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David Teeter
Theresa Thomas
Kathryn Lynch Underwood, MUP
Ashley A. Wilson

TO: COUNCIL MEMBERS

FROM: David Whitaker, Director 
Legislative Policy Division Staff

DATE: May 4, 2021

RE: 1727 Merrick Brownfield Plan PA 381 of 1996
PUBLIC HEARING

The Brownfield Redevelopment Financing Act 381 of 1996 provides tax incentives (i.e. tax increment financing) to develop brownfields properties in an area at or on which there has been a release (or threat of release) or disposal of a hazardous substance.

1727 Merrick Brownfield Plan

1727 Merrick Street Partners, LLC, is the project developer and is acquiring the property in the 1727 Merrick Brownfield Redevelopment plan from the Detroit Land Bank Authority. The area impacted by the plan includes twelve parcels with 1.13 acres of land, which include 5135, 5141 and 5151 Avery Street, 1727, 1733, 1741, 1749, 1803, 1807, 1813, 1819 and 1825 Merrick Street. Subsequent to adoption of this plan, the closing and conveyance of the property to the developer will be completed. The developer plans to construct 23 new for-sale townhomes, all of which are expected to be two-bedroom homes with approximately 1,330 square feet of living space. Onsite surface parking will be included with the townhomes as well.

The project also includes a storm-water management system capable of detaining a ten-year storm¹ that complies with the Detroit City Council Ordinance and building code. The storm drainage system features a storm-water quality unit for pretreatment of the storm water, prior to connecting to an underground detention piping system. There will be approximately 150 temporary construction jobs and 0 permanent jobs are expected to be created by the project.

¹ 10-year storm means a storm event, which has a 10-year recurrence interval or statistically has a 10% chance of occurring in a given year (Conversely, a 100-year storm statistically has a 1% chance of occurring).

It is currently anticipated that construction will begin in the fall of 2021 and that the eligible activities in the plan will be completed within 12 months.

The developer is requesting a **\$1,126,701 TIF²** reimbursement, with the overall value of the plan estimated at **\$2,380,680**, which includes local brownfield costs.³ The developer is also seeking the approval of a Neighborhood Enterprise Zone (NEZ) Act P.A. 147 of 1992 tax abatement. The estimated capital investment for this project is approximately **\$6.25 million**.

COSTS TO BE REIMBURSED WITH TIF

ITEM	COST
1. Pre-Approved Activities	\$25,000
2. Due Care Activities	\$132,000
3. Site Preparation	\$259,644
4. Infrastructure Improvements	\$239,540
5. Urban Stormwater Management System	\$147,000
6. Brownfield Plan & Work Plan Preparation	\$30,000
7. Brownfield Plan & Work Plan Implementation	\$30,000
8. Contingency (15%)	\$120,678
9. Interest	\$142,839
Total Reimbursement to Developer	\$1,126,701
10. Authority Administrative Costs	\$357,102
11. State Brownfield Redevelopment Fund	\$154,905
12. Local Brownfield Revolving Fund	<u>\$741,972</u>
TOTAL Estimated Costs	\$2,380,680

Description of the Eligible Property & Legal Description

The property consists of twelve tax parcels of land containing approximately 1.13 acres of land.

Address	5135, 5141 and 5151 Avery Street, 1727, 1733, 1741, 1749, 1803, 1807, 1813, 1819 and 1825 Merrick Street
Parcel ID	08007167-76, 08007166.002L, 08007166.001, 08001456, 08001458-08001464
Owner	Detroit Land Bank Authority
Legal Description	LAND SITUATED IN THE COUNTY OF WAYNE, CITY OF DETROIT, STATE OF MICHIGAN, IS DESCRIBED AS FOLLOWS:

² Tax Increment Financing (TIF) subsidizes an entity by refunding or diverting a portion of their taxes to help finance development in an area or on a project site.

³ The duration of the TIF plan is 24 years.

PART OF LOTS 2 AND 3 OF "S.K. TAFT'S SUBDIVISION OF BLOCK 20 OF THOMPSON FARM" ACCORDING TO THE PLAT RECORDED IN LIBER 3 OF PLATS, ON PAGE 27, WAYNE COUNTY RECORDS AND PART OF OUTLOTS 4 AND 5 OF "SUBDIVISION OF THE REAR OF PRIVATE CLAIM 27, CONFIRMED TO THE HEIRS OF JAMES HENRY" ACCORDING TO THE PLAT RECORDED IN LIBER 21 OF DEEDS, PAGE 300, WAYNE COUNTY RECORDS ALL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE NORTH LINE OF SAID LOT 3 SOUTH 67 DEGREES 40 MINUTES 00 SECONDS WEST, 3.00 FEET FROM THE NORTHEAST CORNER OF SAID LOT 3; THENCE NORTH 67 DEGREES 40 MINUTES 00 SECONDS EAST, 299.00 FEET ALONG THE SOUTH LINE OF MERRICK AVENUE (70 FEET WIDE); THENCE SOUTH 22 DEGREES 26 MINUTES 24 SECONDS EAST, 231.00 FEET ALONG THE WEST LINE OF AVERY AVENUE (80' WIDE) TO THE NORTHEAST CORNER OF "WILLIAM B. WESSON'S SUBDIVISION OF OUTLOTS 6 & 7 AND SOUTH PART OF OUTLOT 5 ON P.C. NO. 25 BEING REAR CONCESSION TO THE LOGNON FARM ALSO OUTLOTS 13, 17 & 18 THOMPSON FARM" AS RECORDED IN LIBER 10 OF PLATS, ON PAGE 56, WAYNE COUNTY RECORDS; THENCE ALONG THE NORTH LINE OF SAID "WILLIAM B. WESSON'S SUBDIVISION OF OUTLOTS 6 & 7 AND SOUTH PART OF OUTLOT 5 ON P.C. NO. 25 BEING REAR CONCESSION TO THE LOGNON FARM ALSO OUTLOTS 13, 17 & 18 THOMPSON FARM" SOUTH 67 DEGREES 40 MINUTES 00 SECONDS WEST, 117.09 FEET; THENCE NORTH 22 DEGREES 26 MINUTES 24 SECONDS WEST, 108.70 FEET; THENCE SOUTH 67 DEGREES 40 MINUTES 00 SECONDS WEST, 29.52 FEET; THENCE SOUTH 22 DEGREES 26 MINUTES 24 SECONDS EAST, 0.70 FEET; THENCE SOUTH 67 DEGREES 40 MINUTES 00 SECONDS WEST, 120.00 FEET TO A POINT ON THE EAST LINE OF SAID LOT 2; THENCE NORTH 22 DEGREES 09 MINUTES 16 SECONDS WEST ALONG THE EAST LINE OF SAID LOT 2, 5.00 FEET; THENCE SOUTH 67 DEGREES 40 MINUTES 00 SECONDS WEST, 33.00 FEET; THENCE NORTH 22 DEGREES 09 MINUTES 16 SECONDS WEST, 118.00 FEET TO THE POINT OF BEGINNING.

