



Live from the Table:

The Amazon/State Fairgrounds Development

The City of Detroit, through its Planning and Development Department, has received an offer from State Fair Partners, LLC., a Delaware limited liability company, to purchase certain City-owned real property at 20110 Woodward, formerly known as the Michigan State Fairgrounds, for the purchase price of Sixteen Million and 00/100 Dollars (\$16,000,000.00).

Background Information on Proposed Development:

Proposed Development

The Purchaser proposes to initially redevelop an approximately 78-acre portion of the Property into a new 3.8 million square-foot anchor tenant facility to be used by Amazon as a distribution center. It is anticipated that this proposed use of the Property will bring approximately 1,200 new jobs to Detroit.

The remainder of the Property will be redeveloped into potential spaces for automotive industry suppliers or other light industrial uses that create additional jobs at the Property. Currently, the Property is within a B4 zoning district (General Business District). The Purchaser's proposed use of the Property will be consistent with the allowable uses for which the Property is zoned, however it is anticipated that the Purchaser may eventually seek a rezoning of the Property for any proposed future uses that are inconsistent with the current zoning.

The City has committed to conducting two public meetings within the community before any conditional land use or rezoning hearings will be approved for uses on the remainder of the Property. Furthermore, the City will conduct a health assessment of the Property that includes air quality baseline testing, so that results can be made available should any future industrial uses be proposed on the Property.

Transit Center

To improve the passenger experience of bus riders and serve the transportation needs of the area, the City has proposed to design and construct a new state-of-the-art transit center to replace the current one on Woodward Avenue. Design and construction of the new Transit Center will be completed by the Detroit Building Authority under an agreement that will be brought before this Honorable Body for separate approval.

The City will work with the Purchaser to design and construct certain dedicated interior roadways within the Property that utilize complete streets standards and that provide pedestrian and non-motorized connections to the Transit Center. Such connections will also be studied and, if appropriate, the City will encourage the creation of other pedestrian and non-motorized connections elsewhere within the Property. Additionally and as part of the demolition and environmental remediation work required for the new Transit Center, the City will conduct a 3-month feasibility study of certain historic structures that may require demolition.

In addition to the new Transit Center, the City's General Services Department has committed to undertaking two park improvement projects within the surrounding communities of the Property by either rehabbing an existing park or constructing a new park near the Property with bond funds to be borrowed in 2020 for public park improvements.

How will the City support the project?

To support capital projects, the City requests that the Fiscal Year 2020-2021 Budget be amended for Appropriation No. 20507 – Capital Projects to accept and appropriate for expenditure Fourteen Million and 00/100 Dollars (\$14,000,000.00) of the Purchase Price.

The City plans to use capital funding to support the design and construction of the new Transit Center (estimated at \$7,000,000.00), to reimburse the City Capital Project Fund for the initial Property acquisition payment made to the State of Michigan Land Bank Fast Track Authority ("MLBFTA") (\$3,500,000.00) and to make the final Property acquisition payment to the MLBFTA (\$3,500,000.00). The Property acquisition payments are consistent with the resolution approved by Detroit City Council on July 24, 2018 that approved the City's acquisition of the Property.

The remaining Two Million and 00/100 Dollars (\$2,000,000.00) of the Purchase Price will be accounted for as surplus land sale revenue. With each recommended budget, the Office of Budget completes a reconciliation procedure as determined by the Deputy CFO / Budget Director to determine the appropriation to the Detroit Affordable Housing Development and Preservation Fund in accordance with Sec. 22-3-7(c) of the 2019 Detroit City Code.

What is the administration requesting of City Council?

1. Authorize the P&DD Director to execute a quit claim deed, Agreement of Purchase and Sale, and such other documents as may be necessary or convenient to effect a transfer of the Property by the City to Purchaser.

2. Amend the Fiscal Year 2020-2021 Budget for Appropriation No. 20507 to accept and appropriate a portion of the Purchase Price for capital projects.
3. Authorize the City to pay the balance owed to the MLBFTA for the Property.

Community Outreach

On Tuesday, October 13, 2020 City Council received the following update regarding community outreach and engagement on the proposed development:

After a series of Zoom and in-person meetings, the Administration discovered that residents adjacent to the State Fairgrounds redevelopment site are very concerned about beautification and parks inside of their community (not on the State Fairgrounds).

As you know, the Administration met with two community associations in the area: Keep It Clean Block Club (which has members who live directly east of the development site); and State Fair Neighborhood Association (which is composed of residents who live directly south of the Fairgrounds).

