



**DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY  
REGULAR BOARD OF DIRECTORS MEETING  
WEDNESDAY, AUGUST 23, 2023  
4:30 PM**

**BOARD MEMBERS PRESENT:**

Amanda Elias  
Pamela McClain  
Raymond Scott  
Eric Dueweke  
Maggie DeSantis

**BOARD MEMBERS ABSENT:**

Juan Gonzalez  
Stephanie Washington  
John George  
Sonya Mays

**OTHERS PRESENT:**

Brian Vosburg (DEGC/DBRA)  
Cora Capler (DEGC/DBRA)  
Sierra Spencer (DEGC/DBRA)  
Monika McKay-Polly (DEGC/DBRA)  
Lanard Ingram (DEGC)  
Ngozi Nwaesei (Lewis & Munday)  
Dr. Regina Randall (DBRA-CAC)  
Byron Osbern (DBRA-CAC)  
Ryan Higuchi (PM Environmental)  
Edi Demaj (EBE 210 Bethune)  
Matt Walters (601 Piquette Holdings, L.L.C.)  
Apostolos Sinanis (601 Piquette Holdings, L.L.C.)  
Christos Moises (601 Piquette Holdings, L.L.C.)  
David Alade (Century Partners)  
Jared Belka (Warner Norcross)  
Sam Seimer (AKT Peerless)  
Steven



**MINUTES OF THE DETROIT BROWNFIELD  
REDEVELOPMENT AUTHORITY REGULAR MEETING  
WEDNESDAY, AUGUST 23, 2023**

**CALL TO ORDER**

Chairperson Raymond Scott called the meeting to order at 4:42 PM.

Ms. Capler took a roll call of the DBRA Board Members present and a quorum was established.

**GENERAL**

**Approval of Minutes:**

Mr. Scott called for a motion approving the minutes of August 16, 2023, as presented.

The Board took the following action:

Ms. DeSantis made a motion approving the minutes of the August 16, 2023 Board meeting, as presented. Ms. McClain seconded the motion.

DBRA Resolution Code 23-08-02-327 was unanimously approved.

**PUBLIC COMMENT**

None.

**PROJECTS**

**210 Bethune Brownfield Plan**

Ms. Capler presented the 210 Bethune Brownfield Plan to the DBRA Board.

**Project Introduction**

EBE Bethune, LLC is the project developer ("Developer"). The Property is occupied by a two-story building (the main building) that was previously utilized as a mounted police station, and a two-story building (the eastern building) that was previously utilized for storage and horseshoeing. Both buildings were operated by the City of Detroit's Police Department until the mounted police division was disbanded in 2005 and the buildings have been unoccupied since that time. Prior to its use as a mounted police station, the Property was occupied by residential dwellings as early as 1897. Phase I of the project will redevelop the main building into office space consisting of approximately 9,067 square feet which will be occupied Kode Labs, the Developer's parent entity. Phase II of the project will commence after the redevelopment of the main building has been completed and will consist of approximately 1,150 square feet of retail or restaurant space. Additionally, the overgrown vegetation on the eastern portion of the Property will be cleared to create an outdoor event space that will be open for public use with landscaping that includes open green space, native pollinator garden beds, street trees, and sidewalk improvements. It is currently anticipated construction for Phase I will begin in the fall of 2023 and all eligible activities are anticipated to be completed within two (2) years thereafter. Phase II is estimated to begin in late 2025.

The total investment is estimated to be \$2.7 million. The Developer is requesting \$826,203.00 in TIF reimbursement.

There will be approximately 48 temporary construction jobs and approximately 20 permanent jobs are expected to be created by the project.

Property Subject to the Plan

The eligible property (the “Property”) consists of one (1) parcel, bounded by East Bethune Street to the north, John R Street to the east, Custer Avenue to the south, and the property line to the west in North End neighborhood.

Basis of Eligibility

The Property is considered “eligible property” as defined by Act 381, Section 2 because (a) it was previously utilized for a commercial purpose; (b) is located within the City of Detroit, a qualified local governmental unit; and (c) the Property is 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 environmental assessment activities, due care activities, interior demolition and asbestos abatement, infrastructure improvements, site preparation, and the development, preparation and implementation of a brownfield plan and an 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. Environmental Assessment Activities	\$31,320.00
2. Department Specific Activities	\$138,000.00
3. Demolition	\$92,400.00
4. Asbestos and Lead Abatement	\$215,000.00
5. Site Preparation	\$52,050.00
6. Infrastructure Improvements	\$158,970.00
7. Brownfield Plan & Work Plan	\$40,000.00
8. Contingency (15%)	\$98,463.00
<b>Total Reimbursement to Developer</b>	<b>\$826,203.00</b>
9. Authority Administrative Costs	\$160,140.00
10. State Brownfield Redevelopment Fund	\$51,327.00
11. Local Brownfield Revolving Fund	\$37,811.00
<b>TOTAL Estimated Costs</b>	<b>\$1,075,481.00</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 Commercial Rehabilitation Act (PA 210) Tax Abatement.