CONTAINING 49,274.56 SQUARE FEET OR 1.13 ACRES OF LAND.

Also described as follows:

PARCEL 1A:

THE WEST 39.75 FEET OF THE EAST 333.83 FEET OF THE SOUTH 5.64 FEET OF OUTLOT 4 AND THE WEST 39.75 FEET OF THE EAST 333.83 FEET OF THE NORTH 56.36 FEET OF OUTLOT 5, OF SUBDIVISION OF THE REAR OF PRIVATE CLAIM 27, CONFIRMED TO THE HEIRS OF JAMES HENRY, ACCORDING TO THE PLAT THEREOF AS RECORDED IN LIBER 21 OF DEEDS, PAGE 300, WAYNE COUNTY RECORDS.

ADDRESS: 1727 MERRICK STREET, DETROIT, MI 48208

TAX ID NO: 001456/WARD 08, AS TO PARCEL 1A

PARCEL 1B:

THE WEST 30.25 FEET OF THE EAST 364.08 FEET OF THE SOUTH 5.64 FEET OF OUTLOT 4 AND THE WEST 49 FEET OF THE EAST 343.08 FEET OF THE NORTH 60.66 FEET OF OUTLOT 5, EXCEPT THE WEST 39.75 FEET OF THE EAST 333.38 FEET OF THE NORTH 56.36 FEET THEREOF, ALSO INCLUDING THE WEST 21 FEET OF THE EAST 364.08 FEET OF THE NORTH 166.66 FEET OF OUTLOT 5, OF SUBDIVISION OF THE REAR OF PRIVATE CLAIM 27, CONFIRMED TO THE HEIRS OF JAMES HENRY, ACCORDING TO THE PLAT THEREOF AS RECORDED IN LIBER 21 OF DEEDS, PAGE 300, WAYNE COUNTY RECORDS.

ADDRESS: 1733 MERRICK STREET, DETROIT, MI 48208

TAX ID NO: 001457/WARD 08, AS TO PARCEL 1B

PARCEL 1C:

THE WEST 40 FEET OF THE EAST 404.08 FEET OF THE SOUTH 5.64 FEET OF OUTLOT 4 AND THE WEST 40 FEET OF THE EAST 404.08 FEET OF THE NORTH 116.66 FEET OF OUTLOT 5, OF SUBDIVISION OF THE REAR OF PRIVATE CLAIM 27, CONFIRMED TO THE HEIRS OF JAMES HENRY, ACCORDING TO THE PLAT THEREOF AS RECORDED IN LIBER 21 OF DEEDS, PAGE 300, WAYNE COUNTY RECORDS.

ADDRESS: 1741 MERRICK STREET, DETROIT, MI 48208

TAX ID NO: 001458/WARD 08, AS TO PARCEL 1C

PARCEL 1D:

THE WEST 49 FEET OF THE EAST 343.08 FEET OF THE SOUTH 56 FEET OF THE NORTH 116.66 FEET OF OUTLOT 5, OF SUBDIVISION OF THE REAR OF PRIVATE CLAIM 27, CONFIRMED TO THE HEIRS OF JAMES HENRY, ACCORDING TO THE PLAT THEREOF AS RECORDED IN LIBER 21 OF DEEDS, PAGE 300, WAYNE COUNTY RECORDS.

ADDRESS: 5151 AVERY STREET, DETROIT, MI 48208

TAX ID NO: 007166.001/WARD 08, AS TO PARCEL 1D

PARCEL 2:
THE EAST 36 FEET OF THE WEST 156 FEET OF THE SOUTH 5.64 FEET OF OUTLOT 4 AND THE EAST 36 FEET OF THE WEST 156 FEET OF THE NORTH 116.66 FEET OF OUTLOT 5, OF SUBDIVISION OF THE REAR OF PRIVATE CLAIM 27, CONFIRMED TO THE HEIRS OF JAMES HENRY, ACCORDING TO THE PLAT THEREOF AS RECORDED IN LIBER 21 OF DEEDS, PAGE 300, WAYNE COUNTY RECORDS.

ADDRESS: 1749 MERRICK STREET, DETROIT, MI 48208

TAX ID NO: 001459/WARD 08, AS TO PARCEL 2

PARCEL 3:
THE EAST 30 FEET OF THE WEST 120 FEET OF THE SOUTH 5.64 FEET OF OUTLOT 4 AND THE EAST 30 FEET OF THE WEST 120 FEET OF THE NORTH 117.36 FEET OF OUTLOT 5, OF SUBDIVISION OF THE REAR OF PRIVATE CLAIM 27, CONFIRMED TO THE HEIRS OF JAMES HENRY, ACCORDING TO THE PLAT THEREOF AS RECORDED IN LIBER 21 OF DEEDS, PAGE 300, WAYNE COUNTY RECORDS.

