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July 28, 2017

Steve DeBrabander
Section Manager, Grants Section
Michigan Department of Natural Resources
Constitution Hall, Third Floor
525 West Allegan Street
Lansing, MI 48933

RE: Application for Final Approval of the Partial Conversion of Riverside Park

Dear Mr. DeBrabander:

I write on behalf of the City of Detroit ("City") to apply for final approval by the Michigan Department of Natural Resources ("MDNR") and the U.S. National Parks Service of the conversion of a portion of Riverside Park, located in southwestern Detroit.

On August 4, 2016, the City submitted its request for preliminary approval for the partial conversion of Riverside Park. MDNR issued such preliminary approval and notice to proceed on February 8, 2017. Since then, City has completed its application for final approval, which is enclosed.

As indicated in its request for preliminary approval, the City is currently presented with an historic opportunity to enlarge and improve Riverside Park with a variety of new improvements and recreational amenities and to substantially increase the Park's overall recreational value to the community. If approved, this conversion will enable the City to seize upon this opportunity and substantially further its efforts to expand public outdoor recreational opportunities throughout Detroit.

If you have any questions or require any further information, please do not hesitate to contact me at (313) 224-1123 at your convenience. Thank you for your continued consideration of this conversion application.

Since fely,

Keith Flournoy Interim Director

Detroit Parks and Recreation Department



### Application for Final Approval of the Partial Conversion of Riverside Park

This application ("Application") for final approval of the partial conversion of Riverside Park ("Park") has been prepared based on the guidance set forth in the following materials, among others:

- Michigan Department of Natural Resources, "Outline of Procedures for the Conversion of Grant Assistant Properties" (rev. February 4, 2015) ("MDNR Conversion Guidance"),
- U.S. National Park Service, "Land and Water Conservation Fund State Assistance Program Federal Financial Assistance Manual" (Vol. 69, eff. Oct. 1, 2008) ("LWCF Program Manual"), and
- Michigan Department of Natural Resources, Michigan Natural Resources Trust Fund Policy Implementation Procedures for Board Policy 94.1: Conversions of the MNRTF Project Area" (rev. Feb. 8, 2016) ("MNRTF Board Policy 94.1 Implementation Procedures").

### I. Request for Preliminary Approval and Notice to Proceed

The City of Detroit ("City") submitted its request for preliminary approval of the partial conversion of the Park ("Request for Preliminary Approval") to the Michigan Department of Natural Resources ("MDNR") on August 4, 2016. In that submission, the City proposed the conversion of the 3.783-acre easternmost portion of the Park ("Conversion Parcel"), which is generally bounded by the Ambassador Bridge to the east, the Detroit River to the south, the southerly extension of the western line of 22<sup>nd</sup> Street to the west, and West Jefferson Avenue to the north, and is bisected by a private railroad that is not a part of the Park. This conversion was proposed to be mitigated by the acquisition and redevelopment for public outdoor recreational use of the 4.71-acre riverfront property located at 3801 West Jefferson Avenue, which abuts the Park to the west ("Mitigation Parcel"). The City refers to this proposed conversion and mitigation as the "Proposed Conversion." The City's Request for Preliminary Approval (without appendices) is provided in Appendix A of this Application.

On January 30, 2017, the U.S. National Parks Service ("NPS") issued its concurrence that the Mitigation Parcel could be an acceptable replacement for the Conversion Parcel as to recreational usage. By way of letter dated February 8, 2017, MDNR notified the City of the NPS's concurrence and authorized the City to proceed with the remaining steps of the conversion request process. This Application is submitted under the authority provided in MDNR's letter, which is provided in Appendix B of this Application.



### II. Due Care Obligations

According to the MDNR Conversion Guidance, the City must "conduct [its] due care obligations required under Part 201 of P.A. Act 451 of 1994, as amended prior to conducting any appraisals of the replacement properties. This information must be provided to the appraiser prior to their review of the property." (MDNR Conversion Guidance, Page 3).

The Mitigation Parcel is subject to certain due care obligations set forth in the Due Care Plan ("DCP"), dated November 2, 2015 and prepared by NTH Consultants, Ltd. ("NTH") for the City. The DCP was prepared based on the findings of a Phase I Environmental Site Assessment, dated May 19, 2015, and a Phase II Environmental Site Assessment, dated June 9, 2015, both performed by NTH. The DCP outlines how activities at the Mitigation Parcel will satisfy the requirements of the Natural Resources and Environmental Protection Act, P.A. 451 of 1994, as amended ("NREPA") and associated regulations, and the specific due care obligations set forth in the DCP were developed in accordance with NREPA. The DCP was provided to the appraiser prior to its review of the Conversion and Mitigation Parcels. The DCP is provided in Appendix C of this Application.

