



**DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
MINUTES OF THE
SPECIAL COMMUNITY ADVISORY COMMITTEE MEETING
MONDAY, JANUARY 30, 2023 - 5:00 PM**

COMMITTEE MEMBERS

PRESENT:

Abir Ali
Kamal Cheeks
Omar Hasan
Brad Lutz
Byron Osbern
Rico Razo

COMMITTEE MEMBERS

ABSENT:

Dr. Regina Randall
Michelle Lee

OTHERS PRESENT:

Jennifer Kanalos (DEGC/DBRA)
Brian Vosburg (DEGC/DBRA)
Cora Capler (DEGC/DBRA)
Malinda Jensen (DEGC/DBRA)
Monika McKay-Polly (DEGC/DBRA)
Kenyetta Bridges (DEGC/DBRA)
Lanard Ingram (DEGC/DBRA)
David Howell (DEGC/DBRA)
Bryan Amann (Related Companies)
Jake Austermann (Plante Moran)
Keith Bradford (Olympia Development of Michigan)
Andrew Cantor (Related Companies)
Rian English-Barnhill (Olympia Development of Michigan)
Ryan Friedrichs (Related Companies)
Allison Gabrys (Olympia Development of Michigan)
Melia Howard (Mayor's Office, City of Detroit)
Charlie Keranen (Plante Moran)
Edwina King (Planning and Development Department, City of Detroit)
Jose Lemus (Mayor's Office, City of Detroit)
Kayleigh LickLighter (Detroit Documenters)
Mike McDonald (HIS)
Emily Palacios (Miller Johnson)
JC Reindl (Detroit Free Press)
Eddie Saenz (Olympia Development of Michigan)
Bill Salliotte (Olympia Development of Michigan)
Arthur Siegal (Taft)
John Valentine (Olympia Development of Michigan)



Call to Order

Mr. Cheeks, Chairperson, called the meeting to order at 5:14 p.m.

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

General

Approval of Minutes

Mr. Cheeks called for approval of the minutes of the December 14, 2022 (resolution) DBRA-CAC meeting, as presented. The Committee took the following action:

Mr. Osbern made a motion approving the minutes of the December 14, 2022, meeting, as presented. Mr. Razo seconded the motion.

DBRA-CAC Resolution Code 23-01-02-172 was unanimously approved.

Projects

The District Detroit Transformational Brownfield Redevelopment Plan

Mr. Vosburg gave a high-level refresher of Transformational Brownfield Plans (TBP) and that this type of plan reflects high construction costs, and usually represents the transformational nature of the project, allowing for additional capture of taxes and presented a chart that defined the basic criteria that a TBP must meet under Public Act 381, and how it compares to a traditional Brownfield Plan.

Mr. Vosburg stated that unlike a traditional brownfield plan, a TBP requires an approval from 3 separate entities which include the Brownfield Redevelopment Authority, Detroit City Council, and the Michigan Strategic Fund.

Mr. Cheeks asked if it were necessary to start the approval process again, if all three bodies failed to approve the plan. Mr. Vosburg responded that in a traditional brownfield plan it is possible to have just a City approval, but that with a TBP it is necessary for all 3 entities to agree on the same TBP document. If all 3 didn't approve the same document, it would be necessary to restart the application process.

Mr. Hasan asked if the approval process can be done concurrently, or if the process is sequential. Mr. Vosburg explained that there must be an approval at each step before the TBP can progress in the approval process and that the Detroit Brownfield Redevelopment ("DBRA") Board of Directors is scheduled to meet February 8th, then the TBP would go before City Council, and if an approval is not received it would be necessary to restart the process.

Mr. Bradford gave historical development information about Olympia Development of Michigan ("ODM") from the past 5 years, prior to doing business with The Related Companies ("Related").

Mr. Cantor introduced Related as a 50 year old development company founded by Stephen Ross, and that Related started out as an affordable housing developer, and that it continues to develop this portfolio type and that Related is one of the largest private housing developers across the country and that Related has never converted one of its affordable housing developments to market rate once its affordability period has ended. Mr. Cantor spoke to the forecast of the ODM/Related projects, in that there is a myriad of benefits that will impact for the City of Detroit, which includes 12,000 construction jobs and that there will be all types of jobs comprised of office, retail and hotel work, and there will be high-quality shopping.

