



**DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
REGULAR BOARD OF DIRECTORS MEETING
WEDNESDAY, FEBRUARY 12, 2020
4:00 PM**

BOARD MEMBERS PRESENT:

Pamela McClain
Maggie DeSantis
Donele Wilkins
Sonya Mays
John George
Raymond Scott

BOARD MEMBERS ABSENT:

Juan Gonzalez
Stephanie Washington

OTHERS PRESENT:

Jennifer Kanalos (DEGC/DBRA)
Brian Vosburg (DEGC/DBRA)
Cora Capler (DEGC/DBRA)
Paul Kako (DEGC)
Malinda Jensen (DEGC)
Rebecca Navin (DEGC)
Kenyetta Bridges (DEGC)
Glen Long Jr. (DEGC)
Jean Belanger (DEGC)
Ngozi Nwaesei (Lewis & Munday)
Richard Barr (Honigman)
Ryan Klunzinger (Dakkota)
Matthew Naimi (Dreamtroit)
John Heiss (JVD 2 LLC)
Joe Heaphy (Dreamtroit)
Elizabeth Masserang (PM Environmental)
Myles Hamby (The Platform)
Bret Stuntz (SME)
Chris Jackson (Queen Lillian II)
Ryan Foster (Fleishman Hillard)



**MINUTES OF THE DETROIT BROWNFIELD
REDEVELOPMENT AUTHORITY REGULAR MEETING
WEDNESDAY, FEBRUARY 12, 2020
DETROIT ECONOMIC GROWTH CORPORATION
500 GRISWOLD SUITE 2200 DETROIT, MI – 4:00 PM**

CALL TO ORDER

Vice-Chair Maggie DeSantis called the meeting to order at 4:06 PM.

GENERAL

Approval of Minutes:

Ms. DeSantis called for a motion approving the minutes of December 18, 2019 as presented. The Board took the following action:

On a motion by Ms. Wilkins, seconded by Ms. McClain, DBRA Resolution Code 20-02-02-269 was unanimously approved.

Treasurer's Report – November 2019

Mr. Long presented the November 2019 Treasurer's report.

Ms. DeSantis called for a motion accepting the November 2019 Treasurer's Report as presented. The Board took the following action:

On a motion by Mr. Scott, seconded by Ms. Wilkins, DBRA Resolution Code 20-02-03-193 was unanimously approved.

Treasurer's Report – December 2019

Mr. Long presented the December 2019 Treasurer's report.

Ms. DeSantis called for a motion accepting the December 2019 Treasurer's Report as presented. The Board took the following action:

On a motion by Mr. Scott, seconded by Ms. Wilkins, DBRA Resolution Code 20-02-03-194 was unanimously approved.

Ms. Mays arrived at the meeting at 4:10 pm.

ADMINISTRATIVE

Election of Chairperson (FY 2019-2020)

Ms. Kanalos presented the Election of the Chairperson (FY 2019-2020) to the DBRA Board.

The Brownfield Redevelopment Financing Act 381, Public Acts of Michigan Act 1996, as amended, states that the Officers of the Board of Directors shall be elected annually.

The position of Chairperson of the Detroit Brownfield Redevelopment Authority is currently vacant.

DBRA staff proposes that the Board Vice-Chair open the floor to nominations, followed by a vote of the Board.

Ms. DeSantis called for nominations for the position of Chairperson of the Detroit Brownfield Redevelopment Authority.

Ms. Mays nominated Ms. DeSantis for the position of Chairperson of the DBRA. Ms. DeSantis declined the nomination.

Ms. McClain nominated Mr. Scott for the position of Chairperson of the DBRA. Mr. Scott accepted the nomination. The Board took the following action:

On a motion by Ms. McClain, seconded by Mr. George, DBRA Resolution Code 20-02-01-218 was unanimously approved.

Mr. Scott took the position of Chair for the remainder of the meeting.

