



Detroit Brownfield Redevelopment Authority  
500 Griswold Street • Suite 2200  
Detroit, Michigan 48226  
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**DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY  
REGULAR BOARD OF DIRECTORS MEETING  
WEDNESDAY, SEPTEMBER 13, 2017  
4:00 PM**

**BOARD MEMBERS PRESENT:** Maggie DeSantis  
John George  
Sonya Mays  
Pamela McClain  
Derrick Sanders  
Raymond Scott  
Stephanie Washington

**BOARD MEMBERS ABSENT:** Matt Walters  
Donele Wilkins

**OTHERS PRESENT:** Ayesha Maxwell (DEGC/DBRA)  
Brian Vosburg (DEGC/DBRA)  
Jessica Debone (PM Environmental)  
Graten Little (BASCO)



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MINUTES OF THE DETROIT BROWNFIELD  
REDEVELOPMENT AUTHORITY REGULAR MEETING  
WEDNESDAY, SEPTEMBER 13, 2017  
DETROIT ECONOMIC GROWTH CORPORATION  
500 GRISWOLD SUITE 2200 DETROIT, MI - 4:00PM

### **CALL TO ORDER**

Vice Chair Maggie DeSantis called the meeting to order at 4:04 PM.

### **GENERAL**

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

Ms. DeSantis called for a motion approving the minutes of August 23, 2017 as presented. The Board took the following action:

On a motion by Mr. Sanders, seconded by Ms. Washington, DBRA Resolution Code 17-08-02-222 was approved.

#### **220 West Congress Brownfield Redevelopment Plan Approval:**

Ms. Maxwell presented the 220 West Congress Brownfield Redevelopment Plan on 08-23-17. PowerPoint slides provided maps and renderings of the project.

#### **Project Introduction**

220 West Congress Detroit, LLC is the project developer (the "Developer") and owner of the property for the Plan which entails one parcel, commonly known as 220 West Congress Street. The developer intends to renovate the five-story building on the property to modernize the 36,500 total square feet of office and retail space. Constructed in the early 1900's, the building has been occupied by various professional offices and restaurants since the 1950's and is currently 96% vacant.

The final use will serve as mixed use space. The first-floor retail space will be completely renovated with the intention of retaining the current Subway tenant, the building's sole current tenant. The second through fifth floors will be extensively renovated and will be marketed as incubator-style office spaces. The Developer has received interest from potential tenants in tech and creative industries and hopes to secure tenants who will help to activate the Congress Street Corridor and the west side of Detroit's Central Business District (CBD).

The Developer will restore and rehabilitate the building's exterior, including a redesigned façade and repurposed roof with a rooftop terrace. The building's interior will be rehabilitated to include energy efficient building materials and mechanics. Additionally, the Developer is working with the City to invest in improvements to the adjoining, publicly owned alley to the west of the building with the intention of activating the alley a public gathering and art space.

It is estimated that 40 temporary construction jobs will be created and 1 additional permanent jobs by developer as well as 75 expected jobs to be created by prospective tenants. Total investment is expected to be approximately \$6,898,000.00. The Developer is requesting \$1,077,225.00 in TIF reimbursement under the proposed Plan.

Property Subject to the Plan

The eligible property (the “Property”) consists of a single (1) parcel containing only 220 West Congress Street located in Detroit’s Central Business District and Historic Detroit Financial District. The property is located on the west side of downtown Detroit bounded by the alley between Shelby Street and West Fort Street to the north, the property line to the east, West Congress Street to the South and the alley between West Congress and Washington Boulevard to the west

Basis of Eligibility

The property is considered “eligible property” as defined by Act 381, Section 2 because (a) the property was previously 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”).

