



**DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
MINUTES OF THE
SPECIAL COMMUNITY ADVISORY COMMITTEE MEETING
WEDNESDAY, MARCH 31, 2021 - 5:00 PM
HELD VIA ZOOM**

**COMMITTEE MEMBERS
PRESENT:**

Kamal Cheeks
Rick Blocker
Brad Lutz
Peter Rhoades
Allen Rawls
Dr. Regina Randall

**COMMITTEE MEMBERS
ABSENT:**

Simone Sagovac
Rico Razo
Michelle Lee

OTHERS PRESENT:

Jennifer Kanalos (DEGC/DBRA)
Brian Vosburg (DEGC/DBRA)
Cora Capler (DEGC/DBRA)
Richard Barr (Honigman)
Darian Neubecker (Robertson Brothers)
Ben Smith (Terranovus Development)
James Clarke (Robertson Brothers)
Amy McLoughlin



Call to Order

Mr. Cheeks, Chairperson, called the meeting to order at 5:01 p.m.

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

General

Approval of Minutes

Mr. Cheeks called for approval of the minutes of the January 27, 2021 (resolution) DBRA-CAC meeting, as presented. The Committee took the following action:

Dr. Randall made a motion approving the minutes of the January 27, 2021 Board meeting, as presented. Mr. Rhoades seconded the motion. A roll call vote was conducted with the following result:

Ayes: Mr. Blocker, Mr. Cheeks, Mr. Lutz, Mr. Rawls, Dr. Randall, and Mr. Rhoades

Nays: None.

DBRA-CAC Resolution Code 21-03-02-157 was approved.

Projects

Brownfield Plan for 1727 Merrick

Mr. Vosburg presented the Brownfield Plan for 1727 Merrick.

Project Introduction

1727 Merrick Street Partners, LLC is the project developer (the "Developer") for the Plan. The project entails the construction of 23 new, for-sale townhomes, all of which are expected to be two-bedroom homes with approximately 1,330 square feet of living space. Onsite surface parking will be provided for all townhomes. The project also includes a stormwater management system capable of detaining a ten-year storm.

The total investment is estimated to be \$6.25 million. The Developer is requesting \$1,126,701.00 in TIF reimbursement.

There will be approximately 150 temporary construction jobs and 0 permanent jobs are expected to be created by the project.

Property Subject to the Plan

The eligible property (the "Property") consists of twelve (12) parcels bounded by Merrick Street to the north, Avery Street to the east, Putnam Avenue to the south, and Rosa Parks Boulevard to the west in the Woodbridge neighborhood of Detroit.

Basis of Eligibility

The Property is considered "eligible property" as defined by Act 381, Section 2 because (a) the Property was previously utilized for commercial and industrial purposes; (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" as defined by Act 381.

Eligible Activities and Projected Costs

The "eligible activities" that are intended to be carried out at the Property are considered "eligible activities" as defined by Sec 2 of Act 381, because they include baseline environmental assessment activities, department specific activities, due care activities, site preparation, infrastructure improvements, 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	\$25,000.00
2. Due Care Activities	\$132,000.00
3. Site Preparation	\$259,644.00
4. Infrastructure Improvements	\$239,540.00
5. Urban Stormwater Management System	\$147,000.00
6. Brownfield Plan & Work Plan Preparation	\$30,000.00
7. Brownfield Plan & Work Plan Implementation	\$30,000.00
8. Contingency (15%)	\$120,678.00
9. Interest	\$142,839.00
Total Reimbursement to Developer	\$1,126,701.00
10. Authority Administrative Costs	\$357,102.00
11. State Brownfield Redevelopment Fund	\$154,905.00
12. Local Brownfield Revolving Fund	\$741,972.00
TOTAL Estimated Costs	\$2,380,680.00

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 Neighborhood Enterprise Zone (PA 147) Abatement.

Attached for the CAC's review and approval were three (3) resolutions: 1.) a resolution supporting the Plan in the event the Committee does not deem it necessary to conduct a CAC public hearing and 2.) a resolution authorizing a public hearing in the project area and 3.) a resolution authorizing a public hearing in the project area and to appoint up to two special CAC members. The public hearing may be held jointly with any public hearing conducted by the Detroit Brownfield Redevelopment Authority.

Mr. Neubecker provided additional information regarding the project including the community outreach that was performed by the Developer, the Developer's understanding of the characteristics of the Woodbridge neighborhood, the changes made to the project as a result of feedback from the community including the addition of a pocket park and bike racks, the Developer's effort to target an attainable price point for the new townhomes, and the Developer's past experience with the Detroit Land Bank.

