

NOVEMBER 13, 2018
FORMAL AGENDA

**PLANNING AND
ECONOMIC
DEVELOPMENT
STANDING
COMMITTEE**

**OFFICE OF CONTRACTING
AND PROCUREMENT**

November 8, 2018

HONORABLE CITY COUNCIL:

The Purchasing Division of the Finance Department recommends a Contract with the following firm(s) or person(s):

2918966 100% Federal Funding – AMEND 2 – To Provide Consulting Services for the Livernois/McNichols Revitalization Project. – Contractor: Spackman Mossop Michaels – Location: 1824 Sophie Wright Pl., New Orleans, LA, 70130 – Contract Period: Upon City Council Approval through December 31, 2020 – Contract Increase: \$103,600.00 – Total Contract Amount: \$907,220.90. **PLANNING AND DEVELOPMEMNT**

Respectfully submitted,

Boysie Jackson, Chief Procurement Officer
Office of Contracting and Procurement

BY COUNCIL MEMBER TATE

RESOLVED, that Contract No. 2918966 referred to in the foregoing communication dated November 8, 2018, be hereby and is approved.

Alton James
Chairperson
Lauren Hood, MCD
Vice Chair/Secretary

City of Detroit
CITY PLANNING COMMISSION
208 Coleman A. Young Municipal Center
Detroit, Michigan 48226
Phone: (313) 224-6225 Fax: (313) 224-4336
e-mail: cc-cpc@detroitmi.gov

Brenda Goss-Andrews
Lisa Whitmore Davis
David Esparza, AIA, LEED
Gregory Pawlowski
Frederick E. Russell, Jr.
Angy Webb

November 8, 2018

HONORABLE CITY COUNCIL

RE: Request of Intersection Consulting Group on behalf of 262 Mack, Mack Investments I, LLC to review site plans and elevations for a Planned Development (PD) zoning classification within Article XVII, District Map No. 4, of the 1984 Detroit City Code, Chapter 61, Zoning, to erect two residential carriage-home apartment units above an existing garage at property commonly referred to as 262 Mack Avenue.
(RECOMMEND APPROVAL)

NATURE OF REQUEST

In 2016 Your Honorable Body voted to approve the request of Intersection Consulting Group on behalf of Mack Investments I, LLC. The original request was for site plan review (SPR) for site plans and elevations for a proposed development on land that is currently zoned PD and is located within the Brush Park Historic District. The subject site is located on the south side of Mack Avenue between Brush St. and John R. The original plan called for the construction of a nine (9) unit multi-family dwelling with a single-story garage to support the new units. The revised proposed multi-family dwelling is planned to be three (3) stories in height. The floor plan proposes three (3) units to be approximately 1,058 square feet in area each and the remaining (6) six units are to be 1,279 sq. ft. each. (see attached original plans).

PROPOSAL

Since the original proposal was approved by City Council via resolution in March of 2017, the petitioner has since come back with a supplementary request. The proposal that is before you for consideration at this time include the addition of two (2) carriage-home style apartments to be erected above an existing garage. According to discussions with the petitioner and review of past Buildings Safety Engineering and Environmental Department records, the existing garage began construction somewhere around the period of the 2007-2009 housing crash which, was the result of the housing bubble that affected many developers in Detroit. Seemingly, due to the economic conditions of that period, the original developer never completed the full plans for the garage. Since then the property has been transferred to 262 Mack, Mack Investments I, LLC. The current developer would like to complete the construction of the structure by adding these units to what was previously approved.

The revised proposal calls for two new units, each 822 sq. ft. I area, to go above the two (2) car garage. The two units would be inclusive of a bedroom with closet space, bathroom, living room, kitchen, nook, and laundry room. The plans also call for balconies on the northern (front)

elevation, totaling four (4) in all; one (1) accessible from the bedroom and one (1) from the living room spaces.

ANALYSIS

Zoning and Development Plan Provisions

The 3rd Modified Brush Park Development Plan provides the underlying zoning for the PD district. The Plan designates the subject land for institutional and commercial uses. Table B-2 of the development plan lists multi-family dwellings as a permitted secondary use on the subject property making it consistent with current provisions.

Parking

According to 61-14-24 of the Zoning Ordinance, parking requirements for a multiple-family dwelling are 1.25 spaces per dwelling unit and 0.75 per dwelling unit if located within 0.25 miles of a bus rapid transit, street car/trolley or light rail line. This development would qualify for the reduction in parking requirements because of its proximity to the coming rail line located on Woodward.

As the apartment unit count raises by the additional two (2) carriage home units that are being proposed, it brings the total number of units on the site (inclusive of the original nine (9) approved units) to a total of 11 units. According to the current zoning provisions, the totality of the development including the previously approved nine (9) units, requires a total of 8.25 parking spaces. The parking plan provides the appropriate amount of spaces required.

Design

The design of the development must be in accordance with the PD district design criteria listed in Section 61-11-15 of the Zoning Ordinance.

When criterion *b* speaks to the *compatibility* of the development with existing development, it can be said that this project is in alignment with the trend of Brush Park to be inclusive of carriage homes. Another development known as Brush Park Village North, which came before this Honorable Body for approval in 2017 also proposed and was approved for carriage homes.

As development has picked up in the City, developers have continuously inquired about the possibility of new construction carriage homes, as many that exist today are the remnant of historic neighborhoods and were in most cases, likely grandfathered in, post zoning regulations or are subject of variance or special approval. Carriage-homes are being revisited by the City as a typology merits being allowed on a broader basis. Carriage homes allow for developments to be more financially feasible for developers as well as tenants. They usually help to create opportunities for lower income individuals to participate in more affluent areas while also increasing the density of a neighborhood, also increasing vibrancy and diversity.

Criterion *e* points to *parking and loading*, questioning whether it is adequate for what is being proposed. In this case, the parking will be accessed from the rear of the building as vehicles are planned to use the public alley to reach the garage parking for the units. This off-street parking and loading is appropriate and typical for a Brush Park development.

In response to criterion *n* which addresses *accessibility*, the Commission points to the fact that the development will incorporate a semi-circular driveway creating a more convenient ingress/egress for residents of the building. Using the alley access is typical for the land uses

located on the in Brush Park. The City's Fire Marshall conducted an initial review of the configuration of the plans and was satisfied.

Master Plan Consistency

The Planning and Development Department originally submitted a determination letter confirming the compatibility of the proposal with the City's Master Plan of Policies. CPC has received no negative comments by PDD to differ from the original Master Plan determination.

COMMUNITY ENGAGEMENT

The developer is in consultation with the Brush Park CDC in regards to a revised letter of support for the project. CPC has been waiting for this last

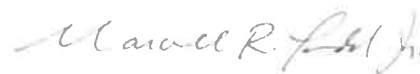
RECOMMENDATION

At its regular meeting of February 1st 2018, the City Planning Commission voted to approve this proposal with the following conditions:

1. That the developer work with the immediately adjacent community to minimize disruption to the neighborhood during construction and address impacts that may arise; and
2. That final site plans, elevations, lighting, landscape and signage plans be submitted by the developer to the staff of the City Planning Commission for review and approval prior to submitting applications for applicable permits.

