



**DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
MINUTES OF THE
REGULAR COMMUNITY ADVISORY COMMITTEE MEETING
WEDNESDAY, APRIL 14, 2021 - 5:00 PM
HELD VIA ZOOM**

COMMITTEE MEMBERS

PRESENT:

Kamal Cheeks
Rick Blocker
Brad Lutz
Peter Rhoades
Allen Rawls

COMMITTEE MEMBERS

ABSENT:

Simone Sagovac
Rico Razo
Michelle Lee
Dr. Regina Randall

OTHERS PRESENT:

Jennifer Kanalos (DEGC/DBRA)
Brian Vosburg (DEGC/DBRA)
Cora Capler (DEGC/DBRA)
Malinda Jensen (DEGC/DBRA)
Richard Barr (Honigman)
Darian Neubecker (Robertson Brothers)
Jason Jones (Tekton Development)
Tim Loughrin (Robertson Brothers)
George Roberts (Civic Companies)
Ernie D'Ascenzo (Mt. Elliott Properties)
Nick Maloof (Associated Environmental)
Matt Schenk
Chris Holmes



Call to Order

Mr. Cheeks, Chairperson, called the meeting to order at 5:07 p.m.

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

General

Approval of Minutes

Mr. Cheeks called for approval of the minutes of the March 31, 2021 (resolution) DBRA-CAC meeting, as presented. The Committee took the following action:

Mr. Rawls made a motion approving the minutes of the March 31, 2021 Board meeting, as presented. Mr. Rhoades seconded the motion. A roll call vote was conducted with the following result:

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

Nays: None.

DBRA-CAC Resolution Code 21-04-02-158 was unanimously approved.

Projects

Brownfield Plan for 3700 Trumbull

Ms. Capler presented the Brownfield Plan for 3700 Trumbull.

Project Introduction

3701 Lincoln, LLC is the project developer (the "Developer") for the Plan. The project entails the construction of sixty-five (65) new for-sale townhomes, 48 of which are expected to be one-bedroom homes with approximately 1,300 square feet of improved interior space, 16 of which are expected to be two-bedroom homes with approximately 1,600 square feet of improved interior space, and 1 of which will be a redevelopment of the existing historic powerhouse structure into a one-bedroom unit with approximately 1,000 square feet of improved interior space. On-site surface parking will be provided for all new for-sale townhomes. The project also includes a stormwater management system capable of detaining a ten-year storm.

The total investment is estimated to be \$18.5 million. The Developer is requesting \$2,360,849 in TIF reimbursement.

There will be approximately 445 temporary construction jobs and 0 permanent jobs are expected to be created by the project.

Property Subject to the Plan

The eligible property (the "Property") consists of eleven (11) parcels bounded by Brainard Street to the north, Trumbull Street to the east, Selden Street to the south, and Lincoln Street to the west in the Woodbridge neighborhood of Detroit.

Basis of Eligibility

The Property is considered "eligible property" as defined by Act 381, Section 2 because (a) the Property was previously utilized for commercial and industrial purposes; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) the Property is determined to be a facility, functionally obsolete and/or blighted (due to being tax reverted property owned by or under the control of a land bank fast track authority) as defined by Act 381 or adjacent and contiguous to parcels that are a facility.

Eligible Activities and Projected Costs

The “eligible activities” that are intended to be carried out at the Property are considered “eligible activities” as defined by Sec 2 of Act 381, because they include baseline environmental assessment activities, department specific activities, due care activities, site preparation, infrastructure improvements, development, interest, and preparation and implementation of a brownfield plan and Act 381 Work Plan. The eligible activities and budgeted costs are intended as part of the development of the Property and will be financed solely by the Developer. The Authority is not responsible for any costs of eligible activities and will incur no debt. The eligible activities are estimated to commence within 18 months of approval of the Plan and be completed within 3 years.

