



**DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
REGULAR BOARD OF DIRECTORS MEETING
WEDNESDAY, JUNE 12, 2024
4:15 PM**

BOARD MEMBERS PRESENT:

John George
Eric Dueweke
Pamela McClain
Sonya Mays
Maggie DeSantis
Jose Lemus

BOARD MEMBERS ABSENT:

Juan Gonzalez
Amanda Elias
Raymond Scott

OTHERS PRESENT:

Jennifer Kanalos (DEGC/DBRA)
Brian Vosburg (DEGC/DBRA)
Cora Capler (DEGC/DBRA)
Sierra Spencer (DEGC/DBRA)
Rebecca Navin (DEGC/DBRA)
Nasri Sobh (DEGC)
Glen Long, Jr. (DEGC)
Medvis Jackson (DEGC)
JoMeca Thomas (DEGC)
Ngozi Nwaesei (Lewis & Munday)
Anne Jamieson (Jamieson Consulting)
Marc Maxey (Ultreia)
Ellen Donnelly (Ultreia)
Sara Jo Shipley (PM Environmental)
Dan Gough (EGLE)
Chase Cantrell (7326 West McNichols. LLC)
Jason Jones (Tekton Development)
Corey Levin



**MINUTES OF THE DETROIT BROWNFIELD
REDEVELOPMENT AUTHORITY REGULAR MEETING
WEDNESDAY, JUNE 12, 2024**

CALL TO ORDER

Vice-Chairperson John George called the meeting to order at 4:17 pm.

Ms. Kanalos took a roll call of the DBRA Board Members present and a quorum was established.

GENERAL

Mr. George called for a motion approving the agenda of the June 12, 2024 DBRA meeting, as presented.

The Board took the following action:

Ms. McClain made a motion approving the agenda of the June 12, 2024 DBRA meeting, as presented. Mr. Dueweke seconded the motion.

Approval of Minutes:

Mr. George called for a motion approving the minutes of May 22, 2024, as presented.

The Board took the following action:

Ms. DeSantis made a motion approving the minutes of the May 22, 2024 Board meeting, as presented. Ms. McClain seconded the motion.
DBRA Resolution Code 24-06-02-337 was unanimously approved.

Treasurer's Report – April 2024

Ms. Kanalos presented the April 2024 Treasurer's Report.

Seeing no questions, Mr. George called for a motion to accept the April 2024 Treasurer's Report, as presented. The Board took the following action:

Ms. McClain made a motion accepting the April 2024 Treasurer's Report, as presented. Mr. Lemus seconded the motion.
DBRA Resolution Code 24-06-03-247 was unanimously approved.

Treasurer's Report – May 2024

Ms. Kanalos presented the May 2024 Treasurer's Report.

Seeing no questions, Mr. George called for a motion to accept the May 2024 Treasurer's Report, as presented. The Board took the following action:

Mr. Dueweke made a motion accepting the May 2024 Treasurer's Report, as presented. Ms. McClain seconded the motion.
DBRA Resolution Code 24-06-03-248 was unanimously approved.

ADMINISTRATIVE

Proposed DBRA Budget FY 2024-25

Ms. Kanalos presented the proposed DBRA Budget FY 2024-25 to the DBRA Board.

The Detroit Brownfield Redevelopment Authority (DBRA) held a DBRA Budget Committee (the "Committee") meeting on June 12, 2024 at 4:00 pm on the DBRA Budget for FY 2024-25 and the Committee recommends adoption of the FY 2024-24 budget.

On the revenue side:

Budget Line Item	FY 2024-25 Amount	Change from FY 2023-24
Brownfield Application/Administrative Fees	\$1,500,000	+\$450,000
Special Projects	\$1,200,000	(\$300,000)
Interest/Other Income	\$800,000	+\$525,000
Total Revenue	\$3,500,000	+\$675,000

On the expenses side:

Budget Line Item	FY 2024-25 Amount	Change from FY 2023-24
Contractual Services to the Detroit Economic Growth Corporation	\$960,000	+\$120,000
Legal expense	\$325,000	+\$25,000
Audit	\$10,000	NA
Insurance	\$100,000	+\$10,000
Workshops/Promotion	\$50,000	+\$25,000
Contractors	\$100,000	+\$50,000
Special Projects	\$1,930,000	+\$430,000
Other Expenses	\$25,000	+\$15,000
Total Expenses	\$3,500,000	+\$675,000

Attached was the proposed DBRA Budget for FY 2024-25 and resolution approving the DBRA budget for FY 2024-25.

Ms. DeSantis asked what the projected amount for Interest/Other Income for FY 2024-25 is based on. Mr. Long stated that the projected amount for Interest/Other Income for FY 2024-25 is based on the interest income that was received during the current fiscal year.

Mr. George called for a motion to approve the Proposed DBRA Budget FY 2024-25, as presented. The Board took the following action:

Ms. Mays made a motion to approve the Proposed DBRA Budget FY 2024-25, as presented. Ms. McClain seconded the motion.

DBRA Resolution Code 24-06-01-246 was unanimously approved.

PUBLIC COMMENT

Mr. Jason Jones stated that he is the Managing Principal of Tekton Development, based in Detroit, and a member of the Real Estate Association of Developers (READ) and that he believes that the Housing TIF program will be a valuable tool for developers to use to create affordable and attainable housing developments in the City.

Mr. David Alade stated that he is the Co-Founder of Century Partners and the President of READ, and he would like to provide his support for the new Housing TIF program and believes that it will be a critical tool that can be used to bring more affordable housing developments in the City.

Mr. Vosburg noted to the Board that READ has also submitted a letter to the Board regarding its support of Housing TIF.

PROJECTS

Shop at 6 Brownfield Plan: Reimbursement Agreement

Ms. Capler presented the Shop at 6 Brownfield Plan: Reimbursement Agreement to the DBRA Board.

On April 17, 2024, the City of Detroit Brownfield Redevelopment Authority (the “DBRA”) Board of Directors adopted a resolution authorizing the transmittal of the Brownfield Plan for the Shop at 6 Redevelopment Project (the “Plan”) to Detroit City Council (“City Council”) with a recommendation for approval. The City Council is anticipated to approve the Plan on May 21, 2024. A requirement for Tax Increment Financing reimbursement pursuant to the Plan is that a Reimbursement Agreement (the “Agreement”) be entered into between the DBRA and 7326 West McNichols, LLC. The Agreement has been prepared between the DBRA and 7326 West McNichols, LLC and is presented to the DBRA for review and approval.

Project Introduction

7326 West McNichols, LLC is the project developer (“Developer”). The project will demolish a one-story building, built in 1946, and spans approximately 10,366 square feet that was occupied by various retail tenants, salons, and a church until the 1990s and includes the new construction of a two-story, 14,500 square foot building. Following construction, the commercial building will feature an artisan market for emerging small businesses and creative entrepreneurs, dedicated office and co-working space, and a community event space. It is currently anticipated construction will begin in the fall of 2024 and eligible activities will be completed within 18 months.

The total investment is estimated to be \$6.9 million. The Developer is requesting \$521,147.00 in TIF reimbursement.

There will be approximately 30 temporary construction jobs expected and approximately 8 permanent jobs to be created by the developer.

Property Subject to the Plan

The eligible property (the “Property”) consists of one (1) parcel, 7326 West McNichols, bounded by an alleyway to the north, the property line to the east, West McNichols Road to the South, and Prairie Street to the west in the Bagley 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 commercial purpose; (b) is located within the City of Detroit, a qualified local governmental unit; and (c) the Property has been determined to be “functionally obsolete” as defined by Act 381.

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 work plan exempt activities, demolition, lead and asbestos abatement, site preparation, infrastructure activities, and the development, preparation and implementation of a brownfield plan and/or Act 381 work plan. The eligible activities are to be financed solely by the Developer. The DBRA will reimburse the Developer for the cost of approved eligible activities, but only from tax increment revenues generated and captured from the Property. No advances have been or shall be made by the City or the DBRA for the costs of eligible activities under this Plan. 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. Work Plan Exempt Activities	\$15,400.00
2. Demolition	\$99,400.00
3. Asbestos and Lead Abatement	\$77,250.00
4. Infrastructure Improvements	\$37,000.00
5. Site Preparation	\$187,000.00
6. Contingency (15%)	\$60,098.00
7. Brownfield Plan & Work Plan	\$45,000.00
Total Reimbursement to Developer	\$521,148.00
8. Authority Administrative Costs	\$100,606.00
9. State Brownfield Redevelopment Fund	\$29,899.00
10. Local Brownfield Revolving Fund	\$19,055.00
TOTAL Estimated Costs	\$820,268.00

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 includes local and/or state approval of a Commercial Rehabilitation Act (PA 210) Tax Abatement.

The Agreement and a resolution approving the Agreement and its subsequent execution were attached for the Board’s review and approval.

Mr. George called for a motion to approve the Shop at 6 Brownfield Plan: Reimbursement Agreement, as presented. The Board took the following action:

Mr. Dueweke made a motion to approve the Shop at 6 Brownfield Plan: Reimbursement Agreement, as presented. Ms. McClain seconded the motion.
DBRA Resolution Code 24-06-326-03 was unanimously approved.

Woodward and Charlotte Brownfield Plan: Reimbursement Agreement

Mr. Vosburg presented the Woodward and Charlotte Brownfield Plan: Reimbursement Agreement to the DBRA Board.

On April 17, 2024, the City of Detroit Brownfield Redevelopment Authority (the “DBRA”) Board of Directors adopted a resolution authorizing the transmittal of the Brownfield Plan for the Shop at 6 Redevelopment Project (the “Plan”) to Detroit City Council (“City Council”) with a recommendation for approval. The City Council is approved the Plan on May 14, 2024. A requirement for Tax Increment Financing reimbursement pursuant to the Plan is that a Reimbursement Agreement (the “Agreement”) be entered into between the DBRA and Landy Land, LLC. The Agreement has been prepared between the DBRA and Landy Land, LLC and is presented to the DBRA for review and approval.

Project Introduction

Landy Land, LLC is the project developer (“Developer”). The Project contemplated at the Property consists of an infill mixed-use development incorporating retail fronting Woodward and a mixed-use rental residential development inclusive of integrated multistory parking along Charlotte. The rehabilitation and adaptive reuse of a portion of the Walker Building along Woodward Avenue for retail space will be integrated into the design. The first floor of the historic building will be fully rehabbed to provide additional pedestrian

access from Woodward Avenue to the residential mixed-use development along Charlotte. Approximately 20% of the 154 residential units in the building will be affordable to those earning no more than 55% - 80% Area Medium Income (AMI). The Developer plans to integrate activated alleyways, public art space, and green space, as well as Low Impact Design stormwater management, into the design. It is currently anticipated that construction will begin in the Spring of 2025 and eligible activities will be completed within thirty-six (36) months thereafter.