### III. Appraisals

According to the LWCF Program Manual, "the fair market value of the property to be converted [must be] established and the property proposed for substitution [must be] of at least equal fair market value as established by a state approved appraisal . . . excluding the value of structures or facilities that will not directly enhance its outdoor recreational utility." (LWCF Program Manual, Page 8-5)

In September 2016, the City commissioned Heinowski Appraisal and Consulting, LLC ("Heinowski") to perform appraisals of both the Conversion and Mitigation Parcels. Heinowski is a state certified general appraiser and is approved by MDNR to perform appraisals for Section 6(f) conversion purposes. The appraisals were performed in accordance with the LWCF Program Manual and MDNR's appraisal standards.

According to the Heinowski appraisal:

The fair market value of the Conversion Parcel is \$495,000.00 The fair market value of the Mitigation Parcel is \$1,500,000.00

In accordance with applicable guidance, the appraisal of the Mitigation Parcel did not include the value of the then-existing warehouse and other industrial improvements, none of which contributed to public outdoor recreation and all of which have



subsequently been removed from the Mitigation Parcel. The values for both the Conversion and Mitigation Parcels were determined as of September 2, 2016.

Thus, the fair market value of the Mitigation Parcel exceeds the fair market value of the Conversion Parcel by \$1,005,000.00. The complete appraisal report is provided in Appendix D of this Application.

### IV. Public Review and Community Engagement

According to the MDNR Conversion Guidance:

The proposed conversion must go through a public review process that includes ample opportunity for the residents of the community to review and comment on the proposed changes to the grant-assisted area as well as the proposed mitigation. At a minimum, the residents must be given 30 days to review the proposed conversion, followed by a public meeting in front of the highest level governing body including discussion specific to the conversion and mitigation proposal. All issues and comments raised during the review process or at the subsequent meeting must be addressed in the final conversion request materials and copy of the public notice and certified public meeting minutes provided. (MDNR Conversion Guidance, Page 4)

Further, the MNRTF Board Policy 94.1 Implementation Procedures states:

Prior to submitting a conversion request to DNR Grants Management, a grant recipient must provide the public a well-publicized opportunity of at least 30 days to review the proposed site conversion and mitigation proposals. Publication of the opportunity for public review must include all channels normally used by the community to publicize its official actions, including publication in a newspaper of general circulation. A Notice of Intent for both the conversion and the proposed mitigation must be submitted to the Regional Planning Agency.

The grant recipient's governing body must hold a well-publicized public meeting to discuss the proposed conversion and mitigation and pass a resolution supporting the request to convert an MNRTF-assisted site. The notice for this meeting should include the same channels as the notice for the public review period, including publication in a newspaper of general circulation in the affected areas at least 7 days prior to the meeting. The notice must also clearly state that the conversion issue is on the agenda and formal action is expected to be taken at this meeting. The meeting must be held and the resolution dated after the public's opportunity to review the proposal. (MNRTF Board Policy 94.1 Implementation Procedures, Page 17)



In accordance with this guidance, the City has performed the following public review and community engagement efforts:

#### A. Public Review of Proposed Conversion Documentation

To provide for public review of the proposed conversion, the City made its Request for Preliminary Approval, including all appendices and referenced documents, available to the public. In all, nearly forty (40) original documents pertaining to Riverside Park and the Proposed Conversion were made available for public review. These documents were available electronically at <a href="https://www.detroitmi.gov/riversidepark">www.detroitmi.gov/riversidepark</a>. Hardcopies of all documents were also made available at multiple City recreation facilities, including Patton Recreation Center (2301 Woodmere Street, approximately 3 miles from the Park) and Roberto Clemente Recreation Center (2631 Bagley Avenue, less than one mile from the Park), both of which are located in southwest Detroit, as well as the Northwest Activities Center (18100 Meyers Road), which serves as the administrative headquarters for the City's Parks and Recreation Department. These documents were available for review and public comment from March 24, 2017 through May 5, 2017 – a total of forty-two (42) days.