PROJECTS

Jefferson Van Dyke Brownfield Redevelopment Plan: Collateral Assignment of TIF

Mr. Vosburg presented the Jefferson Van Dyke Brownfield Redevelopment Plan: Collateral Assignment of TIF to the DBRA Board.

On September 11, 2019, the Detroit Brownfield Redevelopment Authority (the "DBRA") Board of Directors recommended approval to City Council of the Brownfield Plan for the Jefferson Van Dyke Redevelopment Project (the "Plan"). The City Council public hearing for the Plan was held October 17, 2019 and City Council approved the Plan on October 22, 2019. The Reimbursement Agreement (the "Agreement") between the DBRA and Jefferson Van Dyke 2 LLC. The Agreement has been prepared between the DBRA and Jefferson Van Dyke 2 LLC (the "Developer") was entered into on October 23, 2019.

The property subject to the Plan is located at 7891 and 7903 East Jefferson Avenue and entails the renovation of the existing buildings, demolition of the existing parking structure and construction of a new parking structure with approximately 136 spaces, construction of approximately 36 new residential units, and improvements to the existing pedestrian plaza. Total investment is estimated to be \$21,000,000.00. The Developer is requesting Tax Increment Financing ("TIF") reimbursement of \$4,774,600.00.

Since then, a Security Agreement and Collateral Assignment of the Tax Increment Revenues (the "Assignment") has been drafted between the Developer and Capital Impact Partners (the "Lender") in order to secure a construction loan for the Plan. Per the Assignments, the Lender is granting that the Developer "may exercise all rights as the owner or holder" of the construction loan as long as there exists no "event of default." The DBRA is only responsible for distributing funds to the Lender in the event of default, based upon a written notice from the Lender.

A copy of the Assignments and a resolution approving were attached for the DBRA Board's review and approval.

Mr. Scott called for a motion approving the Jefferson Van Dyke Brownfield Redevelopment Plan: Collateral Assignment of TIF, as presented. The Board took the following action:

On a motion by Ms. Mays, seconded by Ms. DeSantis, DBRA Resolution Code 20-02-273-04 was unanimously approved.

Life is a Dreamtroit Brownfield Redevelopment Plan

Ms. Capler presented the Life is a Dreamtroit Brownfield Redevelopment Plan to the DBRA Board.

Project Introduction

Life is a Dreamtroit, LLC is the project developer (the “Developer”) for the Plan. Previous use of the property includes a Lincoln Motor Factory and an Albert Kahn Building. A partially vacant two-story warehouse dominates the property and totals approximately 160,000 square feet. The property currently serves as a recycling reuse center, Recycle Here!, and collaborative art space.

The project will include the demolition of a portion of the existing warehouse building and renovate it into a modern mixed-use building featuring new residential units and office and retail space, incorporating both current operations and expanding upon them to create a vibrant neighborhood and public spaces. The project will include a coffee shop, an art park and outdoor event space, shipping container shops, Art Industry, and a market/co-working space. It is proposed that approximately 52 of the residential units will be at varying levels of affordability, including 50% at 80% of the Area Median Income (AMI), and 20% of the units below 50% AMI. The units are anticipated to consist primarily of studios and one-bedroom units totaling approximately 37,130 square feet. A surface parking lot with approximately 86 spaces is included as part of the project.

The total investment is estimated to be \$18.2 million. The Developer is requesting \$3,729,324.00 in TIF reimbursement.

There will be approximately 46 temporary construction jobs and 1 FTE job related to property maintenance created by the Developer. Additional jobs are expected to be created by commercial tenants.

Property Subject to the Plan

The eligible property (the “Property”) consists of seven (7) parcels located in Detroit’s New Center and Northwest Goldberg neighborhoods, bounded by Holden Street to the north, a railroad track to the east, Lincoln Street to the south and the west, forming a triangular shape.