The total investment is estimated to be \$66 million. The Developer is requesting \$18,320,802.00 in TIF reimbursement.

There are approximately 130 temporary construction jobs and approximately 50 permanent jobs expected to be created by the project.

Property Subject to the Plan

The eligible property (the "Property") consists of five (5) parcels bounded by Peterboro Street to the north, Woodward Avenue to the east, Charlotte Street to the south, and residential properties to the west in the Midtown 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 commercial purpose; (b) is located within the City of Detroit, a qualified local governmental unit; and (c) the Property has been determined to be "facilities" or "adjacent and contiguous" as defined by Act 381.

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 Site Assessment Activities (BEA), Due Care and Response Activities, hazardous building materials survey, site and selective building demolition and lead and asbestos abatement, site preparation, infrastructure improvements, and the development, preparation, and implementation of a brownfield plan and/or Act 381 work plan. The eligible activities are to be financed solely by the Developer. The DBRA will reimburse the Developer for the cost of approved eligible activities, but only from tax increment revenues generated and captured from the Property. No advances have been or shall be made by the City or the DBRA for the costs of eligible activities under this Plan. 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. Pre-Approved Department Specific Activities	\$253,200.00
2. Due Care Activities	\$514,700.00
3. Environmental Response Activities	\$1,217,000.00
4. Demolition and Abatement	\$398,500.00
5. Infrastructure Improvements	\$8,094,500.00
6. Site Preparation	\$2,063,590.00
7. Brownfield Plan & Work Plan	\$60,000.00
8. Contingency (15%)	\$1,843,243.00
9. Interest	\$3,876,068.00
Total Reimbursement to Developer	\$18,320,802.00
10. Authority Administrative Costs	\$3,354,074.00
11. State Brownfield Redevelopment Fund	\$812,770.00

12. Local Brownfield Revolving Fund	\$23,796.00
TOTAL Estimated Costs	\$22,511,441.00

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 includes local and/or state approval of a Commercial Rehabilitation Act (PA 210), Obsolete Property Rehabilitation Act (PA 146), and a Neighborhood Enterprise Zone (PA 147) Tax Abatements.

The Agreement and a resolution approving the Agreement and its subsequent execution were attached for the Board’s review and approval.

Mr. George called for a motion to approve the Woodward and Charlotte Brownfield Plan: Reimbursement Agreement, as presented. The Board took the following action:

Mr. Dueweke made a motion to approve the Woodward and Charlotte Brownfield Plan: Reimbursement Agreement, as presented. Ms. Mays seconded the motion. DBRA Resolution Code 24-06-327-03 was unanimously approved.

16131 East Warren Avenue Brownfield Plan

Mr. Vosburg presented the 16131 East Warren Avenue Brownfield Plan to the DBRA Board.

Project Introduction

Ultreia, LLC is the project developer (“Developer”). The project contemplated at the Property consists of the renovation of a vacant mixed-used building into a 7-unit (4 commercial, 3 residential) modern building emphasizing the historic architectural characteristics. In addition to restoring the existing building, the developer’s goal is to provide well-designed, energy efficient, affordable residential units. In addition to a targeted rental range falling between 70%-80% Area Medium Income (AMI), affordability will be enhanced by equipping each unit with a highly efficient heat pump for heating and cooling and a solar array with a Powerwall (battery storage) to keep electric costs down and to provide power to each unit in the case of power outages. The ground floor commercial storefronts will be returned to their original configuration: the storefronts will be fully re-opened with large windows to emphasize the pedestrian-friendly scale and character of the East Warren Corridor. In addition, the developer will assume responsibility for the adjacent city-owned green spaces, to enhance, beautify, and maintain the corridor. It is currently anticipated that construction will begin in the summer of 2024 and eligible activities will be completed within eighteen (18) months thereafter.

The total investment is estimated to be \$3 million. The Developer is requesting \$722,471.00 in TIF reimbursement.

There are approximately 48 temporary construction jobs and approximately 1 permanent job is expected to be created by the project. Additional jobs are expected to be created by the future commercial tenants.

Property Subject to the Plan

The eligible property (the “Property”) consists of one (1) parcel, 16131 East Warren Avenue, and is bounded by East Warren Avenue to the south, Bedford Avenue to the East, a public alley to the north, and commercial properties to the west in the Morningside 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 commercial purpose; (b) is located within the City of Detroit, a qualified local governmental unit; and (c) the Property has been determined to be “functionally obsolete” as defined by Act 381.

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 department specific activities, hazardous building materials survey, engineering studies, interior demolition and lead and asbestos abatement, site preparation, public infrastructure improvements, and the development, preparation and implementation of a brownfield plan and/or Act 381 work plan. The eligible activities are to be financed solely by the Developer. The DBRA will reimburse the Developer for the cost of approved eligible activities, but only from tax increment revenues generated and captured from the Property. No advances have been or shall be made by the City or the DBRA for the costs of eligible activities under this Plan. 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. Pre-Approved Department Specific Activities	\$55,020.00
2. Due Care Activities	\$87,725.00
3. Demolition and Abatement	\$273,280.00
4. Infrastructure Improvements	\$126,500.00
5. Site Preparation	\$47,300.00
6. Brownfield Plan & Work Plan	\$45,000.00
7. Contingency (15%)	\$87,646.00
Total Reimbursement to Developer	\$722,471.00
8. Authority Administrative Costs	\$170,673.00
9. State Brownfield Redevelopment Fund	\$24,037.00
10. Local Brownfield Revolving Fund	\$0.00
TOTAL Estimated Costs	\$917,181.00

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 includes local and/or state approval of an Obsolete Property Rehabilitation Act (PA 146) Tax Abatement.

DBRA-CAC Letter of Recommendation

The DBRA-CAC recommended approval of the Plan at the May 22, 2024 CAC meeting. Attached is the DBRA-CAC’s letter of recommendation for the DBRA Board’s consideration.

Public Comments

The DBRA public hearing for the Plan was held on Monday, June 10, 2024 at 5:30 pm at the Morningside Cafe. The results of the DBRA public hearing were attached.

Attached for the Board’s review and approval was a resolution approving the 16131 East Warren Avenue Brownfield Redevelopment Plan and its submittal to Detroit City Council.

Mr. Scott called for a motion to approve the 16131 East Warren Avenue Brownfield Plan and its submittal to Detroit City Council, as presented. The Board took the following action:

Ms. McClain made a motion to 16131 East Warren Avenue Brownfield Plan and its submittal to Detroit City Council, as presented. Mr. Dueweke seconded the motion. DBRA Resolution Code 24-06-328-02 was unanimously approved.

Brainard Street Apartments Brownfield Plan: Recommendation to City Council to Abolish

Mr. Vosburg presented the Brainard Street Apartments Brownfield Plan: Recommendation to City Council to Abolish to the DBRA Board.

Section 14(8)(a) of Act 381 of 1996, as amended, states:

“A brownfield plan or plan amendment may be abolished or terminated according to this subsection subject to all of the following:

- (a) The governing body may abolish a brownfield plan when it finds that the purposes for which the plan was established are accomplished.
- (b) The governing body may terminate a brownfield plan or plan amendment for an eligible property if the project for which eligible activities were identified in the brownfield plan or plan amendment fails to occur with respect to the eligible property for at least 2 years following the date of the resolution approving the brownfield plan or plan amendment, provided that the governing body first does both of the following:
 - (i) Gives 30 days' prior written notice to the developer at its last known address by certified mail or other method that documents proof of delivery attempted.
 - (ii) Provides the developer an opportunity to be heard at a public meeting.”

Over the years, the DBRA has approved Brownfield Plans which describe projects that have been completed or have failed to come to fruition (the “Plan(s)”). These Plans, particularly Plans that involve Tax Increment Financing (“TIF”) revenue, create an administrative burden for the City and the DBRA with multiple annual accounting and reporting requirements for each Plan. Additionally, a stalled Plan prevents a new proposed development from being able to use and/or take full advantage of Brownfield TIF. Terminating or abolishing a Plan allows new proposed developments to make full use of Brownfield TIF financing through a new Brownfield Plan that is in line with the new proposed development.

Brainard Street Apartments is a Plan approved by Council on July 28, 2004 and consisted of a Michigan Single Business Tax Credit. The project, developed by Brainard Street Apartments LDHA LP, included the redevelopment of four parcels and included the construction of 20 residential buildings. The project has been completed and the purposes for which the Plan was established have been accomplished. Section 14(8)(b) of Act 381 of 1996, as amended, allows City Council to abolish the plan as a result.

It is the opinion of DBRA staff that the Brainard Street Apartments Brownfield Plan should be abolished due to the fact that the project described in the Plan has been completed and the purposes for which the Plan was established have been accomplished. DBRA staff, upon DBRA Board approval, will send a notice via certified mail to the developer no less than 30 days before the date City Council is scheduled to abolish the Plan.

A resolution recommending the following actions for the Plan is attached for your review and approval:

1. Recommendation to abolish the Plan to City Council.
2. Issue a certified letter notification to the Developer of the intent to abolish the Plan in no less than 30 days as well as the opportunity to be heard at a public meeting.
3. Authorization to the DBRA to terminate any other agreements or contracts between Developer and the DBRA executed in conjunction with the Plan upon abolishment of the Plan by City Council.

The Plan will be formally abolished upon adoption of a Resolution for the Plan by City Council and following the signing of the Resolution by the Mayor.

E&B Brewery Lofts Brownfield Plan: Recommendation to City Council to Abolish

Mr. Vosburg presented E&B Brewery Lofts Brownfield Plan: Recommendation to City Council to Abolish to the DBRA Board.

Section 14(8)(a) of Act 381 of 1996, as amended, states:

“A brownfield plan or plan amendment may be abolished or terminated according to this subsection subject to all of the following:

- (a) The governing body may abolish a brownfield plan when it finds that the purposes for which the plan was established are accomplished.
- (b) The governing body may terminate a brownfield plan or plan amendment for an eligible property if the project for which eligible activities were identified in the brownfield plan or plan amendment fails to occur with respect to the eligible property for at least 2 years following the date of the resolution approving the brownfield plan or plan amendment, provided that the governing body first does both of the following:
 - (i) Gives 30 days' prior written notice to the developer at its last known address by certified mail or other method that documents proof of delivery attempted.
 - (ii) Provides the developer an opportunity to be heard at a public meeting.”

Over the years, the DBRA has approved Brownfield Plans which describe projects that have been completed or have failed to come to fruition (the “Plan(s)”). These Plans, particularly Plans that involve Tax Increment Financing (“TIF”) revenue, create an administrative burden for the City and the DBRA with multiple annual accounting and reporting requirements for each Plan. Additionally, a stalled Plan prevents a new proposed development from being able to use and/or take full advantage of Brownfield TIF. Terminating or abolishing a Plan allows new proposed developments to make full use of Brownfield TIF financing through a new Brownfield Plan that is in line with the new proposed development.

