



**DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
MINUTES OF THE
REGULAR COMMUNITY ADVISORY COMMITTEE MEETING
WEDNESDAY, DECEMBER 13, 2023, 5:00 PM**

COMMITTEE MEMBERS PRESENT: Omar Hasan
Abir Ali
Byron Osbern
George Etheridge
Jeffrey Evans
Dr. Regina Randall
Rico Razo
Ponce Clay
Marloshawn Franklin

COMMITTEE MEMBERS ABSENT: None

OTHERS PRESENT:

Brian Vosburg (DEGC/DBRA)	Ruth Johnson
Jennifer Kanalos (DEGC/DBRA)	Theo Pride
Cora Capler (DEGC/DBRA)	Russ Bellant
Sierra Spencer (DEGC/DBRA)	Alise Dixon
Rebecca Navin (DEGC/DBRA)	Tonya Myers-Phillips
Aryllyn Dailey (Michigan State University)	William M. Davis
Bill Lichwalla (Plante Moran)	Elizabeth Rogers
Jake Austermann (Plante Moran)	Jerry Williams
Richard Haddad (Detroit Pistons)	Kevin Grigg
Richard Barr (Honigman)	Scena Webb
Jerry Darby (Henry Ford Health)	Sheena Saffold
Norman Hubbard (Michigan State University)	Sherisse M. Butler
Stefan Welch (Detroit Pistons)	Stephanie Gilmore
Barry Blackwell (Henry Ford Health)	Tamela
Aaron Goodman (City of Detroit)	Cassy
Brittney Hoszkiw (Mayor's Office, City of Detroit)	DPP
Maria Mastej (Plante Moran)	Phone Number Ending in 7510
Venita Thompkins (Virginia Park Community)	Phone Number Ending in 9905
Daniel Kennedy	
Darryl Humes	



Call to Order

Chairperson, Mr. Razo, called the meeting to order at 5:18 p.m.

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

General

Approval of Minutes

Mr. Razo called for approval of the minutes of the August 23, 2023 DBRA-CAC meeting, as presented.

The Committee took the following action:

Mr. Etheridge made a motion approving the minutes of the August 23, 2023, meeting, as presented.

Mr. Osbern seconded the motion.

DBRA-CAC Resolution Code 23-12-02-179 was approved.

Projects

Future of Health Transformational Brownfield Redevelopment Plan

Ms. Capler presented the Future of Health Transformational Brownfield Redevelopment Plan.

Transformational Brownfield Plan Introduction

Transformational Brownfield Plans (“TBPs”) are defined as plans that will have a “transformational impact on local economic development and community revitalization based on the extent of brownfield redevelopment and growth in population, commercial activity, and employment that will result from the Plan.”

Per Michigan Public Act 381 of 1996, as amended (“Act 381”), TBPs must be a mixed-use development and, with respect to TBPs in Detroit, with certain exceptions, must have a minimum level of capital investment of \$500 million or more. This investment can be one project or a series of developments on eligible property that are a “related program of investment.” In addition to the capture of property tax increment revenues by the brownfield authority (“TIR”), TBPs allow for the capture by the State of Michigan of construction period tax revenues, state income tax revenues, and withholding tax revenues (“TR” and together with TIR, “TCR”) as well as certain sales tax exemptions. Eligible activities under TBPs are expanded to include the “construction, restoration, alteration, renovation or improvement of buildings.”

A proposed TBP for the Future of Health Transformation Brownfield Plan Redevelopment Projects (the “Plan”) is being submitted for review and consideration and will be described by project.

Palace Sports & Entertainment, LLC (“PSE”) and/or its affiliate DP Amsterdam, LLC, Henry Ford Health System (“HFH”), and Michigan State University (“MSU”) will be the developers of the projects (collectively the “Developer”).

6175 THIRD AVENUE – RESEARCH CENTER

Project Introduction

The new-construction 326,362 square foot building will be the location of advanced health science and medical research to be conducted pursuant to a collaboration agreement between HFH and MSU. The research conducted at the facility will include activities currently conducted at the One



Ford Place HFH headquarters as well as advance research in areas including cancer, neurosciences, immunology, hypertension, and dermatology pursuant to programs funded by the National Institutes of Health and other sources. In addition, a portion of the building will be used by the Nick Gilbert Neurofibromatosis Research Institute in partnership with the Gilbert Family Foundation to conduct research into neurofibromatosis.

