



**DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
MINUTES OF THE
REGULAR COMMUNITY ADVISORY COMMITTEE MEETING
WEDNESDAY, MAY 25, 2022 - 5:00 PM**

COMMITTEE MEMBERS

PRESENT:

Rick Blocker
Allen Rawls
Dr. Regina Randall
Brad Lutz
Rico Razo

COMMITTEE MEMBERS

ABSENT:

Kamal Cheeks
Simone Sagovac
Michelle Lee

OTHERS PRESENT:

Jennifer Kanalos (DEGC/DBRA)
Brian Vosburg (DEGC/DBRA)
Cora Capler (DEGC/DBRA)
Richard Hosey (Hosey Development)
Kevin Lewand (Lewand Construction)
Garrity Guenther (Lewand Construction)
Aaron Goodman (Planning and Development Department, City of Detroit)
Isaas Goshay
Gregory Jackson (Jackson Asset Management)
Byron Osburn (IBEW 58)



Call to Order

Mr. Lutz, Vice-Chairperson, called the meeting to order at 5:02 p.m.

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

General

Approval of Minutes

Mr. Lutz called for approval of the minutes of the April 28, 2022 (resolution) DBRA-CAC meeting, as presented. The Committee took the following action:

Mr. Blocker made a motion approving the minutes of the April 28, 2022 meeting, as presented. Mr. Razo seconded the motion. A roll call vote was conducted with the following result:

Ayes: Mr. Blocker, Mr. Lutz, Mr. Razo, Dr. Randall and Mr. Rawls
Nays: None.

DBRA-CAC Resolution Code 22-05-02-167 was approved.

Projects

Brownfield Plan for the Former Fisher Body Plant Redevelopment Project at 6501 Hastings Street

Mr. Vosburg presented the Brownfield Plan for the Former Fisher Body Plant Redevelopment Project at 6501 Hastings Street.

Project Introduction

Fisher 21 Lofts, LLC is the project developer ("Developer"). The project includes the redevelopment the Property into approximately 600,000 total square feet of commercial and residential space as well as adjoining parking. The residential space will provide approximately 433 units on floors 2-6, totaling 275,300 square feet with the remaining space split between amenities for residents and commercial space on the first floor to be utilized by multiple tenants. The Project will include site improvements associated with parking, green space, and storm water management. It is currently anticipated that construction will begin around April 1, 2023 with the Project completed by March of 2025

The total investment is estimated to be \$137 million. The Developer is requesting \$24,881,300.00 in TIF reimbursement.

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

Property Subject to the Plan

The eligible property (the "Property") consists of three (3) parcels (approximately 8 acres), bounded by Piquette Avenue to the north, St. Antoine Street to the west, Harper Avenue to the South (or North depending on the parcel), and Hastings Street to the east (or west depending on the parcel).

Basis of Eligibility

The Property is considered "eligible property" as defined by Act 381, Section 2 because (a) were previously utilized for an industrial, commercial or residential purpose; (b) are located within the City of Detroit, a qualified local governmental unit; and (c) were determined to be a "Facility" as defined by Act 381. or adjacent and contiguous to a parcel that has been determined to be a Facility 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, interest, and the 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 | \$103,300.00 |
| 2. Department Specific Activities | \$2,130,000.00 |
| 3. Demolition | \$2,570,000.00 |
| 4. Lead and Asbestos Abatement | \$5,110,000.00 |
| 5. Site Preparation | \$900,000.00 |
| 6. Infrastructure Improvements | \$5,150,000.00 |
| 7. Brownfield Plan & Work Plan | \$30,000.00 |
| 8. Contingency (15%) | \$2,379,000.00 |
| 9. Interest | \$6,509,000.00 |
| Total Reimbursement to Developer | \$24,881,300.00 |
| 10. Authority Administrative Costs | \$4,652,240.00 |
| 11. State Brownfield Redevelopment Fund | \$1,085,360.00 |
| 12. Local Brownfield Revolving Fund | \$760,085.00 |
| TOTAL Estimated Costs | \$31,378,985.00 |

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 an Obsolete Property Rehabilitation Act (PA 146) and Neighborhood Enterprise Zone (PA 147) Tax Abatements.

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. Hosey introduced the members of the development team and stated that they were available to answer any questions the Committee Members may have.

Mr. Blocker asked in light of the history of the Property, how comfortable the Developer is in the environmental assessments that have been conducted to represent the amount of contamination present on the Property. Mr. Hosey stated that the contamination present on the Property was the first focus of the Developer when starting to work on the project and that there has been some remediation work performed on the Property in the past by the Environmental Protection Agency (EPA) and that the contamination present on the Property today to be abated consists of mostly lead and asbestos and that the Developer is planning on installing an active vapor mitigation system. Mr. Hosey added that the building is structurally

sound and worth saving and renovating as opposed to demolishing the structure which the City has wanted to do in the past.

Mr. Rawls stated that he is familiar with the area surrounding Property and asked what the broader plans are for the area as far as development. Mr. Hosey stated that there are a few other residential developments in the works and under construction near the Property as well as some mixed-use projects making it a more residential area in the future with some renovated office buildings and that the Fisher Body Plant redevelopment should be a catalyst for further development in the area.

