



**DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
REGULAR BOARD OF DIRECTORS MEETING
WEDNESDAY, MAY 11, 2022
4:00 PM**

BOARD MEMBERS PRESENT:

John George
Pamela McClain
Amanda Elias
Sonya Mays
Stephanie Washington

BOARD MEMBERS ABSENT:

Juan Gonzalez
Donele Wilkins
Raymond Scott

OTHERS PRESENT:

Maggie DeSantis* (DBRA)
Jennifer Kanalos (DEGC/DBRA)
Cora Capler (DEGC/DBRA)
Malinda Jensen (DEGC/DBRA)
Elizabeth Brinson (DEGC)
Paul Kako (DEGC)
Rebecca Navin (DEGC)
Jean Belanger (DEGC)
David Howell (DEGC)
Glen Long (DEGC)
Kenyetta Bridges (DEGC)
Catherine Frazier (DEGC)
Dan Gough (EGLE)
Adam Patton (PM Environmental)
Robbie Nguyen (Northpoint)
Tim Conder (Northpoint)
Brian Ellison (Intersection Consulting Group)
Mona Ali (District 7 Manager, City of Detroit)
Theo Pride
Brilliant Detroit Littlefield
Daphne Lee
Beverly Brown
Francis Grunow
Ammar
Michael's S21
Galaxy S9
Zoom User

*Board Member DeSantis joined via Zoom and was not counted toward the quorum.



**MINUTES OF THE DETROIT BROWNFIELD
REDEVELOPMENT AUTHORITY REGULAR MEETING
WEDNESDAY, MAY 11, 2022
HELD VIA ZOOM VIRTUAL MEETING**

CALL TO ORDER

Secretary Pamela McClain called the meeting to order at 4:09 PM.

Ms. Capler took a roll call of the DBRA Board Members present and a quorum was established.

GENERAL

Approval of Minutes:

Ms. McClain called for a motion approving the minutes of April 27, 2022 as presented. The Board took the following action:

Ms. Elias made a motion approving the minutes of the April 27, 2022 Board meeting, as presented.
Mr. George seconded the motion.
DBRA Resolution Code 22-05-02-306 was unanimously approved.

Treasurer's Report – April 2022

Ms. Brinson presented the April 2022 Treasurer's Report.

Ms. McClain called for a motion accepting the April 2022 Treasurer's Report, as presented. The Board took the following action:

Mr. George made a motion accepting the April 2022 Treasurer's Report, as presented. Ms. Washington seconded the motion.
DBRA Resolution Codes 22-05-03-223 was approved.

PUBLIC COMMENT

Ms. McClain opened the floor for public comment and stated that each speaker would be given two minutes to speak.

Ms. Daphne Lee asked if the Developer for the Former AMC Headquarters Redevelopment Project at 14250 Plymouth Road Brownfield Redevelopment Plan was going to repurpose the blooming trees that are located in front of the Administration Building on the Property and if they aren't going to remain on the Property there are residents in the neighborhood who would like them to be replanted in the area. Mr. Nguyen stated that the Developer has a landscaping plan for the Property and any trees that are able to remain on the Property will be preserved and that the Developer would look into relocating any of the trees in the area.

Mr. Francis Grunow stated that he is excited about a lot of aspects about the Former AMC Headquarters Redevelopment Project at 14250 Plymouth Road Brownfield Redevelopment project but that he would like the City and the Developer to look further into saving the Administration Building and that the current proposed site plan for the Property does not require the Administration Building to be demolished, and added that the history of the Property and the Administration Building is important to preserve for the area

and for the City and urged the Developer to remediate the Administration Building to prepare it for a future use.

Mr. Theo Pride stated that he is with the Detroit People's Platform and has been involved in the community engagement for the Former AMC Headquarters Redevelopment Project at 14250 Plymouth Road Brownfield Redevelopment project and that he recognizes that there is a certain level of support from the community for the project, the cleanup of the Property and the addition of the new jobs for the City but that there is a great deal of tax incentives and public financing for the project and that it is curious that the total costs for the project is just under the threshold to be a Tier 1 project under the Community Benefits Ordinance and that if the Administration Building were to be preserved the cost of doing so would put the project over the threshold of a Tier 1 project under the Community Benefits Ordinance.

