



Detroit Brownfield Redevelopment Authority  
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**DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY  
SPECIAL BOARD OF DIRECTORS MEETING  
WEDNESDAY, OCTOBER 18, 2017  
4:00 PM**

**BOARD MEMBERS PRESENT:** Maggie DeSantis  
John George  
Pamela McClain  
Ray Scott  
Stephanie Washington  
Matt Walters

**BOARD MEMBERS ABSENT:** Sonya Mays  
Derrick Sanders  
Donele Wilkins

**OTHERS PRESENT:** Jennifer Kanalos (DEGC/DBRA)  
Ayesha Maxwell (DEGC/DBRA)  
Brian Vosburg (DEGC/DBRA)  
Rebecca Navin (DEGC)  
Ngozi Nwaesei (Lewis & Munday)  
Steve Ogden (Bedrock)  
Paul Roberts (SME)  
Jared Fleisher (Quicken Loans)  
Michael Lapico (Bedrock)  
Jay Bonahoom (Wolverine)  
Dan Cassidy (SME)  
Brian Holdwick (600 Ventures)  
Erick Means (600 Ventures)  
Gina Metrakas (Quicken Loans)



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MINUTES OF THE DETROIT BROWNFIELD  
REDEVELOPMENT AUTHORITY SPECIAL MEETING  
WEDNESDAY, OCTOBER 18, 2017  
DETROIT ECONOMIC GROWTH CORPORATION  
500 GRISWOLD SUITE 2200 DETROIT, MI - 4:00PM

### **CALL TO ORDER**

Chair Matt Walters called the meeting to order at 4:00 PM.

### **GENERAL**

#### **Approval of Minutes:**

Mr. Walters called for a motion approving the minutes of September 27, 2017 as presented. The Board took the following action:

On a motion by Mr. George, seconded by Ms. Washington, DBRA Resolution Code 17-09-02-224 was approved.

### **PROJECTS**

#### **Transformational Brownfield Plan for the Hudson's Block, Monroe Blocks, One Campus Martius Expansion, and Book Building and Book Tower Brownfield Redevelopment Plan Approval:**

Ms. Kanalos presented Hudson's Block, Monroe Blocks, One Campus Martius Expansion, and Book Building and Book Tower Brownfield Redevelopment Plan and displayed a slide depicting a map of the four (4) project sites.

The development team responded to Board member questions about CBO process and the National Theater. Mr. Ogden spoke about the six CBO meetings that were held, he referred that the development team was only required to hold four. He mentioned that there was some opposition but him and his team addressed those issues head on. Mr. Ogden advised that the National Theater will be relocated on the site.

#### **Transformational Brownfield Plan Introduction**

Senate Bills 111-115, signed by Governor Snyder on June 6, 2017, allow for the approval of Transformational Brownfield Plans ("TBPs"), which 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 \$500M 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, TBPs allow for the capture of construction period tax revenues, state income tax revenues, and withholding tax revenues (together with property tax increment revenues, “TIF”) 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 Hudson’s Block, Monroe Blocks, One Campus Martius Expansion, and Book Building and Book Tower Redevelopment Projects (the “Plan”) is being submitted for review and consideration and will be described by project.

## **HUDSON SITE**

### Project Introduction

Rosko Development Company LLC, an affiliate of Bedrock Management Services LLC, or its affiliate will be the developer of the project (the “Developer”) for this component of the Plan which entails the planned redevelopment of the Hudson’s Site to create a world-class mixed-use development with extensive public and civic space. This development is anticipated to include the tallest tower in the City that will rise an estimated 800 feet next to a mid-rise podium, which will be separated by landscaped public space.

The planned structure on the Hudson’s Site will be approximately 1.3 million gross square feet (“GSF”) and is anticipated to consist of approximately 103,000 GSF of retail and food and beverage space, including a street level market; 118,000 GSF of event and conference space; 305,000 GSF of office space; approximately 330 residential units occupying 425,000 GSF; 89,000 GSF of programmed civic and public space; 74,000 GSF of terrace and landscaped space; and a 23,000 GSF public skydeck atop the tower. The planned redevelopment of the Hudson’s Site also includes modernized below-grade parking with at least 700 parking spaces. It is currently estimated that this project will create or support 1,633 permanent jobs and the spillover effects from visitors and tourists are expected to create another 900 jobs.