#### **B.** Community Meeting

To facilitate additional public review, the City hosted a community meeting to share its vision for the Park's expansion and improvement and to provide information about the Proposed Conversion. The community meeting was held at the Patton Recreation Center on April 25, 2017, from 5:30pm until approximately 7pm. During the meeting, City representatives gave a presentation regarding the Proposed Conversion and the redevelopment of Riverside Park and made themselves available to address questions from attendees. The City also provided opportunity for attendees to submit comments. Approximately 105 members of the community attended the meeting. A copy of the City's presentation is provided in Appendix E of this Application.

# C. Notice of Public Review and Community Meeting

To ensure that the opportunity to review the public documentation, attend the community meeting, and submit comments was well publicized, the City distributed public notice of through a variety of channels. The City's public notice efforts included:

- Notices were published in multiple papers of general circulation, including the Detroit Free Press and the Detroit News. These notices ran for five (5) consecutive days, from March 28 to April 1, 2017.
- Flyers (in both English and Spanish) were posted in multiple City recreation centers, including the Patton Recreation Center, the Roberto Clemente Recreation Center, and the Northwest Activities Center.



- Flyers (in both English and Spanish) were distributed to a variety of local businesses and community organizations located in southwest Detroit, including:
  - Detroit Hispanic Development Corporation (nonprofit community development organization)
  - o LA SED (nonprofit community development organization)
  - o Community Push (skating nonprofit organization)
  - o Christo Rey High School (Catholic college-preparatory high school)
  - o Mercado Food Hub (food pantry and community center)
  - o Ryan's Foods (local grocery store)
  - o Honey Bee La Colmena Market (local grocery store)
  - o E&L Supermercado (local grocery store)
  - o Fiesta Supermercado (local grocery store)
  - o Los Altos (local restaurant)
  - o El Nacimiento (local restaurant)
  - o Donut Villa (local business)
  - Mexicantown Bakery (local business)
- Flyers (in both English and Spanish) were distributed at meetings of multiple community groups, including:
  - o Detroit District 6 community meeting
  - o Friends of Patton Park meeting
  - o Springdale Woodmere Block Club meeting
- Announcements were posted on the City's website at <u>detroitmi.gov/riversidepark</u> and through Facebook, among other social media platforms.

Copies of the newspaper notices, flyers, and social media postings announcing the opportunity for public review and comment are provided in Appendix F of this Application.

# D. City Council Meeting

The Detroit City Council, which is the highest level governing body for the City, conducted a public meeting regarding the Proposed Conversion on June 13, 2017. The meeting was well publicized using the same channels that were used to publicize the opportunity for public review and comment, including publication of notices in the Detroit Free Press and the Detroit News from June 6 to June 10, 2017, posting of flyers in multiple City recreation centers, distribution of flyers to community organizations, and announcements on the City's website and social media. Copies of the newspaper notices, flyers, and social media postings announcing the City Council meeting are provided in Appendix G of this Application.

In advance of its meeting, the City Council was provided with an updated presentation regarding the Proposed Conversion and the redevelopment of Riverside Park, as well as



copies of all comments that had been submitted to the City during the public review and comment period. During its public meeting, the City Council heard additional public comment from twenty-three (23) members of the community. Every community member who provided public comment expressed his or her support for the Proposed Conversion and redevelopment of the Park; no commenters expressed opposition to the Proposed Conversion.

Upon completing the public comment portion of its meeting, the City Council considered and adopted, by a vote of 7 to 1, a resolution expressing its support for the Proposed Conversion and approving the City's submission of this Application. A copy of the City Council's resolution, as certified by the Detroit City Clerk, is provided in Appendix H of this Application.

#### E. Consideration of Public Comments

As part of the overall community engagement process, the City actively solicited public comments from members of the community. To facilitate their submission, comments were accepted in a variety of ways, including:

- By email (<u>riversidepark@detroitmi.gov</u>)
- By postal mail to the Detroit Parks and Recreation Department
- By written comment card delivered in person to the Patton Recreation Center, the Roberto Clemente Recreation Center, or the Northwest Activities Center, and
- By written comment card submitted at the City's April 25, 2017 community meeting.

Additionally, all verbal comments provided to the City Council at its June 13, 2017 public meeting were included for consideration by the City.

The City received a total of 128 public comments from members of the community, including:

- 15 emails
- 2 letters
- 88 comment cards submitted at the April 25, 2017 community meeting
- 23 verbal comments presented to the City Council at its June 13, 2017 public meeting.

