

# DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY MINUTES OF THE REGULAR COMMUNITY ADVISORY COMMITTEE MEETING WEDNESDAY, JANUARY 22, 2025, 5:00 PM

COMMITTEE MEMBERS PRESENT: Omar Hasan

Rico Razo Abir Ali Jeffrey Evans

Marloshawn Franklin George Etheridge Ponce Clay (5:06)

COMMITTEE MEMBERS ABSENT: Dr. Regina Randall

OTHERS PRESENT:

Brian Vosburg (DEGC/DBRA)
Jennifer Kanalos (DEGC/DBRA)
Cora Capler (DEGC/DBRA)
Sierra Spencer (DEGC/DBRA)
Sidni Smith (DEGC/DBRA)
Kevin Schroder (20201 Livernois)
Kevin Brandon (20201 Livernois)



#### **Call to Order**

Chairperson, Mr. Razo, called the meeting to order at 5:03 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 September 11, 2024 DBRA-CAC meeting, as presented.

Mr. Etheridge noted that Mr. Hasan chaired the previous CAC meeting, as opposed to Mr. Razo.

DBRA-CAC staff noted the error and stated that corrections would be made.

The Committee took the following action:

Mr. Etheridge made a motion approving the minutes of the September 11, 2024, meeting, as amended. Mr. Osbern seconded the motion.

DBRA-CAC Resolution Code 25-01-02-183 was approved.

#### **Projects**

## 20201 Livernois Brownfield Redevelopment Plan

Ms. Capler presented the 20201 Livernois Brownfield Redevelopment Plan.

The enclosed Brownfield Plan ("Plan") (Exhibit A), for the 20201 Livernois project, is being submitted for review and consideration.

# **Project Introduction**

20201 Development LLC is the project developer ("Developer"). The Project includes the demolition of the existing commercial structure and the construction of a mixed-use building consisting of residential, retail, and restaurant spaces. The ground floor will be occupied by commercial units and the second and third floors will consist of approximately 50 residential apartments which will include studio, one-bedroom, and two-bedroom units. For the duration of the Plan, no less than twenty percent (20%) of the units (i.e. approximately six (6) of the studio units, three (3) of the one-bedroom units, and two (2) of the two-bedroom units) will be reserved for lease by occupants earning no more than 80% of the area median family income ("AMI"). Included in the site redevelopment is partially covered secured parking for approximately 45 vehicles.

	60% AMI	70% AMI	80% AMI	Market Rate	Total
Studio			6	6	12
One (1) Bedroom	3			31	34
Two (2) Bedroom		2		2	4
Total # of Units	3	2	6	39	50



It is currently anticipated that construction will begin in the summer of 2025, and the Project will be completed within approximately 24 months thereafter.

The total investment is estimated to be \$14 million. The Developer is requesting \$2,547,786.00 in TIF reimbursement.

There are approximately 46 temporary construction jobs, and one permanent job are expected to be created by the Developer. Additional permanent jobs are expected to be created by the future commercial tenant(s).

# Property Subject to the Plan

The eligible property (the "Property") consists of one (1) parcel, located at 20201 Livernois Avenue, bounded by the property line to the north and south, Livernois Avenue to the east, and an alleyway to the west in the Green Acres neighborhood.

#### Basis of Eligibility

The Property is considered "eligible property" as defined by Act 381, Section 2 because (a) is located within the City of Detroit, a qualified local governmental unit; and (b) the Property will be developed as Housing Property.

## 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 Project Rent Loss for attainable housing. The eligible activities are to be financed solely by the Developer. The DBRA will reimburse the Developer for the cost of approved eligible activities, but only from tax increment revenues generated and captured from the Property. No advances have been or shall be made by the City or the DBRA for the costs of eligible activities under this Plan. 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**

MSHDA	A Housing Development Activities	
1.	Financing Gap (Project Rent Loss) *	\$2,547,786.00
	Total Reimbursement to Developer	\$2,547,786.00
2.	Authority Administrative Costs	\$469,125.00
3.	State Brownfield Redevelopment Fund	\$110,588.00
4.	Local Brownfield Revolving Fund	\$0.00
	TOTAL Estimated Costs	\$3,127,499.00

<sup>\*</sup> Note: Although the Project has eligible activities of approximately \$5,780,700.00 in Housing TIF Eligible Activities the Plan only contemplates reimbursement to the Developer in the amount of \$2,547,786.00 over the life of the Plan.

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 includes local and/or state approval of a Commercial Rehabilitation Act (PA 210) and a Neighborhood Enterprise Zone (PA 147) tax abatement.

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

Mr. Clay asked how the development team would handle the parking challenges of the area, noting its current density. Mr. Clay also asked about the ingress and egress of the property. Mr. Brandon stated that the entry to surface parking is off Livernois Avenue, which houses thirty-six (36) parking spaces and a rear alley entrance, creating additional ingress and egress. Mr. Brandon added that the existing basement would be subsurface parking for another twenty-seven (27) parking spaces.

Mr. Clay asked if the development team faced any challenges regarding easement for emergency vehicles. Mr. Brandon stated that the project had received approval from the City of Detroit's Planning and Development Department, and because of the comments provided, a second ingress was created. Mr. Brandon continued that although the project hasn't been submitted to the fire department, he does not anticipate any issues.

Mr. Osbern questioned the project's carbon footprint, specifically about EV chargers and solar energy. Mr. Brandon responded that there will be two EV chargers in their parking lot, and all units will be classified as electric. Mr. Brandon stated that the building will be prepped for solar energy and will be further investigated.

Mr. Osbern asked if the development team had a specific business in mind for the commercial space. Mr. Brandon answered that they are in lease negotiations with a local restaurateur.