Respectfully submitted,

ALTON JAMES, CHAIRPERSON



Marcell R, Todd, Jr., Director
Kimani Jeffrey, Staff

Attachment

Cc: Maurice Cox, Director, PDD
Gregory Moots, PDD
Arthur Jemison, Director, HRD
David Bell, Director, BSEED
Lawrence Garcia, Corp Counsel
Detroit Housing Commission

By Council Member _____ :

WHEREAS, the Intersection Consulting Group on behalf of 262 Mack, Mack Investments I, LLC has requested site plan review and approval of revised plans for a housing development on PD (Planned Development) zoned land in the Brush Park community at 262 Mack Ave. (also known as Tax Parcel No.01000878); and

WHEREAS, the PD district zoning classification is subject to the provisions of Article III, Division 5, Subsection C; “Authority to Review and Approve Site Plans,” (Section 61-3-142) of the Detroit Zoning Ordinance requires that site plans be reviewed and approved by the Detroit City Council following the receipt of a written report and recommendation from the City Planning Commission; and

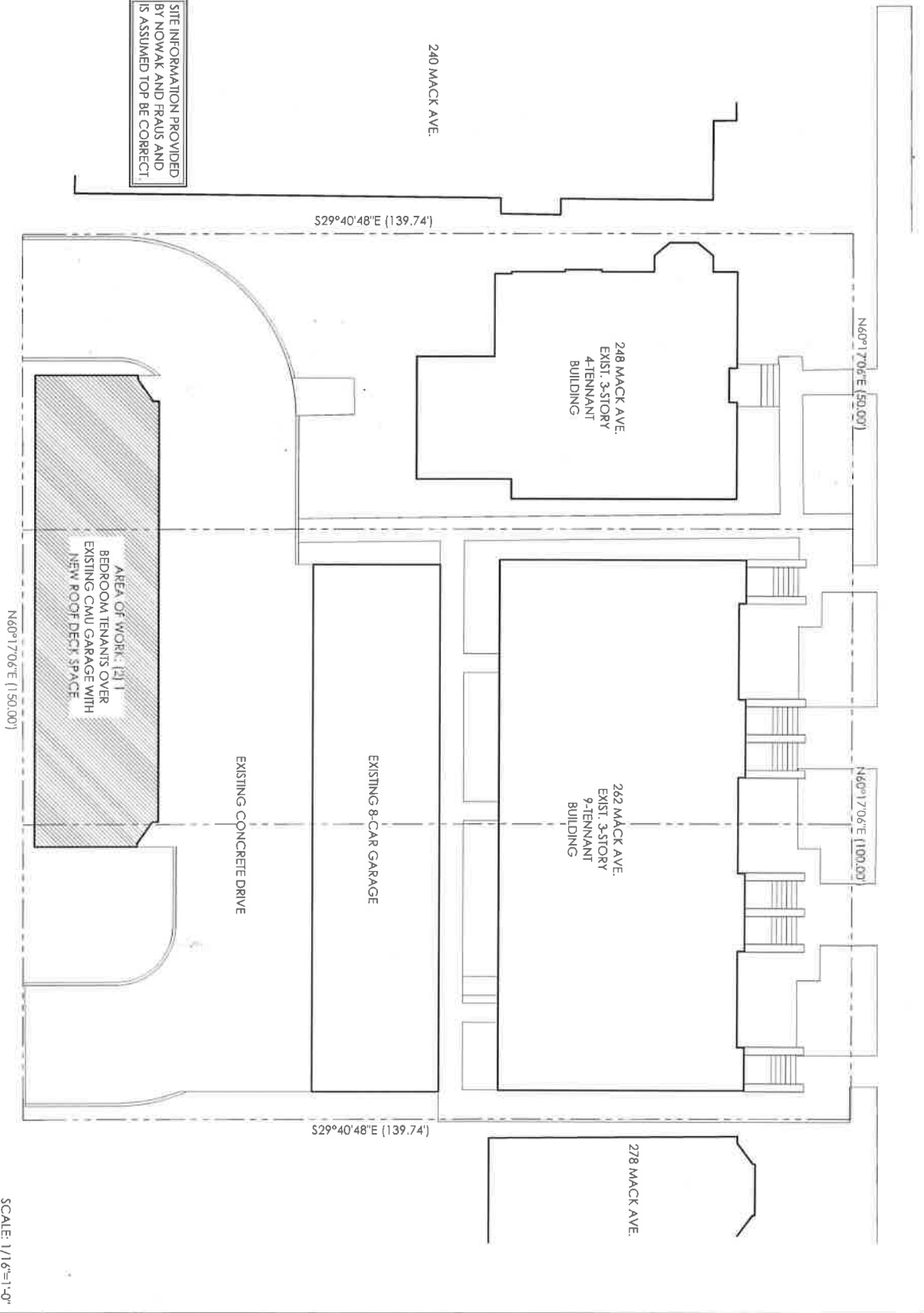
WHEREAS, the preliminary site plans and elevations for the development depict a revised proposal adding two new housing units that will contain 822 sq. ft. each to be erected above the two (2) car garage in addition to a previously approved nine (9) unit multi-family dwelling; and

WHEREAS, the City Planning Commission and Planning and Development Department have found the proposed development to be in conformance with the Master Plan of Policies, the Brush Park Rehabilitation Project Third Modification Development Plan dated July 10, 2002 as well as the applicable site plan review approval criteria described in Article III, Subdivision D of the Zoning Ordinance;

WHEREAS, the Detroit City Council has reviewed the preliminary site plan and concurred with the findings of both CPC and PDD; and

THEREFORE, BE IT RESOLVED, that the Detroit City Council approves the preliminary site plans and elevations described in the corresponding communication from the City Planning Commission, dated November 8, 2018 and depicted in the “262 Mack Investments I LLC” prepared by Comprehensive Design Group, Inc. dated January 1, 2018 with the following conditions:

1. That the developer work with the immediately adjacent community to minimize disruption to the neighborhood during construction and address impacts that may arise; and
2. That final site plans, elevations, lighting, landscape and signage plans be submitted by the developer to the staff of the City Planning Commission for review and approval for consistency with approved plans prior to submitting applications for applicable permits.

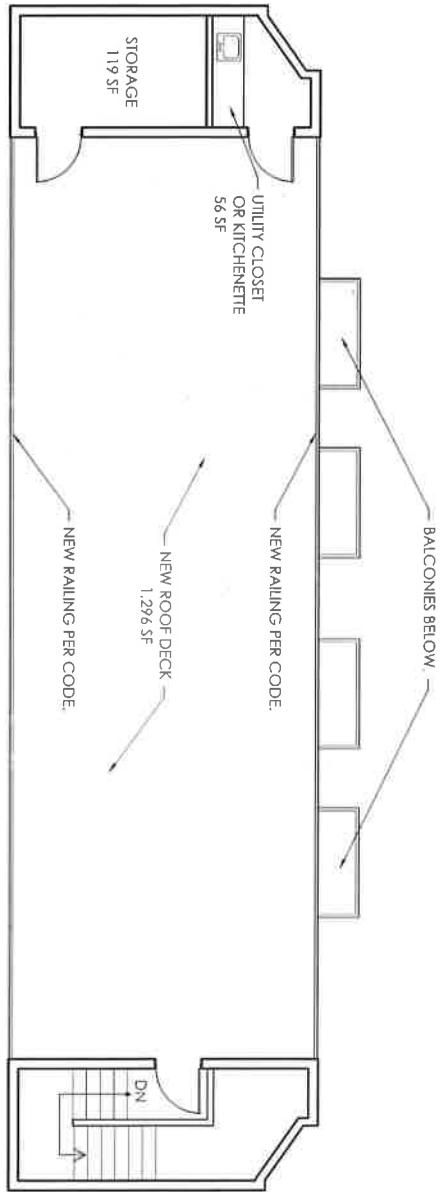


SITE INFORMATION PROVIDED
BY NOWAK AND FRAUS AND
IS ASSUMED TOP BE CORRECT

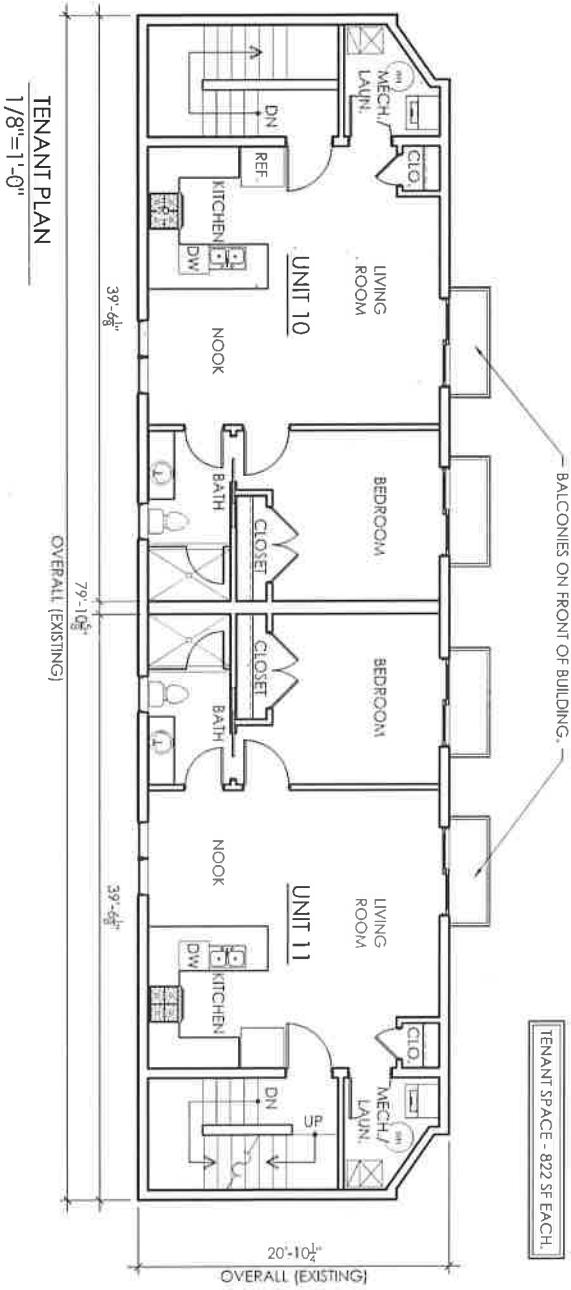
SCALE: 1/16"=1'-0"

