



Detroit Brownfield Redevelopment Authority  
500 Griswold Street • Suite 2200  
Detroit, Michigan 48226  
Phone: 313 963-2940  
Fax: 313 963-8839

**CODE DBRA 17-02-02-212**

**APPROVAL OF MINUTES DECEMBER 14, 2016**

RESOLVED, that the minutes of the regular meeting of December 14, 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.

February 8, 2017



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**DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY  
REGULAR BOARD OF DIRECTORS MEETING  
WEDNESDAY, DECEMBER 14, 2016  
4:00 PM**

**BOARD MEMBERS PRESENT:** Maggie DeSantis  
Evette Griffie  
Pamela McClain  
Raymond Scott  
Matt Walters  
Stephanie Washington  
Donele Wilkins

**BOARD MEMBERS ABSENT:** Mia Grillier  
Derrick Sanders

**OTHERS PRESENT:** Jennifer Kanalos (DEGC/DBRA)  
Brian Vosburg (DEGC/DBRA)  
Elizabeth Brinson (DEGC/DBRA)  
Ngozi Nwaesei (Lewis & Munday)  
Anne Jamieson (ECT)  
Kari Smith (Arte Express)  
Elizabeth Masserang (PM Environmental)



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MINUTES OF THE DETROIT BROWNFIELD  
REDEVELOPMENT AUTHORITY REGULAR MEETING  
WEDNESDAY, DECEMBER 14, 2016  
DETROIT ECONOMIC GROWTH CORPORATION  
500 GRISWOLD SUITE 2200 DETROIT, MI - 4:00PM

### **CALL TO ORDER**

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

### **GENERAL**

#### **Approval of Minutes**

Mr. Walters called for a motion approving the minutes of November 9, 2016 as presented. The Board took the following action:

On a motion by Mr. Scott, seconded by Ms. DeSantis, DBRA Resolution Code 16-12-02-211 was unanimously approved.

At 4:09 Ms. Wilkins arrived and Mr. DeSantis excused herself from the meeting.

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

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

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

On a motion by Mr. Scott, seconded by Ms. Griffie, DBRA Resolution Code 16-12-03-157 was unanimously approved.

### **PROJECTS**

#### **Packard Administration Building Brownfield Redevelopment Plan**

Mr. Vosburg presented the Packard Administration Building Brownfield Redevelopment Plan and the results of the Community Advisory Committee meeting and Local Public Hearing.

At 4:12 PM Ms. Washington arrived.

### Project Introduction

Arte Express Detroit, LLC is the project developer (the “Developer”) for the Plan which entails the rehabilitation of the vacant former Administration Building for the Packard Motor Car Company at 1580 East Grand Boulevard into a 121,000 square foot four-story commercial office building. Albert Kahn Associates, Inc., the original architect of the building built in 1911, have been retained as architects for the project. The project will involve green features such as the historic restoration of the exterior of the building to the extent possible as well as a green roof. The developer will also be cleaning up adjacent vacant land with green storm water features for outdoor courtyard amenities and tenant parking.

Approximately 7 permanent full time equivalent jobs and 136 temporary construction jobs are expected to be created as a result of the project. A significant number of indirect jobs via building tenants are also expected to locate at the development. The total investment is estimated to be \$22.6 million. The Developer is requesting \$5,391,278.00 in TIF reimbursement.

### Property Subject to the Plan

The eligible property (the “Property”) consists of five parcels located at 1580 E. Grand Boulevard (the Administrative Building), as well as 2821 & 5847 Concord (outdoor corridors within the Packard complex) and 5580 & 5590 Concord (vacant lots to be redeveloped). The parcels are generally located on the eastside of Detroit with the Administration building on East Grand Boulevard, east of Mt. Elliot Avenue.

### 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 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. 1580 E. Grand Boulevard, the administration building, has been certified functionally obsolete by a level 3 or level 4 assessor. 5821 & 5847 Concord have been determined blighted per Act 381 via a determination of blight letter from Detroit City Planning Commission staff. The parcels identified as 5580 & 5590 Concord have been determined to be a facility pursuant to Part 201. Letters and/or reports supporting these determinations can be found in Attachment G of the Plan

### 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 site assessment activities, due care and additional response activities, demolition, lead and asbestos abatement, site preparation, infrastructure improvements, 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. BEA Activities	\$35,000.00
2. Due Care Activities	\$406,600.00
3. Additional Response Activities	\$42,950.00
4. Demolition	\$744,000.00
5. Lead & Asbestos Abatement	\$680,618.00
6. Site Preparation	\$858,850.00
7. Infrastructure (includes green roof)	\$1,902,875.00
8. Brownfield Plan & Act 381 Work Plan	\$25,000.00
9. Environmental Contingency – Less BEA (15%)	\$67,433.00
10. Non-Environmental Contingency (15%)	\$627,951.00
<b>Total Reimbursement to Developer</b>	<b>\$5,391,278.00</b>
11. Authority Administrative Costs	\$917,576.00
12. State Brownfield Redevelopment Fund	\$616,963.00
13. Local Site Remediation Revolving Fund	\$1,948,778.00
<b>TOTAL Estimated Costs</b>	<b>\$8,874,595.00</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 an Obsolete Property Rehabilitation Act Abatement (PA 146).