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, industrial, public, or residential purpose; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; (c) the Property is determined to be a “facility” as defined Part 201 of P.A. 451, as amended, and/or (d) adjacent and contiguous to 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 Pre-Approved activities, Department Specific activities, Demolition activities, Asbestos and Lead Abatement activities, Infrastructure Improvements, Site Preparation activities, and 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. Pre-Approved Activities (Environmental Assessments)	\$66,800.00
2. Department Specific Activities	\$573,000.00
3. Demolition	\$586,700.00
4. Asbestos, Mold, and Lead Abatement	\$256,000.00
5. Infrastructure Improvements	\$465,400.00
6. Site Preparation	\$757,000.00

7. Brownfield Plan & Work Plan Preparation/Implementation	\$60,000.00
8. Contingency (15%)	\$395,715.00
9. Interest	\$568,709.00
Total Reimbursement to Developer	\$3,729,324.00
10. Authority Administrative Costs	\$763,325.00
11. State Brownfield Redevelopment Fund	\$197,981.00
12. Local Brownfield Revolving Fund	\$326,268.00
TOTAL Estimated Costs	\$5,016,898.00

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 will include local and/or state approval of a Commercial Rehabilitation Act (PA 210) Abatement and a Neighborhood Enterprise Zone (PA 147) Abatement.

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

Mr. Naimi provided further information about the development team, the history of the Property including the current operations located on the Property, the operations of Green Living Science and the services provided to students in the Detroit Public Schools Community District, the Developer’s commitment to the surrounding neighborhood and collaboration with local stakeholders, the community meetings held in the neighborhood led by the District Manager for District 5, Melia Howard, and the creation of the local business association, Northwest Goldberg Creative Coalition.

Ms. DeSantis asked if the location of Recycle Here! will change. Mr. Naimi stated that the operations for Recycle Here! will be moved to the southwest portion of the Property.

Ms. DeSantis asked for more information on the plans for stormwater management. Mr. Naimi stated that the demolition of portions of the existing structures will allow the development to have stormwater retention and detention systems and there will be additional greenspace and rain gardens.

Ms. DeSantis asked for more information on the capital stack for the project. Mr. Naimi stated that the Developer’s equity contribution for the project is the Property and that the Developer is working with Capital Impact Partners, Invest Detroit and IFF for financing and foundations for grants for the project. Mr. Heaphy introduced himself as the consultant for the Developer and stated that the Developer has received a Letter of Intent from the Michigan Economic Development Corporation for a loan in the amount of \$2.2 million through the Community Revitalization program, and look to have the Part 2 for Historic Tax Credits within the next 30 days so the Developer is working with Historic Tax Credit investors.

Ms. DeSantis asked if the financing for the project is dependent on receiving grants from foundations. Mr. Heaphy stated that the grant funds would go toward sustaining the lower rental rates. Mr. Naimi added that when the Developer was working on the pro forma for the project they didn’t start with Area Median Income (AMI) to set their rental rates, they started with setting rental rates at levels they knew would be affordable and accessible to residents in the area and those individuals who utilize Recycle Here!.

Mr. Naimi stated that the Developer has been working with representatives from the Mayor’s Office, including Adrian Tonon, the 24 Hour Economy Ambassador on creating a cultural corridor along Holden

Street with the Motown Museum at one end, Marble Bar in the middle, and the public art space located on the Property at the eastern end of Holden Street.

Ms. Mays stated that the project is very exciting and she's sure the neighbors in the Northwest Goldberg neighborhood appreciate the project. Ms. Mays asked which components of the capital stack have yet to be attained and what the source and amount of those funds are. Mr. Heaphy stated that the Developer has term sheets from Capital Impact Partners, IFF, and Invest Detroit, and the LOI from MEDC and the Developer is looking to close on the financing for the project in May or June of 2020.

Ms. Mays asked who the general contractor is for the project. Mr. Naimi stated that the general contractor for the project is MIG Construction.

Mr. Naimi stated that the Developer has always worked to invest and reinvest in the community. Mr. Heaphy stated that the Developer was able to close on pre-development funds within 30 days which is difficult to accomplish for development projects and that Capital Impact Partners has been an advocate for the project.