	MACK INVESTMENTS I, LLC 262 MACK UNIT 10 AND 11 DETROIT, MICHIGAN 48201	
	SHEET NAME: SCHEMATIC SITE PLAN	ISSUE DATE: 10.25.2017
A0.1		

Dwight G. Arlio, AIA, ASID
 428 East Fremont Ave, Suite 104
 Royal Oak MI 48067
 248-224-3777

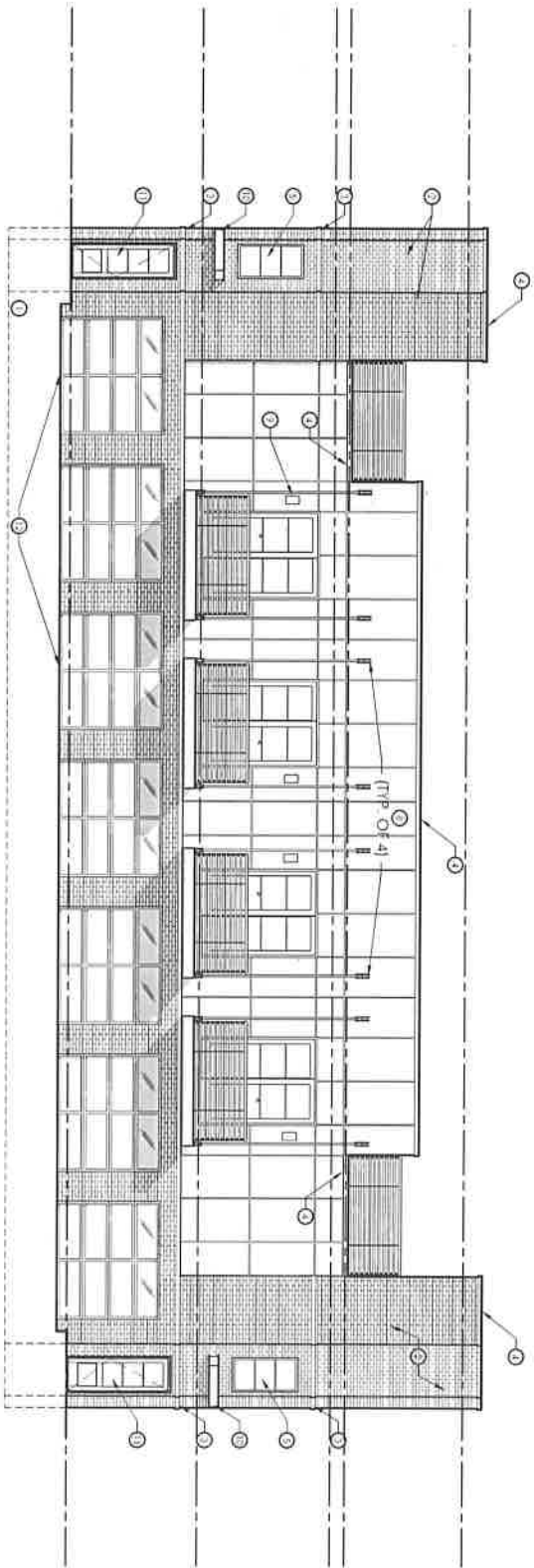


ROOF PLAN
1/8"=1'-0"



TENANT PLAN
1/8"=1'-0"

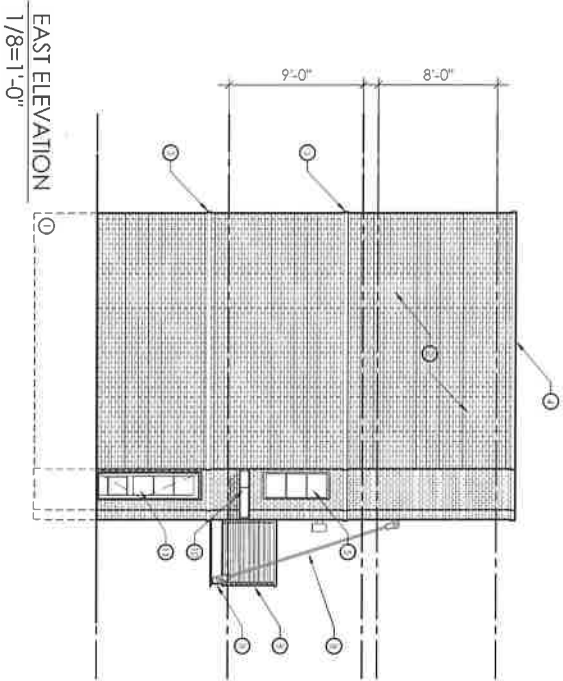
<p>CDG CONCEPT DESIGN GROUP, INC.</p>	<p>MACK INVESTMENTS I, LLC</p> <p>262 MACK UNIT 10 AND 11 DETROIT, MICHIGAN 48201</p>		<p>Edward G. Ardito, AIA, ASID 428 East Parrish Ave, Suite 104 Royal Oak, MI 48067 248-224-2777</p>
	<p>SHEET NAME: SCHEMATIC FLOOR PLANS</p>	<p>ISSUE DATE: 10.25.2017</p>	<p>SHEET A0.2</p>



NORTH ELEVATION
1/8=1'-0"

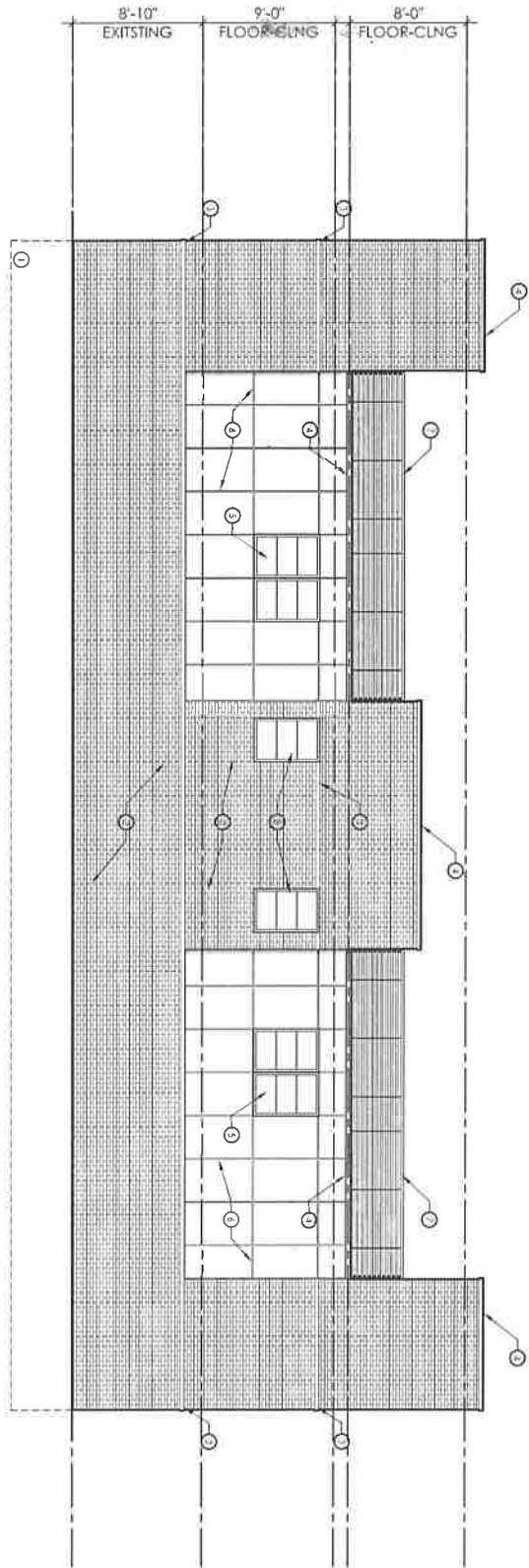
KEY NOTES	
1	EXISTING CONCRETE FOUNDATION
2	NEW BRICK VENER
3	NEW STONE BAND
4	STONE CAP ON WALL
5	ALUMINUM WINDOWS
6	METAL PANEL SYSTEM
7	METAL RAILING
8	NEW BALCONY TO MATCH W/ RAILING AND TIEBACKS
9	EXTERIOR LIGHTING
10	EXPOSED STEEL AWNING AT DOOR
11	NEW DOOR IN EXISTING OPENING TO MATCH
12	NEW GARAGE DOORS (TYP. OF 7) W/ FROSTED GLASS

