

CASS & YORK, FISHER BUILDING & LOT 1

Community Benefits Meeting 3

SEPTEMBER 5, 2018

AGENDA

- | | |
|--------------------|--|
| 5:30 - 5:35 | NAC Introduction |
| 5:35 - 5:45 | DEGC - Transformational Brownfield Program Overview |
| 5:45 - 5:50 | Q&A |
| 5:50 - 6:00 | DEGC - Additional Incentives Overview |
| 6:00 - 6:05 | Q&A |
| 6:05 - 6:25 | Platform Presentation |
| 6:25 - 7:20 | Questions from the NAC |
| 7:20 - 7:30 | Remaining Questions from the Community |

NAC SELECTIONS

JORDAN MILLWOOD - *Community Selection*

BILL MOSLEY - *Community Selection*

ELAN SANDELIN - *Council President Jones Selection*

CHRIS MATUS - *Council Member Ayers Selection*

MICHELLE WHITMORE - *Council Member Sheffield Selection*

DEVAN ANDERSON - *PDD Selection*

SONYA CLIFTON - *PDD Selection*

JODY WISE - *PDD Selection*

SALLY MOORE - *PDD Selection*



DETROIT ECONOMIC GROWTH CORPORATION

Platform Community Benefits Meeting
September 5, 2018



Transformational Brownfield Plans

Michigan's Most Powerful Real Estate Incentive

Jennifer Kanalos – Director of Board Administration

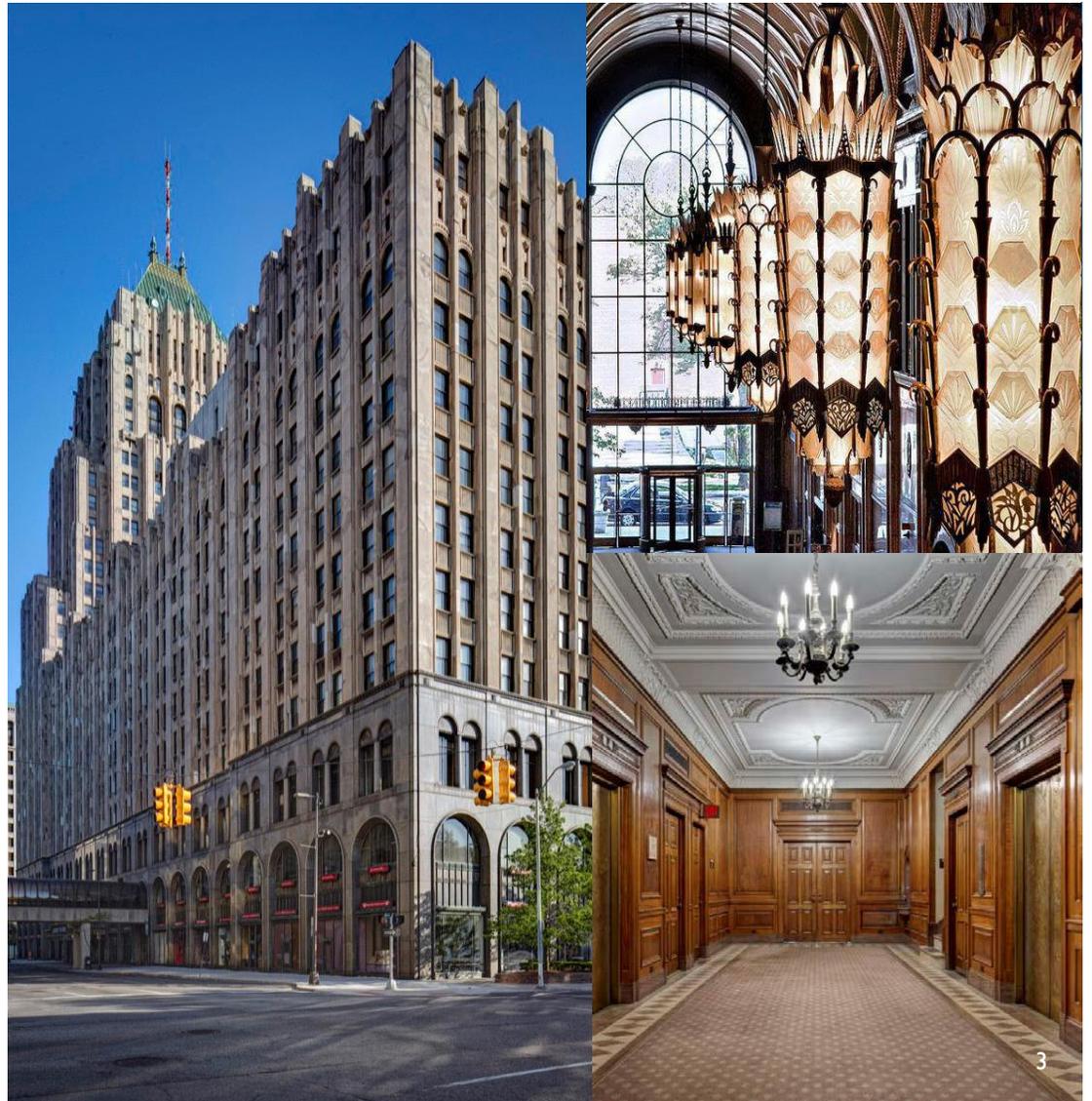
TRANSFORMATIONAL BROWNFIELD PLAN

TBP HISTORY

Amendment to Public Act 381 of 1996
approved by State on June 8, 2017
(Act 46 of 2017).

TBP PURPOSE

To provide tax incentives for significant
mixed-use real estate development
projects that create a transformational
effect in cities and/or neighborhoods.



TRANSFORMATIONAL BROWNFIELD PLAN HIGHLIGHTS



Eligibility

Traditional: Facility, Obsolete, Blighted, or Historic.

Transformational: \$500M+ investment and/or a Facility, Obsolete, Blighted or Historic.

Expanded Tax Increment Capture

Traditional: Property – 30 years.

Transformational: Property – 30 years.

State income, construction period income tax capture revenue, withholding & sales tax exemption – 20 years.

Expanded Eligible Costs

Traditional: Environmental, Site Preparation, Demolition and Public Infrastructure.

Transformational: All construction costs.