Mr. Rawls asked if there are significant upgrades needed to the existing infrastructure to get utilities to the Property. Mr. Hosey stated that Developer has been working with its engineer, General Contractor, DTE Energy, the Department of Public Works, and the Building Safety Engineering and Environment Department regarding the utility infrastructure on the Property and that the existing infrastructure is sufficient for the new development. Mr. Lewand stated that the Developer has had several meetings with DTE Energy regarding the project and that the Property was designed for a higher amount of power than what is currently being used on the Property, which is also the case for water and sewerage, that MDOT is planning on some road and bridge projects in the area near the Property and the Developer has been in contact with them regarding impacts on the project, and that a traffic study has been conducted and showed that the increase in traffic that will come as a result of the project will still be below what the original use of the Property generated.

Mr. Rawls stated that the Developer should work with the Detroit Water and Sewerage Department to ensure that there is adequate water flow to and from the Property.

Mr. Rawls asked for more information on the development team for the project. Mr. Hosey stated that the development team consists of a General Contractor that is a joint venture between Lewand Construction and Jackson Asset Management, the architect is McIntosh Poris,

Mr. Blocker asked for more information on the Developer's hiring plan for contractors for the project. Mr. Hosey stated that there will be approximately 350 temporary construction jobs created as a result of the project and that the Developer is connecting with Detroit at Work to start laying out the process for hiring Detroit residents for the project. Additionally the Developer will be purchasing materials for Detroit headquartered contractors on the project as well as backing the lines of credit for the contractors and will be using its own capital to pay the contractors to assist with the employee costs of the contractors. DEGC will be hosting a meet and greet with contractors for the project as well.

Mr. Razo asked if union labor will be utilized for the construction of the project. Mr. Hosey stated that the Developer is open to using union labor for the project, but its main focus is on employing Detroit residents and using Detroit-based contractors but that it is a good opportunity for union workers.

Mr. Razo asked since the Property is located in an area that is not heavily residential, what has been the focus of the Neighborhood Advisory Council (NAC) at the Community Benefits Ordinance (CBO) meetings. Mr. Hosey stated that the NAC has been mainly focused on the impacts of the construction of the project including any environmental impacts, the focus on hiring Detroit residents and paying a living wage, some nonprofit organizations in the area they would like supported, and the possibility of having a farmer's market on the Property periodically.

Mr. Lutz asked for more information on the new residential units including the anticipated rental rates. Mr. Hosey stated that twenty percent of the residential units will be available at 80% of the Area Median Income (AMI) and the affordable units will be made up of studios, one-bedroom and two-bedroom units.

Mr. Lutz asked if there will be any differences between the market rate units and the affordable units. Mr. Hosey stated that there will be no differences between the market rate units and the affordable units and that the affordable units will be distributed throughout the building.

Mr. Lutz asked if there will be any public amenities included in the project. Mr. Hosey stated that there will be a public gathering space outside of the future market and that the other amenities included in the project will be for the future residents.

Mr. Lutz stated that he is excited for the project and is pleased that it is an adaptive reuse of an existing historic structure as opposed to its demolition, and that he commends the development team for moving forward with this project.

Dr. Randall asked for the price range for the residential units. Mr. Hosey stated that the affordable residential units will be approximately \$1,254 for the studio units, \$1,343 for the one-bedroom units, and \$1,612 for the two-bedroom units.

Mr. Hosey has stated that the DBRA Staff has been very helpful throughout the approval process and thanked the CAC for its consideration and recommendation.

Mr. Lutz called for a motion regarding the Brownfield Plan for the Former Fisher Body Plant Redevelopment Project at 6501 Hastings Street, as presented.

Mr. Rawls made a motion to recommend approval of the Brownfield Plan for the Former Fisher Body Plant Redevelopment Project at 6501 Hastings Street without a CAC public hearing and without appointing special members. Mr. Razo seconded the motion. A roll call vote was conducted with the following result:

Ayes: Mr. Blocker, Mr. Lutz, Mr. Razo, Dr. Randall and Mr. Rawls

Nays: None.

DBRA-CAC Resolution Code 22-05-309-01 was approved.

Administrative

Schedule of DBRA-CAC Meetings for FY 2022-23

Ms. Kanalos presented the Schedule of DBRA-CAC Meetings for FY 2022-23 to the CAC.

Attached, for the CAC's review and approval, were the dates of DBRA-CAC meetings scheduled for FY 2022-2023.

Dr. Randall asked why the CAC Members are expected to attend the meetings in person. Ms. Kanalos stated that the Open Meetings Act (OMA) had been modified to allow for member attendance online and that that modification expired December 31, 2021 making attendance in person required for members but that members of the public are encouraged to attend virtually.

Mr. Lutz called for a motion to approve the Schedule of DBRA-CAC meetings for FY 2022-23, as presented.

