



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, OCTOBER 26, 2016  
4:00 PM**

**BOARD MEMBERS PRESENT:** Mia Grillier  
Pamela McClain  
Derrick Sanders  
Raymond Scott  
Matt Walters  
Stephanie Washington

**BOARD MEMBERS ABSENT:** Maggie DeSantis  
Evette Griffie  
Donele Wilkins

**OTHERS PRESENT:** Jennifer Kanalos (DEGC/DBRA)  
Brian Vosburg (DEGC/DBRA)  
Elizabeth Brinson (DEGC/DBRA)  
Aamir Farooqi (Banyan Investments)  
Scott Ord (Banyan Investments)  
Elizabeth Masserang (PM Environmental for Banyan Investments)  
Beth Gotthelf (Butzel Long for Banyan Investments)



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MINUTES OF THE DETROIT BROWNFIELD  
REDEVELOPMENT AUTHORITY REGULAR MEETING  
WEDNESDAY, OCTOBER 26, 2016  
DETROIT ECONOMIC GROWTH CORPORATION  
500 GRISWOLD SUITE 2200 DETROIT, MI - 4:00PM

### **CALL TO ORDER**

Chairperson Matthew Walters called the meeting to order at 4:08 PM.

### **GENERAL**

#### **Approval of Minutes**

Mr. Walters called for a motion approving the minutes of October 12, 2016 as presented. The Board took the following action:

On a motion by Mr. Scott, seconded by Mr. Sanders, DBRA Resolution Code 16-10-02-209 was unanimously approved.

### **ADMINISTRATIVE**

#### **Acceptance of the September 2016 Treasurer's Report**

Ms. Brinson presented the September 2016 DBRA Treasurer's Report and answered various questions board members presented.

Mr. Walters called for a motion accepting the September 2016 Treasurer's Report.

On a motion by Ms. Washington, seconded by Ms. McClain, DBRA Resolution Code 16-10-03-156 was unanimously approved.

### **PROJECTS**

#### **St. Charles School Brownfield Redevelopment Plan**

Mr. Vosburg represented the St. Charles School Brownfield Redevelopment Plan (the "Plan"). Mr. Vosburg noted that due to negotiations that concluded earlier in the day with the Detroit Land Bank Authority regarding 3 of the 5 parcels that are part of the Plan, an updated Plan was handed out to the Board. The negotiations resulted in relatively minor changes to the Brownfield TIF figures which are reflected in the newest Plan.

#### **Project Introduction**

FSI 4, LLC is the project developer (the "Developer") for the Plan which entails the rehabilitation of the vacant former St. Charles School, which is next door to St. Charles

Borromeo Catholic Church, into a 27-unit loft-style rental building which will include a new construction fourth floor. A new construction 11-unit two-story townhome building will be built directly to the south of the school building on what are four vacant lots. One, two and three bedroom units will be created, with 8 of the 11 new construction townhomes reserved as affordable units for renters with incomes below 80% of the area median income (AMI). The parking areas of the development will be located away from the street view and have green storm water features.

Approximately 5 permanent full time equivalent jobs and 100 temporary construction jobs are expected to be created as a result of the project. The total investment is estimated to exceed \$8.3 million. The Developer is requesting \$851,295 in TIF reimbursement.

#### Property Subject to the Plan

The eligible property (the "Property") is located at 1432-1454 Townsend Street, five parcels on the eastside of Townsend Street between St. Paul and Agnes Streets in the Islandview Village neighborhood of Detroit, just east of East Grand Boulevard and just north of East Jefferson Avenue near Belle Isle.

#### 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 and/or residential 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 functionally obsolete, blighted and/or adjacent to or contiguous to an eligible parcel and is estimated to increase the captured taxable value of that property as defined by Act 381. 1454 Townsend, the former school building, has been certified functionally obsolete by a level 3 or level 4 assessor, a letter to that effect can be found in Attachment D of the Plan. The three vacant lots identified as 1432, 1438 and 1444 Townsend are owned by the Detroit Land Bank Authority and thus automatically qualify as blighted per Act 381, the initial determination of blight letter is pending from Detroit City Planning Commission staff. The parcel identified as 1450 Townsend is adjacent and contiguous to eligible parcels at 1444 and 1454 Townsend Street.

#### 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 a Phase I Environmental Site Assessment, demolition, lead and asbestos abatement, infrastructure improvements, site preparation, and development and preparation of a 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 fall/winter of 2016 and complete within eighteen (18) months.