Following those conversations, the Administration has had several follow-up meetings, including a walkthrough with the City's General Services Department ("GSD") – Parks and Recreation staff to determine specific potential locations for new parks and beautification sites.

From that walkthrough, two potential park locations were identified by the residents (as diagramed on the map below). GSD – Parks and Recreation is currently working on some park layouts which will be presented and discussed at a Zoom community meeting on **Wednesday, October 14, 2020**.

In addition to the discussions about the park projects, there were also resident suggestions for:

1. Tree gardens;
2. Tree planting to discourage dumping in the area; and
3. Beautification in the area.

The Administration has also been in conversations with Emanuel Center, which owns and manages the greenhouse and community garden in the Penrose area.

Outcomes from this community engagement:

1. Proposed park and beautification plan
2. Series of meetings hosted by the block clubs regarding the following:
 - Oct. 14th – Parks & Beautification
 - Oct. 21st – Traffic Calming and Security (Non-State Fairgrounds)
 - Oct. 28th – Jobs and Opportunities for Residents
 - Nov. 4th - Residential Land Use and Opportunities for Residents
3. Growing Detroit's Young Talent potential partnership with Rescue MI Nature Now, Inc. project in the Keep It Clean Block Club community.



Discussion from the Planning and Economic Development Standing Committee:

Ray Diggs: This will be the 5th amazon site in Michigan. This will be the central location for Amazon in the region. Land sale of remaining 138 acres. 3.8 m sq foot facility. This will create a minimum of 1200 jobs. Amazon has agreed to collaborate with Detroit At Work. The goal is to have the facility operational by Spring 2022. This will create as many as 3,000 construction jobs. Net benefit of \$42.9 million to the City and \$77 million to the surrounding area. There has been more community support rather than those against it.

Arthur Jemison: The city has made many commitments, but mainly to the citizens of Detroit. Compared to other amazon developments where cities have made tax abatements deals with Amazon, Detroit will not. The City is still soliciting community involvement at all stages. The developer has a strong track record working with local labor unions during construction. The developer does not fall under executive order no 2016-1, but the developer has agreed to adhere to them anyway.

Master Plan Amendment:

The change of the fairgrounds from a regional park to light industrial zone. The site has not operated since 2009. It is currently a B4 zone where light industrial is allowed.

Benson: What is the underlying zoning and how does this affect the master plan amendment? Lack of public hearings for the transit center?

Response: The MP gives guidance while zoning is more concrete in what can or cannot be built. B4 allows light industrial (such as warehouses). DDOT is moving forward with public hearings, was not possible until this time. 30,000 riders go through the current transit center each week.

DDOT: There will be no change on the routes going to the new transit center. The current center lacks facilities. The concept of the new center is a lot nicer. Current center inconveniences routes 17 and 4. The new center eliminates other traffic making it easier for busses to navigate. It is only a 5 min walk to the Amazon facility.

Raymond A. Scott: We are doing an air quality evaluation. This is not required, but since the community asked it is being done.

Councilman Leland: I am getting a better appreciation for community concerns. Many of the community concerns seemed to have been addressed but it is clear more things have to be done. Will forward his questions in writing.

Councilman Tate: Conditions of the sidewalks? What about the guarantee of jobs, it's not in writing? What about minimum wage? Appraisal of the property?

Response: There will be sidewalks on both sides of the street, both double wide to allow bikes and pedestrian space, properly placed sidewalks. Amazon has agreed with collaborating with Detroit at work in hiring, amazon has a very strong interest in working with Detroit At Work. There is no guarantee for the jobs but there are no incentives for Amazon through the City. The minimum wage for fulfillment center is \$15 plus benefits, what hasn't been talked about is the opportunity for overtime or shift differentials, it could be \$18-\$19 an hour with overtime. Integra was the appraiser, the value of the 135 acres is about \$8 million, but after deductions its closer to \$7 million. Developers are paying \$16 million (\$9 million for land, \$7 million for transit).

Councilman McCalister: since the 2009 closing there have only been 2 other parties interested in this property.

Legislative Policy Division Concerns:

Marcel Hurt: Request to bring item back in one week. View attachments sent by LPD to the committee, should answer previous questions asked. \$8.3 million sq foot facility, 1,200 workers, sale price is \$16 million. Value of the land alone is 9 million, purchaser will pay an additional \$7 million for the relocation of the transit center. Hourly rate of \$15 dollars an hour with benefits. Working closely with Detroit At Work. The purchaser will not request any economic incentives; however this does not apply to Amazon. \$4.5 million investment, ~43 million net benefit over 10 years.