TRANSFORMATIONAL BROWNFIELD PLAN LIMITS



TBPs Requesting More Than \$1.5M

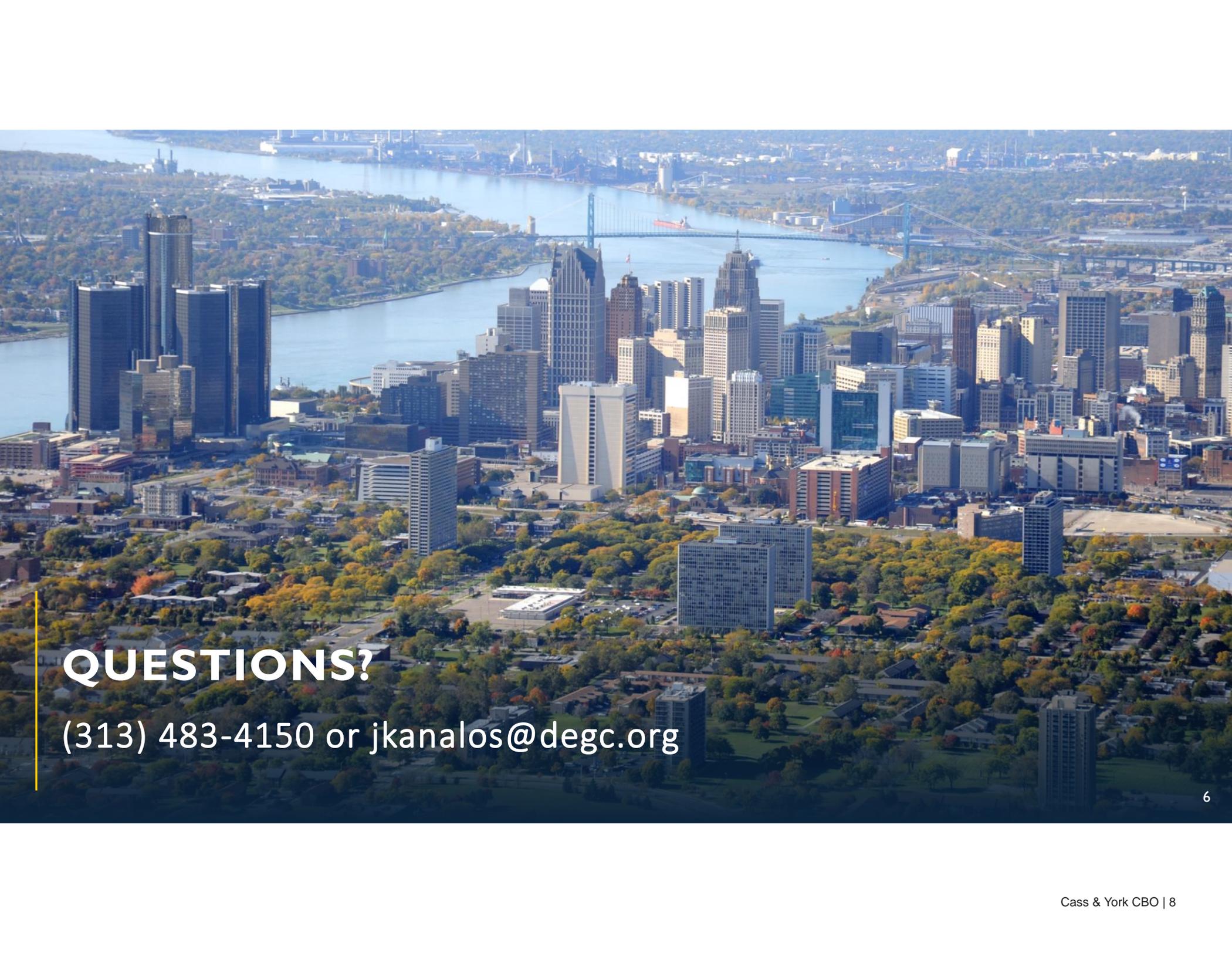
Fiscal Impact Analysis: developer to pay for a third-party independent analysis to determine positive fiscal impact.

Underwriting Analysis: developer to pay for a third-party independent analysis to determine whether the tax capture revenues are reasonable.

Income Tax and Withholding Tax

Income and Withholding: \$800M statewide for all TBPs and no TBP approvals after 2022.

Construction Income Tax and Sales Exemption: \$200M statewide for all TBPs and no TBP approvals after 2022.



QUESTIONS?

(313) 483-4150 or jkanalos@degc.org

Platform Community Benefits Meeting

DETROIT ECONOMIC GROWTH CORPORATION
SEPTEMBER 5, 2018



Outline

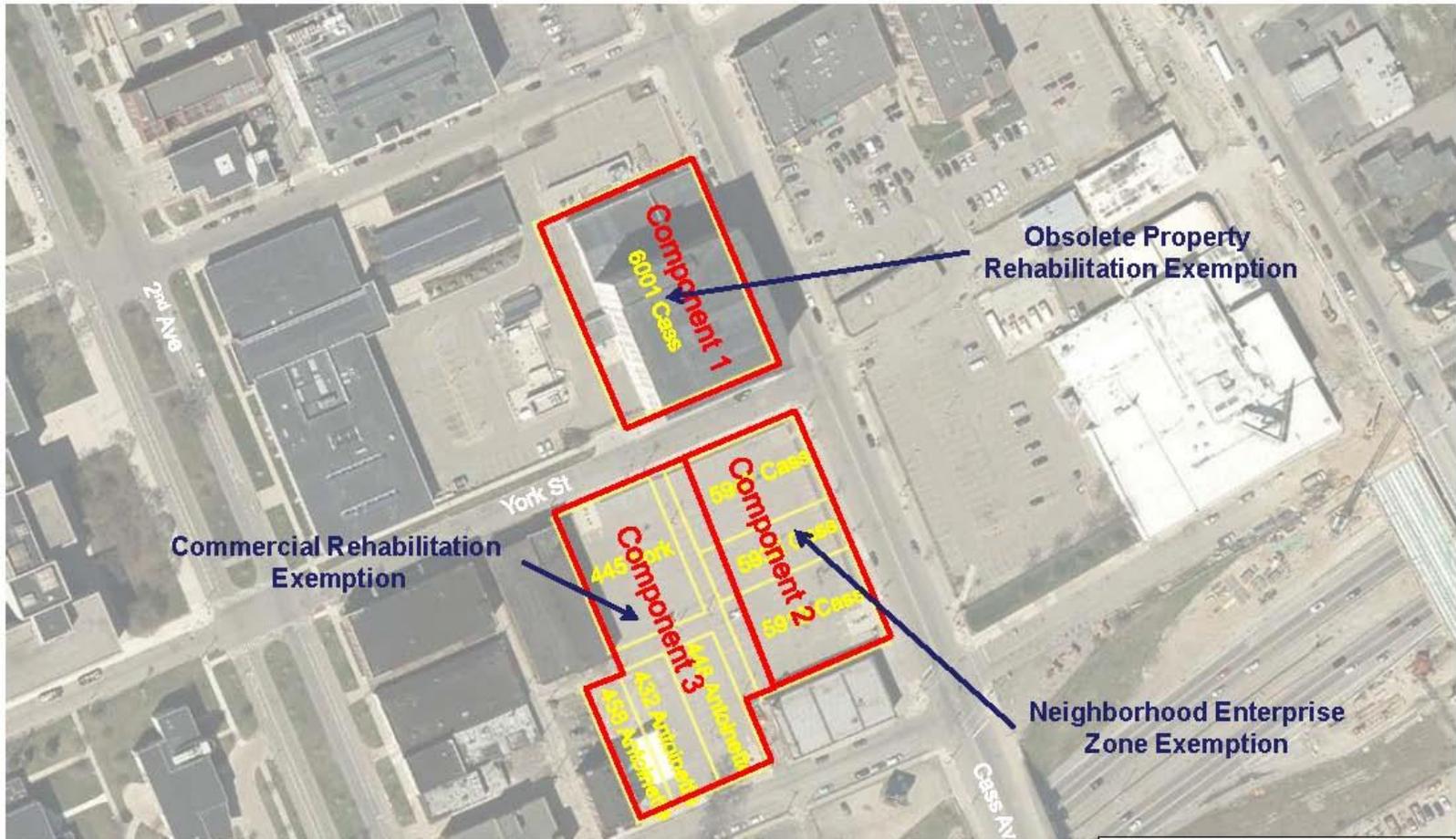
- I. Role and Functions of Incentives
- II. Platform's Requests
- III. Obsolete Property Rehabilitation Act
- IV. Commercial Rehabilitation Act
- V. Neighborhood Enterprise Zone

