



**DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
LBRF COMMITTEE MEETING
WEDNESDAY, AUGUST 13, 2025
3:30 PM**

COMMITTEE MEMBERS PRESENT: Pamela McClain
Maggie DeSantis
Crystal Gilbert-Rogers

COMMITTEE MEMBERS ABSENT:

OTHERS PRESENT: Brian Vosburg (DEGC/DBRA)
Cora Capler (DEGC/DBRA)
Sierra Spencer (DEGC/DBRA)
Sidni Smith (DEGC/DBRA)
Nasri Sobh (DEGC)
Medvis Jackson (DEGC)
Derrick Headd (DEGC)
Rebecca Navin (DEGC)
Chase Cantrell (7326 West McNichols)
Brandon Hodges (7326 West McNichols)
Edwina King (DBRA Board Member)

CALL TO ORDER

Committee Chairperson, Ms. McClain, called the meeting to order at 3:30 PM.

Ms. Capler took a roll call of the DBRA LBRF Committee Members present and a quorum was established.

GENERAL

Minutes of the March 12, 2025 LBRF Committee Meeting:

Ms. McClain called for a motion to accept the minutes of the March 12, 2025 LBRF Committee meeting.

Ms. DeSantis made a motion to accept the minutes of the March 12, 2025 LBRF Committee meeting. Ms. Gilbert-Rogers seconded the motion. The minutes of the March 12, 2025 LBRF Committee meeting were accepted.

Amended City of Detroit Brownfield Redevelopment Authority Local Brownfield Revolving Fund Guidelines

Mr. Vosburg stated that the enclosed Amended City of Detroit Brownfield Redevelopment Authority (DBRA) Local Brownfield Revolving Fund Guidelines (the "Amended Guidelines"), dated August 5, 2025, are being submitted to the DBRA LBRF Committee for review. The redline version of the DBRA LBRF Guidelines identifies the changes that were made to the previous May 9, 2018 version including:

- Reorganizing the guidelines to:
 - reduce redundancies, including combining the grant and loan requirements

- provide information in an order more helpful to developers evaluating if their project is a fit for the grant and loan programs and if they are ready to apply
- provide requirements and process information that is more in line with how the DBRA actually reviews and underwrites LBRF applications
- Not requiring applicants to also have a Brownfield Plan, but also providing clarity on when the DBRA would request that a Brownfield Plan be a part of the project's capital stack and what collateral position the DBRA will have on the TIF capture.
- Providing clarity on DBRA fees and when they are due.
- Creating default deadlines for financial closing, construction start, and project completion for approved grants and/or loans so that LBRF funds are not obligated to projects that have not moved forward as originally described to the DBRA.

Ms. DeSantis stated that she understood the amended guidelines did not prevent a project from receiving a grant without a Brownfield Plan but asked if a Brownfield Plan would be needed for the project later. Mr. Vosburg responded that the amended guidelines do not require a Brownfield Plan, but strongly encourages one when it makes financial sense to do so and gives staff discretion to require it as a source of collateral.

Citing no further discussion, Ms. McClain called for a motion recommending support for the Amended City of Detroit Brownfield Redevelopment Authority Local Brownfield Revolving Fund Guidelines, as presented. The Committee took the following action:

Ms. DeSantis made a motion recommending support for the Amended City of Detroit Brownfield Redevelopment Authority Local Brownfield Revolving Fund Guidelines, as presented. Ms. Gilbert-Rogers seconded the motion. The committee members unanimously recommended approval of the Amended City of Detroit Brownfield Redevelopment Authority Local Brownfield Revolving Fund Guidelines, as presented.

Proposed Local Brownfield Revolving Fund Grant and Loan Request for 7326 West McNichols, LLC for Shop at 6 Project

Ms. Capler explained that 7326 West McNichols, LLC, (the "Developer") is development team led by Brandon Hodges and Chase Cantrell, founders of TRIBE Development, LLC, a Detroit headquartered real estate development firm, and Building Community Value, a non-profit real estate development firm, respectively. The Developer is seeking to demolish a longtime vacant single-story commercial structure, located at 7326 W. McNichols, and redevelop the property into a two-story 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 (the "Project") with an estimated Project cost of approximately \$9.3 Million. The Developer has been approved for brownfield incentives for the Project and the Shop at 6 Brownfield Plan (the "Brownfield Plan") was approved by Detroit City Council on May 21, 2024. Work Plan approval by the Michigan Strategic Fund (the "MSF") will occur at a future date.