E&B Brewery Lofts is a Plan approved by Council on July 28, 2004 and consisted of a Michigan Single Business Tax Credit. The project, developed by E&B Brewery Lofts, Inc., included the redevelopment of one parcel at 1551 Winder Street and included the renovation of the existing building into residential units. The project has been completed and the purposes for which the Plan was established have been accomplished. Section 14(8)(b) of Act 381 of 1996, as amended, allows City Council to abolish the plan as a result.

It is the opinion of DBRA staff that the E&B Brewery Lofts Brownfield Plan should be abolished due to the fact that the project described in the Plan has been completed and the purposes for which the Plan was established have been accomplished. DBRA staff, upon DBRA Board approval, will send a notice via certified mail to the developer no less than 30 days before the date City Council is scheduled to abolish the Plan.

A resolution recommending the following actions for the Plan is attached for your review and approval:

1. Recommendation to abolish the Plan to City Council.
2. Issue a certified letter notification to the Developer of the intent to abolish the Plan in no less than 30 days as well as the opportunity to be heard at a public meeting.

3. Authorization to the DBRA to terminate any other agreements or contracts between Developer and the DBRA executed in conjunction with the Plan upon abolishment of the Plan by City Council.

The Plan will be formally abolished upon adoption of a Resolution for the Plan by City Council and following the signing of the Resolution by the Mayor.

River Park Village Brownfield Plan: Recommendation to City Council to Abolish

Mr. Vosburg presented the River Park Village Brownfield Plan: Recommendation to City Council to Abolish to the DBRA Board.

Section 14(8)(a) of Act 381 of 1996, as amended, states:

“A brownfield plan or plan amendment may be abolished or terminated according to this subsection subject to all of the following:

- (a) The governing body may abolish a brownfield plan when it finds that the purposes for which the plan was established are accomplished.
- (b) The governing body may terminate a brownfield plan or plan amendment for an eligible property if the project for which eligible activities were identified in the brownfield plan or plan amendment fails to occur with respect to the eligible property for at least 2 years following the date of the resolution approving the brownfield plan or plan amendment, provided that the governing body first does both of the following:
 - (i) Gives 30 days' prior written notice to the developer at its last known address by certified mail or other method that documents proof of delivery attempted.
 - (ii) Provides the developer an opportunity to be heard at a public meeting.”

Over the years, the DBRA has approved Brownfield Plans which describe projects that have been completed or have failed to come to fruition (the “Plan(s)”). These Plans, particularly Plans that involve Tax Increment Financing (“TIF”) revenue, create an administrative burden for the City and the DBRA with multiple annual accounting and reporting requirements for each Plan. Additionally, a stalled Plan prevents a new proposed development from being able to use and/or take full advantage of Brownfield TIF. Terminating or abolishing a Plan allows new proposed developments to make full use of Brownfield TIF financing through a new Brownfield Plan that is in line with the new proposed development.

River Park Village is a Plan approved by Council on July 28, 2004 and consisted of a Michigan Single Business Tax Credit. The project, developed by Michigan Elderly Living Corporation, included the redevelopment of two parcels at 405 and 415 Burns Drive and included the renovation of the two existing buildings into residential units. The project has been completed and the purposes for which the Plan was established have been accomplished. Section 14(8)(b) of Act 381 of 1996, as amended, allows City Council to abolish the plan as a result.

It is the opinion of DBRA staff that the River Park Village Brownfield Plan should be abolished due to the fact that the project described in the Plan has been completed and the purposes for which the Plan was established have been accomplished. DBRA staff, upon DBRA Board approval, will send a notice via certified mail to the developer no less than 30 days before the date City Council is scheduled to abolish the Plan.

A resolution recommending the following actions for the Plan is attached for your review and approval:

1. Recommendation to abolish the Plan to City Council.

2. Issue a certified letter notification to the Developer of the intent to abolish the Plan in no less than 30 days as well as the opportunity to be heard at a public meeting.
3. Authorization to the DBRA to terminate any other agreements or contracts between Developer and the DBRA executed in conjunction with the Plan upon abolishment of the Plan by City Council.

The Plan will be formally abolished upon adoption of a Resolution for the Plan by City Council and following the signing of the Resolution by the Mayor.

Lithuanian Hall Brownfield Plan: Recommendation to City Council to Abolish

Mr. Vosburg presented the Lithuanian Hall Brownfield Plan: Recommendation to City Council to Abolish to the DBRA Board.

Section 14(8)(a) of Act 381 of 1996, as amended, states:

“A brownfield plan or plan amendment may be abolished or terminated according to this subsection subject to all of the following:

- (a) The governing body may abolish a brownfield plan when it finds that the purposes for which the plan was established are accomplished.
- (b) The governing body may terminate a brownfield plan or plan amendment for an eligible property if the project for which eligible activities were identified in the brownfield plan or plan amendment fails to occur with respect to the eligible property for at least 2 years following the date of the resolution approving the brownfield plan or plan amendment, provided that the governing body first does both of the following:
 - (i) Gives 30 days' prior written notice to the developer at its last known address by certified mail or other method that documents proof of delivery attempted.
 - (ii) Provides the developer an opportunity to be heard at a public meeting.”

Over the years, the DBRA has approved Brownfield Plans which describe projects that have been completed or have failed to come to fruition (the “Plan(s)”). These Plans, particularly Plans that involve Tax Increment Financing (“TIF”) revenue, create an administrative burden for the City and the DBRA with multiple annual accounting and reporting requirements for each Plan. Additionally, a stalled Plan prevents a new proposed development from being able to use and/or take full advantage of Brownfield TIF. Terminating or abolishing a Plan allows new proposed developments to make full use of Brownfield TIF financing through a new Brownfield Plan that is in line with the new proposed development.

Lithuanian Hall is a Plan approved by Council on May 11, 2005 and consisted of a Michigan Single Business Tax Credit. The project, developed by Southwest Non Profit Housing Corporation, included the redevelopment of two parcels at 3562 and 3564 W. Vernor Highway and included the renovation of the existing building into office, retail, and residential uses. The project has been completed and the purposes for which the Plan was established have been accomplished. Section 14(8)(b) of Act 381 of 1996, as amended, allows City Council to abolish the plan as a result.

It is the opinion of DBRA staff that the Lithuanian Hall Brownfield Plan should be abolished due to the fact that the project described in the Plan has been completed and the purposes for which the Plan was established have been accomplished. DBRA staff, upon DBRA Board approval, will send a notice via certified mail to the developer no less than 30 days before the date City Council is scheduled to abolish the Plan.

A resolution recommending the following actions for the Plan is attached for your review and approval:

1. Recommendation to abolish the Plan to City Council.
2. Issue a certified letter notification to the Developer of the intent to abolish the Plan in no less than 30 days as well as the opportunity to be heard at a public meeting.
3. Authorization to the DBRA to terminate any other agreements or contracts between Developer and the DBRA executed in conjunction with the Plan upon abolishment of the Plan by City Council.

The Plan will be formally abolished upon adoption of a Resolution for the Plan by City Council and following the signing of the Resolution by the Mayor.

55 Canfield Brownfield Plan: Recommendation to City Council to Abolish

Mr. Vosburg presented the 55 Canfield Brownfield Plan: Recommendation to City Council to Abolish to the DBRA Board.

Section 14(8)(a) of Act 381 of 1996, as amended, states:

“A brownfield plan or plan amendment may be abolished or terminated according to this subsection subject to all of the following:

- (a) The governing body may abolish a brownfield plan when it finds that the purposes for which the plan was established are accomplished.
- (b) The governing body may terminate a brownfield plan or plan amendment for an eligible property if the project for which eligible activities were identified in the brownfield plan or plan amendment fails to occur with respect to the eligible property for at least 2 years following the date of the resolution approving the brownfield plan or plan amendment, provided that the governing body first does both of the following:
 - (i) Gives 30 days' prior written notice to the developer at its last known address by certified mail or other method that documents proof of delivery attempted.
 - (ii) Provides the developer an opportunity to be heard at a public meeting.”

Over the years, the DBRA has approved Brownfield Plans which describe projects that have been completed or have failed to come to fruition (the “Plan(s)”). These Plans, particularly Plans that involve Tax Increment Financing (“TIF”) revenue, create an administrative burden for the City and the DBRA with multiple annual accounting and reporting requirements for each Plan. Additionally, a stalled Plan prevents a new proposed development from being able to use and/or take full advantage of Brownfield TIF. Terminating or abolishing a Plan allows new proposed developments to make full use of Brownfield TIF financing through a new Brownfield Plan that is in line with the new proposed development.

55 Canfield is a Plan approved by Council on September 14, 2005 and consisted of a Michigan Single Business Tax Credit. The project, developed by South University Village, LLC, included the redevelopment of one parcel at 55 Canfield and included the renovation of the existing building into 30 loft condominiums. The project has been completed and the purposes for which the Plan was established have been accomplished. Section 14(8)(b) of Act 381 of 1996, as amended, allows City Council to abolish the plan as a result.

It is the opinion of DBRA staff that the 55 Canfield Brownfield Plan should be abolished due to the fact that the project described in the Plan has been completed and the purposes for which the Plan was established have been accomplished. DBRA staff, upon DBRA Board approval, will send a notice via certified mail to the developer no less than 30 days before the date City Council is scheduled to abolish the Plan.

A resolution recommending the following actions for the Plan is attached for your review and approval:

1. Recommendation to abolish the Plan to City Council.
2. Issue a certified letter notification to the Developer of the intent to abolish the Plan in no less than 30 days as well as the opportunity to be heard at a public meeting.
3. Authorization to the DBRA to terminate any other agreements or contracts between Developer and the DBRA executed in conjunction with the Plan upon abolishment of the Plan by City Council.

The Plan will be formally abolished upon adoption of a Resolution for the Plan by City Council and following the signing of the Resolution by the Mayor.

The Board took the following action:

Ms. Mays made a motion to tie-bar the resolutions for the Brainard Street Apartments Brownfield Plan, E&B Brewery Lofts Brownfield Plan, River Park Village Brownfield Plan, Lithuanian Hall Brownfield Plan and 55 Canfield Brownfield Plan: Recommendations to City Council to Abolish. Ms. DeSantis seconded the motion.