Role and Functions of Incentives

- The roles of incentives include:
 - Support the expansion of economic development
 - Retaining existing businesses and attracting new businesses
 - Assist with and encourage development activities
 - Incentivize economic development in neighborhoods
- Direct City benefits of incentives include:
 - New jobs for Detroiters
 - Both construction & post-construction
 - Blight removal
 - Neighborhood improvements
 - Improved quality of life for residents
 - Increased tax base
 - Reduced cost of housing for residents

Platform's Requests

- Obsolete Property Rehabilitation Act tax exemption for 6001 Cass
 - OPRA for shorthand
 - Public Act 146 of 2000
- Commercial Rehabilitation Act tax exemption for 445 York, 458 Antoinette, 432 Antoinette, & 448 Antoinette
 - PA 210 for shorthand
 - Public Act 210 of 2005
- Neighborhood Enterprise Zone tax exemption for 5947 Cass, 5935 Cass, & 5919 Cass
 - NEZ for shorthand
 - Public Act 147 of 1992



OPRA

Impact

- Freezes taxable value of building for up to 12 years
- Still pays full taxes on land
- Still pays taxes on school millages

Qualification

- Must be obsolete property being rehabilitated for commercial or commercial housing purposes
 - Blighted
 - Functionally obsolete

PA 210

Impact

- Freezes taxable value of building for up to 10 years
- Still pays full taxes on land
- Still pays taxes on school millages

Qualification

- Commercial property that is 15 years or older
- Must be developed as commercial use or commercial housing
- Vacant property that was commercial within the last 15 years is eligible

NEZ

Impact

- Discounted tax rate on new facilities for up to 15 years
- The tax incentive goes to the condominium owner as a reduction in their property taxes

Qualification

- Must contain 10 or more facilities
- For NEZ New allocation, must be owner occupied units
- For NEZ Rehab allocation, the investment per unit must be in excess of \$7,500
- *note that The Platform is qualifying for the NEZ New allocation

Questions

(313) 879-3261 OR NMARSH@DEGC.ORG

CBO OVERVIEW

CBO Process Schedule

**schedule is tentative and dates may change*

| | AUGUST | | | | SEPTEMBER | | | | OCTOBER | | | |
|------------------------|----------------------|----------------------|--------|----------------------|-----------|-----------------------|--------|---------------------|---------|---------------------|------|------|
| | WK 1 | WK 2 | WK 3 | WK 4 | WK 1 | WK 2 | WK 3 | WK 4 | WK 1 | WK 2 | WK 3 | WK 4 |
| Meeting 1 ----- | Aug 15 th | | | | | | | | | | | |
| Meeting 2 ----- | | Aug 22 nd | | | | | | | | | | |
| <i>bye wk</i> ----- | | | No Mtg | | | | | | | | | |
| Meeting 3 ----- | | | | Sept 5 th | | | | | | | | |
| <i>bye wk</i> ----- | | | | | No Mtg | | | | | | | |
| Meeting 4 ----- | | | | | | Sept 19 th | | | | | | |
| <i>bye wk</i> ----- | | | | | | | No Mtg | | | | | |
| Meeting 5 ----- | | | | | | | | Oct 3 rd | | | | |
| <i>bye wk</i> ----- | | | | | | | | | No Mtg | | | |
| Meeting 6 ----- | | | | | | | | | | Oct 17 ^h | | |
| TBD | | | | | | | | | | | | |

NAC ROLE & RESPONSIBILITIES

Eligibility

- **Resident of the impact area**
- **At least 18 years of age**

Requirements

- **Attend all 5 scheduled meetings.**
- **Develop NAC impact report.**
- **Review Community Benefits Report written by the Planning and Development.**
- **Review biannual compliance report to monitor progress and status of project.**
- **Attend annual meeting to discuss the status of the project.**

Responsibilities

- **You cannot use this position for personal gain.**
- **You are agreeing to represent your fellow residents.**
- **You are agreeing to provide feedback for the community.**
- **You are agreeing to work together with fellow NAC members to make official recommendations to mitigate any negative impacts of the project.**
- **You are advising the City of Detroit and City Council on how best to mitigate impacts.**

the Platform

We are committed to:

- 1) Working throughout the city**
- 2) Respecting the existing social and physical fabric in neighborhoods where we work**
- 3) Excelling in design and construction in rehab and ground up developments**