* ALL FINISHES TO MATCH EXISTING BUILDING *



EAST ELEVATION
1/8=1'-0"

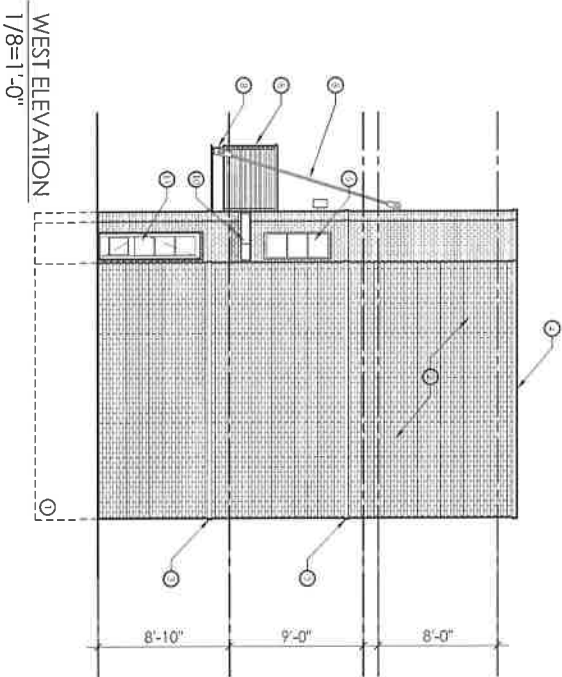
SHEET A0.3	ISSUE DATE: 01.18.2018	SHEET NAME: SCHEMATIC ELEVATIONS	MACK INVESTMENTS I, LLC 262 MACK UNIT 10 AND 11 DETROIT, MICHIGAN 48201	 CDG CONTRACTORS DESIGN GROUP P.C. Dwan G. Adle, AIA, ASID 428 East Palmer Ave, Suite 104 Royal Oak, MI 48067 248-224-3777



SOUTH ELEVATION
1/8=1'-0"

KEY NOTES	
1	EXISTING CONCRETE FOUNDATION
2	NEW BRICK VENER
3	NEW STONE BAND
4	STONE CAP ON WALL
5	ALUMINUM WINDOWS
6	METAL PANEL SYSTEM
7	METAL RAILING
8	NEW BALCONY TO MATCH W/ RAILING AND TIEBACKS
9	EXTERIOR LIGHTING
10	EXPOSED STEEL AWNING AT DOOR
11	NEW DOOR IN EXISTING OPENING TO MATCH
12	NEW GARAGE DOORS (TYP. OF 7) W/ FROSTED GLASS

* ALL FINISHES TO MATCH EXISTING BUILDING *



WEST ELEVATION
1/8=1'-0"

MACK INVESTMENTS I, LLC

262 MACK UNIT 10 AND 11
DETROIT, MICHIGAN 48201



Dwaine G. Adie, AIA, ASID
628 First Parson Ave, Suite 104
Royal Oak, MI 48067
248-224-3777

SHEET NAME:
SCHEMATIC
ELEVATIONS

ISSUE DATE:
01.18.2018

SHEET
A0.4

CPC File #: _____

Date of Filing: _____

RE: _____

City Planning Commission
202 Coleman A. Young Municipal Center
Detroit, Michigan 48226
(313) 224-6225 (phone)
(313) 224-4336 (fax)

**APPLICATION FOR DEVELOPMENT PROPOSAL APPROVAL IN THE
PD (PLANNED DEVELOPMENT), PC (PUBLIC CENTER) AND
PCA (RESTRICTED CENTRAL BUSINESS DISTRICT) ZONING DISTRICTS**

The City Council of the City of Detroit requires a report and recommendation from the City Planning Commission on development proposals proposed in PD, PC, and PCA zoning districts. Please provide the following necessary information regarding the proposal so that the Commission may proceed in its review process.

The City Planning Commission may schedule a discussion or public hearing on this matter after all the required information has been received. The applicant (or a representative of the applicant) is generally expected to be present at such discussion or public hearing to present the proposal and to answer any questions.

The applicant will be notified at least seven (7) days prior to the meeting at which the proposal will appear on the Commission's agenda.

The City Planning Commission may request all necessary information pertaining to any development matters referred to it by the City Council in carrying out its duties as set forth in Section 4-402 and 6-204 of the City Charter.

Failure to answer all pertinent questions and to supply all of the requested information will delay processing of this proposal.

NOTE: Applicants proposing a rezoning to the PD (Planned Development District) zoning classification must complete this application.

Signature of Applicant: _____

Date: _____

ZONING FEE:

Effective January 11, 1995, the applicant will be charged a fee for the processing of a request to rezone property. The fee schedule is as follows:

<u>Size of Property</u>	<u>Fee</u>
One acre or less	\$350.00
Over one acre	\$350.00 for the first acre plus \$25.00 for each additional acre to a maximum of \$1,000.00

Payment of the fee must be in the form of a check or money order payable to the "City of Detroit - Treasurer".

ITEMS 1 - 20 TO BE COMPLETED BY ALL APPLICANTS

(1) Name of Applicant: Brian Ellison, Intersection Consulting Group LLC

Address of Applicant: 2233 Park Ave Suite 302

City, State, Zip Code: Detroit, MI 48201

Telephone Number: 313-397-5863

(2) Name of Property Owner: Mack Investments I, LLC

Address of Property Owner: 432 N Washington

City, State, Zip Code: Royal Oak, MI 48067

Telephone Number: 248-207-5132

(3) Name of Architect (if any): Dwane Adle

Address of Architect: 628 E Parent Ave, Suite 104

City, State, Zip Code: Royal Oak, MI 48067

Telephone Number: 248-224-3777

(4) Proposed Manager (if any): _____

Address of Manager: _____

City, State, Zip Code: _____

Telephone Number: _____

(5) Name of Developer: Alexander Real Estate

Address of Developer: 431 N Main

City, State, Zip Code: Royal Oak, MI 48067

Telephone Number: 248-850-8632

(6) Title of Proposal: Apartment addition to existing garage

(7) General Description of Proposal: Developer to add 2 residential apartments to existing
parking garage.

(8) Address of Subject Parcel: 262 Mack Ave

Between John R and Brush
(Street) (Street)

(9) Legal Description of Subject Parcel: (May be attached)

(10) General Location of Subject Property:

East of Woodward, South side of Mack Ave

(11) Present Zoning of Subject Parcel:

PD H

(12) Proposed Zoning of Subject Parcel (if change is being requested):

NA

(13) Size of Subject Parcel (Dimensions): 100' X 95'

(Acreage): _____

(14) If rezoning to PD is proposed, state reason why the present zoning classification is not appropriate and why the PD zoning classification is more appropriate.

