

# DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY MINUTES OF THE REGULAR COMMUNITY ADVISORY COMMITTEE MEETING WEDNESDAY, MAY 26, 2021 - 5:00 PM HELD VIA ZOOM

**COMMITTEE MEMBERS** 

PRESENT: Kamal Cheeks

Rick Blocker Brad Lutz Peter Rhoades Allen Rawls

**COMMITTEE MEMBERS** 

ABSENT: Simone Sagovac

Rico Razo Michelle Lee

Dr. Regina Randall

OTHERS PRESENT: Jennifer Kanalos (DEGC/DBRA)

Brian Vosburg (DEGC/DBRA) Cora Capler (DEGC/DBRA) Malinda Jensen (DEGC/DBRA)

Richard Barr (Honigman)

Tim Loughrin (Robertson Homes)
Ben Smith (Terranovus Development)

Rukiya Colvin Theo Pride



# Call to Order

Mr. Cheeks, Chairperson, called the meeting to order at 5:05 p.m.

Mr. Vosburg took a roll call of the CAC Members present.

## General

# **Approval of Minutes**

Mr. Cheeks called for approval of the minutes of the April 28, 2021 (resolution) DBRA-CAC meeting, as presented. The Committee took the following action:

Mr. Rawls made a motion approving the minutes of the April 28, 2021 Board meeting, as presented.

Mr. Rhoades seconded the motion. A roll call vote was conducted with the following result:

Ayes: Mr. Blocker, Mr. Cheeks, Mr. Lutz, Mr. Rawls, and Mr. Rhoades

Nays: None.

DBRA-CAC Resolution Code 21-05-02-160 was unanimously approved.

#### **Projects**

## **Brownfield Plan for 112 Edmund Place**

Ms. Capler presented the Brownfield Plan for 112 Edmund Place.

#### **Project Introduction**

112 Edmund Place Associates, LLC is the project developer (the "Developer") for the Plan. The project consists of the construction of residential development expected to create a total of sixteen (16) new forsale homes, four (4) of which will be ground level flat units and twelve (12) of which will be two-level townhomes (with roof top terraces) above the ground level flats. The project will include grade level integrated parking with approximately 16 parking spaces. The project features energy efficient design that significantly exceeds state energy code requirements saving as much as 15% over existing energy code as well as other green features such as bicycle storage and EV station prep.

The total hard costs are estimated to be \$7.5 million. The Developer is requesting \$921,917.00 in TIF reimbursement.

There will be approximately 160 temporary construction jobs and 0 permanent jobs are expected to be created by the project.

#### Property Subject to the Plan

The eligible property (the "Property") consists of two (2) parcels located on the south side of Edmund Place between John R. to the east and Woodward Avenue to the west in the Brush Park neighborhood.

## Basis of Eligibility

The Property is considered "eligible property" as defined by Act 381, Section 2 because (a) it was previously utilized for a residential, commercial purpose and/or public purpose; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) it is a "facility" or is adjacent and contiguous to the parcel that is a facility.

# Eligible Activities and Projected Costs

The "eligible activities" that are intended to be carried out at the Property are considered "eligible activities" as defined by Sec 2 of Act 381, because they include baseline environmental assessment activities,

department specific activities, due care activities, site preparation, infrastructure improvements, interest, and development, preparation, and implementation of a brownfield plan and Act 381 Work Plan. The eligible activities and budgeted costs are intended as part of the development of the Property and will be financed solely by the Developer. The Authority is not responsible for any costs of eligible activities and will incur no debt. The eligible activities are estimated to commence within 18 months of approval of the Plan and be completed within 3 years.

## Tax Increment Financing (TIF) Capture

The Developer desires to be reimbursed for the costs of eligible activities. Tax increment revenue generated by the Property will be captured by the DBRA and used to reimburse the cost of the eligible activities completed on the Property after approval of this Plan pursuant to the terms of a Reimbursement Agreement with the DBRA.

## **COSTS TO BE REIMBURSED WITH TIF**

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Environmental Site Assessments	\$55,000.00
Due Care Activities	\$209,564.00
3. Site Preparation	\$21,918.00
Infrastructure Improvements	\$406,834.00
5. Brownfield Plan & Work Plan	\$60,000.00
6. Contingency (15%)	\$95,748.00
7. Interest	\$72,853.00
Total Reimbursement to Developer	\$921,917.00
Authority Administrative Costs	\$318,026.00
State Brownfield Redevelopment Fund	\$134,028.00
10. Local Brownfield Revolving Fund	\$746,203.00
TOTAL Estimated Costs	\$2,120,174.00

The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from tax increment revenues of the DBRA from the Property shall be governed by the terms of the Reimbursement Agreement.