The Platform

COMPANY OVERVIEW



Our Neighborhoods



Central 1

- New Center
- Milwaukee Junction
- TechTown
- Midtown
- Eastern Market

West 2

- Old Redford
- Fitzgerald

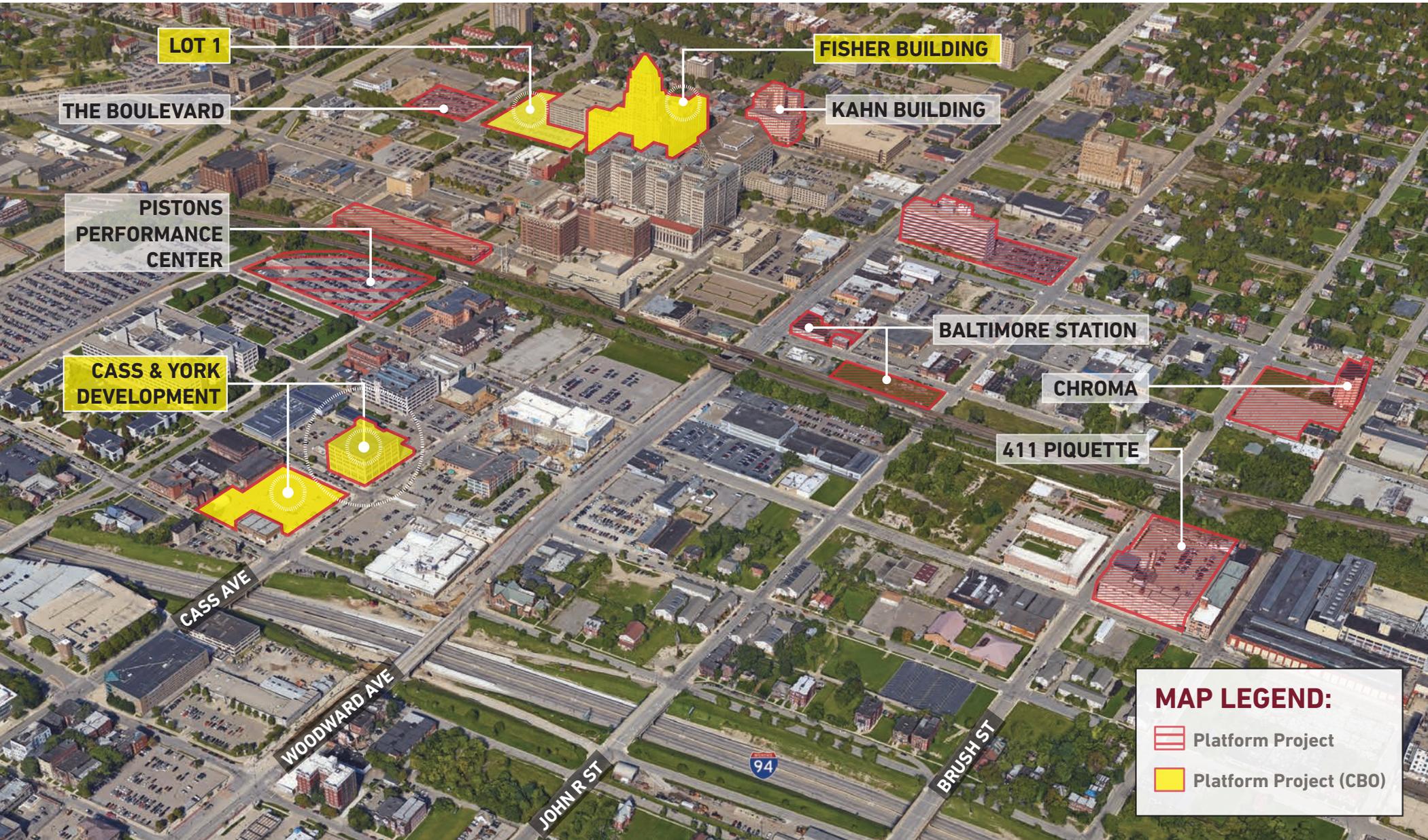
East 3

- Islandview



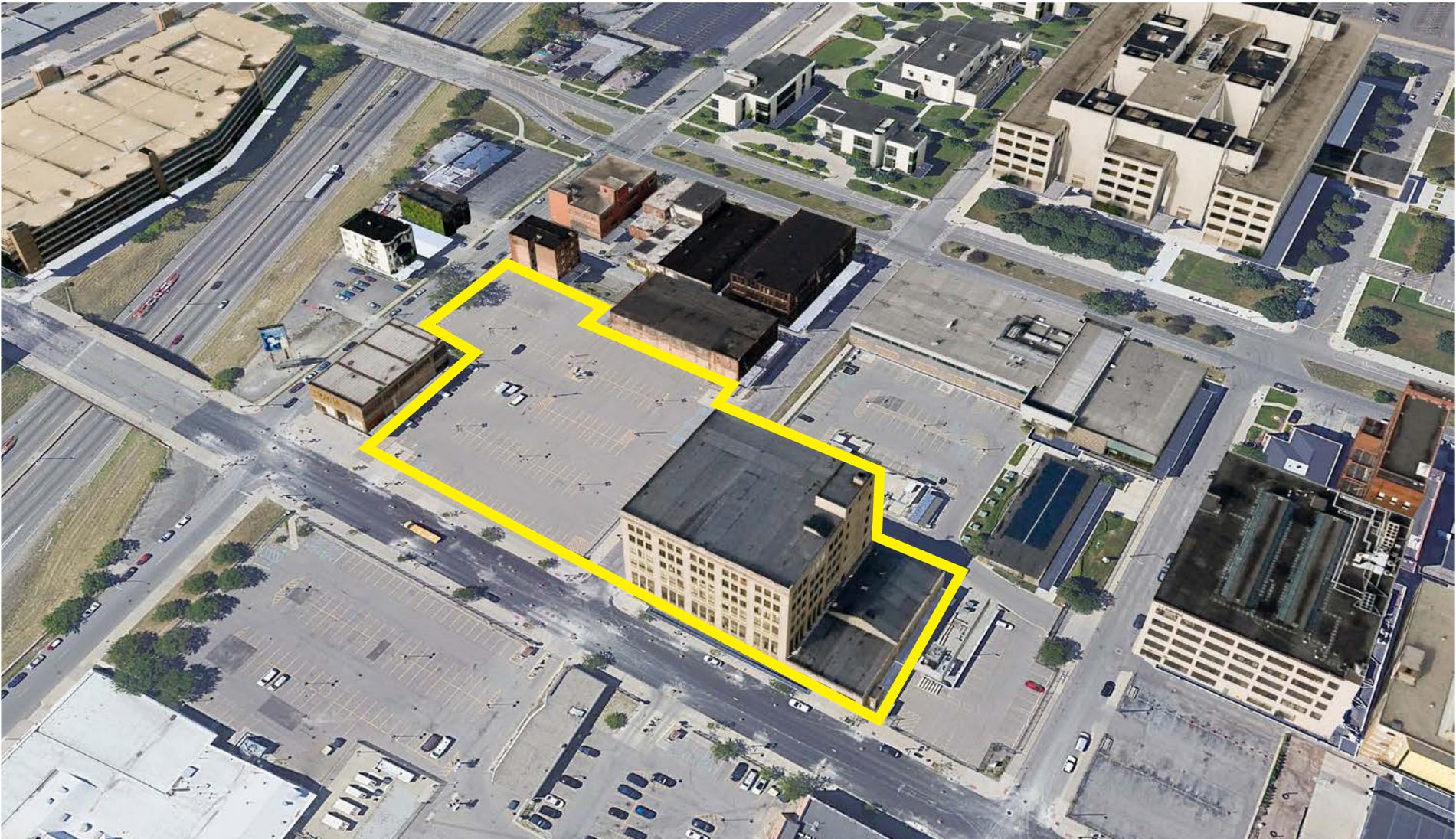
LOCATION & NEIGHBORHOOD

The Platform



CASS & YORK

SITE OVERVIEW



CASS & YORK

SITE OVERVIEW

PROJECTED CONSTRUCTION START: MARCH 2019



CASS & YORK

CASS CONDOS

**Residential &
Retail**

54
condos

13,800
sq.ft of retail on
first floor

85
designated spaces on
York Garage 2nd floor



CASS & YORK

CASS CONDOS - CONDO PREVIEW



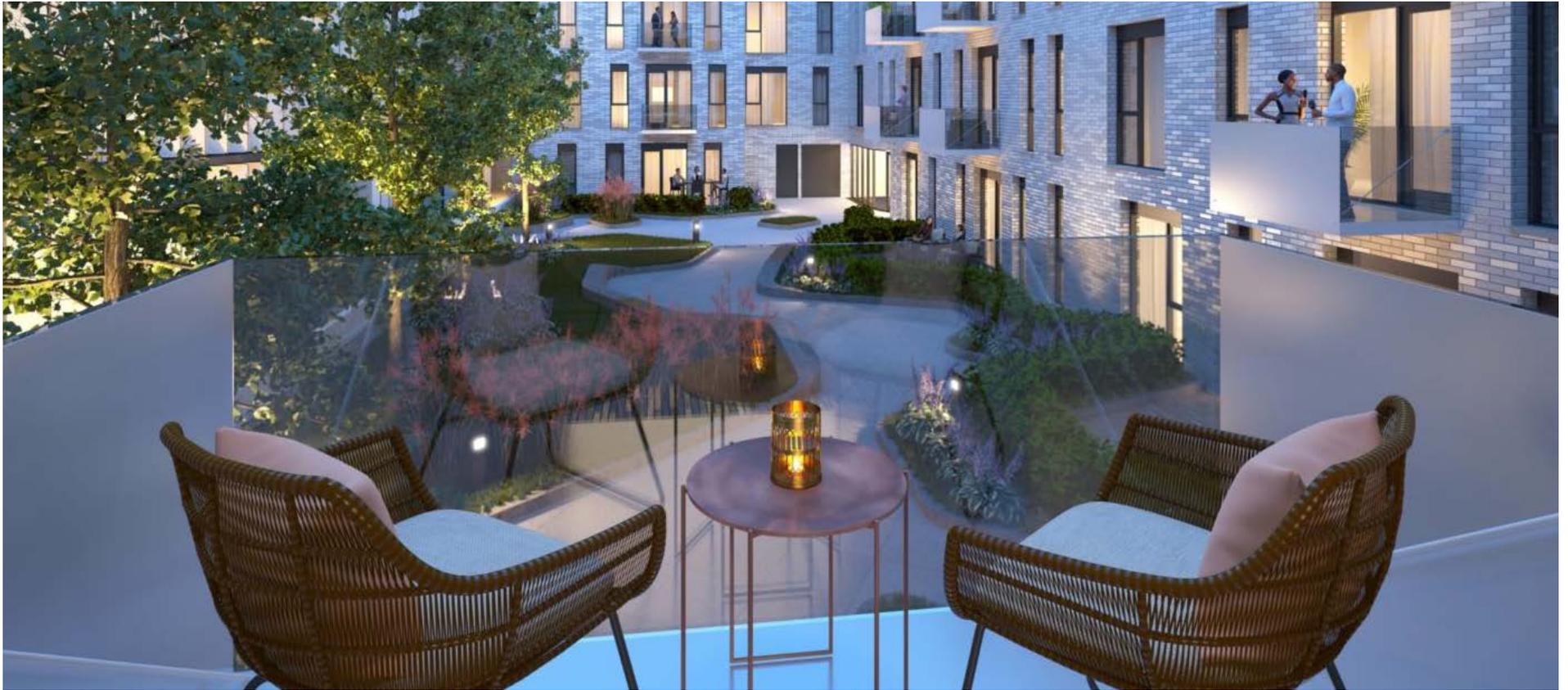
CASS & YORK