Mr. Cantor stated that this year the Developer expects to develop almost 500 hotel rooms and significant retail and office space and that 26% of the 865 new residential units will be set aside at 60% AMI, or less, within the TBP, and that the rents for those units are set at \$700-\$800, instead of \$1,500-\$2,400 on the market rate side in direct response to conversations that have taken place with the community members, elected officials, housing developers, and non-profits talking about where the real need is, and that it is around deeply affordable housing, and not just at the 80% AMI level.

Mr. Cantor stated that based on community feedback, they understand the demand and desire for benefits around 5 things: access to education; as provided by DCI, and through the project in general, employment on the basis of construction and pre and post construction jobs, business owners - economic inclusion for Detroiters, environmental justice and that the change is a benefit to the community.

Mr. Cantor stated that they have applied for federal grant in order to build a Green Park space over I-75; allowing for neighborhoods to the north, Midtown, Cass Corridor and Brush Park to connect to Downtown in order to bridge these communities in way that has not been seen since the 1940's.

Mr. Vosburg presented the District Detroit 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 and use tax exemptions. Eligible activities under TBPs are expanded to include the "construction, restoration, alteration, renovation or improvement of buildings."

A proposed TBP for The District Detroit Transformation Brownfield Plan Redevelopment Projects (the "Plan") is being submitted for review and consideration and will be described by project.

Related Olympia Predevelopment Company LLC, an affiliate of The Related Companies and Olympia Development of Michigan, LLC, or its affiliate (or affiliates) will be the developer of each project (the "Developer").

2200 WOODWARD AVENUE

Project Introduction

This component of the Plan entails the planned redevelopment of a surface parking lot into a new construction, mixed-use high-rise building with a two-story underground parking structure, and an enhanced public plaza.

The planned structure on the 2200 Woodward Avenue Site will be approximately 702,600 square foot gross square feet ("GSF") and is anticipated to consist of approximately 28,000 GSF of ground floor retail space; 492,900 GSF of office space; 181,700 GSF of underground parking containing 298 spaces (constructed and operated jointly with the underground parking at 2250 Woodward Avenue), and an enhanced plaza on Columbia Street.

It is currently estimated that this project will create 2,470 direct onsite construction jobs and 1,530 indirect and induced jobs. Ongoing economic impacts of the commercial activity following completion of the project are expected to create 2,000 direct permanent jobs with an average wage of \$50 per hour and 3,020 indirect and induced jobs.

Total investment is estimated at \$340 million. The Developer is requesting approximately \$170.5M in TCR reimbursement for this component of the Plan.

Property Subject to the Plan

The eligible property (the “2200 Woodward Avenue Site”) will consist of a single parcel bounded by Columbia Street to the north, Witherell Street to the east, Elizabeth Street to the south and Woodward Avenue to the west in Detroit’s downtown.

Basis of Eligibility

The 2200 Woodward Avenue 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 2200 Woodward Avenue Site is determined to be facility.

Eligible Activities and Projected Costs

The “eligible activity” that is intended to be carried out at the 2200 Woodward 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 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 summer of 2023 and be complete within five (5) years of the Michigan Strategic Fund’s (“MSF”) approval of this Plan.

TBP Capture

The 2200 Woodward Avenue Developer desires to be reimbursed for the costs of eligible activities. TCR generated by the 2200 Woodward 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. The reimbursement for eligible activities completed on the 2200 Woodward Avenue 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	\$170,447,750.00
Total Reimbursement to Developer	\$170,447,750.00
2. Authority Administrative Costs	\$1,913,689.00
3. State Brownfield Redevelopment Fund	\$5,164,580.00
4. Local Brownfield Revolving Fund	\$0.00
TOTAL Estimated Costs	\$177,526,019.00

The actual cost of those eligible activities encompassed by this component of the Plan that will qualify for reimbursement from TCR from the 2200 Woodward 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) abatement.

2250 Woodward Avenue

Project Introduction

This component of the Plan entails the planned redevelopment of a surface parking lot into a new construction, mixed-use high-rise building with a two-story underground parking structure, and an enhanced public plaza.

The planned structure on the 2250 Woodward Avenue Site will be approximately 399,281 GSF and is

anticipated to consist of approximately 26,992 GSF of ground floor retail space; 294,439 GSF of residential space comprising 287 apartments (58 of which will be affordable at 50% of AMI); 77,850 GSF of underground parking containing 206 spaces (constructed and operated jointly with the underground parking at 2200 Woodward Avenue), and an enhanced plaza on Columbia Street that is shared with the 2200 Woodward Avenue Site.

It is currently estimated that this project will create 2,040 direct onsite construction jobs and 1,090 indirect and induced jobs. Ongoing economic impacts of the commercial activity following completion of the project are expected to create 240 direct permanent jobs with an average wage of \$16 per hour and 100 indirect and induced jobs.

