



**DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
MINUTES OF THE
SPECIAL COMMUNITY ADVISORY COMMITTEE MEETING
WEDNESDAY, OCTOBER 21, 2020 - 5:00 PM
HELD VIA ZOOM**

COMMITTEE MEMBERS

PRESENT:

Kamal Cheeks
Rick Blocker
Brad Lutz
Peter Rhoades
Allen Rawls
Rico Razo
Dr. Regina Randall

COMMITTEE MEMBERS

ABSENT:

Simone Sagovac
Michelle Lee

OTHERS PRESENT:

Jennifer Kanalos (DEGC/DBRA)
Brian Vosburg (DEGC/DBRA)
Cora Capler (DEGC/DBRA)
Malinda Jensen (DEGC/DBRA)
Catherine Frazier (DEGC)
Kaci Jackson (DEGC)
Bret Stuntz (SME)
David Tobar (Grobbel)
Ryan Chapp (Grobbel)
Jason Grobbel (Grobbel)
Todd Gerig (Grobbel)
Sharlene Burris
Gladys Wiley-Lynch
Dan Carmody
Valerie Strassberg



Call to Order

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

Ms. Kanalos took a roll call of the CAC Members present.

General

Approval of Minutes

Mr. Cheeks called for approval of the minutes of the September 23, 2020 (resolution) DBRA-CAC meeting, as presented. The Committee took the following action:

Mr. Rawls made a motion approving the minutes of the September 23, 2020 Board meeting, as presented. Mr. Razo seconded the motion. A roll call vote was conducted with the following result:

Ayes: Mr. Blocker, Mr. Cheeks, Mr. Lutz, Mr. Rawls, Mr. Razo, Dr. Randall, and Mr. Rhoades

Nays: None.

DBRA-CAC Resolution Code 20-10-02-155 was approved.

Projects

Brownfield Plan for the Grobbel Cold Storage

Mr. Vosburg presented the Brownfield Plan for Grobbel Cold Storage.

Project Introduction

E.W. Grobbel Sons, Inc. is the project developer (the "Developer") for the Plan. The project entails the construction of a new cold storage facility on the Property (defined below). Construction is planned in two phases: an approximately 87,000 sq. ft. Phase I on the southern portion of the Property, and an approximately 53,000 sq. ft. Phase II expansion on the northern portion of the Property for a total of approximately 140,000 sq. ft. The storage facility will include a cooler, freezer, shipping and receiving, and office areas. The project will also include stormwater detention ponds designed to meet current City requirements. A bioswale and greenway are planned for the eastern side of the Property. Permeable paving is planned in the alley that runs north-south, adjacent to the planned bioswales/greenway.

The total investment is estimated to be \$33 million total for both phases. The Developer is requesting \$7,563,054.00 in TIF reimbursement.

There will be approximately 200 temporary construction jobs and a total of 300 FTE jobs created (150 FTE for Phase I and 150 FTE for Phase II).

Property Subject to the Plan

The eligible property (the "Property") consists of fifty-five (55) parcels located east of Dequindre Street, west of St. Aubin Street, south of Superior Street and north of Illinois Street in Detroit's Eastern Market district.

Basis of Eligibility

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

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 site assessment and baseline environmental assessment (BEA) activities, due care activities, infrastructure improvements, demolition, site preparation, and 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

1. BEA Activities	\$34,000.00
2. Due Care Activities	\$67,250.00
3. Additional Response Activities	\$1,378,132.00
4. Demolition & Abatement	\$158,000.00
5. Site Preparation	\$2,112,400.00
6. Infrastructure Improvements	\$840,000.00
7. Brownfield Plan & Work Plan Preparation	\$30,000.00
8. Brownfield Plan & Work Plan Implementation	\$30,000.00
9. Contingency (15%)	\$683,367.00
10. Interest	\$2,229,905.00
Total Reimbursement to Developer	\$7,563,054.00
11. Authority Administrative Costs	\$1,473,439.00
12. State Brownfield Redevelopment Fund	\$342,782.00
13. Local Brownfield Revolving Fund	\$443,644.00
TOTAL Estimated Costs	\$9,822,919.00

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 an Industrial Facilities Exemption Abatement (PA 198).

Attached for CAC 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. Grobbel provided more information about the Developer and the project including the Developer’s history in Detroit and the plans for a more modern facility for its operations which will allow for its current facility to be reused for a more public purpose within Eastern Market and the mission of the Developer and its hiring practices. Mr. Chapp added that the permanent jobs to be created will have upward mobility and livable wages.

Mr. Rhoades stated that he read all of the support letters from the community that were included in the Plan and asked if there has been any input received from the nearby church or surrounding residents. Mr. Chapp stated that the Developer had a community meetings about the project at the nearby church to provide information about the project and to receive feedback and that the community had a lot of questions about the plans for the project but were supportive of the project.

Mr. Rhoades asked if the Developer has plans to acquire the vacant parcels adjacent to the Property. Mr. Grobbel stated that the Developer would like to acquire those vacant parcels but have not been able to do so at this point and can proceed with the project without those particular parcels.

Mr. Rhoades asked for more information on the soil conditions present on the Property. Mr. Stuntz stated that the soil conditions on the property are not ideal for the new development due to the subsurface debris present on the Property, there is some contamination present on the Property, that deeper foundations are required for the planned structure, and that there are planned bioswales and greenways for the Property for the management of stormwater.