ADDRESS: 001460/WARD 08, AS TO PARCEL 3

TAX ID NO: 001460/WARD 08, AS TO PARCEL 3

PARCEL 4:
THE EAST 30 FEET OF THE WEST 90 FEET OF THE SOUTH 5.64 FEET OF OUTLOT 4 AND THE EAST 30 FEET OF THE WEST 90 FEET OF THE NORTH 117.36 FEET OF OUTLOT 5, OF SUBDIVISION OF THE REAR OF PRIVATE CLAIM 27, CONFIRMED TO THE HEIRS OF JAMES HENRY, ACCORDING TO THE PLAT THEREOF AS RECORDED IN LIBER 21 OF DEEDS, PAGE 300, WAYNE COUNTY RECORDS.

ADDRESS: 001461/WARD 08, AS TO PARCEL 4

TAX ID NO: 1807 MERRICK STREET, DETROIT, MI 48208

PARCEL 5:
THE EAST 30 FEET OF THE WEST 60 FEET OF THE SOUTH 5.64 FEET OF OUTLOT 4 AND THE EAST 30 FEET OF THE WEST 60 FEET OF THE NORTH 117.36 FEET OF OUTLOT 5, OF SUBDIVISION OF THE REAR OF PRIVATE CLAIM 27, CONFIRMED TO THE HEIRS OF JAMES HENRY, ACCORDING TO THE PLAT THEREOF AS RECORDED IN LIBER 21 OF DEEDS, PAGE 300, WAYNE COUNTY RECORDS.

ADDRESS: 1813 MERRICK STREET, DETROIT, MI 48208

TAX ID NO: 001462/WARD 08, AS TO PARCEL 5

	<p>PARCEL 6: THE WEST 30 FEET OF THE SOUTH 5.64 FEET OF OUTLOT 4 AND THE WEST 30 FEET OF THE NORTH 117.36 FEET OF OUTLOT 5, OF SUBDIVISION OF THE REAR OF PRIVATE CLAIM 27, CONFIRMED TO THE HEIRS OF JAMES HENRY, ACCORDING TO THE PLAT THEREOF AS RECORDED IN LIBER 21 OF DEEDS, PAGE 300, WAYNE COUNTY RECORDS.</p> <p>ADDRESS: 1819 MERRICK STREET, DETROIT, MI 48208</p> <p>TAX ID NO: 001463/WARD 08, AS TO PARCEL 6</p> <p>PARCEL 7: THE NORTH 118 FEET OF LOT 2 AND THE NORTH 118 FEET OF THE EAST 3 FEET OF LOT 3, OF S.K. TAFTS SUBVIVISION OF BLOCK 20 THOMPSON FARM, ACCORDING TO THE PLAT THEREOF AS RECORDED IN LIBER 3 OF PLATS, PAGE 27, WAYNE COUNTY RECORDS.</p> <p>ADDRESS: 1825 MERRICK STREET, DETROIT, MI 48208</p> <p>TAX ID NO: 001464/WARD 08, AS TO PARCEL 7</p> <p>PARCEL 8: THE SOUTH 78.70 FEET OF THE NORTH 195.26 FEET OF THE EAST 117.09 FEET THE WEST 267.09 FEET OF OUTLOT 5, LYING WEST OF AND ADJACENT TO AVERY STREET, OF SUBDIVISION OF THE REAR OF PRIVATE CLAIM 27, CONFIRMED TO THE HEIRS OF JAMES HENRY, ACCORDING TO THE PLAT THEREOF AS RECORDED IN LIBER 21 OF DEEDS, PAGE 300, WAYNE COUNTY RECORDS.</p> <p>ADDRESS: 5141 AVERY STREET, DETROIT, MI 48208</p> <p>TAX ID NO: 007166.002L/WARD 08, AS TO PARCEL 8</p> <p>PARCEL 9: THE SOUTH 30 FEET OF THE NORTH 225.36 FEET OF THE EAST 117.09 FEET THE WEST 267.09 FEET OF OUTLOT 5, LYING WEST OF AND ADJACENT TO AVERY STREET, OF SUBDIVISION OF THE REAR OF PRIVATE CLAIM 27, CONFIRMED TO THE HEIRS OF JAMES HENRY, ACCORDING TO THE PLAT THEREOF AS RECORDED IN LIBER 21 OF DEEDS, PAGE 300, WAYNE COUNTY RECORDS.</p> <p>ADDRESS: 5135 AVERY STREET, DETROIT, MI 48208</p> <p>TAX ID NO: 007167-76/WARD 08, AS TO PARCEL 9</p>
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Basis of Eligibility

The Property is considered “eligible property” as defined by Act 381, Section 2, because (a) it was previously utilized for a residential, commercial purpose and/or public purpose; and (b) it is tax reverted property owned by or under the control of a land bank fast track authority.

Tax increments are projected to be captured and applied to (i) reimbursement of eligible activity costs and payment of DBRA administrative and operating expenses, (ii) make deposits into the State Brownfield Redevelopment Fund, and (iii) make deposits into the DBRA’s Local Brownfield Revolving Fund, as follows:

<i>All School Taxes</i>	Totals	Reimbursement of Costs and Interest	DBRA Admin. Costs	State Revol. Fund	Local Brownfield Revolving Fund
School Operating	\$14,519	\$14,519	\$0	\$0	\$0
State Education Tax	\$309,810	\$98,204	\$0	\$154,905	\$56,701
<i>Total</i>	\$324,329	\$112,723	\$0	\$154,905	\$56,701
<i>City Non-School Taxes</i>					
City Operating*	\$975,237	\$480,885	\$169,358	\$0	\$324,994
Library	\$236,078	\$116,409	\$40,997	\$0	\$78,672
<i>County Non-School Taxes</i>					
Wayne County Operating-Summer*	\$276,084	\$136,136	\$47,944	\$0	\$92,004
Wayne County Operating-Winter*	\$48,376	\$23,854	\$8,401	\$0	\$16,121
Wayne County Parks-Winter	\$12,536	\$6,182	\$2,177	\$0	\$4,178
Wayne County Jail-Winter	\$47,825	\$23,582	\$8,305	\$0	\$15,938
Huron Clinton Metropolitan Authority (HCMA)	\$10,726	\$5,289	\$1,863	\$0	\$3,575
Wayne County ISD (RESA)	\$178,879	\$88,204	\$31,064	\$0	\$59,611
Wayne County Special ISD/RESA	\$103,270	\$50,922	\$17,934	\$0	\$34,414
Wayne County Community College	\$167,339	\$82,514	\$29,060	\$0	\$55,765
Total Incremental Local Taxes Paid	\$2,056,351	\$1,013,977	\$357,102	\$0	\$685,271
<i>Total Schools and Non-Schools Capturable Millage</i>	\$2,380,680	\$1,126,701	\$357,102	\$154,905	\$741,972