NA

(15) Zoning of Adjacent Properties:

To the North – R6

To the South PD-H

To the East - PD-H

To the West - PD-H

(16) Development of Adjacent Properties:

To the North - _____

To the South - _____

To the East - _____

To the West - _____

Size of Proposed Structure(s)

(17) Ground Coverage Dimensions of Each Structure:

(A) 20' X 80' _____

(B) _____

(C) _____

(D) _____

(E) _____

(18) Gross Square Footage of Each Total Structure and Each Floor of Each Structure(s):

(A) 3200 ft² total: 1600 ft² (residential) 1600ft² garage

(B) _____

(C) _____

(D) _____

(E) _____

(19) Height (in stories and feet) of Each Structure(s):

(A) 2 stories, 25'10"

(B) _____

(C) _____

(D) _____

(E) _____

(20) Total Gross Square Footage of All Structures: _____

COMPLETE LINES 21 – 25 IF RESIDENTIAL DEVELOPMENT IS PROPOSED

(21) The total number of each type of residential building proposed (townhouse, garden apartments, etc.)

1 building (addition)

(22) Total Number of Dwelling Units: 2 _____ of which

_____ are efficiency units of _____ sq. ft. each;

2 are 1-bedroom units of 822 sq. ft. each;

_____ are 2-bedroom units of _____ sq. ft. each;

_____ are 3-bedroom units of _____ sq. ft. each; and

_____ are other (specify) _____ of _____ sq. ft. each.

(23) Anticipated Rent Structure: market

(24) Number of Subsidized Units: 0

(25) Special Amenities Provided (swimming pool, community area, outdoor recreation, etc.)

private rooftop outdoor space

(26) IF NON-RESIDENTIAL DEVELOPMENT IS PROPOSED, STATE IN DETAIL THE INTENDED USE OF THE BUILDING(S):

NA

COMPLETE ITEMS 27 - 29 IF THE PROPOSED DEVELOPMENT IS WITHIN A CITIZENS' DISTRICT COUNCIL AREA

(27) Name of Citizens' District Council: _____

(28) Date of Citizens' District Council Approval: _____

(29) Date of Detroit Housing Commission Approval: _____

REMAINING ITEMS TO BE COMPLETED BY ALL APPLICANTS

(30) Total Number of Off-Street Parking Spaces Proposed: 0 new (garage parking pres) of which _____ will be structure parking and _____ will be surface parking.

(31) Size of Surface Parking Area (square feet): NA _____

(32) Size of Parking Structure Ground Coverage (square feet): NA _____

(33) Number of Levels: NA _____

(34) Number of off-street parking spaces required by Zoning Ordinance: 2 _____

(35) Types of Financing/Subsidy Mechanisms: private equity _____

(36) (IF APPLICABLE) Number and type of structure(s) presently existing on site that are to be demolished as part of this development:

NA

(37) (IF APPLICABLE) Legal description of streets and alleys (or portions thereof) to be vacated (a separate sheet must be attached justifying in substantial detail such vacations and stating impact such vacations would have on adjacent properties; in addition, because staff of the Commission will be contacting the Department of Transportation, the Department of Public Works, the Police Department and the Fire Department and requesting each Department's official written opinions on these vacations, time will be saved if the applicant has already made the necessary contacts and has attached the Department's official opinions in writing to this application)

NA

(38) (IF APPLICABLE) Legal Description of streets and alleys to be dedicated (may be attached); (in addition, because staff of the Commission will be contacting the Department of Transportation, the Department of Public Works, the Police Department and the Fire Department and requesting each Department's official written opinions on these dedications, time will be saved if the applicant has already made the necessary contacts and has attached the Department's official opinions in writing to this application):

NA

(39) (IF APPLICABLE) Nature of Necessary Modification to an Adopted Development Plan:

Allowance for the addition of 2 residential apartment units above existing garage.

(40) Describe any energy saving features of this development:

NA

(41) Community Organizations and/or Block Clubs contacted by applicant:

Group Name/Address	Contact Person/Phone Number
Brush Park CDC	Karissa Holmes (original application)
_____	_____
_____	_____
_____	_____

(42) Adjacent Property Owners, Businesses or Residents contacted by Applicant:

<u>Name</u>	Indicate:		<u>Address</u>	<u>Address of Adjacent Property</u>	<u>Phone</u>
	<u>Owner</u>	<u>Business Resident</u>			
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

(43) Number of new employees anticipated as a result of this proposal:

Temporary: 0

Permanent: 0

(44) Anticipated Beginning Construction Date: 01 MAR 18

(45) Anticipated Construction Completion Date: Partial- _____

Total- 01 MAY 18

(46) Letters of Review and/or comment from Reviewing Agencies attached:

- | | |
|------------------------------------|--------------|
| <u> </u> D-DOT | Dated: _____ |
| <u> </u> Planning & Development | Dated: _____ |
| <u> </u> Recreation | Dated: _____ |
| <u> </u> Police | Dated: _____ |
| <u> </u> Fire | Dated: _____ |
| <u> </u> Public Lighting | Dated: _____ |
| <u> </u> Aviation | Dated: _____ |
| <u> </u> Air Quality Management | Dated: _____ |
| <u> </u> DPW | Dated: _____ |
| | Dated: _____ |
| | Dated: _____ |

PLANS AND MAPS:

Submit ten (12) copies of plans and maps of the proposed development at a scale of not less than 1" = 20' if the subject parcel is under 3 acres, and not less than 1" = 100' if the subject parcel is 3 acres or more. Such plans and maps are to be fully dimensional and must include the following details:

- A. Outline of subject parcel with all adjacent and abutting public right-of-way lines.
- B. Layout and configuration of all buildings presently existing on the subject parcel.
- C. Layout and configuration of all proposed buildings and existing buildings to remain on the subject parcel.
- D. Layout and configuration of proposed parking area(s), access road(s), and screening, as well as vehicular and pedestrian circulation patterns within and adjacent to the site.
- E. Sign location(s) and detail(s) (if applicable).
- F. Survey indicating existing on-site utility easement(s) and installation location(s).
- G. Landscaping plan indicating height (existing height or height at time of planting), species and location of such, and indicating which are existing and which are to-be-planted.
- H. All elevations of proposed building(s) with indication of the type of exterior materials to be used.
- I. Location and design of pedestrian and driveway/parking area lighting fixtures (if applicable).
- J. Location of alleys and/or streets to be vacated and/or dedicated (if applicable).
- K. Location of all outside trash or rubbish storage areas.



Detroit Brownfield Redevelopment Authority
500 Griswold Street • Suite 2200
Detroit, Michigan 48226
Phone: 313 963-2940
Fax: 313 963-8839

November 8, 2018

Honorable City Council
City of Detroit
1340 Coleman A. Young Municipal Center
Detroit, Michigan 48226

Re: Amended and Restated Joe Louis Arena Brownfield Redevelopment Plan

Dear Honorable Council Members:

The enclosed Amended and Restated Brownfield Plan for the Joe Louis Arena Redevelopment Project (the "Plan") (Exhibit A), was submitted by the Detroit Brownfield Redevelopment Authority Board (the "DBRA") to the Community Advisory Committee (the "CAC"). The Plan was considered and reviewed by the CAC at its October 24, 2018 meeting and a public hearing was held by the DBRA on November 5, 2018 to solicit public comments. The Committee's communication to the City Council and the DBRA, dated October 24, 2018 (Exhibit B), recommending approval of the Plan, including the minutes of the public hearing held by the DBRA, are enclosed for the City Council's consideration.

On November 7, 2018, the DBRA adopted a resolution (Exhibit C) approving the Plan and authorizing the submission of a copy of its resolution and the Plan to the City Clerk, together with a request that the Detroit City Council call a public hearing concerning the Plan and to take all other actions to approve the Plan in accordance with Act 381.

The Plan is now presented to the City Council for approval. The Detroit City Council will, after publication of the notices, hold a public hearing on the Plan. After the public hearing, the City Council shall determine whether the Plan constitutes a public purpose and, if so, may approve or reject the Plan or approve it with modifications.

A Plan Amendment is being requested due to increased Eligible Activities that have recently been discovered by environmental consultants working on behalf of the City of Detroit. Abatement and Demolition activities have increased from \$3.6 million the original Plan to approximately \$8.8 million in the Plan Amendment. Engineering Services: Demo Design has increased from \$790,286 to \$840,286. New Eligible Costs of Due Care Activities, Response Activities and Interest totaling approximately \$2.7 million are new Eligible Cost. In total, the Eligible Costs have increased from \$5,561,009 to \$14,363,147.