Total investment is estimated at \$909 million. The Developer is requesting approximately \$188.7M in TIF reimbursement for this component of the Plan.

### Property Subject to the Plan

The eligible property (the “Hudson’s Site”) consists of two parcels with address of the common address of 1208 Woodward Avenue bounded by Grand River Avenue to the north, Farmer Street to the east, State Street to the south and Woodward Avenue to the west in Detroit’s Central Business District.

### Basis of Eligibility

The Hudson’s 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 Hudson’s Site is determined to be a functionally obsolete or undeveloped property that was eligible property in a previously approved brownfield plan abolished under Section 14(8) of Act 381.

### Eligible Activities and Projected Costs

The “eligible activity” that is intended to be carried out at the Hudson’s 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 Hudson’s 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 winter of 2017 and be complete within five (5) years of the Michigan Strategic Fund’s (“MSF”) approval of this Plan.

Tax Increment Financing (TIF) Capture

The Hudson’s Developer desires to be reimbursed for the costs of eligible activities. Tax increment revenue generated by the Hudson’s Site will be captured by the DBRA 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 a Reimbursement Agreement with the DBRA and the MSF (the “Reimbursement Agreement”).

**COSTS TO BE REIMBURSED WITH TIF**

|   |                         |
|---|-------------------------|
| 1. New Construction                     | \$164,121,801.00        |
| 2. Contingency (15%)                    | \$24,618,270.00         |
| <b>Total Reimbursement to Developer</b> | <b>\$188,740,071.00</b> |
| 3. Authority Administrative Costs       | \$972,655.00            |
| 4. State Brownfield Redevelopment Fund  | \$6,036,994.00          |
| 5. Local Brownfield Revolving Fund      | \$0.00                  |
| <b>TOTAL Estimated Costs</b>            | <b>\$195,749,720.00</b> |

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

Other Incentives

The Developer is seeking additional incentives through a Renaissance Zone, a Commercial Rehabilitation Act (CRA) abatement, and a Neighborhood Enterprise Zone (NEZ).

Termination of Prior Plan

The inclusion of the Hudson’s Site in this component of the Plan is subject to City Council’s abolition of the inactive brownfield plan previously approved by City Council.

**MONROE BLOCKS**

Project Introduction

The Developer will be the developer of the project for this component of the Plan which entails the planned redevelopment of the Monroe Blocks Site to create a new mixed-use development in two phases totaling 2.07 million GSF. Phase I of this project is anticipated to be anchored by a 35-story, 814,000 GSF office tower fronting Campus Martius at one end of Monroe Street, which would be the first high-rise office development constructed in the City since Ally Detroit Center (formerly One Detroit Center) was built in 1993, and is intended to position Detroit to be nationally competitive for business and talent attraction. Phase I of this project is also anticipated to include 117,200 GSF of retail space and an estimated 136 residential units. Phase II of this project is anticipated to consist of 346 residential units, including a planned 27-story residential tower at the intersection of Monroe Street and Randolph Street, along with an estimated 51,700 GSF of retail space.

The planned redevelopment of the Monroe Blocks Site is anticipated to include extensive public space, which will form the centerpiece of each phase. While parking plans are being finalized, the redevelopment is anticipated to include three levels of below-grade parking across the entire site and below Cadillac Square, yielding an estimated 1,200 parking spaces, to support the

development as well as visitor parking. It is anticipated that all below-grade parking would be constructed as part of the first phase of the redevelopment. This project is anticipated to create or support 3,741 direct permanent full-time jobs.

Total investment is estimated at \$830 million. The Developer is requesting approximately \$316.1M in TIF reimbursement for this component of the Plan.

Property Subject to the Plan

The eligible property (the “Monroe Blocks Site”) consists of seven parcels with common addresses of 32, 100, 118 and 126 Monroe Avenue, 725 and 815 Bates Street, and 1000 Farmer Street along with two parcels to be created from current City of Detroit public right of ways. The Monroe Blocks Site is bounded by Randolph Street to the north, Bates Street to the east, Cadillac Square to the south, and Woodward Avenue and Monroe Street to the west in Detroit’s Central Business District.

