



**DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY  
REGULAR BOARD OF DIRECTORS MEETING  
WEDNESDAY, FEBRUARY 9, 2022  
4:00 PM**

**BOARD MEMBERS PRESENT:**

Sonya Mays  
Stephanie Washington  
Donele Wilkins  
Raymond Scott  
Pamela McClain  
Amanda Elias

**BOARD MEMBERS ABSENT:**

John George  
Juan Gonzalez

**OTHERS PRESENT:**

Maggie DeSantis\* (DBRA)  
Jennifer Kanalos (DEGC/DBRA)  
Cora Capler (DEGC/DBRA)  
Brian Vosburg (DEGC/DBRA)  
Malinda Jensen (DEGC/DBRA)  
Glen Long (DEGC)  
Paul Kako (DEGC)  
Rebecca Navin (DEGC)  
Jean Belanger (DEGC)  
Kenyetta Bridges (DEGC)  
Tracy Daniel (FleishmanHillard)  
Ngozi Nwaesei (Lewis & Munday)  
Edward Carrington (Flux City, LLC)  
Dan Gough (EGLE)  
Elizabeth Masserang (PM Environmental)  
Stephen Goodman (Brush Park Properties, LLC)  
Jeremy McCallion (AKT Peerless)  
Edward Carrington (Flux City, LLC)  
Michael VanOverbeke (Brush Park Properties, LLC)  
Ed Saenz (Olympia Development of Michigan)

\*Board Member DeSantis joined via Zoom and was not counted toward the quorum.



**MINUTES OF THE DETROIT BROWNFIELD  
REDEVELOPMENT AUTHORITY REGULAR MEETING  
WEDNESDAY, FEBRUARY 9, 2022  
HELD VIA ZOOM VIRTUAL MEETING**

**CALL TO ORDER**

Chairperson Raymond Scott called the meeting to order at 4:01 PM.

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

**GENERAL**

**Approval of Minutes:**

Mr. Scott called for a motion approving the minutes of December 15, 2021 as presented. The Board took the following action:

Ms. Washington made a motion approving the minutes of the December 15, 2021 Board meeting, as presented. Ms. McClain seconded the motion.  
DBRA Resolution Code 22-02-02-304 was unanimously approved.

**Treasurer's Report – December 2021 & January 2022**

Mr. Long presented the December 2021 and January 2022 Treasurer's Reports.

Mr. Scott called for a motion accepting the December 2021 and January 2022 Treasurer's Reports as presented. The Board took the following action:

Ms. McClain made a motion accepting the December 2021 Treasurer's Report, as presented. Ms. Elias seconded the motion.  
DBRA Resolution Codes 22-02-03-219 and 22-02-03-220 were approved.

**Delegation of Authority Report Q2 FY 2021-22**

Mr. Vosburg presented the Expenditures Report Under Delegation of Authority for Q2 FY 2021-22.

In an effort to streamline the process for authorization of expenditures, the DBRA Board of Directors approved DBRA Resolution #18-10-01-204 on October 10, 2018. The resolution authorizes Officers and Authorized Agents ("Designated Parties") to review and approve contracts in an amount up to Fifty Thousand and 00/100 (\$50,000.00) Dollars and to approved change orders to contracts up to 25% of the original contract amount not to exceed Fifty Thousand and 00/100 (\$50,000.00) Dollars.

Attached for DBRA Board information only was the Delegation of Authority report of expenditures approved for the period of October through December of 2021.

**PROJECTS**

**Authorization to Enter into a Letter of Intent, Development Agreement with Northpoint Development, LLC for Approximately 12 Acre Site Located at 6101 Van Dyke**

Ms. Belanger presented the Authorization to Enter into a Letter of Intent, Development Agreement with Northpoint Development, LLC to the DBRA Board.

As the Board is aware, the Detroit Brownfield Redevelopment Authority (“DBRA”) purchased the former Kettering School site (the “Site”) from Detroit Public Schools in November, 2019 and then sold the southern portion of the property to Dakkota Integrated Systems (“Dakkota”) in January, 2020 for the development of a manufacturing facility on the Site leaving the remaining northern portion of the property suitable for a similar development.

DBRA staff has identified Northpoint Development, LLC (“Developer”) as a potential developer of the remaining northern portion to undertake demolition of any existing structures, utility relocation, any necessary remediation, and construct one or more structures of at least 150,000 square feet for light industrial (including but not limited to automotive related activities), warehouse and distribution operations. DBRA staff has negotiated the letter of intent attached hereto as Exhibit A (the “LOI”) with the Developer for the sale and development of the Property pursuant to a development agreement (“Development Agreement”), the terms of which LOI are summarized below:

**Purchase Price:** \$4,322,000

**Site Prep Credit:** DBRA will provide Developer a credit at closing in an amount not to exceed \$2,372,000 for anticipated costs related to cost of demolition, soil removal and remedial action.