Ms. McClain asked for more information on the amount of the contingency in the Plan. Ms. Kanalos stated that the contingency is a standard 15% that is included in other brownfield plans.

Ms. DeSantis stated that she was excited for the project.

Mr. Scott asked if the Developer was part of the Wayne County Solid Waste Plan. Mr. Naimi confirmed that the Developer is part of the Wayne County Solid Waste Plan and that the partnership between Recycle Here! and the City of Detroit is one of the longest public-private partnerships in the City of Detroit and Recycle Here! has been in operation since 2007.

Mr. Scott called for a motion to authorize a public hearing for the Life is a Dreamtroit Brownfield Redevelopment Plan and refer it to the Community Advisory Committee, as presented. The Board took the following action:

On a motion by Ms. Wilkins, seconded by Ms. DeSantis, DBRA Resolution Code 20-02-283-01 was unanimously approved.

Dakkota Integrated Systems Brownfield Redevelopment Plan

Mr. Vosburg presented the Dakkota Integrated Systems Brownfield Plan to the DBRA Board.

Project Introduction

Dakkota Integrated Systems, L.L.C. is the project developer (the "Developer") for the Plan. The project will include the construction of an approximately 300,000 square foot light industrial building and related site improvements on the property. The Developer has entered into agreements with the City of Detroit that provide for hiring practices intended to maximize the hiring of nearby and other Detroit residents. The project includes a stormwater management system designed to retain a 100-year storm.

The total investment is estimated to be \$45 million. The Developer is requesting \$5,442,244.00 in TIF reimbursement though current tax increment revenue projects estimate only \$3,708,214 in tax capture.

There will be approximately 155 temporary construction jobs and 419 FTE jobs.

Property Subject to the Plan

The eligible property (the "Property") consists of 120 platted parcels and multiple tax parcels that are in the process of being combined into a single tax parcel located on Detroit's east side, bounded by Van Dyke Avenue to the east, by Hendrie Street to the south, by Townsend Street and Field Street to the west and by the former Conger Street to the north.

Basis of Eligibility

The Property is considered “eligible property” as defined by Act 381, Section 2 because (a) the Property was previously utilized for public (school) purposes; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) the Property is a “facility” pursuant to Part 201 due to the presence of lead in soil above the Part 201 generic residential cleanup criteria.

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 (including baseline environmental assessments, due care activities and response activities), asbestos abatement, demolition, site preparation, infrastructure improvements, brownfield plan preparation and implementation, and interest. 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. Department Specific Activities	\$262,810.00
2. Demolition (includes abatement costs)	\$2,632,703.00
3. Infrastructure Improvements	\$1,078,348.00
4. Stormwater Infrastructure	\$66,468.00
5. Site Preparation	\$1,064,937.00
6. Brownfield Plan & Work Plan Preparation/Implementation	\$30,000.00
7. Contingency (15%)	\$454,106.00
8. Interest	\$1,875,178.00
Total Reimbursement to Developer	\$7,464,550.00
9. Authority Administrative Costs	\$654,663.00
10. State Brownfield Redevelopment Fund	\$1,543.00
11. Local Brownfield Revolving Fund	\$0.00
TOTAL Estimated Costs	\$8,120,756.00
<i>Although the costs of eligible activities are estimated at \$7,464,550.00, the total reimbursement will be capped at \$5,442,244.00. Current tax increment revenue projects estimate only \$3,708,214 in tax capture.</i>	

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 will include local and/or state approval of a Renaissance Zone Act and Industrial Facilities Exemption (PA 198) tax abatements.

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

Mr. Scott asked if it is the responsibility of the DBRA to keep the Kettering High School building secure and maintained as long as the DBRA has ownership of the property. Ms. Navin stated that the DBRA is responsible for the security and maintenance of the Kettering High School building and that the General Services Department has agreed to add the Kettering High School to its rotation for security monitoring and will maintain the exterior property surrounding the building.

