



**DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY  
MINUTES OF THE  
SPECIAL COMMUNITY ADVISORY COMMITTEE MEETING  
WEDNESDAY, OCTOBER 19, 2022 - 9:00 AM**

**COMMITTEE MEMBERS**

**PRESENT:**

Rick Blocker  
Michelle Lee  
Allen Rawls  
Rico Razo  
Kamal Cheeks

**COMMITTEE MEMBERS**

**ABSENT:**

Brad Lutz  
Dr. Regina Randall  
Simone Sagovac

**OTHERS PRESENT:**

Brian Vosburg (DEGC/DBRA)  
Cora Capler (DEGC/DBRA)  
Malinda Jensen (DEGC/DBRA)  
Monika McKay-Polly (DEGC/DBRA)  
Emery Matthews (Real Estate Interests, LLC)  
Jonathan Sherman (CCA Midtown)  
Paul Fromm (CCA Midtown)  
Steve Kehm (CCA Midtown)  
Karriem Holman (CCA Midtown)  
Elizabeth Masserang (PM Environmental)  
Aaron Goodman (City of Detroit)



### **Call to Order**

Mr. Cheeks, Chairperson, called the meeting to order at 9:08 a.m.

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

### **General**

#### **Approval of Minutes**

Mr. Cheeks called for approval of the minutes of the September 28, 2022 (resolution) DBRA-CAC meeting, as presented. The Committee took the following action:

Mr. Razo made a motion approving the minutes of the September 28, 2022, meeting, as presented.

Mr. Blocker seconded the motion.

DBRA-CAC Resolution Code 22-10-02-170 was approved.

### **Projects**

#### **City Club Apartments Midtown Brownfield Redevelopment Plan**

Mr. Vosburg presented the City Club Apartments Brownfield Redevelopment Plan.

#### **Project Introduction**

CCA Midtown Detroit, LLC is the project developer ("Developer"). The project includes the redevelopment the Property into a mixed-use development, including approximately 318,000 square feet of residential and commercial space. Within a three-building design, the development will feature approximately 344 residential units, 40,296 square feet of commercial space which will include a restaurant, café, bank, and retail space, and 186 underground parking spaces. Residential units will range in size from studio to 3-bedroom apartments. Resort-class amenities, multiple pocket parks, and an outdoor art park will be incorporated within the development, to enhance the community's livability. It is currently anticipated construction will begin in the winter of 2022 and eligible activities will be completed within 24 months.

The total investment is estimated to be \$103 million, with hard costs totaling approximately \$84 million. The Developer is requesting \$23,956,477.00 in TIF reimbursement.

There will be approximately 130 temporary construction jobs and approximately 60 permanent jobs are expected to be created by the project.

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

The eligible property (the "Property") consists of five (5) parcels, 3510 and 3540 Woodward Avenue, 80 and 90 Mack Avenue, and 33 Eliot Street, which are bounded by Mack Avenue to the north, John R Street to the east, Eliot Street and the property line to the south, and Woodward Avenue to the west in the Midtown neighborhood.

#### **Basis of Eligibility**

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

#### **Eligible Activities and Projected Costs**

The "eligible activities" that are intended to be carried out at the Property are considered "eligible activities" as defined by Sec 2 of Act 381, because they include Baseline Environmental Assessment activities, due

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

Tax Increment Financing (TIF) Capture

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

**COSTS TO BE REIMBURSED WITH TIF**

1. Department Specific Activities	\$1,626,145.00
2. Demolition	\$912,273.00
3. Lead, Asbestos, or Mold Abatement	\$160,000.00
4. Site Preparation	\$8,231,000.00
5. Public ROW Infrastructure Improvements	\$695,040.00
6. Public/Private Infrastructure Improvements	\$6,200,000.00
7. Brownfield Plan & Work Plan	\$60,000.00
8. Contingency (15%)	\$2,655,452.00
9. Interest	\$3,416,567.00
<b>Total Reimbursement to Developer</b>	<b>\$23,956,477.00</b>
10. Authority Administrative Costs	\$2,643,883.00
11. State Brownfield Redevelopment Fund	\$1,061,058.00
12. Local Brownfield Revolving Fund	\$1,581,416.00
<b>TOTAL Estimated Costs</b>	<b>\$29,242,834.00</b>

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

Other Incentives

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

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.

Mr. Matthews introduced the development team and provided more information about the project including the approval of the Neighborhood Enterprise Zone (NEZ) tax abatement and that the Developer will not be pursuing a Commercial Rehabilitation Act tax abatement on the commercial portion of the project.

Mr. Sherman provided more information on the Developer's development experience in the City of Detroit including its current portfolio of properties both within the City of Detroit, in southeast Michigan, and nationally.

Mr. Fromm provided more information on the proposed development and the addition of residential units to the Property.

Mr. Razo asked about the parking plans for the project. Mr. Matthews stated that some of the parking spaces in the proposed parking structure will be available for customers of the Target store and that through a parking study of the area, it was found that there is sufficient parking capacity for the project, and that the hope is that the Property's close proximity to public transit will encourage patrons to the commercial spaces to utilize public transportation to get to and from the development. Mr. Kehm added that there will be approximately 186 parking spaces in the proposed underground parking structure and that 36 of those spaces will be set aside specifically for Target, and that there are a number of spaces that will be considered "flex" spaces, and that there are parking spaces available at the SOMA parking structure adjacent to the Property that will be available for the future residents for the project, and that there is a decreasing demand for parking in general for projects within the Downtown and Midtown areas of the City.