DBRA-CAC Letter of Recommendation

The DBRA-CAC recommended approval of the Plan at the August 2, 2023 CAC meeting. Attached is the DBRA-CAC’s letter of recommendation for the DBRA Board’s consideration.

### Public Comments

The DBRA public hearing for the Plan was held on Wednesday, August 16, 2023 at 5:30 pm at the Chroma Building. The results of the DBRA public hearing are attached.

Attached for the Board's review and approval was a resolution approving the 210 Bethune Brownfield Redevelopment Plan and its submittal to Detroit City Council.

Mr. Scott called for a motion to approve the 210 Bethune Brownfield Plan and its submittal to Detroit City Council, as presented. The Board took the following action:

Ms. McClain made a motion to approve the 210 Bethune Brownfield Plan and its submittal to Detroit City Council, as presented. Ms. Elias seconded the motion.  
DBRA Resolution Code 23-08-319-02 was unanimously approved.

### **601 Piquette Brownfield Plan**

Mr. Vosburg presented the 601 Piquette Brownfield Plan to the DBRA Board.

#### Project Introduction

601 Piquette Holdings, L.L.C. is the project developer ("Developer"). The project will include rehabilitation and extensive repair to the current ~515,000 square foot building and associated parking located on the Property. A comprehensive redevelopment plan has not yet been finalized, but will likely incorporate high-tech manufacturing, logistics, distribution, and warehousing associated with manufacturing operations. The proposed redevelopment will allow for the expansion of existing businesses in Detroit and will create a viable industrial property which meets the demands of modern industrial operations. It is currently anticipated that pre-development activities will begin in the summer of 2023 and eligible activities will be completed within twelve (12) months.

The total investment is estimated to be \$22.3 million. The Developer is requesting \$12,075,333.00 in TIF reimbursement.

There will be approximately 60 temporary construction jobs expected and approximately 3 permanent jobs to be created by the developer. Additional jobs are anticipated to be created by the end user of the project.

#### Property Subject to the Plan

The eligible property (the "Property") consists of two (2) parcels, 601 Piquette and 530 Piquette, bounded by a rail line (prior to East Milwaukee Avenue) to the north, Hastings Street to the east, Harper Avenue to the south and Beaubien Boulevard to the west. Piquette Avenue runs between the two parcels in the Milwaukee Junction neighborhood.

#### Basis of Eligibility

The Property is considered "eligible property" as defined by Act 381, Section 2 because (a) it was previously utilized for a commercial purpose; (b) is located within the City of Detroit, a qualified local governmental unit; and (c) the Properties are determined to be "facilities" 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 department specific activities, due care activities, demolition, lead, asbestos and mold survey and abatement, infrastructure improvements, interest, and the development, preparation and implementation of a brownfield plan and an 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. Pre-Approved Environmental Activities	\$199,000.00
2. Due Care Compliance Activities	\$3,029,000.00
3. Demolition	\$1,154,821.00
4. Asbestos, Lead, and Mold Activities	\$2,810,000.00
5. Infrastructure Improvements	\$89,701.00
6. Contingency (15%)	\$1,062,528.00
7. Brownfield Plan & Work Plan	\$60,000.00
8. Interest	\$3,463,196.00
<b>Total Reimbursement to Developer</b>	<b>\$11,868,246.00</b>
9. Authority Administrative Costs	\$1,796,198.00
10. State Brownfield Redevelopment Fund	\$465,725.00
11. Local Brownfield Revolving Fund	\$740,455.00
<b>TOTAL Estimated Costs</b>	<b>\$14,870,624.00</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 an Industrial Facilities Exemption (PA 198) Tax Abatement.

DBRA-CAC Letter of Recommendation

The DBRA-CAC recommended approval of the Plan at the August 2, 2023 CAC meeting. Attached is the DBRA-CAC’s letter of recommendation for the DBRA Board’s consideration.

Public Comments

The DBRA public hearing for the Plan was held on Monday, August 14, 2023 at 5:00 pm at the Hotel St. Regis. The results of the DBRA public hearing are attached.

Attached for the Board’s review and approval was a resolution approving the 601 Piquette Brownfield Redevelopment Plan and its submittal to Detroit City Council.