Tax Increment Financing (TIF) Capture

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

COSTS TO BE REIMBURSED WITH TIF

1. Pre-Approved Activities	\$35,000.00
2. Due Care Activities	\$304,008.00
3. Site Preparation	\$414,607.00
4. Infrastructure Improvements	\$675,184.00
5. Urban Stormwater Management System	\$331,403.00
6. Brownfield Plan & Work Plan Preparation	\$30,000.00
7. Brownfield Plan & Work Plan Implementation	\$30,000.00
8. Contingency (15%)	\$264,030.00
9. Interest	\$276,617.00
Total Reimbursement to Developer	\$2,360,849.00
10. Authority Administrative Costs	\$782,409.00
11. State Brownfield Redevelopment Fund	\$347,785.00
12. Local Brownfield Revolving Fund	\$1,727,311.00
TOTAL Estimated Costs	\$5,218,354.00

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

Other Incentives

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

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

Mr. Jones introduced himself to the DBRA Board and provided more information about the project including the architect for the project, 4545 Architecture, the community engagement conducted by the Developer for the project including five community meetings.

Mr. Cheeks asked how the Developer has determined what the market rate for the new townhomes will be. Mr. Jones stated that each unit that is sold will need to have an appraisal that will use comparable properties

in the area to determine the sales price but that the target price for the new townhomes will be in the \$300,000 range.

Mr. Rhoades stated that he was impressed with the community engagement conducted for the project and the number of support letters included in the Plan and asked if there is any subsurface debris present on the Property and what contaminants have been found on the Property. Mr. Jones stated that the Property is almost 2 acres and at one time there were approximately 40 structures on the Property that have since been demolished and subsurface debris has been found on the Property. Mr. Neubecker added that the Developer has done soil borings on the Property and has not encountered foundations but has found elevated levels arsenic and other heavy metals that will be remediated.

Mr. Rawls asked for more information about the proposed renovation of the existing powerhouse structure. Mr. Jones stated that the powerhouse is a historic structure that was designed as the powerhouse for the former Scripps mansion and that façade of the powerhouse structure will be restored and the powerhouse will be converted into an approximately 1,200 square foot, one-bedroom residence that fronts the community green space included in the project.

Mr. Rawls asked if the Scripps mansion is still standing. Mr. Jones stated that the Scripps mansion is no longer standing but the entryway to what used to be the mansion will remain on the Property.

Mr. Rawls asked what the structure is across from the Property on the south side. Mr. Roberts stated that it is the My Brother's Keeper Church that was formerly the Trumbull Presbyterian Church and was built in 1886.

Mr. Cheeks asked if there will be any sustainable elements included in the project. Mr. Jones stated that there will be energy efficient appliances and lighting. Mr. Neubecker added that the project exceeds the standards of the current codes and all of the garages will be wired for electric vehicle charging stations.

Mr. Cheeks called for a motion regarding the Brownfield Plan for 3700 Trumbull, as presented.

Mr. Rhoades made a motion to recommend approval of the Brownfield Plan for 3700 Trumbull without a CAC public hearing and without appointing special members. Mr. Rawls seconded the motion. A roll call vote was conducted with the following result:

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

Nays: None.

Abstentions: Mr. Lutz

DBRA-CAC Resolution Code 21-04-297-01 was approved.

Brownfield Plan for Mt. Elliott Recycling

Mr. Vosburg presented the Brownfield Plan for Mt. Elliott Recycling.

Project Introduction

Mt. Elliott Property, LLC is the project developer (the "Developer") for the Plan. The project entails the construction of a build-to-suit redevelopment of the approximately 240,161 square foot structure on the Property for future lease to Mount Elliott, LLC, a concrete recycling business operator. The proposed project will include the selective demolition of approximately 195,500 square feet of the existing building, leaving approximately 45,000 square feet of office and warehouse space. Upon completion, the development will include a concrete processing plant and a closed-loop storm water management system for containing and re-using storm water generated by the Property. Other site improvements will include two truck weigh scales, a wheel wash and on-site fueling station. Ingress and egress will be from directionally controlled curb-cuts off Mt. Elliott Street. Noise, dust and odors will be controlled on-site by dust suppression/management systems (for dust) and strategically placed retaining walls for noise reduction.