Michael S21 stated that he owns Starter's Bar and Grill and that he appreciates all of the efforts of the surrounding community to be involved in the Former AMC Headquarters Redevelopment Project at 14250 Plymouth Road Brownfield Redevelopment project and that he has been involved with the Developer on another property that he owned and found them to be good to deal with and people of their word and added that he understands the desire to save the Administration Building but that it may be best to remove the building and that the benefits of the project will be great for the community.

Ms. DeSantis stated that she would like to see the Developer for the Former AMC Headquarters Redevelopment Project at 14250 Plymouth Road Brownfield Redevelopment project to voluntarily complete the Community Benefits Ordinance process for the community and that she recognizes that the Developer made a commitment to do some park improvements to the parks adjacent to the Property and that if she were in attendance at the meeting she would request that the DBRA Board amend the resolution approving the Plan to require the Developer to complete the Community Benefits Ordinance process.

Ms. Beverly Brown asked for more information on what the process will be for the disposal of the contaminated materials present on the Property. Mr. Patton stated that the contaminated materials will be properly characterized and disposed of at the appropriate disposal facilities offsite from the Property.

Ms. McClain recognized that there was additional public comment but that there were some technical difficulties and there would be another chance for that individual to provide public comment after the presentation for the Former AMC Headquarters Redevelopment Project at 14250 Plymouth Road Brownfield Redevelopment Plan.

PROJECTS

Former AMC Headquarters Redevelopment Project at 14250 Plymouth Road Brownfield Redevelopment Plan

Ms. Kanalos presented the Former AMC Headquarters Redevelopment Project at 14250 Plymouth Road Brownfield Redevelopment Plan to the DBRA Board.

The enclosed Brownfield Plan ("Plan") (Exhibit A), for the Former AMC Headquarters Redevelopment Project at 14250 Plymouth Road project, is being submitted for review and consideration.

Project Introduction

Northpoint Development is the project developer ("Developer"). The project includes the demolition, abatement, and preparation of the Property for the construction of one of the two following proposed building options, depending on prospective tenants. The first option includes two (2) buildings consisting of one (1) approximately 513,000 square foot building and one (1) approximately 215,000 square foot building that would house warehousing and light assembly industrial tenants (the "Option A"). The second option includes one (1) approximately 761,000 square foot building that would house warehousing and light assembly industrial tenants (the "Option B").

The total hard costs for the project are estimated to be \$66 million and the total investment is estimated to be \$72.1 million. The Developer is requesting \$32,697,754.00 in TIF reimbursement. The Developer is

requesting reimbursement of the \$32,697,754 while projected TIF reimbursement in the Plan is \$21,798,503.

There will be approximately 100 temporary construction jobs and approximately 350 permanent jobs are expected to be created by the project.

Property Subject to the Plan

The eligible property (the “Property”) consists of approximately 50 acres, bounded by Fullerton Avenue to the north, Hubbell Avenue, Strathmoor Street and Mark Twain Street to the east, and Plymouth Road to the south.

Basis of Eligibility

The Property is considered “eligible property” as defined by Act 381, Section 2 because (a) the Property was previously utilized for an industrial, commercial, or residential purpose; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) the Property parcels have been determined to be a “Facility,” “Blighted,” or adjacent and contiguous to a parcel that has been determined to be a Facility or 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 department specific activities, demolition, lead and asbestos abatement, site preparation, infrastructure improvements, and development, 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. Baseline Environmental Assessment Activities	\$300,000.00
2. Department Specific Activities	\$11,675,873.00
3. Demolition & Lead and Asbestos Abatement	\$14,470,000.00
4. Site Preparation	\$1,000,000.00
5. Infrastructure Improvements	\$1,000,000.00
6. Brownfield Plan & Work Plan	\$30,000.00
7. Contingency (15%)	\$4,221,881.00
Total Reimbursement to Developer	\$32,697,754.00
8. Authority Administrative Costs	\$4,064,311.00
9. State Brownfield Redevelopment Fund	\$1,232,594.00
10. Local Brownfield Revolving Fund	\$0.00
TOTAL Estimated Costs	\$37,994,659.00

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. The developer is requesting \$32,697,754 while the projected TIF reimbursement in the Plan is \$21,798,503.