Mr. Scott called for a motion to approve the 601 Piquette Brownfield Plan and its submittal to Detroit City Council, as presented. The Board took the following action:

Ms. DeSantis made a motion to approve the 601 Piquette Brownfield Plan and its submittal to Detroit City Council, as presented. Ms. McClain seconded the motion.  
DBRA Resolution Code 23-08-320-02 was unanimously approved.

**100 Clairmount Brownfield Plan**

Mr. Vosburg presented the 100 Clairmount Brownfield Plan to the DBRA Board.

Project Introduction

Clairmount Apartments LLC is the project developer (“Developer”). Developer intends to rehabilitate the building and upon completion it is anticipated that the project will consist of a four-story approximately 26,018 square feet residential space housing approximately forty-two (42) units (studio, one-, two-, and three-bedroom units). The basement will house approximately five (5) garden level units, fitness, and laundry space. The building is in extreme disrepair and will require an entire overhaul in order to ready the

site for prospective residential tenants. The project will commence with selective interior demolition and lead/asbestos abatement. Construction of the project will begin in fall 2023. The project will be completed in phases; however, this Plan only contemplates eligible activities associated with Phase 1 of the project.

The total investment is estimated to be \$8.9 million. The Developer is requesting \$472,750.00 in TIF reimbursement.

There will be approximately 69 temporary construction jobs expected and approximately 3 permanent jobs to be created by the developer.

Property Subject to the Plan

The eligible property (the “Property”) consists of one (1) parcel, 100 Clairmount, located east of the John C. Lodge Freeway and west of Woodward Avenue in the Boston Edison neighborhood.

Basis of Eligibility

The Property is considered “eligible property” as defined by Act 381, Section 2 because (a) it was previously utilized for a commercial purpose; (b) is located within the City of Detroit, a qualified local governmental unit; and (c) the Property has been determined to be “functionally obsolete” 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 department specific activities, demolition, lead and asbestos abatement, infrastructure improvements, and the development, preparation and implementation of a brownfield plan and/or Act 381 work plan. 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**

1. Department Specific Activities	\$10,000.00
2. Demolition	\$325,000.00
3. Asbestos and Lead Abatement	\$25,000.00
4. Infrastructure Improvements	\$25,000.00
5. Contingency (15%)	\$57,750.00
6. Brownfield Plan & Work Plan	\$30,000.00
<b>Total Reimbursement to Developer</b>	<b>\$472,750.00</b>
7. Authority Administrative Costs	\$189,923.00
8. State Brownfield Redevelopment Fund	\$58,129.00
9. Local Brownfield Revolving Fund	\$451,907.00
<b>TOTAL Estimated Costs</b>	<b>\$1,172,709.00</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 as well as a Local Brownfield Revolving Fund (LBRF) grant and loan request, which is next on the agenda.

Attached for the Board's review and approval was a resolution authorizing the 100 Clairmount Brownfield Plan for submittal to the Community Advisory Committee for consideration and comment within 30 days of their receipt of the proposed Plan. In addition, it authorizes the President of the Detroit Economic Growth Corporation or any person designated by him, as a representative of the DBRA, to conduct a public hearing in the area to which the Proposed Plan applies within the next 30 days. This public hearing may be held jointly with any public hearing conducted by the Community Advisory Committee.

Mr. Alade provided more information about the Developer's experience, the Property and the plans for redevelopment, the deed restricted affordable housing units that will be included in the project, the work that will be done with Central Detroit Christian CDC to identify qualified local residents for the affordable housing units, the tenant amenities to be included in the project, the plans for a completely electric energy system for the project for enhanced sustainability, and the anticipated construction timeline for the project.

Ms. DeSantis asked for more information on the capital stack for the project. Mr. Alade provided more information on the financing sources for the project and the qualifications for those funding sources.

Ms. DeSantis asked if there was a grant provided by LISC for the project. Mr. Alade stated that LISC provided a \$100,000 matching grant that was provided for predevelopment costs.

Mr. Scott called for a motion to authorize a public hearing for the 100 Clairmount Brownfield Plan and refer it to the CAC, as presented. The Board took the following action:

Ms. McClain made a motion to authorize a public hearing for the 100 Clairmount Brownfield Plan and refer it to the CAC, as presented. Ms. DeSantis seconded the motion. DBRA Resolution Code 23-08-321-01 was unanimously approved.

### **Proposed Local Brownfield Revolving Fund Grant and Loan Request for Clairmount Apartments, LLC for 100 Clairmount Project**

Mr. Vosburg presented the Proposed Local Brownfield Revolving Fund Grant and Loan Request for Clairmount Apartments, LLC for 100 Clairmount Project to the LBRF Committee.