In addition, the following taxes are projected to be generated but shall not be captured during the life of this Plan:

Non-Capturable Taxes	
City Debt	\$463,359
School Debt	\$650,511
DIA Tax	\$10,106
Zoo Tax	<u>\$27,552</u>
Total Debt Millages	\$1,151,528



Rendering of the completed project⁴

⁴ Source: DBRA 1727 Merrick CC Public Hearing Flyer (3)

Feasibility of the Brownfield Approval

The “eligible activities” that are intended to be carried out at the Property are considered “eligible activities” as defined by Section 2 of Act 381 because they include baseline environmental assessment activities, department specific activities, due care activities, site preparation, infrastructure improvements, development, preparation and implementation of a brownfield plan and work plan, and interest. Eligible activities began in 2020 with environmental response activities including Phase I, Phase II and baseline environmental assessment activities.

A summary of the eligible activities and the estimated cost of each eligible activity intended to be reimbursed with Tax Increment Revenues from the Property are shown in the following table:

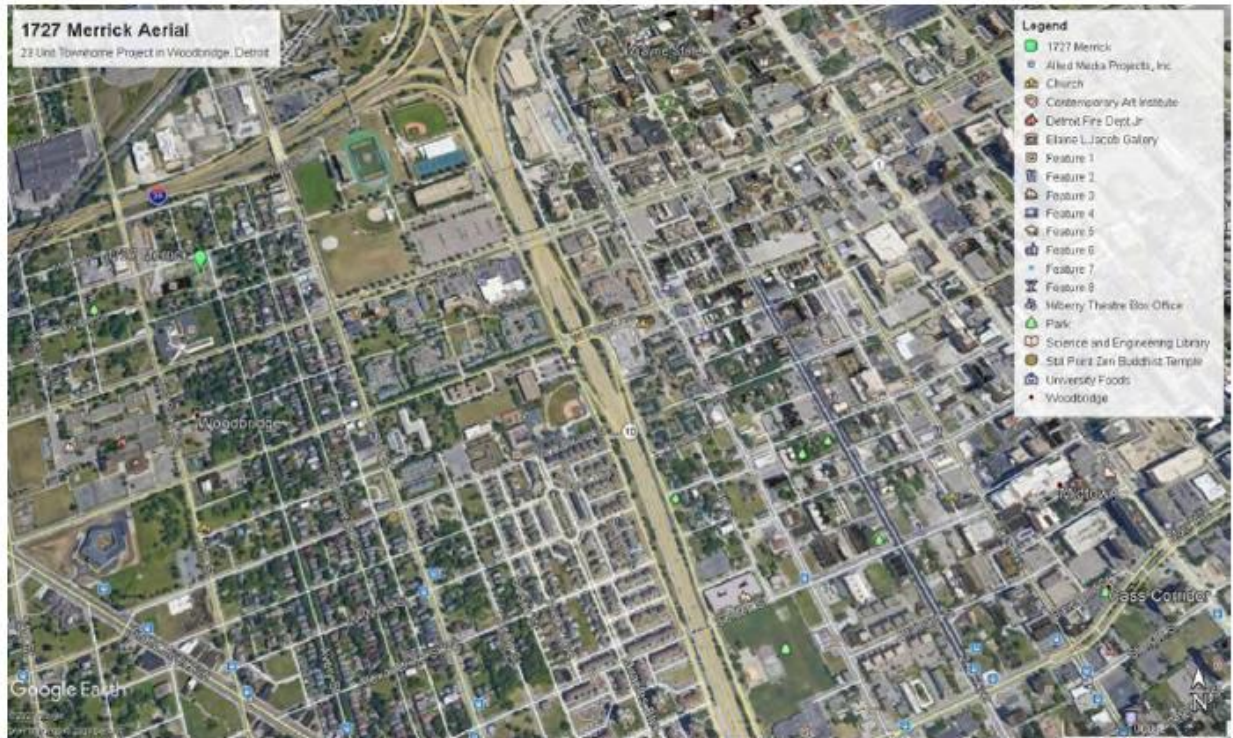
SUMMARY OF ELIGIBLE ACTIVITIES

MSF Eligible Activities	Estimated Costs
1. Site Preparation	\$259,644
2. Infrastructure Improvements (includes \$147,000 of incremental storm water management costs)	\$386,540
3. MSF Activities Contingency (15%)	\$96,928
4. Brownfield Plan and Work Plan Preparation (50%)	\$15,000
5. Brownfield Plan Implementation (50%)	\$15,000
Subtotal MSF Eligible Activities	\$773,112
6. Interest on MSF Eligible Activities	<u>\$112,242</u>
Total MSF Eligible Activities	\$885,354
EGLE Eligible Activities	
1. Phase I, Phase II and BEA Activities	\$25,000
2. Due Care Activities	\$132,000
Subtotal EGLE Eligible Activities	\$157,000
3. EGLE Activities Contingency (15% of Due Care/Add. Resp.)	\$23,750
4. Brownfield Plan and Work Plan Preparation (50%)	\$15,000
5. Brownfield Plan Implementation (50%)	<u>\$15,000</u>
Subtotal EGLE Eligible Activities	\$210,750
6. Interest on EGLE Eligible Activities	<u>\$30,597</u>
Total EGLE Eligible Activities	\$241,347
Total Developer MSF and EGLE Eligible Activities	\$1,126,701
DBRA Administrative Fees	\$357,102
Local Brownfield Revolving Fund	\$741,972
State Brownfield Redevelopment Fund	<u>\$154,905</u>
Total Eligible Costs	\$2,380,680