Eligible Activities and Projected Costs

The “eligible activities” that are intended to be carried out at the Property are considered “eligible activities” as defined by Sec 2 of Act 381, because they include baseline environmental assessment activities, due care activities, demolition and lead and asbestos abatement, infrastructure improvements, site preparation activities and the development and preparation of brownfield plan and /or 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 winter of 2017 and be complete within two 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. Phase I ESA Update                    | \$2,200.00            |
| 2. Phase II ESA/BEA/DDCC                 | \$9,110.00            |
| 3. Due Care Activities                   | \$50,000.00           |
| 4. Demolition                            | \$180,000.00          |
| 5. Asbestos and Lead                     | \$24,100.00           |
| 6. Infrastructure Improvements           | \$508,000.00          |
| 7. Site Preparation Activities           | \$130,000.00          |
| 8. Brownfield Plan and Act 381 Work Plan | \$40,000.00           |
| 9. 15% Contingency                       | \$133,815.00          |
| <b>Total Reimbursement to Developer</b>  | <b>\$1,077,225.00</b> |
| 10. Authority Administrative Costs       | \$153,124.00          |
| 11. State Brownfield Redevelopment Fund  | \$147,827.00          |

|                                     |                       |
|-------------------------------------|-----------------------|
| 12. Local Brownfield Revolving Fund | \$86,290.00           |
| <b>TOTAL Estimated Costs</b>        | <b>\$1,464,456.00</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 Development Incentives

The Developer of this Plan is seeking additional support through the Michigan Strategic Fund’s Community Revitalization Program and through an Obsolete Property Rehabilitation Act (OPRA) abatement.

Attached for your review and approval is a resolution approving the 220 West Congress Brownfield Redevelopment Plan and its submittal to Detroit City Council.

Ms. DeSantis called for a motion approving the referral of the 220 West Congress Brownfield Redevelopment Plan and its submittal to the Detroit City Council as presented. The Board took the following action:

On a motion by Mr. Sanders, seconded by Mr. George, DBRA Resolution Code 17-09-247-02 was unanimously approved.

**751 Griswold Brownfield Redevelopment Plan Approval:**

Mr. Vosburg presented the 751 Griswold Brownfield Redevelopment Plan on 08-23-17. PowerPoint slides provided maps and renderings of the project.

Project Introduction

751 Griswold Detroit, LLC is the project developer (the “Developer”) for the Plan which entails the renovation of a four-story office building, constructed in 1924 under architect Albert Kahn and sculptor Corrado Parducci. The renovation includes retail space on the first floor and office space on the 2<sup>nd</sup> through 4<sup>th</sup> floors. The first-floor retail space will make use of both the basement and mezzanine space. The redesign of the building incorporates essential considerations specific to modern office spaces and “state of the art” telecommunications technology systems. The rehabilitation of the Property includes the repair or replacement of all of the deteriorated and/or damaged plaster, masonry, brick and stone. Particular attention is being given to the preservation of the historic nature of the Property by ensuring that the damaged decorative details will be replaced with material consistent with the current profile, finish, and color.

It is estimated that 79 temporary construction jobs will be created and 2 permanent jobs are expected to be created. Total investment is expected to be approximately \$6,883,375.00. The Developer is requesting \$836,869.00 in TIF reimbursement for eligible activities under the proposed Plan.

Property Subject to the Plan

The eligible property (the “Property”) consists of a single (1) parcel located at 751 Griswold Street in Detroit’s Central Business District, bounded by West Lafayette Boulevard to the north, Griswold Street to the east, the property line to the south and the property line to the west.

Basis of Eligibility

The property is considered “eligible property” as defined by Act 381, Section 2 because (a) the property was previously 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 historic resource and functionally obsolete.

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 included include demolition and asbestos abatement, infrastructure improvements, site preparation, and development and preparation of brownfield plan and/or 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.