**Due Diligence:** 90 days to perform all due diligence; ability to exercise 2 additional 30 days.

**Approvals:** 30 days from the expiration of the Due Diligence Period to obtain all jurisdictional approvals, subject to an extension for 30 days.

**Closing:** 30 days following the later of expiration of (i) Due Diligence Period; (ii) expiration of Approvals Period (iii) or other agreed upon in the sale and development agreement.

**Demolition:** 4<sup>th</sup> Quarter 2022

**Construction Completion:** Within 24 months following closing

**Conditions to Closing:** Developer will execute an assumption agreement relating to the Plan of Action entered into between DBRA and Dakkota relating to removal of stockpiled soils; community engagement as required under applicable City ordinances.

DBRA staff recommended the Board’s approval of the LOI and the approval to negotiate and execute the Development Agreement consistent with the terms set forth in the LOI. A resolution was attached for the Board’s consideration.

Mr. Scott asked how much the DBRA would receive from the property sale if the full credit is utilized. Ms. Navin stated that the minimum cash purchase price that the DBRA would receive is \$1.95 million assuming that the full credit is utilized.

Mr. Scott called for a motion to approve the Authorization to Enter into a Letter of Intent, Development Agreement with Northpoint Development, LLC for Approximately 12 Acre Site Located at 6101 Van Dyke, as presented. The Board took the following action:

Ms. Washington made a motion to approve the Authorization to Enter into a Letter of Intent, Development Agreement with Northpoint Development, LLC for Approximately 12 Acre Site Located at 6101 Van Dyke, as presented. Ms. McClain seconded the motion.  
DBRA Resolution Code 22-02-262-46 was approved.

**Recommendation to City Council to Terminate Eddystone Brownfield Plan**

Mr. Vosburg presented the Recommendation to City Council to Terminate Eddystone Brownfield Plan to the DBRA Board.

Section 14(8)(b) 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:

(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 failed to come to fruition (the “Plan(s)”). These Plans, particularly Plans that involve 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 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.

Eddystone is a Plan approved by Council on March 23, 2005 with a Reimbursement Agreement entered into on July 20, 2005. The project, developed by Eddystone Development, LLC, proposed the redevelopment of 5 parcels in Detroit. The project failed to occur within two (2) years of City Council approval of the Plan. Section 14(8)(b) of Act 381 of 1996, as amended, allows City Council to terminate the plan as a result.

It is the opinion of DBRA staff that the Eddystone Plan should be terminated due to the fact that the project described in the Plan has failed to occur, and more than 2 years has passed since City Council approval of the Plan. DBRA staff, upon City Council approval, will send a notice via certified mail to the developer no less than 30 days before the date City Council is scheduled to terminate the Plan.

A resolution recommending the following actions for the Plan was attached for the DBRA Board's review and approval:

1. Recommendation to terminate the Plan to City Council.
2. Upon City Council approval, issue a certified letter notification to the Developer of the intent to terminate 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 the Reimbursement Agreement and any other agreements or contracts between Developer and the DBRA executed in conjunction with the Plan upon termination of the Plan by City Council.

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

Ms. McClain asked if it is common for a brownfield plan to be active for this long with the project failing to occur. Ms. Kanalos stated that ACT 381 was amended in 2013 allowing the DBRA to terminate brownfield plans and that brownfield plans where the project has failed to occur are typically terminated sooner and that in this case it took some time to determine if the Plan would be terminated.

Mr. Scott called for a motion to approve the Recommendation to City Council to Terminate Eddystone Brownfield Plan, as presented. The Board took the following action:

Ms. McClain made a motion to approve the Recommendation to City Council to Terminate Eddystone Brownfield Plan, as presented. Ms. Wilkins seconded the motion. DBRA Resolution Code 22-02-87-04 was approved.

### **CODA Brush Park Brownfield Redevelopment Plan: Revised Plan Attachments**

Mr. Vosburg presented the CODA Brush Park Brownfield Redevelopment Plan: Revised Plan Attachments to the DBRA Board.

On December 1, 2021, the City of Detroit Brownfield Redevelopment Authority (the “DBRA”) Board of Directors adopted a resolution authorizing the transmittal of the Brownfield Plan for the CODA Brush Park Redevelopment Project (the “Plan”) to Detroit City Council (“City Council”) with a recommendation for approval.

After DBRA Board approval, it was discovered that Attachments A & B, (Site Map and Legal Description, respectively) depicted more property than what was intended to be included in the Plan by the Developer (as defined below). The Developer has revised Attachments A & B of the Plan to clarify which parcel is included in the Plan. No other terms of the Plan have changed.

The City Council public hearing for the Plan will be held on February 17, 2022 and City Council is scheduled to review the Plan and consider its adoption and approval on February 22, 2022.