Mr. Osbern asked if there was a plan for the forty-six (46) construction jobs related to the hiring of local minority contractors. Mr. Schroder stated that he was working with Detroit at Work, Skilled Detroit, and Rickman Enterprises to ensure that local minority contractors were given opportunities.

Mr. Clay asked if there had been any engagement with the Church north of the development or the Lewis Pastor school. Mr. Schroder responded that he had not engaged with these entities but had done an extensive amount of community engagement since 2023. Mr. Schroder stated that the community outreach will continue.

Mr. Brandon stated that the Missionary Baptist Church mentioned was the planned location for the next community engagement meeting.

Mr. Razo asked if the Live6 Alliance had supported the project. Mr. Schroder stated that they have not communicated with them yet but plan to do so as early as the following day.

Mr. Razo stated that the Live6 Alliance covers many of the block clubs in the area. Mr. Razo cautioned that the worst thing that could occur is the community feeling uninvolved with the project. Mr. Schroder agreed.

Mr. Evan thanked the development team for the project and asked if the development team had any letters of support from the community. Mr. Evan asked if the development team could get a letter of support from the local Church's pastor. Mr. Schroder stated that the project has many letters of support spanning from businesses in the area to private residents in the area. Mr. Schroder stated that he will continue to engage the community up to and through construction.



Mr. Razo stated that there had been a focus in the City on units being in compliance with the Americans with Disabilities Act (ADA) and a heavy focus on the studio and one-bedroom units, noting that the development is in the neighborhoods where there may be more families looking for new construction builds. Mr. Brandon explained that there is a requirement for one (1) unit to be ADA-compliant, but his team opted to make two (2) units ADA-compliant. Mr. Brandon continued that based on their community outreach, they believe that the (1) bedroom units will be the most sought-after.

Ms. Ali asked how the building's planning and design respond to the neighborhood surrounding it. Mr. Brandon stated that the building will be pedestrian-friendly, and the plan is to have outdoor seating for the planned restaurant. Mr. Brandon added that in terms of the scale of the building, it is a taller structure for the area, but it is one of the only residential projects in the area, and he hopes that it can be the start of other projects of the same scale in the area.

Ms. Ali asked if the community had seen the design of the building and if they had been involved in this aspect. Mr. Schroder stated that they have received no complaints about the building but that the public has not made any suggestions that have changed its design.

Mr. Schroder stated that PDD suggested adding some color to the rear of the building, which will be taken into account moving forward. Ms. Ali stated that she was thankful that the development team brought up the rear of the building, noting that some residents would see the development from their backyards, and questioned how these residents were taken into account. Mr. Brandon stated that the development would be about fifty (50) feet from its neighbors but understands that it is a large-scale building.

Mr. Etheridge stated that the building's thirty-seven (37) feet height exceeds the maximum allowance for projects of this type and asked if the development team has plans to go to the Board of Zoning Appeals (BZA) for approval. Mr. Brandon explained that there is a ten percent (10%) allowance within the ordinance, and with approval from PDD, no variance requests are required.

Mr. Etheridge noted the dense nature of the building and asked if there would be dedicated off-street parking for the development. Mr. Brandon stated that each unit had a reserved parking spot, leaving thirteen (13) spaces for retail and restaurant tenants. Mr. Brandon added that his team exceeds the City's parking requirement.

Mr. Evan noted the greenery in the rear of the building shown in the rendering and asked where that would be in relation to the neighbors. Mr. Brandon stated that the rendering is not an exact representation. Mr. Evans stated that he would like to see a more accurate rendering of the development that shows the houses in the rear of the building. Mr. Brandon responded that they could have the rendering redone to show the houses, noting that the building backs up many garages.

Ms. Ali stated she believed the representation of the houses and garages would benefit the development team.

Mr. Osbern asked why the development team chose this area for the project. Mr. Schroder explained that he is a construction manager who has been working in Detroit for ten (10) years for many other developers and was inspired to create his own developments. Mr. Schroder continued that he fell in love with the District two (2) area and has other developments in the area. Mr. Schroder concluded that the area is welcoming and ripe for development.

Mr. Etheridge asked if there had been a level one (1) or level two (2) environmental study done on the property. Mr. Schroder stated that phase one (1) had been completed, and with the findings, there was no need to complete the second phase.



Mr. Razo called for a motion regarding the 20201 Livernois Brownfield Redevelopment Plan.

Mr. Etheridge made a motion to recommend approval of the 20201 Livernois Brownfield Redevelopment Plan to the DBRA Board. Mr. Hasan seconded the motion. DBRA-CAC Resolution Code 25-01-331-01 was approved.

# **Other**

None.

### **Public Comment**

None

# <u>Adjournment</u>

Citing no further business, on a motion by Mr. Clay, seconded by Mr. Osbern, Mr. Razo adjourned the meeting at 5:35 p.m.



## CODE <u>DBRA-CAC 25-01-331-01</u>

## **BROWNFIELD PLAN FOR 20201 LIVERNOIS**

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

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

WHEREAS, pursuant to the resolution establishing the DBRA and the bylaws of the DBRA, the DBRA has submitted the proposed **Brownfield Plan for 20201 Livernois** (the "Plan") to the Community Advisory Committee for consideration and comment; and

WHEREAS, the Community Advisory Committee, at its January 22, 2025 meeting, received, evaluated and considered the proposed Plan; and

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

### NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

- 1. After consideration of the proposed Plan, the Community Advisory Committee makes the following comment and recommendations on the proposed Plan:
  - a. The Community Advisory Committee has determined that it is appropriate for the achievement of the purposes of Act 381 of the DBRA to adopt a Brownfield Plan for the 20201 Livernois 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.

January 22, 2025