Clairmount Apartments, LLC, (the "Developer") is development team led by David Alade and Andrew Colom, founders of Century Partners, LLC, a Detroit headquartered real estate development firm. The Developer is seeking to redevelop a vacant 42-unit apartment building on a single parcel of land at 100 Clairmount Avenue into a restored 42-unit apartment building (the "Project") with an estimated Project cost of approximately \$8.9 Million. The Developer is currently seeking brownfield incentives for the Project and the Project's 100 Clairmount Brownfield Plan (the "Brownfield Plan") is scheduled to first be reviewed by the City of Detroit Brownfield Redevelopment Authority ("DBRA") Board of Directors on August 23, 2023 and to be voted on by City Council at a future date. Work Plan approval by the Michigan Strategic Fund (the "MSF") would occur at a future date.

In furtherance of the Project, the Developer has also received approval for loan funding from LISC in the amount of \$4,972,500, MI Saves in the amount of \$500,000, and is anticipating an MSF Community Revitalization Program (the "CRP") Grant of \$1,476,580. Ebiarra will be providing an equity investment of \$95,000. The Developer will be providing \$1,242,001 in cash equity and \$167,500 in deferred developer fees. However, due to the significant amount of brownfield eligible activities identified at the Project site, Developer is seeking a grant in the amount of \$75,000 (the "Grant") and a loan in the amount of \$397,750 (the "Loan") from the DBRA's Local Brownfield Revolving Fund (the "LBRF").

The Grant and Loan proceeds will be used to reimburse the Developer for Brownfield eligible costs. These funds will support a \$8.9 million renovation of a 4 story, 42-unit apartment building with ground floor

residential amenity spaces, and studio, 1 bedroom, 2 bedroom and 3 bedroom units with rents set for tenants earning 50%-80% of the Area Median Income (the "AMI"). \$472,750 in Brownfield TIF revenue is projected to captured for eligible activities which include environmental studies, demolition, lead & asbestos abatement, public infrastructure, and brownfield and work plan preparation.

Furthermore, this Project brings back to life a highly visible and architecturally noteworthy vacant apartment building just off Woodward Avenue in the Piety Hill neighborhood. It is projected to create 69 construction jobs and 3 FTEs permanent jobs.

Under the LBRF, funds are available to developers to use for only brownfield plan eligible activities with approved brownfield plans. Grants are available for government, non-profit and Detroit headquartered developers. Loans and grants are available for all eligible activities on eligible property defined under Michigan Public Act 381 of 1996, as amended.

The LBRF Guidelines state that the loan amount allocated for any project shall not exceed fifty percent (50%) of the DBRA's TIF commitment for the Brownfield Plan. The developer has requested that the DBRA consider a variance from this policy to help fill the last financial gaps for this project. Given the following aspects of the project: the deep affordability of the units being provided, a broad range of unit sizes from studios to 3 bedrooms, the rehabilitation of a severely deteriorated architecturally significant building, and its location well outside of the Downtown and Midtown neighborhoods, DBRA staff support and recommend providing up to eighty-five (85%) of the DBRA's TIF commitment for the Brownfield Plan with an LBRF Loan.

Please find below the proposed terms of the DBRA Grant and Loan, and a Sources and Uses table.

<b>Grantee/Borrower Name:</b>	Clairmount Apartments, LLC
<b>Grantee/Borrower Location:</b>	100 Clairmount Avenue, Detroit MI 48202
<b>Request:</b>	Grant: \$75,000.00 Loan: \$397,750.00
<b>Fee:</b>	1% of the Grant and Loan amount due at application.
<b>Interest Rate:</b>	1.0% per annum
<b>Loan Term:</b>	10 years
<b>Loan Repayment:</b>	Interest only payments for years 1-10. Balloon payment at end of term.
<b>Loan Security:</b>	First lien position on Brownfield TIF revenue. Brownfield TIF will have an estimated value of \$472,750 with the Brownfield Plan.
<b>Loan Guaranty:</b>	Personal Guaranty of David Alade and Andrew Colom.
<b>Eligible Uses:</b>	Eligible activities identified in the Brownfield Plan including environmental studies & investigation, demolition, lead & asbestos abatement, infrastructure improvements, and brownfield & work plan preparation & implementation.
<b>Disbursement:</b>	Developer will first make an equity contribution of at least \$10% of total project costs before Loan and Grant funds are disbursed. DBRA will disburse Grant and Loan 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;
- (ii) Binding commitments for construction loan(s) and grant(s);
- (iii) Evidence of minimum 10% equity investment for the Project prior to Grant and Loan funding;
- (iv) Developer shall have received approval of the Brownfield Plan and the Work Plan by the DBRA, the City of Detroit, and the MSF, as applicable;
- (v) Developer will provide itemized schedule and use of funds; and
- (vi) Execution of mutually acceptable loan and grant documents.