The total investment is estimated to be \$6.4 million. The Developer is requesting \$2,584,444.00 in TIF reimbursement.

There will be approximately 18 temporary construction jobs and 30 permanent jobs are expected to be created by the project.

Property Subject to the Plan

The eligible property (the "Property") consists of one (1) parcel located on the east side of Mt. Elliott, south of Strong Street, west of Sherwood Street and north of Harper Avenue/I-94.

Basis of Eligibility

The Property is considered "eligible property" as defined by Act 381, Section 2 because (a) the Property was previously utilized for industrial purposes; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) the Property is determined to be a "facility" 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 assessment activities, department specific activities, due care activities, site preparation, infrastructure improvements, lead/asbestos/mold abatement, preparation and implementation of a brownfield plan and Act 381 Work Plan. The eligible activities and budgeted costs are intended as part of the development of the Property and will be financed solely by the Developer. The Authority is not responsible for any costs of eligible activities and will incur no debt. The eligible activities are estimated to commence within 18 months of approval of the Plan and be completed within 3 years.

Tax Increment Financing (TIF) Capture

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

COSTS TO BE REIMBURSED WITH TIF

1. BEA Activities	\$15,700.00
2. Due Care Activities	\$369,500.00
3. Response Activities	\$83,500.00
4. Demolition	\$974,756.00
5. Site Preparation	\$137,800.00
6. Infrastructure Improvements	\$640,000.00
7. Brownfield Plan & Work Plan	\$30,000.00
8. Contingency (15%)	\$333,188.40
Total Reimbursement to Developer	\$2,584,444.00
9. Authority Administrative Costs	\$309,718.00
10. State Brownfield Redevelopment Fund	\$91,313.00
11. Local Brownfield Revolving Fund	\$0.00
TOTAL Estimated Costs	\$2,984,475.00

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

Other Incentives

The Developer is seeking additional incentives, which will include local and/or state approval of an Industrial Facilities Exemption (PA 198) Abatement.

Attached for the CAC's review and approval were three (3) resolutions: 1.) a resolution supporting the Plan in the event the Committee does not deem it necessary to conduct a CAC public hearing and 2.) a resolution authorizing a public hearing in the project area and 3.) a resolution authorizing a public hearing in the project

area and to appoint up to two special CAC members. The public hearing may be held jointly with any public hearing conducted by the Detroit Brownfield Redevelopment Authority.

Mr. Maloof provided more information regarding the project including the planned renovation of the existing building on the Property which has been vacant for at least a decade, the future uses of the concrete to be recycled on the Property, the removal truckloads of debris from the Property and the condition of the existing building is very poor, that the concrete crushing operation will service various projects happening in the City and will reduce the current transportation needed to take the debris to other operations outside of the City, and that the Developer has acquired Special Land Use approval for the Property and an Alteration Permit for the demolition of the existing building from the City. Mr. Schenk added that the Property is surrounded by other industrial uses and that there are not any residential areas surrounding the Property and that the Developer has worked with Nortown Community Development to share information about the project. Mr. D'Ascenzo added that there will be approximately 15-20 temporary construction jobs created by the project and the plan to hire Detroit residents for at least 50% of the permanent jobs to be created by the project. Mr. Vosburg added that DBRA Staff has pushed the Developer to conduct additional community engagement for the project and to work with the Department of Neighborhoods for the City of Detroit.

Mr. Lutz asked for more information on the challenges for the project. Mr. Schenk stated that there are challenges with the current state of the existing structure since it is so dilapidated, the flow of traffic into and out of the Property to minimize the number of trucks on any residential roads near the Property, and the process of getting the Plan and the PA 198 tax abatement approved for the project.