In furtherance of the Project, the Developer has also received or is seeking approval for loan funding from the Strategic Neighborhood Fund through Invest Detroit in the amount of \$2,750,000, additional debt funding through Invest Detroit in the amount of \$1,500,000, a Revitalization and Placemaking ("RAP") grant in the amount of \$1,500,000 along with the other sources noted in the table below. The Developer will be providing \$619,396 in cash equity. Due to the significant amount of brownfield eligible activities identified at the Project site, Developer is seeking a grant in the amount of \$150,000 (the "Grant") and a loan in the amount of \$100,000 (the "Loan") from the DBRA's Local Brownfield Revolving Fund (the "LBRF").

The Grant and Loan proceeds will be used to reimburse the Developer for Brownfield eligible costs. These funds will support a \$9.3 million redevelopment of the former commercial property into a new artisan market to support local small businesses and entrepreneurs, dedicated office, co-working, and community spaces. Over the life of the Brownfield Plan, \$521,147 in TIF revenue is projected to be captured for eligible activities

which include environmental studies, demolition, lead, asbestos, and mold abatement, public infrastructure, site preparation, and brownfield and work plan preparation.

Furthermore, this Project will redevelop a long-vacant commercial property in the Bagley neighborhood. It is projected to create 31 construction jobs and 8 FTEs permanent jobs.

Under the Local Brownfield Revolving Fund (LBRF), funds are available to developers to use for only brownfield plan eligible activities with approved brownfield plans. Grants are available for government, non-profit and Detroit headquartered developers. Loans and grants are available for all eligible activities on eligible property defined under Michigan Public Act 381 of 1996, as amended.

Please find below the proposed terms of the DBRA Grant and Loan, and a Sources and Uses table.

Grantee/Borrower Name:	7326 West McNichols, LLC
Project Location:	7326 West McNichols Detroit, MI
Request:	Grant: \$150,000.00 Loan: \$100,000.00
Fee:	1% of the Grant and Loan amount due at application.
Interest Rate:	1.0% per annum
Loan Term:	10 years
Loan Repayment:	Principal and interest for years 1-10. Balloon payment at end of term.
Loan Security:	First lien position on Brownfield TIF revenue. Brownfield TIF will have an estimated value of \$521,148 with the Brownfield Plan.
Loan Guaranty:	Personal Guaranty of Brandon Hodges and Chase Cantrell.
Eligible Uses:	Eligible activities identified in the Brownfield Plan including environmental studies and investigation, demolition, lead, asbestos, and mold abatement, infrastructure improvements, site preparation, Brownfield Plan and work plan preparation and implementation.
Disbursement:	Developer will first make an equity contribution of at least 10% of total project costs before Loan and Grant funds are disbursed. DBRA will disburse Grant and Loan funds no more frequently than on a monthly basis for Developer's requested Brownfield Plan eligible expenses.
Conditions:	(i) Satisfactory review and acceptance of standard due diligence items; (ii) Binding commitments for construction loan(s) and grant(s) in amounts and upon terms sufficient to finance the Project in full; (iii) Evidence of minimum 10% equity investment for the Project prior to Grant and Loan funding; (iv) Developer shall have received approval of the Brownfield Plan and the Work Plan by the DBRA, the City of Detroit, and the MSF, as applicable; (v) Developer will provide itemized schedule and use of funds; and (vi) Execution of mutually acceptable loan and grant documents.

TOTAL SOURCES		
Senior Debt		
Invest Detroit	\$1,500,000	15.96%
DBRA LBRF Loan	\$100,000	1.06%
Subordinate Debt/Grants		
RAP Grant	\$1,500,000	15.96%
DBRA LBRF Grant	\$150,000	1.59%
Deferred Fees/Cash Equity		
SNF Recoverable Loan	\$2,750,000	29.27%
Cash Equity Owner	\$657,684	7.00%
NMTC Equity	\$2,737,800	29.14%
TOTAL DEVELOPMENT SOURCES	\$9,395,484	100.0%

ELIGIBLE USES OF \$250,000 LBRF GRANT & LOAN FUNDS FROM BROWNFIELD PLAN		
Eligible Costs		
Environmental Studies & Investigations	\$15,400	
Demolition	\$99,400	
Lead & Asbestos Abatement	\$77,250	
Infrastructure Improvements	\$37,000	
Site Preparation	\$187,000	
Brownfield & Work Plan Preparation & Implementation	\$45,000	
15% Contingency	\$60,097	
TOTAL AVAILABLE ELIGIBLE LBRF USES	\$521,147	