It is currently estimated that this project will create 1,096 direct onsite construction jobs and 558 direct permanent jobs with an average wage of \$66.25 per hour and 3,020 indirect and induced jobs. Three hundred sixty-three (363) of the direct permanent jobs are anticipated to be “net new” to the City and State, with 195 of the permanent jobs relocating from the existing One Ford Place.

Total investment is estimated at \$393 million. The Developer is requesting approximately \$39.6M in TCR reimbursement for this component of the Plan.

Property Subject to the Plan

The eligible property (the “6175 Third Street Site”) will consist of a single parcel bounded by railroad tracks to the north, Third Avenue to the east, Holden Street to the south and the John C. Lodge Freeway to the west in Detroit’s New Center neighborhood.

Basis of Eligibility

The 6175 Third Street Site is considered “eligible property” as defined by Act 381, Section 2 because (a) the property was previously used for a commercial purpose; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) the 6175 Third Street Site is determined to be facility.

Eligible Activities and Projected Costs

The “eligible activity” that is intended to be carried out at the 6175 Third Street Site is considered an “eligible activity” as defined by Sec 2 of Act 381, because it includes new construction. The eligible activity and budgeted costs are intended as part of the development of the 2200 Woodward Avenue Site and will be financed solely by the Developer. The City of Detroit Brownfield Redevelopment Authority (the “DBRA”) is not responsible for any costs of the eligible activity and will incur no debt. Construction is estimated to begin in the second quarter of 2024 and be complete within six (6) years of the Michigan Strategic Fund’s (“MSF”) approval of this Plan.

TBP Capture

The 6175 Third Street Developer desires to be reimbursed for the costs of eligible activities. TCR generated by the 6175 Third Street Site will be captured by the DBRA and the State of Michigan, as applicable, and used to reimburse the cost of the eligible activities. The reimbursement for eligible activities completed on the 6175 Third Street Site and each of the eligible properties referenced hereinafter and contained in the Plan after approval of this Plan will be governed by the terms of a Reimbursement Agreement with the DBRA, the MSF and the Michigan Department of Treasury (the “Reimbursement Agreement”).

COSTS TO BE REIMBURSED WITH TCR

1. Eligible Construction Costs	\$39,580,808.00
Total Reimbursement to Developer	\$39,580,808.00



2. Authority Administrative Costs	\$0.00
3. State Brownfield Redevelopment Fund	\$0.00
4. Local Brownfield Revolving Fund	\$0.00
TOTAL Estimated Costs	\$39,580,808.00

The actual cost of those eligible activities encompassed by this component of the Plan that will qualify for reimbursement from TCR from the 6175 Third Street Site shall be governed by the terms of the Reimbursement Agreement.

Other Incentives

The Developer is not seeking additional incentives for the 6175 Third Street Site.

6005 SECOND AVENUE – ONE FORD PLACE (RESIDENTIAL 1)

Project Introduction

This component of the Plan entails the planned adaptive reuse and renovation of the historic One Ford Place building located at 6005 Second Avenue, which is currently the HFH corporate headquarters building. The adaptive reuse will convert the building into the mixed-use residential building consisting of approximately 403 mixed-income residential apartments, including 20% (81) units with rents affordable to occupants with average incomes of 50% of AMI and 17,060 GSF of retail/commercial. Current plans indicate the residential portion of the Residential 1 building will include 181 studio apartments each with an average of 565 square feet of interior space, 168 one-bedroom apartments each with an average of 718 square feet of interior space, and 43 two-bedroom apartments each with an average of 1,070 square feet of interior space. The historic designation is anticipated to be approved in 2024.

It is currently estimated that this project will create 539 direct onsite construction jobs. Ongoing economic impacts of the commercial activity following completion of the project are expected to create 11 permanent property management jobs by the owner and 87 permanent jobs by tenants operating businesses which will be identified during and after the building’s construction phase. The projected 98 direct permanent jobs are anticipated to earn upon completion an average wage of approximately \$17 per hour.

Total investment is estimated at \$189 million. The Developer is requesting approximately \$103.3M in TCR reimbursement for this component of the Plan.

Property Subject to the Plan

The eligible property (the “6005 Second Avenue Site”) will consist of a single parcel bounded by Ford Place to the north, Second Avenue to the east, York Street to the south, and Third Avenue to the west in Detroit’s New Center neighborhood.

Basis of Eligibility

The 6005 Second Avenue Site is considered “eligible property” as defined by Act 381, Section 2 because (a) the 6005 Second Avenue Site was previously used for commercial purposes; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) the 6005 Second Avenue Site is determined to be a facility.