Total investment is estimated at \$216 million. The Developer is requesting approximately \$69.5M in TCR reimbursement for this component of the Plan.

Property Subject to the Plan

The eligible property (the “2250 Woodward Avenue Site”) will consist of a single parcel bounded by Montcalm Street to the north, Witherell Street to the east, Columbia Street to the south, and Woodward Avenue to the west in Detroit’s downtown.

Basis of Eligibility

The 2250 Woodward Avenue Site is considered “eligible property” as defined by Act 381, Section 2 because (a) the 2250 Woodward 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 2250 Woodward 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 2250 Woodward 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 2250 Woodward 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 fall of 2024 and be complete within five (5) 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 2250 Woodward 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	\$69,461,986.00
Total Reimbursement to Developer	\$69,461,986.00
2. Authority Administrative Costs	\$1,291,771.00
3. State Brownfield Redevelopment Fund	\$2,189,162.00
4. Local Brownfield Revolving Fund	\$0.00
TOTAL Estimated Costs	\$72,942,919.00

The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from TCR from the 2250 Woodward 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), Neighborhood Enterprise Zone (NEZ), and Payment In Lieu Of Taxes (PILOT) abatements.

2211 WOODWARD AVENUE

Project Introduction

This component of the Plan entails the planned redevelopment of the office building portion of the Fox Theater building into a hotel. The Fox Theater, located in a separate condominium in the building, will not be altered.

The planned redevelopment of the office building into a hotel will feature approximately 207,350 GSF and is anticipated to consist of approximately 12,322 GSF of ground floor retail space and 194,028 GSF of hotel space over 9 floors comprising approximately 177 hotel rooms.

It is currently estimated that this project will create 940 direct onsite construction jobs and 580 indirect and induced jobs. Ongoing economic impacts of the commercial activity following completion of the project are expected to create 220 direct permanent jobs with an average wage of \$26 per hour and 130 indirect and induced jobs.

Total investment is estimated at \$121 million. The Developer is requesting approximately \$23.9M in TCR reimbursement for this component of the Plan.

Property Subject to the Plan

The eligible property (the "2211 Woodward Avenue Site") will consist of a condo unit bounded by Montcalm Street to the north, Woodward Avenue to the east, Columbia Street to the south, and Park Avenue to the west in Detroit's downtown.

Basis of Eligibility

The 2211 Woodward Avenue Site is considered "eligible property" as defined by Act 381, Section 2 because (a) the 2211 Woodward Avenue 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 2211 Woodward Avenue Site is a historic resource as defined in Act 381.

Eligible Activities and Projected Costs

The "eligible activity" that is intended to be carried out at the 2211 Woodward Avenue 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 2211 Woodward Avenue Site and will be financed solely by the 2211 Woodward Avenue 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 spring of 2026 and be complete within five (5) years of the MSF's approval of this Plan.

TBP Capture

The 2211 Woodward Avenue Developer desires to be reimbursed for the costs of eligible activities. TCR generated by the 2211 Woodward 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 TCR

1. Eligible Construction Costs	\$23,859,377.00
Total Reimbursement to Developer	\$23,859,377.00
2. Authority Administrative Costs	\$889,355.00
3. State Brownfield Redevelopment Fund	\$1,357,153.00
4. Local Brownfield Revolving Fund	\$0.00
TOTAL Estimated Costs	\$26,105,885.00

The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from TCR from the 2211 Woodward 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) abatement.

2300 WOODWARD AVENUE

Project Introduction

This component of the Plan entails the planned redevelopment of a surface parking lot into a new construction, mixed-use 5-story building.

The planned structure on the 2300 Woodward Avenue Site will be approximately 149,500 GSF and is anticipated to consist of approximately 18,400 GSF of ground floor retail space; 131,100 GSF of office space.

It is currently estimated that this project will create 630 direct onsite construction jobs and 390 indirect and induced jobs. Ongoing economic impacts of the commercial activity following completion of the project are expected to create 610 direct permanent jobs with an average wage of \$45 per hour and 830 indirect and induced jobs.

Total investment is estimated at \$84 million. The Developer is requesting approximately \$42.5M in TCR reimbursement for this component of the Plan.

Property Subject to the TBP

The eligible property (the "2300 Woodward Avenue Site") will consist of a single parcel bounded by St. John Episcopal Church to the north, Witherell Street to the east, Montcalm Street to the south and Woodward Avenue to the west in Detroit's downtown.