Basis of Eligibility

The Monroe Blocks Site is considered “eligible property” as defined by Act 381, Section 2 because (a) the Monroe Blocks 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 Monroe Blocks Site is determined to be a functionally obsolete or determined to be a “facility” as described in Part 201 of the Natural Resources and Environmental Protection Act, 1994 PA 451, MCL 321.20101 to 324.20142 (“Part 201”) or adjacent and contiguous to parcels that are functionally obsolete or facilities.

Eligible Activities and Projected Costs

The “eligible activity” that is intended to be carried out at the Monroe Blocks 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 Property 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 spring of 2018 and be complete within five (5) years of the MSF’s approval of this Plan.

Tax Increment Financing (TIF) Capture

The Developer desires to be reimbursed for the costs of eligible activities. Tax increment revenue generated by the Monroe Blocks Site will be captured by the DBRA 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. New Construction                     | \$274,895,706.00        |
| 2. Contingency (15%)                    | \$41,243,356.00         |
| <b>Total Reimbursement to Developer</b> | <b>\$316,130,062.00</b> |
| 3. Authority Administrative Costs       | \$800,000.00            |
| 4. State Brownfield Redevelopment Fund  | \$9,067,227.00          |
| 5. Local Brownfield Revolving Fund      | \$0.00                  |
| <b>TOTAL Estimated Costs</b>            | <b>\$325,997,289.00</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 Monroe Blocks Site shall be governed by the terms of the Reimbursement Agreement.

Other Incentives

The Developer is seeking additional incentives through a Commercial Rehabilitation Act (CRA) abatement and a Neighborhood Enterprise Zone (NEZ).

Termination of Prior Plan

The inclusion of the Monroe Blocks Site in this component of the Plan is subject to City Council’s termination of the inactive brownfield plan previously approved by City Council.

**ONE CAMPUS MARTIUS EXPANSION**

Project Introduction

Bedrock Management Services, LLC, or its affiliate will be the developer of the project (the “OCM Developer”) for this component of the Plan which entails the construction of approximately 310,000 square feet of additional office space over 13 stories, including meeting space to the rear portion of One Campus Martius. Current vacancy in downtown Detroit’s major Class A buildings is at a historic low of 7.5%. This expansion will allow for the growth of existing tenants and provide large, continuous floorplates not currently available in the Detroit CBD but critically needed to attract large-scale tenants and jobs to Detroit and maintain the City’s growth and economic momentum. This project is anticipated to create or support 1,224 direct permanent full-time jobs in the City. Total investment is estimated at \$94.8M. The OCM Developer is requesting approximately \$73.5M in TIF reimbursement for this component of the Plan.

Property Subject to the Plan

The eligible property (the “OCM Site”) consists of an addition to One Campus Martius, formerly known as the Compuware Corporation headquarters building, which is bounded by Gratiot Avenue and Farmer Street to the north, Monroe Avenue to the east, Woodward Avenue to the south and west in Detroit’s Central Business District. A separate condominium parcel will be created for the planned expansion.

Basis of Eligibility

The OCM Site is considered “eligible property” as defined by Act 381, Section 2 because (a) the OCM 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 OCM Site is adjacent and contiguous to the Hudson’s Site.

Eligible Activities and Projected Costs

The “eligible activity” that is intended to be carried out at the OCM 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 OCM Site and will be financed solely by the OCM 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 beginning of 2018 and be complete within five (5) years of the Michigan Strategic Fund’s (“MSF”) approval of this Plan.

Tax Increment Financing (TIF) Capture

The OCM Developer desires to be reimbursed for the costs of eligible activities. Tax increment revenue generated by the OCM Site will be captured by the DBRA 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. New Construction | \$63,933,934.00 |
|---------------------|-----------------|

|   |                        |
|---|------------------------|
| 2. Contingency (15%)                    | \$9,590,090.00         |
| <b>Total Reimbursement to Developer</b> | <b>\$73,524,024.00</b> |
| 3. Authority Administrative Costs       | \$914,341.00           |
| 4. State Brownfield Redevelopment Fund  | \$1,341,751.00         |
| 5. Local Brownfield Revolving Fund      | \$0.00                 |
| <b>TOTAL Estimated Costs</b>            | <b>\$75,780,117.00</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 OCM Site shall be governed by the terms of the Reimbursement Agreement.