Eligible Activities and Projected Costs



The “eligible activity” that is intended to be carried out at the 6005 Second Avenue Site is considered an “eligible activity” as defined by Sec 2 of Act 381, because it includes new construction. The eligible activity and budgeted costs are intended as part of the development of the 6005 Second Avenue Site and will be financed solely by the Developer. The DBRA is not responsible for any costs of the eligible activity and will incur no debt. Construction is estimated to begin in the second quarter of 2027 and be complete within six (6) years of the MSF’s approval of this Plan.

TBP Capture

The Developer desires to be reimbursed for the costs of eligible activities. TCR generated by the 6005 Second Avenue Site will be captured by the DBRA and the State of Michigan, as applicable, and used to reimburse the cost of the eligible activities completed on eligible property under the Plan after approval of this Plan pursuant to the terms of the Reimbursement Agreement.

COSTS TO BE REIMBURSED WITH TIF

1. Eligible Construction Costs	\$108,784,891.00
Total Reimbursement to Developer	\$108,784,891.00
2. Authority Administrative Costs	\$2,802,857.00
3. State Brownfield Redevelopment Fund	\$2,326,537.00
4. Local Brownfield Revolving Fund	\$0.00
TOTAL Estimated Costs	\$113,914,286.00

The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from TCR from the 6005 Second Avenue Site shall be governed by the terms of the Reimbursement Agreement.

Other Incentives

The Developer is seeking additional incentives through a Commercial Rehabilitation Act (PA 210) and Neighborhood Enterprise Zone (NEZ) abatements.

725 AMSTERDAM – RESIDENTIAL 2

Project Introduction

This component of the Plan entails the planned new construction of approximately 154 mixed-income apartments in five stories above first floor retail/commercial.

The newly constructed mixed-use Residential 2 building is projected to contain approximately 159,204 GSF with 151,189 GSF for 154 apartments, 20% (31) of which will be affordable at an average of 50% AMI, as well as 8,015 GSF for retail/commercial. Current plans indicate the residential portion of the Residential 2 building will include 75 studio apartments each with an average of 514 square feet of interior space, 69 one-bedroom apartments each with an average of 793 square feet of interior space, and 10 two-bedroom apartments each with an average of 1,117 square feet of interior space.

It is currently estimated that this project will create 248 direct onsite construction jobs. Ongoing economic impacts of the commercial activity following completion of the project are expected to create 4 permanent property management jobs by the owner and 41 permanent jobs by tenants operating businesses which will be identified during and after the building’s construction phase.



The projected 45 direct permanent jobs are anticipated to earn upon completion an average wage of approximately \$16 per hour.

Total investment is estimated at \$79 million. The Developer is requesting approximately \$36.6M in TCR reimbursement for this component of the Plan.

Property Subject to the Plan

The eligible property (the “725 Amsterdam Site”) will consist of a one parcel bounded by Amsterdam Street to the north, Second Avenue to the east, Ford Place to the south, and Third Avenue to the west in Detroit’s New Center neighborhood.

Basis of Eligibility

The 725 Amsterdam Site is considered “eligible property” as defined by Act 381, Section 2 because (a) the 725 Amsterdam Site was previously used for a commercial purpose; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) the 725 Amsterdam Site is determined to be a facility.

Eligible Activities and Projected Costs

The “eligible activity” that is intended to be carried out at the 725 Amsterdam Site is considered an “eligible activity” as defined by Sec 2 of Act 381, because it includes eligible construction costs. The eligible activity and budgeted costs are intended as part of the development of the 725 Amsterdam Site and will be financed solely by the 725 Amsterdam Developer. The DBRA is not responsible for any costs of the eligible activity and will incur no debt. Construction is estimated to begin in the second quarter of 2025 and be complete within six (6) years of the MSF’s approval of this Plan.

TBP Capture

The 725 Amsterdam Developer desires to be reimbursed for the costs of eligible activities. TCR generated by the 725 Amsterdam Site will be captured by the DBRA and the State of Michigan, as applicable, and used to reimburse the cost of the eligible activities completed on eligible property under the Plan after approval of this Plan pursuant to the terms of the Reimbursement Agreement.

COSTS TO BE REIMBURSED WITH TCR

1. Eligible Construction Costs	\$39,634,717.00
Total Reimbursement to Developer	\$39,634,717.00
2. Authority Administrative Costs	\$847,491.00
3. State Brownfield Redevelopment Fund	\$995,776.00
4. Local Brownfield Revolving Fund	\$0.00
TOTAL Estimated Costs	\$41,477,984.00

The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from TCR from the 725 Amsterdam Site shall be governed by the terms of the Reimbursement Agreement.