Please contact us if we can be of any further assistance.

cc: Auditor General's Office
Donald Rencher, Chief of Services and Infrastructure
Katy Trudeau, Planning and Development Department
Julie Schneider, HRD
Veronica Farley, HRD
Stephanie Grimes Washington, Mayor's Office
Avery Peeples, Mayor's Office
Malinda Jensen, DEGC
Kenyetta Bridges, DEGC
Jennifer Kanalos, DEGC
Brian Vosburg, DEGC

Location Map and Site Map



INCENTIVE INFORMATION CHART:

Project Type		Incentive Type		Investment Amount		District	
Residential New Construction		NEZ & Brownfield TIF		\$6,250,000		6	
Jobs Available							
Construction				Post Construction			
Professional	Non-Professional	Skilled Labor	Non-Skilled Labor	Professional	Non-Professional	Skilled Labor	Non-Skilled Labor
0	0	150	0	0	0	0	0

1. What is the plan for hiring Detroiters?

- Subcontractor selection for the Project (as defined in this Plan) shall include a prequalification assessment prior to bidding. As part of the prequalification process, evaluation of geographic location of the business and their associated staff assigned to the Project will occur along with capacity assessment, relevant work experience, financial standing, and insurance and performance qualifications. It is the team's goal to provide local subcontracts that are qualified with the opportunity to participate within the Project based on a qualified and competitive process.

2. Please give a detailed description of the jobs available as listed in the above chart, i.e: job type, job qualifications, etc.

- Construction related jobs shall include, but not limited to; skilled trades such as carpentry, electrical, mechanical, plumbing, finish work (painting, flooring and millwork), building facade and enclosure work. These jobs shall be provided via subcontractors selected to the project team. In addition to subcontract related positions, general labor positions will be available as well.

Qualifications are subject to the individual business hiring requirements. A contact name and information shall be provided for inquiries.

- Post construction jobs will be related to building maintenance and operations.

3. Will this development cause any relocation that will create new Detroit residents?

- Our experience in Detroit is that upwards of 60% of buyers are relocating from outside the City as new residents. We will not be displacing any current residents as this development will be new construction on vacant lots.

4. Has the developer reached out to any community groups to discuss the project and/or any potential jobs?

- The developer has met with and has the support of community groups, including the Woodbridge Citizens Council and Woodbridge Neighborhood Development Corporation.

5. When is construction slated to begin?

- Construction is slated to begin in Fall 2021

6. What is the expected completion date of construction?

- Construction is estimated to take approximately 12 months and be completed in Fall 2022

*Please contact Linda Wesley at (313) 628-2993 or wesleyl@detroitmi.gov to schedule a date to attend the Skilled Trades Task Force.



CITY OF DETROIT
BUILDINGS, SAFETY ENGINEERING
& ENVIRONMENTAL DEPARTMENT

401 COLEMAN A. YOUNG
MUNICIPAL CENTER
DETROIT, MICHIGAN 48226
Phone 313 • 628 • 2451
Fax 313 • 224 • 2745

Attachment B

TO: THE DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY

FROM: DETROIT, BUILDINGS, SAFETY ENGINEERING, AND ENVIRONMENTAL DEPARTMENT

PROJECT: Roberts Brothers Homes

DATE: 4/7/2021

The undersigned, from the City of Detroit, Buildings, Safety Engineering, and Environmental Department, Environmental Affairs, acknowledges the receipt of the environmental documents listed below, which have been submitted by Robertson Brothers Homes, as developer, as part of its Brownfield Plan submittal to the Detroit Brownfield Redevelopment Authority (DBRA), for the Roberston Brothers Homes Project.

- ☒ Phase I Environmental Site Assessment, pursuant to USEPA's. All
Appropriate Inquiry using American Society of Testing Materials (ASTM) Standard E
1527-13
- ☐ Phase II Environmental Site Assessment, pursuant to ASTM Standard 1903 (if appropriate)
- ☒ Baseline Environmental Assessment, pursuant to Part 201 of Michigan 's Natural
Resources and Environmental Protection Act, MCL 324.20101 *et seq.* (if appropriate).
- ☐ Due Care Plan, pursuant to Part 201 of Michigan's Natural Resources and Environmental
Protection Act, MCL 324.20101 *et seq.* (if appropriate).

Based upon its review of the above environmental documents and the representations of the developer, the City of Detroit, Buildings, Safety Engineering, and Environmental Department agrees with the environmental consultant that the site is a facility and has determined that the documents received for this project satisfy the DBRA Guidelines.

City of Detroit, Buildings, Safety
Engineering, and Environmental Department

By: Anita Harrington
Its: Environmental Specialist III

Michael E. Duggan, MAYOR

Lauren Hood, MCD
Chairperson
Donovan Smith
Vice Chair/Secretary

Marcell R. Todd, Jr.
Director

City of Detroit
CITY PLANNING COMMISSION
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Brenda Goss Andrews
Kenneth Daniels
Damion W. Ellis
David Esparza, AIA, LEED
Gwen Lewis
Frederick E. Russell, Jr.
Henry Williams

April 5, 2021

Jennifer Kanalos, Authorized Agent
Detroit Brownfield Redevelopment Authority
500 Griswold, Suite 2200
Detroit, MI 48226

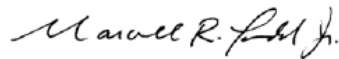
RE: 1727 Merrick Townhomes

Attached is the review by staff to the City Planning Commission (as part of the Legislative Policy Division (LPD)) of the Brownfield Blight application for the 1727 Merrick Townhomes Project. Staff has reviewed the proposed Brownfield project in light of the criteria for blight as defined in the Brownfield Redevelopment Act, PA 381.