Basis of Eligibility

The 2300 Woodward Avenue Site is considered "eligible property" as defined by Act 381, Section 2 because (a) the 2300 Woodward Avenue 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 2300 Woodward 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 2300 Woodward 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 2300 Woodward Avenue Site and will be financed solely by the 2300 Woodward Avenue 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 spring of 2025 and be complete within five (5) years of MSF approval of this Plan.

TBP Capture

The 2300 Woodward Avenue Developer desires to be reimbursed for the costs of eligible activities. TCR generated by the 2300 Woodward 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 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	\$ 42,473,931.00
Total Reimbursement to Developer	\$ 42,473,931.00
2. Authority Administrative Costs	\$ 429,568.00
3. State Brownfield Redevelopment Fund	\$ 1,156,959.00
4. Local Brownfield Revolving Fund	\$0.00
TOTAL Estimated Costs	\$44,060,458.00

The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from TCR from the 2300 Woodward 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) abatement.

2305 WOODWARD AVENUE/2300 CASS AVENUE

Project Introduction

This component of the Plan entails the planned redevelopment of a surface parking lot into a new construction, mixed-use 21-story building.

The planned structure will result in the demolition of existing structures and then a new building constructed on either 2305 Woodward Avenue or 2300 Cass Avenue, dependent upon whether the future tenant would prefer a Woodard Avenue location or the Cass Avenue location adjacent to the Detroit Center for Innovation, will be approximately 556,000 gross square feet and is anticipated to consist of approximately 10,500 GSF of ground floor retail space and 545,950 GSF of office space.

The Developer will make its final decision on the site the earlier of 48 months following MSF approval of the Plan; or 90 days prior to commencement of construction at one of the sites. If the Developer fails to make a timely decision, the 2300 Cass Avenue site will be deemed to have been elected as the development site.

It is currently estimated that this project will create 2,180 direct onsite construction jobs and 1,350 indirect and induced jobs. Ongoing economic impacts of the commercial activity following completion of the project are expected to create 1,790 direct permanent jobs with an average wage of \$53 per hour and 3,050 indirect and induced jobs.

Total investment is estimated at \$279 million. The Developer is requesting approximately \$163.2M in TCR reimbursement for this component of the Plan.

Property Subject to the TBP

The eligible properties (the “2305 Woodward Avenue/2300 Cass Avenue Sites”) will consist of a single parcel. 2305 Woodward Avenue is bounded by the Fisher Freeway/I-75 Service Drive to the north, Woodward Avenue to the east, Montcalm Street to the south, and a parking structure to the west in Detroit’s downtown. 2300 Cass Avenue is bounded by a parking structure to the north, Clifford Street to the east, Montcalm Street to the south, and Cass Avenue to the west in Detroit’s downtown.

Basis of Eligibility

The 2305 Woodward Avenue/2300 Cass Avenue Site is considered “eligible property” as defined by Act 381, Section 2 because (a) the 2305 Woodward Avenue/2300 Cass Avenue Sites were previously used for a commercial purpose; (b) are is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) the 2305 Woodward Avenue/2300 Cass Avenue Sites are determined to be a facilities or adjacent and contiguous to a parcel that is a facility.

Eligible Activities and Projected Costs

The “eligible activity” that is intended to be carried out at the 2305 Woodward Avenue/2300 Cass Avenue Sites are 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 2305 Woodward Avenue/2300 Cass Avenue Sites and will be financed solely by the 2305 Woodward Avenue/2300 Cass Avenue Sites 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 fall of 2026 and be complete within five (5) years of MSF approval of this Plan.

TBP Capture

The 2305 Woodward Avenue/2300 Cass Avenue Developer desires to be reimbursed for the costs of eligible activities. TCR generated by the 2305 Woodward Avenue/2300 Cass Avenue Sites 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	\$163,169,697.00
Total Reimbursement to Developer	\$163,169,697.00
2. Authority Administrative Costs	\$1,506,790.00
3. State Brownfield Redevelopment Fund	\$3,903,106.00
4. Local Brownfield Revolving Fund	\$0.00
TOTAL Estimated Costs	\$168,579,593.00

The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from TCR from the 2305 Woodward Avenue/2300 Cass Avenue Sites 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.

2455 WOODWARD AVENUE

Project Introduction

This component of the Plan entails the planned redevelopment of undeveloped land adjacent to the Little Caesars Arena into a new construction, mixed-use 15-story building.

The planned structure on the 2455 Woodward Avenue Site will be approximately 274,800 GSF and is anticipated to consist of approximately 21,900 GSF of ground floor retail and hotel amenity space; 252,900 GSF of hotel space with approximately 290 rooms.