Project Introduction

In connection with the development of the property commonly known as the "Little Caesars Arena", an agreement was reached by the applicable parties to demolish the JLA once the Little Caesars Arena was completed and ready for use. As of the date of this Plan, the Little Caesars

Arena has been completed and the Detroit Red Wings have vacated the JLA and relocated to the Little Caesars Arena.

The primary purpose of this Plan Amendment is to increase the amount of tax increment revenues that can be captured for reimbursement of eligible activities. This increase is a result of additional information that was subsequently discovered following the original Brownfield Plan approval. The capture of tax increment revenues pursuant to the Plan Amendment is to reimburse for eligible activities in connection with the demolition of the JLA and to prepare the Property for a future mixed-use development, which may include residential, commercial, and/or retail space. For the purposes of this Plan, the use of the term "Developer" shall refer to the City of Detroit. The City of Detroit is the owner of Joe Louis Arena and the Detroit Building Authority will oversee demolition.

Total TIF reimbursement amount for the demolition and related eligible activities under this Plan is \$14,363,147.

Property Subject to the Plan

The eligible property (the "Property") consists of six (6) parcels located at 27 Washington Boulevard. The common address of the JLA is also known as "600 Civic Center Drive." 25 Washington Boulevard, 29 Washington Boulevard, 31 Washington Boulevard, and 33 Washington Boulevard are properties that are adjacent and continuous to 27 Washington Boulevard. 501 Third is also adjacent to 27 Washington Boulevard and is the location of the Detroit People Mover – Joe Louis Arena Station Stop. The Property is located adjacent to the Central Business District and is generally bounded by Jefferson Street to the north, Atwater Street to the east, Detroit River to the south and Cobo Convention Center to the west.

Basis of Eligibility

The Property is considered "eligible property" as defined by Act 381, Section 2 because (a) the Property was previously utilized for a public purpose; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) the Property is determined to be a functionally obsolete or adjacent and contiguous as defined by Act 381.

Eligible Activities and Projected Costs

The "eligible activities" that are intended to be carried out at the Property are considered "eligible activities" as defined by Sec 2 of Act 381, because they include environmental assessment activities, demolition and abatement and brownfield plan and work plan preparation and brownfield plan implementation. The eligible activities and budgeted costs are intended as part of the development of the Property and will be financed solely by the Developer. The Authority is not responsible for any costs of eligible activities and will incur no debt. The eligible activities are estimated to begin within eighteen months and be completed within three (3) years.

Tax Increment Financing (TIF) Capture

The Developer desires to be reimbursed for the costs of eligible activities. Tax increment revenue generated by the Property will be captured by the DBRA and used to reimburse the cost of the eligible activities completed on the Property after approval of this Plan pursuant to the terms of a Reimbursement Agreement with the DBRA.

COSTS TO BE REIMBURSED WITH TIF

Description of Eligible Activities	Estimated Cost
MSF Activities	
1. ALTA Survey	\$ 18,200
2. Engineering Services: Demo Design	\$ 840,286
3. Abatement and Demolition	\$ 8,829,870
4. Brownfield and Work Plan Preparation	\$ 15,000
5. Brownfield Plan Implementation	\$ 15,000
6. 15% Contingency	\$ 1,453,253
7. MSF Interest	\$ 2,346,038
Subtotal MSF	\$ 13,517,647
MDEQ Activities	
8. Environmental Assessment Activities	\$ 375,000
9. Response Activities	\$ 20,000
10. Due Care Activities	\$ 200,000
11. Brownfield and Work Plan Preparation	\$ 15,000
12. Brownfield Plan Implementation	\$ 15,000
13. 15% Contingency	\$ 89,250
14. MDEQ Interest	\$ 131,250
Subtotal MDEQ	\$ 845,500
Subtotal Site Eligible Activities	\$ 14,363,147
15. DBRA Administrative Costs	\$ 2,429,098
16. Local Brownfield Revolving Fund	\$ 1,658,009
17. State Brownfield Redevelopment Fund	\$ 1,822,047
Total Other Eligible Activities	\$ 5,909,154
Total Estimated Cost to be Funded Through TIF	\$ 20,272,301

The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from tax increment revenues of the DBRA from the Property shall be governed by the terms of the Reimbursement Agreement.

Other Incentives

The Developer is seeking a loan through the Michigan Strategic Fund's Community Revitalization Program.

DBRA's Request

The DBRA is respectfully requesting the following actions from the City Council:

- a.) November 13, 2018
City Council adoption of the Resolution (Exhibit D), setting the Amended and Restated Joe Louis Arena Brownfield Redevelopment Plan public hearing, as approved by the Planning and Economic Development Standing Committee Chair and the City of Detroit Clerk, for November 15, 2018 at 10:45 AM in the Council Chambers, 13th Floor of the Coleman A. Young Municipal Center, located at 2 Woodward Avenue, Detroit, Michigan.
- b.) November 15, 2018, 10:40 AM
Discussion with taxing jurisdictions regarding the fiscal impact of the Amended and Restated Plan.
- c.) November 15, 2018, 10:45 AM
Public Hearing at City Council's Planning and Economic Development Standing Committee concerning the Amended and Restated Joe Louis Arena Brownfield Redevelopment Plan.
- d.) November 20, 2018
City Council adoption of the Resolution approving the Amended and Restated Joe Louis Arena Brownfield Redevelopment Plan (Exhibit E).

Sincerely,



Jennifer Kanalos
Authorized Agent

- c City Clerk
Marcel Todd
Irvin Corley, Jr.
David Whitaker
Derrick Headd
Marcel Hurt
DeAndree Watson
Malinda Jensen
Matthew Walters
Allen Rawls
Brian Vosburg
Stephanie Washington

EXHIBIT A

CITY OF DETROIT
BROWNFIELD REDEVELOPMENT AUTHORITY
AMENDED AND RESTATED BROWNFIELD PLAN FOR THE
JOE LOUIS ARENA
REDEVELOPMENT PROJECT

Prepared by:

Detroit Economic Growth Corporation
500 Griswold, Suite 2200
Detroit, MI 48226
Contact Person: Sarah Pavelko
Phone: 313-237-6089

Developer:

City of Detroit
c/o City of Detroit Building Authority
1301 Third Street, Suite 328 Detroit, MI 48226
Contact Person: Donna Rice
Phone: 313.224.4599

10/1/18

**CITY OF DETROIT
BROWNFIELD REDEVELOPMENT AUTHORITY
BROWNFIELD PLAN**

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I. INTRODUCTION

In order to promote the revitalization of environmentally distressed and blighted areas within the boundaries of the City of Detroit, Michigan (the "City"), the City has established the City of Detroit Brownfield Redevelopment Authority (the "DBRA") pursuant to Michigan Public Act 381 of 1996, as amended ("Act 381").

The primary purpose of this Amended and Restated Brownfield Plan ("Plan") is to promote the redevelopment of and private investment in certain "brownfield" properties within the City. Inclusion of property within this Plan will facilitate financing of environmental response and other eligible activities at eligible properties, and will also provide tax incentives to eligible taxpayers willing to invest in revitalization of eligible sites, commonly referred to as "brownfields." By facilitating redevelopment of brownfield properties, this Plan is intended to promote economic growth for the benefit of the residents of the City and all taxing units located within and benefited by the DBRA.

This Plan is intended to apply to the eligible property identified in this Plan and, if tax increment revenues are proposed to be captured from that eligible property, to identify and authorize the eligible activities to be funded by such tax increment revenues.

This Plan is intended to be a living document, which may be modified or amended in accordance with the requirements of Act 381, as necessary to achieve the purposes of Act 381. The identification or designation of a developer or proposed use for the eligible property shall not necessitate an amendment to this Plan, affect the application of this Plan to the eligible property, or impair the rights available to the DBRA under this Plan. The applicable sections of Act 381 are noted throughout the Plan for reference purposes.

This Plan describes the project to be completed (see Attachment C) and contains all the information required by Section 13(2) of Act 381.

II. GENERAL PROVISIONS

A. Description of the Eligible Property (Section 13 (2)(h)) and the Project

Upon approval of this Plan by the DBRA Board of Directors and the City of Detroit City Council, this Plan shall amend and restate the Amended and Restated Brownfield Plan for the Joe Louis Arena Redevelopment Project that was approved on July 31, 2018. Only financial figures are changing for the Plan. All other aspects of the July 31, 2018 Plan remain the same.