# Other Incentives

The Developer is seeking additional incentives, which will include local and/or state approval of a Neighborhood Enterprise Zone (PA 147) Tax Abatement.

Attached for the CAC's review and approval were three (3) resolutions: 1.) a resolution supporting the Plan in the event the Committee does not deem it necessary to conduct a CAC public hearing and 2.) a resolution authorizing a public hearing in the project area and 3.) a resolution authorizing a public hearing in the project area and to appoint up to two special CAC members. The public hearing may be held jointly with any public hearing conducted by the Detroit Brownfield Redevelopment Authority.

Mr. Barr and Mr. Smith provided more information regarding the project including the contamination present on the Property, the future parcel combination to be completed, and the history of the project.

Mr. Lutz asked what the anticipated prices will be for the residential units. Mr. Smith stated that the smallest units will be in the mid \$200,000s and the largest units will be in the mid \$400,000s, which the Developer feels is competitive and attainable in comparison to other new developments in the Brush Park neighborhood.

Mr. Lutz asked if all of the units will be priced at market rate. Mr. Smith confirmed that all of the units will be priced at market rate for this development.

Mr. Rawls asked for more information on the development team and who the architect and general contractor are for the project. Mr. Smith stated that the developer is a joint venture between Robertson

Homes and Terranovus Development. Mr. Loughrin added that Robertson Homes has completed other projects within the City of Detroit and prefers to do projects in walkable communities as opposed to on the edge of the suburbs, and the architect for the project is Alexander Bogarts.

Mr. Rawls asked about the configuration of the residential units. Mr. Loughrin stated that the two-level townhomes have rooftop decks, and the smaller units are on the first floor and are one level units.

Mr. Rawls asked if there are any special energy-efficient design features included in the project. Mr. Loughrin stated that there are bike racks and electric vehicle charging stations included in the project and the development will exceed all building code requirements for energy efficiency.

Mr. Rhoades stated that he was happy to see so many support letters included in the Plan and asked if the Brush Park CDC has reviewed the project and what their feedback has been. Mr. Smith stated that the Developer has been working with the Brush Park CDC on a support letter for the project and have received a lot of good feedback from them on the project but that it has been hard to get a meeting scheduled with the Brush Park CDC to discuss the project further and to get a support letter for the project. Mr. Loughrin added that the project has received a Certificate of Appropriateness from the Historic District Commission.

Mr. Rhoades stated that he visited the Property and saw notices regarding project plans for the Property from a few years ago which included another address as well and asked what the status of that project is. Mr. Smith stated that the project on the notice is a separate project from this Plan and has a separate developer and he is not certain on the status of that project.

Mr. Cheeks called for a motion regarding the Brownfield Plan for 112 Edmund Place, as presented.

Mr. Rawls made a motion to recommend approval of the Brownfield Plan for 112 Edmund Place Center without a CAC public hearing and without appointing special members. Mr. Rhoades seconded the motion. A roll call vote was conducted with the following result:

Ayes: Mr. Blocker, Mr. Cheeks, Mr. Lutz, Mr. Rawls, and Mr. Rhoades

Nays: None.

DBRA-CAC Resolution Code 21-05-300-01 was approved.

#### Administrative

# Schedule of DBRA-CAC Meetings for FY 2021-22

Ms. Kanalos presented the Schedule of DBRA-CAC Meetings for FY 2021-22 to the CAC.

Attached, for the CAC's review and approval, were the dates of DBRA-CAC meetings scheduled for FY 2021-2022.

Mr. Cheeks called for a motion to approve the Schedule of DBRA-CAC meetings for FY 2021-22, as presented.

Mr. Rhoades made a motion to approve the Schedule of DBRA-CAC meetings for FY 2021-22, as presented. Mr. Lutz seconded the motion. A roll call vote was conducted with the following result:

Ayes: Mr. Blocker, Mr. Cheeks, Mr. Lutz, Mr. Rawls, Mr. Rhoades

Navs: None.

DBRA-CAC Resolution Code 21-05-01-52 was approved.

## <u>Other</u>

Mr. Rhoades requested status updates for the Mt. Elliott Recycling Brownfield Plan. Mr. Vosburg stated that the discussions between General Motors and the developer regarding the operations and regulations of the proposed Mt. Elliott Recycling facility are still ongoing and General Motors has requested a tour of the proposed facility.