Eligible activities commenced in October 2014 and completed in April 2017. The project is requesting retroactive reimbursement on eligible activities due to an increase in budget and timelines on the project as a result of numerus unforeseen circumstances. This included identification of plaster behind the previous wall coverings (i.e. drywall, paneling), which was determined to be asbestos containing. The asbestos containing materials were extensive and required abatement throughout the entire building. Re-construction and stabilization of the sidewalks surrounding the property, was required by the City of Detroit. During the start of construction, the City determined the existing public sidewalks to be structurally unsound, which required a full tear out and re-build of the infrastructure. In addition to the demolition and new concrete that was required, this included re-engineering and construction of all the supports under the sidewalk in the basement of the building, which extends under the public sidewalk space. Relocation and replacement to existing utility lines were required as a result of the construction on the sidewalk as well.

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                                | \$285,842.00          |
| 2. Asbestos Abatement                        | \$213,814.00          |
| 3. Infrastructure Improvements               | \$139,498.00          |
| 4. Site Preparation                          | \$185,716.00          |
| 5. Brownfield Plan and Work Plan Preparation | \$12,000.00           |
| <b>Total Reimbursement to Developer</b>      | <b>\$836,869.00</b>   |
| 6. Authority Administrative Costs            | \$90,182.00           |
| 7. State Brownfield Redevelopment Fund       | \$98,142.00           |
| 8. Local Brownfield Revolving Fund           | \$0.00                |
| <b>TOTAL Estimated Costs</b>                 | <b>\$1,025,193.00</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 federal Historic Preservation Tax Credits.

Attached for your review and approval is a resolution approving the 751 Griswold Brownfield Redevelopment Plan and its submittal to Detroit City Council.

Ms. DeSantis called for a motion approving the referral of the 751 Griswold Brownfield Redevelopment Plan and its submittal to the Detroit City Council as presented. The Board took the following action:

On a motion by Ms. McClain, seconded by Mr. George, DBRA Resolution Code 17-09-248-02 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. Board members asked questions pertaining to sources of funding, affordable housing and who would be completing the work.

Due to an emergency with the developers representative Brett Stuntz of AKT Peerless, there was no representation on behalf of Developer.

### 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 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 Commercial Rehabilitation Act (CRA) abatement, and a Neighborhood Enterprise Zone (NEZ).

Attached for your review and approval is a resolution authorizing the Ashton 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.

Ms. DeSantis called for a motion approving the submittal to the DBRA-CAC without returning to the DBRA board for an additional meeting due to lack of representation on behalf of the developer. The Board took the following action:

On a motion by Mr. George, seconded by Ms. McClain, DBRA Resolution Code 17-09-249-01 was unanimously approved.

**OTHER**

None

**PUBLIC COMMENT**

None

**ADJOURNMENT**

Citing no further business, Ms. DeSantis called for a motion to adjourn the meeting.

On a motion by Mr. George, seconded by Mr. Sanders the meeting was unanimously adjourned at 4:29 PM.





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**CODE DBRA 17-09-02-222**

**APPROVAL OF MINUTES AUGUST 23, 2017**

RESOLVED, that the minutes of the regular meeting of the August 23, 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.

September 13, 2017



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**CODE DBRA 17-09-247-02**

**220 WEST CONGRESS 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 220 West Congress (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 Authority and the City Council as presented by the Authority; and

WHEREAS, in accordance with the provisions of Act 381, the Authority 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 **220 West Congress Redevelopment Project** and submit it to the Detroit City Council for approval.
2. The Authority approves the Plan in the form attached hereto and on file with the Secretary of the Authority.
3. The Secretary 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. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are rescinded.

September 13, 2017



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**CODE DBRA 17-09-248-02**

**751 GRISWOLD 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 751 Griswold (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 Authority and the City Council as presented by the Authority; and

WHEREAS, in accordance with the provisions of Act 381, the Authority 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 **751 Griswold Redevelopment Project** and submit it to the Detroit City Council for approval.
2. The Authority approves the Plan in the form attached hereto and on file with the Secretary of the Authority.
3. The Secretary 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. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are rescinded.

September 13, 2017



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**CODE DBRA 17-09-249-01**

**ASHTON 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 **Ashton 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.

September 13, 2017