Mr. Lutz asked where the next closest facility of this type is. Mr. D'Ascenzo stated that there is a facility in Highland Park, but it only recycles concrete from its own projects and the other facilities are located in Oakland or Macomb counties and this location would be the closest and most convenient location for the construction and demolition projects within the City.

Mr. Lutz asked what the anticipated timeline is for the project. Mr. D'Ascenzo stated that the Developer would like to start demolition as soon as possible and the stormwater retention system would be completed during the winter of 2021 and be ready for use in Spring 2022.

Mr. Rhoades stated that he only saw one letter of support included in the Plan and stated that he is concerned that there aren't more letters included in the Plan and that there weren't as many community meetings conducted for this project. Mr. Rhodes remarked that the GM Hamtramck Assembly Plant is located across from the Property where there will be the high-tech production of electric vehicles and that he wants to know if the dust created by the operations of the concrete crushing facility will interfere with the production or painting of the electric vehicles, especially since there is not a letter of support from General Motors for the project. Mr. Rhodes also inquired if the new plans for the Packard Plant will be affected by the concrete crushing facility on the Property and if the employees of the Capuchin location will be affected by the dust created. Mr. Vosburg stated that the DBRA Staff asked the Developer to take more time to acquire additional letters of support for the project and there was only one community group who had concerns about the project. Mr. Vosburg added that DBRA Staff has put sufficient effort into reaching out to the community regarding the project and that the Developer had to go through an extensive Special Land Use process to make sure that the facility will meet all of the City and State regulations and requirements for dust control. Mr. Schenk added that there are additional letters of support for the project that were acquired by neighboring companies through the Special Land Use process. Mr. Schenk also added that there will be usage of stormwater to reduce the amount of dust and that a berm and landscaping will be installed along Mt. Elliott Street to create an additional barrier between the Property and the parking for the GM Hamtramck facility. Mr. D'Ascenzo added that the concrete crushing operation will be under the tallest part of the building and that there are misters at every transition point and loading point and that there will be a truck washing station to remove any dust or debris on the trucks moving into and out of the Property.

Mr. Rhoades asked if the Developer received a letter of support from General Motors. Mr. D'Ascenzo stated that he tried to contact General Motors regarding the project and was unable to get through to speak with anyone. Mr. Schenk added that General Motors was given notice of the Special Land Use review and did

not respond and was not present at the public hearings to provide feedback about the project and that the Developer took the lack of response from General Motors as they were not opposed to the project.

Mr. Rhoades asked if the DBRA Staff would be able to contact General Motors, the developer for the Packard Plant, and Nortown Community Development. Mr. Vosburg confirmed that DBRA Staff would be able to contact General Motors, the developer for the Packard Plant, and Nortown Community Development regarding the public hearing for the project.

Mr. Rawls stated that he is also concerned about the potential impact of the concrete recycling facility on the GM Hamtramck facility across from the Property and that out of caution, every possible effort should be made to contact someone from General Motors regarding the project but that he likes the project and asked how many cubic feet of material will be processed at the facility. Mr. D'Ascenzo stated that it will be about 100 tons of material processed per hour and will be processed during the City's hours of operation and that the production at the GM Hamtramck is all indoors and is mostly robotic and that the Developer has received its air quality permit from EGLE.

Mr. Cheeks asked if the Developer for the project is the same entity that will be operating the future facility. Mr. D'Ascenzo confirmed that the Developer for the project is the same entity that will be operating the future facility.

Mr. Cheeks asked if the Developer operates any other concrete recycling facilities in the State of Michigan. Mr. D'Ascenzo stated that the Developer does not operate any other concrete recycling facilities in the State of Michigan or elsewhere.