Mr. George called for a motion to approve the resolutions for the Brainard Street Apartments Brownfield Plan, E&B Brewery Lofts Brownfield Plan, River Park Village Brownfield Plan, Lithuanian Hall Brownfield Plan and 55 Canfield Brownfield Plan: Recommendations to City Council to Abolish, as presented. The Board took the following action:

Ms. DeSantis made a motion to approve the tie-barred resolutions for the Brainard Street Apartments Brownfield Plan, E&B Brewery Lofts Brownfield Plan, River Park Village Brownfield Plan, Lithuanian Hall Brownfield Plan and 55 Canfield Brownfield Plan: Recommendations to City Council to Abolish, as presented. Ms. Mays seconded the motion.

DBRA Resolution Codes

24-06-72-03

24-06-73-03

24-06-76-03

24-06-92-03, and

24-06-97-03 were approved.

ADMINISTRATIVE

DBRA Meeting Dates (FY 2024-25)

Ms. Kanalos presented the DBRA Meeting Dates (FY 2024-25) to the DBRA Board.

Mr. George called for a motion approving the DBRA Meeting Dates (FY 2024-25), as presented. The Board took the following action:

Mr. Dueweke made a motion approving the DBRA Meeting Dates (FY 2024-25), as presented. Ms. Mays seconded the motion.

DBRA Resolution Code 24-06-01-247 was approved.

DBRA/DEGC Professional Services Agreement (FY 2024-25)

Ms. Kanalos presented the DBRA/DEGC Professional Services Agreement (FY 2024-25) to the DBRA Board.

Attached to the resolution was the Professional Services Agreement for FY 2024-25 between the Detroit Brownfield Redevelopment Authority (“the DBRA”) and the Detroit Economic Growth Corporation (“the DEGC”) in the amount of Nine Hundred Sixty Thousand (\$960,000.00) Dollars for the Board’s review and approval. A redline version showing the changes compared to the prior financial year’s agreement, and a clean version were included.

Mr. Lemus asked if the payments to the DEGC are made monthly. Ms. Kanalos confirmed that the payments to the DEGC are made monthly.

Mr. George called for a motion approving the DBRA/DEGC Professional Services Agreement (FY 2024-25), as presented. The Board took the following action:

Ms. DeSantis made a motion approving the DBRA/DEGC Professional Services Agreement (FY 2024-25), as presented. Mr. Dueweke seconded the motion.
DBRA Resolution Code 24-06-01-248 was approved.

Election of Officers (FY 2024-25)

Ms. Kanalos presented the Election of Officers (FY 2024-25) to the DBRA Board.

The Brownfield Redevelopment Financing Act 381, Public Acts of Michigan Act 1996, as amended, states that the Officers of the Board of Directors shall be elected annually.

The current DBRA Board officer positions are as follows:

Raymond Scott-Chairperson
John George-Vice Chairperson
Pamela McClain-Secretary
Eric Dueweke-Treasurer.

DBRA staff proposed that the Board Chair open the floor to nominations, followed by a vote of the Board.

The Board took the following action:

Ms. DeSantis made a motion to elect the current slate of officers to serve in the same positions for FY 2024-25. Ms. Mays seconded the motion.
DBRA Resolution Code 24-06-01-249 was approved.

Interim Guidelines for Brownfield Projects Involving Housing Tax Increment Financing

Mr. Vosburg presented the Interim Guidelines for Brownfield Projects Involving Housing Tax Increment Financing to the DBRA Board.

On July 19, 2023, Public Act 381 of 1996, as amended, ("Act 381") was further amended (i.e. Public Act 90 of 2023) to provide new opportunities to support certain housing development activities with the Brownfield TIF program. Specifically, new terms to the definition of both Eligible Property and Eligible Activities, as defined by Act 381, were added to allow tax increment revenues to be used to reimburse developers for activities specific to projects including housing (rental/for sale). In September 2023, the Michigan State Housing Development Authority ("MSHDA") began issuing preliminary guidance on how MSHDA planned to implement Public Act 90 of 2023 and began conversations with stakeholders and the general public to develop statewide guidance for the new activities. On May 8, 2024, the State published an updated 'Act 381 Work Plan Guidance' which added the Housing Tax Increment Financing ("Housing TIF") program and outlined how MSHDA will review and approve projects requesting Housing TIF.

DBRA staff has closely followed this process and talked with various stakeholders throughout. Given that this is a new program, DBRA staff is proposing that the DBRA Board of Directors adopt interim guidelines with the intent to revisit and revise the guidelines, as necessary, once the DBRA staff has had the opportunity to review, approve, and monitor several Brownfield Plans requesting Housing TIF. In conjunction with DBRA legal counsel, the DBRA staff has drafted the attached Interim Guidelines for Brownfield Projects Involving Housing Tax Increment Financing for the Board's review and approval.

Below is a brief overview of the proposed Interim Housing TIF guidelines for the DBRA:

- DEGC/DBRA staff will underwrite projects contemplating the use of Housing TIF utilizing the same criteria used for other projects seeing tax incentives.

- The City of Detroit's ("City") Housing and Revitalization Department will participate in the review of Housing TIF projects and perform the income verification process for developers and property managers, as well as the households renting or purchasing eligible units.

Rental:

- The DBRA will require at least 20% of the units in the development to be leased to households earning no more than 80% of the area median income ("AMI") for Wayne County, as published by MSHDA. This minimum requirement mirrors the City's Inclusionary Housing Ordinance; however, deeper levels of affordability will be encouraged.
- The financing gap for rental units will be determined by calculating the difference between MSHDA's Fair Market Rent for Wayne County and the AMI rent for the bedroom size of the unit. Utility allowances will be included in this calculation.
- The affordability period will be 5 years or the period of reimbursement under the Brownfield Plan, whichever is greater.

For Sale:

- The DBRA will require that units be sold to households earning no more than 120% AMI for Wayne County, as published by MSHDA; however, deeper levels of affordability will be encouraged.
- The financing gap for units will be determined by calculating the difference between the full development costs of a unit and the actual sale price of the unit to an affordable household (i.e. 120% AMI or below). Down payment size, insurance, taxes, and HOA/condo fees will be included in this calculation.
- The affordability period will be 5 years. The homeowner may sell the unit during the affordability period by repaying a pro rata share of the Housing TIF subsidy or selling to another income qualified buyer (i.e. 120% AMI or below).

A presentation including a detailed overview of the Housing TIF program and the proposed Interim Housing TIF guidelines was provided by DBRA staff. A resolution was attached for the Board's review and approval.

Ms. Mays asked if the requirements for affordable housing are included in the Interim Guidelines. Mr. Vosburg stated that the requirements for affordable housing are included in the Interim Guidelines and if a project proposes a deviation from the requirements, it will require approval by the DBRA Board.

Ms. DeSantis asked if there are any safeguards in place to prevent developers from pursuing Housing TIF for their project to fill a financing gap for their project as opposed to the existing TIF that would be applicable and available. Mr. Vosburg stated that there is a standard formula that was developed by MSHDA to calculate the Potential Rent Loss (PRL) that may be experienced by a project that includes affordable housing units that uses location-specific fair market rents that will be used to determine the amount of PRL that is applicable to the project.

Ms. DeSantis asked if it is possible for a project to utilize Low Income Housing Tax Credits (LIHTC) and Housing TIF and how that would affect the term of affordability required for the project. Ms. Mays stated that LIHTC requires a 15-year affordability period and MSHDA adds an additional 15-year affordability period for a total of 30 years for the affordability period. Mr. Vosburg stated that the affordability period for a project using Housing TIF will be the number of years of TIF reimbursement being requested and projected under the plan, with a maximum of 30 years.

Ms. DeSantis asked Ms. Mays what her opinion is on how affective the Housing TIF program will be to encourage for-sale housing developments in the City. Ms. Mays stated that there are many barriers for smaller developers to utilize existing tax incentive programs because of long lead times and the expenses of hiring consultants to assist with the application and approval process for tax incentives and she hopes that there can be a toolkit, or some other resources made available to expedite the application and approval process for project seeking Housing TIF.

Ms. Mays stated that she would like to have discussions about how to make the Housing TIF program more accessible and how to best communicate the availability and requirements for the program to smaller developers who may have projects that could apply.

Mr. Dueweke brought attention to the Interim Guidelines being interim and that it implies that there will be a reevaluation conducted to determine if the Guidelines need to be adjusted. Mr. Vosburg confirmed that that is the intent of DBRA Staff and that the timeframe for reevaluation of the Interim Guidelines is currently anticipated for a year from approval.

Mr. Vosburg stated that DBRA Staff has been working on creating an Excel Workbook that will be made available to developers to see how Housing TIF could be applied to their projects without having to hire a consultant to make that determination.

Ms. DeSantis stated that she really wants to see if the DBRA can work with community development organizations and non-profit organizations to encourage and enable more for-sale housing developments to build generational wealth for Detroit residents and hopes that the Housing TIF program can help reach those goals.

Ms. Mays stated that she has been thinking about strategies to be able to unlock access to economic development tools to encourage and enable more affordable housing developments in the neighborhoods.

Mr. George called for a motion approving the Interim Guidelines for Brownfield Projects Involving Housing Tax Increment Financing, as presented. The Board took the following action:

Ms. DeSantis made a motion approving Interim Guidelines for Brownfield Projects Involving Housing Tax Increment Financing, as presented. Ms. McClain seconded the motion. DBRA Resolution Code 24-06-01-250 was approved. Ms. Mays abstained.

OTHER

None.

ADJOURNMENT

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

On a motion by Ms. McClain, the meeting was unanimously adjourned at 5:04 PM.



CODE DBRA 24-06-02-338

APPROVAL OF MINUTES OF MAY 22, 2024

RESOLVED, that the minutes of the regular meeting of May 22, 2024 are hereby approved and all actions taken by the Directors present at such meeting, as set forth in such minutes, are hereby in all respects ratified and approved as actions of the Detroit Brownfield Redevelopment Authority.

June 12, 2024



DBRA 24-06-03-247

ACCEPTANCE OF TREASURER'S REPORT FOR APRIL 2024

RESOLVED, that the Treasurer's Report of Receipts and Disbursements for the period April 1 through April 30, 2024, as presented at this meeting is hereby in all respects accepted as actions of the Detroit Brownfield Redevelopment Authority.

June 12, 2024



DBRA
BROWNFIELD REDEVELOPMENT AUTHORITY
500 Griswold, Suite 2200
Detroit, MI 48226

DBRA 24-06-03-248

ACCEPTANCE OF TREASURER'S REPORT FOR MAY 2024

RESOLVED, that the Treasurer's Report of Receipts and Disbursements for the period May 1 through May 31, 2024, as presented at this meeting is hereby in all respects accepted as actions of the Detroit Brownfield Redevelopment Authority.