Councilman Benson: Why or how we are addressing working at the site?

Response: The developer it is not requesting any economic assistance; however, they will comply EO 2016-1.

Councilman Leland: This project is exciting because of the massive number of jobs amazon will bring to Detroit. Wants Detroiters to have preferential hiring treatment. Would like to see

commitment (list of meetings) that have happened and that will be happening in the future for community engagement.

Response: There have been ten (10) or eleven (11) community meetings, Detroit At Work is working closely with developer to make sure Detroiters get preference. The 1,200 jobs will be full time, additional of seasonal jobs for holidays etc. Developers are looking at how to maintain the historical aspect of the site.

Councilman Tate: What is being done to address the historical concern?

Response: The land includes three (3) historical structures. The developer has no plans as on now that would accelerate the closure of the Joe Dumars Fieldhouse. The other two (2) buildings are under consideration for demo in order to relocate the transit center. This will take a ninety-day (90) feasibility study to take outside input to see if the two buildings could be repurposed to the transit center to avoid demo.

Concerns raised by Council Members:

Council President Brenda Jones

Question	Answer
Will there be employees transferred from other locations or with the 1200 jobs be new jobs?	While we anticipate that some Detroiters working at other Amazon facilities in the Metro region will seek reassignment to this facility when it opens, there is no reliable way to project those numbers this far in advance. The number of positions that might be relocated is not known. We do not anticipate that potential reassignments will materially impact the number of new full-time positions at this facility open for first-time hires.
Will there be an employee referral program implemented?	As is customary with most mid-size and large companies, hiring incentives and referral programs are driven by real-time demand for labor. We expect clarity on the answer to this question closer to the time of the facility's opening, if approved.
What steps have been taken to engage the community outside of District 2?	Provided summary of community engagement.

What steps have been taken to engage the Skilled Trades Unions?

As noted above, at the request of City Council President, the Administration and the development team attended a meeting hosted by representatives of the IBEW Local 58 union. Union members asked a number of questions about the contracting and procurement process. The meeting was attended by more than 25 local union members. Following this meeting, the Administration contacted local union members to understand their concerns about the proposed development. The Administration is engaged in ongoing conversations with local unions and will update your office with any significant developments.

Please explain the transit strategy and the location selection of the transit terminal.

DDoT provided a response.

What guarantees are in place to ensure Detroit residents make up at least 51% of the workforce and Detroit companies make up at least 30% of construction contractors?

The Amazon project developer, State Fair Partners, has voluntarily agreed to comply with Executive Order 2016-1, which requires 51% of the project's construction work hours to be worked by Detroit residents. If that requirement is not met, serious financial penalties apply. Because the Amazon project is not receiving public subsidy, neither Executive Order 2016-1 nor Executive Order 2014-5 are triggered and apply by law. The agreement selling the former Fairgrounds property instead obligates the developer by enforceable contract. The local developer, Sterling Group, has a long history of employing Detroit residents and using local Detroit construction companies.

The Detroit Building Authority will comply with both Executive Order 2014-5 and Executive Order 2016-1 in connection with the transit center project also slated for the Fairgrounds.

What guarantees are in place to ensure that Detroit based micro and small businesses have access to construction and post construction contracts?

There are no specific guarantees in place to ensure Detroit-based micro and small businesses in the construction project. The local developer, Sterling Group, also has a strong track record for using small business construction companies in its projects. For post-construction, if this distribution center is located in the City of Detroit, it will create a large

number of local entrepreneurial opportunities via the Amazon Delivery Service Partners Program. To make sure Detroiters have the opportunity to be prepared for those opportunities, Detroit At Work is launching a first-of-its-kind Entrepreneurship Training Academy. The Academy will provide Detroiters with the skills and knowledge they need to start and operate a successful business, and accordingly give them access to those opportunities.

What plans are in place by the Administration to enter into an agreement with Amazon to ensure that city income taxes are collected from all employees and remitted to the City of Detroit to ensure that the City of Detroit is receive its full financial benefits?

This distribution center will overwhelmingly rely on in-person work. The Administration has no reason to suspect that employees at the facility will not be properly registered as working at this site, in Detroit, and that the State of Michigan will have no challenges collecting the full amount of City income taxes from employees working at this facility.

What guarantees are in place to ensure that Detroiters make up at least 51% of the workforce post construction?