Other Incentives



The Developer is seeking additional incentives through a Commercial Rehabilitation Act (PA 210) abatement.

675 AMSTERDAM – RESIDENTIAL 3

Project Introduction

This component of the Plan entails the new construction of approximately 105 mixed-income apartments in five stories above first floor retail/commercial.

The newly constructed mixed-use Residential 3 building is projected to contain approximately 112,395 GSF with 106,122 GSF for 105 apartments, 20% (21) of which will be affordable at an average of 50% AMI, as well as 6,273 NRSF/GSF of retail/commercial space. Current plans indicate the residential portion of the Residential 3 building will include 55 studio apartments each with an average of 493 square feet of interior space, 40 one-bedroom apartments each with an average of 796 square feet of interior space, and 10 two-bedroom apartments each with an average of 1,060 square feet of interior space.

It is currently estimated that this project will create 158 direct onsite construction jobs. Ongoing economic impacts of the commercial activity following completion of the project are expected to create 3 permanent property management jobs by the owner and 31 permanent jobs by tenants operating businesses which will be identified during and after the building's construction phase. The projected 34 direct permanent jobs are anticipated to earn upon completion an average wage of approximately \$17 per hour.

Total investment is estimated at \$54 million. The Developer is requesting approximately \$25.7M in TCR reimbursement for this component of the Plan.

Property Subject to the TBP

The eligible property (the "675 Amsterdam Site") will consist of a single parcel bounded by Amsterdam Street to the north, Second Avenue to the east, Ford Place to the south and Third Avenue to the west in Detroit's New Center neighborhood.

Basis of Eligibility

The 675 Amsterdam Site is considered "eligible property" as defined by Act 381, Section 2 because (a) the 675 Amsterdam Site was previously used for a commercial purpose; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) the 675 Amsterdam Site is determined to be a facility.

Eligible Activities and Projected Costs

The "eligible activity" that is intended to be carried out at the 675 Amsterdam Site is considered an "eligible activity" as defined by Sec 2 of Act 381, because it includes new construction. The eligible activity and budgeted costs are intended as part of the development of the 675 Amsterdam Site and will be financed solely by the 675 Amsterdam Developer. The DBRA is not responsible for any costs of the eligible activity and will incur no debt. Construction is estimated to begin in the second quarter of 2027 and be complete within six (6) years of MSF approval of this Plan.

TBP Capture



The 675 Amsterdam Developer desires to be reimbursed for the costs of eligible activities. TCR generated by the 675 Amsterdam Site will be captured by the DBRA and the State of Michigan, as applicable, and used to reimburse the cost of the eligible activities completed on the eligible property under the Plan after approval of this Plan pursuant to the terms of the Reimbursement Agreement.

COSTS TO BE REIMBURSED WITH TCR

1. Eligible Construction Costs	\$27,084,984.00
Total Reimbursement to Developer	\$27,084,984.00
2. Authority Administrative Costs	\$529,631.00
3. State Brownfield Redevelopment Fund	\$700,027.00
4. Local Brownfield Revolving Fund	\$0.00
TOTAL Estimated Costs	\$28,314,642.00

The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from TCR from the 675 Amsterdam Site shall be governed by the terms of the Reimbursement Agreement.

Other Incentives

The Developer is seeking additional incentives through a Commercial Rehabilitation Act (PA 210) abatement.

6205 THIRD STREET – PARKING GARAGE

Project Introduction

This component of the Plan entails the new construction of an 804-space, six story parking garage to provide parking for the Research Center and the Residential 1, Residential 2 and Residential 3, mixed-use buildings.

It is currently estimated that this project will create 104 direct onsite construction jobs. No permanent jobs are expected to be created by the Parking Garage.

Total investment is estimated at \$58 million. The Developer is requesting approximately \$14.4M in TCR reimbursement for this component of the Plan.

Property Subject to the TBP

The eligible properties (the “6205 Third Street Site”) will consist of a single parcel bounded by railroad tracks to the north, Third Avenue to the east, Holden Street to the south, and John C. Lodge Freeway to the west in Detroit’s New Center neighborhood.

Basis of Eligibility

The 6205 Third Street Site is considered “eligible property” as defined by Act 381, Section 2 because (a) the 6205 Third Street Sites was previously used for a commercial purpose; (b) is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) the 6205 Third Street Site are determined to be a facility.