Mr. Scott asked if the marketing for the Kettering High School site will be conducted by the DBRA. Ms. Bridges stated that the DBRA has been marketing the Kettering High School site and has received interest in the property from various sources.

Ms. Mays asked if the "K" statue located at the Kettering High School site will be preserved. Ms. Bridges stated that the "K" will be preserved and moved from its current location at I-94 and Van Dyke Avenue to the southeast corner of the Property.

Ms. Mays asked what the purchase price was for the Property. Ms. Navin stated that the Property was sold by the DBRA to the Developer for approximately \$1.54 million and the DBRA provided the developer a \$600,000 site prep credit to offset the cost of the stormwater management system, buffering for the site from the adjacent residential properties, and the new access road which will also benefit the Kettering High School site currently still owned by the DBRA. Ms. Navin added that the DBRA granted an easement to the Developer for the access road and construction has begun on the Property due to timing constraints.

Ms. DeSantis asked why there is only a portion of the Kettering High School site being included in the Plan. Ms. Bridges stated that the demolition of the Kettering High School building would have extended the length of time required for the project so in order to meet the timelines of the Developer only the southern portion of the Kettering High School site is being included in the Plan.

Mr. Barr stated that the parcel combination for the Property has been completed and the Property now consists of a single tax parcel.

Mr. Klunzinger provided more information on the project and the Developer including the contract between the Developer and FCA, working with the DEGC to identify a location for the Developer's new facility, the number of new permanent jobs which will be located on the Property, the Developer's utilization of Detroit at Work and their commitment to hiring Detroit residents starting with the five surrounding zip codes and reaching out to alumni of Kettering High School, and their hiring practices including "banning the box", not testing applicants for marijuana, and the lack of a requirement for a high school diploma, and the Developer's commitment to provide funding to employees for furthering their education in fields beyond manufacturing.

Mr. Barr stated that there were utilities that needed to be moved on the Property along with subsurface debris that needed to be removed from the Property and the levels of contamination on the Property was not significant, and that the Developer received a grant from the Michigan Department of Transportation for the work required for Van Dyke Avenue.

Mr. George asked how many acres the Property is. Mr. Barr stated that the Property is approximately 5 acres.

Mr. George asked how long the construction period is anticipated to be. Mr. Klunzinger stated that construction has already began and the Developer looks to start installing equipment in June 2020 and have the building nearly finished by August 2020 and will begin production.

Ms. Wilkins stated that she wanted to congratulate the Developer on the model proposed for hiring Detroit residents for the new job opportunities and that this may be the best model that she has seen for job opportunities for Detroit residents during her time on the DBRA Board.

Ms. DeSantis asked if Mr. Klunzinger has ever met J.T. Slaughter because he is an alumnus of Kettering High School and may be interested in the preservation of the "K" statue on the Property. Mr. Klunzinger

stated that he did not know J. T. Slaughter. Ms. DeSantis stated that she would share J.T. Slaughter's contact information.

Ms. McClain asked what the positions will be for the 419 new permanent jobs. Mr. Klunzinger stated that the positions will include all positions from the production line to office personnel.

Mr. Scott called for a motion to authorize a public hearing for the Dakota Integrated Systems Brownfield Redevelopment Plan and refer it to the Community Advisory Committee, as presented. The Board took the following action:

On a motion by Mr. George, seconded by Ms. Wilkins, DBRA Resolution Code 20-02-284-01 was unanimously approved.

Queen Lillian II Brownfield Redevelopment Plan: Fourth Extension of Plan Duration Requirements and Revised Project Scope

Mr. Vosburg presented the Queen Lillian II Brownfield Redevelopment Plan: Fourth Extension of Plan Duration Requirements and Revised Project Scope to the DBRA Board.