Unlike construction jobs, there are no specific guarantees in place to ensure Detroiters represent 51% of the employees at the Amazon facility once it is operational. Amazon has agreed to collaborate with Detroit At Work on employment opportunities for Detroiters at the facility, including by working with Detroit At Work with regard to job fairs and announcements.

How will employees remit income taxes? Are the collected by the employer or does the employee self-file?

For full-time employees of Amazon, it is anticipated that local income taxes will be withheld and collected by the employer.

In your responses, you stated that “it is anticipated.” However, that does not provide assurance or a direct response. Please verify how Amazon will collect taxes from ALL employees

It is customary for an employer to withhold and collect all local incomes taxes for all full-time employees. There is no reason to expect Amazon to operate any different from this practice.

What is the appraised value of the land?

An appraisal memo detailing the valuation methodology used to determine the purchase price was provided your office. It is also available on the project webpage and can be found here: <https://detroitmi.gov/government/mayors-office/michigan-state-fairgrounds-development#documents-block>.

According to articles, the appraised value of the land was \$9 million.

Council Member Scott Benson

Question

Demolition of 48 W. State Fair and replace the building with a facility that is youth oriented and focused on educational programs and financial literacy.

Answer

As the City evaluates opportunities for future public facilities for youth programming in the neighborhoods around the former State Fairgrounds, the community's interest in 48 W State Fair will be considered. Because the property is privately owned, the City would incur additional costs for acquisition that could make public use that location a challenge; however, the Administration is exploring actions that may be taken against the property owner to reduce the impacts the building's current condition is having on neighboring residents.

Do not allow truck traffic from the state fairgrounds site on E. State Fair or Woodward.

The Developer has agreed to a total restriction of truck traffic on W. State Fair Avenue. In other words, trucks will not be permitted to make sure of State Fair Avenue. Trucks will instead overwhelmingly make use of 8 Mile Road. Restrictions on use of Woodward as discussed in response to the following question.

Formalize a truck route that restricts all truck traffic to E. 8 Mile and I-75

Amazon originally expressed interest in the Fairgrounds site because of its location and direct access to two separate state-designated year-round truck routes, being 8 Mile and Woodward. Exclusively using 8 Mile for all truck trips increases odds of congestion and failed levels of service on 8 Mile impacting existing traffic flow. That said, the Amazon facility is expected to overwhelmingly make use of 8 Mile for truck traffic. The Developer will restrict truck use of Woodward with the expectation that no more than five truck round-trips per hour will be required on a regular basis and has indicated that one to two truck round-trips per hour will be more typical. Woodward is the alternative for extenuating circumstances when traffic issues impact the surrounding roadway network (i.e.,

wrecks, construction or congestion on feeder routes to 8 Mile and Interstate 75).

The City Department of Public Works (DPW) and the Michigan Department of Transportation (MDOT) have studied the anticipated traffic impacts of the Amazon project. Woodward is designed to carry up to 860 trucks per day (3.5% of Commercial Average Annual Daily Traffic or CAADT). In 2019, CAADT was 491 or 2% of AADT. The addition of some 48 round-trip trucks to this number will not materially impact that utilization. The traffic impact analysis stress-tested these assumptions with an absolute maximum projected CAADT of 693 or 2.8%. Even this worst-case scenario will still be well below Woodward's capacity.

Use of Woodward also routes trucks more directly to sister facilities in Amazon's network that are located west and north of this site. Use of Woodward for more direct access to these facilities will reduce travel time and, with it, environmental impact. Destinations to the west require use of Woodward to access the Davison (M-8) to the Lodge Freeway (M-10) to Interstate 94. They also recommend use of Woodward to access westbound Interstate 696. Woodward is also the direct access route to Amazon's future facility in Pontiac at the former Silverdome site. Transferring packages between facilities in Amazon's network is necessary to combine products into a single shipping container.

The Fairgrounds facility will also feed last-mile facility and other robotic sortation centers. Amazon expects to add to its network of last-mile facilities over the coming years at future to-be-identified locations throughout the metropolitan region. Limited use of Woodward may prove be beneficial to those to-be-identified facilities.

Replace all dead, damaged or dying trees in the neighborhood to the east of the State Fairgrounds.

This request has been shared with the General Services Department (GSD), which is now drawing up a neighborhood beautification plan for prompt execution. A meeting with residents is planned for Tuesday, October 6, so that specific input can be incorporated, and GSD can begin work.

Support urban agriculture in the area, via bees as pollinators, a year-round greenhouse and placing solar panels on vacant lots in the neighborhood to capture energy which will be used for the benefit of local residents.