It is currently estimated that this project will create 1,480 direct onsite construction jobs and 910 indirect and induced jobs. Ongoing economic impacts of the commercial activity following completion of the project are expected to create 420 direct permanent jobs with an average wage of \$25 per hour and 230 indirect and induced jobs.

Total investment is estimated at \$191 million. The Developer is requesting approximately \$42.1M in TCR reimbursement for this component of the Plan.

Property Subject to the TBP

The eligible property (the "2455 Woodward Avenue Site") will consist of a single parcel bounded by Little Caesars Arena to the north, Woodward Avenue to the east, the Fisher Freeway/I-75 Service Drive to the south, and a parking structure to the west in Detroit's downtown.

Basis of Eligibility

The 2455 Woodward Avenue Site is considered "eligible property" as defined by Act 381, Section 2 because (a) the 2455 Woodward Avenue 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 2455 Woodward Avenue Site is determined to be a facility or adjacent and contiguous to a parcel that is a facility.

Eligible Activities and Projected Costs

The "eligible activity" that is intended to be carried out at the 2455 Woodward 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 2455 Woodward Avenue Site and will be financed solely by the 2455 Woodward Avenue 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 spring of 2024 and be complete within five (5) years of MSF approval of this Plan.

TBP Capture

The 2455 Woodward Avenue Developer desires to be reimbursed for the costs of eligible activities. TCR generated by the 2455 Woodward 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 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	\$42,122,729.00
Total Reimbursement to Developer	\$42,122,729.00
2. Authority Administrative Costs	\$1,375,040.00
3. State Brownfield Redevelopment Fund	\$2,229,938.00
4. Local Brownfield Revolving Fund	\$0.00
TOTAL Estimated Costs	\$45,727,707.00

The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from TCR from the 2455 Woodward 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) abatement.

408 TEMPLE STREET

Project Introduction

This component of the Plan entails the planned redevelopment of the vacant American/Fort Wayne Hotel into a mixed-use 10-story building.

The planned redevelopment of the 408 Temple Street Site will be approximately 157,635 GSF and is anticipated to consist of approximately 5,310 GSF of ground floor retail space and 152,325 GSF of residential apartment space with approximately 131 units, of which 27 will be affordable at 50% AMI.

It is currently estimated that this project will create 660 direct onsite construction jobs and 350 indirect and induced jobs. Ongoing economic impacts of the commercial activity following completion of the project are expected to create 50 direct permanent jobs with an average wage of \$19 per hour and 20 indirect and induced jobs.

Total investment is estimated at \$69 million. The Developer is requesting approximately \$22.9M in TCR reimbursement for this component of the Plan.

Property Subject to the TBP

The eligible property (the “408 Temple Street Site”) will consists of a single parcel bounded by a parking lot to the north, Cass Avenue to the east, Temple Street to the south, and the Masonic Temple to the west in Detroit’s Cass Park Historic District.

Basis of Eligibility

The 408 Temple Street Site is considered “eligible property” as defined by Act 381, Section 2 because (a) the 408 Temple 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 408 Temple Site is determined to be a historic resource.

Eligible Activities and Projected Costs

The “eligible activity” that is intended to be carried out at the 408 Temple 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 408 Temple Street Site and will be financed solely by the 408 Temple Street Site 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 fall of 2026 and be complete within five (5) years of MSF approval of this Plan.

TBP Capture

The 408 Temple Street Developer desires to be reimbursed for the costs of eligible activities. TCR generated by the 408 Temple 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 TIF

1. Eligible Construction Costs	\$22,862,965.00
Total Reimbursement to Developer	\$22,862,965.00
2. Authority Administrative Costs	\$505,573.00
3. State Brownfield Redevelopment Fund	\$620,305.00
4. Local Brownfield Revolving Fund	\$0.00
TOTAL Estimated Costs	\$23,988,843.00

The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from TCR from the 408 Temple Street 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), Neighborhood Enterprise Zone (NEZ), and Payment In Lieu Of Taxes (PILOT) abatements.

2205 CASS AVENUE

Project Introduction

This component of the Plan entails the planned redevelopment of a surface parking lot into a new construction, mixed-use 18-story building.

The planned structure on the 2205 Cass Avenue Site will be approximately 256,050 GSF and is anticipated to consist of approximately 8,750 GSF of retail space and 247,300 GSF of residential apartment space with approximately 261 units, of which 54 will be affordable at 50% AMI.