Mr. Lutz made a motion to approve the Schedule of DBRA-CAC meetings for FY 2022-23, as presented. Mr. Rawls seconded the motion.

DBRA-CAC Resolution Code 22-05-01-53 was approved.

Election of the Ninth DBRA-CAC Member

Ms. Kanalos presented the Election of the Ninth DBRA-CAC Member to the CAC.

With the June 30, 2022 expiration of the term of office of Mr. Allen Rawls, there is a need for reappointment or appointment of the person to fill this position for a term to expire June 30, 2023.

Mr. Rawls stated that he will be moving to Florida toward the end of 2022 and that once he moves, he will no longer be able to serve as a member of the CAC but until then he is willing to continue to serve as a CAC member.

Ms. Kanalos stated that if any of the CAC members know of a Detroit resident that would be willing to serve as a CAC member to please forward their contact information to the DBRA Staff.

Mr. Lutz called for a motion to approve the election of Mr. Rawls as the Ninth DBRA-CAC Member.

Mr. Lutz made a motion to approve the election of Mr. Rawls as the Ninth DBRA-CAC Member. Mr. Rawls seconded the motion.
DBRA-CAC Resolution Code 22-05-01-54 was approved.

Election of CAC Officers FY 2022-23

Ms. Kanalos presented the Election of CAC Officers FY 2022-23 to the CAC.

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 current DBRA CAC officer positions are as follows:

Kamal Cheeks-Chairperson
Bradley Lutz-Vice Chairperson
Allen Rawls-Secretary
Rico Razo-Treasurer

DBRA staff proposed that the CAC Chair open the floor to nominations, followed by a vote of the CAC members.

Mr. Razo made a motion to nominate Mr. Cheeks for the position of Chairperson, Mr. Lutz for the position of Vice-Chairperson, Mr. Rawls for the position of Secretary, and Mr. Razo for the position of Treasurer. Mr. Rawls seconded the motion
DBRA-CAC Resolution Code 22-05-01-55 was approved.

Other

None.

Public Comment

Mr. Byron Osburn introduced himself to the CAC and stated that he is a Detroit resident of District 5, block club president, precinct delegate and union advocate, and thanked the CAC for its due diligence on the project.

Adjournment

Citing no further business, on a motion by Mr. Blocker, seconded by Mr. Razo, Mr. Lutz adjourned the meeting at 5:45 pm.



CODE DBRA CAC 22-05-02-167

APPROVAL OF MINUTES OF APRIL 28, 2022

RESOLVED, that the minutes of the special meeting of April 28, 2022 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.

May 25, 2022



CODE DBRA-CAC 22-05-309-01

**FORMER FISHER BODY PLANT REDEVELOPMENT PROJECT AT 6501 HASTINGS STREET
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 Former Fisher Body Plant Redevelopment Project at 6501 Hastings Street Project** (the "Plan") to the Community Advisory Committee for consideration and comment; and

WHEREAS, the Community Advisory Committee, at its May 25, 2022 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 **Former Fisher Body Plant Redevelopment Project at 6501 Hastings Street 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.

May 25, 2022



CODE DBRA-CAC 22-05-01-53

ADMINISTRATION: SCHEDULE OF DBRA-CAC MEETINGS FOR FY 2022-2023

RESOLVED, that the Detroit Brownfield Redevelopment Authority Community Advisory Committee (“the DBRA-CAC”) hereby adopts the following as its schedule for regular meetings for fiscal year 2022-2023. Unless otherwise indicated or posted, such meetings will be held on the **second and fourth Wednesday** of each month at **5:00 PM** in the offices of the Detroit Economic Growth Corporation, 500 Griswold Street, Suite 2200, as follows:

2022

July 13, 2022
 July 27, 2022
 August 10, 2022
 August 24, 2022
 September 14, 2022
 September 28, 2022
 October 12, 2022
 October 26, 2022
 November 9, 2022
 November 16, 2022*
 December 7, 2022*
 December 14, 2022*

2023

January 11, 2023
 January 25, 2023
 February 8, 2023
 February 22, 2023
 March 8, 2023
 March 22, 2023
 April 12, 2023
 April 26, 2023
 May 10, 2023
 May 24, 2023
 June 14, 2023
 June 28, 2023

*Due to a holiday, this meeting date varies from the regular schedule.

May 25, 2022



DBRA-CAC CODE 22-05-01-54

ADMINISTRATION: REAPPOINTMENT/APPOINTMENT OF NINTH CAC MEMBER

RESOLVED, that Allen Rawls is hereby reappointed/appointed as a DBRA Community Advisory Committee member for a term to expire June 30, 2023.

May 25, 2022



DBRA-CAC CODE 22-05-01-55

ADMINISTRATION: ELECTION OF OFFICERS FOR FY 2022-2023

RESOLVED, that the following are hereby elected as Officers of the Detroit Brownfield Redevelopment Authority Community Advisory Committee:

_____ Kamal Cheeks _____

Chairperson

_____ Bradley Lutz _____

Vice Chairperson

_____ Allen Rawls _____

Secretary

_____ Rico Razo _____

Treasurer

May 25, 2022