June 12, 2024



CODE DBRA 24-06-01-246

ADMINISTRATION: DBRA BUDGET FOR FY 2024-25

WHEREAS, the DBRA is receiving revenue from Brownfield Plan application and processing fees and from administrative fees permissible under Act 381, Public Acts of Michigan, 1996, as amended (“Act 381”); and

WHEREAS, the DBRA staff has prepared the attached DBRA Budget for FY 2024-25 (the “Budget”) (Exhibit “A”).

NOW, THEREFORE, BE IT RESOLVED, that the DBRA Board of Directors hereby authorize a Public Hearing on the DBRA Budget for FY 2024-25 at a time and place determined by the DBRA Authorized Agent and subject to public notice in accordance to Act 381, Public Acts of Michigan, 1996, as amended.

June 12, 2024

**CITY OF DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
OPERATING BUDGET
JULY 1, 2024 TO JUNE 30, 2025**

	Budget June 30, 2024	Proposed Budget June 30, 2025	Variance
<u>REVENUE</u>			
BROWNFIELD APPLICATION / ADMIN. FEES	1,050,000	1,500,000	450,000
SPECIAL PROJECTS	1,500,000	1,200,000	(300,000)
INTEREST/OTHER INCOME	275,000	800,000	525,000
TOTAL REVENUE	2,825,000	3,500,000	675,000
<u>EXPENSES</u>			
DETROIT ECONOMIC GROWTH CORPORATION	840,000	960,000	120,000
LEGAL	300,000	325,000	25,000
AUDIT	10,000	10,000	0
INSURANCE	90,000	100,000	10,000
WORKSHOPS/PROMOTION	25,000	50,000	25,000
CONTRACTORS	50,000	100,000	50,000
SPECIAL PROJECTS	1,500,000	1,930,000	430,000
OTHER EXPENSES	10,000	25,000	15,000
TOTAL EXPENSES	2,825,000	3,500,000	675,000
Operating Surplus/(Shortfall)	0	0	0
(Increase)/Decrease in Reserve	0	0	0
NET SURPLUS/(SHORTFALL)	0	0	0



CODE DBRA 24-06-326-03

SHOP AT 6 BROWNFIELD REDEVELOPMENT PLAN: REIMBURSEMENT AGREEMENT

WHEREAS, on April 17, 2024, the Detroit Brownfield Redevelopment Authority (the “DBRA”) Board of Directors adopted a resolution recommending approval by the Detroit City Council of the Brownfield Plan (the “Plan”) for a project captioned Shop at 6 (the “Project”); and

WHEREAS, on May 21, 2024, the Detroit City Council approved the Plan; and

WHEREAS, a condition to reimbursing the developer for eligible activities under the Plan is that a Reimbursement Agreement (the “Agreement”) be entered into between the DBRA and 7326 West McNichols, LLC as developer of the Project; and

WHEREAS, the Agreement has been drafted, approved as to form by DBRA legal counsel; and

WHEREAS, the Board of Directors desires to approve the Agreement and authorize its execution and delivery on behalf of the DBRA; and

NOW THEREFORE, BE IT RESOLVED, by the DBRA Board of Directors as follows:

1. The Agreement, in substantially the form attached to this Resolution as Exhibit A, is hereby approved, with such necessary or desirable modifications additions, deletions or completions as are approved by DBRA legal counsel and the Officers or designated Authorized Agents of the DBRA executing the Agreement.
2. Any two Officers or designated Authorized Agents or one Officer and one designated Authorized Agent of the DBRA are authorized and directed to execute and deliver the Agreement.
3. All resolutions or parts of resolutions or other proceedings in conflict herewith shall be and the same hereby are repealed insofar as such conflict arises.
4. This Resolution shall take effect immediately upon its adoption.

BE IT FINALLY RESOLVED that all of the acts and transactions of any officer or authorized agent of the DBRA, in the name and on behalf of the DBRA, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

June 12, 2024



CODE DBRA 24-06-327-03

WOODWARD AND CHARLOTTE BROWNFIELD REDEVELOPMENT PLAN: REIMBURSEMENT AGREEMENT

WHEREAS, on April 17, 2024, the Detroit Brownfield Redevelopment Authority (the "DBRA") Board of Directors adopted a resolution recommending approval by the Detroit City Council of the Brownfield Plan (the "Plan") for a project captioned Shop at 6 (the "Project"); and

WHEREAS, on May 14, 2024, the Detroit City Council approved the Plan; and

WHEREAS, a condition to reimbursing the developer for eligible activities under the Plan is that a Reimbursement Agreement (the "Agreement") be entered into between the DBRA and Landy Land, LLC as developer of the Project; and

WHEREAS, the Agreement has been drafted, approved as to form by DBRA legal counsel; and

WHEREAS, the Board of Directors desires to approve the Agreement and authorize its execution and delivery on behalf of the DBRA; and

NOW THEREFORE, BE IT RESOLVED, by the DBRA Board of Directors as follows:

1. The Agreement, in substantially the form attached to this Resolution as Exhibit A, is hereby approved, with such necessary or desirable modifications additions, deletions or completions as are approved by DBRA legal counsel and the Officers or designated Authorized Agents of the DBRA executing the Agreement.
2. Any two Officers or designated Authorized Agents or one Officer and one designated Authorized Agent of the DBRA are authorized and directed to execute and deliver the Agreement.
3. All resolutions or parts of resolutions or other proceedings in conflict herewith shall be and the same hereby are repealed insofar as such conflict arises.
4. This Resolution shall take effect immediately upon its adoption.

BE IT FINALLY RESOLVED that all of the acts and transactions of any officer or authorized agent of the DBRA, in the name and on behalf of the DBRA, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

June 12, 2024



CODE DBRA 24-06-328-02

16131 EAST WARREN AVENUE BROWNFIELD REDEVELOPMENT

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 Council”) for the purpose of promoting the revitalization of environmentally distressed areas in the City of Detroit; 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, in accordance with the policies, procedures and bylaws governing the DBRA, the DBRA has submitted a proposed Brownfield Plan for the **16131 East Warren Avenue Redevelopment Project** (the “Plan”) to the Community Advisory Committee for its consideration and comment and has solicited comments by the public by publication of notice stating that the proposed Plan has been submitted to the Community Advisory Committee and by conducting a public hearing in the area to which the proposed Plan applies; and

WHEREAS, the Community Advisory Committee has considered the proposed Plan and approved a resolution recommending the approval of the proposed Plan by the DBRA and the City Council as presented by the DBRA; and

WHEREAS, in accordance with the provisions of Act 381, the Board of Directors of the DBRA has considered the proposed Plan and desires to approve the proposed Plan and to request that City Council call a public hearing to consider and adopt a resolution approving the proposed Plan.

NOW, THEREFORE, BE IT RESOLVED:

1. The Board of Directors of the DBRA has determined that the adoption of the Brownfield Plan for the **16131 East Warren Avenue Redevelopment Project** is in keeping with the purposes of Act 381 and recommends submittal of the Plan to City Council for approval.
2. The Board of Directors of the DBRA approves the Plan substantially in the form attached hereto and on file with the Secretary of the DBRA.
3. Any Authorized Agent of the DBRA is authorized and directed to submit a certified copy of this Resolution and the Plan to the City Clerk, together with a request that the City Council call a public hearing concerning the Plan and to take all other actions required to approve the Plan in accordance with Act 381.
4. That any one of the officers and any one of the Authorized Agents of the DBRA or any two of the Authorized Agents of the DBRA shall hereafter have the authority to negotiate and execute all documents, contracts, or other papers, and take such other actions, necessary or appropriate to implement the provisions and intent of this Resolution on behalf of the DBRA.

5. That all of the acts and transactions of any officer or authorized agent of the DBRA, in the name and on behalf of the DBRA, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

6. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are rescinded.

June 12, 2024



CODE DBRA 24-06-72-03

BRAINARD STREET APARTMENTS BROWNFIELD PLAN: RECOMMENDATION TO CITY COUNCIL TO ABOLISH PLAN

WHEREAS, the City of Detroit Brownfield Redevelopment Authority (the “DBRA”) was created pursuant to Michigan Public Act 381 of 1996, as amended (“Act 381”); and

WHEREAS, the City Council of the City of Detroit (“City Council”) is the governing body (as that term is defined by Act 381) of the DBRA; and

WHEREAS, on June 2, 2004, the DBRA Board of Directors approved the Brainard Street Apartments Brownfield Plan (the “Plan”) and recommended the approval of the Plan to City Council; and

WHEREAS, on July 7, 2004, City Council approved the Plan; and

WHEREAS, Section 14(8)(a) of Act 381 of 1996, as amended, permits a governing body to abolish a brownfield plan when it finds that the purposes for which the plan was established are accomplished; and

WHEREAS, on October 10, 2017, City Council delegated developer termination notices to the DBRA; and

WHEREAS, the “developer” for the Plan is Brainard Street Apartments LDHA LP (the “Developer”); and

WHEREAS, the DBRA has determined that the project identified in the Plan has been completed and the purposes for which the Plan was established have been accomplished; and

WHEREAS, the DBRA Board of Directors desires to recommend abolishment of the Plan to City Council.

NOW THEREFORE, BE IT RESOLVED, subject to the notice authority delegated to the DBRA by the City Council, the DBRA Board of Directors hereby authorizes a written abolishment notice to the Developer; and

BE IT FURTHER RESOLVED, subject to the completion of the notice requirement described in Section 14(8)(b)(i) of Act 381 and the provision to the Developer of an opportunity to be heard at a public meeting pursuant to Section 14(8)(b)(ii) of Act 381, the DBRA Board of Directors hereby recommends abolishment of the Plan to City Council; and

BE IT FURTHER RESOLVED, subject to the abolishment of the Plan by City Council, that the DBRA Board of Directors hereby authorizes the termination of any other agreements or contracts between the Developer and the DBRA that were executed in conjunction with the Plan; and

BE IT FURTHER RESOLVED, that any two Officers, or any one of the Officers and any one of the Authorized Agents or any two of the DBRA’s Authorized Agents, shall hereafter have the authority to

negotiate and execute all documents with such other terms and conditions that are determined by such Authorized Agents and/or Officers to be customary or appropriate and not inconsistent with this resolution, and to negotiate and execute all other documents, contracts, or papers, and take all actions, necessary or appropriate to implement the provisions and intent of this resolution on behalf of the DBRA.