<b>TOTAL SOURCES</b>		
<b>Senior Debt</b>		
LISC	\$4,972,500	55.71%
MI Saves	\$500,000	5.60%
DBRA LBRF Loan	\$397,750	4.46%
<b>Subordinate Debt/Grants</b>		
MSF CRP Grant	\$1,476,580	16.54%
DBRA LBRF Grant	\$75,000	0.84%
<b>Deferred Fees/Cash Equity</b>		
Deferred Developer Fees	\$167,500	1.88%
Cash Equity Owner	\$1,242,001	13.91%
Ebiarra Equity Investment	\$95,000	1.06%
<b>TOTAL DEVELOPMENT SOURCES</b>	<b>\$8,926,331</b>	<b>100.0%</b>

<b>ELIGIBLE USES OF \$259,000 LBRF GRANT &amp; LOAN FUNDS FROM BROWNFIELD PLAN</b>	
<b>Eligible Costs</b>	
Environmental Studies & Investigations	\$10,000
Demolition	\$325,000
Lead & Asbestos Abatement	\$25,000
Infrastructure Improvements	\$25,000
Brownfield & Work Plan Preparation & Implementation	\$30,000
15% Contingency	\$57,750
<b>TOTAL AVAILABLE ELIGIBLE LBRF USES</b>	<b>\$472,750</b>

The DBRA LBRF Committee reviewed the proposed Grant and Loan on the afternoon of August 23, 2023 and recommended approval of the request to the DBRA Board of Directors and DBRA staff. A resolution was attached for the Board's consideration.

Ms. DeSantis stated that she believes this project is a great example of the proper use of public tax incentives.

Mr. Scott called for a motion to approve the Proposed Local Brownfield Revolving Fund Grant and Loan Request for Clairmount Apartments, LLC for 100 Clairmount Project, as presented. The Board took the following action:

Ms. McClain made a motion to approve the Proposed Local Brownfield Revolving Fund Grant and Loan Request for Clairmount Apartments, LLC for 100 Clairmount Project, as presented. Mr. Dueweke seconded the motion.  
DBRA Resolution Code 23-08-321-02 was unanimously approved.

**ADMINISTRATIVE**

None.

**OTHER**

Mr. Vosburg stated that going forward, the Zoom component of DBRA meetings will be set up differently than in the past in order to allow for greater security and control of the meeting online.

**ADJOURNMENT**

Citing no further business, Mr. Scott called for a motion to adjourn the meeting.

On a motion by Ms. McClain, seconded by Mr. Dueueke, the meeting was unanimously adjourned at 4:58 PM.



CODE DBRA 23-08-02-327

**APPROVAL OF MINUTES OF AUGUST 16, 2023**

RESOLVED, that the minutes of the special meeting of August 16, 2023 are hereby approved and all actions taken by the Directors present at such meeting, as set forth in such minutes, are hereby in all respects ratified and approved as actions of the Detroit Brownfield Redevelopment Authority.

August 23, 2023



**CODE DBRA 23-08-319-02**

**210 BETHUNE 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 Council”) for the purpose of promoting the revitalization of environmentally distressed areas in the City of Detroit; 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, in accordance with the policies, procedures and bylaws governing the DBRA, the DBRA has submitted a proposed Brownfield Plan for the **210 Bethune Redevelopment Project** (the “Plan”) to the Community Advisory Committee for its consideration and comment and has solicited comments by the public by publication of notice stating that the proposed Plan has been submitted to the Community Advisory Committee and by conducting a public hearing in the area to which the proposed Plan applies; and

WHEREAS, the Community Advisory Committee has considered the proposed Plan and approved a resolution recommending the approval of the proposed Plan by the DBRA and the City Council as presented by the DBRA; and

WHEREAS, in accordance with the provisions of Act 381, the Board of Directors of the DBRA has considered the proposed Plan and desires to approve the proposed Plan and to request that City Council call a public hearing to consider and adopt a resolution approving the proposed Plan.