#### **Project Introduction**

Brush Park Properties, LLC, is the project developer (“Developer”). The project includes the construction of an expansive addition to incorporate the existing carriage house building facade, built in 1890, into a 5-story modern, mixed-use development. The building will include approximately 84,000 square feet of commercial and residential spaces. Approximately ten (10) luxury condominium units will be provided for purchase, totaling an estimated 22,000 square feet of living space. Eight of the residential units will be located on floors 3-5 of the main carriage house building and the two remaining townhome units will be built along the Alfred Street façade of the development. It is anticipated that the remaining portion of the building will be occupied by a restaurant and bar and office space, totaling approximately 15,000 square feet. Additionally, the building will feature an integrated parking deck with approximately 105 total parking spaces. The parking structure will also serve as residential, commercial, and public parking, complete with multiple electric vehicle charging ports. The development will also feature alleyway improvements to serve as a community gathering space. It is currently anticipated that construction will begin in the Fall of 2021 and eligible activities will be completed in 2023.

The total investment is estimated to be \$25.8 million. The Developer is requesting \$4,807,400.00 in TIF reimbursement.

There will be approximately 218 temporary construction jobs and 37 permanent jobs are expected to be created by the project.

#### **Property Subject to the Plan**

The eligible property (the “Property”) consists of one (1) combined parcel bounded to the north by an alleyway, to the east by John R Street, to the south by Alfred Street, and to the west by the property line in the Brush Park neighborhood.

#### **Basis of Eligibility**

The Property is considered “eligible property” as defined by Act 381, Section 2 because (a) the Property was previously utilized for a commercial purpose; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) the Property parcel 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 pre-approved activities, department specific activities,

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

Tax Increment Financing (TIF) Capture

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

**COSTS TO BE REIMBURSED WITH TIF**

1. Pre-Approved Activities	\$2,500.00
2. Demolition	\$138,400.00
3. Site Preparation	\$268,000.00
4. Infrastructure Improvements	\$3,674,600.00
5. Urban Storm Water Management System	\$45,000.00
6. Brownfield Plan & Work Plan	\$60,000.00
7. Contingency (15%)	\$618,900.00
<b>Total Reimbursement to Developer</b>	<b>\$4,807,400.00*</b>
8. Authority Administrative Costs	\$1,215,776.00
9. State Brownfield Redevelopment Fund	\$380,492.00
10. Local Brownfield Revolving Fund	\$1,280,803.00
<b>TOTAL Estimated Costs</b>	<b>\$7,684,471.00</b>

\*Request is pro-rated to account for the portion of the parking structure related to residential and commercial operations, excluding valet

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

Other Incentives

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

The Plan with revised Attachments was attached for the DBRA Board’s review and approval.

Mr. Scott called for a motion to approve the CODA Brush Park Brownfield Redevelopment Plan: Revised Plan Attachments, as presented. The Board took the following action:

Ms. McClain made a motion to approve the CODA Brush Park Brownfield Redevelopment Plan: Revised Plan Attachments, as presented. Ms. Wilkins seconded the motion.  
DBRA Resolution Code 22-02-306-03 was approved.

**CODA Brush Park Brownfield Redevelopment Plan: Reimbursement Agreement**

Mr. Vosburg presented the CODA Brush Park Brownfield Redevelopment Plan: Reimbursement Agreement to the DBRA Board.

On December 1, 2021, the City of Detroit Brownfield Redevelopment Authority (the “DBRA”) Board of Directors adopted a resolution authorizing the transmittal of the Brownfield Plan for the Ribbon Redevelopment Project (the “Plan”) to Detroit City Council (“City Council”) with a recommendation for approval. The City Council public hearing for the Plan will be held on February 17, 2022 and City Council is scheduled to approve the Plan on February 22, 2022.

### Project Introduction

Brush Park Properties, LLC, is the project developer (“Developer”). The project includes the construction of an expansive addition to incorporate the existing carriage house building facade, built in 1890, into a 5-story modern, mixed-use development. The building will include approximately 84,000 square feet of commercial and residential spaces. Approximately ten (10) luxury condominium units will be provided for purchase, totaling an estimated 22,000 square feet of living space. Eight of the residential units will be located on floors 3-5 of the main carriage house building and the two remaining townhome units will be built along the Alfred Street façade of the development. It is anticipated that the remaining portion of the building will be occupied by a restaurant and bar and office space, totaling approximately 15,000 square feet. Additionally, the building will feature an integrated parking deck with approximately 105 total parking spaces. The parking structure will also serve as residential, commercial, and public parking, complete with multiple electric vehicle charging ports. The development will also feature alleyway improvements to serve as a community gathering space. It is currently anticipated that construction will begin in the Fall of 2021 and eligible activities will be completed in 2023.

The total investment is estimated to be \$25.8 million. The Developer is requesting \$4,807,400.00 in TIF reimbursement.

There will be approximately 218 temporary construction jobs and 37 permanent jobs are expected to be created by the project.

### Property Subject to the Plan

The eligible property (the “Property”) consists of one (1) combined parcel bounded to the north by an alleyway, to the east by John R Street, to the south by Alfred Street, and to the west by the property line in the Brush Park neighborhood.