BE IT FINALLY RESOLVED, that all of the acts and transactions of any officer or authorized agent of the DBRA, in the name and on behalf of the DBRA, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

June 12, 2024



CODE DBRA 24-06-73-03

E&B BREWERY LOFTS BROWNFIELD PLAN: RECOMMENDATION TO CITY COUNCIL TO ABOLISH PLAN

WHEREAS, the City of Detroit Brownfield Redevelopment Authority (the “DBRA”) was created pursuant to Michigan Public Act 381 of 1996, as amended (“Act 381”); and

WHEREAS, the City Council of the City of Detroit (“City Council”) is the governing body (as that term is defined by Act 381) of the DBRA; and

WHEREAS, on June 25, 2004, the DBRA Board of Directors approved the E&B Brewery Lofts Brownfield Plan (the “Plan”) and recommended the approval of the Plan to City Council; and

WHEREAS, on July 28, 2004, City Council approved the Plan; and

WHEREAS, Section 14(8)(a) of Act 381 of 1996, as amended, permits a governing body to abolish a brownfield plan when it finds that the purposes for which the plan was established are accomplished; and

WHEREAS, on October 10, 2017, City Council delegated developer termination notices to the DBRA; and

WHEREAS, the “developer” for the Plan is E&B Brewery Lofts, Inc. (the “Developer”); and

WHEREAS, the DBRA has determined that the project identified in the Plan has been completed and the purposes for which the Plan was established have been accomplished; and

WHEREAS, the DBRA Board of Directors desires to recommend abolishment of the Plan to City Council.

NOW THEREFORE, BE IT RESOLVED, subject to the notice authority delegated to the DBRA by the City Council, the DBRA Board of Directors hereby authorizes a written abolishment notice to the Developer; and

BE IT FURTHER RESOLVED, subject to the completion of the notice requirement described in Section 14(8)(b)(i) of Act 381 and the provision to the Developer of an opportunity to be heard at a public meeting pursuant to Section 14(8)(b)(ii) of Act 381, the DBRA Board of Directors hereby recommends abolishment of the Plan to City Council; and

BE IT FURTHER RESOLVED, subject to the abolishment of the Plan by City Council, that the DBRA Board of Directors hereby authorizes the termination of any other agreements or contracts between the Developer and the DBRA that were executed in conjunction with the Plan; and

BE IT FURTHER RESOLVED, that any two Officers, or any one of the Officers and any one of the Authorized Agents or any two of the DBRA’s Authorized Agents, shall hereafter have the authority to negotiate and execute all documents with such other terms and conditions that are determined by such

Authorized Agents and/or Officers to be customary or appropriate and not inconsistent with this resolution, and to negotiate and execute all other documents, contracts, or papers, and take all actions, necessary or appropriate to implement the provisions and intent of this resolution on behalf of the DBRA.

BE IT FINALLY RESOLVED, that all of the acts and transactions of any officer or authorized agent of the DBRA, in the name and on behalf of the DBRA, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

June 12, 2024



CODE DBRA 24-06-76-03

RIVER PARK VILLAGE BROWNFIELD PLAN: RECOMMENDATION TO CITY COUNCIL TO ABOLISH PLAN

WHEREAS, the City of Detroit Brownfield Redevelopment Authority (the “DBRA”) was created pursuant to Michigan Public Act 381 of 1996, as amended (“Act 381”); and

WHEREAS, the City Council of the City of Detroit (“City Council”) is the governing body (as that term is defined by Act 381) of the DBRA; and

WHEREAS, on July 21, 2004, the DBRA Board of Directors approved the River Park Village Brownfield Plan (the “Plan”) and recommended the approval of the Plan to City Council; and

WHEREAS, on July 28, 2004, City Council approved the Plan; and

WHEREAS, on August 10, 2004, the Mayor of the City of Detroit approved the Plan; and

WHEREAS, Section 14(8)(a) of Act 381 of 1996, as amended, permits a governing body to abolish a brownfield plan when it finds that the purposes for which the plan was established are accomplished; and

WHEREAS, on October 10, 2017, City Council delegated developer termination notices to the DBRA; and

WHEREAS, the “developer” for the Plan is Michigan Elderly Living Corporation (the “Developer”); and

WHEREAS, the DBRA has determined that the project identified in the Plan has been completed and the purposes for which the Plan was established have been accomplished; and

WHEREAS, the DBRA Board of Directors desires to recommend abolishment of the Plan to City Council.

NOW THEREFORE, BE IT RESOLVED, subject to the notice authority delegated to the DBRA by the City Council, the DBRA Board of Directors hereby authorizes a written abolishment notice to the Developer; and

BE IT FURTHER RESOLVED, subject to the completion of the notice requirement described in Section 14(8)(b)(i) of Act 381 and the provision to the Developer of an opportunity to be heard at a public meeting pursuant to Section 14(8)(b)(ii) of Act 381, the DBRA Board of Directors hereby recommends abolishment of the Plan to City Council; and

BE IT FURTHER RESOLVED, subject to the abolishment of the Plan by City Council, that the DBRA Board of Directors hereby authorizes the termination of any other agreements or contracts between the Developer and the DBRA that were executed in conjunction with the Plan; and

BE IT FURTHER RESOLVED, that any two Officers, or any one of the Officers and any one of the Authorized Agents or any two of the DBRA's Authorized Agents, shall hereafter have the authority to negotiate and execute all documents with such other terms and conditions that are determined by such Authorized Agents and/or Officers to be customary or appropriate and not inconsistent with this resolution, and to negotiate and execute all other documents, contracts, or papers, and take all actions, necessary or appropriate to implement the provisions and intent of this resolution on behalf of the DBRA.

BE IT FINALLY RESOLVED, that all of the acts and transactions of any officer or authorized agent of the DBRA, in the name and on behalf of the DBRA, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

June 12, 2024



CODE DBRA 24-06-92-03

LITHUANIAN HALL BROWNFIELD PLAN: RECOMMENDATION TO CITY COUNCIL TO ABOLISH PLAN

WHEREAS, the City of Detroit Brownfield Redevelopment Authority (the “DBRA”) was created pursuant to Michigan Public Act 381 of 1996, as amended (“Act 381”); and

WHEREAS, the City Council of the City of Detroit (“City Council”) is the governing body (as that term is defined by Act 381) of the DBRA; and

WHEREAS, on April 6, 2005, the DBRA Board of Directors approved the Lithuanian Hall Brownfield Plan (the “Plan”) and recommended the approval of the Plan to City Council; and

WHEREAS, on May 11, 2005, City Council approved the Plan; and

WHEREAS, on May 27, 2005, the Mayor of the City of Detroit approved the Plan; and

WHEREAS, Section 14(8)(a) of Act 381 of 1996, as amended, permits a governing body to abolish a brownfield plan when it finds that the purposes for which the plan was established are accomplished; and

WHEREAS, on October 10, 2017, City Council delegated developer termination notices to the DBRA; and

WHEREAS, the “developer” for the Plan is Southwest Non Profit Housing Corporation (the “Developer”); and

WHEREAS, the DBRA has determined that the project identified in the Plan has been completed and the purposes for which the Plan was established have been accomplished; and

WHEREAS, the DBRA Board of Directors desires to recommend abolishment of the Plan to City Council.

NOW THEREFORE, BE IT RESOLVED, subject to the notice authority delegated to the DBRA by the City Council, the DBRA Board of Directors hereby authorizes a written abolishment notice to the Developer; and

BE IT FURTHER RESOLVED, subject to the completion of the notice requirement described in Section 14(8)(b)(i) of Act 381 and the provision to the Developer of an opportunity to be heard at a public meeting pursuant to Section 14(8)(b)(ii) of Act 381, the DBRA Board of Directors hereby recommends abolishment of the Plan to City Council; and

BE IT FURTHER RESOLVED, subject to the abolishment of the Plan by City Council, that the DBRA Board of Directors hereby authorizes the termination of any other agreements or contracts between the Developer and the DBRA that were executed in conjunction with the Plan; and

BE IT FURTHER RESOLVED, that any two Officers, or any one of the Officers and any one of the Authorized Agents or any two of the DBRA's Authorized Agents, shall hereafter have the authority to negotiate and execute all documents with such other terms and conditions that are determined by such Authorized Agents and/or Officers to be customary or appropriate and not inconsistent with this resolution, and to negotiate and execute all other documents, contracts, or papers, and take all actions, necessary or appropriate to implement the provisions and intent of this resolution on behalf of the DBRA.

BE IT FINALLY RESOLVED, that all of the acts and transactions of any officer or authorized agent of the DBRA, in the name and on behalf of the DBRA, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

June 12, 2024



CODE DBRA 24-06-97-03

55 CANFIELD BROWNFIELD PLAN: RECOMMENDATION TO CITY COUNCIL TO ABOLISH PLAN

WHEREAS, the City of Detroit Brownfield Redevelopment Authority (the “DBRA”) was created pursuant to Michigan Public Act 381 of 1996, as amended (“Act 381”); and

WHEREAS, the City Council of the City of Detroit (“City Council”) is the governing body (as that term is defined by Act 381) of the DBRA; and

WHEREAS, on June 28, 2005, the DBRA Board of Directors approved the 55 Canfield Brownfield Plan (the “Plan”) and recommended the approval of the Plan to City Council; and

WHEREAS, on September 14, 2005, City Council approved the Plan; and

WHEREAS, Section 14(8)(a) of Act 381 of 1996, as amended, permits a governing body to abolish a brownfield plan when it finds that the purposes for which the plan was established are accomplished; and

WHEREAS, on October 10, 2017, City Council delegated developer termination notices to the DBRA; and

WHEREAS, the “developer” for the Plan is South University Village, LLC (the “Developer”); and

WHEREAS, the DBRA has determined that the project identified in the Plan has been completed and the purposes for which the Plan was established have been accomplished; and

WHEREAS, the DBRA Board of Directors desires to recommend abolishment of the Plan to City Council.

NOW THEREFORE, BE IT RESOLVED, subject to the notice authority delegated to the DBRA by the City Council, the DBRA Board of Directors hereby authorizes a written abolishment notice to the Developer; and

BE IT FURTHER RESOLVED, subject to the completion of the notice requirement described in Section 14(8)(b)(i) of Act 381 and the provision to the Developer of an opportunity to be heard at a public meeting pursuant to Section 14(8)(b)(ii) of Act 381, the DBRA Board of Directors hereby recommends abolishment of the Plan to City Council; and

BE IT FURTHER RESOLVED, subject to the abolishment of the Plan by City Council, that the DBRA Board of Directors hereby authorizes the termination of any other agreements or contracts between the Developer and the DBRA that were executed in conjunction with the Plan; and

BE IT FURTHER RESOLVED, that any two Officers, or any one of the Officers and any one of the Authorized Agents or any two of the DBRA’s Authorized Agents, shall hereafter have the authority to negotiate and execute all documents with such other terms and conditions that are determined by such Authorized Agents and/or Officers to be customary or appropriate and not inconsistent with this resolution,

and to negotiate and execute all other documents, contracts, or papers, and take all actions, necessary or appropriate to implement the provisions and intent of this resolution on behalf of the DBRA.