Specific issues raised in these comments, as well as the City's responses to these issues, are provided below. Copies of all written comments (emails, letters, and comment cards) are provided in Appendix I of this Application.



### 1) General Support for Proposed Conversion and/or Park Redevelopment

Comment: A total of 99 comments, constituting over 77% of all comments received, expressed general support for the Proposed Conversion, the redevelopment of Riverside Park, or both. One comment noted, "Please approve this conversion agreement. The Park means so much to the people and guests of Detroit." Another comment stated, "This is a very good deal for the City to improve and expand Riverside Park for some much needed recreation area. The concept renderings look great! The improvements that have already been made are a wonderful start. The conversion should be approved!" A third comment elaborated: "The purpose of this email is to provide support for the proposed conversion of park land at Riverside Park. As part of this conversion process, it is our understanding that the park will be renovated, providing additional recreation space for the community. Additional recreation space allows more residence [sic] to use the space, while promoting better health to the community, a win-win considering the obesity epidemic that has swept our nation. It appears that all of the terms for the conversion have been met by both parties. As such, we hope that this will be a swift conversion process, so the renovations can begin, and be enjoyed by the entire community."

<u>Response</u>: The City appreciates the support of so many community members for the Proposed Conversion and redevelopment of Riverside Park. As described in the City's Request for Preliminary Approval, approval of the Proposed Conversion will make available an additional \$2 million to be invested in the Park, which will be crucial toward achieving the City's vision of Riverside Park as a world-class regional destination for public outdoor recreation.

#### 2) Benefits for Youth

Comment: Among those in support of the Proposed Conversion and Park redevelopment, over twenty (20) comments recommended that the Park should serve as a safe space for youth and provide opportunities for children's activities. One comment stated, "I support the conversion because it's a[n] all around good deal and it will help our youths stay out of trouble and give them something to do." Another commenter stated, "I support the conversion plan and expansion of Riverside Park for all kids and the kid in me."

<u>Response</u>: Riverside Park is intended to serve the recreational needs of children of all ages and their families. The Park is planned to include a variety of recreational amenities, including open lawns, playgrounds, a skate park, dog park, basketball and volleyball courts, athletic fields, as well as boating and fishing access and a



family-friendly festival area to provide an array of recreational opportunities for children in a safe and secure environment.

### 3) Specific Park Amenities

<u>Comment:</u> Many supportive comments suggested specific recreational amenities and other features to be considered for installation in the redeveloped Park. Specific suggestions included:

- <u>Skate Park</u> (8 comments). <u>Response:</u> The redeveloped Park is planned to include a skate park, which is being designed in close collaboration with the local skating community.
- <u>Security/Lighting</u> (6 comments). <u>Response:</u> The redeveloped Park is planned to provide public lighting along walkways and in parking areas, among other locations. The City has not yet determined whether specific recreational amenities, such as the skate park, will be further illuminated to allow for nighttime use. Security will be provided by the Detroit Police Department, which will maintain a regular presence in the Park and surrounding area.
- <u>Boat Launch/River Access</u> (4 comments). <u>Response:</u> The Park contains a boat launch, which is planned to be refurbished as part of the Park redevelopment. This boat launch will provide access to the Detroit River for motorized boating, sailing, and paddle sports, such as kayaking, canoeing, and paddle boarding.
- Soccer Field (2 comments). Response: The redeveloped Park is planned to include multiple athletic fields, including a dedicated soccer field and a mixed-use field that can be used for either soccer or softball activities.
- <u>Dog Park</u> (2 comments). <u>Response:</u> The redeveloped Park is planned to include a fenced dog park area, to be located near the site of the City's former animal control building, which has been relocated to a significantly improved facility in 2016. The new dog park will provide plenty of space for dogs of all sizes to exercise and socialize.
- <u>Garden/Trees/Bird Habitat</u> (2 comments). <u>Response:</u> The redeveloped Park is planned to include extensive landscaping, including mature trees, shrubs, bushes, flowering plants, and other plantings. This landscaping is expected to provide opportunities for wildlife and assist in the reduction of CO<sub>2</sub> levels.
- <u>Biking/Walking Paths</u> (2 comments). <u>Response:</u> The redeveloped Park is planned to include biking and walking paths, which will be closed to motorized vehicles. In particular, the Park will include a promenade along the riverfront.
- <u>RiverWalk Connectivity</u> (3 comments). <u>Response</u>: Upon redevelopment, the Park's riverfront promenade will remain separated from the RiverWalk by a series of privately owned railroad holdings located to the east of the Ambassador Bridge. The City supports the eventual extension of the RiverWalk from Riverside Park to Belle Isle, but providing that connectivity is beyond the scope of the Proposed Conversion. In the meantime, the City has preserved the



