



**DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
LBRF COMMITTEE MEETING
WEDNESDAY, FEBRUARY 28, 2024
4:00 PM**

COMMITTEE MEMBERS PRESENT: Pamela McClain
Maggie DeSantis
Raymond Scott

COMMITTEE MEMBERS ABSENT:

OTHERS PRESENT: Eric Dueweke (DBRA Board)
Jose Lemus (DBRA Board)
Amanda Elias (DBRA Board)
John George (DBRA Board)
Jennifer Kanalos (DEGC/DBRA)
Brian Vosburg (DEGC/DBRA)
Cora Capler (DEGC/DBRA)
Sierra Spencer (DEGC/DBRA)
Nasri Sobh (DEGC)
Medvis Jackson (DEGC)
Anne Zobel (Freedom House)
Donald Klingler (EnviroSolutions Inc.)

CALL TO ORDER

Committee Chairperson, Ms. McClain, called the meeting to order at 4:00 PM.

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

GENERAL

Minutes of the October 11, 2023 LBRF Committee Meeting:

Ms. McClain called for a motion to approve the minutes of the October 11, 2023 LBRF Committee meeting.

Ms. DeSantis made a motion to approve the minutes of the October 11, 2023 LBRF Committee meeting.
Mr. Scott seconded the motion. The minutes of the October 11, 2023 LBRF Committee meeting were approved.

Proposed Local Brownfield Revolving Fund Grant for Freedom House Detroit – East Campus Project

Mr. Vosburg presented the Proposed Local Brownfield Revolving Fund Grant for Freedom House Detroit – East Campus Project to the LBRF Committee.

Freedom House Detroit, (the “Developer”) is non-profit organization founded in Detroit in 1983. Their mission is to: “Support and empower refugees, asylum seekers, and others seeking humanitarian protection on their journey to safety, security, and freedom by providing comprehensive services in an inclusive and

welcoming space”. Freedom House Detroit purchased and moved to their current location at 1777 North Rademacher Street in 2022. This location serves as the home for 60-80 new arrivals seeking humanitarian protection to build a new life in the U.S., as well as 22 employees, numerous volunteers, and community partners providing support and advocacy services.

The Developer has formulated a Master Campus Expansion and Improvement Plan to provide additional housing, indoor and outdoor gathering spaces for residents, and office space for staff and volunteers. Phase 1 of the expansion project will be the East Campus (the “Project”) which will include a new-construction 2-story 4,800 sf residential addition, reconfiguration and upgrades to the existing residential portion of the building, and outdoor amenities for residents. Phase 2 of the project will occur in the future on the west side of the campus on land formerly owned by the City and likely feature new office and programing space.

The Project has total development costs of \$3,486,377 which includes professional fees, application costs, construction costs, furniture fixtures and equipment. To date the Developer has secured funds totaling \$2,493,891 from the following sources: Michigan State Housing Development Authority (the “MSHDA”) HOME-ARPA Non-Congregate Shelter Grant of \$1,491,746, McGregor Fund Grant of \$450,000, Michigan Department of Health & Human Services (the “MDHHS”) Infrastructure – Shelter Repair Grant of \$311,045, Song Foundation Grant of \$175,000, Impact 100 Grant of \$63,600, and MW Credit Union Grant of \$2,500. The Developer has applied for and/or approached funders for the remaining \$992,486 in funding from the following sources: Detroit ARPA Accessibility Improvement Grant of \$50,000, a MEDC Patronicity Campaign of \$100,000, an IFF (a CDFI) Facilities Loan of \$500,000 (if needed), and additional pending foundations requests and a Capital Campaign of \$342,486 to close the final gaps. The Developer is planning to start construction in the summer of 2024 once all funding sources have been secured.

The Developer is currently requesting a grant in the amount of \$25,000 (the “Grant”) from the DBRA’s Local Brownfield Revolving Fund (the “LBRF”). The Grant will be used to fund the following additional environmental investigations and reports which are needed to finalize the scope of remediation work, as well as meet reporting requirements of several State funders and EGLE regulations: Vapor Intrusion Soil Investigation, NEPA/HUD Part 58 EA, Initial Due Care Plan, Final/Revised Due Care Plan, Documentation of Due Care Compliance. The studies and reports are not eligible expenses under any existing grant funds the Developer has obtained, and the timeline to apply to other limited grant sources for this work does not line up with the Project’s timeline.

Once the Developer is able to determine the extent of the vapor intrusion issues and the scope for the environmental response activities, the Developer plans to approach the DBRA for additional grant funding for the response activities.

Under the LBRF, grant funds are available to Detroit headquartered developers, non-profit organizations, and state sanctioned economic development organizations. Grants are available for environmental due diligence, BEA, due care and other environmental response activities.

