



**DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
REGULAR BOARD OF DIRECTORS MEETING
WEDNESDAY, APRIL 12, 2023
4:00 PM**

BOARD MEMBERS PRESENT:

John George
Raymond Scott
Pamela McClain
Eric Dueweke
Stephanie Washington

BOARD MEMBERS ABSENT:

Juan Gonzalez
Sonya Mays
Amanda Elias
Maggie DeSantis

OTHERS PRESENT:

Jennifer Kanalos (DEGC/DBRA)
Brian Vosburg (DEGC/DBRA)
Cora Capler (DEGC/DBRA)
Paul Kako (DEGC)
Rebecca Navin (DEGC)
Glen Long, Jr. (DEGC)
JoMeca Thomas (DEGC)
Ngozi Nwaesei (Lewis & Munday)
Emmett Moten (Bagley Development Group)
Jared Belka (Warner Norcross)
Theo Pride (Detroit People's Platform)
JC Reindl (Detroit Free Press)



**MINUTES OF THE DETROIT BROWNFIELD
REDEVELOPMENT AUTHORITY REGULAR MEETING
WEDNESDAY, APRIL 12, 2023**

CALL TO ORDER

Chairperson Ray Scott called the meeting to order at 4:09 PM.

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

GENERAL

Approval of Agenda:

Mr. Scott called for a motion approving the agenda of the April 12, 2023 DBRA meeting, as presented.

The Board took the following action:

Ms. McClain made a motion approving the agenda of the April 12, 2023 DBRA meeting, as presented. Mr. George seconded the motion.

Approval of Minutes:

Mr. Scott called for a motion approving the minutes of March 22, 2023, as presented.

The Board took the following action:

Ms. McClain made a motion approving the minutes of the March 22, 2023 Board meeting, as presented. Mr. George seconded the motion.
DBRA Resolution Code 23-04-02-320 was unanimously approved.

Treasurer's Report – March 2023

Mr. Long presented the March 2023 Treasurer's Report.

Mr. Scott called for a motion accepting the March 2023 Treasurer's Report, as presented. The Board took the following action:

Mr. George made a motion accepting the March 2023 Treasurer's Report, as presented. Ms. Washington seconded the motion.
DBRA Resolution Code 23-04-03-234 was unanimously approved.

PROJECTS

Former United Artists Theatre Building Redevelopment Project at 150 Bagley Street Brownfield Plan

Mr. Vosburg presented the Former United Artists Theatre Building Redevelopment Project at 150 Bagley Street Brownfield Plan to the DBRA Board.

Project Introduction

Bagley Development Group, LLC is the project developer ("Developer"). The project is the rehabilitation of the building into approximately 217,300 square feet of mixed-use residential and commercial retail/restaurant space. The rehabilitated building will include all of the modern amenities of a first class

building and is projected to house ground floor and basement level commercial office/retail/restaurant space. Floors 2 through 18 will house a mix of one-bedroom and two-bedroom apartments (20% will be affordable at 80% AMI). Construction of the project began in the spring of 2022 (demolition commenced in March 2022) and is expected to be completed within the next twenty-four (24) months.

The total investment is estimated to be \$43.4 million. The Developer is requesting \$6,355,000.00 in TIF reimbursement.

There will be approximately 150 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 one (1) parcel, 150 Bagley Street, which is located at the corner of Clifford Street and Bagley Street with W. Adams Avenue to the west, Park Avenue to the north, Bagley Street to the east and Clifford Street to the south in Downtown Detroit.

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 a “Historic Resource” 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 demolition, lead and asbestos abatement, 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. Demolition	\$3,500,000.00
2. Lead and Asbestos Abatement	\$2,000,000.00
3. Brownfield Plan & Work Plan	\$30,000.00
4. Contingency (15%)	\$825,000.00
Total Reimbursement to Developer	\$6,355,000.00
5. Authority Administrative Costs	\$867,182.00
6. State Brownfield Redevelopment Fund	\$398,706.00
7. Local Brownfield Revolving Fund	\$0.00
TOTAL Estimated Costs	\$7,620,888.00

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) and an Obsolete Property Rehabilitation Act (PA 146) Tax Abatements.