DBRA-CAC Letter of Recommendation

The DBRA-CAC recommended approval of the Plan at the November 9, 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 November 29, 2016 at 5:30 pm at Arte Express Detroit, LLC’s office located at 1600 East Grand Boulevard, Suite 303 in Detroit, Michigan.

Attached for your review and approval is a resolution approving the Packard Administration Building 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 Ms. Wilkins, seconded by Ms. McClain, DBRA Resolution Code 16-12-242-02, was unanimously approved.

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

Ms. Kanalos presented the history of the project and the Reimbursement Agreement before the board.

On October 26, 2016, the Detroit Brownfield Redevelopment Authority (the “DBRA”) Board of Directors recommended approval to City Council of the Brownfield Plan for the Union at Midtown II Redevelopment Project (the “Plan”) which was subsequently approved by Detroit City Council on November 22, 2016. A requirement for Tax Increment Financing reimbursement pursuant to the Plan is that a Reimbursement Agreement (the “Agreement”) be entered into between the DBRA and UrbCamCom / WSU I, LLC (the “Developer”). The Agreement has been prepared between the DBRA and the Developer and is presented to the DBRA for review and approval.

Mr. Walters called for a motion approving the Reimbursement Agreement for the Union at Midtown II Brownfield Redevelopment Plan.

On a motion by Ms. McClain, seconded by Ms. Wilkins, DBRA Resolution Code 16-12-238-03, was unanimously approved.

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

Mr. Vosburg presented the history of the project and the Reimbursement Agreement before the board.

On October 26, 2016, the Detroit Brownfield Redevelopment Authority (the “DBRA”) Board of Directors recommended approval to City Council of the Brownfield Plan for the St. Charles School Redevelopment Project (the “Plan”) which was subsequently approved by Detroit City Council on November 22, 2016. A requirement for Tax Increment Financing reimbursement pursuant to the Plan is that a Reimbursement Agreement (the “Agreement”) be entered into between the DBRA and FSI 4, LLC (the “Developer”). The Agreement has been prepared between the DBRA and the Developer and is presented to the DBRA for review and approval.

Mr. Walters called for a motion approving the Reimbursement Agreement for the St. Charles School Brownfield Redevelopment Plan.

On a motion by Ms. Griffie, seconded by Ms. Washington, DBRA Resolution Code 16-12-239-03, was unanimously approved.

**ADMINISTRATIVE**

Ms. Kanalos stated that the current meeting would be the last DBRA meeting for the calendar year.

**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. Wilkins, seconded by Ms. McClain, the board agreed unanimously to adjourn the meeting at 4:16 PM.



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**CODE DBRA 16-12-02-211**

**APPROVAL OF MINUTES NOVEMBER 9, 2016**

RESOLVED, that the minutes of the regular meeting of November 9, 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.

December 14, 2016



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**DBRA 16-12-03-157**

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

RESOLVED, that the Treasurer's Report of Receipts and Disbursements for the period October 1 through October 31, 2016, as presented at this meeting is hereby in all respects accepted as actions of the Detroit Brownfield Redevelopment Authority.

December 14, 2016



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**CODE DBRA 16-12-242-02**

**PACKARD ADMINISTRATION BUILDING 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 Packard Administration Building (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 **Packard Administration Building 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.

December 14, 2016



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**CODE DBRA 16-12-238-03**

**UNION AT MIDTOWN II BROWNFIELD REDEVELOPMENT PLAN: REIMBURSEMENT AGREEMENT**

WHEREAS, on October 26, 2016, the Detroit Brownfield Redevelopment Authority (the "DBRA") Board of Directors adopted a resolution recommending approval by the Detroit City Council of the Brownfield Plan (the "Plan") for a project captioned the Union at Midtown II (the "Project"); and

WHEREAS, on November 22, 2016, the Detroit City Council approved the Plan; and

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

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

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

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

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

BE IT FINALLY RESOLVED that all of the acts and transactions of any officer or authorized agent of the DBRA, in the dame 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.

December 14, 2016



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**CODE DBRA 16-12-239-03**

**ST. CHARLES SCHOOL BROWNFIELD REDEVELOPMENT PLAN: REIMBURSEMENT AGREEMENT**

WHEREAS, on October 26, 2016, the Detroit Brownfield Redevelopment Authority (the “DBRA”) Board of Directors adopted a resolution recommending approval by the Detroit City Council of the Brownfield Plan (the “Plan”) for a project captioned the St. Charles School (the “Project”); and

WHEREAS, on November 22, 2016, the Detroit City Council approved the Plan; and

WHEREAS, a condition to reimbursing the developer for eligible activities under the Plan is that a Reimbursement Agreement (the “Agreement”) be entered into between the DBRA and FSI 4, LLC as developer of the Project; and

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

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

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

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

BE IT FINALLY RESOLVED that all of the acts and transactions of any officer or authorized agent of the DBRA, in the dame 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.

December 14, 2016