



**DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
MINUTES OF THE
REGULAR COMMUNITY ADVISORY COMMITTEE MEETING
WEDNESDAY, AUGUST 23, 2023 - 5:00 PM**

COMMITTEE MEMBERS PRESENT: Omar Hasan
Abir Ali
Byron Osbern
George Etheridge
Jeffrey Evans
Dr. Regina Randall

COMMITTEE MEMBERS ABSENT: Rico Razo
Ponce Clay
Marloshawn Franklin

OTHERS PRESENT: Brian Vosburg (DEGC/DBRA)
Monika Mc-Kay Polly (DEGC/DBRA)
Sierra Spencer (DEGC/DBRA)
Lanard Ingram (DEGC)
David Alade (Century Partners)
Steven Turner



Call to Order

Vice-Chairperson, Mr. Osbern, called the meeting to order at 5:04 p.m.

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

General

Approval of Minutes

Mr. Osbern called for approval of the minutes of the August 2, 2023 DBRA-CAC meeting, as presented.

The Committee took the following action:

Mr. Etheridge made a motion approving the minutes of the August 2, 2023, meeting, as presented.

Dr. Randall seconded the motion.

DBRA-CAC Resolution Code 23-08-02-178 was unanimously approved.

Projects

100 Clairmount Brownfield Redevelopment Plan

Mr. Vosburg presented the 100 Clairmount Brownfield Redevelopment Plan.

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
Total Reimbursement to Developer	\$472,750.00
7. Authority Administrative Costs	\$189,923.00
8. State Brownfield Redevelopment Fund	\$58,129.00
9. Local Brownfield Revolving Fund	\$451,907.00
TOTAL Estimated Costs	\$1,172,709.00

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 grant and loan from the DBRA's Local Brownfield Revolving Fund.

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. 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.

Mr. Etheridge thanked Mr. Alade for his investment in this community for the last decade and asked if any of the units that had been previously rehabilitated by Mr. Alade had been multifamily units. Mr. Alade stated that in this community the most he has done has been four (4) unit buildings. Mr. Alade explained that outside of this neighborhood, he and his team have rehabilitated a building as large as forty-eight (48) units. Mr. Alade noted that this is the biggest gut rehabilitation he and his team have done, thus they have opted to work with an experienced architect and owner's representative.



Mr. Etheridge asked what level of lead and asbestos remediation would take place. Mr. Alade stated that any remaining existing interior plaster walls will be completely removed in order to replace all the mechanical systems and fully assess structural conditions, which will also result in the lead and asbestos present in the building being removed..

Dr. Randall stated her concern with the number of support letters presented by Mr. Alade and that none of the letters had been given by community leaders or block clubs. Mr. Alade explained that prior to a few weeks ago he had only reached out to two (2) entities before becoming privy to the typical number of support letters received by other projects. Mr. Alade stated that since then he has reached out to four (4) other entities and should be able to show the Committee those letters. Mr. Osborn stated that he lives in this neighborhood and could put great worth on the letters of support provided by Mr. Alade.

Mr. Evans shared his excitement for the project and asked which companies Mr. Alade is working with and more specifically where these companies are based. Mr. Alade responded that their general contractor is Multi-Family Commercial Construction based in Oak Park. Mr. Alade added that there will also be many Detroit-based subcontractors performing work on the development as well.

Mr. Evans asked Mr. Alade if he would be able to provide documentation of the contractors he has used previously as well as contractors he is currently using to ensure that they are Detroit-based. Mr. Alade agreed that he would be able to provide the information for these contractors. Mr. Evans asked DBRA staff how they would be able to obtain this information from the Developer. Mr. Vosburg stated that most Developers do not want to share all the detailed information regarding their contractors since they have spent many years building these relationships and the construction labor market is really tight. However the Developer could share the information they were comfortable sharing with DBRA staff and that Mr. Vosburg would then distribute the information to the Committee.

Mr. Etheridge asked if with any of Mr. Alade's previous multi-unit developments he had sought any tax incentives that would've been approved by the City of Detroit. Mr. Alade stated he had not sought any tax incentives because for his previous developments, using tax incentives was not cost effective or necessary to make the projects financially viable.

Mr. Evans stated that there are plenty of general contractors that are Detroit-based that could work on this development. Further, Mr. Evans asked if Mr. Alade would be willing to have other companies look at his bids. Mr. Alade stated he did not believe there are a lot of qualified and available contractors, as there is a lack of qualified tradespeople not only in Detroit, but across the country. Mr. Alade added that he could provide his previous contractors and that his current contractor was referred to him by another Black developer that he has been working with. Mr. Alade stated that he did attempt to work with Black Detroit-based contractors, but their pricing was out of budget, and concluded that changing the general contractor would seriously set back the project and raise costs since he currently has a "not to exceed" amount to complete the project with the current general contractor.

Ms. Ali asked Mr. Alade to speak to his architects and owners' representative experience. Mr. Alade stated that for an architect he is working with Amy Baker and Carl Bolofer who both spent time with Hamilton Anderson working on several historical renovations in Detroit. Mr. Alade continued that his Owners Representative, Jim Capo, has been in construction and architecture in Detroit for thirty (30) years.

Mr. Osborn asked Mr. Alade if he or Mr. Capo had considered working with Central Detroit Christian CDC or 360 Detroit to find either skilled tradespeople, or community members for a training program to work on the development. Mr. Alade responded he had not thought of doing this but agreed to reach out to both organizations to inquire if they know of qualified local contractors or a way to establish a training program for local community members to work on the project.



Mr. Osbern called for a motion regarding the 100 Clairmount Brownfield Redevelopment Plan.

The Committee took the following action:

Mr. Etheridge made a motion to recommend approval of the 100 Clairmount Brownfield Redevelopment Plan to the DBRA Board. Mr. Hasan seconded the motion. Mr. Hasan, Ms. Ali, Mr. Osbern, Mr. Etheridge, & Dr. Randall voted aye. Mr. Evans voted nay. DBRA-CAC Resolution Code 23-08-321-01 was approved.

Administrative

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

Other

None.

Public Comment

Mr. Osbern called for public comment and stated that each speaker would be given two minutes.

Mr. Steven Turner stated that he was in support of the 100 Clairmount project. Mr. Turner added that it has been beautiful to see how everything in this neighborhood is coming together and thanked the committee for their time.

Adjournment

Citing no further business, on a motion by Mr. Etheridge, Mr. Osbern adjourned the meeting at 5:37 p.m.



CODE DBRA CAC 23-08-02-178

APPROVAL OF MINUTES OF AUGUST 2, 2023

RESOLVED, that the minutes of the special meeting of August 2, 2023 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.

August 23, 2023



CODE DBRA-CAC 23-08-321-01

100 CLAIRMOUNT 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 100 Clairmount** (the “Plan”) to the Community Advisory Committee for consideration and comment; and

WHEREAS, the Community Advisory Committee, at its August 23, 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 Brownfield Plan for the **100 Clairmount 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.

August 23, 2023