DBRA-CAC Letter of Recommendation

The DBRA-CAC recommended approval of the Plan at the March 22, 2023 CAC meeting. Attached is the DBRA-CAC's letter of recommendation for the DBRA Board's consideration.

Public Comments

Attached are the results of the DBRA public hearing for the Plan that was held on Monday, April 3, 2023 via Zoom.

Attached for the Board's review and approval was a resolution approving the Former United Artists Theatre Building Redevelopment Project at 150 Bagley Street Brownfield Redevelopment Plan and its submittal to Detroit City Council.

Mr. Scott called for a motion to approve the Former United Artists Theatre Building Redevelopment Project at 150 Bagley Street Brownfield Plan and its submittal to Detroit City Council, as presented. The Board took the following action:

Mr. George made a motion to approve the Former United Artists Theatre Building Redevelopment Project at 150 Bagley Street Brownfield Plan and its submittal to Detroit City Council, as presented. Ms. McClain seconded the motion.
DBRA Resolution Code 23-04-318-02 was unanimously approved.

ADMINISTRATIVE

None.

OTHER

None.

PUBLIC COMMENT

Mr. Scott called for public comment and stated that each person would receive two minutes to provide their public comment.

Theo Pride stated that he is with Detroit People's Platform and that he would like to restate the recommendation he made at the public hearing for the Former United Artists Theatre Building Redevelopment Project at 150 Bagley Street Brownfield Redevelopment Plan that while the project does not reach the \$75 million investment threshold for the Community Benefits Ordinance (CBO) the Developer should consider voluntarily completing the CBO process in order to be a good corporate citizen, and that the affordability level of the project is not low enough to be attainable for the majority of Detroit residents.

Mr. George requested that for future meetings public comment be moved up on the agenda to before project items so that the Board may hear public comments before taking voting actions on project items.

ADJOURNMENT

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

On a motion by Ms. McClain, seconded by Mr. George, the meeting was unanimously adjourned at 4:18 PM.



CODE DBRA 23-04-02-320

APPROVAL OF MINUTES OF MARCH 22, 2023

RESOLVED, that the minutes of the regular meeting of March 22, 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.

April 12, 2023



DBRA 23-04-03-234

ACCEPTANCE OF TREASURER'S REPORT FOR MARCH 2023

RESOLVED, that the Treasurer's Report of Receipts and Disbursements for the period March 1 through March 31, 2023, as presented at this meeting is hereby in all respects accepted as actions of the Detroit Brownfield Redevelopment Authority.

April 12, 2023



CODE DBRA 23-04-318-02

FORMER UNITED ARTISTS THEATRE BUILDING REDEVELOPMENT PROJECT AT 150 BAGLEY STREET 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 certain properties 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 Former United Artists Theatre Building Redevelopment Project at 150 Bagley Street (the “Plan”) to the Community Advisory Committee for its consideration and comment and has solicited comments from 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 in accordance with Sections 14 and 14a of Act 381 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 Former United Artists Theatre Building Redevelopment Project at 150 Bagley Street is consistent with the purposes and requirements of Act 381 and recommends submittal of the Plan to City Council for approval.

2. The Board of Directors of the DBRA has determined that the Plan constitutes a “Qualifying Downtown Brownfield Project” under that certain Interlocal Agreement by and between the DBRA and the City of Detroit Downtown Development Authority.

3. 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.

4. Any Authorized Agent of the DBRA is hereby authorized and directed by the Board of the Directors of the DBRA to submit a certified copy of this Resolution and the Plan, substantially in the form

attached hereto, to the City Clerk, together with a request that the City Council call a public hearing concerning the Plan and take all other actions required to approve the Plan in accordance with Act 381.

5. 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.

6. 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.

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

April 12, 2023