Mr. Razo asked for more information on the types of products that will be available at the Target store considering it will be an urban format store and its close proximity to the Whole Foods store. Mr. Kehm stated that the Target will provide fresh produce, a small CVS pharmacy, and a Starbucks Kiosk as well as clothing and some electronics, but a smaller selection than the full-size Target stores that are found in the suburbs.

Mr. Rawls asked what the expected hours of operation will be for the Target store. Mr. Kehm stated that he anticipates the hours of operation for the Target store to be similar to the hours for other Target locations and be roughly 7:30am to 9:00 pm but that Target will determine the operating hours based on the location and demand, and that the loading dock hours will be after the hours of operation.

Mr. Rawls stated that he was pleased to hear that there will be electronics available at the new Target location and more retail options coming to the City.

Mr. Rawls asked who the architect and general contractor will be for the project and what the plans are for hiring Detroit residents for the project. Mr. Kehm stated that the architect for the project is BKV Group based in Chicago and Minneapolis and that Developer has a long working relationship with them, the general contractor for the project is Norcon Construction who has experience working in the City and will likely form a joint venture with another local company for the project and that the project is subject to the Executive Orders for the hiring of Detroit residents and Detroit contractors for the project and the Developer fully intends to hire as many Detroit residents as possible in order to reach the requirements of the Executive Orders.

Mr. Rawls asked for more information on the rental rates for the residential units for the project. Mr. Kehm stated that 20% of the residential units will be available at 80% of the Area Median Income (AMI) and that the rental rates will range from approximately \$1,300 per month for a studio unit at market rate up to \$3,000 per month for the largest three-bedroom unit at market rate. Mr. Matthews added that the residential units that will be at 80% AMI, are actually at 70% AMI because the AMI ranges have changed since the rental rates were set for the project.

Ms. Lee asked Mr. Holman for more information on the plans to hire Detroit residents for the project. Mr. Holman stated that the Developer has developed a plan with the Detroit Employment Solutions Corporation and will be holding a job fair for Detroit residents for the permanent jobs to be created by the project.

Mr. Lee asked Ms. Masserang to provide more information on the work that PM Environmental has done for the project. Ms. Masserang stated that PM Environmental authored the Plan and has been conducting environmental assessments on the Property.

Ms. Lee asked if the surrounding area will be impacted by the environmental remediation activities that will take place on the Property. Ms. Masserang stated that the contaminated soil present on the Property will be excavated as well as some soil surrounding contaminated portion in order to ensure that all of the contamination will be remediated.

Ms. Lee asked if the Community Benefits Ordinance is applicable to the project. Mr. Goodman stated that the Planning and Development Departments has previously determined that the project is not subject to the Community Benefits Ordinance because triggering tax incentives are not being pursued for the project.

Mr. Cheeks stated that it is a great project and asked if there will be any smart technology or green infrastructure elements included in the project. Mr. Kehm stated that there will be a retention tank for stormwater management on the Property, the project will be Green Certified and Wellness Certified and there will be some green spaces included in the project.

Mr. Cheeks asked for more information on the elevated walkway included in the project. Mr. Kehm stated that the walkway will connect the two residential buildings.

Mr. Cheeks asked if there are tenants identified for the other commercial spaces. Mr. Kehm stated that there will be a Chase Bank location as well as a restaurant space with a tenant that has yet to be identified as well as a café space with a tenant that has also yet to be identified.

Ms. Lee noted that there were some design suggestions included in the support letter from the Brush Park CDC and asked if any of those suggestions will be taken into consideration for the project. Mr. Kehm stated that the Developer met with the Brush Park CDC twice about the project and incorporated the comments into the design of the project.

Mr. Cheeks called for a motion regarding the City Club Apartments Midtown Brownfield Redevelopment Plan, as presented.

Mr. Rawls made a motion to recommend approval of the City Club Apartments Midtown Brownfield Redevelopment Plan. Mr. Razo seconded the motion.  
DBRA-CAC Resolution Code 22-10-311-01 was approved.

#### **Administrative**

Mr. Cheeks presented a certificate to Mr. Rawls as a token of his over twelve years of service on the DBRA-CAC for and his involvement in supporting development in the City of Detroit. Mr. Vosburg stated that on behalf of the DEGC and DBRA Staff he would like to thank Mr. Rawls for his dedication to the DBRA-CAC and his involvement in some very important projects in the City.

#### **Other**

None.

#### **Public Comment**

None.

#### **Adjournment**

Citing no further business, Mr. Cheeks called for a motion to adjourn the meeting. On a motion by Mr. Blocker, seconded by Mr. Razo, Mr. Cheeks adjourned the meeting at 9:50 a.m.



**CODE DBRA CAC 22-10-02-170**

**APPROVAL OF MINUTES OF SEPTEMBER 28, 2022**

RESOLVED, that the minutes of the regular meeting of September 28, 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.

October 19, 2022



**CODE DBRA-CAC 22-10-311-01**

**CITY CLUB APARTMENTS MIDTOWN BROWNFIELD REDEVELOPMENT PLAN**

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 City Club Apartments Midtown Project** (the “Plan”) to the Community Advisory Committee for consideration and comment; and

WHEREAS, the Community Advisory Committee, at its October 19, 2022 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 **City Club Apartments Midtown Brownfield 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.

October 19, 2022