Mr. Rhoades asked if the DBRA Staff had any information on the redevelopment of the Lee Plaza Building and if the developer(s) for that project have contacted the DEGC for assistance on the project.

Mr. Rawls stated that the Lee Plaza Building is owned by the City of Detroit and the City has issued an Request for Proposal for the project, there are challenges given the current state of disrepair of the building and what potential rent levels could be to make the project viable, and that the property has changed hands between City entities and that the project is not currently generating any property tax revenue.

Mr. Vosburg stated that DBRA Staff has not been contacted by the developer(s) for the Lee Plaza Building regarding brownfield assistance but that he would check with DEGC Staff to see if they have been contacted by the developer(s) regarding the project and provide an update to the CAC at a future meeting.

## **Public Comment**

None.

# <u>Adjournment</u>

Citing no further business, Mr. Cheeks called for a motion to adjourn the meeting.

Mr. Rawls made a motion to adjourn. Mr. Rhoades seconded the motion. The meeting was adjourned at 5:37 pm.



# CODE <u>DBRA CAC 21-05-02-160</u>

# **APPROVAL OF MINUTES OF APRIL 28, 2021**

RESOLVED, that the minutes of the regular meeting of April 28, 2021 are hereby approved and all actions taken by the members present at such meeting, as set forth in such minutes, are hereby in all respects ratified and approved as actions of the Community Advisory Committee of the Detroit Brownfield Redevelopment Authority.

May 26, 2021



## CODE DBRA-CAC 21-05-301-01

#### 112 EDMUND PLACE BROWNFIELD REDEVELOPMENT PLAN

WHEREAS, pursuant to 381 PA 1996, as amended ("Act 381"), the City of Detroit Brownfield Redevelopment Authority (the "DBRA") has been established by resolution of the City Council of the City of Detroit (the "City") for the purpose of promoting the revitalization of environmentally distressed areas in the City; and

WHEREAS, under Act 381, the DBRA is authorized to develop and propose for adoption by City Council a brownfield plan for one or more parcels of eligible property; and

WHEREAS, pursuant to the resolution establishing the DBRA and the bylaws of the DBRA, the DBRA has submitted the proposed **Brownfield Plan for the 112 Edmund Place Project** (the "Plan") to the Community Advisory Committee for consideration and comment; and

WHEREAS, the Community Advisory Committee, at its January 27, 2021 meeting, received, evaluated and considered the proposed Plan; and

WHEREAS, in accordance with the provisions of the resolution establishing the DBRA and the bylaws of the DBRA, the Community Advisory Committee desires to make recommendations to the DBRA and the Detroit City Council on the proposed Plan.

# NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

- 1. After consideration of the proposed Plan, the Community Advisory Committee makes the following comment and recommendations on the proposed Plan:
  - a. The Community Advisory Committee has determined that it is appropriate for the achievement of the purposes of Act 381 of the DBRA to adopt a Brownfield Plan for the **112 Edmund Place Brownfield Redevelopment Project**.
  - b. The Community Advisory Committee recommends support of the proposed Plan presented to
- 2. The Chairperson of the Community Advisory Committee is authorized and directed to transmit a copy of this Resolution and the minutes of the public hearing on the proposed Plan and of the meeting at which this Resolution was adopted to the DBRA and the Detroit City Council as the report of the findings and recommendations of the Community Advisory Committee on the proposed Plan.
- 3. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are rescinded.



# CODE <u>DBRA-CAC 21-05-01-52</u>

# ADMINISTRATION: SCHEDULE OF DBRA-CAC MEETINGS FOR FY 2021-2022

RESOLVED, that the Detroit Brownfield Redevelopment Authority Community Advisory Committee ("the DBRA-CAC") hereby adopts the following as its schedule for regular meetings for fiscal year 2021-2022. Unless otherwise indicated or posted, such meetings will be held on the **second and fourth Wednesday** of each month at **5:00 PM** in the offices of the Detroit Economic Growth Corporation, 500 Griswold Street, Suite 2200, as follows:

<u>2021</u>	<u>2022</u>
July 14, 2021	January 12, 2022
July 28, 2021	January 26, 2022
August 11, 2021	February 9, 2022
August 25, 2021	February 23, 2022
September 8, 2021	March 9, 2022
September 22, 2021	March 23, 2022
October 13, 2021	April 13, 2022
October 27, 2021	April 27, 2022
November 10, 2021	May 11, 2022
November 17, 2021*	May 25, 2022
December 1, 2021*	June 8, 2022
December 15, 2021*	June 22, 2022

<sup>\*</sup>Due to a holiday, this meeting date varies from the regular schedule.