Eligible Activities and Projected Costs



The “eligible activity” that is intended to be carried out at the 6205 Third Street Site is considered an “eligible activity” as defined by Sec 2 of Act 381, because it includes new construction. The eligible activity and budgeted costs are intended as part of the development of the 6205 Third Street Site and will be financed solely by the 6205 Third Street Developer. The DBRA is not responsible for any costs of the eligible activity and will incur no debt. Renovation is estimated to begin in the fourth quarter of 2025 and be complete within six (6) years of MSF approval of this Plan.

TBP Capture

The 6205 Third Street Developer desires to be reimbursed for the costs of eligible activities. TCR generated by the 6205 Third Street Site will be captured by the DBRA and the State of Michigan, as applicable, and used to reimburse the cost of the eligible activities completed on the eligible property under the Plan after approval of this Plan pursuant to the terms of the Reimbursement Agreement.

COSTS TO BE REIMBURSED WITH TCR

1. Eligible Construction Costs	\$16,689,402.00
Total Reimbursement to Developer	\$16,689,402.00
2. Authority Administrative Costs	\$1,042,468.00
3. State Brownfield Redevelopment Fund	\$662,058.00
4. Local Brownfield Revolving Fund	\$0.00
TOTAL Estimated Costs	\$18,393,928.00

The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from TCR from the 6205 Third Street Site shall be governed by the terms of the Reimbursement Agreement.

Other Incentives

The Developer is not seeking additional incentives for the 6205 Third Street Site.

OVERALL TRANSFORMATIONAL IMPACTS

- \$773 million in capital investment, significantly exceeding the \$500 million statutory threshold.
- A total of 4 new construction development projects exceeding 917,961 total square feet of redevelopment on current surface parking lots in addition to the adaptive reuse of a 626,953 SF historic structure in Detroit’s New Center neighborhood.
- Net fiscal benefit to the City’s General Fund of \$700 million over the 35-year life of the Plan and abatements.
- Constructing approximately 662 new residential units, of which 132 units will be reserved for residents making an average of 50% of the Area Median Income to grow the City’s population and tax base.



- Creating or supporting approximately 2,145 direct construction jobs with total wages expected to exceed \$133 Million throughout the construction period (an annual average wage of \$61,921 per job), and a total economic output of \$474 Million.
- Creating or supporting approximately 735 direct permanent jobs in the City to expand economic opportunity and grow the City's tax base.

TOTAL TBP COSTS TO BE REIMBURSED WITH TCR

1. Eligible Construction Costs	\$231,774,802.00
Total Reimbursement to Developer	\$231,774,802.00
2. Authority Administrative Costs	\$5,222,447.00
3. State Brownfield Redevelopment Fund	\$4,684,399.00
4. Local Brownfield Revolving Fund	\$0.00
TOTAL Estimated Costs	\$241,681,648.00

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.

Public Comment

Mr. Razo called for public comment and stated that each speaker would be given one minute.

Mr. Bellant stated that by giving the public one minute to speak, it minimizes the voice of the community considering billions of dollars are being discussed. Mr. Bellant stated that \$292 million that is meant to go to schools, libraries, special needs children, parks, city debt, and school debt is being redirected. Mr. Bellant continued that although this is happening over time, it is a part of a many yearlong pattern occurring in the City. Mr. Bellant stated that it is disturbing that tax captures are so secretive and that many residents are unaware of the tax captures, therefore they don't realize everything being done is debilitating to the schools and libraries. Mr. Bellant added that Dr. Vitti has asked for years to stop tax abatements.

Ms. Johnson introduced herself as the Public Policy Director for Community Development Advocates of Detroit (CDAD) and asked the CAC to vote no or postpone their vote until the public hearing. Ms. Johnson stated that there has not been sufficient time for community members such as members in the impact area, CDAD members, Central Detroit Christian Community Development Corporation, 360 Detroit, and NW Goldberg Cares because the draft had been presented the night prior. Ms. Johnson added that it is important to hear and understand what the community needs, noting that Detroit City Council has not had sufficient time to deliberate. Ms. Johnson stated that this consideration is premature, especially during the holiday season, adding that the deeply affordable rates proposed for some of the residential units is not deeply affordable, the housing is not attainable, and the benefits are not beneficial when considering the public investment in a private project of luxury.

Mr. Pride introduced himself in association with the Detroit People's Platform and stated that the Legislative Policy Division (LPD) has released a report that says Detroit overuses tax incentives and must find a way to complete development without tax incentives to be healthy fiscally. Mr. Pride stated that the Future of Health project is asking for \$300 million in tax incentives but about 81% is going to luxury housing and this deal is not about research and hospitals but about luxury apartments. Mr. Pride rhetorically asked if building



small luxury apartments was the best use for public resources stating that it is clearly not as it takes \$60 million from Detroit schools and provides very few jobs. Mr. Pride stated that the community wants direct benefits for seniors, reimbursements for the schools, and the affordable housing trust fund. Mr. Pride asked the CAC to not support the Future of Health project because it is a luxury housing project that takes too much from the public without giving anything back.