BE IT FINALLY RESOLVED, that all of the acts and transactions of any officer or authorized agent of the DBRA, in the name and on behalf of the DBRA, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

June 12, 2024



CODE DBRA 24-06-01-247

ADMINISTRATION: SCHEDULE OF DBRA MEETINGS FOR FY 2024-2025

RESOLVED, that the Board of Directors of the Detroit Brownfield Redevelopment Authority (“the DBRA”) hereby adopts the following as its schedule for regular meetings for the fiscal year 2024-2025. Unless otherwise indicated or posted, such meetings will be held on the **second and fourth Wednesday** of each month at **4:00 PM** in the offices of the Detroit Economic Growth Corporation, 500 Griswold Street, Suite 2200, as follows:

<u>2024</u>	<u>2025</u>
July 10, 2024	January 8, 2025
July 24, 2024	January 22, 2025
August 14, 2024	February 12, 2025
August 28, 2024	February 26, 2025
September 11, 2024	March 12, 2025
September 25, 2024	March 26, 2025
October 9, 2024	April 9, 2025
October 23, 2024	April 23, 2025
November 13, 2024	May 14, 2025
November 20, 2024*	May 28, 2025
December 11, 2024	June 11, 2025
December 18, 2024*	June 25, 2025

*Due to a holiday, this meeting date varies from the regular schedule.

June 12, 2024



CODE DBRA 24-06-01-248

**ADMINISTRATION: PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF DETROIT
BROWNFIELD REDEVELOPMENT AUTHORITY AND THE DETROIT ECONOMIC GROWTH
CORPORATION**

NOW, THEREFORE, BE IT RESOLVED, that the DBRA Board of Directors hereby approves the Professional Services Agreement between the City of Detroit Brownfield Redevelopment Authority (“the DBRA”) and the Detroit Economic Growth Corporation (the “DEGC”) substantially as to form with the attached (Exhibit A), for FY 2024-25, and for the amount of Nine Hundred Sixty Thousand (\$960,000.00) Dollars.

BE IT FURTHER RESOLVED, that the DBRA Board hereby authorizes any two Officers or designated Authorized Agents or one Officer and one designated Authorized Agent of the DBRA to execute the Agreement, and any and all documents necessary to implement the provisions and intent of this resolution.

BE IT FINALLY RESOLVED, that all of the acts and transactions of any Officer or Authorized Agent of the DBRA in the name and on behalf of the DBRA, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolution except that such acts were taken prior to execution of these resolution, are hereby in all respects confirmed, approved and ratified.

June 12, 2024

AGREEMENT

THIS AGREEMENT, made as of the 1st day of July, 2024 (the "Effective Date") by and between the City of Detroit Brownfield Redevelopment Authority (the "Authority") and the Detroit Economic Growth Corporation ("DEGC").

WITNESSETH :

WHEREAS, Authority is a public body corporate established and operated pursuant to Act 381 of the Public Acts of 1996, as it may be amended from time to time, being Sections 125.2651 to 125.2672 of the Michigan Compiled Laws ("Act 381"), and a Resolution adopted by the City Council of the City of Detroit on April 23, 1998 (the "Resolution"), for the purpose of undertaking projects relating to environmentally distressed properties located in the City of Detroit (the "City"); and

WHEREAS, DEGC is a Michigan non-profit corporation organized for the purpose of furthering the economic development of the City and of providing services to the City, and its agencies and instrumentalities, and others which will assist such economic development; and

WHEREAS, Authority has determined that its operational efficiency can best be provided by contracting with DEGC for the availability of staff and administrative services to be performed at all times in accordance with the policy and directives of Authority; and

WHEREAS, DEGC may engage in activities for the purpose of furthering the economic development of the City that are in addition to its activities pursuant to this Agreement and the other contracts herein above referred to; and

WHEREAS, DEGC may receive grants and contributions from persons, firms, foundations and corporations in furtherance of its purposes.

NOW, THEREFORE, in consideration of the mutual undertakings herein set forth, the parties do hereby agree as follows:

1. DEGC shall provide the following services to Authority, as requested by Authority, during the term of this Agreement and any extensions thereof:

A. DEGC shall make itself at all times available to consult with Authority on matters relating to economic development in the City and on the preparation of general and specific plans and programs to further such development.

B. DEGC shall provide to Authority such staff, operational and administrative assistance, and, upon approval of the Authority, the services of such outside professionals, consultants and other persons who have expertise or skills not available to DEGC through its own employees, as shall be necessary and appropriate to permit Authority to carry out its purposes pursuant to Act 381.

C. DEGC shall prepare, at least annually and as requested by the Board of Directors of Authority, proposed operating and capital budgets for Authority for the consideration and action by the Board of Directors of Authority.

D. DEGC shall, for the consideration of the Board of Directors of Authority, prepare plans and proposals, where in cooperation with the Authority, the City's Environmental Affairs Division and, where appropriate, other consultants of the Authority, for the purpose of fulfilling the responsibilities of the Authority under Act 381.

E. DEGC shall assist the Authority in its efforts to provide such assistance to private companies and organizations as may enable them to locate or relocate within the City, and/or create or retain jobs through the revitalization of brownfield properties within the City. Such assistance shall include, but shall not necessarily be limited to, furnishing information on available land, and on tax incentives and special financing available through the Authority.

F. DEGC shall consult with the City on behalf of the Authority on matters relating to the revitalization on brownfield properties within the City and on preparation of general and specific plans and programs to further such development.

G. DEGC shall provide to commercial and industrial enterprises, both public and private, information and assistance in matters relating to new or continued activity of the Authority related to the City.

H. DEGC, if requested by the City, and approved by the Authority's Board of Directors, develop and administer specific projects and programs requested by the City that the Authority is permitted to perform under law under the general direction of the officers of the Authority and any employees of contractors designated as project coordinators for said projects and programs.

2. The responsibility for implementing the services to be performed by DEGC under this Agreement shall reside with the DEGC President, and the DEGC President shall report as requested to the Board of Directors of Authority. The DEGC President shall be primarily responsible for supervising the performance by DEGC of its obligations under this Agreement and shall keep the Authority informed of DEGC's performance of its obligations under this Agreement. The DEGC President may designate and shall identify in writing to the Authority such employees of DEGC as the DEGC President deems appropriate to work with Authority and assist the DEGC President in keeping Authority informed of DEGC's performance hereunder. The DEGC President or designated staff shall execute such documents on behalf of the Authority, as its "duly authorized agent" subject to the terms and conditions of this Agreement and upon authorization of the Authority.

3. Authority agrees to pay DEGC an amount equal to the sum of Nine Hundred Sixty Thousand and 00/100 (\$960,000.00) Dollars, excluding the cost of insurance and legal fees, for the services described in Section 1. The annual fee shall be paid to DEGC in equal monthly installments of Eighty Thousand and 00/100 (\$80,000.00) Dollars commencing July 1, 2024.

4. DEGC shall submit to Authority no later than the tenth day of each calendar quarter, a report of all work performed on its behalf for the preceding quarter. All of DEGC's records, documents, and other papers, including financial records, shall be made available for inspection by the Authority and its agents at any reasonable time, upon forty-eight (48) hours written notice.

5. In addition to the annual fee paid pursuant to paragraph 3, above, the Authority shall pay DEGC an amount equal to the actual costs of insurance, and the actual costs of the services of such outside attorneys, professionals, consultants and other persons retained, with approval of the Authority, by DEGC pursuant to Section 1 related to the performance of services hereunder from July 1, 2024 through the expiration date of this Agreement, including the expenses. In addition to the annual fee paid pursuant to paragraph 3 above the Authority shall pay DEGC for services performed for or on behalf of the Authority by any in-house attorney employed by the DEGC at a rate of \$225.00 per hour for the DEGC's General Counsel and a rate not to exceed \$200.00 per hour for any other in-house attorney employed by the DEGC. Further, in the event that the DBRA earns an administrative fee, project management fee, bond issuance fee, loan commitment fee or similar fee on account of services performed by DEGC staff, such fee or fees shall be remitted to the DEGC as additional compensation as contemplated by Section 3 hereof; provided, however, that, at DEGC's request, DBRA shall require such fee to be paid directly to DEGC by the payor thereof; and provided further that the foregoing shall not apply the administrative fee collected by the DBRA from tax increment revenues pursuant to Section 125.2663b of Act 381.

6. Any funds paid to DEGC by the Authority pursuant hereto and not expended, or to be expended pursuant to the binding obligation of DEGC for the purposes of and as provided in this Agreement, shall be repaid to Authority within a reasonable period after the termination of this Agreement, including any term for which this Agreement shall have been renewed. If Authority shall not be in existence at the time of any such repayment, such repayment shall be made to the City.

7. The Authority shall not be liable to any subcontractor, consultant or other person hired or engaged by DEGC to perform its obligations or responsibilities under this Agreement or to otherwise assist the Authority unless prior approval is received from the Board of Directors of the Authority.

8. The DEGC agrees to save harmless the authority against and from any and all liabilities, obligations, damages, penalties, claims, costs, charges and expenses (including without limitation, fees and expenses of attorneys, expert witnesses and other consultants) which may be imposed upon, incurred by or asserted against the Authority by reason of occurrence of any of the following during the term of this Agreement: (i) any negligent or tortuous acts of the DEGC or any of its personnel, employees or consultants or subcontractors; and (ii) any failure of the DEGC or any of its personnel, employees, consultants or subcontractors to perform its obligations either express or implied under this Agreement. In the event any action or proceeding shall be commenced against the Authority by reason or any claim covered under Section 8 hereof, the DEGC, upon notice from the Authority, will, at its sole cost and expense, resist and defend said claim, unless said claim is directly attributable to the gross negligence of the Authority or employees of the Authority acting within the scope of their employment.

9. The Authority will, to the fullest extent permitted by law, indemnify, defend and hold harmless DEGC and its current or former officers, directors, employees, agents, successors and assigns (individually, a "DEGC Indemnified Party" and, collectively, the "DEGC Indemnified Parties"), from and against any and all liabilities, obligations, damages, penalties, claims, costs, charges and expenses (including without limitation, fees and expenses of attorneys, expert witnesses and other consultants) (individually a "Loss" and, collectively, the "Losses"), directly or indirectly arising out of or resulting from the performance of services by the DEGC, its employees, agents, subcontractors, successors or assigns pursuant to this Agreement, except to the extent such Loss or Losses shall be determined to be the direct result of an intentional breach of this Agreement by a DEGC Indemnified Party the gross negligence, willful and intentional misconduct, fraud or malfeasance of a DEGC Indemnified Party. In the event any action or proceeding shall be commenced against a DEGC Indemnified Party by reason of any claim covered under this Section 9, the Authority, upon notice from DEGC, will, at its sole cost and expense, resist and defend said claim. The Authority agrees to defend against any claims alleged, brought, and/or filed against DEGC Indemnified Parties with respect to the subject of the indemnity contained in this Agreement, whether the claims or actions are rightfully or wrongfully alleged, brought, and/or filed. The foregoing indemnity and obligation to defend shall not be limited in any manner whatsoever by any required or other insurance coverage maintained by Authority.