Mr. Lutz stated that he would like to commend the Developer and DEGC and other entities for assembling the land needed for this project which will be a benefit to the City of Detroit. Mr. Lutz asked for more information on the plans for the increased truck traffic into and out of the Property. Mr. Grobbel stated that they are currently unable to cross Dequindre Road because of limitations from the railroad right of way but that the development team is working on gaining access to Dequindre Road but for now the plan is to direct one-way truck traffic on St. Aubin Street.

Mr. Razo stated that the new permanent jobs to be created by this project are a great addition to the City of Detroit and asked what the pay rates are expected to be for the new jobs. Mr. Chapp stated that the entry level positions start around \$14 per hour and depending on skill level starting wages can vary from \$14 to \$19 per hour. Mr. Grobbel added that there are also health care benefits and 401k programs and that there are other positions with pay rates above \$20 per hour.

Mr. Razo asked if the Developer plans to work with Detroit at Work to fill the new positions. Mr. Grobbel stated that the Developer would be willing to work with Detroit at Work to fill the new positions and that the Developer has three full time recruiters who will be working to fill the new positions.

Dr. Randall stated that she wanted to thank the Developer for attending the meeting with video and that she has not seen a list of supporters this extensive for other projects and wanted to thank the Developer for reaching out to the religious community about the project.

Mr. Rawls stated that he shares many of his colleagues' positive sentiments about the project and appreciates the Developer's commitment to the City of Detroit and asked if the rail line adjacent to the Property is still in use. Mr. Tobar stated that the railway is still accessed but is not used.

Mr. Rawls asked if there are plans to extend more industrial uses between St. Aubin Street and Dequindre Road. Mr. Tobar stated that there is a greenway and greenspace planned on the Property to act as a buffer between the development and the surrounding residential area.

Mr. Rawls asked if there are plans to extend industrial uses north of Canfield Street. Mr. Tobar stated that there are not any plans to extend additional industrial uses north of Canfield Street.

Mr. Rawls asked if this new facility is planned to be the new headquarters for the Developer. Mr. Grobbel confirmed that this new facility is planned to be the new headquarters for the Developer and that there are plans to add a culinary development center on the Property to service local restaurant operators.

Mr. Cheeks asked what the plans are for the Developer's current facility in Eastern Market. Mr. Grobbel stated that the Developer's current facility in Eastern Market is a very sophisticated facility and will be in operation for at least five years as it is today and while Eastern Market continues to evolve, the facility could be used for a more retail use in the future.

Mr. Vosburg stated that they would now accept comments from the public.

Ms. Wiley-Lynch stated that she attended the community meeting held by the Developer and that she has some concerns about the flow of truck traffic on St. Aubin Street and asked for clarification that there are plans to have traffic cross Dequindre Road instead. Mr. Grobbel stated that there are plans to pursue gaining access to Dequindre Road for truck traffic because Dequindre Road is much better suited for truck traffic and has the capacity for the increased truck traffic into and out of the Property. Mr. Tobar added that the Developer is seeking funding for improvements to St. Aubin Street and that the concerns about truck traffic from the community have been noted.

Ms. Burris stated that she lives at the corner of St. Aubin Street and Illinois Street and has concerns about truck traffic and its potential impacts on the Dequindre Cut Greenway and added that she also attended the community meeting and that there wasn't overwhelming support for the project and that the community had a lot of questions about the project.

Mr. Rhoades asked about the plans to expand the Joe Louis Greenway and how that could impact the plans for the project. Mr. Tobar stated that the Joe Louis Greenway is an extension of the Dequindre Cut Greenway and that the greenways go through all types of land uses through the City including industrial, residential, and commercial uses and that there are several points where vehicle traffic crosses the bike lanes and that it will take careful planning to create a safer environment for the two modes of transportation to cross one another. Mr. Grobbel added that the current crosses on Mack Avenue crosses the greenway and that it will need to be improved as well.

Mr. Cheeks called for a motion recommending approval of the Brownfield Plan for Grobbel Cold Storage, as presented.

Dr. Randall made a motion to recommend approval of the Brownfield Plan for the Godfrey Hotel without a CAC public hearing and without appointing special members. Mr. Razo seconded the motion. A roll call vote was conducted with the following result:

Ayes: Mr. Blocker, Mr. Cheeks, Mr. Lutz, Mr. Rawls, Mr. Razo, Dr. Randall, and Mr. Rhoades

Nays: None.

DBRA-CAC Resolution Code 20-10-294-01 was approved.

Administrative

Mr. Vosburg informed the DBRA-CAC members that the regular DBRA-CAC meeting scheduled for October 28, 2020 will be cancelled and that the DBRA-CAC meeting dates in November may differ from the regular schedule.

Other

None.

Public Comment

None.

Adjournment

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

Mr. Lutz made a motion to adjourn the meeting. Mr. Rawls seconded the motion.
The meeting was adjourned at 5:58 pm.



CODE DBRA CAC 20-10-02-155

APPROVAL OF MINUTES OF SEPTEMBER 23, 2020

RESOLVED, that the minutes of the regular meeting of September 23, 2020 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.

October 21, 2020



CODE DBRA-CAC 20-10-294-01

GROBBEL COLD STORAGE 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 Grobbel Cold Storage Project** (the “Plan”) to the Community Advisory Committee for consideration and comment; and

WHEREAS, the Community Advisory Committee, at its September 9, 2020 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 **Grobbel Cold Storage Brownfield Redevelopment Project**.
 - b. The Community Advisory Committee recommends support of the proposed Plan presented to it.
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.

October 21, 2020