The Administration is working with local nonprofit Rescue MI Nature Now, Inc. to identify DLBA-owned parcels that will allow the nonprofit to expand its urban garden located at 20014 Derby St., Detroit, MI 48203. We expect the related transactions will come before Council in late 2020 or early 2021.

Focus grant funds on senior home repair in the area for local eligible residents in need.

Funding for senior home repairs has been provided by private purchasers in the past. The City has only provided senior home repair grant funding when those costs have been subsidized by the purchaser. The development team is paying above market rate for the property, with an additional benefit to the City for the costs of the proposed transit center. Considering, as part of this deal, the development is not receiving any tax incentives or other public subsidies, the Administration has not made any requests that the development team provide additional funding that could be used for senior home repairs at this time.

Provide no charge educational opportunities for the local youth. I.e. Detroit Zoo, DIA, Charles H. Wright.

A program of this nature would need to be funded by the City's general fund. The Developer is not receiving any tax abatements or other public subsidies, and so there will be no community benefits agreement that could require the Developer to fund this kind of program. The City will receive the full tax revenue benefits of the development and will be able to decide how those funds will be spent. Programs like this are being reviewed by the City Council and the Administration to determine what could be funded using City funds

Council Member James Tate

Question

A detailed analysis of the appraisal(s) including the valuation method used to determine its assessment, the City's verification that the appraisal is accurate and that the amount provided is fair market value.

Answer

An appraisal memo detailing the valuation methodology used to determine the purchase price was provided your office. It is also available on the project webpage and can be found here: <https://detroitmi.gov/government/mayors-office/michigan-state-fairgrounds-development#documents-block>

The selection/RFP process used by the Detroit Economic Growth Corporation to select Integra Realty Resources as the appraiser for this project.

Integra, as a highly respected appraisal firm with over 25 years of experience and knowledge of the Detroit Market, was selected based on DEGC and OCFO's past experience with Integra and upon their ability to expedite on a short timeframe.

A written response to the questions raised by the State Fairgrounds Development Coalition (SFDC) regarding the appraisal used to determine the final sale price of this project.

In response to the questions raised by SFDC, the City law department providing a memo addressing (1) the question of whether the property appraisal was completed in accordance with customary practices; and (2) whether the CBO was applicable to this transaction. That memo has been provided to your office.

Council Member Raquel Castañeda-López

Please provide a detailed report addressing the concerns raised at other Amazon facilities in MI which includes a commitment to creating a healthy and safe work environment.

Please see the information contained in the below article regarding Detroit area-specific and pandemic measures in operating facilities:

https://blog.aboutamazon.com/operations/amazon-hr-leader-gives-a-look-inside-a-detroit-area-fulfillment-center?_amp=true

Highlights:

Michigan facilities:

- 270 stations with sanitizing products
- 70 gallons of hand sanitizer per week
- 10,000 face masks each week
- Social Distancing Team: 50 associates who work on various shifts
- Each person entering building gets temperature check and confirms if they do not have COVID-19 symptoms

- All associates have cleaning supplies available to them whenever they need them and can clean their workstation as frequently as needed

Physical distancing protocols, re-routing traffic flows, plexiglass shields, dispensing masks, temperature checks, changing the way people clock in and out, constant reminders to employees, abundant signage

- “Distance Assistant” technology

A to Z app for employees to communicate more frequently with real-time updates and daily survey questions.

More general info on Amazon workplace safety from Amazon:

Workplace safety is of the utmost priority for Amazon. With a dedicated Health and Safety team, Amazon not only provides safety training for all fulfillment center associates, but also tracks workplace injuries, staying ahead of safety issues by interacting with associates through multiple channels, including regular stand-up meetings and feedback systems. As an example, Amazon has an online safety tool called Safety Leadership Index, which regularly measures associates’ perceptions across the company’s operations.

Suggestions that come through Amazon’s various tools, whether it’s changing the conveyor system during the unloading process at warehouses or streamlining crosswalks to reduce the chance of people coming into contact with equipment, help reduce risk, so the company is proactively preventing accidents rather than reacting to them. Amazon’s Health and Safety team is also experimenting with the best ways to give employees tools to improve ergonomics and safe movements at work in an effort to reduce the kind of body mechanics issues that crop up over time in nearly any job.

Lastly, Amazon regularly engages with the federal government through the Occupational Safety and Health Administration as well as community organizations such as local fire and police stations to exceed workplace safety standards. Amazon puts numerous resources into exclusively focusing on safety and uses its same innovation approach to its operations as it does to health and safety in the workplace.