#### 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	\$2,800.00
2. Demolition	\$231,500.00
3. Lead & Asbestos Abatement	\$197,000.00
4. Infrastructure Improvements	\$427,370.00
5. Site Preparation	\$138,700.00
6. Brownfield Plan & Act 381 Work Plan	\$30,000.00
7. Contingency (15%)	\$149,186.00
<b>Total Reimbursement to Developer</b>	<b>\$1,176,556.00</b>
8. Authority Administrative Costs	\$276,275.00
9. State Brownfield Redevelopment Fund	\$209,816.00
10. Local Site Remediation Revolving Fund	\$657,863.00
<b>TOTAL Estimated Costs</b>	<b>\$2,320,510.00</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 will seek additional support through a Commercial Rehabilitation Act Abatement (PA 210).

DBRA-CAC Letter of Recommendation

The DBRA-CAC recommended approval of the Plan at the October 12, 2016 CAC meeting. Attached is the DBRA-CAC's letter of recommendation for the DBRA Board's consideration.

Public Comments

Attached are the results of the DBRA public hearing for the Plan that was held on Tuesday October 18, 2016 at 5:30 pm at 1400 Van Dyke in Detroit, Michigan.

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

Mr. Walters called for a motion approving the Plan as well as transmitting said Plan to City Council and recommending its approval.

On a motion by Mr. Sanders, seconded by Ms. McClain, DBRA Resolution Code 16-10-241-02, was unanimously approved.

## **The Union at Midtown Phase II Brownfield Redevelopment Plan**

Ms. Kanalos presented the Union at Midtown Phase II Brownfield Redevelopment Plan. Ms. Kanalos noted that the developer worked with the Planning & Development Department over the past few months to refine the design of the project. The project is now ready to move forward with the Brownfield Plan approval process. Current renderings of the project were handed out to board members.

Mr. Winokur provided additional information on the project and answered board member questions regarding project timeline, construction workforce, and project financing.

### **Project Introduction**

UrbCamCom / WSU I, LLC is the project developer (the “Developer”) for the Plan which entails a new construction, mixed use development that is designed for and targeted towards students at Wayne State University to bring them a unique, modern urban campus housing experience. The project consists of approximately 9,340 square feet of ground floor retail with 4 stories of residential build out above. The residential component contains 48 studios units, 12 one bedroom units, and 4 four bedroom units, or 66 new units with 88 bedrooms. The project will include sustainable design elements that include LED, low volatile organic compounds (VOC), recycled materials, concrete exterior materials, reflective membrane and siding, Energy star appliances and windows, low flow plumbing fixtures and thermal insulation. Other improvements include a parking lot under portions of the building, sidewalks and landscaping.

Total investment is estimated at \$8,844,277.00 and the Developer is requesting \$1,900,075.00 in Tax Increment Financing (TIF) reimbursement.

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

The eligible property (the “Property”) consists of one parcel located at 4808 Cass Avenue in Detroit’s Midtown district. The Property is generally bounded by the Union at Midtown Phase I to the north, retail and multi-family housing to the east, West Hancock Street to the south and Cass Avenue to the west. The Developer currently owns and will retain ownership of the eligible property.

### **Basis of Eligibility**

The property is considered “eligible property” as defined by Act 381, Section 2 because (a) the property was previously utilized and is currently utilized for a commercial 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” under Part 201 of P.A. 451, as amended, and the rules promulgated thereunder.

### **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, additional response activities, demolition, site preparation, infrastructure improvements, interest, and development and 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 spring of 2017 and be completed within eighteen (18) months.

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. BEA Activities	\$18,950.00
2. Due Care Activities	\$303,000.00
3. Additional Response Activities	\$124,000.00
4. Demolition	\$43,319.00
5. Site Preparation	\$396,200.00
6. Infrastructure Improvements	\$211,465.00
7. 15% Contingency (Items 2-7)	\$161,698.00
8. Brownfield and Work Plan Preparation	\$25,000.00
9. Interest (5% non-compounding)	\$616,441.00
<b>Total Reimbursement to Developer</b>	<b>\$1,900,073.00</b>
10. Authority Administrative Costs	\$329,658.00
11. State Brownfield Redevelopment Fund	\$209,360.00
12. Local Site Remediation Revolving Fund	\$857,491.00
<b>TOTAL Estimated Costs</b>	<b>\$3,296,582.00</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 has received additional support through an approved Commercial Rehabilitation Act Abatement (PA 210).

DBRA-CAC Letter of Recommendation

The DBRA-CAC recommended approval of the Plan at the February 10, 2016 CAC meeting. Attached is the DBRA-CAC’s letter of recommendation for the DBRA Board’s consideration.

Public Comments

Attached are the results of the DBRA public hearing for the Plan that was held on Tuesday, February 16, 2016 at 5:30 pm at Union at Midtown located at 4830 Cass Avenue in Detroit, Michigan.