### Basis of Eligibility

The Property is considered “eligible property” as defined by Act 381, Section 2 because (a) the Property was previously utilized for a commercial purpose; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) the Property parcel 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 pre-approved activities, department specific activities, site demolition activities, infrastructure improvements, site preparation, and development, preparation and implementation of a brownfield plan and Act 381 Work Plan. The eligible activities and budgeted costs are intended as part of the development of the Property and will be financed solely by the Developer. The Authority is not responsible for any costs of eligible activities and will incur no debt. The eligible activities are estimated to commence within 18 months of approval of the Plan and be completed within 3 years.

### Tax Increment Financing (TIF) Capture

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

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

1. Pre-Approved Activities	\$2,500.00
2. Demolition	\$138,400.00
3. Site Preparation	\$268,000.00
4. Infrastructure Improvements	\$3,674,600.00
5. Urban Storm Water Management System	\$45,000.00
6. Brownfield Plan & Work Plan	\$60,000.00

7. Contingency (15%)	\$618,900.00
<b>Total Reimbursement to Developer</b>	<b>\$4,807,400.00*</b>
8. Authority Administrative Costs	\$1,215,776.00
9. State Brownfield Redevelopment Fund	\$380,492.00
10. Local Brownfield Revolving Fund	\$1,280,803.00
<b>TOTAL Estimated Costs</b>	<b>\$7,684,471.00</b>

\*Request is pro-rated to account for the portion of the parking structure related to residential and commercial operations, excluding valet

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

Other Incentives

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

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

Mr. Scott called for a motion to approve the CODA Brush Park Brownfield Redevelopment Plan: Reimbursement Agreement, as presented. The Board took the following action:

Ms. Wilkins made a motion to approve the CODA Brush Park Brownfield Redevelopment Plan: Reimbursement Agreement, as presented. Ms. Wilkins seconded the motion. DBRA Resolution Code 22-02-306-04 was approved.

**The Ribbon Brownfield Redevelopment Plan: Reimbursement Agreement**

Ms. Capler presented the Ribbon Brownfield Redevelopment Plan: Reimbursement Agreement to the DBRA Board.

On December 15, 2021, the City of Detroit Brownfield Redevelopment Authority (the "DBRA") Board of Directors adopted a resolution authorizing the transmittal of the Brownfield Plan for the Ribbon Redevelopment Project (the "Plan") to Detroit City Council ("City Council") with a recommendation for approval. The City Council public hearing for the Plan will be held on February 10, 2022 and City Council is scheduled to approve the Plan on February 15, 2022.

Project Introduction

Flux City, LLC, is the project developer ("Developer"). The project includes the redevelopment of the property into a mixed-use commercial retail and residential development with on-site parking and site improvements. The Developer will redevelop the currently vacant, one-story, former bank building into a 3-story mixed-use building that will include a café/restaurant and market on the ground floor, and two residential floors above. The project is being envisioned as a one-story noncombustible podium, with the residential construction above being light-frame wood construction. The Developer is projecting 30 total parking places between the main parking lot west of the building, and the secondary parking lot on the Eastside of Kensington Ave (directly across from the building). The first-floor retail space is estimated to be a total of 7,320 square feet. The two residential floors are each estimated to be 6,925 square feet and will include some affordable residential units that will range from 50-80% AMI, with 9 units on both the second and third floors, for a total of 18 residential units.

The total investment is estimated to be \$6 million. The Developer is requesting \$1,005,170.00 in TIF reimbursement.

There will be approximately 40 temporary construction jobs and 27 permanent jobs are expected to be created by the project.

### Property Subject to the Plan

The eligible property (the "Property") consists of four (4) parcels bounded by East Warren Avenue to the north, Yorkshire Road to the east, Cornwall Street to the south, and Outer Drive East to the west in the East English Village 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 a commercial purpose; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) the Property parcel has been determined to be "functionally obsolete," a "Facility," or adjacent and contiguous to a parcel that has been determined to be Functionally Obsolete or 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 department specific activities, due care activities, demolition, asbestos and hazardous materials abatement activities, site preparation, infrastructure improvements, interest, and development, preparation and implementation of a brownfield plan and Act 381 Work Plan. The eligible activities and budgeted costs are intended as part of the development of the Property and will be financed solely by the Developer. The Authority is not responsible for any costs of eligible activities and will incur no debt. The eligible activities are estimated to commence within 18 months of approval of the Plan and be completed within 3 years.