Abolition of Prior Plan

The inclusion of the OCM Site in this component of the Plan is subject to City Council’s abolition of the inactive brownfield plan previously approved by City Council.

**BOOK BUILDING AND BOOK TOWER**

Project Introduction

Innovative Acquisitions LLC, an affiliate of Bedrock Management Services LLC, or its affiliate will be the developer of the project (the “Book Developer”) for this component of the TBP which entails a complete a comprehensive restoration and renovation of the Book Building and Book Tower to create a mixed-use development composed of residential, hotel, office, event, and retail space while restoring and preserving the building’s façades. The rehabilitated building and tower will retain their original heights of 13-stories and 38-stories, respectively. It is anticipated that hotel, office, and retail space will be programmed into the Book Building while residential units will be located in the Book Tower. The project in anticipated to create 106,000 gross square feet (GSF) of office space, 40,000 rentable square feet of conference and event space, 30,000 GSF of retail space, an estimated 200 hotel rooms, and 95 residential units. In order to provide the parking necessary for the redevelopment to be viable, a new 400-space parking structure is planned to be constructed to the south of the Book Building on the adjoining parcel. This project is anticipated to create or support 663 direct permanent full-time jobs. Total investment is estimated at \$311.4 million. The Book Developer is requesting approximately \$62.5M in TIF reimbursement for this component of the Plan.

Property Subject to the TBP

The eligible property (the “Book Site”) consists of three parcels with addresses 1249, 1265 and 1201 Washington Boulevard bounded by Grand River Avenue to the north, Washington Boulevard to the east, State Street to the south and Detroit People Mover Maintenance Facility to the west in Detroit’s Central Business District.

Basis of Eligibility

The Book Site is considered “eligible property” as defined by Act 381, Section 2 because (a) the Book 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 Book 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 Book Site is considered an “eligible activity” as defined by Sec 2 of Act 381, because it includes restoration. The eligible activity and budgeted costs are intended as part of the development of the Book Site and will be financed solely by the Book Developer. The DBRA is not responsible for any costs of the eligible activity and will incur no debt. Early stabilization work on the Book Building and Book Tower has

commenced to address safety issues, prevent further deterioration, and prepare the Book Building and Book Tower for renovation. Renovation is estimated to begin in the beginning of 2019 and be complete within five (5) years of MSF approval of this Plan.

Tax Increment Financing (TIF) Capture

The Book Developer desires to be reimbursed for the costs of eligible activities. Tax increment revenue generated by the Book Site will be captured by the DBRA 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. Restoration                          | \$54,419,837.00        |
| 2. Contingency (15%)                    | \$8,162,976.00         |
| <b>Total Reimbursement to Developer</b> | <b>\$62,582,813.00</b> |
| 3. Authority Administrative Costs       | \$573,265.00           |
| 4. State Brownfield Redevelopment Fund  | \$2,359,361.00         |
| 5. Local Brownfield Revolving Fund      | \$0.00                 |
| <b>TOTAL Estimated Costs</b>            | <b>\$65,515,429.00</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 Book Developer is seeking additional incentives through an Obsolete Property Rehabilitation Act (OPRA) abatement and federal historic tax credits.

Termination of Prior Plan

The inclusion of the Book Site 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**

- \$2.1 billion in capital investment, significantly exceeding the \$500 million statutory threshold.
- Redeveloping the largest vacant sites in Detroit’s CBD (the Hudson’s Site and Monroe Blocks), covering three city blocks in total, each of which has been primarily vacant for over 20 years.
- Reintroducing high-rise development to Detroit for the first time in 25 years, bringing a product to the market intended to make Detroit a nationally competitive urban center with respect to the attraction of business, jobs, and talent.
- Redeveloping the largest unrehabilitated historic structure in downtown Detroit (the Book Building and Book Tower), which has been primarily vacant for approximately 20 years.
- Delivering, in total, more than 3.2 million GSF of new residential, retail, and commercial space into the Detroit market.