It is currently estimated that this project will create 1,410 direct onsite construction jobs and 750 indirect and induced jobs. Ongoing economic impacts of the commercial activity following completion of the project are expected to create 80 direct permanent jobs with an average wage of \$18 per hour and 40 indirect and induced jobs.

Total investment is estimated at \$150 million. The Developer is requesting approximately \$47.7M in TCR reimbursement for this component of the Plan.

Property Subject to the TBP

The eligible property (the "2205 Cass Avenue Site") will consist of a single parcel bounded by a Columbia Street to the north, Cass Avenue to the east, the 2115 Cass Avenue project to the south, and the Detroit Center for Innovation to the west in Detroit's downtown.

Basis of Eligibility

The 2205 Cass Avenue Site is considered "eligible property" as defined by Act 381, Section 2 because (a) the 2205 Cass Avenue 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 2205 Cass 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 2205 Cass 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 2205 Cass Avenue Site and will be financed solely by the 2205 Cass Avenue 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 spring of 2024 and be complete within five (5) years of MSF approval of this Plan.

TBP Capture

The 2205 Cass Avenue Developer desires to be reimbursed for the costs of eligible activities. TCR generated by the 2205 Cass 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 the 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	\$47,727,684.00
Total Reimbursement to Developer	\$47,727,684.00
2. Authority Administrative Costs	\$727,059.00
3. State Brownfield Redevelopment Fund	\$1,242,756.00
4. Local Brownfield Revolving Fund	\$0.00
TOTAL Estimated Costs	\$49,697,499.00

The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from TCR from the 2205 Cass 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), Neighborhood Enterprise Zone (NEZ), and Payment In Lieu Of Taxes (PILOT) abatements.

2115 CASS AVENUE

Project Introduction

This component of the Plan entails the planned adaptive reuse and redevelopment of the vacant Moose Lodge into a mixed-use 4-story business incubator building.

The planned redevelopment of the 2115 Cass Avenue Site will be approximately 94,200 GSF and is anticipated to consist of approximately 10,753 GSF of ground floor retail space and 83,447 GSF of office space.

It is currently estimated that this project will create 420 direct onsite construction jobs and 260 indirect and induced jobs. Ongoing economic impacts of the commercial activity following completion of the project are expected to create 350 direct permanent jobs with an average wage of \$53 per hour and 580 indirect and induced jobs.

Total investment is estimated at \$60 million. The Developer is requesting approximately \$28.4M in TCR reimbursement for this component of the Plan.

Property Subject to the TBP

The eligible property (the "2115 Cass Avenue Site") will consist of a single parcel bounded by the 2205 Cass Avenue site to the north, Cass Avenue to the east, Elizabeth Street to the south, and the Detroit Center for Innovation to the west in Detroit's downtown.

Basis of Eligibility

The 2115 Cass Avenue Site is considered "eligible property" as defined by Act 381, Section 2 because (a) the 2115 Cass Avenue 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 2115 Cass 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 2115 Cass Avenue 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 2115 Cass Avenue Site and will be financed solely by the 2115 Cass Avenue 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 spring of 2025 and be complete within five (5) years of MSF approval of this Plan.

TBP Capture

The 2115 Cass Avenue Developer desires to be reimbursed for the costs of eligible activities. TCR generated by the 2115 Cass 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 the 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	\$28,359,287.00
Total Reimbursement to Developer	\$28,359,287.00
2. Authority Administrative Costs	\$432,673.00
3. State Brownfield Redevelopment Fund	\$837,643.00
4. Local Brownfield Revolving Fund	\$0.00
TOTAL Estimated Costs	\$29,629,603.00

The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from TCR from the 2115 Cass 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) abatement.

2110 PARK AVENUE

Project Introduction

This component of the Plan entails the planned redevelopment of the vacant Detroit Life Building into a mixed-use 10-story building.

The planned redevelopment of the 2110 Park Avenue Site will be approximately 44,308 GSF and is anticipated to consist of approximately 3,000 GSF of ground floor retail space and 41,308 GSF of residential apartments consisting of 16 market rate units.

It is currently estimated that this project will create 220 direct onsite construction jobs and 120 indirect and induced jobs. Ongoing economic impacts of the commercial activity following completion of the project are expected to create 30 direct permanent jobs with an average wage of \$16 per hour and 10 indirect and induced jobs.

Total investment is estimated at \$24 million. The Developer is requesting approximately \$5.8M in TCR reimbursement for this component of the Plan.