possibility of a fully connected RiverWalk by securing a 100-foot wide riverfront easement across the Conversion Parcel upon approval of the Proposed Conversion. This easement will ensure that the Park's promenade will remain accessible to RiverWalk connections to the east.

- <u>Bathroom Facilities</u> (1 comment). <u>Response</u>: The redeveloped Park is planned to include bathroom facilities for all genders.
- <u>Live Music/Concert Venue</u> (1 comment). <u>Response</u>: The redeveloped Park is not planned to include a formal stage and large concert venue. However, the redeveloped Park is envisioned to include an amphitheater with capacity for small concerts, live performances, and movies screenings.
- Environmental Education Area (1 comment). Response: The redeveloped Park is not planned to include indoor classroom facilities; however, the City is exploring the possibility of including in the western portion of the redeveloped Park (currently located on the Mitigation Parcel) features that will provide opportunities to learn more about the riverfront's ecosystems and habitats, local culture, and industrial history.
- Wheelchair Accessibility (1 comment). Response: The redeveloped Park is planned to be wheelchair accessible and fully ADA-compliant.
- <u>Gazebo</u> (1 comment). <u>Response:</u> The redeveloped Park is not planned to include a formal gazebo, but is planned to include benches, picnic shelters, and other shaded seating facilities.
- <u>Pool</u> (1 comment). <u>Response:</u> The redeveloped Park is not planned to include a pool, as such a facility would need to be enclosed during winter months and the Park will be dedicated to outdoor recreation; however the feasibility of an outdoor sprinkler and splash pad area is under consideration by the City. The City notes that existing public pool facilities are available at multiple Parks and Recreation Department facilities, including the Patton Recreation Center, located at 2301 Woodmere Street, approximately 3 miles from the Park.

These comments indicate that the City's current plans for the redevelopment of the Park already include many of the recreational amenities sought by the community. The City remains committed to collaborating with the community as it finalizes its redevelopment plans.

4) General Opposition to Proposed Conversion and/or Park Redevelopment

<u>Comment:</u> A total of 13 comments, constituting approximately 10% of all comments received, expressed general opposition to the Proposed Conversion. These comments opposed the Proposed Conversion for a variety of reasons, including their opposition to the Detroit International Bridge Company ("DIBC") and its proposal to construct a second span of the Ambassador Bridge ("Second Span"), opposition to the City's Land Exchange Agreement with the DIBC,



concerns over the environmental status of the Park and the Mitigation Parcel, among other environmental factors, and questions about the relative recreational and appraised values of the Conversion and Mitigation Parcels. Specific issues raised in opposition to the Proposed Conversion are addressed further, below.

### 5) DIBC and the Second Span

<u>Comment</u>: All comments in opposition to the Proposed Conversion, as well as some comments that were neutral as to the Proposed Conversion, expressed opposition to the DIBC, the Second Span, or both.

Response: As the City explained in its Request for Preliminary Approval, the purpose of the Proposed Conversion is not to accommodate the possible future development of the Second Span, but to enable to City to significantly expand the size and increase the recreational value of Riverside Park. Upon approval of the Proposed Conversion, the Park will expand in size by nearly an acre and gain 508 linear feet of new river frontage that has never before been accessible to the public. Further, under the Land Exchange Agreement, approval of the Proposed Conversion will make \$2 million in additional funding available to be invested in new and revitalized recreational amenities at the Park. Approval of the Proposed Conversion does not constitute approval of the Second Span, which remains subject to its own set of governmental approvals that are unrelated to the Proposed Conversion.

# 6) Land Exchange Agreement

<u>Comment:</u> A few comments expressed dissatisfaction with the Land Exchange Agreement. These comments did not trend either in support or opposition to the Proposed Conversion - 2 comments supported and 3 comments opposed the Proposed Conversion. In general, these comments asserted that DIBC should have paid the City more than \$5 million and expressed the belief that such sum will be insufficient to fully redevelop the Park.