### Tax Increment Financing (TIF) Capture

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

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

1. Pre-Approved Activities	\$20,075.00
2. Due Care Activities	\$11,000.00
3. Demolition	\$173,397.00
4. Asbestos and Hazardous Materials Abatement	\$23,000.00
5. Site Preparation	\$209,000.00
6. Infrastructure Improvements	\$226,263.00
7. Brownfield Plan & Work Plan	\$52,500.00
8. Contingency (15%)	\$96,399.00
9. Interest	\$193,536.00
<b>Total Reimbursement to Developer</b>	<b>\$1,005,170.00</b>
10. Authority Administrative Costs	\$240,644.00
11. State Brownfield Redevelopment Fund	\$73,429.00
12. Local Brownfield Revolving Fund	\$242,258.00
<b>TOTAL Estimated Costs</b>	<b>\$1,561,500.00</b>

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 Obsolete Property Rehabilitation Act (PA 146) Tax Abatement.

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

Mr. Scott called for a motion to approve the Ribbon Brownfield Redevelopment Plan: Reimbursement Agreement, as presented. The Board took the following action:

Ms. McClain made a motion to approve the Ribbon Brownfield Redevelopment Plan: Reimbursement Agreement, as presented. Ms. Washington seconded the motion. DBRA Resolution Code 22-02-307-03 was approved.

**ADMINISTRATIVE**

None.

**OTHER**

None.

**PUBLIC COMMENT**

None.

**ADJOURNMENT**

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

On a motion by Ms. McClain, seconded by Ms. Wilkins, the meeting was unanimously adjourned at 4:28 PM.



**CODE DBRA 22-02-02-303**

**APPROVAL OF MINUTES OF DECEMBER 15, 2021**

RESOLVED, that the minutes of the regular meeting of December 15, 2021 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.

February 9, 2022



**DBRA 22-02-03-219**

**ACCEPTANCE OF TREASURER'S REPORT FOR DECEMBER 2021**

RESOLVED, that the Treasurer's Report of Receipts and Disbursements for the period December 1 through December 31, 2021, as presented at this meeting is hereby in all respects accepted as actions of the Detroit Brownfield Redevelopment Authority.

February 9, 2022



**DBRA 22-02-03-220**

**ACCEPTANCE OF TREASURER'S REPORT FOR JANUARY 2022**

RESOLVED, that the Treasurer's Report of Receipts and Disbursements for the period January 1 through January 31, 2022, as presented at this meeting is hereby in all respects accepted as actions of the Detroit Brownfield Redevelopment Authority.

February 9, 2022



**CODE DBRA 22-02-262-46**

**LAND ASSEMBLY PROJECT: AUTHORIZATION TO ENTER INTO A LETTER OF INTENT, DEVELOPMENT AGREEMENT NORTHPOINT DEVELOPMENT, LLC FOR APPROXIMATELY 12 ACRE SITE LOCATED AT 6101 VAN DYKE**

**WHEREAS**, the Detroit Brownfield Redevelopment Authority (“DBRA”) purchased the former Kettering School site (the “Site”) from Detroit Public Schools in November, 2019 and then sold the southern portion of the property to Dakkota Integrated Systems (“Dakkota”) in January, 2020 for the development of a manufacturing facility on the Site leaving the remaining northern portion of the property suitable for a similar development; and

**WHEREAS**, DBRA staff has identified Northpoint Development, LLC (“Developer”) as a potential developer of the Property to undertake demolition of any existing structures, utility relocation, any necessary remediation, and construct one or more structures of at least 150,000 square feet for light industrial, warehouse and distribution operations; and

**WHEREAS**, DBRA staff has negotiated the letter of intent attached hereto as **Exhibit A** (the “LOI”) with the Developer for the sale and development of the Property pursuant to a development agreement (“Development Agreement”) to be negotiated by the parties; and

**WHEREAS**, the transactions contemplated herein are consistent with the DBRA’s purposes of promoting the revitalization and reuse of certain properties and is otherwise consistent with its powers and purposes.

**NOW, THEREFORE, BE IT RESOLVED**, that the DBRA Board of Directors hereby approves the LOI.

**BE IT FURTHER RESOLVED**, 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 execute the LOI, and negotiate and execute the Development Agreement on terms and conditions consistent with the LOI and this resolution, together with such changes that are reasonably required for the project and are approved by DBRA Authorized Agents and counsel, which changes are not inconsistent with the intent of this resolution, and 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.

**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.

February 9, 2022

**EXHIBIT A  
LETTER OF INTENT**

See attached.



February \_\_, 2022 2/4/2022

Ms. Kenyetta Hairston-Bridges  
City of Detroit Brownfield Redevelopment Authority  
500 Griswold Street  
Suite 2200  
Detroit, MI 48226

Re: Purchase Offer –Kettering High School site, Detroit, MI

Dear Ms. Hairston-Bridges:

NorthPoint Development, LLC is pleased to submit this letter of intent (“LOI”) to acquire the Property from the City of Detroit Brownfield Redevelopment Authority (“DBRA”). The terms of our proposed acquisition are as follows:

- SELLER:** DBRA
- BUYER:** NorthPoint Development, LLC, (or its assignee/SPE)
- PROPERTY:** The property located 6101 Van Dyke Avenue, Detroit, MI 48213, which is identified as Parcel ID 17010007-35, 17010041-2, 17010040, 17010039, 17010038 and 171010036-7, consisting of approximately 11.86 acres as shown in Exhibit “A” attached hereto, together with all appurtenant easements, and rights of parking and access. The exact legal descriptions shall be determined by an ALTA/NSPS survey prepared by a bonded, licensed surveyor. Buyer acknowledges that, upon Closing, it is acquiring the Property “as is” with all faults and defects and further acknowledges that Seller has not made, and does not make, any representations, warranties, promises, covenants, agreements, or guaranties regarding the condition or use of the Property.
- CONTRACT:** Within fifteen (15) business days from the date of execution of this LOI by Seller, Seller will deliver a draft purchase, sale and development agreement (“PSA”) to Buyer. The Parties will work diligently and in good faith to finalize the negotiation of, and execute, the PSA within thirty (30) days of delivery by Seller. The PSA shall contain terms and conditions customary for a real estate purchase agreement in the jurisdiction in which the Property is located and the Seller’s standard development related requirements. Without limiting the foregoing, the PSA shall incorporate the terms set forth in this LOI.
- PURCHASE PRICE:** \$4,322,000 (Four Million Three Hundred Twenty Two Thousand and 00/100 Dollars) (the “Purchase Price”); provided that Buyer shall receive a credit at Closing towards the Purchase Price in an amount not to exceed \$2,372,000 (the “Maximum Site Prep Credit”) towards the cost of demolition, soil removal and remedial action; provided that in the event that the cost of demolition, soil removal, and remediation exceeds the Maximum Site Prep Credit, in no event shall the City or DBRA have any obligation to pay any such excess costs.

**TITLE POLICY:** Within ten (10) days following PSA execution, Buyer will order a current title commitment from the Title Company and will obtain a policy of title insurance at closing at Buyer's expense. Any matters disclosed in the title commitment to which Buyer objects shall be subject to a standard title objection provision in the PSA.

**DUE DILIGENCE PERIOD:** Buyer will have a period of ninety (90) days to perform all due diligence it deems necessary to determine the viability of the Property for Buyer's purposes (the "**Due Diligence Period**"). The Due Diligence Period shall commence on the later of: (i) the execution of the PSA by Seller, or: (ii) Buyer's receipt of all Due Diligence Materials as detailed below.

Buyer may extend the Due Diligence Period for thirty (30) days up to two (2) times by notifying Seller prior to the expiration of the then current Due Diligence Period. Buyer may elect to terminate the PSA at any time prior to the expiration of the Due Diligence Period, or any extension thereof, for any reason without recourse from Seller.

**APPROVALS PERIOD:** Commencing on the expiration of the Due Diligence Period, Buyer will have a period of thirty (30) days to obtain all jurisdictional approvals it deems necessary to develop a light industrial, warehousing, and logistics-based business park on the Property (the "**Approvals Period**"). Buyer may elect to terminate the PSA at any time prior to the expiration of the Approvals Period for any reason if Buyer is unable to obtain all necessary approvals for its proposed project.

Buyer may extend the Approvals Period for thirty (30) days by notifying Seller prior to the expiration of the then current Approvals Period. Buyer may elect to terminate the PSA at any time prior to the expiration of the Approvals Period for any reason if Buyer is unable to obtain all necessary approvals for its proposed project.

**BROWNFIELD REDEVELOPMENT:** Buyer intends to avail itself of the protections and benefits of any "brownfield", site remediation, voluntary cleanup or similar program or programs in effect in the jurisdiction in which the Property is located. Seller shall use commercially reasonable efforts to assist the Buyer in evaluating the eligibility of the Property for participation in such programs. The PSA will contemplate Buyer's application to such programs and, at Buyer's election, the acceptance of the Property into any such program may be included in the PSA as a condition of Closing. Notwithstanding the generality of the foregoing, the acceptance of the Property into any such programs is subject in all respects to required governmental approvals.

**MINIMUM DEVELOPMENT REQUIREMENTS** Buyer will construct a facility of at least 150,000 square feet intended for industrial uses related to advanced manufacturing, assembly, or transportation, distribution and logistics (the "Improvements"). Buyer shall coordinate and conduct all necessary site preparation activities at its sole expense, including but not limited to utilities relocation, establishment of required utility service to the Property, demolition all structures, demolition of streets and alleys, and any environmental remediation necessitated by Buyer's actions and/or required for Buyer's intended use and/or construction plans. Site preparation activities shall

commence within 60 days following closing and construction of the Improvements shall be completed within 24 months following closing. Without limiting the generality of the foregoing, site preparation activities shall include the demolition of all existing structures on the Property, including the former Kettering High School, and the removal of all stockpiled soils from the Property, to the extent such soils are not used as backfill for the demolished structures. In the event the foregoing conditions are not met, the Seller shall have the right to repurchase the Property upon the terms set forth in the PSA, which terms shall provide that Seller may deduct from any sum payable to Developer for the repurchase of the Property the cost to remove any stockpiled soils then remaining on the Property.