Quick facts:

- *Over 600*: number of changes Amazon has made as a result of associate feedback via the industry-leading Safety Leadership Index tool
- *1,400*: number of EHS (Environment, Health, and Safety) professionals focusing on making sure Amazon’s teams are working together to foster the safest environment possible
- *Thousands* of safety inspections occur each day across the fulfillment network
- *1,000,000*: number of hours employees went through safety training in just 2018 (6 hours of safety training for each associate on their first day, followed by continuous on-the-job training)

- \$55,000,000: Amazon's capital investment directly related to safety improvements in fulfillment centers in 2018.

What is the commitment to hiring Detroiters in future phases? (a) Please explain why there isn't a commitment to hiring a certain percentage of Detroiters?

Because there is no tenant-user yet identified for Phases 2 or 3, the developer could not make any commitments to obligate its tenant to collaborate with Detroit At Work in the same manner that Amazon has for Phase 1 (via a financial penalty enforceable against the developer).

What are the plans to ensure the transit center site is safe and accessible for pedestrians and bicyclists? (a) Please provide the site plans that indicate any separation of lanes for truck traffic from regular traffic and protected paths for cyclists and pedestrians.

The future interior roads connecting pedestrians and bicyclists to the transit center will be built by the developer to the City's standards. Anticipating that the transit center will be located on this site and will attract a high volume of pedestrians and cyclists, DPW has met with the developer and required them to construct wide multi-use sidewalks on both sides of the roads on the site. The roads will have ample safe ADA compliant crosswalks located as appropriate and as approved by DPW. Furthermore, the developer will install bike racks near their facility. In addition, it is anticipated that DDOT will also locate bike racks as part of the transit center design. As part of the project goal, the developer is in conversation with MDOT to install a new traffic signal along Eight Mile road. This signalized intersection will make it safer for pedestrians and cyclists to traverse between the north and the south sides of Eight Mile road at the entrance of the transit center. There are no detailed engineering plans at this time. Attached is a high-level sketch of the site.

Please provide a detailed plan for how the transit center will be maintained and the process for engaging the community to develop the design.

The process of community engagement would be similar to the process put in place for the Northland Mall hub engagement as detailed below:

- DDOT will utilize the current state fair hub to engage riders to ensure they are up to speed on the project, get their thoughts and input, and keep them abreast throughout the process. We will put in place a variety of tools including message boards, in person engagement at the hub, online tools and more.

- DDOT will provide story board type resources to understand what amenities riders prioritize and would like to see available to them at the transit center.
- DDOT will create a focus group made up of transit riders, advocates and small business owners and DDOT operators to have more in depth conversations and engagement, throughout the process to ensure we're meeting the diverse needs of the different groups that will use the transit center.
- Lastly, as part of our title VI facility equity analysis, we will host formal hearing and meetings to include rider input in the new transit center.

We know that many housing insecure individuals use transit centers to rest, bathe and connect with others. What is the commitment to ensure the design will meet the needs of the housing insecure and include basic amenities such as sufficient seating, charging stations, public bathing facilities and space that promotes stationary activities and recognizes that people will often spend a significant amount of time at a transit center given the delays in our transit system? (a) Please provide a plan for engaging this population in designing the transit center.

In designing the transit center, it is important to note that this facility will be utilized to promote a more efficient transit experience, specifically for daily bus and paratransit services. The transit center will have sufficient seating, charging stations and also take into consideration the possible delays that our riders may encounter.

As it relates to our insecure housing population DDOT currently has a process in place in to assist in transporting this population of riders to a suitable location this is safe and has all the amenities available provided by insecure housing professionals.

Currently our transit police and DPD work together in approaching our housing insecure population, whom were observed engaging in possible criminal activity (i.e. loitering, and/or sleeping in or around bus shelters) to advise them of the 30+ shelters, that and services that are currently available, including but not limited to Neighborhood Services Organizations.

To engage our housing insecure DDOT is prepared to complete a survey that can be used in assisting our department with providing the appropriate needs as it relates to shuttle services, and support in getting our housing insecure to surrounding shelters and services

that can better provide them with a safe and secure area.

In short, the transit center will engage the riding public on the specifics of the transit design, also taking note to include our housing insecure population through open and public meetings.

Please provide the traffic study related to the site, including the following: (a) expected routes trucks; (b) staging area for trucks if there's a backup; (c) signage to prevent truck idling and trucks entering into residential areas.