Response: The Land Exchange Agreement was subject to rigorous negotiations between DIBC and the City, which determined that \$5 million would be sufficient to fully redevelop Riverside Park into a world-class recreational space. The City Council expressly approved of this figure as part of its resolution approving the Land Exchange Agreement. The City has carefully budgeted all redevelopment costs and remains confident that \$5 million will be sufficient to provide a wide variety of new and revitalized recreational amenities at the Park, all of which have been planned in close collaboration with the Riverside Park Community Advisory Committee and other community representatives. The City notes that \$2 million of



DIBC's total payment is contingent on approval of the Proposed Conversion, meaning that such approval will be crucial toward realizing the City's vision for the Park.

The City also notes that under the Land Exchange Agreement, DIBC has provided other community benefits in addition to the \$5 million investment in the Park, including the installation of approximately 1,050 new windows in the Detroit Central Train Depot, at a cost of \$4 million, and a waterfront easement across the Conversion Parcel to allow for future connectivity between the Park and the RiverWalk.

### 7) Environmental Status of the Mitigation Parcel

<u>Comment:</u> Eleven (11) comments expressed concern regarding the environmental status of the Mitigation Parcel and suggested that it may not be suitable for public recreational use.

Response: As described in the City's Request for Preliminary Approval, the Mitigation Parcel has been subject to environmental assessment, including Phase I and Phase II Environmental Site Assessments and a Baseline Environmental Assessment. Based on the findings of these assessments, the City has developed a Due Care Plan, in accordance with the Michigan Natural Resources and Environmental Protection Act, to ensure that all activities at the Mitigation Parcel will be conducted in a manner that is protective of public health and safety, based on its intended public recreational use.

# 8) Other Environmental Impacts

<u>Comment:</u> Ten (10) comments expressed concern regarding various other environmental aspects of the Proposed Conversion, including the potential impacts that might result from construction and operation of the Second Span, such as noise, air quality, etc.

Response: The Final Environmental Assessment ("FEA") for the Second Span, completed for the U.S. Coast Guard in 2009, found that the Second Span was not expected to have any direct impacts on Riverside Park. It stated, "The Proposed Project will not directly impact Riverside Park. Pier construction will be located to avoid the areas of the park that are accessible to the public. Indirect impacts to the park may occur during construction of the Project as construction vehicles may access the Project site via the railroad tracks that intersect the park. Similarly, use of the baseball diamond north of the railroad tracks may be limited during construction due to its proximity to areas that may be used for construction



materials or vehicles. Additionally, the (Riverside) park may be visually impacted by the addition of a second bridge structure, as a portion of the park may be shaded at times during the day." (FEA, Page 88). In its 2015 reevaluation of the FEA, the U.S. Coast Guard did not identify any impacts to Riverside Park that were not addressed in the 2009 assessment. Based on this assessment, the City expects that the Second Span will not have any direct impacts on the Park.

Additionally, the City notes that the Proposed Conversion includes a buffer between the western edge of the Second Span and the western edge of the Conversion Parcel (which upon conversion would become the eastern edge of the Park) that ranges from approximately 73 feet at the riverfront to approximately 109 feet at West Jefferson Avenue. This buffer will ensure that the development and operation of the Second Span will not interfere with the public's use and enjoyment of the Park.

### 9) Alternatives Analysis

<u>Comment:</u> A few comments questioned the adequacy of the City's analysis of alternatives to the Proposed Conversion as provided in its Request for Preliminary Approval.

Response: In its Request for Preliminary Approval, the City made reasonable efforts to carefully consider all practical alternatives, including (1) taking no action, whereby the City would not seek the conversion of any portion of the existing Park, (2) seeking the conversion of a portion of the Park other than the Conversion Parcel, and (3) seeking to mitigate the Conversion Parcel with property other than the Mitigation Parcel.

First, the "no action" alternative is less preferable to the Proposed Conversion, since it would cause the City to lose \$2 million that would have been invested in the Park. The City has no practical means to replace this funding from other sources, and without it, the City will be unable to complete its planned redevelopment of the Park. It will thus be impossible to realize the Park's full recreational potential by taking no action. Second, given the practical constraints imposed on the potential development of the Second Span, the area subject to conversion must be located in the easternmost portion of the Park, and the City has taken efforts to minimize the area subject to conversion to the extent possible. Third, the City is unaware of any replacement property that could provide as much recreational value as the Mitigation Parcel, which is uniquely adjacent to the Park and provides the opportunity to open over 500' of river frontage to the public. The City is not aware of any other property that could potentially serve as a



replacement to the Conversion Parcel and provide recreational value that would be equivalent to or greater than that provided by the Mitigation Parcel.