**GRANTS &  
INCENTIVES:**

Buyer intends on pursuing all incentive and other eligible programs available for the project including, MEDC grants, Brownfield TIF, tax abatements.

**DUE DILIGENCE  
MATERIALS:**

Prior to execution of the PSA, Seller agrees to provide Buyer with the following materials related to the Property actually within the possession of Seller (collectively “**Due Diligence Materials**”):

- Existing survey(s);
- All environmental reports, geotechnical studies, soil boring logs, soils reports, and any similar studies or reports;
- Previous year tax receipts;
- Expense documentation for previous activities on the Property, including expenses related to completed, on-going and expected environmental remediation and monitoring;
- Any leases or easements affecting the Property, including correspondence with tenants thereunder, as well as any other contracts or agreements affecting the Property;
- A schedule of any pending or incomplete tenant improvements and any unpaid tenant improvement costs or leasing commissions relating to the lease or the Property and any unpaid pecuniary obligation to any tenant or broker has vested, accrued, or arisen or is owned by Seller;
- Any title reports or title policies in Seller’s possession;
- Existing ECR / REA / or other documents governing common areas or easements affecting the Property;
- A list of all know defects or malfunctions affecting the Property with respect to parking lots, drainage and sewer systems;
- Any correspondence with any governmental authority having jurisdiction over the Property;
- Any correspondence with any lien claimants either still pending or lien claimants that have received a priority determination; and
- Such other and further materials and information as Buyer may reasonably request.

Upon execution of this LOI and completion of paid Right of Entry permit application, Buyer and its contractors and agents shall have access to the Property to conduct inspections and due diligence investigations and work as needed, including any activities necessary to satisfy any all appropriate inquiry (or other applicable) standards. Buyer’s activities will be coordinated with Seller.

**CLOSING:**

Closing “(**Closing**)” shall occur within thirty (30) days after the later of: (i) expiration of the Due Diligence Period; (ii) expiration of the or the Approvals

Period;(iii) such other date set forth in the PSA. Buyer and Seller shall execute (or cause to be executed and delivered) at Closing all documents and things which are usually and customarily executed and/or delivered for a transaction of this type in the jurisdiction in which the Property located.

**CONDITIONS OF CLOSING**

Conditions of Closing include:

- All environmental work shall be fully described and approved by the Authority Having Jurisdiction “AHJ” within a Remedial Action Plan “RAP” or similar measure prescribing the environmental work required at the property in order to obtain compliance and be developed.
- All land use covenants, use restrictions, or other deed related exceptions related to environmental RAP shall be approved by the AHJ.
- Buyer to procure an environmental liability insurance policy for its involvement in project.
- Buyer, with Seller’s commercially reasonable assistance, shall obtain necessary zoning approvals and planning approvals for the construction of a light industrial, warehousing, and logistics-based business park development.
- Approval of the terms of the PSA by the Board of Directors of DBRA
- Buyer shall have executed the ROFR (as defined below) with Dakkota.
- Buyer shall have executed an assumption agreement relating to that certain Plan of Action entered into between Seller and Dakkota Integrated Systems (“Dakkota”) on or about July \_\_, 2021 (as amended) (“POA”); provided, however that such POA shall be amended at Closing to require the removal of all stockpiled soils from the Property, to the extent such soils are not used as backfill for the demolished structures.

**CLOSING COSTS:**

At Closing, Seller shall pay:

- The costs of releasing all liens, judgments, and other encumbrances that are to be released and of recording such releases;

At Closing, Buyer shall pay:

- fees and costs due to the Title Company for its services as escrow agent;
- The cost of any owner’s policy of title insurance; and
- The cost of all endorsements to the owner’s policy of title insurance requested by Buyer;
- The cost of any lender’s policy of title insurance; and
- The cost of a current or updated ALTA/NSPS survey of the Property.
- Any transfer tax, deed tax, stamp tax, conveyance tax, or any similar tax associated with the sale of the Property;
- The cost of an extended coverage owner’s policy of title insurance, including any cost related to mechanic’s lien coverage.
- Closing Tax Payment

**EXCLUSIVE NEGOTIATION:**

Seller agrees that upon execution of this LOI and continuing through the earlier of: (i) the execution of the PSA; or (ii) the date which is one hundred (100) days from the date of execution of this LOI, Seller and its agents shall cease negotiations with any existing or new prospective buyers or tenants of the Property and agree not to enter into any negotiations with or agreements concerning the sale, transfer, lease or other disposition of the Property with any person or entity other than Buyer.

**OTHER:**

Buyer will agree to provide Dakkota Integrated Systems with a Right of First Refusal (“ROFR) to lease the premises. The terms of the ROFR are to be negotiated with Dakkota.

**EXPIRATION:** This offer shall become null and void unless accepted by Seller on or before February 7, 2022, at 5:00 P.M. Eastern Standard Time.