DBRA staff support and recommend providing a \$25,000 LBRF Grant to the Developer for environmental studies and reports for the Project. Please find below the proposed terms of the DBRA Grant, and a Sources and Uses table.

Grantee Name:	Freedom House Detroit
Grantee/Borrower Location:	1777 Rademacher Street, Detroit MI 48209
Request:	Grant: \$25,000.00
Fee:	Waived
Eligible Uses:	Eligible activities identified in the Brownfield Plan including environmental studies & investigation, demolition, lead & asbestos abatement, infrastructure improvements, and brownfield & work plan preparation & implementation.

Disbursement:

DBRA will disburse Grant funds no more frequently than on a monthly basis for Developer's requested Brownfield Plan eligible expenses.

Conditions:

(i) Satisfactory review and acceptance of standard due diligence items; and (ii) Execution of mutually acceptable grant documents.

TOTAL DEVELOPMENT USES		
Concept Development/Environmental Studies	\$16,500	0.47%
Building Permits	\$9,360	0.27%
Architecture & Engineering	\$156,000	4.47%
Site Preparation & Outdoor Recreation Space	\$597,490	17.14%
New Construction	\$2,162,500	62.03%
Existing Building Reconfiguration	\$316,500	9.08%
Professional Fees & FFE	\$228,027	6.54%
TOTAL DEVELOPMENT USES	\$3,486,377	100.0%

TOTAL SOURCES		
Confirmed Sources		
MSHDA HOME-ARPA Non-Congregate Shelter Grant	\$1,491,746	42.79%
McGregor Fund Grant	\$450,000	12.91%
MDHHS Infrastructure – Shelter Repair Grant	\$311,045	8.92%
Song Foundation Grant	\$175,000	5.02%
Impact 100 Grant	\$63,600	1.82%
MW Credit Union Grant	\$2,500	0.07%
Pending Sources		
Detroit ARPA Accessibility Improvement	\$50,000	1.43%
MEDC Patronicity Campaign	\$100,000	2.87%
IFF Facilities Loan (if needed)	\$500,000	14.34%
Capital Campaign & Foundation Asks	\$317,486	9.11%
DBRA LBRF Grant	\$25,000	0.72%
TOTAL DEVELOPMENT SOURCES	\$3,486,377	100.0%

ELIGIBLE USES OF \$25,000 LBRF GRANT FUNDS	
Eligible Uses	
Vapor Intrusion Source Soil Investigation	\$12,050
NEPA HUD Part 58 Assessment	\$6,000
Initial Due Care Plan	\$2,500
Final/Revised Due Care Plan	\$1,000
Documentation of Due Care Compliance	\$2,500
Contingency	\$950
TOTAL AVAILABLE ELIGIBLE LBRF USES	\$25,000

The DBRA staff now seeks DBRA LBRF Committee recommendation of the approval of the proposed Grant to the DBRA Board of Directors consistent with the terms noted above.

Mr. Scott asked if the proposed Grant request conflicted with any immigration issues. Mr. Vosburg stated that to his knowledge, the proposed Grant request is not in conflict with any immigration issues.

Mr. Scott asked what the prior use of the property was. Mr. Vosburg stated that Freedom House acquired the property from Southwest Housing Solutions but is not aware of what the prior uses of the property were.

Mr. Scott asked why the amount of the proposed Grant is small. Mr. Vosburg stated that the proposed Grant is for additional environmental investigation on the property to determine the best course of action to remediate any contamination.

Ms. Zobel provided more information about Freedom House, its missions and operations, and the redevelopment plans for the Property.

Mr. Klingler provided more information on the environmental and geotechnical investigations that have been conducted on the property and the issues that are currently known.

Ms. DeSantis commended Ms. Zobel for the work that Freedom House does.

Citing no further discussion, Ms. McClain called for a motion recommending support for the Proposed Local Brownfield Revolving Fund Grant for Freedom House Detroit – East Campus Project, as presented. The Committee took the following action:

Ms. DeSantis made a motion recommending support for Proposed Local Brownfield Revolving Fund Grant for Freedom House Detroit – East Campus Project, as presented. Mr. Scott seconded the motion. The committee members unanimously recommended approval of the Proposed Local Brownfield Revolving Fund Grant for Freedom House Detroit – East Campus Project, as presented.

OTHER

None.

PUBLIC COMMENT

None.

ADJOURNMENT

Citing no further business, Ms. McClain called for a motion to adjourn the meeting. Ms. DeSantis made a motion to adjourn the meeting. Mr. Scott seconded the motion. Committee members present unanimously approved adjournment at 4:13 PM.