Mr. Cheeks asked if the Developer has any current commitments or contracts for the future operations of the concrete recycling facility. Mr. D'Ascenzo stated that the Developer does not have any current commitments or contracts for the future operations of the concrete recycling facility but that the Developer has been in contact with various entities regarding the concrete recycling services.

Mr. Cheeks called for a motion regarding the Brownfield Plan for Mt. Elliott Recycling, as presented.

Mr. Rhoades made a motion to authorize a public hearing for the Brownfield Plan for Mt. Elliott Recycling without appointing special members. Mr. Rawls seconded the motion. A roll call vote was conducted with the following result:

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

Nays: None.

DBRA-CAC Resolution Code 21-04-298-01 was approved.

Mr. Rawls asked that the DBRA Staff provide more information to the Developer on the implications of the action taken by the CAC regarding the project and asked if the action taken by the CAC will have a significant impact on the approval schedule for the project. Ms. Kanalos stated that the action taken by the CAC will delay the DBRA approval process by two weeks. Mr. D'Ascenzo stated that it will delay the project but that the project has already been delayed due to COVID.

Administrative

None.

Other

Mr. Rhoades requested that DBRA Staff ensure that someone from General Motors, Packard Plant, and Nortown Community Development be contacted regarding the next CAC meeting for the project. Mr. Vosburg stated that DBRA Staff will work to contact someone from General Motors, Packard Plant, and Nortown Community Development regarding the public hearing for the project which is scheduled for April 22, 2021.

Mr. Rhoades asked that he be sent the notice for the public hearing for the project. Mr. Vosburg state that the notice for the public hearing will be sent to the CAC as it is in the normal course for all projects.

Mr. Rawls asked that the DBRA Staff ensure that a response is received from General Motors regarding the project. Mr. Vosburg stated that DBRA Staff would make best efforts to ensure that a response is received from General Motors regarding the project.

Public Comment

None.

Adjournment

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

Mr. Lutz made a motion to adjourn the meeting at 6:12 pm.



CODE DBRA CAC 21-04-02-158

APPROVAL OF MINUTES OF MARCH 31, 2021

RESOLVED, that the minutes of the special meeting of March 31, 2021 are hereby approved and all actions taken by the members present at such meeting, as set forth in such minutes, are hereby in all respects ratified and approved as actions of the Community Advisory Committee of the Detroit Brownfield Redevelopment Authority.

April 14, 2021



CODE DBRA-CAC 21-04-297-01

3700 TRUMBULL BROWNFIELD REDEVELOPMENT PLAN

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

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

WHEREAS, pursuant to the resolution establishing the DBRA and the bylaws of the DBRA, the DBRA has submitted the proposed **Brownfield Plan for the 3700 Trumbull Project** (the "Plan") to the Community Advisory Committee for consideration and comment; and

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

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

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. After consideration of the proposed Plan, the Community Advisory Committee makes the following comment and recommendations on the proposed Plan:
 - a. The Community Advisory Committee has determined that it is appropriate for the achievement of the purposes of Act 381 of the DBRA to adopt a Brownfield Plan for the **3700 Trumbull Brownfield Redevelopment Project**.
 - b. The Community Advisory Committee recommends support of the proposed Plan presented to it.
2. The Chairperson of the Community Advisory Committee is authorized and directed to transmit a copy of this Resolution and the minutes of the public hearing on the proposed Plan and of the meeting at which this Resolution was adopted to the DBRA and the Detroit City Council as the report of the findings and recommendations of the Community Advisory Committee on the proposed Plan.
3. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are rescinded.

April 14, 2021



CODE DBRA-CAC 21-04-298-01

MT. ELLIOTT RECYCLING BROWNFIELD REDEVELOPMENT PLAN

RESOLVED, that a public hearing on the **Mt. Elliott Recycling Brownfield Redevelopment Plan** be held jointly with the Detroit Brownfield Redevelopment Authority (the "DBRA").

April 14, 2021