The property comprising the eligible property consists of six (6) parcels. **27 Washington Boulevard** is the location of the Joe Louis Arena ("JLA"), which is functionally obsolete. The common address of the JLA is also known as "600 Civic Center Drive." **25 Washington Boulevard, 29 Washington Boulevard, 31 Washington Boulevard, and 33 Washington Boulevard** are properties that are adjacent and contiguous to 27 Washington Boulevard. **501 Third** is also adjacent to 27 Washington Boulevard and is the location of the Detroit People Mover – Joe Louis Arena Station Stop. The parcels and all tangible personal property located thereon will comprise the eligible property and is referred to herein as the "Property."

Attachment A includes a site map of the Property. The Property is located adjacent to the Central Business District and is generally bounded by Jefferson Street to the north, Atwater Street to the east, Detroit River to the south and Cobo Convention Center to the west.

Parcel information is outlined below.

Address	25 WASHINGTON BLVD
Parcel ID	Ward 04 Item 000001-4
Owner	City of Detroit
Legal Description	S W JEFFERSON W 29.71 FT VAC 1ST S 43.59 FT OF LOTS 1 THRU 3 W 5 FT ON N LINE BG W 24.14 FT ON S LINE OF OF N 136 FT OF 3 179.59 FT OF 3 4 EXC N 183+- FT ON E LINE BG N 174.30 FT ON W LINE OF E 10+- FT AND VAC SECOND AVE ADJ BLK C PLAT OF FRONT OF CASS FARM L9 P409 CITY RECORDS, W C R 4/1 139.42 IRREG 66,290+- SQ FT

Address	27 Washington Boulevard
Parcel ID	Ward 04 Item 000005
Owner	City of Detroit

Legal Description	S W JEFFERSON 1 THRU 4;BLK FPLAT OF CASS FARM L9 P409 CITY RECORDS 4/1 308.27 X 245AV
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Address	29 Washington Boulevard
Parcel ID	Ward 04 Item 000006
Owner	City of Detroit
Legal Description	S W JEFFERSON 20 THRU 30;BLK EPLAT OF CASS FARM L9 P409 CITY RECORDS 4/1 228.29 IRREG

Address	33 Washington Boulevard
Parcel ID	Ward 04 Item 000011-19
Owner	City of Detroit
Legal Description	S JEFFERSON 1 THRU 18 W 6 FT 19 VAC ALLEY ADJ BLK E--CASS FARM SUB L9 P409 CITY RECORDS, W C R 4/1 310.58 IRREG

Address	31 WASHINGTON BLVD
Parcel ID	Ward 04 Item 000007-10
Owner	City of Detroit
Legal Description	S W JEFFERSON TRIANG PT OF LOTS 16 THRU 19 BG 80 FT ON S LINE & S 40 FT ON W LINE BLK D PLAT OF FRONT OF CASS FARM L9 P409 CITY RECORDS, W C R 4/1 80 IRREG 1,600 SQ FT

Address	501 THIRD
Parcel ID	Ward 04 Item 003656-86
Owner	City of Detroit
Legal Description	W THIRD PT OF LOTS 1 THRU 3 PT OF LOTS 28 THRU 30 AND VAC ALLEY ADJ ALSO PT OF VAC FRONT ST ADJ BLK H PLAT OF CASS FARM BETW DETROIT RIVER & LARNED ST L9 P409 CITY RECORDS W C R DESC AS BEG AT INTSEC W LINE THIRD ST 60 FT WD & S LINE JEFFERSON AVE AS WIDENED TH ALG SD W LINE S 22D 02M 53S E 209.54 FT TH N 83D 19M 52S W 62.45 FT TH N 22D 02M 53S W 157.63 FT TH N 08D 44M 55S W 28.47 FT

	TO S LINE SD JEFFERSON AVE TH ALG SD S LINE N 74D 49M 13S E 48.47 FT TO P O B 4/1 10 742 SQ FT
--	--

For the purposes of this Plan, the use of the term “Developer” shall refer to the City of Detroit. The City of Detroit is the owner of the Property and will oversee demolition of the JLA. It is anticipated that the City of Detroit will utilize financing from the Michigan Strategic Fund (MSF Resolution 2014-038) to complete the Project (as defined below).

In connection with the development of the property commonly known as the “Little Caesars Arena”, an agreement was reached by the applicable parties to demolish the JLA once the Little Caesars Arena was completed and ready for use. As of the date of this Plan, the Little Caesars Arena has been completed and the Detroit Red Wings have vacated the JLA and relocated to the Little Caesars Arena.

The primary purpose of this Plan is to facilitate the demolition of the JLA and to prepare the Property for a future mixed-use development, which may include residential, commercial, and/or retail space.

At this time, the exact nature of the future development for the Property is uncertain. The completed project may vary from the project description provided herein, without necessitating an amendment to this Plan, so long as such variations are not material and arise as a result of changes in market and/or financing conditions affecting the project and/or are related to the addition or immaterial removal of amenities to the project. All material changes, as determined by DBRA in its sole discretion, to the project description are subject to the approval of the DBRA and shall be consistent with the overall nature of the proposed development, its proposed public purpose, and the purposes of Act 381.

Attachment C provides a description of the eligible activities to be completed at the Property (the “Project”) and Attachment D includes letters of support for the Project.

B. Basis of Eligibility (Section 13 (2)(h) and Section 2 (p))

The Property is considered “eligible property” as defined by Act 381, Section 2 because (a) the Property was previously utilized for a public purpose; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) the Property is determined to be a functionally obsolete, as defined by Act 381, or is adjacent and contiguous to eligible property (ex. functionally obsolete) and the development of the adjacent and contiguous parcels is estimated to increase the taxable value of that eligible property.

The Assessment Division of the City of Detroit’s Finance Department has found the Property to be “functionally obsolete” within the definition of the Assessors Manual and the Michigan Strategic Fund Act, as evidenced by the letter attached hereto as Attachment G.

- Section 90a(e)(iv) of the Michigan Strategic Fund Act defines “functionally obsolete” property as property that is “unable to be used to adequately perform the function for which it was intended due to a substantial loss in value resulting from factors such as overcapacity, changes in technology, deficiencies or superadequacies in design, or other similar factors that affect the property itself or the property’s relationship with other surrounding property as determined by a Michigan advanced assessing office or a Michigan master assessing officer.” (MCL 125.2090(a)(e)(iv) (*emphasis added*)).

The JLA was previously used by a National Hockey League franchise, the Detroit Red Wings, and other professional ice related activities. As mentioned earlier, the Detroit Red Wings have permanently relocated to Little Caesars Arena and, without substantial updates and renovations, the JLA no longer meets market demand for its intended purpose for several reasons, including, but not limited to: existing electrical and mechanical system are severely antiquated and the cost to replace/update these systems is extremely cost prohibitive; utilities for the Property are not energy efficient and the cost to update would be cost prohibitive; any expansion of the existing building is cost prohibitive because of the substantial asbestos throughout the JLA (i.e. exterior walls); the restroom facilities at the JLA are severely outdated and would require expensive refurbishment/overhaul; there is no on-site chilling or cooling equipment at the JLA and the cost to install such equipment would be cost prohibitive; the Property is land locked and efficient traffic flow and control is problematic; and the parking garages that support the Property are deteriorating and require extensive cost prohibitive repairs.

Moreover, the current configurations do not meet market demand for the original public purpose of the building, nor does it meet market demand for a future mixed-used vision which may include residential, commercial, and retail space.

C. Summary of Eligible Activities and Description of Costs (Section 13 (2)(a),(b))

The “eligible activities” that are intended to be carried out at the Property are considered “eligible activities” as defined by Section 2(o) of Act 381, because they include Environmental Assessment activities, response activities, due care activities, demolition (interior, building, and utilities), asbestos abatement, and brownfield plan and work plan preparation and implementation.

A summary of the eligible activities and the estimated cost of each eligible activity intended to be paid for with Tax Increment Revenues from the Property are shown and attached hereto as Attachment E. The eligible activities described in Attachment E are not exhaustive. Subject to the approval of DBRA staff in writing, additional eligible activities may be carried out at the Property, without requiring an amendment to this Plan, so long as such eligible activities are permitted by Act 381 and the costs of such eligible activities does not exceed the total costs stated in Attachment E.