- Constructing approximately 900 new residential units to grow the City’s population and tax base will result in an estimated 2,122 new Detroit residents.
- Creating or supporting 15,800 construction jobs, consisting of 6,000 direct jobs; 5,000 indirect jobs; and 4,800 induced jobs.
- Directly creating or supporting 7,261 new permanent, full-time equivalent jobs in the City to expand economic opportunity and grow the City’s tax base.
- Supporting an additional 7,000 indirect and induced jobs from the ongoing permanent economic activity above.
- Generating \$3 billion in total economic output from construction (including direct, indirect, and induced impacts).
- Supporting \$2.5 billion in annual economic output once the projects are completed, consisting of \$1.3 billion in new direct annual output in the City; and \$1.2 billion in additional indirect and induced annual output throughout Wayne County.
- .

**TOTAL TBP COSTS TO BE REIMBURSED WITH TIF**

|   |                         |
|---|-------------------------|
| 1. New Construction                     | \$502,951,441.00        |
| 2. Restoration                          | 54,419,831.00           |
| 3. Contingency (15%)                    | \$83,605,692.00         |
| <b>Total Reimbursement to Developer</b> | <b>\$640,976,970.00</b> |
| 4. Authority Administrative Costs       | \$3,260,261.00          |
| 5. State Brownfield Redevelopment Fund  | \$18,805,324.00         |
| 6. Local Brownfield Revolving Fund      | \$0.00                  |
| <b>TOTAL Estimated Costs</b>            | <b>\$663,042,556.00</b> |

DBRA-CAC Letter of Recommendation

The DBRA-CAC recommended approval of the Plan at the October 2, 2017 CAC meeting. Attached was the DBRA-CAC’s letter of recommendation for the DBRA Board’s consideration.

Public Comments

Attached were the results of the DBRA public hearing for the Plan that was held on Monday, October 10, 2017 at Detroit Economic Growth Corporation located at 500 Griswold Detroit, Michigan 48226.

Attached for Board review and approval was a resolution approving the Transformational Brownfield Plan for the Hudson’s Block, Monroe Blocks, One Campus Martius Expansion, and Book Building and Book Tower Redevelopment and its submittal to Detroit City Council.

Mr. Walters called for a motion approving the submittal of the Hudson’s Block, Monroe Blocks, One Campus Martius Expansion, and Book Building and Book Tower Transformational Brownfield Redevelopment Plan to the Detroit City Council. The Board took the following action:

On a motion by Ms. DeSantis, seconded by Mr. McClain, DBRA Resolution Code 17-10-250-02 was unanimously approved

### **Ashton Brownfield Redevelopment Plan Approval:**

Mr. Vosburg presented the Ashton Brownfield Redevelopment Plan. PowerPoint slides provided maps and renderings of the project.

Mr. Scott asked to hear from the development team. Mr. Stuntz spoke and provided an overview of the project, details of the financing stack, the general contractor assigned. Mr. Stuntz explained that the purpose of this project is to create density. Mr. George asked about the low and high-end cost of the condo units, Mr. Holdwick responded that there are some affordable units but because this is a for sell product they are not required to comply with the affordable housing ordinance. Mr. Holdwick provided details on how to request a reservation for the units.

### **Project Introduction**

600 Ventures, LLC is the project developer (the “Developer”) for the Plan which entails the redevelopment of a semi-vacant property and new construction of an approximately 12-story mixed-use development with ground floor commercial/retail space, an estimated 103 for-sale condominiums, residential amenities, and integrated parking. The Developer anticipates construction of two below grade floors of parking to accommodate the new ground floor commercial/retail component and three levels of parking (directly above the commercial/retail component) to support the residential floors. The project will increase urban density, provide new commercial amenities and create owner-occupied housing which is currently lacking downtown.

It is estimated that 175 temporary construction jobs will be created and 50 additional permanent jobs are expected to be created by prospective tenants. Total investment is expected to be approximately \$58M. The Developer is requesting \$13,395,285.00 in TIF reimbursement under the proposed Plan.