Other Incentives

The Developer is seeking additional incentives, which will include local and/or state approval of an Industrial Facilities Exemption (PA 198) Tax Abatement.

DBRA-CAC Letter of Recommendation

The DBRA-CAC recommended approval of the Plan at the April 28, 2022 CAC meeting. Attached was the DBRA-CAC's letter of recommendation for the DBRA Board's consideration.

Public Comments

The DBRA public hearing for the Plan was held on Thursday, May 5, 2022 at 5:00 pm via Zoom. The results of the DBRA public hearing were attached. Additional public comments submitted via email were attached to the public hearing minutes.

Attached for the DBRA Board's review and approval was a resolution approving the Former AMC Headquarters Redevelopment Project at 14250 Plymouth Road Brownfield Redevelopment Plan and its submittal to Detroit City Council.

Ms. Washington asked for more information on the community engagement that the Developer has done for the project to date. Mr. Nguyen stated that the Developer has held two community meetings in accordance with the Community Outreach Ordinance and has worked with Ms. Mona Ali to engage with the community to understand concerns from residents in the area, particularly regarding the potential environmental impacts of the project and how those issues would be addressed, the desire to save the Administration Building, the truck routes into and out of the Property, the park improvements to be completed by the Developer, abiding by all local, state, and federal regulations for the environmental clean up to be completed on the Property. Mr. Ellison added that the Developer has worked with Ms. Ali and DEGC staff to inform the community on the abatement and demolition to be conducted on the Property and to complete the environmental impact studies for the project, including a completed Air Quality Study and that the Developer has the same concerns about the environmental implications of the project because they will retain ownership of the Property in the long term and that the Former Cadillac Stamping Plant redevelopment is evidence of the Developer's work and commitment to the surrounding community and it's ability to complete a project that involves significant abatement and demolition.

Ms. Belanger stated that the Developer will be entering into an agreement with the City to commit to making the park improvements to the two adjacent parks to the Property.

Ms. Mays stated that she appreciated the efforts made by the developer of the Former Kettering High School project to preserve a part of the history of the property and asked what the costs would be to save the Administration Building to make the same efforts to preserve the historic value of the Property. Mr. Nguyen stated that the Administration Building is in the way of the proposed site plan for the project and does impact the way the Property will be utilized. Mr. Patton added that several studies have been completed on both the inside of the Administration Building to evaluate the structural integrity of the building as well as a Hazardous Materials Survey to gauge the contamination present in the building which has shown that the building has been heavily scrapped and that has led to loose asbestos containing materials to be strewn about throughout the building and has cross contaminated areas of the building that had been left untouched and that the Administration Building was constructed at time with building design for space and functionality was much different from modern day which hinders a future use of the structure.

Mr. Ellison added that there are some requirements by the City that impact the site plan for the project that follows those requirements and that while there are other historic preservation projects in the City that have been completed, the Administration Building cannot be treated in the same way as other preservation projects because of the different context and that the Developer is rare in that they are willing to take on the work of remediating highly contaminated and complicated properties in order to prepare them for new developments.

Mr. Conder stated that there have been comparisons made to projects like the historic train station, but this project is different from that project because the train station was a former office building being renovated into an office building once again and that is not the case for the Former AMC Headquarters Redevelopment

Project at 14250 Plymouth Road. In modern industrial structures, the office space is incorporated into the same building as the industrial space to be more efficient than the prior practice of having the two uses in separate structures and added that the costs of rehabilitating a structure that is in the condition of the Administration Building is extremely cost prohibitive.

Ms. Mays asked what other approvals are still required for the project. Ms. Bridges stated that the Plan will still need to go to the Detroit City Council for approval of the Plan as well as for approval of the Industrial Facilities Exemption tax abatement.

Ms. Bridges stated that the City of Detroit continues to lose projects such as this one to the suburbs because the City does not have the types of properties and structures available that industrial tenants are looking for.

Ms. McClain stated that she would like to give an opportunity to return to public comment for the speakers who were unable to provide public comment previously.