Mr. Humes introduced himself as a small business owner inside the Fisher Building and explained that he has been a part of the process and while there are pros and cons to the Future of Health project, he feels that the project will be very good for the New Center area. Mr. Humes stated that the project not only helps with health care and medical research but also the economic growth in the area which is obviously needed. Mr. Humes added that as value is found for the local community and residents this is important. Mr. Humes stated that he believes the project will be a part of the advancement of the New Center area which is in dire need.

Mr. Davis introduced himself as the President of the Detroit Chapter National Action Network and President of the Detroit Active Retirement Employee Association and posed a few questions. Mr. Davis asked if residents would have to pay a parking fee to park in the parking structure, how the project will impact drainage in the area, what's going into the sewage system, and if it would increase the probability of flooding. Mr. Davis asked if the system could hold an additional volume of people. Mr. Davis asked how the project would affect the City's general fund, specifically if it adversely affects it, and if fewer people are paying State income tax. Mr. Davis asked if this would affect his revenue sharing and how it would benefit him as a City of Detroit retiree who worked 34 years for the water department. Mr. Davis asked how this would benefit people outside a select group of people who continue to receive money because the vast majority of people in the City of Detroit do not seem to be getting much benefit from it.

Mr. Kennedy stated that his grandfather and his father both served as Detroit police officers and that he grew up on the lower east side of Detroit and played basketball for the University of Detroit and currently works for a tier one automotive supplier that built a big plant in Detroit and does a lot of work within the region. Mr. Kennedy stated that he has seen so much positive energy coming from within Detroit from the various developments and he believes that a collaboration between academia, healthcare, and sports entertainment coming together to create jobs and provide taxable land that is not being utilized will cause many ripple effects that will be extremely positive. Mr. Kennedy stated it would be another pocket like the University District, Midtown, Corktown, Greektown, and the new bridge. Mr. Kennedy stated this project is a hugely positive and transformative project that he looks forward to coming to fruition.

Mr. Williams introduced himself as president of the Northwestern High School Alumni Association and is speaking on behalf of the students of Northwestern to take into consideration the proposed idea of a partnership with the school to create a state of the art healthcare center within the building. Mr. Williams stated this is to partner with their students and create Future of Health careers as they are learning the basics and the academic requirements of what it takes to be in the healthcare field. Mr. Williams stated that with the community benefit, he would like to see this merge and connect with the Northwestern students so that they can indeed be the future of health with careers for themselves.

Ms. Myers-Phillips from the Sugar Law Center stated that she had the displeasure of being at the Neighborhood Advisory Committee meeting the night prior and stated that after monitoring many CBO deals this is not the largest community benefits package ever but rather it is the worst ever. Ms. Myers-Phillips stated that the agreement is riddled with obligations that Henry Ford is already required to provide because of their federal tax-exempt status which is double dipping in the community benefit pot. Ms. Myers-Phillips stated that one egregious example is that Michigan State University is offering scholarships, but the university has already committed to offering free tuition for low-income families which will probably be what happens with the housing component in the area with no concessions. Ms. Myers-Phillips stated that the deeply affordable units are offset by raising affordability on the other units. Ms. Myers-Phillips stated she



needed to pull the entities apart and asked to be shown how it is reasonable in the statute to award this amount of tax abatements.

Ms. Dixon introduced herself to represent the Boys and Girls Club of Southeast Michigan and has had the pleasure of being a part of many of the CBO conversations to date. Ms. Dixon stated she is in support of this project as there are transformational benefits that the project will bring to not just the New Center area, but the whole of Detroit. Ms. Dixon stated that their experience working with the Detroit Pistons as an organization, seeing their agility, and seeing the way they have supported community projects in the future just further allows it to be seen that this is going to be a dynamic project that will bring a lot of benefits.

Ms. Tompkins stated she had just left the conference room and had watched the presentation twice. Ms. Tompkins stated that in consideration for the Neighborhood Advisory Committee vote on the Community Benefits Agreement that happened the previous night which was a seven to two vote and out consideration of some of the other members who opposed due to some other questions concerning the Virginia Park Community joint venture with Henry Ford Hospital Housing corporation, and information that was not shared such as finances. Ms. Tompkins stated this was her main question as to where the funding goes since it was mentioned the night prior that the corporation was dissolved in 2015.