The traffic study is available on the project webpage and can be found here: <https://detroitmi.gov/government/mayors-office/michigan-state-fairgrounds-development#documents-block>

Truck routes: See attached document which shows geographically all State and City routes designated for year-round truck access that lead to and from the State Fairgrounds.

Truck staging: Staging for trucks will be on site. Design has allowed for queuing on site at the manned Security Station of up to (10) tractor trailers. Guard shack is manned 24/7, so there will be no unnecessary idling or overnight parking while drivers wait for the facility to open.

Signage to prevent idling: "no idling" signage will be posted at the entry into the property. Signage and physical control measures will be installed on site deterring any truck traffic from entering residential areas.

What are the plans to ensure that truck idling time is minimized? Additionally, what are the plans to ensure trucks follow the predetermined routes and don't idle? Both the City and the developer should have a plan to address this, enforcement can't solely fall on DPD. The developer must have a plan for holding truckers responsible for compliance.

As part of the enclosed Traffic Impact Studies, trucks coming in and out of the proposed facility will use either their Eight Mile road or Woodward Avenue access. There will internal signs to warn drivers to only use those MDOT routes. "No idling" signage will be posted at the entry into the property. Signage and physical control measures will be installed on site deterring any truck traffic from entering residential areas. Furthermore, DPW plans to install smart technology along city streets that will be used to monitor Amazon's trucks that use unapproved gates.

Please provide a detailed plan for monitoring air quality post- construction given the intended use for the site.

Based on the proposed property development plans, a pre-development baseline and post-construction ambient air quality evaluation will be conducted. The proposed development could potentially pose direct and fugitive air emissions of pollutants based on the National Ambient Air Quality Standards (NAAQS) from diesel engine traffic. The overall goal of the baseline monitoring is to characterize pre-development levels of target air pollutants with respect to prevailing wind directions and speed. The post-construction ambient air quality monitoring will be designed, so that data would be evaluated against the baseline ambient air quality to determine whether adverse impacts are observed, as well as recommend needed mitigation efforts within vicinity of the project area. A breakdown of the post-construction ambient air quality monitoring is as follows:

Task 1: Development of Work Plan

Task 2: Real-Time Measurement of Target Pollutant Concentrations – This include collection of 4 weekly air monitoring events over a 2-year period (i.e., 2 events/yr.). Each sampling event will last for one week. Data to be collected from air monitoring stations installed onsite prior to collection of each sampling event.

Task 3: Analysis of Site Monitoring Data (including pre-development baseline data & EGLE air monitoring stations)

Task 4: Preparation of Technical Reports – This include (4x) semi-annual air monitoring technical reports (i.e., 1 report/monitoring event).

What is the plan for stormwater management?

Currently the existing site consists of a limited storm sewer system that does not include any storm water filtering, storage/detention, and directly discharges into the existing 60-inch combined sewer system that traverses through the site. The plan for stormwater management includes a complete stormwater sewer system (two ponds on the west of the site and two ponds to the east) that includes drainage swales,

catch basins, and storm sewer pipe that first discharges into a sedimentation basin. The sedimentation basin will act as the first filter of the storm water system. Its function is to remove and/or reduce the soil sediment and debris/trash that may be collected within the storm sewer system. Additionally, the sedimentation basin has a standpipe restriction system that also helps filter the storm water and restricts the amount of water that can be released into the next phase of the storm system: the detention basin.

The detention basin is very similar to the sediment basin as it is the second filtering device to remove any more soil sediment and debris; but its main purpose is to provide an area to store storm water during a rain event, so it can slowly release the filtered water. The detention basin outlet also has a standpipe restriction system that is designed to slowly release the filtered storm water as if the site was not developed and was completely a grass area.

Once rainwater has passed through this entire proposed storm sewer system it is then slowly released over time into the existing 60-inch combined storm sewer system to continue through the city system as it currently does. The proposed storm water system will help reduce any capacity impacts to the existing 60-inch combined sewer system and potential flooding impacts downstream the site.

Please discuss the reasoning for selling the land instead of leasing it.

The property was purchased by the City from the State Land Bank Fast Track Authority with the goal of developing the site in a way that “ensure[s] the project creates real economic opportunities.” With this goal in mind, the Administration feels that getting the property in the hands of a capable developer gives the City the best chance to maximize the economic benefit stemming from the property.

A 1,200-employee facility outside the auto industry is a once-in-a-generation development. These facilities are sited only at the time a major company

is ready to build. As the City did with the FCA plant, the Flex-n-Gate plant and the Dakkota plant, the City offered the property at the time the company was doing a site competition. Once the City was presented with the proposed project, the Administration felt comfortable moving forward with the proposal.