Based on the information submitted, the proposed project appears to meet at least one of the blighted property criteria. As provided in the Act, a property must meet any one of seven criteria listed in Section 2(c). Attached is an "Initial Blighted Determination DBRA Brownfield Redevelopment" form, as well as the "Application for Brownfield Blight Determination" for the subject project.

Please contact Kathryn Lynch Underwood of our staff with any questions.

Sincerely,



Marcell R. Todd, Jr., Director
Kathryn Lynch Underwood, Staff

Initial Blighted Determination
DBRA Brownfield Redevelopment

The Brownfield Redevelopment Financing Act (Act 381) is intended to promote the revitalization, redevelopment and reuse of certain properties. These properties can be eligible for inclusion in a brownfield plan if determined to be blighted, functionally obsolete or a facility as defined by Act 381.

1727 Merrick Townhomes Project is a proposed DBRA brownfield project, will include the **12 properties** located generally within the boundaries of **Merrick Street, Avery Street, Putnam Street and Rosa Parks Boulevard**.

Blighted property must meet any of several qualifying criteria as determined by the governing body, which include

1. Has been declared a public nuisance in accordance with a local housing, building, plumbing, fire, or other related code or ordinance.
2. Is an attractive nuisance to children because of physical condition, use, or occupancy.
3. Is a fire hazard or is otherwise dangerous to the safety of persons or property.
4. Has had the utilities, plumbing, heating, or sewerage permanently disconnected, destroyed, removed, or rendered ineffective so that the property is unfit for its intended use.
5. Is tax reverted property owned by a qualified local governmental unit, by a county, or by the state.
6. Is property owned or under control of a land bank fast track authority under the land bank fast track act
7. Has substantial subsurface demolition debris buried on the site so that the property is unfit for its intended use.

The City of Detroit Planning Commission staff has been designated, by approval of City Council resolution on July 29, 2008 to make the initial determination of eligibility of blighted status for properties with that designation that will be included in DBRA brownfield plans.

The City of Detroit Planning Commission staff hereby makes the initial determination the property identified above for inclusion in the proposed brownfield project **qualifies as blighted according to criterion #6**, as defined in Act 381.



City of Detroit City Planning Commission



Application for Brownfield Blight Determination

To be filled in by Detroit Economic Growth Corporation staff:

Required date of submittal: _____

(At least 10 days before the Brownfield Authority needs the blight determination from the City Planning Commission [CPC] and at least 2 days before the initial brownfield review meeting.)

Project information

Applicant name: 1727 Merrick Street Partners, LLC

Project name: 1727 Merrick Townhomes

Contact person & telephone number/email: Richard Barr, 313-465-7308
rbarr@honigman.com

Location:

Describe the general location of the project (including the streets by which it is bounded). Attach a location map of the project (with lot lines) in which at least the following elements are identified: street names, street address numbers, the property/ies included in the project, and property/ies for which a blight determination is being sought.

See attached survey and title commitment demonstrating Detroit Land Bank Authority ownership

Brief project description (Response should be limited to the space provided.):

Construction of 23 new townhomes on brownfield property

Instructions for the property information table

In order to be determined blighted, a property must meet any one of seven criteria listed in Section 2(c) of the Brownfield Redevelopment Financing Act (Act 381 of 1996). Those seven criteria are listed by number below, along with a description of the documentation that must be submitted to demonstrate each criterion. *Note that a property only needs to meet one criterion, not all seven.*

On the table provided, list the properties for which a blight determination is being sought. In Column 5, list the blight criterion (by number) that applies to each property. In Column 6, list the documentation that has been submitted to demonstrate that blight exists on the subject property.

Please note: When their location cannot be confirmed, photographs will not be accepted as the sole determination of the state of buildings or the presence of subsurface demolition debris. All information submitted is subject to verification. CPC staff may conduct site visits to confirm the condition of properties and the presence of blight, as defined by Act 381 of 1996.

Blight criteria: *(for the full text of criteria see MCL § 125.2652[2][c])*

1. Has been declared a public nuisance in accordance with a local housing, building, plumbing, fire, or other related code or ordinance.

Documentation: A demolition order by the Detroit City Council. A demolition order would be on file with the Detroit City Clerk.

2. Is an attractive nuisance to children because of physical condition, use, or occupancy.

Documentation: Statement and supporting evidence from the applicant explaining why the property is an attractive nuisance to children.

3. Is a fire hazard or is otherwise dangerous to the safety of persons or property.

Documentation: Copies of existing notices of, or citations for, code violations issued by the Detroit Buildings and Safety Engineering

Department (B&SE) or the Detroit Fire Marshal. If the property has not yet been inspected, the applicant may request a special inspection by B&SE or the Fire Marshal. (Note that inspections may result in the issuance of fines and orders to improve or vacate structures on the property.)

4. Has had the utilities, plumbing, heating, or sewerage permanently disconnected, destroyed, removed, or rendered ineffective so that the property is unfit for its intended use.

Documentation: Evidence from DTE Energy and/or the Detroit Water and Sewerage Department.

5. Is tax-reverted property owned by a qualified local governmental unit, by a county, or by this state.

Documentation: The applicant must show that the property is a tax-reverted property. Proof of the tax-reverted status is available from the Wayne County Register of Deeds. Proof of ownership by a qualified local governmental unit may be shown by a deed or listing with the Detroit Planning and Development Department's inventory of City-owned properties.

6. Is property owned or under the control of a land bank fast track authority under the Land Bank Fast Track Act, whether or not located within a qualified local governmental unit.

Documentation: Evidence that the property is on the inventory of real property of the City of Detroit or Wayne County Land Bank Authorities.

7. Has substantial subsurface demolition debris buried on site so that the property is unfit for its intended use.

Documentation: The presence of subsurface demolition debris must be documented (e.g., boring logs) by a qualified professional (e.g., licensed engineer, environmental consultant, construction management team, etc.).