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

The eligible property (the “Property”) consists of consists of two parcels with addresses 600 West Lafayette Boulevard and 659 Howard Street the west side of the city block bound by Howard Street to the north, 1<sup>st</sup> Street to the east, West Lafayette Boulevard to the south and 3<sup>rd</sup> Street to the west in Detroit’s Central Business District.

### **Basis of Eligibility**

The property is considered “eligible property” as defined by Act 381, Section 2 because (a) the property was previously or currently is utilized for a commercial purpose; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) the Property is determined to be a “facility” as described in Part 201 of the Natural Resources and Environmental Protection Act, 1994 PA 451, MCL 321.20101 to 324.20142 (“Part 201”) or adjacent to a parcel that is a facility.

### **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 because they include department specific activities, demolition, site preparation and infrastructure improvements, and the preparation of a brownfield plan and 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 begin in the fall of 2017 and be complete within three 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 Site Assessment Activities     | \$19,175.00            |
| 2. Due Care Activities                          | \$1,089,000.00         |
| 3. Demolition                                   | \$98,882.00            |
| 4. Site Preparation Activities                  | \$750,000.00           |
| 5. Infrastructure Improvement Activities        | \$8,456,500.00         |
| 6. Brownfield Plan and Work Plan Preparation    | \$23,300.00            |
| 7. Brownfield Plan and Work Plan Implementation | \$30,000.00            |
| 8. Contingency                                  | \$1,560,012.00         |
| 9. Interest (5% after the abatement)            | \$1,368,415.00         |
| <b>Total Reimbursement to Developer</b>         | <b>\$13,395,285.00</b> |
| 10. Authority Administrative Costs              | \$3,178,746.00         |
| 11. State Brownfield Redevelopment Fund         | \$1,322,970.00         |
| 12. Local Brownfield Revolving Fund             | \$2,709,210.00         |
| <b>TOTAL Estimated Costs</b>                    | <b>\$20,606,210.00</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 through the Michigan Strategic Fund’s Community Revitalization Program, through and Obsolete Property Rehabilitation Tax Abatement (OPRA), and a Neighborhood Enterprise Zone (NEZ).

DBRA-CAC Letter of Recommendation

The DBRA-CAC recommended approval of the Plan at the October 2, 2017 CAC meeting. Attached was the DBRA-CAC’s letter of recommendation for the DBRA Board’s consideration.

Public Comments

Attached were the results of the DBRA public hearing for the Plan that was held on Monday, October 9, 2017 at Detroit Economic Growth Corporation located at 500 Griswold Detroit, Michigan 48226.

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

Mr. Walters called for a motion approving the submittal of the Ashton Brownfield Redevelopment Plan to the Detroit City Council. The Board took the following action:

On a motion by Mr. George, seconded by Ms. McClain, DBRA Resolution Code 17-10-249-02 was unanimously approved

**Wolverine Packing Brownfield Redevelopment Plan Approval**

Mr. Vosburg presented the Wolverine Packing Brownfield Redevelopment Plan. PowerPoint slides provided maps and renderings of the project.

The development team provided additional details about the project and responded to Board member questions about the PA 198 Exemption, Mr. Walters and Mr. Vosburg provided explanation of exemption.

#### Project Introduction

Wolverine Packing Co. is the project developer (the “Developer”) for the Plan which entails the construction of a new construction 143,000 square foot cold storage facility with a freezer area, mezzanine production area, a shipping and receiving dock and low impact design green storm water systems on Forest Park. The City has already approved the sale of the land to the Developer. The Developer will also be coordinating with the City to rehabilitate the remaining portion of Forest Park into a more usable park with greatly improved amenities. It is currently estimated that 50 jobs will be created as a result of this expansion.

The total investment is estimated to be approximately \$40 million. The Developer is requesting \$5,022,552 in TIF reimbursement.

#### Property Subject to the Plan

The eligible property (the “Property”) consists an 8-acre parcel being created out of the combination of approximately 70 former parcels on the current City-owned Forest Park located at the southwest corner of Dequindre and East Canfield in the Forest Park neighborhood. Please see Attachment A and B of the Plan for a map of the parcels.

