 to support the development of this facility, as well as one in Ohio and another in Tennessee.

Projects of this scale naturally generate public interest and discussion.

Community conversations reflected both optimism about job creation and economic diversification, as well as questions about infrastructure costs, environmental stewardship, and long-term accountability. Ongoing communication, clear articulation of project milestones, and visible coordination among public partners were important in maintaining public confidence as the project progressed.

Photo by GM Authority.

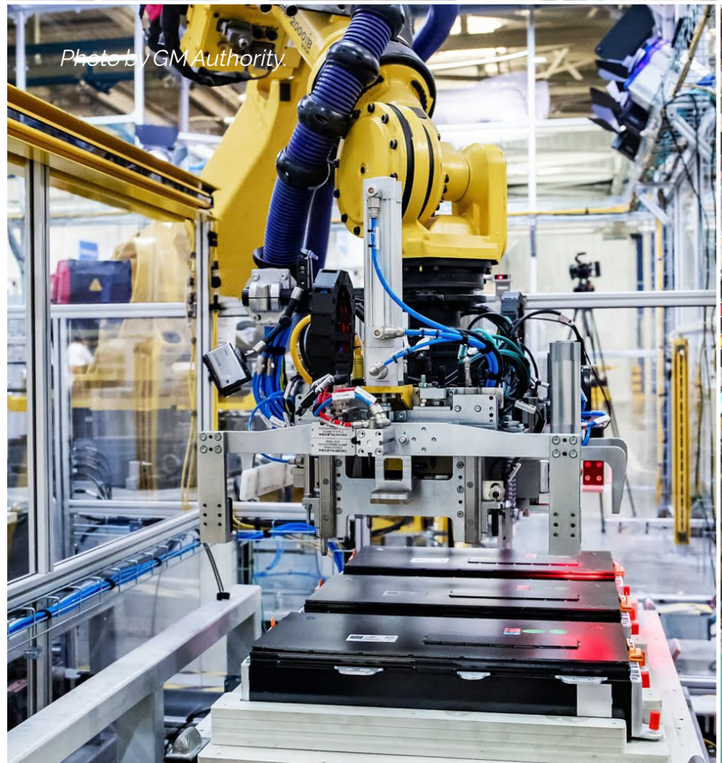


Photo by GM Authority.

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What lessons can others take from LG Ultium Cells?

Photo by the Lansing State Journal.

The LG Ultium Cells project offers several takeaways for municipalities considering large-scale industrial development:

Modern industrial projects are infrastructure projects.

Utility capacity, reliability, and delivery timelines often determine success.

Governance matters.

Clear intergovernmental agreements can prevent delays and align incentives.

Readiness is iterative.

Large projects evolve over time, and communities must be prepared to adapt approvals and infrastructure plans.

Early coordination with emergency services is essential.

Fire, safety, and hazmat planning should be integrated into the entitlement process.

Clear communication supports long-term trust.

Large investments benefit from simple, consistent explanations of benefits, timelines, and responsibilities.