February 16, 2021

Detroit Brownfield Redevelopment Authority
500 Griswold Street, Suite 2200
Detroit, MI 48226

Re: Townhome Development at 1727 Merrick Street

To Whom it May Concern:

Please accept this letter as our support for the development at the above referenced address, a 23 unit for-sale townhome development in the Woodbridge Neighborhood. We understand the development team is seeking Brownfield Tax Increment Financing (TIF) in order for the project to be financially feasible.

By using the TIF program, the developer will be able to successfully revitalize this important corner of our neighborhood and provide housing at an attainable price point, bringing new residents to our community.

We appreciate the developer's willingness to meet with neighborhood residents to solicit input on the project's design and community impact. At community meetings, the development team presented their vision, including site plan, architectural elevations, renderings, and project timing. WND supports the proposed density and the addition of the proposed type of housing to the neighborhood, which will help diversify the existing housing stock.

We look forward to a successful collaboration as the project is realized.

Sincerely,

A handwritten signature in black ink, appearing to read 'Christine Holmes', written over a horizontal line.

Christine Holmes
Director, Policy and Property Development

July 24, 2020

Mr. James Clark
Mr. Tim Loughrin
Robertson Brothers Homes

Mr. Carlo Liburdi
Mr. Ben Smith
TerraNovus Development, LLC

Re: 1727 Merrick Proposed Townhome Development

Dear All:

Thank you very much for attending the Woodbridge Citizens' Council ("WCC") monthly meeting on July 9, 2020. The WCC's Leadership Council and our neighbors appreciated the chance to discuss your proposed new townhome development at the corner of Merrick and Avery.

We understand you are in the process of submitting your site plan and renderings to various City departments for approval. This letter indicates WCC's in-principle support of the development, with specific support for the following required variances: 1) The conditional use for townhomes under the R2 zoning and 2) A setback less than the required 20 feet (10 feet was discussed in the meeting). We welcome the addition of new housing in a currently vacant corner of our neighborhood, and feel the density and type of housing is appropriate for the location. The reduced setback is similar to many houses near the proposed development.

Below are the comments and general sentiments we heard from the Leadership Council and Woodbridge residents during that meeting:

- The elevations are generally acceptable, but we have a strong preference for materials that better reflect those used in the historic houses in the neighborhood (brick and wood). We understand the cost effectiveness of vinyl siding, but ask that it be excluded from the front cladding of the units.
- Maintaining the pocket park on Avery is important to the community. We would like to work with you on designing that space so it reflects the needs of the residents near the development.
- The mature trees on the city berm should be saved in order for the new development to better blend in with the existing neighborhood landscape.
- Home repair grants for houses in the general vicinity of the new development would be a welcome community benefit.
- We ask that you coordinate with the developer at Putnam and Avery to ensure that the potentially simultaneous construction sites do not create a greater nuisance for the community.

Again, thank you for reaching out to discuss your project. We look forward to working with you to ensure a mutually acceptable end result.

Sincerely,



Jim Geary, President
Woodbridge Citizens' Council

DETROIT LAND BANK AUTHORITY
500 Griswold Street, Suite 1200
Detroit, Michigan 48226



February 18th, 2021

Detroit Brownfield Redevelopment Authority
500 Griswold Suite 2200
Detroit, MI 48226

RE: Townhome Development at 1727 Merrick

To Whom It May Concern:

I am pleased to write this letter of support for the development of the site located at 1727 Merrick Street in Detroit's Woodbridge neighborhood. By way of background the Detroit Land Bank Authority (DLBA) holds title to the above referenced property and has entered into an Option to Purchase Agreement with 1727 Merrick Street Partners (developer) that will culminate in a sale of the property once the project becomes fully entitled.

The DLBA marketed this assemblage of properties for sale in the Fall of 2019 and received two offers to purchase the property. The DLBA, along with our partners at the city of Detroit, selected the developer due to their proposal being the most feasible and compatible with development objectives city departments wanted to see in the neighborhood.

Since entering into the Option to Purchase Agreement the developer has been an accommodating development partner by creating their final development plans with ample input from the city of Detroit's Planning and Development Department, residents of the Woodbridge neighborhood, and providing regular updates on their entitlement progress to the DLBA.

I believe that this project will add value to the neighborhood by offering thoughtful, well designed, and much needed housing on what is now vacant land. Developing infill housing in urban environments is a challenging task, and I believe that utilizing a Brownfield Tax Increment Financing tool will greatly assist the project in succeeding. Please do not hesitate to reach out to me should you have any questions about the DLBA's role in this project. You may contact me directly at gandreassen@detroitlandbank.org and/or (313) 261-9897.

Best,

Gustaf Andreasen
Project Manager
Detroit Land Bank Authority



**PLANNING AND
DEVELOPMENT DEPARTMENT**

Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 808
Detroit, Michigan 48226

Phone 313-224-1339
www.detroitmi.gov

March 16, 2021

Ms. Jennifer Kanalos
Authorized Agent
Detroit Brownfield Redevelopment Authority
500 Griswold, Suite 2200
Detroit, Michigan 48226

RE: 1727 Merrick Street Brownfield Redevelopment Plan

Dear Ms. Kanalos,

The Detroit Brownfield Redevelopment Authority (DBRA) has asked that the Planning and Development Department to review and comment on the 1727 Merrick Project Brownfield Redevelopment Plan (the "Plan").

1727 Merrick Street Partner, LLC is the project developer ("Developer"). The property in the Plan is located at 1727 Merrick Street, and consists of 12 parcels containing approximately 1.1 acres of land bounded roughly by Rosa Parks Boulevard, Merrick Street, Avery Street, and Putnam Street.

23 for-sale new construction townhome units will be built, and the development will also feature a green stormwater system that will pre-treat a 10 year storm event and slow storm water discharge into the City's sewer system. The project includes the following Brownfield eligible activities: site preparation, infrastructure improvements, environmental studies, and environmental remediation.