Projects Cont.

Future of Health Transformational Brownfield Redevelopment Plan Cont.

Mr. Razo asked the CAC Members if they had any questions for the development team.

Dr. Randall stated that she was concerned about the support letters as there was an extensive list of groups that their team has met with included in the presentation, but there are no letters from those groups. Dr. Randall stated that the majority of their letters have been provided by individuals written to the Detroit City Council and that she is looking for letters from community-based organizations such as block clubs instead of letters from trade unions or business-orientated collaborations. Mr. Darby stated that the development team has have met with several groups and received support from many of the groups that they've met with some being listed and some unlisted. Mr. Haddad continued that the team feels good about the level of communication and that each group that their team met with was not asked to provide a letter of support but remains proud of the support they have been able to provide.

Mr. Osbern noted that there was a conversation concerning the number of construction jobs that will be created by the project and asked what type of workforce development plan has been set in place for the the permanent jobs to be created to make those opportunities available to Detroit residents and specifically residents of the impact area. Mr. Darby stated that the opportunities are significant through many facets, first being the specific healthcare and STEM opportunities for local high school and middle school students which include programs, training internships and opportunities to learn while getting paying jobs. The program for the construction aspect is their boot camp program and multiple other programs that are specific for local Detroiters.

Mr. Osbern stated since the project uses no federal funds to invoke a Davis Bacon prevailing wage, he wants to ensure that Detroiters are receiving careers and not jobs and asked the development team to see this all the way through considering the serious concerns brought forward through public comment.

Mr. Franklin stated that he hopes that the permanent jobs are kept in mind as well. Mr. Darby stated that this is their goal both on the research and healthcare sides to develop a pipeline of locals to have technical jobs all the way up to doctors. Mr. Franklin explained he was not attempting to knock Henry Ford but that as an advocate for working people in the union, Henry Ford does not have the best reputation of being backed and stated he'd like to have further conversations later.



Mr. Etheridge asked, as it relates to the rehabilitation of One Ford Place, he noticed there was a historic designation being sought for the property if a hearing has been set. Mr. Austermann stated that the hearing has not been set but that preliminary application materials are associated with the process of submitting their national historic designation.

Mr. Etheridge stated that it had been indicated that \$28 million of federal historic tax credit was being captured and asked what vehicle this was being captured through. Mr. Austermann stated it is tax credit equity or a federal incentive resource that is meant to provide tax credits to investors. Mr. Etheridge asked if any state historic tax credits are being sought. Mr. Austermann responded there was not.

Mr. Etheridge stated there were a few questions that were raised in public comment he would like answers to such as if Northwestern High School has been identified as one of their partners. Mr. Darby stated that Northwestern High School has been identified and is a part of the new scholarship program, in-school programs, and internship programs.

Mr. Etheridge asked if there would be a parking fee for the residents to use the new parking structure. Mr. Haddad responded that there would be parking available. Mr. Etheridge asked if the fee would be at a reduced rate for residents or if it would be a standard rate. Mr. Haddad responded that this is something that is still being looked into as partners are being finalized.

Mr. Etheridge noted that there is a price spending of \$24 million identified for infrastructure improvements and asked about stormwater management. Mr. Darby stated that the development team is extensively involved in stormwater management in multiple ways, including tank storage, green roofs, and bioswals

Ms. Ali stated that the development team stated one of their pillars is housing for Detroiters and the inclusion of families, therefore is curious as to how the inclusion of families could be a principle stood on by the development team when the biggest unit offered is a two bedroom. Mr. Haddad responded that by looking at the market the demand is in studio, one and two-bedroom units. Mr. Haddad further stated that the concern is that the market would not support larger units, but it is something that will continue to be revisited until groundbreaking. Ms. Ali advised that as the unit mix evolves, their narrative including families evolves as well.

Ms. Ali asked for more information about the five acres of green space and the relationship with the new hospital, research facility, residential programs, the general public, and existing public spaces. Mr. Darby explained that the five acres is directly surrounding the hospital, and a major square which has public amenities and public spaces. There will also be green space that will go from the new hospital down along the west side of the John C. Lodge Freeway to the research building. There is additional green space along Lincoln Avenue, between the Cancer Center and behind the new hospital making the total amount of green space more than five acres.

Ms. Ali asked if there would be community engagement around the design and programming of the green spaces. Mr. Haddad responded that they have already engaged with the public to receive ideas about the proposed green spaces and the development team will continue to work with the public throughout the planning process.