NOW, THEREFORE, BE IT RESOLVED:

1. The Board of Directors of the DBRA has determined that the adoption of the Brownfield Plan for the **210 Bethune Redevelopment Project** is in keeping with the purposes of Act 381 and recommends submittal of the Plan to City Council for approval.
2. The Board of Directors of the DBRA approves the Plan substantially in the form attached hereto and on file with the Secretary of the DBRA.
3. Any Authorized Agent of the DBRA is authorized and directed to submit a certified copy of this Resolution and the Plan to the City Clerk, together with a request that the City Council call a public hearing concerning the Plan and to take all other actions required to approve the Plan in accordance with Act 381.
4. That any one of the officers and any one of the Authorized Agents of the DBRA or any two of the Authorized Agents of the DBRA shall hereafter have the authority to negotiate and execute all documents, contracts, or other papers, and take such other actions, necessary or appropriate to implement the provisions and intent of this Resolution on behalf of the DBRA.

5. That all of the acts and transactions of any officer or authorized agent of the DBRA, in the name and on behalf of the DBRA, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

6. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are rescinded.

August 23, 2023



CODE DBRA 23-08-320-02

### **601 PIQUETTE 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 Council”) for the purpose of promoting the revitalization of environmentally distressed areas in the City of Detroit; 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, in accordance with the policies, procedures and bylaws governing the DBRA, the DBRA has submitted a proposed Brownfield Plan for the **601 Piquette Redevelopment Project** (the “Plan”) to the Community Advisory Committee for its consideration and comment and has solicited comments by the public by publication of notice stating that the proposed Plan has been submitted to the Community Advisory Committee and by conducting a public hearing in the area to which the proposed Plan applies; and

WHEREAS, the Community Advisory Committee has considered the proposed Plan and approved a resolution recommending the approval of the proposed Plan by the DBRA and the City Council as presented by the DBRA; and

WHEREAS, in accordance with the provisions of Act 381, the Board of Directors of the DBRA has considered the proposed Plan and desires to approve the proposed Plan and to request that City Council call a public hearing to consider and adopt a resolution approving the proposed Plan.

NOW, THEREFORE, BE IT RESOLVED:

1. The Board of Directors of the DBRA has determined that the adoption of the Brownfield Plan for the **601 Piquette Redevelopment Project** is in keeping with the purposes of Act 381 and recommends submittal of the Plan to City Council for approval.
2. The Board of Directors of the DBRA approves the Plan substantially in the form attached hereto and on file with the Secretary of the DBRA.
3. Any Authorized Agent of the DBRA is authorized and directed to submit a certified copy of this Resolution and the Plan to the City Clerk, together with a request that the City Council call a public hearing concerning the Plan and to take all other actions required to approve the Plan in accordance with Act 381.
4. That any one of the officers and any one of the Authorized Agents of the DBRA or any two of the Authorized Agents of the DBRA shall hereafter have the authority to negotiate and execute all documents, contracts, or other papers, and take such other actions, necessary or appropriate to implement the provisions and intent of this Resolution on behalf of the DBRA.

5. That all of the acts and transactions of any officer or authorized agent of the DBRA, in the name and on behalf of the DBRA, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

6. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are rescinded.

August 23, 2023



**CODE DBRA 23-08-321-01**

**100 CLAIRMOUNT BROWNFIELD REDEVELOPMENT PLAN – TRANSMITTAL OF BROWNFIELD PLAN TO THE COMMUNITY ADVISORY COMMITTEE**

WHEREAS, pursuant to 381 PA 1996 (“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, under the resolution establishing the DBRA and the bylaws of the DBRA requires the DBRA, prior to the approval of a brownfield plan, submit the proposed brownfield plan to the Community Advisory Committee for consideration and comment and solicit comments by publication of notice that the proposed brownfield plan has been submitted to the Community Advisory Committee and by conducting a public hearing in the area to which the proposed Plan applies.

NOW, THEREFORE, BE IT RESOLVED:

1. The City of Detroit Brownfield Redevelopment Authority acknowledges receipt of the proposed Brownfield Plan for the **100 Clairmount Brownfield Redevelopment Plan** (the “Proposed Plan”) and authorizes and directs the Chairperson to cause the Proposed Plan to be transmitted to the Community Advisory Committee for consideration and comment within 30 days of their receipt of the Proposed Plan.

2. The President of the Detroit Economic Growth Corporation or any person designated by him, as a representative of the DBRA, shall conduct a public hearing in the area to which the Proposed Plan applies within the next 30 days. This public hearing may be held jointly with any public hearing conducted by the Community Advisory Committee.

3. The Chairperson is authorized and directed to cause there to be published notice that the Proposed Plan has been submitted to the Community Advisory Committee and of the public hearing to be held pursuant to this resolution.

BE IT FINALLY RESOLVED, that all of the acts and transactions of any Officer or Authorized Agent of the DBRA in the name and on behalf of the DBRA, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolution except that such acts were taken prior to execution of these resolution, are hereby in all respects confirmed, approved and ratified.