Ammar stated that he definitively supports the Former AMC Headquarters Redevelopment Project at 14250 Plymouth Road Brownfield Redevelopment project and the cleanup of the Property and the demolition of the Administration Building and create new jobs for the community.

Galaxy S9 asked how many structures will be constructed on the Property and how long the construction will take. Mr. Nguyen stated that the Developer is in discussions with a couple of potential tenants that would require a single larger building and the Developer would be looking to start construction at the end of this summer and complete construction by the fall of 2023.

Ms. Elias asked for confirmation that the project was required to complete the Community Outreach Ordinance process. Mr. Nguyen confirmed that the project was required to complete the Community Outreach Ordinance process.

Mr. George stated that he would like to see the Administration Building saved and that he agrees with Ms. DeSantis that the Developer should work closely with the community.

Ms. McClain called for a motion to approve the Former AMC Headquarters Redevelopment Project at 14250 Plymouth Road Brownfield Redevelopment Plan and its submittal to Detroit City Council, as presented. The Board took the following action:

Mr. George made a motion to approve the Former AMC Headquarters Redevelopment Project at 14250 Plymouth Road Brownfield Redevelopment Plan and its submittal to Detroit City Council, as presented. Ms. Washington seconded the motion. A roll call vote was conducted with the following result:

Ayes: Ms. Elias, Mr. George, Ms. McClain, Ms. Mays, and Ms. Washington.

Nays: None.

DBRA Resolution Code 22-05-308-03 was approved.

ADMINISTRATIVE

Ms. Kanalos stated that there will be the annual administrative items on the agenda for the next DBRA Board meeting and asked DBRA Board Members to please make themselves available to attend the meeting.

OTHER

None.

ADJOURNMENT

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

On a motion by Mr. George, seconded by Ms. Elias, the meeting was unanimously adjourned at 5:05 PM.



CODE DBRA 22-05-02-305

APPROVAL OF MINUTES OF APRIL 27, 2022

RESOLVED, that the minutes of the regular meeting of April 27, 2022 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.

May 11, 2022



DBRA 22-05-03-223

ACCEPTANCE OF TREASURER'S REPORT FOR APRIL 2022

RESOLVED, that the Treasurer's Report of Receipts and Disbursements for the period April 1 through April 30, 2022, as presented at this meeting is hereby in all respects accepted as actions of the Detroit Brownfield Redevelopment Authority.

May 11, 2022



CODE DBRA 22-05-308-03

**FORMER AMC HEADQUARTERS REDEVELOPMENT PROJECT AT 14250 PLYMOUTH ROAD
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 Council”) for the purpose of promoting the revitalization of environmentally distressed areas in the City of Detroit; 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, in accordance with the policies, procedures and bylaws governing the DBRA, the DBRA has submitted a proposed Brownfield Plan for the **Former AMC Headquarters Redevelopment Project at 14250 Plymouth Road Redevelopment Project** (the “Plan”) to the Community Advisory Committee for its consideration and comment and has solicited comments by the public by publication of notice stating 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 DBRA and the City Council as presented by the DBRA; and

WHEREAS, in accordance with the provisions of Act 381, the Board of Directors of the DBRA has considered the proposed Plan and desires to approve the proposed Plan and to request that City Council call a public hearing to consider and adopt a resolution approving the proposed Plan.

NOW, THEREFORE, BE IT RESOLVED:

1. The Board of Directors of the DBRA has determined that the adoption of the Brownfield Plan for the **Former AMC Headquarters Redevelopment Project at 14250 Plymouth Road Redevelopment Project** is in keeping with the purposes of Act 381 and recommends submittal of the Plan to City Council for approval.

2. The Board of Directors of the DBRA approves the Plan substantially in the form attached hereto and on file with the Secretary of the DBRA.

3. Any Authorized Agent of the DBRA 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 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. That any one of the officers and any one of the Authorized Agents of the DBRA or any two of the Authorized Agents of the DBRA shall hereafter have the authority to negotiate and execute all

documents, contracts, or other papers, and take such other actions, necessary or appropriate to implement the provisions and intent of this Resolution on behalf of the DBRA.

5. 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.

6. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are rescinded.

May 11, 2022