CASS CONDOS - INTERIOR PREVIEW



CASS & YORK

CASS CONDOS - UNIT MIX



Studio & 1 BR: 10 units

2BR: 41 units

3BR: 3 units

CASS & YORK

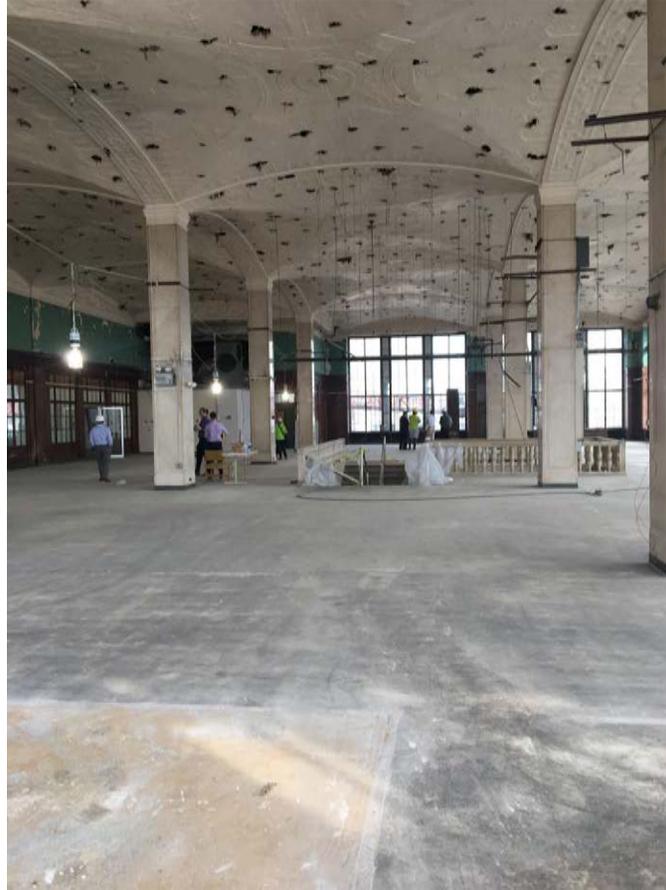
6001 CASS

Office & Retail



CASS & YORK

6001 CASS



7,600
sq.ft of first floor retail

95,000
sq.ft of office floors 2-6

12,000
sq.ft of presentation
space on 2nd floor

CASS & YORK

6001 CASS



6,000

**sq.ft of first floor retail
(WSU Art Gallery)**

CASS & YORK

ANTOINETTE APARTMENTS

Residential

75
apartments
44,500
sq.ft of residential



CASS & YORK

ANTOINETTE APARTMENTS - UNIT MIX

Studio & 1 BR: 39 units

2BR: 19 units

3BR: 14 units

4BR: 3 units

20% affordability at 80% AMI

AMENITIES:

Community room, laundry room, gym, garden, terrace, green roof

CASS & YORK

YORK GARAGE

Parking



CASS & YORK

YORK GARAGE



3,200

sq.ft of first floor
retail facing York

556

total spaces

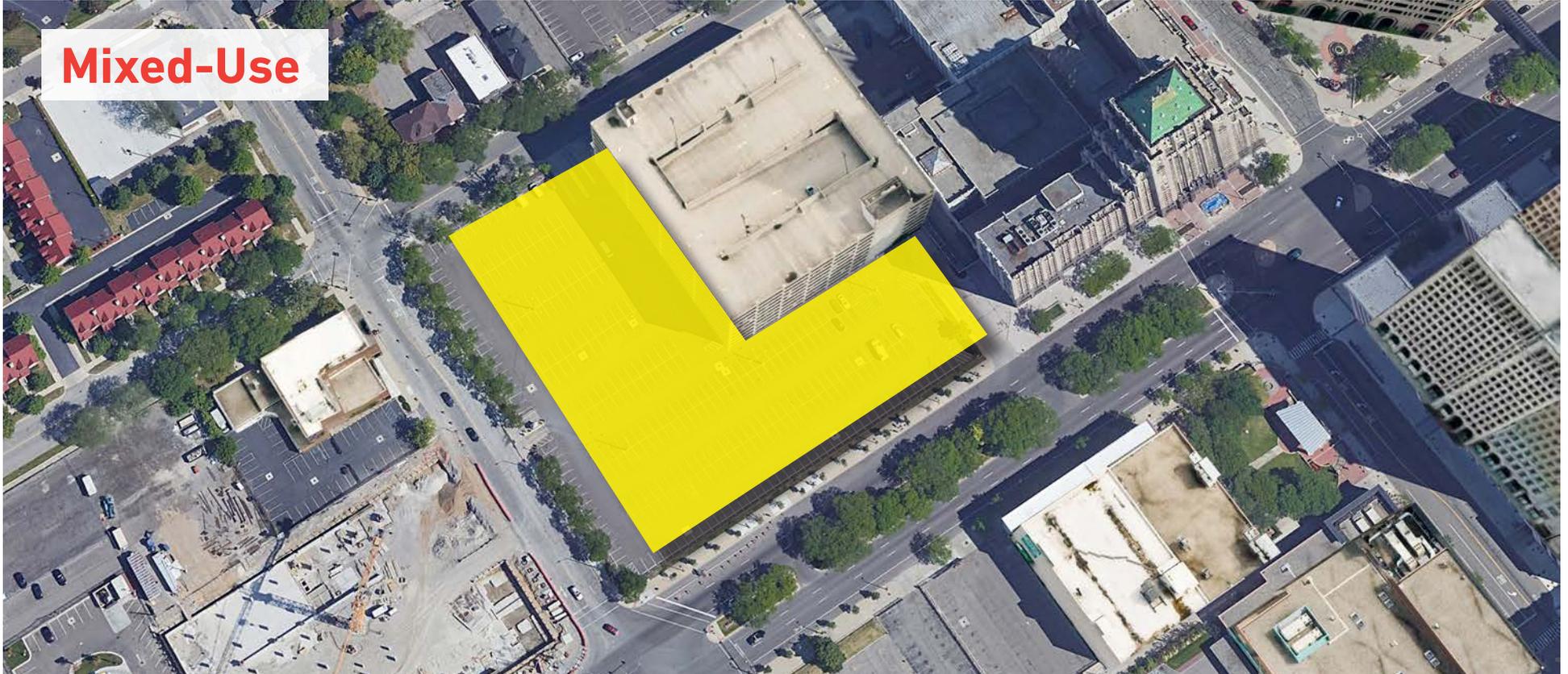
220

WSU spaces

LOT 1

PROJECT OVERVIEW

PROJECTED CONSTRUCTION START: Q2 2020



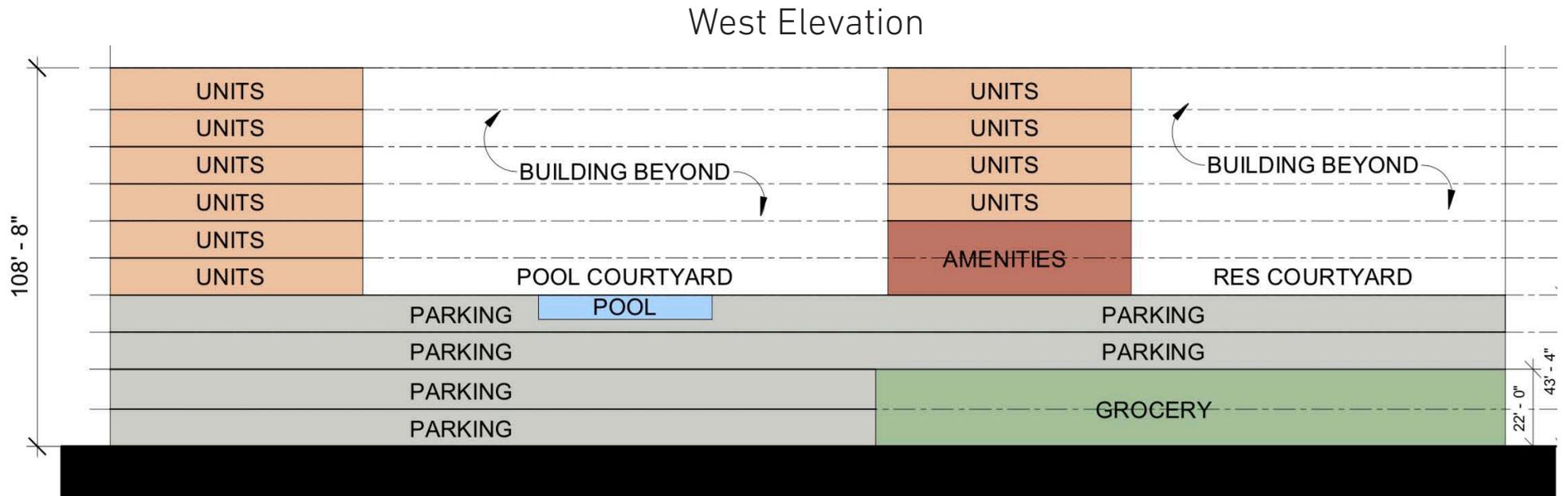
47,000
total sq.ft of grocery/
retail/food & beverage

304
residential units

484
parking stalls

LOT 1

PROJECT OVERVIEW



Features

- Replacement and newly constructed parking
- Grocery anchor

Additional Service

- Soft goods, and food & beverage retail

FISHER BUILDING

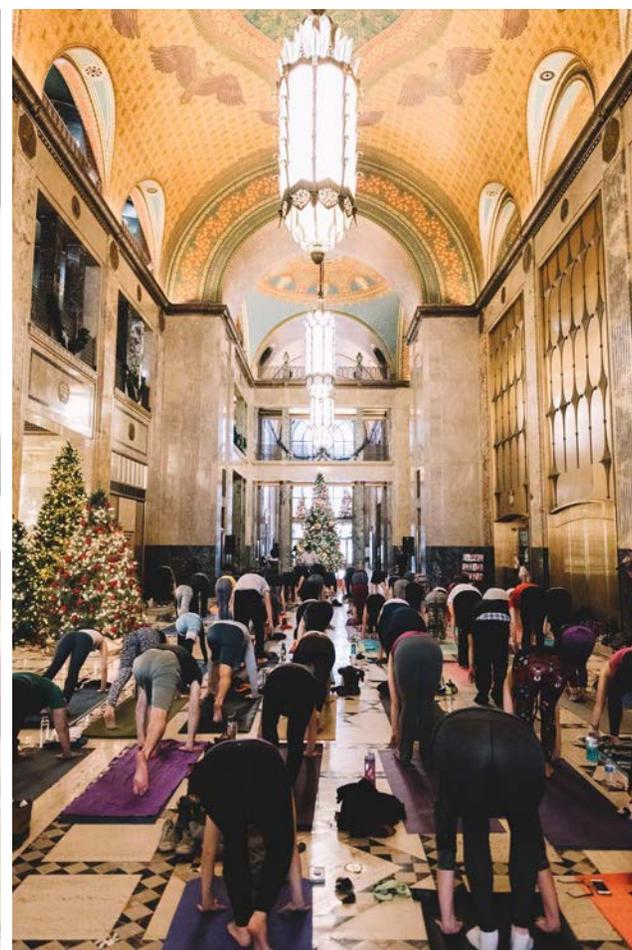
PROJECTED CONSTRUCTION START: JANUARY 2019

- 1) Renovation of the historic Fisher Building
- 2) New construction of a mixed-use retail and residential development on the adjacent Lot 1