Mr. Rawls asked for more information on the Developer and its experience. Mr. Smith stated that the development team is a joint venture between Terranovus Development and Robertson Brothers Development and that Terranovus Development started out working with the Detroit Land Bank in the North End neighborhood of Detroit along with a project in Milwaukee Junction and a project in Brush Park. Mr. Neubecker stated that Robertson Brothers is a private home building company and has completed other projects in the City of Detroit including a new townhome development at the site of the former Tiger

Stadium, Riverfront Towers, a project in Midtown and currently has five projects in development in the City of Detroit.

Mr. Rhoades stated that he thinks this is an excellent brownfield project and asked if there is subsurface debris present on the Property from the demolition of former structures. Mr. Neubecker stated that the Property was previously used for residential purposes and that there are several former basements present that were backfilled with urban fill and there is arsenic present on the Property that will need to be remediated.

Dr. Randall stated that she was pleased to see so many support letters included in the Plan from neighborhood groups and from individual residents in the community. Mr. Neubecker stated that the Developer always likes to meet with the community for feedback and to make sure the project will fit with the current community and fabric of the neighborhood.

Mr. Cheeks asked for more information on the planned layouts for the new townhomes. Mr. Neubecker stated that there will be one-car garages for each townhome, each townhome will have two bedrooms and three and a half bathrooms with a home office space on the first floor, kitchen, dining room and living area on the second floor and the two bedrooms and two full bathrooms on the third floor.

Mr. Cheeks asked if the townhomes will be handicap accessible. Mr. Neubecker stated that unfortunately the townhomes will not be handicap accessible due to the number of stairs.

Mr. Cheeks asked what the anticipated sale price will be for the new townhomes and if there will be any association fees. Mr. Neubecker stated that there will be association fees to cover landscape maintenance and will include the cost of water, and the anticipated price of the townhomes will be in the \$200,000 range but construction costs are increasing and posing a challenge to keeping the cost of the townhomes low.

Mr. Cheeks called for a motion recommending approval of the Brownfield Plan for 1727 Merrick, as presented.

Dr. Randall made a motion to recommend approval of the Brownfield Plan for 1727 Merrick without a CAC public hearing and without appointing special members. Mr. Rawls seconded the motion. A roll call vote was conducted with the following result:

Ayes: Mr. Blocker, Mr. Cheeks, Mr. Lutz, Mr. Rawls, Dr. Randall, and Mr. Rhoades

Nays: None.

DBRA-CAC Resolution Code 21-03-296-01 was approved.

Administrative

Ms. Kanalos stated that the DBRA will be holding future CAC meetings via Zoom until May 31, 2021.

Other

None.

Public Comment

None.

Adjournment

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

Mr. Rawls made a motion to adjourn the meeting. Mr. Blocker seconded the motion. The meeting was adjourned at 5:22 pm.



CODE DBRA CAC 21-03-02-157

APPROVAL OF MINUTES OF JANUARY 27, 2021

RESOLVED, that the minutes of the regular meeting of January 27, 2021 are hereby approved and all actions taken by the members present at such meeting, as set forth in such minutes, are hereby in all respects ratified and approved as actions of the Community Advisory Committee of the Detroit Brownfield Redevelopment Authority.

March 31, 2021



CODE DBRA-CAC 21-03-296-01

1727 MERRICK BROWNFIELD REDEVELOPMENT PLAN

WHEREAS, pursuant to 381 PA 1996, as amended ("Act 381"), the City of Detroit Brownfield Redevelopment Authority (the "DBRA") has been established by resolution of the City Council of the City of Detroit (the "City") for the purpose of promoting the revitalization of environmentally distressed areas in the City; and

WHEREAS, under Act 381, the DBRA is authorized to develop and propose for adoption by City Council a brownfield plan for one or more parcels of eligible property; and

WHEREAS, pursuant to the resolution establishing the DBRA and the bylaws of the DBRA, the DBRA has submitted the proposed **Brownfield Plan for the 1727 Merrick Project** (the "Plan") to the Community Advisory Committee for consideration and comment; and

WHEREAS, the Community Advisory Committee, at its January 27, 2021 meeting, received, evaluated and considered the proposed Plan; and

WHEREAS, in accordance with the provisions of the resolution establishing the DBRA and the bylaws of the DBRA, the Community Advisory Committee desires to make recommendations to the DBRA and the Detroit City Council on the proposed Plan.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. After consideration of the proposed Plan, the Community Advisory Committee makes the following comment and recommendations on the proposed Plan:
 - a. The Community Advisory Committee has determined that it is appropriate for the achievement of the purposes of Act 381 of the DBRA to adopt a Brownfield Plan for the **1727 Merrick Brownfield Redevelopment Project**.
 - b. The Community Advisory Committee recommends support of the proposed Plan presented to it.
2. The Chairperson of the Community Advisory Committee is authorized and directed to transmit a copy of this Resolution and the minutes of the public hearing on the proposed Plan and of the meeting at which this Resolution was adopted to the DBRA and the Detroit City Council as the report of the findings and recommendations of the Community Advisory Committee on the proposed Plan.
3. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are rescinded.

March 31, 2021