August 23, 2023





**CODE DBRA 23-08-321-02**

**100 CLAIRMOUNT BROWNFIELD REDEVELOPMENT PLAN: LOCAL BROWNFIELD REVOLVING FUND GRANT AND LOAN**

**WHEREAS**, Clairmount Apartments, LLC, (the “Developer”) is seeking to redevelop an existing vacant apartment building located at 100 Clairmount Avenue into a 42-unit apartment development (the “Project”); and

**WHEREAS**, the 100 Clairmount Brownfield Plan is first being considered by the DBRA on August 23, 2023 with approval at a future date, and is scheduled for approval by City Council at a future date, and Work Plan approval is scheduled for approval by the Michigan Strategic Fund at a future date; and

**WHEREAS**, in order to facilitate the development, the Developer is seeking a \$75,000.00 grant (the “Grant”) and \$397,750.00 loan (the “Loan”) from the City of Detroit Brownfield Redevelopment Authority (“DBRA”) Local Brownfield Revolving Fund (the “LBRF”); and

**WHEREAS**, under the LBRF, funds are available to developers to use for only brownfield plan eligible activities and funds in the form of a grant are available for government, non-profit and Detroit headquartered developers and funds in the form of loans and grants are available for all eligible activities on eligible property defined under Michigan Public Act 381 of 1996, as amended; and

**WHEREAS**, DBRA staff has reviewed the Developer’s financial documentation and proposes the following terms and conditions for the Loan and Grant:

<b>Request:</b>	Grant: \$75,000.00 Loan: \$397,750.00
<b>Interest Rate:</b>	1.0% per annum
<b>Fee:</b>	1% of the Grant and Loan amount due at application.
<b>Loan Term:</b>	10 years
<b>Loan Repayment:</b>	Interest only payments for years 1-10. Balloon payment at end of term.
<b>Loan Security:</b>	First lien position on Brownfield TIF revenue. Brownfield TIF will have an estimated value of \$472,750 with the Brownfield Plan.
<b>Loan Guaranty:</b>	Personal Guaranty of David Alade and Andrew Colom.

- 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:** Developer will first make an equity contribution of at least \$10% of total project costs before Loan and Grant funds are disbursed. DBRA will disburse Grant and Loan 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; (ii) Binding commitments for construction loan(s) and grant(s); (iii) Evidence of minimum 10% equity investment for the Project prior to Grant and Loan funding; (iv) Developer shall have received approval of the Brownfield Plan and the Work Plan by the DBRA, the City of Detroit, and the MSF, as applicable; (v) Developer will provide itemized schedule and use of funds; and (vi) Execution of mutually acceptable loan and grant documents.

**WHEREAS**, DBRA staff presented such information to the DBRA LBRF Committee which recommends the approval of the LBRF Grant and Loan in accordance with the terms noted above; and

**WHEREAS**, the DBRA Board of Directors has reviewed the terms of the Grant and Loan and determined that providing the Grant and Loan is in the best interest of the DBRA.

**NOW, THEREFORE, BE IT, RESOLVED**, that the DBRA Board of Directors hereby approves the provision of the Grant and Loan to Developer and the execution of the Grant and Loan Agreement with the terms provided herein are hereby approved, contingent upon approval of the Brownfield Plan by the DBRA and City Council, and the Work Plan by the Michigan Strategic Fund.

**BE IT FURTHER RESOLVED**, that any two Officers, or any one of the Officers and any one of the Authorized Agents or any two of the DBRA's Authorized Agents, shall hereafter have the authority to negotiate and execute all documents evidencing the Grant and Loan together with such other terms and conditions that are determined by such Authorized Agents and/or Officers to be customary or appropriate and not inconsistent with this resolution, and to negotiate and execute all other documents, contracts, or papers, and take all actions, necessary or appropriate to implement the provisions and intent of this resolution on behalf of the DBRA.