The State Fairgrounds property has been vacant and publicly available for proposals for over 10 years. During that period, there have been no financially viable development plans presented for the property. The City is receiving consideration at nearly double fair market value for the land.

What efforts are being made to preserve the historic Dairy Cattle Building, the Riding Coliseum, and the Agricultural Building?

In response to community feedback, the Administration is committed allowing a 3-month period for a feasibility study of the Dairy Cattle Building and Hertel Coliseum, enabling advocates, the City Planning and Development Department and Detroit Building Authority to evaluate potential reuse or relocation of those buildings.

The Agricultural Building is currently under lease to the company operating the Joe Dumars Fieldhouse. Since the property is currently under lease and in use the Agricultural Building will not be included in the feasibility study. The lease will be assigned to the developer at closing. There are currently several years left on the lease of the facility and the development team will continue conversations with the operator of the Fieldhouse post-closing the proposed deal.

Please provide any plans to create a dedicated community fund to benefit the immediate surrounding neighborhood.

Residents of District 2 and District 3 that are adjacent to the development site are currently engaged in discussions with their Councilmembers about the possibility of creating a dedicated community fund. The Administration is in support of any ideas to create a fund that stems from these discussions; however, the Administration has no plans at this time to create such a fund.

What is the plan for vegetative buffering to protect air quality and the surrounding community's public health? (a) Please explain explicitly how this does or does not meet the CAPHE buffering guidelines. (b) If it does not meet the recommendations identified by CAPHE please explain the plan to protect air quality and the communities' public health.

The site plan design contains abundant vegetative buffering to protect air quality and the surrounding community's public health above and beyond CAPHE buffering guidelines.

- Vegetative screening that is heavy trees (mostly evergreen),
- The site contains 55% more trees than required by code.
- The site will have a 16-foot-tall vegetative berm buffer along the southern property line along W State Fair Ave, which will act as not only a filter of air particulates from the site, but also as a light and sound buffer for neighbors.
- Increased eastern landscape buffer between the building and the neighborhood.
- The north and west side of the development consist of tree lined streets with hedges to screen parking areas.
- Open spaces around the detention areas and general open spaces are heavily planted, above what is required by the ordinance.
- The proposed plantings use a mix of native and nonnative plants that are pollutant removers.
- There is a one-year maintenance and warranty on all plant materials.
- The detention areas are seeded with native plant mixes that are designed to provide pollutant removal for storm water.
- As part of Amazon's bigger picture sustainability initiative, the building is planned to use 100% renewable energy by 2025, and the company has ambitious plans to be net zero carbon by 2040, which is 10 years ahead of the Paris Climate Accord.

This will allow the site to continue to use the latest in technology and efficiency to further protect air quality and the surrounding community's public health.

Please provide a detailed report regarding the community engagement that has occurred thus far as well as future plans for engagement.

Provided summary of community engagement. In addition to the meetings detailed in the summary there have been a total of 10 community meetings and several other public hearings and small Councilmember-led meetings with adjacent community members where community input was provided.

Is there a plan to establish a community trust fund for money to benefit the immediate surrounding community?

The Administration will commit, via City Council resolution approved concurrently with the land sale, to dedicating \$500,000 from bond funds to be borrowed in 2020 for public park improvements at sites identified by the communities surrounding the former State Fairgrounds (led by the State Fair Neighborhood Association and the Keep It Clean Block Club), currently contemplated for (i) W. State Fair Avenue & Havana Street; and (ii) Charleston Street & Colton Street.

If so, what would be the governing structure to manage the community trust fund? (i.e.: what is the body that would manage the funds and who would comprise this body?)

The Administration will direct the dedicated bond proceeds into the parks projects according to input from community stakeholders, namely the State Fair Neighborhood Association and the Keep It Clean Block Club.

Outstanding Questions and Concerns raised by Council President Brenda Jones:

Council President submitted a memorandum that was referred to the Planning and Economic Development Standing Committee for Thursday, October 15, 2020 regarding Amazon's Income Tax Revenue.

1. Is it customary for a business to withhold City income taxes for all employees including those that do not live in Detroit?
2. What State laws are in place for the City of Detroit to guarantee that a business withholds City Income taxes?
3. How many businesses within the City of Detroit currently withhold City income taxes for all their employees and remit them to the City?
4. If a business does not withhold City of Detroit taxes, how are non-Detroit residents expected to pay taxes?
5. What is the rate of collection of taxes for non-Detroit residents who work within City limits?