#### Basis of Eligibility

The property is considered “eligible property” as defined by Act 381, Section 2 because (a) the property was previously utilized for residential or public purpose; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) the Property is determined to be blighted and is estimated to increase the captured taxable value of that property as defined by Act 381. The parcel is in the process of being determined blighted per Act 381 via a pending initial determination of blight letter from Detroit City Planning Commission staff. The property meets the definition of blighted because it has substantial subsurface demolition debris buried on the site to that the property is unfit for its intended use.

#### 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 site assessment and baseline environmental site assessment activities, due care activities, infrastructure improvements, site preparation, preparation of a brownfield plan and work plan, a 15% contingency. 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 begin in the winter of 2017 or spring of 2018 and be completed within 1 year.

#### 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. Site Assessment & BEA Activities      | \$60,000.00           |
| 2. Due Care Activities                   | \$430,000.00          |
| 3. Infrastructure Improvements           | \$150,000.00          |
| 4. Site Preparation                      | \$1,850,000.00        |
| 5. Brownfield Plan & Act 381 Work Plan   | \$40,000.00           |
| 6. Contingency – (15%)                   | \$564,500.00          |
| <b>Total Reimbursement to Developer</b>  | <b>\$2,834,500.00</b> |
| 7. Authority Administrative Costs        | \$528,583.00          |
| 8. State Brownfield Redevelopment Fund   | \$367,939.00          |
| 9. Local Site Remediation Revolving Fund | \$1,291,530.00        |
| <b>TOTAL Estimated Costs</b>             | <b>\$5,022,552.00</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 through an Industrial Facilities Exemption (PA 189).

### **DBRA-CAC Letter of Recommendation**

The DBRA-CAC recommended approval of the Plan at the October 2, 2017 CAC meeting. Attached was the DBRA-CAC's letter of recommendation for the DBRA Board's consideration.

### **Public Comments**

Attached were the results of the DBRA public hearing for the Plan that was held on Wednesday, October 11, 2017 at Sacred Heart Activities Center located at 3451 Rivard Street, Detroit, Michigan 48207.

Attached for Board review and approval was a resolution approving the Wolverine Packing Brownfield Redevelopment Plan and its submittal to Detroit City Council.

Mr. Walters called for a motion approving the submittal of the Wolverine Packing Brownfield Redevelopment Plan to the Detroit City Council. The Board took the following action:

On a motion by Mr. George, seconded by Ms. McClain, DBRA Resolution Code 17-10-251-02 was unanimously approved

### **7.Liv Brownfield Redevelopment Reimbursement Agreement Approval**

Ms. Maxwell presented the 7.Liv Brownfield Plan Reimbursement Agreement.

On August 23, 2017, the Detroit Brownfield Redevelopment Authority (the "DBRA") Board of Directors recommended approval to City Council of the Brownfield Plan for the 7.Liv Redevelopment Project (the "Plan") which was subsequently approved by Detroit City Council on October 3, 2017. A requirement for Tax Increment Financing reimbursement pursuant to the Plan is that a Reimbursement Agreement (the "Agreement") be entered into between the DBRA and Bagley Forest Property LLC (the "Developer"). The Agreement, prepared between the DBRA and the Developer was presented to the DBRA for review and approval.

The Agreement and a resolution approving the Agreement and its subsequent execution were attached for Board review and approval.

Mr. Walters called for a motion approving the Agreement as presented. The Board took the following action:

On a motion by Mr. George, seconded by Ms. DeSantis, DBRA Resolution Code 17-10-246-03 was unanimously approved.

**ADMINISTRATIVE**

Ms. Kanalos informed the Board that there would be no meeting on October 25, 2017. Ms. Kanalos also informed the Board the DBRA staff presenting the TIF program at the October 10, 2017 Equitable Development Series and that DBRA staff would be presenting the TIF program at Council Member Tate's District meeting on October 28, 2017. Ms. Kanalos finally informed the Board that DBRA staff were awaiting responses for interest in attending the Brownfield Conference held in December.

**OTHER**

None

**PUBLIC COMMENT**

None

**ADJOURNMENT**

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

On a motion by Mr. Scott, seconded by Mr. George the meeting was unanimously adjourned at 4:51 PM.



Detroit Brownfield Redevelopment Authority  
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**CODE DBRA 17-10-02-224**

**APPROVAL OF MINUTES SEPTEMBER 27, 2017**

RESOLVED, that the minutes of the regular meeting of the September 27, 2017 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.