Mr. Hodges stated that, from the start of the project, it is a challenge for developers to get small businesses into brick-and-mortar spaces. He mentioned that he and his team saw an opportunity to alleviate some of the pain points small businesses face in the city. Mr. Hodges continued that the space would include a first-floor artisan market with about twenty (20) turnkey stalls, which would reduce the amount of capital and build-out small businesses need to operate. He also said that the second floor would be a community-driven event space. Mr. Hodges explained that the project is being funded through the New Markets Tax Credit Program and Invest Detroit. He added that his team has applied for a building permit through the city and is awaiting feedback, and overall, he is excited about the project.

Ms. McClain asked whether the loan and grant are linked or can be approved separately. Ms. Capler explained that the Committee will recommend to the Board, and the Board can approve the request as is or make amendments.

Ms. DeSantis asked if the split between the grant and loan was based on how much debt service the project could absorb. Ms. Capler stated that was correct.

Ms. DeSantis asked if the leases would be conventional and how the senior lender has reacted to the proposed lease situation. Mr. Hodges stated that typically, the master lessor uses the entire space, but this is difficult to achieve in the city, especially across six thousand square feet (6,000 sqft). Mr. Hodges explained that the small businesses leasing the stalls would pay no more than five hundred and fifty dollars (\$550.00) a month, so while it may seem riskier to include several users for the space, he and his team have received feedback that this is a price point many prospective users prefer. Mr. Hodges added that Invest Detroit is well aware of the risks involved in leasing retail space across their portfolios.

Ms. DeSantis asked how the leases would work. Mr. Hodges stated that the leases would be executed in a hybrid model, explaining that there would be short-term month-to-month leases, six-month leases, and longer leases of a year or more.

Ms. DeSantis asked for clarification that Invest Detroit gives full support to the model. Mr. Hodges stated that was correct.

Ms. DeSantis said that managing different lease types and supporting small businesses coming and going would be challenging for the developers. Mr. Hodges acknowledged it's a complex model but one his team has dealt with before and feels confident in handling.

Ms. DeSantis acknowledged the hard work that it would be to manage the space, but knew that the reason for the acceptance in difficulty was for the betterment of the city, and she congratulated the development team.

Ms. Gilbert-Rogers asked how many stalls would be available in the space. Mr. Hodges responded there would be about twenty (20) stalls.

Ms. Gilbert-Rogers inquired about how long construction was expected to last and whether the thirty-one (31) construction jobs would be full-time or part-time. Mr. Hodges explained that the construction was estimated to take twelve to fifteen (12-15) months and that the work would be part-time.

Ms. Gilbert-Rogers inquired about the permanent jobs mentioned and asked if any would be full-time. Mr. Hodges explained that the team envisions that certain vendors will generate enough revenue to support a full-time employee, but there will not be a designated full-time property manager or related roles sometimes seen in other developments.

Ms. McClain asked if the artisans for the space had been identified and, if not, how the development team would approach finding small businesses to use the space. Mr. Hodges stated that through their collaboration with entrepreneur Jennifer Crawford and her many events with small businesses across the city, small businesses will be recognized along with other small business incubators.

Ms. DeSantis asked for clarification that the Revitalization and Placemaking (RAP) listed in the capital stack was a grant. Mr. Hodges confirmed that the RAP listing was a grant.

Citing no further discussion, Ms. McClain called for a motion recommending support for the Proposed Local Brownfield Revolving Fund Grant and Loan Request for 7326 West McNichols, LLC for Shop at 6 Project, as presented. The Committee took the following action:

Ms. DeSantis made a motion to recommend support for the Proposed Local Brownfield Revolving Fund Grant and Loan Request for 7326 West McNichols, LLC for Shop at 6 Project, as presented. Ms. Gilbert-Rogers seconded the motion. The Committee members unanimously recommended approval of the Proposed Local Brownfield Revolving Fund Grant and Loan Request for 7326 West McNichols, LLC for Shop at 6 Project, as presented.

OTHER

None.

PUBLIC COMMENT

None.

ADJOURNMENT

Citing no further business, Ms. McClain called for a motion to adjourn the meeting. Ms. DeSantis made a motion to adjourn the meeting. Ms. Gilbert-Rogers seconded the motion. Committee members present unanimously approved adjournment at 3:57 PM.