In sum, the City believes that its alternatives analysis is adequate and that no practical alternative to the Proposed Conversion exists. The City also notes that none of the comments questioning the adequacy of the City's analysis has suggested any specific alternatives that the City has not already considered.

10) Relative Recreational Value of the Conversion and Mitigation Parcels

<u>Comment:</u> Five (5) comments questioned whether the recreational value of the Mitigation Parcel is equal to or greater than the recreational value of the Conversion Parcel.

Response: The Mitigation Parcel offers greater recreational value than the Conversion Parcel in multiple ways. First, the Mitigation Parcel is almost an acre larger than the Conversion Parcel. Second, the Mitigation Parcel contains over 500 linear feet of riverfront, while the Conversion Parcel contains less than 200 linear feet. Third, the Mitigation Parcel is a single contiguous area, while the Conversion Parcel is bisected by a private railroad, which limits the size of the recreational amenities that it can contain and impedes pedestrian access to its southern portion. Fourth, the Mitigation Parcel is better protected from any impacts, whether direct or indirect, from local transportation infrastructure surrounding the Park. The Mitigation Parcel would be farther from the Second Span than the Conversion Parcel is from the existing Ambassador Bridge, and is not similarly bisected by a railroad. Indeed, upon approval of the Proposed Conversion, the Park would effectively be shifted to the west and gain a buffer from transportation infrastructure. Finally, by extending the Park to the west, the City will be able to create a formal entrance at West Grand Boulevard, thereby improving access to the Park from surrounding communities to the north and west.

11) Relative Appraised Values of the Conversion and Mitigation Parcels

<u>Comment:</u> Two (2) comments questioned whether the fair market value of the Mitigation Parcel is equal to or greater than the fair market value the Conversion Parcel.

<u>Response:</u> As discussed in Part III of this Application, according to the appraisal prepared for the Proposed Conversion in accordance with MDNR requirements, the fair market value of the Mitigation Parcel is \$1.5 million and the fair market value of the Conversion Parcel is \$495,000. The fair market value of the Mitigation



Parcel therefore exceeds the fair market value of the Conversion Parcel by \$1.05 million.

#### 12) Other Issues

<u>Comment:</u> One (1) comment asked whether the City will be redeveloping other areas of the City as well.

Response: In addition to Riverside Park, City is working diligently to redevelop and revitalize parks in a variety of neighborhoods across Detroit. In 2016, the City announced plans to invest \$11.7 million to renovate forty neighborhood parks. Further information about these efforts is contained in the City's 2016 Recreation Improvement Plan, available at www.detroitmi.gov/40neighborhoodparks.

<u>Comment:</u> One (1) comment asserted that "It's time to work together for the betterment of the City."

<u>Response</u>: The City agrees wholeheartedly with this comment and is committed to leveraging strong community engagement to improve all of Detroit's neighborhoods. Working together is the best way forward.

<u>Comment:</u> One (1) comment asked whether the conversion will cost taxpayers anything.

<u>Response</u>: The process to apply for the Proposed Conversion will not cost the City anything. The conversion of grant-encumbered recreational facilities is a regulatory process that does not incur any fees or other charges. Under the Land Exchange Agreement, any incidental expenses incurred in applying for the Proposed Conversion (printing, copying, etc.) are to be paid for by DIBC.

<u>Comment:</u> One (1) comment asked what happens if DIBC fails to cooperate with the Proposed Conversion.

<u>Response</u>: The Proposed Conversion is being undertaken by the City, not DIBC, and therefore the City does not depend on DIBC in order to seek approval of the Proposed Conversion. The City has enjoyed a constructive and collaborative working relationship with DIBC throughout the conversion application process and appreciates the support that DIBC has provided.

<u>Comment:</u> One (1) comment asked who will have daily control of the Park upon approval of the Proposed Conversion?



<u>Response:</u> Riverside Park is and will remain a City-owned park under the jurisdiction of the City's Parks and Recreation Department.

<u>Comment:</u> Two (2) comments asked how long the Proposed Conversion and Park redevelopment are expected to take.