The Queen Lillian II Brownfield Redevelopment Plan (the "Plan") was approved by the City of Detroit Brownfield Redevelopment Authority ("DBRA") Board of Directors on April 9, 2014 and by Detroit City Council (the "Council") on June 10, 2014 and included an approval of \$5.1M in tax increment financing ("TIF") reimbursement for eligible activities. The Reimbursement Agreement for the Plan was executed on September 15, 2014 by the DBRA and Queen Lillian II, LLC ("QLII"). Under the Plan, applicable Act 381 Work Plan approvals were required within 180 days of Council approval and eligible activities were required to be completed within three (3) years of Council approval.

The original development described in the Plan contemplated a \$33.6M investment consisting of commercial retail, a parking deck and medical office use. On April 6, 2016, the DBRA Board of Directors was informed that there was a revised development plan which would retain the commercial retail use but replace the medical office use with residential rental use on the upper floors. Notwithstanding the changes to the development plan, the eligible uses and costs would stay the same as described in the Plan and Reimbursement Agreement.

Since Plan approval, there have been three (3) extensions for Act 381 Work Plan submittal and completion of eligible activities. The extensions were as follows:

- April 13, 2016 - Work Plan approval within 120 days of the April 13, 2016 DBRA resolution and completion of eligible activities by June 11, 2017;
- September 28, 2016 – Work Plan approval within one (1) year of the September 28, 2016 DBRA resolution and completion of eligible activities by June 11, 2018;
- May 9, 2018 – Work Plan approval within one (1) year of the May 9, 2018 DBRA resolution and completion of eligible activities by June 11, 2021.

Due to delays associated with subsequent changes in the project, as well as the rapidly changing real estate finance markets, QLII was not able to meet the time requirements for work plan approval under the extensions and will not be able to complete the remaining eligible activities by June 11, 2021.

To facilitate the completion of the development, the scope of the project has been revised to reflect a Joint Venture between QLII and The Platform (collectively, the "Developer") consisting of approximately 201 apartment units (20% of which will be at or below 80% area median income), approximately 26,254 square feet of ground floor retail, and approximately 85 on-site surface parking spaces (collectively, the "Revised Project Scope"). The total investment for the Revised Project Scope is estimated at \$59.5M. The Developer is not seeking any additional TIF beyond what has already been approved by the DBRA and Council.

In order for the Developer to receive work plan approval from the Michigan Strategic Fund ("MSF") and the Michigan Department of Environment, Great Lakes and Energy ("EGLE," formerly known as the Michigan Department of Environmental Quality), the Michigan Economic Development Corporation is requiring a letter of support from the DBRA approving the Revised Project Scope.

As such, the Developers are requesting that the DBRA Board of Directors approve: (1) a one (1) year extension from the date of the attached resolution for Developer to receive Work Plan approval by the MSF and EGLE; (2) a thirty-four (34) month extension for Developer to complete the remaining eligible activities by April 30, 2023; and (3) the Revised Project Scope.

DBRA staff has determined the market changes in the Midtown area and greater Detroit real estate market warrant approval of these requests and recommends approval of the aforementioned extensions and the Revised Project Scope by the DBRA Board of Directors.

A resolution granting the fourth extension of the Plan duration requirements and the Revised Project Scope was attached for the DBRA Board's review and approval.

Mr. Scott called for a motion approving the Queen Lillian II Brownfield Redevelopment Plan: Fourth Extension of Plan Duration Requirements and Revised Project Scope, as presented. The Board took the following action:

On a motion by Ms. Mays, seconded by Mr. George, DBRA Resolution Code 20-02-228-10 was unanimously approved.

OTHER

Ms. DeSantis stated that she was pleased to learn that the City of Detroit had filed a lawsuit against Michael Kelly.

PUBLIC COMMENT

None.

ADJOURNMENT

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

On a motion by Ms. Mays, seconded by Ms. McClain the meeting was unanimously adjourned at 5:00 PM.



CODE DBRA 20-02-02-269

APPROVAL OF MINUTES DECEMBER 18, 2019

RESOLVED, that the minutes of the regular meeting of December 18, 2019 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.