**BE IT FINALLY RESOLVED**, that all of the acts and transactions of any officer or authorized agent of the DBRA, in the name and on behalf of the DBRA, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

August 23, 2023



# DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY

DBRA BOARD MEETING & CAC MEETING

Wednesday, August 23, 2023



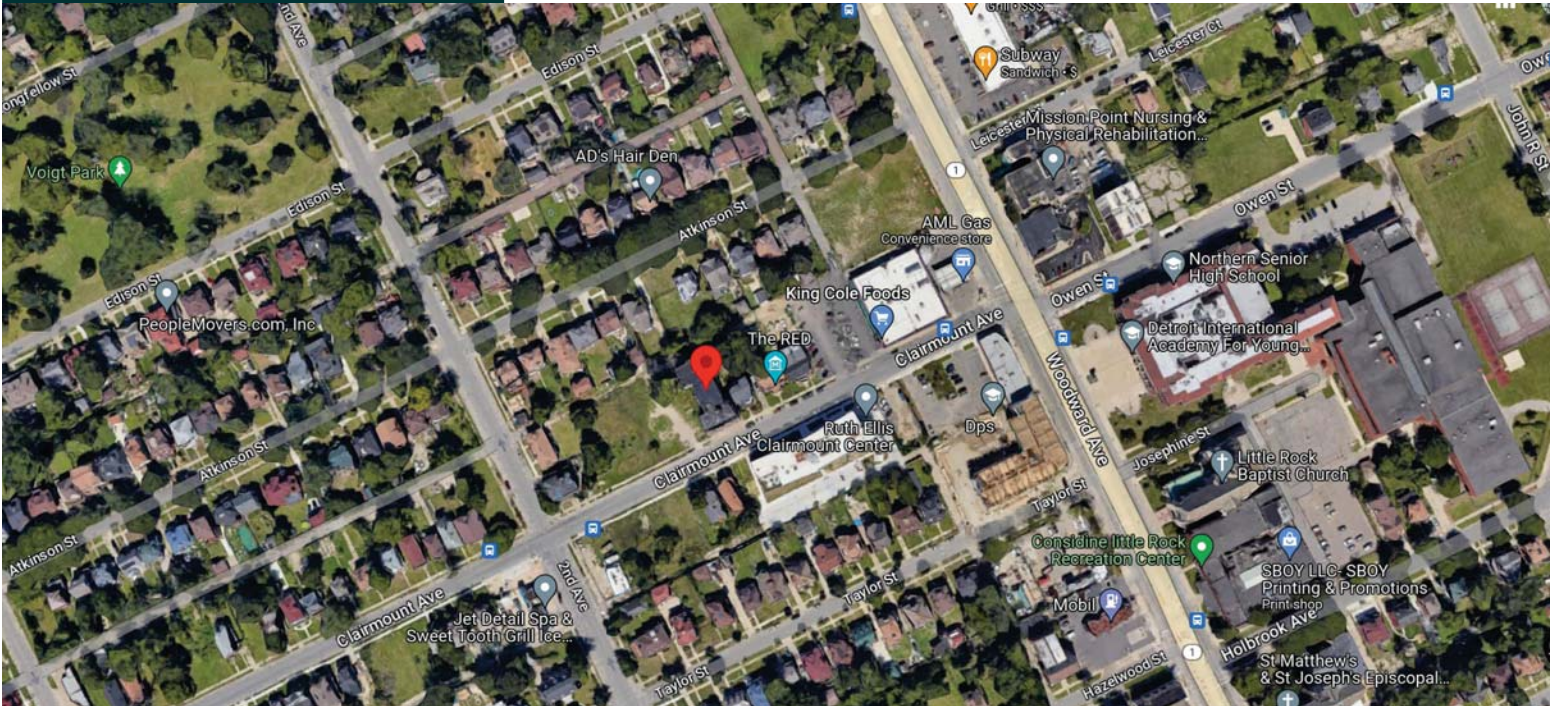
# 100 Clairmount Brownfield Plan

**PUBLIC ACT  
381**





## 100 Clairmount Brownfield Plan | Location Map



## 100 Clairmount Brownfield Plan | Location Map





## 100 Clairmount Brownfield Plan | Current Conditions



## 100 Clairmount Brownfield Plan | Rendering





## 100 Clairmont Brownfield Plan | Rendering



## 100 Clairmont Brownfield Plan | Current Conditions





# 100 Clairmount Brownfield Plan | Rendering



# 100 Clairmount Brownfield Plan | Rendering





TOTAL SOURCES		
<b>Senior Debt</b>		
Horizon Bank	\$4,972,500	55.71%
MI Saves	\$500,000	5.60%
DBRA LBRF Loan	\$397,750	4.46%
<b>Subordinate Debt/Grants</b>		
MSF CRP Grant	\$1,476,580	16.54%
DBRA LBRF Grant	\$75,000	0.84%
<b>Deferred Fees/Cash Equity</b>		
Deferred Developer Fees	\$167,500	1.88%
Cash Equity Owner	\$1,242,001	13.91%
Ebiarra Equity Investment	\$95,000	1.06%
<b>TOTAL DEVELOPMENT SOURCES</b>	<b>\$8,926,331</b>	<b>100.0%</b>