Property Subject to the TBP

The eligible property (the “2110 Park Avenue Site”) consists of a single parcel bounded by parking lot to the north, the Fox Theater building to the east, Columbia Street to the south, and the Park Avenue to the west in Detroit’s downtown.

Basis of Eligibility

The 2110 Park Avenue Site is considered “eligible property” as defined by Act 381, Section 2 because (a) the 2110 Park Avenue 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 2110 Park Avenue Site is determined to be a historic resource or adjacent and contiguous to a parcel that is a historic resource.

Eligible Activities and Projected Costs

The “eligible activity” that is intended to be carried out at the 2110 Park Avenue 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 2110 Park Avenue Site and will be financed solely by the 2110 Park Avenue 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 spring of 2024 and be complete within five (5) years of MSF approval of this Plan.

TBP Capture

The 2110 Park Avenue Developer desires to be reimbursed for the costs of eligible activities. TCR generated by the 2110 Park 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 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	\$5,822,009.00
Total Reimbursement to Developer	\$5,822,009.00
2. Authority Administrative Costs	\$105,063.00
3. State Brownfield Redevelopment Fund	\$214,383.00
4. Local Brownfield Revolving Fund	\$0.00
TOTAL Estimated Costs	\$6,141,455.00

The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from TCR from the 2110 Park 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.

Termination of Prior Plan

The inclusion of the 2210 Park Avenue building in this component of the Plan is subject to City Council's termination of the inactive brownfield plan previously approved by City Council.

OVERALL TRANSFORMATIONAL IMPACTS

- \$1.5 billion in capital investment, significantly exceeding the \$500 million statutory threshold.
- 10 development projects exceeding 2.5 million total square feet constructed on parking lots, vacant lots, and vacant buildings in Detroit's downtown and Cass Park neighborhoods.
- Net fiscal benefit to the City's General Fund of \$700 million over the 35-year life of the Plan and abatements.
- Constructing approximately 695 new residential units, of which 139 units will be reserved for residents making 50% of the Area Median Income to grow the City's population and tax base.
- Creating or supporting approximately 19,780 direct, indirect, and induced construction jobs and generating \$4.1 billion in total economic impact from construction.
- Creating or supporting approximately 5,790 direct permanent jobs in the City to expand economic opportunity and grow the City's tax base.
- Supporting an additional 8,010 indirect and induced jobs from the ongoing economic activity above.

TOTAL TBP COSTS TO BE REIMBURSED WITH TCR

1. Eligible Construction Costs	\$616,307,416.00
Total Reimbursement to Developer	\$616,307,416.00

2. Authority Administrative Costs	\$9,176,580.00
3. State Brownfield Redevelopment Fund	\$18,915,987.00
4. Local Brownfield Revolving Fund	\$0.00
TOTAL Estimated Costs	\$644,399,981.00

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

Mr. Vosburg noted that regarding the TBP that the Downtown Development Authority (DDA) has approved a \$48.8M in funding to support the affordable housing and public infrastructure components for the project.

Mr. Cheeks opened the opportunity for public comment and informed those present that there would be a time limit of 2 minutes for public comment. No public comment was received.

Mr. Osbern asked for more information on the proposed green space over I-75. Mr. Cantor stated that the proposed development of green space is not included in the TBP, but it is part of the project plans that were shown in the presentation and noted that they are supporting an application for Federal grant under the Reconnecting Communities Program.

Mr. Razo asked when the Community Benefits Agreement (CBA) will be negotiated with the Neighborhood Advisory Council (NAC). Mr. Cantor stated that it would be presented to Detroit City Council for approval and noted that the Community Benefits Agreement must be approved prior to the TBO going before Detroit City Council. Mr. Vosburg added that although the TBP and traditional Brownfield plans are not subject to the Community Benefits Ordinance, Detroit City Council typically does not approve Brownfield plans until the Community Benefits Agreement has been approved.

Mr. Razo asked the developer how they planned to resolve the issue of fulfilling 1 million square feet of office space in years to come with people working from home, and if there was an alternative development plan for the projects that include significant office space. Mr. Cantor replied that the office space will be built in phases over the next 5 years and that they are finding that the market is strong for Class A office space as employers leave older, obsolete buildings to incentivize in-person work. Older project buildings are being upgraded or converted to new uses in the TBP.

Mr. Razo stated that there was data produced that said that Detroit needed another 1,500 hotel rooms in order to attract top tier conventions and events and asked whether or not the Developer was aware of any changes in those statistics. Mr. Bradford stated that he did not know the current delta on the number of hotel rooms needed, but he stated that the threshold has yet to be reached.