Attached for your review and approval is a resolution approving the Union at Midtown Phase II Brownfield Redevelopment Plan and its submittal to Detroit City Council.

Mr. Walters called for a motion approving the Plan as well as transmitting said Plan to City Council and recommending its approval.

On a motion by Mr. Sanders, seconded by Mr. Scott, DBRA Resolution Code 16-10-238-02, was unanimously approved.

## **ADMINISTRATIVE**

### **Formation of LSRRF Committee**

Ms. Kanalos presented the proposed resolution for the formation of the Local Site Remediation Revolving Fund ("LSRRF").

Mr. Walters called for a motion approving the formation of the LSRRF Committee as proposed.

On a motion by Ms. McClain, seconded by Ms. Grillier, DBRA Resolution Code 16-10-01-175, was unanimously approved.

### **Appointment of LSRRF Committee Members**

Ms. Kanalos presented the proposed members for the LSRRF Committee.

Mr. Walters called for a motion approving the formation of the LSRRF Committee as proposed.

On a motion by Ms. Washington, seconded by Mr. Sanders, DBRA Resolution Code 16-10-01-176, was unanimously approved.

## **OTHER**

None

## **PUBLIC COMMENT**

None

## **ADJOURNMENT**

There being no further business, Mr. Walters called for a motion approving the adjournment of the meeting. On a motion by Ms. Washington, seconded by Mr. Sanders, the board agreed unanimously to adjourn the meeting at 4:30 PM.



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**CODE DBRA 16-10-02-209**

**APPROVAL OF MINUTES OCTOBER 12, 2016**

RESOLVED, that the minutes of the regular meeting of October 12, 2016 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 26, 2016



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**DBRA 16-10-03-156**

**ACCEPTANCE OF TREASURER'S REPORT FOR SEPTEMBER 2016**

RESOLVED, that the Treasurer's Report of Receipts and Disbursements for the period September 1 through September 30, 2016, as presented at this meeting is hereby in all respects accepted as actions of the Detroit Brownfield Redevelopment Authority.

October 26, 2016



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**CODE DBRA 16-10-241-02**

**ST. CHARLES PLACE 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 Union at Midtown (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 **St. Charles Place 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.

October 26, 2016



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**CODE DBRA 16-10-238-02**

**THE UNION AT MIDTOWN PHASE II 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 Union at Midtown (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 **Union at Midtown Phase II 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.

October 26, 2016



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**CODE DBRA 16-10-01-175**

**ADMINISTRATION: FORMATION OF A LOCAL SITE REMEDIATION REVOLVING FUND COMMITTEE**

WHEREAS, Section 10 of the City of Detroit Brownfield Redevelopment Authority (the "DBRA") Bylaws, as amended, state that the "Board may, by resolution, designate one or more committees, each committee to consist of one or more members of the Board"; and

WHEREAS, the DBRA Board of Directors, at its meeting on September 28, 2016, expressed the desire to form a DBRA Local Site Remediation Revolving Fund (the "LSRRF") Committee to assist with the discharge of approving funding requests from the LSRRF; and

WHEREAS, the LSRRF Committee shall consist of three (3) members of the DBRA Board of Directors; and

WHEREAS, the LSRRF Committee will review LSRRF requests; and

WHEREAS, the LSRRF Committee's review of proposed funding from the LSRRF shall be advisory only and only a quorum of the full DBRA Board of Directors at a scheduled Board of Directors meeting may approve a DBRA budget or any potential budget amendments; and

WHEREAS, the LSRRF Committee members shall be appointed to the Committee to serve by a vote of a quorum of the DBRA Board of Directors

NOW, THEREFORE, BE IT RESOLVED, that the DBRA Board of Directors hereby approves the formation of the DBRA LSRRF Committee.

October 26, 2016



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**CODE DBRA 16-10-01-176**

**ADMINISTRATION: APPOINTMENT OF THE LOCAL SITE REMEDIATION REVOLVING FUND COMMITTEE MEMBERS**

WHEREAS, the Detroit Brownfield Redevelopment Authority (the “DBRA”) Board of Directors has adopted a resolution forming a Local Site Remediation Revolving Fund (the “LSRRF”) Committee; and

WHEREAS, the DBRA Board of Directors desires to appoint the following members to the Budget Committee:

1. Matthew Walters – Committee Chair
2. Raymond Scott
3. Donele Wilkins

NOW, THEREFORE, BE IT RESOLVED, that the DBRA Board of Directors hereby approves the appointment of the following Budget Committee members:

1. Matthew Walters – Committee Chair
2. Raymond Scott
3. Donele Wilkins

October 26, 2016