October 18, 2017



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**CODE DBRA 17-10-250-02**

**TRANSFORMATIONAL BROWNFIELD PLAN FOR THE HUDSON'S BLOCK, MONROE BLOCKS, ONE CAMPUS MARTIUS EXPANSION, AND BOOK BUILDING AND BOOK TOWER 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 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 transformational brownfield plan for the Hudson's Block, Monroe Blocks, One Campus Martius Expansion, and Book Building and Book Tower Redevelopment Projects (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 transformational brownfield plan for the **Hudson's Block, Monroe Blocks, One Campus Martius Expansion, and Book Building and Book Tower Redevelopment Projects** 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.

October 18, 2017



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**CODE DBRA 17-10-249-02**

**ASHTON BROWNFIELD REDEVELOPMENT PLAN**

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, pursuant to the resolution establishing the DBRA and the bylaws of the DBRA, the DBRA has submitted the proposed Brownfield Plan for the Ashton (the “Plan”) to the Community Advisory Committee for consideration and comment has solicited comments by publication of notice 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 DBRA desires to approve the proposed Plan and to request the Detroit City Council to call a public hearing to consider and adopt a resolution approving the proposed Plan.

NOW, THEREFORE, BE IT RESOLVED:

1. The DBRA determines that it is necessary for the achievement of the purposes of Act 381 to adopt the brownfield plan for the **Ashton Redevelopment Project** and submit it to the Detroit City Council for approval.
2. The DBRA approves the Plan 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 Detroit 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.

October 18, 2017



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**CODE DBRA 17-10-251-02**

**WOLVERINE PACKING BROWNFIELD REDEVELOPMENT PLAN**

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, pursuant to the resolution establishing the DBRA and the bylaws of the DBRA, the DBRA has submitted the proposed Brownfield Plan for Wolverine Packing (the “Plan”) to the Community Advisory Committee for consideration and comment has solicited comments by publication of notice 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 DBRA desires to approve the proposed Plan and to request the Detroit City Council to call a public hearing to consider and adopt a resolution approving the proposed Plan.

NOW, THEREFORE, BE IT RESOLVED:

1. The Authority determines that it is necessary for the achievement of the purposes of Act 381 to adopt the brownfield plan for the **Wolverine Packing Redevelopment Project** and submit it to the Detroit City Council for approval.

2. The DBRA approves the Plan 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 Detroit 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.

October 18, 2017



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**CODE DBRA 17-10-246-03**

**7. LIV BROWNFIELD REDEVELOPMENT PLAN: REIMBURSEMENT AGREEMENT**

WHEREAS, on August 23, 2017, the Detroit Brownfield Redevelopment Authority (the "DBRA") Board of Directors adopted a resolution recommending approval by the Detroit City Council of the Brownfield Plan (the "Plan") for a project captioned the 7.Liv (the "Project"); and

WHEREAS, on October 3, 2017, the Detroit City Council approved the Plan; and

WHEREAS, a condition to reimbursing the developer for eligible activities under the Plan is that a Reimbursement Agreement (the "Agreement") be entered into between the DBRA and Bagley Forest Property, LLC as developer of the Project; and

WHEREAS, the Agreement has been drafted, approved as to form by DBRA legal counsel; and

WHEREAS, the Board of Directors desires to approve the Agreement and authorize its execution and delivery on behalf of the DBRA; and

NOW THEREFORE, BE IT RESOLVED, by the DBRA Board of Directors as follows:

1. The Agreement, in substantially the form attached to this Resolution as Exhibit A, is hereby approved, with such necessary or desirable modifications additions, deletions or completions as are approved by DBRA legal counsel and the Officers or designated Authorized Agents of the DBRA executing the Agreement.
2. Any two Officers or designated Authorized Agents or one Officer and one designated Authorized Agent of the DBRA are authorized and directed to execute and deliver the Agreement.
3. All resolutions or parts of resolutions or other proceedings in conflict herewith shall be and the same hereby are repealed insofar as such conflict arises.
4. This Resolution shall take effect immediately upon its adoption.

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.

October 18, 2017