February 12, 2020



DBRA 20-02-03-194

ACCEPTANCE OF TREASURER'S REPORT FOR NOVEMBER 2019

RESOLVED, that the Treasurer's Report of Receipts and Disbursements for the period November 1 through November 30, 2019, as presented at this meeting is hereby in all respects accepted as actions of the Detroit Brownfield Redevelopment Authority.

February 12, 2020



DBRA 20-02-03-195

ACCEPTANCE OF TREASURER'S REPORT FOR DECEMBER 2019

RESOLVED, that the Treasurer's Report of Receipts and Disbursements for the period December 1 through December 31, 2019, as presented at this meeting is hereby in all respects accepted as actions of the Detroit Brownfield Redevelopment Authority.

February 12, 2020



CODE DBRA 20-02-01-219

ADMINISTRATION: ELECTION OF CHAIRPERSON FOR FY 2019-2020

RESOLVED, that the following is hereby elected as Chairperson of the Board of Directors of the Detroit Brownfield Redevelopment Authority:

Raymond Scott

Chairperson

February 12, 2020



CODE DBRA 20-02-273-04

JEFFERSON VAN DYKE BROWNFIELD REDEVELOPMENT PLAN: COLLATERAL ASSIGNMENT OF TIF

WHEREAS, on September 11, 2019, the City of Detroit Brownfield Redevelopment Authority (the "DBRA") Board of Directors adopted a resolution recommending approval of the Brownfield Plan (the "Plan") for the Jefferson Van Dyke Brownfield Project (the "Project") by the Detroit City Council; and

WHEREAS, on October 22, 2019, the Detroit City Council approved the Plan; and

WHEREAS, on October 23, 2019 the Reimbursement Agreement was made and entered into by and between Jefferson Van Dyke 2 LLC and the DBRA; and

WHEREAS, a Security Agreement and Collateral Assignment (the "Assignment") has been drafted between Jefferson Van Dyke 2 LLC and Capital Impact Partners (the "Lender") and approved as to form by DBRA legal counsel, Lewis & Munday, a Professional Corporation; and

WHEREAS, per the Assignments, the Lender is granting Jefferson Van Dyke 2 LLC may exercise all rights as the owner or holder of the construction loan as long as there exists no event of default; and

WHEREAS, the Assignments need to be executed by Jefferson Van Dyke 2 LLC and the Lender with acknowledgement and approval by DBRA; and

WHEREAS, the DBRA Board of Directors desire to approve the substantial form of the Assignment and authorize its execution and delivery on behalf of the DBRA.

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

1. The Assignments of the Reimbursement Agreement (the "Assignments"), in substantially the form attached to this Resolution as Exhibit A, are hereby approved, with such necessary or desirable modifications, additions, deletions or revisions as are approved by DBRA legal counsel and the Officers or Designated Agents of the DBRA executing the Assignments.
2. Any two (2) Officers or Designated Authorized Agents or any one (1) Officer and one (1) Designated Authorized Agent of the DBRA is hereby authorized and directed to execute and deliver the Assignments.
3. All resolutions or parts of resolutions or other proceedings in conflict herewith shall be 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.

February 12, 2020



CODE DBRA 20-02-283-01

LIFE IS A DREAMTROI T 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 **Life is a Dreamtroit 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.

February 12, 2020



CODE DBRA 20-02-286-01

DAKKOTA INTEGRATED SYSTEMS, L.L.C. 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 **Dakkota Integrated Systems, L.L.C. 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.

February 12, 2020



CODE DBRA 20-02-228-10

QUEEN LILLIAN II BROWNFIELD REDEVELOPMENT PLAN: FOURTH EXTENSION OF PLAN DURATION REQUIREMENTS AND REVISED PROJECT SCOPE

WHEREAS, pursuant to 381 PA 1996, as amended (“Act 381”), the Queen Lillian II Brownfield Redevelopment Plan (the “Plan”) was approved by the City of Detroit Brownfield Redevelopment Authority (the “DBRA”) on April 9, 2014 and Detroit City Council (the “Council”) on June 10, 2014; and