Response: The conversion of a grant-encumbered recreational facility is a complex regulatory process that requires review by both the Michigan Department of Natural Resources and the U.S. National Parks Service. Neither state nor federal law imposes a time limit on these reviews, but the City is confident that both agencies will review the Application thoroughly and issue their determinations as quickly as they are able. The redevelopment of the Park is ongoing and will be completed in phases. The first phase, including the softball field, is expected to be completed in the fall 2017. Timing of the completion of the City's redevelopment efforts is contingent upon its receipt of the \$2 million payment from DIBC upon approval of the Proposed Conversion.

### V. Proposal Description and Environmental Screening Form

The City has completed the U.S. National Parks Service's LWCF Proposal Description and Environmental Screening Form ("PDESF"), which is provided in Appendix J of this Application. Based on the analysis set forth in the PDESF, the recommended NEPA pathway for the Proposed Conversion is Categorical Exclusion ("CE") # 516 DM 12.5.F(1) for proposed actions related to grant programs that are essentially the same as those actions for which categorical exclusions listed in paragraphs 12.5(A) through 12.5(E) would apply.

The CEs in paragraphs 12.5(A) through 12.5(E) that would apply to the Proposed Conversion are:

- CE #516 DM 12.5.A(1): Changes or amendments to an approved action when such changes would cause no or only minimal environmental impact. The Proposed Conversion is a change or amendment to an approved action, namely the award of grant funding under LWCF Project #26-00700. The Proposed Conversion would amend that action by relocating the encumbrances imposed by that approved action from the Conversion Parcel to the Mitigation Parcel. Based on extensive environmental assessment prepared for the U.S. Coast Guard in the FEA and R-FEA, as described herein, this relocation would cause no or only minimal environmental impact.
- CE # 516 DM 12.5.C(2): Land exchanges which will not lead to significant changes in the use of land. The Proposed Conversion involves the exchange of the eastern portion of the existing Riverside Park for a parcel adjacent to the west of the



existing Park, which will lead to the shifting of the location of the Park to the west relative to its current location and the net-expansion of the park by nearly an acre, but will not lead to any significant changes in the use of the land, which will remain a regional urban park utilized for a combination of active and passive recreational uses, including walking and bicycle paths, open grassy areas, fitness area, bench swings, playground, skate park, volleyball court, picnic shelters, athletic fields, a boat launch, and a riverfront promenade.

• CE # 516 DM 12.5.C(18): Construction of minor structures, including small improved parking lots, in previously disturbed or developed areas. Because the focus of the Park is providing public outdoor recreational opportunities, major structures are anticipated to be constructed. The redevelopment and revitalization of the Park associated with the Proposed Conversion will involve the construction and development of only minor structures, including small parking lots, concession stands, and other small facilities as necessary to preserve the Park's historic recreational uses. All such developments will be located in previously disturbed or developed areas.

#### VI. State Historic Preservation Office Section 106 Review

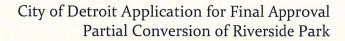
The City submitted an application for Section 106 review to the Michigan State Historic Preservation Office ("SHPO") on August 30, 2016. This application recommended that the Proposed Conversion would have no adverse effect on historic properties within the area of potential effect.

On October 28, 2016, the SHPO issued its determination that "based on the information provided for our review, it is the opinion of the State Historic Preservation Office (SHPO) that **no historic properties are affected** within the area of potential effects of this undertaking." (emphasis in original).

The City's Section 106 review application for the Proposed Conversion and the SHPO's determination letter are provided in Appendix K of this Application.

## VII. Request

Based on the information provided in its Request for Preliminary Approval and in this Application, the City requests approval for the Proposed Conversion of Riverside Park.





## **Summary of Appendices**

Appendix A: Request for Preliminary Approval of Proposed Conversion

Appendix B: MDNR Letter of Preliminary Approval and Notice to Proceed

Appendix C: Mitigation Parcel Due Care Plan

Appendix D: Appraisal Report for Conversion and Mitigation Parcels

Appendix E: Community Meeting Presentation

Appendix F: Public Review Notices, Flyers, and Announcements

Appendix G: City Council Meeting Notices, Flyers, and Announcements

Appendix H: City Council Resolution

Appendix I: Written Public Comments

Appendix J: Proposal Description and Environmental Screening Form

Appendix K: Section 106 Review Application and SHPO Determination