**BROKER'S COMMISSION:** Buyer is not represented by a broker. Each party agrees to indemnify the other party from any other broker claims by or through the indemnifying party.

This LOI, other than the provisions of the section entitled "Exclusive Negotiation", which will be binding upon approval of the terms of this LOI by the DBRA Board of Directors, represents a non-binding proposal with respect to Buyer's proposed acquisition of the Property, but it creates no obligation on, or rights in favor of, Buyer or Seller unless and until the PSA is executed by Buyer and Seller and the terms thereof are approved by the Board of Directors of DBRA. Nothing herein is intended to be, or may be construed as, a binding commitment to enter into the PSA or any other transaction.

If the foregoing correctly sets forth our agreement, please sign and return the enclosed copy of this letter.

Sincerely,



Tim Conder  
NorthPoint Development, LLC  
4825 NW 41<sup>st</sup> Street, Suite 500  
Riverside, Missouri 64150

**Buyer:** Tim Conder  
Signature: \_\_\_\_\_  
Name: Tim Conder  
Title: Vice President

**Seller:** [Signature]  
Signature: \_\_\_\_\_  
Name: Kenyetta Bridges  
Title: Authorized Agent  
  
[Signature]  
Signature: \_\_\_\_\_  
Name: Jennifer Kanalos  
Title: Authorized Agent

EXHIBIT A





**CODE DBRA 22-02-87-04**

**EDDYSTONE BROWNFIELD PLAN: RECOMMENDATION TO CITY COUNCIL TO TERMINATE 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 February 2, 2005, the DBRA Board of Directors approved the Eddystone Brownfield Plan (the “Plan”) and recommended the approval of the Plan to City Council; and

WHEREAS, on March 23, 2005, City Council approved the Plan; and

WHEREAS, on April 4, 2005, the Mayor of the City of Detroit approved the Plan; and

WHEREAS, Section 14(8)(b) of Act 381 of 1996, as amended, permits a governing body to terminate a brownfield plan or plan amendment for an eligible property if the project for which eligible activities 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, and (ii) Provides the developer an opportunity to be heard at a public meeting; and

WHEREAS, the “developer” for the Plan is Eddystone Development, L.L.C. (the “Developer”); and

WHEREAS, the DBRA has determined that the project identified in the Plan failed to occur within 2 years of City Council’s approval of the Plan; and

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

NOW THEREFORE, BE IT 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 termination of the Plan to City Council; and

BE IT FURTHER RESOLVED, subject to the termination 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 FINALLY RESOLVED that any two Officers, or any two of the Authorized Agents of the DBRA, shall hereafter have the authority to negotiate and execute any and all documents, contracts, or other papers necessary to implement the provisions and intent of this resolution on behalf of the DBRA.  
February 9, 2022



**CODE DBRA 22-02-306-03**

**CODA BRUSH PARK BROWNFIELD REDEVELOPMENT PLAN: REIMBURSEMENT AGREEMENT**

WHEREAS, on December 1, 2021, the Detroit Brownfield Redevelopment Authority (the "DBRA") Board of Directors adopted a resolution authorizing transmittal of the Brownfield Plan for the CODA Brush Park Redevelopment Project (the "Plan") to the Detroit City Council with a recommendation for approval; and

WHEREAS, after DBRA approval of the Plan, it was discovered that Attachments A and B of the Plan did not accurately describe the parcel to be included in the Plan; and

WHEREAS, the DBRA staff directed the developer for the Plan to resubmit the Plan to the DBRA Board of Directors with a revised Attachment A & B prior to transmittal to Detroit City Council.

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

1. The revised Plan with a new Attachment A and Attachment B (the "Revised Plan"), in substantially the form attached to this Resolution as Exhibit A, is hereby approved and the Revised Plan shall replace in its entirety the Plan previously submitted and approved by the DBRA Board of Directors on December 1, 2021.
2. This Resolution shall take effect immediately upon its adoption.
3. Any Authorized Agent of the DBRA is authorized and directed to submit a certified copy of this Resolution and the Revised Plan to the City Clerk and to take all other actions required to approve the Revised Plan in accordance with Act 381.

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.

February 9, 2022



**CODE DBRA 22-02-306-04**

**CODA BRUSH PARK BROWNFIELD REDEVELOPMENT PLAN: REIMBURSEMENT AGREEMENT**

WHEREAS, on December 1, 2021, 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 CODA Brush Park Redevelopment (the "Project"); and

WHEREAS, on February 22, 2022, the Detroit City Council is expected to approve 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 Brush Park Properties, 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.

February 9, 2022



**CODE DBRA 22-02-307-03**

**THE RIBBON BROWNFIELD REDEVELOPMENT PLAN: REIMBURSEMENT AGREEMENT**

WHEREAS, on December 15, 2021, 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 Ribbon Redevelopment (the "Project"); and

WHEREAS, on February 15, 2022, the Detroit City Council is expected to approve 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 Flux City, 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.

February 9, 2022