FISHER BUILDING & LOT 1

ACTIVATION

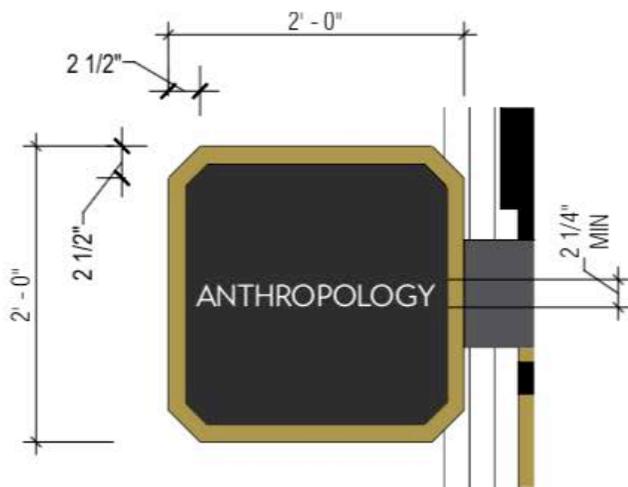


FISHER BUILDING

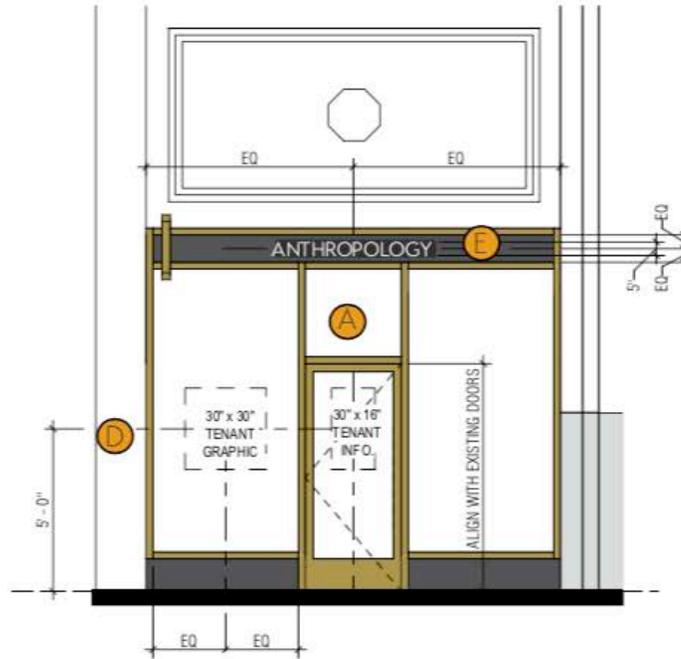
PROJECT OVERVIEW

STOREFRONTS & SIGNAGE | INTERIOR

TENANT GUIDELINES



NEW BLADE SIGN MOUNTED TO SIGN BOX



PROPOSED IMPROVEMENTS

- A** Renovated Storefronts are demolished and replaced with new brass storefront, in line with historic. This approach is confirmed acceptable by Historic Preservation Analysis.
- B** White painted soffit behind storefront.
- C** New backlit blade sign is mounted to black sign box, on left side of door. Historic Preservation analysis confirms interior blade signage is acceptable.
- D** Provide consistency in storefronts through guidelines for location, size, and color of retail branding.
- E** Install backlighting fixture to light tenant name in sign header box.