Mr. Haddad stated that the Detroit Pistons have made the commitment through the last CBO to work with the City to refurbish over 60 basketball courts around the City of Detroit in parks and neighborhoods and have made a point to program those areas with various fitness programs and have seen success with that effort.



Ms. Ali asked what percent of the development team's investment is committed to public art. Mr. Darby stated there will be art in front of the new hospital but is unsure of the exact percentage of the total investment noting that public art is significant to the overall development. The team is looking to work with local artists, which is something they have done previously in the Cancer Center and expect those efforts to continue.

Mr. Haddad stated this is also the practice for the Pistons noting that the performance center has significant local art displayed in the facility.

Ms. Ali asked how many architects are involved with the development of the campus. Mr. Darby explained that the new hospital requires many specialists therefore they are working with three architects right now, one being local, and minority based.

Mr. Osbern asked if the team could speak to green technology that is planned for the projects. Mr. Darby stated that Henry Ford has a national commitment to be carbon neutral by 2050 but the team is looking to achieve that status earlier than 2050. The central energy facility for the new hospital campus will be fully electric.

Mr. Evans stated that he has had prior experience with Henry Ford when Nancy Schlichting was President of the organization and they had discussed black participation in business development in a big way. Mr. Evans explained that his main goal was to replace the opportunities that were leaving the automotive industry in the black college ecosystem. Mr. Evans stated that everyone is interested in community development, but that he does not see representation of Detroit residents and that he would like to see the Community Benefits Agreement to have serious commitments to provide opportunities to Detroit residents for economic growth.

Mr. Evans asked who the general contractor is for the projects. Mr. Darby stated that the general contractor for the new hospital project is a partnership of three contractors because of the scale of the project, and those companies are Barton Mallow, Dixon, and Turner and that the general contractor for the residential projects have not yet been determined since they will not begin construction for a few years. Mr. Darby added that there is a plan for recruitment and hiring of Detroit residents to work on the project which involves engagement with Detroit Public Schools to create programs and job opportunities for students. Mr. Hubbard added that Michigan State University has been engaged with Northwestern High School and that MSU is committed to working with Detroit Public Schools to provide pathways to opportunities for students. Mr. Evans stated that he is excited about the Future of Health projects and the partnership between Henry Ford Health, Michigan State University, and the Detroit Pistons and the opportunities that will come from the projects.

Mr. Vosburg stated that the Community Benefits Agreement is a legally enforceable agreement, and that he wanted to make sure the question that was raised during public comment regarding contributions to the City's general fund was answered and asked Mr. Howell to provide more information. Mr. Howell stated that the net fiscal benefit for the City of Detroit over the life of the TBp, or 35 years, is approximately \$118 million.

Mr. Etheridge asked if there is a plan to attract local businesses and entrepreneurs to occupy the new commercial spaces. Mr. Darby stated that there is a plan included in the Community Benefits Agreement to attract local businesses and entrepreneurs to occupy the new commercial spaces.

Mr. Osbern asked to call the question. Mr. Etheridge asked Mr. Vosburg to review the options for the CAC to take action.



Mr. Razo called for a motion regarding the Future of Health Transformational Brownfield Redevelopment Plan.

Mr. Franklin made a motion to recommend approval of the Future of Health Transformational Brownfield Redevelopment Plan to the DBRA Board. Mr. Etheridge seconded the motion. A roll call vote was conducted with the following result:

Aye: Mr. Osbern, Mr. Razo, Mr. Etheridge, Mr. Hasan and Mr. Franklin

Nay: Dr. Randall, Mr. Evans, Mr. Clay, and Ms. Ali

DBRA-CAC Resolution Code 23-12-324-01 was approved.

Administrative

None.

Other

None.

Adjournment

Citing no further business, on a motion by Mr. Franklin, seconded by Mr. Etheridge, Mr. Razo adjourned the meeting at 6:45 p.m.



CODE DBRA CAC 23-12-02-179

APPROVAL OF MINUTES OF AUGUST 23, 2023

RESOLVED, that the minutes of the special meeting of August 23, 2023 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.

December 13, 2023



CODE DBRA-CAC 23-12-324-01

TRANSFORMATIONAL BROWNFIELD PLAN FOR THE FUTURE OF HEALTH REDEVELOPMENT PROJECTS

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 **Transformational Brownfield Plan for the Future of Health** (the “Plan”) to the Community Advisory Committee for consideration and comment; and

WHEREAS, the Community Advisory Committee, at its December 13, 2023 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 Transformational Brownfield Plan for the **Future of Health 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.

December 13, 2023