10. DEGC shall, promptly upon request by Authority, make available to Authority any documents in DEGC's possession relating to matters with respect to which DEGC has rendered services under this Agreement.

11. DEGC agrees to take such steps as are necessary to permit full disclosure by all of its members concerning any conflicts of interest with respect to matters involving services rendered under this Agreement.

12. The relationship of the DEGC to the Authority in the performance of the services hereunder is that if an independent contractor and no liabilities or benefits whatsoever that arise from a contract for hire or any employer/employee relationship shall accrue to either the Authority or DEGC as a result of this Agreement.

13. DEGC shall not be required to engage in any activity which, in the opinion of its legal counsel, would be inconsistent with the requirements for exemption from federal income tax under Sections 501(c)(3) and/or 501(c)(4) of the Internal Revenue Code, as now or hereafter amended.

14. The term of this Agreement shall commence on July 1, 2024 and end on June 30, 2025, and may be extended for a renewal term or renewal terms of twelve (12) months each. Each such renewal shall be made by delivery of written notice by Authority to DEGC of its intention to renew and shall be accepted in writing by the DEGC.

15. Anything contained in this Agreement to the contrary notwithstanding, either party hereto may terminate this Agreement upon ninety (90) days' advance written notice to the other party.

16. The Authority hereby declares, represents and warrants that it is entering into this Agreement pursuant to, and in fulfillment of, its statutory responsibilities under all applicable laws.

17. This Agreement, and the performance by the parties hereto of their respective obligations hereunder, is subject to all applicable laws.

18. This Agreement may be amended from time to time by the execution of an agreement in writing by both parties hereto.

19. Each party to this Agreement hereby represents and warrants to the other party that it has full right, power and authority to enter into and perform this Agreement; that its execution and delivery of this Agreement have been duly authorized by all necessary action; and that this Agreement constitutes its valid, binding and enforceable obligations.

CITY OF DETROIT
BROWNFIELD REDEVELOPMENT AUTHORITY

By: _____
Name: _____
Its: Authorized Agent

By: _____
Name: _____
Its: Authorized Agent

DETROIT ECONOMIC GROWTH CORPORATION

By: _____
Name: _____
Its: President and CEO

APPROVED AS TO FORM:

Rebecca A. Navin, Esq.
Counsel to the DBRA



CODE DBRA 24-06-01-249

ADMINISTRATION: ELECTION OF OFFICERS FOR FY 2024-2025

RESOLVED, that the following are hereby elected as Officers of the Board of Directors of the Detroit Brownfield Redevelopment Authority:

_____ Raymond Scott _____

Chairperson

_____ John George _____

Vice Chairperson

_____ Pamela McClain _____

Secretary

_____ Eric Dueweke _____

Treasurer

June 12, 2024



CODE DBRA 24-06-01-250

ADMINISTRATION: INTERIM GUIDELINES FOR BROWNFIELD PROJECTS INVOLVING HOUSING TAX INCREMENT FINANCING

WHEREAS, 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”) pursuant to 381 PA 1996, as amended, (“Act 381”) 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, Public Act 90 of 2023 amended Act 381 for the purpose of promoting the financing of certain Housing Development Activities (as defined by Act 381); and

WHEREAS, the DBRA Board of Directors desires to adopt the Interim Guidelines for Brownfield Projects Involving Housing Tax Increment Financing as presented by DBRA staff on June 12, 2024.

NOW, THEREFORE, BE IT RESOLVED, that the Interim Guidelines for Brownfield Projects Involving Housing Tax Increment Financing Guidelines are hereby adopted.

BE IT FURTHER RESOLVED, that any two Officers, or any one of the Officers and any one of the Authorized Agents or any two of the DBRA’s Authorized Agents, shall hereafter have the authority to negotiate and execute all documents with such other terms and conditions that are determined by such Authorized Agents and/or Officers to be customary or appropriate and not inconsistent with this resolution, and to negotiate and execute all other documents, contracts, or papers, and take all actions, necessary or appropriate to implement the provisions and intent of this resolution on behalf of the DBRA.

BE IT FINALLY RESOLVED, that all of the acts and transactions of any officer or authorized agent of the DBRA, in the name and on behalf of the DBRA, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

June 12, 2024



HOUSING TIF PRESENTATION

DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY

Wednesday, June 12, 2024
DBRA Board of Directors



Housing TIF Overview

PUBLIC ACT 381

DEGC.ORG/TAX-INCENTIVES





- Brownfield TIF Act was amended to add housing as an eligible property qualification and to expand eligible TIF costs for housing units.
- **Eligible Housing Property includes:**
 - **Rental:** residential units with households earning no more than 120% of Area Median Income (AMI).
 - **For Sale:** residential units with buyers earning no more than 120% of AMI



ELIGIBLE PROPERTY

Traditional Brownfield Plan	Housing Property
<ul style="list-style-type: none"> ○ Facility (i.e. contaminated) 	<ul style="list-style-type: none"> ○ Rental: residential w/ households earning no more than 120% AMI
<ul style="list-style-type: none"> ○ Functionally Obsolete 	<ul style="list-style-type: none"> ○ For Sale: residential w/ households earning no more than 120% AMI
<ul style="list-style-type: none"> ○ Blighted 	
<ul style="list-style-type: none"> ○ Historic 	



ELIGIBLE ACTIVITIES – HOUSING TIF

Rehabilitation of Existing Housing	Rehabilitation of Existing Non-Housing Structure	New Construction
<ul style="list-style-type: none"> ○ Infrastructure & Safety Improvements 	<ul style="list-style-type: none"> ○ Infrastructure & Safety Improvements 	<ul style="list-style-type: none"> ○ Infrastructure & Safety Improvements
<ul style="list-style-type: none"> ○ Site Preparation 	<ul style="list-style-type: none"> ○ Site Preparation 	<ul style="list-style-type: none"> ○ Site Preparation
<ul style="list-style-type: none"> ○ Financing gap 	<ul style="list-style-type: none"> ○ Financing gap 	<ul style="list-style-type: none"> ○ Financing gap
<ul style="list-style-type: none"> ○ Demolition & Renovation 	<ul style="list-style-type: none"> ○ Demolition & Renovation 	<ul style="list-style-type: none"> ○ Demolition
<ul style="list-style-type: none"> ○ Temporary Household Relocation 		
<ul style="list-style-type: none"> ○ Acquisition costs of blighted or functionally obsolete properties 		



ELIGIBLE ACTIVITIES – TRADITIONAL

Traditional Brownfield Plan

<ul style="list-style-type: none"> ○ Environmental testing & cleanup
<ul style="list-style-type: none"> ○ Demolition
<ul style="list-style-type: none"> ○ Lead, asbestos & mold abatement
<ul style="list-style-type: none"> ○ Public infrastructure
<ul style="list-style-type: none"> ○ Site preparation
<ul style="list-style-type: none"> ○ Private green storm water infrastructure



- Anticipated Use of Housing TIF

• Traditional Brownfield Costs	\$2,000,000
• Housing TIF Eligible Activities	
• Rent Loss/Financing Gap	\$6,519,240
• <u>Other Housing TIF Costs</u>	<u>\$ 850,000</u>
• Housing TIF Subtotal	\$7,369,240
Total Eligible Brownfield TIF Costs	\$9,369,240



Rental Loss/Financing Gap									
	A	B	C	D	E	F	G	H	
			A - B = C				C x D x E x F	G / D	
Unit & AMI Type	MSHDA Wayne Co. Control Rent	Unit's Total Rent less Utility Allowance	Project Rent Loss	No. of Units	No. of Months	No. of Years	= PRL GAP CAP	Per Unit	
1 Bed Apartment - 80% AMI	\$ 2,548	\$ 1,239	\$ 1,309	11	12	30	\$ 5,183,640	\$ 471,240	
2 Bed Apartment - 80% AMI	\$ 3,228	\$ 1,473	\$ 1,855	2	12	30	\$ 1,335,600	\$ 667,800	
Total				18			\$ 6,519,240	\$ 501,480	

For-Sale Loss/Financing Gap								
	A	B	C	D	E			
			A - B = C			C x D = E		
AMI	Development Cost	Affordable Mortgage	= Development Loss	No. of Units		PDL GAP CAP	Average Per Unit	
80% AMI	\$ 357,000.00	\$ 261,097.75	\$ 95,902.25	10		\$ 959,022.51		
100% AMI	\$ 357,000.00	\$ 344,353.86	\$ 12,646.14	10		\$ 126,461.42		
Total				20		\$ 1,085,483.93	\$ 54,274.20	

Rental

- DBRA will require at least 20% of units at 80% AMI and below
 - Deeper affordability will be encouraged
 - DHC utility allowance will be included in calculations
- DBRA will calculate rent loss from MSHDA's Wayne Co. Control Rent
- Eligible units must be evenly distributed throughout development and across unit types
- DBRA/DEGC staff to underwrite financing of development
- Affordability agreement will be 5 years or the length of the Bfld Plan
- Restrictive covenant to be recorded
- City's Housing and Revitalization Department (HRD) will verify income qualified units and tenants

For Sale

- Eligible units must be affordable for households earning 120% AMI or lower
 - Deeper affordability will be encouraged
 - Down payment size, insurance, taxes, and HOA/condo fees will be included in affordability calculations
- DBRA will calculate finance loss from development cost of unit less affordable mortgage down payment
- DBRA/DEGC staff to underwrite financing of development
- Affordability period will be for 5 years
 - Buyer may sell to income qualified household to avoid repayment of subsidy during 5 year period
- Restrictive covenant to be recorded
- City's Housing and Revitalization Department (HRD) will verify income qualified units and buyers

QUESTIONS?

BRIAN VOSBURG

SENIOR DIRECTOR OF BROWNFIELD
REDEVELOPMENT

BVOSBURG@DEGC.ORG

www.DEGC.org/DBRA



Housing TIF | BACKGROUND

- July 19, 2023 - Public Act 90 of 2023 took effect, amending Act 381 of 1996 (the Brownfield Redevelopment Financing Act) to allow Affordable Housing to also be an eligible property and related costs an eligible activity for Brownfield TIF
- Sept. 29, 2023 - MSHDA Board issued “Housing TIF Program Statement” which contained proposed financing gap calculations for rental and for-sale projects
- Oct. 2-9, 2023 - MSDHA held virtual educational sessions on Housing TIF
- Dec. 6, 2023 - MSHDA issued an FAQ which began answering some BRA questions, but not all
- May 8, 2024 - MSDHA issued statewide Housing TIF Guidelines