The development will redevelop a vacant, tax reverted, blighted, and contaminated property in the Woodbridge neighborhood of Detroit. 150 construction jobs are anticipated to be created. Total investment is estimated at \$6.25 million.

The review for this brownfield plan is complete and all comments have been forwarded to the developer. No adverse comments were received. The Planning and Development Department recommends approval of the brownfield plan as submitted.

Sincerely,

Russell Baltimore
Assistant Director Design Review
Planning and Development Department

c: B. Vosburg
C. Capler

March 17, 2021

Amy McLaughlin
5217 Commonwealth St., Apt. 6
Detroit, MI 48208

RE: Letter of Support for 1727 Merrick Townhomes
WRT the Detroit Brownfield Redevelopment Authority

To Whom It May Concern:

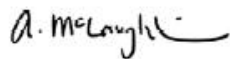
As a Woodbridge resident and neighbor only a few hundred feet from the site located at 1727 Merrick Street, I am writing in support of the development of 23 for-sale, residential condominium townhouses.

Redevelopment of this vacant parcel for residential use will help to invigorate an underpopulated block, offer housing in the "missing middle" for both size and price point, and entail environmental remediation of the site-all of which will have a positive impact in the immediate area and surrounding neighborhood.

I understand that this project requires the use of Brownfield Tax Increment Financing (TIF) in order to be financially feasible. By using this program, the developer will be able to address and correct environmental contamination and repurpose a functionally obsolete property into needed living space.

I appreciate the developer's focus on engaging the neighborhood residents to solicit input on the project's design and input, and look forward to a successful collaboration as the project is realized.

Sincerely,



Amy McLaughlin

February 10, 2021

Mr. Carlo Liburdi
Robertson Brothers Homes

Re: 1727 Merrick and other related parcels on Merrick and Avery

Dear Mr. Liburdi:

Thank you for discussing your proposed development with me. As per your request, I am writing this letter to acknowledge your communication and engagement with me as a homeowner and community member within the Woodbridge Community. I own a number of homes in close proximity and also live on the south side of the neighborhood.

Based on your presentation, materials, and description of your project, I can attest to the following:

- Carlo Liburdi has been accessible and available to discuss his project.
- He has presented his site plan, architectural elevations, renderings, and project timing.
- I am in full support of his project, its fit within the neighborhood, and I am excited to see it come to fruition.
- I especially like the proposed green space and I believe it will be a benefit to the community.
- I understand that the proposed development may require some small dimensional variances, and I am in support of variances required to yield the project vision that was shared with me.
- I understand and support that the developer will be pursuing brownfield TIFs and support their effort to do so.

Sincerely,

A handwritten signature in black ink, appearing to read 'Alex Pereira', with a long horizontal flourish extending to the right.

Alex Pereira

3/17/2021

Ben Smith
Robertson Homes/Terranovus Development
457 E. Milwaukee
Detroit, MI 48202

RE: Letter of Support – Merrick Townhomes

Dear Mr. Smith:

I am pleased to write this letter of support for the development of the site located at 1727 Merrick Street in Detroit's Woodbridge neighborhood. Redeveloping this vacant lot into 23 for-sale residential condominium units will have a positive impact on the neighborhood, and will fit harmoniously into the existing built environment.

As with many urban redevelopment projects that are developed on contaminated sites considered 'facilities' requiring extensive and costly environmental remediation, I understand that this project requires the use of Brownfield Tax Increment Financing (TIF) in order to be financially feasible. By using this program, the developer will be able to successfully revitalize this important corner of our neighborhood and provide housing at an attainable price point, bringing new resident to our community.

As a current resident of the neighborhood, I appreciate the developer's focus on engaging the neighborhood residents to solicit input on the project's design and input, and look forward to a successful collaboration as the project is realized.

Sincerely,



Carol Forsythe

March 16, 2021

Carlo Liburdi
Robertson Homes/Terranovus Development
457 E. Milwaukee
Detroit, MI 48202

RE: Letter of Support – Merrick Townhomes

Dear Mr. Liburdi:

I am pleased to write this letter of support for the development of the site located at 1727 Merrick Street in Detroit's Woodbridge neighborhood. Redeveloping this vacant lot into 23 for-sale residential condominium units will have a positive impact on the neighborhood, and will fit harmoniously into the existing built environment.

As with many urban redevelopment projects that are developed on contaminated sites considered 'facilities' requiring extensive and costly environmental remediation, I understand that this project requires the use of Brownfield Tax Increment Financing (TIF) in order to be financially feasible. By using this program, the developer will be able to successfully revitalize this important corner of our neighborhood and provide housing at an attainable price point, bringing new residents to our community.

As a current resident of the neighborhood, I appreciate the developer's focus on engaging the neighborhood residents to solicit input on the project's design and input, and look forward to a successful collaboration as the project is realized.

Sincerely,



Larry John

March 16, 2021

Carlo Liburdi
Robertson Homes/Terranovus Development
457 E. Milwaukee
Detroit, MI 48202

RE: Letter of Support – Merrick Townhomes

Dear Mr. Liburdi:

I am pleased to write this letter of support for the development of the site located at 1727 Merrick Street in Detroit's Woodbridge neighborhood. Redeveloping this vacant lot into 23 for-sale residential condominium units will have a positive impact on the neighborhood, and will fit harmoniously into the existing built environment.

As with many urban redevelopment projects that are developed on contaminated sites considered 'facilities' requiring extensive and costly environmental remediation, I understand that this project requires the use of Brownfield Tax Increment Financing (TIF) in order to be financially feasible. By using this program, the developer will be able to successfully revitalize this important corner of our neighborhood and provide housing at an attainable price point, bringing new residents to our community.

As a long time stakeholder and member of the Woodbridge community, I appreciate the developer's focus on engaging the neighborhood residents to solicit input on the project's design and input, and look forward to a successful collaboration as the project is realized.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jon Zemke', written over a horizontal line.

Jon Zemke