MATERIALITY

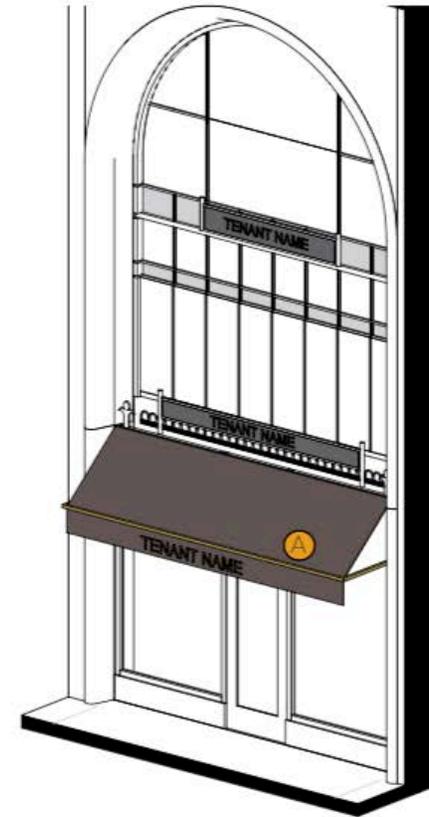
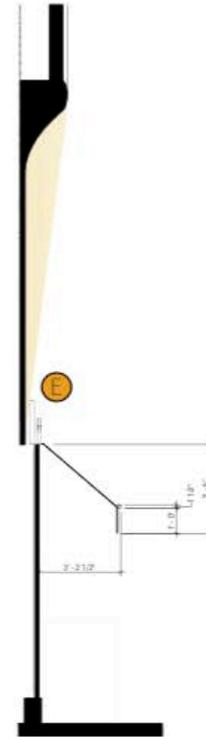
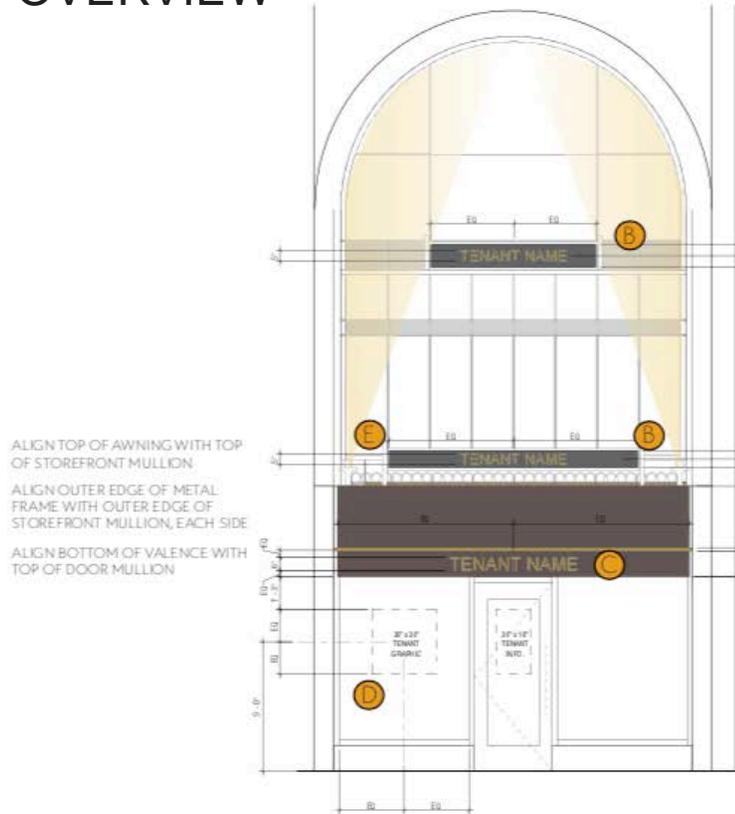
- DARK FABRIC TO MATCH SIGN BOXES ABOVE
- AWNING TENANT LETTERING TO MATCH SIGN BOX LETTERING
- BRASS AWNING FRAME
- BLACK/GOLD
- STOREFRONT LOGO

FISHER BUILDING

PROJECT OVERVIEW

STOREFRONTS & SIGNAGE | EXTERIOR

TENANT GUIDELINES



PROPOSED IMPROVEMENTS

- A** Mitigate excessive sun by adding awnings, providing better visual connection into retail. Historical Preservation analysis confirms that new canvas awnings are appropriate.
- B** Update box signage color to black box with gold, backlit letters.
- C** Establish visually consistent signage type, color, location and style
- D** Provide guideline location for retail branding to promote identity at street level
- E** Install light fixture above awning to light marble archway and sides.

MATERIALITY

- DARK FABRIC TO MATCH SIGN BOXES ABOVE
- AWNING TENANT LETTERING TO MATCH SIGN BOX LETTERING
- BRASS AWNING FRAME
- HAND PAINTED
- GOLD LEAF SIGN

FISHER BUILDING

PROJECT OVERVIEW

WEST GRAND BOULEVARD | RECOMMENDATIONS

STREETSCAPE DESIGN



PROPOSED IMPROVEMENTS

- (A)** Evergreen ground cover in planters should lower maintenance and improve year-round appearance, with up lighting at trees
- (B)** Wooden seat cap on marble planters facing activity sides - the Fisher Building
- (C)** Directional paving strategy to provide spatial linkage to the Building
- (D)** Planters at building bays to reinforce Building's form, with up lighting at Main Entrance
- (E)** Moveable seating to encourage outdoor gathering and socializing
- (F)** Awnings for street-level tenants to improve brand and visibility



WHAT WE'VE HEARD

CONCERNS & CONSIDERATIONS

- Construction noise
- Construction communication w/ community
- **Traffic and wayfinding**
- **Building heights and neighborhood views**
- **Retaining New Center character and uniqueness**
- **Rental affordability**
- **Small business opportunity and access**
- Workforce training opportunity
- Local hiring
- **Retail diversity and access**
- **Green and public space**