Mr. Lutz asked what plans the Developer has to meet the parking demand for the projects. Mr. Bradford stated that there is new underground parking in two of the projects to support tenant and entertainment traffic, but the developer believes there with this new parking deck, the area will have enough parking to fill demand.

Mr. Osbern stated that he works with programs in the impact area, and asked if the developer has received support from any of those businesses. Ms. English-Barnhill stated that support had been garnered from Dick Samson with Mariner's Inn and that Dick Samson has been supportive in their past projects, and that he is kept abreast of project efforts.

Mr. Lutz asked the developer to speak to the information, relationships and support received from other educational institutions, such as Wayne State University and Cass Tech High School. Mr. Bradford stated that there is excitement around the idea that you can transition from a STEM high school such as Cass Tech High School into a top-tier education center such as the Detroit Center for Innovation at the University of Michigan. Mr. Cantor stated that the University of Michigan President Ono has been championing the

DCI, and that he believes that he has been in contact with the Mayor's Office in order to determine how the university's impact can be made on a broad range of Detroiters.

Mr. Lutz asked who has been identified to structure the programming for the proposed business incubator space, considering it is in close proximity to the Innovation Center. Mr. Cantor that there is a lot of integration that is coming out to the university with the incubator startups, and that the best relationship is being determined.

Ms. Ali asked the developer to speak to how the DCI initiative will be complementary to the efforts around innovation that are taking place in the Corktown neighborhood with Ford Motor Company and New Lab. Mr. Cantor stated that they view the DCI and Corktown projects, which are focused on mobility, as highly complementary to each other. He believes that having both centers will make Detroit very attractive to attracting and equipping today's talent. They are having conversations with area engineering schools about robotics, and University of Michigan's sustainability department. Together these efforts set the State of Michigan up to be a leader in innovation.

Ms. Ali asked how public art will fit into the projects. Mr. Bradford stated that the NAC has also asked about public art which is being discussed with them. and said that ODM values public art and gave the example of how they showcased 15 local artists in the recently completed Eddystone building.

Mr. Osbern asked what the impacts of the TBP being approved will be to the taxpayers that reside in this district. Mr. Vosburg stated that only the 10 projects in the TBP will have the TBP tax captures, and that there will be no TBP captures on any other properties or residents.

Mr. Osbern asked the development team has made considerations for the senior citizens, and those who are disabled and living in the impact area. Mr. Bradford stated that this has also been discussed with the NAC, and that there is continued dialogue. Mr. Cantor added that ODM has absorbed the cost of moving the residents from the Cass and Henry project, many of whom are seniors, to another location during the renovation of that apartment building and that those residents will return to the fully rehabilitated Cass and Henry Apartments after renovation at their previous rental rates as an effort to assist the seniors living in the impact area.

Mr. Cheeks stated that it appears that there will be 7 projects slated for construction between 2023 and 2024 and asked how the construction will impact surrounding residents. Mr. Cantor stated that notice will be given to the community prior to any street closures and that ongoing communication with the neighborhood will be key to address the inevitable challenges that will arise, but the developer is committed to work with the community to mitigate them.

Mr. Cheeks asked the developer how the new projects will differ from some of the new construction in the Brush Park neighborhood, what amenities would be available in the buildings, and if there will be green and smart home products included in the projects. Mr. Bradford stated that the projects would be among the highest quality in the market with top amenities. The goal is to compliment Brush Park so that both neighborhoods become walkable destinations for residents of each.

Mr. Cheeks called for a motion regarding the District Detroit Transformational Brownfield Redevelopment Plan, as presented.

Mr. Razo made a motion to recommend approval of the District Detroit Transformational Brownfield Redevelopment Plan. Mr. Osbern seconded the motion.
DBRA-CAC Resolution Code 23-01-314-01 was unanimously approved.

Administrative

None.

Other

None.

Public Comment

None.

Adjournment

Citing no further business, Mr. Cheeks adjourned the meeting at 6:31 p.m.



CODE DBRA CAC 23-01-02-172

APPROVAL OF MINUTES OF DECEMBER 14, 2022

RESOLVED, that the minutes of the regular meeting of December 14, 2022, 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.

January 30, 2023



CODE DBRA-CAC 23-01-314-01

TRANSFORMATIONAL BROWNFIELD PLAN FOR THE DISTRICT DETROIT 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 District Detroit Projects** (the "Plan") to the Community Advisory Committee for consideration and comment; and

WHEREAS, the Community Advisory Committee, at its January 25, 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 District Detroit Projects**.
 - 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 30, 2023