WHEREAS, Queen Lillian II, LLC (“QLII”) was the developer identified in the Plan and the original development described in the Plan contemplated a \$33.6M investment consisting of commercial retail, a parking deck and medical office use on property located in Detroit at 3439 - 3455 Woodward at the corner of Stimson; and

WHEREAS, a Reimbursement Agreement for the Plan was executed by the DBRA and QLII on September 15, 2014; and

WHEREAS, the Plan required that QLII 1) receive the applicable work plan approvals by the Michigan Strategic Fund and the Michigan Department of Environmental Quality within one hundred and eighty (180) days after Council approval and 2) complete all eligible activities within three (3) years of Council approval; and

WHEREAS, on April 6, 2016 the DBRA approved a one hundred and twenty (120) day extension for Work Plan approval and an extension to June 11, 2017 for completion of all eligible activities; and

WHEREAS, on September 28, 2016 the DBRA approved a 1-year extension for Work Plan approval and an additional one (1) year extension to complete eligible activities by June 2018; and

WHEREAS, on May 9, 2018 the DBRA approved a 1-year extension for Work Plan approval and an additional three (3) year extension to complete eligible activities by June 11, 2021; and

WHEREAS, due to delays associated with financing issues and subsequent changes in the project, as well as the rapidly changing real estate finance markets, QLII was not able to meet the time requirements for work plan approval under the previous extensions and will not be able to complete all eligible activities within three (3) years of City Council approval of the Plan; and

WHEREAS, to facilitate completion of the development, the scope of the project has been revised to reflect a Joint Venture between QLII and The Platform (collectively, the “Developer”) consisting of approximately 201 apartment units (20% of which will be at or below 80% area median income), approximately 26,254 square feet of ground floor retail and approximately 85 on-site surface parking spaces (collectively, the “Revised Project Scope”); and

WHEREAS, the total investment for the Revised Project Scope is estimated at \$59.5M; and

WHEREAS, the Developer continues to diligently work on the work plan submittal and anticipates that the remaining eligible activities will be completed on or before April 30, 2023; and

WHEREAS, the Developer is requesting that the DBRA Board of Directors approve: (1) a one (1) year extension from the date of this resolution for Developer to receive Work Plan approval by the Michigan Strategic Fund ("MSF") and the Michigan Department of Environment, Great Lakes and Energy ("EGLE," formerly known as the Michigan Department of Environmental Quality); (2) a thirty-four (34) month extension for Developer to complete the remaining eligible activities by April 30, 2023; and (3) the Revised Project Scope; and

WHEREAS, in order for the Developer to receive work plan approval from MSF and the EGLE, the Michigan Economic Development Corporation is requiring a letter of support from the DBRA approving the Revised Project Scope; and

WHEREAS, DBRA staff has determined the market changes in the Midtown area and greater Detroit real estate market warrant approval of these requests and recommends approval of the aforementioned extensions and the Revised Project Scope by the DBRA Board of Directors.

NOW, THEREFORE, BE IT RESOLVED, that the DBRA Board of Directors approves: (1) a one (1) year extension from the date of this resolution for the Developer to receive Work Plan approval by the Michigan Strategic Fund and the Michigan Department of Environment, Great Lakes and Energy (formerly known as the Michigan Department of Environmental Quality); (2) a thirty-four (34) month extension for the Developer to complete the remaining eligible activities by April 30, 2023; and (3) the Revised Project Scope.

BE IT FURTHER RESOLVED, that any two officers, any two of the Authorized Agents or any one officer or any one Authorized Agent of the DBRA shall thereafter have the authority to negotiate and execute an amendment to the Reimbursement Agreement, if required, and any and all other documents, or take any and all actions necessary or appropriate to implement the provisions and intent of this resolution on behalf of the DBRA.

BE IT FURTHER RESOLVED, that a DBRA Authorized Agent shall hereafter have the authority to negotiate and execute any Letter(s) of Support to implement the provisions and intent of this resolution on behalf of the DBRA.

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

February 12, 2020