Unless otherwise agreed to in writing by the DBRA, all eligible activities shall commence within eighteen (18) months after the date the governing body approves this Plan and be completed within three (3) years after approval of the Michigan Strategic Fund work plan, if applicable, or three (3) years after execution of the Reimbursement Agreement (as that term is defined below). Any long-term monitoring or operation and maintenance activities or obligations that may be required will be performed in compliance with the terms of this Plan and any documents prepared pursuant to this Plan.

The Developer desires to be reimbursed for the costs of eligible activities. Tax increment revenue generated by the Property will be captured by the DBRA and used to reimburse the cost of the eligible activities completed on the Property pursuant to the terms of a Reimbursement Agreement to be executed by the DBRA and the Developer after approval of this Plan (the “Reimbursement Agreement”), to the extent permitted by Act 381. In the event this Plan contemplates the capture of tax increment revenue derived from “taxes levied for school operating purposes” (as defined by Section 2(uu) of Act 381 and hereinafter referred to as “School Taxes”), the Developer acknowledges and agrees that DBRA’s obligation to reimburse the Developer for the cost of eligible activities with tax increment revenue derived from Local Taxes, or Specific Taxes that are considered Local Taxes, (as these capitalized terms are defined by Act 381) is contingent upon: (i) the Developer receiving at least the initial applicable work plan approvals by the Michigan Strategic Fund and the Michigan Department of Environmental Quality, as may be required pursuant to Act 381, or (ii) the Developer providing the DBRA

with evidence, satisfactory to DBRA, that the Developer has the financial means to complete the project without the capture of, and subsequent reimbursement with, the contemplated School Taxes.

The costs listed in Attachment E are estimated costs and may increase or decrease depending on the nature and extent of environmental contamination and other unknown conditions encountered on the Property. The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from tax increment revenues of the DBRA from the Property shall be governed by the terms of the Reimbursement Agreement. No costs of eligible activities will be qualified for reimbursement except to the extent permitted in accordance with the terms and conditions of the Reimbursement Agreement and Act 381. The Reimbursement Agreement and this Plan will dictate the total cost of eligible activities subject to payment or reimbursement provided that the total cost of eligible activities subject to payment or reimbursement under the Reimbursement Agreement shall not exceed the estimated costs set forth in Attachment E. As long as the total costs are not exceeded, line item costs of eligible activities may be adjusted after the date this Plan is approved by the governing body, to the extent the adjustments do not violate the terms of the approved MDEQ or MSF work plan.

D. Estimate of Captured Taxable Value and Tax Increment Revenues (Section 13(2)(c)); Beginning Date of Capture of Tax Increment Revenues (Section (13)(2)(f); Impact of Tax Increment Financing on Taxing Jurisdictions (Section 13(2)(g))

This Plan anticipates the capture of tax increment revenues to reimburse the Developer for the costs of eligible activities under this Plan in accordance with the Reimbursement Agreement. Subject to Section 13(b)16 of Act 381, a table of estimated tax increment revenues to be captured is attached to this Plan as Attachment F.

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:

	<u>Reimbursement Costs</u>	<u>Admin. Costs</u>	<u>State Brownfield Fund</u>	<u>Local Revolving Fund</u>
School Operating Tax	\$9,027,748	\$0.00	\$0.00	\$624,843
State Education Tax	\$1,504,625	\$0.00	\$1,822,047	\$118,304
County (combined)	\$1,090,201	\$691,298	\$0.00	\$260,361
HCMA	\$0.00	\$0.00	\$0.00	\$0.00
City of Detroit	\$0.00	\$0.00	\$0.00	\$0.00
RESA	\$2,740,574	\$1,737,801	\$0.00	\$654,501
WCCC	\$0.00	\$0.00	\$0.00	\$0.00
Library	\$0.00	\$0.00	\$0.00	\$0.00
TOTALS	\$14,363,148	\$2,429,099	\$1,822,047	\$1,658,009

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

City Debt (DDA)	\$6,025,327
School Debt and Judgment (DDA)	\$9,501,710
City Operating (DDA)	\$14,582,932
Library (DDA)	\$3,384,582
HCMA (DDA)	\$156,413
Wayne County Community College (DDA)	\$2,368,703
Wayne County Operating (DDA)	\$4,128,347
Wayne County DIA	\$146,180
Wayne County Zoo	\$73,090
Total	\$40,367,284

In no event shall the duration of this Plan exceed thirty-five (35) years following the date of the governing body's resolution approving this Plan, nor shall the duration of the tax capture exceed the lesser of the period authorized under subsection (5) of Section 13 of Act 381 or 30 years. Further, in no event shall the beginning date of the capture of tax increment revenues be later than five (5) years after the date of the governing body's resolution approving this Plan or such other date as authorized by Act 381.

E. Plan of Financing (Section 13(2)(d)); Maximum Amount of Indebtedness (Section 13(2)(e))

The eligible activities are to be paid for solely by funds secured by the Developer. The DBRA will reimburse the Developer for the cost of approved eligible activities, but only from tax increment revenues generated from the Property. No advances have been or shall be made by the DBRA for the costs of eligible activities under this Plan.

All reimbursements authorized under this Plan shall be governed by the Reimbursement Agreement. The inclusion of eligible activities and estimates of costs to be reimbursed in this Plan are intended to authorize the DBRA to fund such reimbursements and does not obligate the DBRA to fund any reimbursement or to enter into the Reimbursement Agreement providing for the reimbursement of any costs for which tax increment revenues may be captured under this Plan, or which are permitted to be reimbursed under this Plan. The amount and source of any tax increment revenues that will be used for purposes authorized by this Plan, and the terms and conditions for such use and upon any reimbursement of the expenses permitted by this Plan, will be provided solely under the Reimbursement Agreement contemplated by this Plan.

Unless otherwise agreed upon by the Developer, the DBRA, and the State of Michigan, the DBRA shall not incur any note or bonded indebtedness to finance the purposes of this Plan.

Interest shall be paid under this Plan as provided in the Reimbursement Agreement, provided that to the extent that the Michigan Strategic Fund or Michigan Department of Environmental Quality does not approve the payment of interest on an eligible activity with school taxes, interest shall not accrue or be paid under this Plan with respect to the cost of such eligible activity. Unless otherwise agreed upon by the Developer, the DBRA, and the State of Michigan, the DBRA may approve interest on the local portion of the reimbursement to the extent that the projected internal rate of return to the Developer does not exceed twenty (20%), as more specifically stated in the Reimbursement Agreement.

Reimbursements under the Reimbursement Agreement shall not exceed the cost of Eligible Activities permitted under this Plan.

F. Duration of Plan (Section 13(2)(f))

Subject to Section 13b(16) of Act 381, the beginning date of capture of tax increment revenues for each eligible property shall occur in accordance with the Tax Increment Financing (TIF) table described in Exhibit F. In no event, however, shall this Plan extend beyond the maximum term allowed by Section 13(2)(f) of Act 381 for the duration of this Plan.

Furthermore, this Plan, or any subsequent amendment thereto, may be abolished or terminated in accordance with Section 14(8) of Act 381 in the event of any of the following:

a. The governing body may abolish this Plan (or any subsequent amendment thereto) when it finds that the purposes for which this Plan was established have been accomplished.

b. The governing body may terminate this Plan (or any subsequent amendment thereto) if the project for which eligible activities were identified in this Plan (or any subsequent amendment thereto) fails to occur with respect to the eligible property for at least two (2) years following the date of the governing body resolution approving this Plan (or any subsequent amendment thereto), provided that the governing body first does both of the following: (i) gives 30 days' written notice to the Developer at its last known address by certified mail or other method that documents proof of delivery attempted; and (ii) provides the Developer with an opportunity to be heard at a public meeting.

Notwithstanding anything in this subsection to the contrary, this Plan (or any subsequent amendment thereto) shall not be abolished or terminated until the principal and interest on bonds, if any, issued under Section 17 of Act 381 and all other obligations to which the tax increment revenues are pledged have been paid or funds sufficient to make the payment have been identified or segregated.

G. Effective Date of Inclusion in Brownfield Plan

The Property will become a part of this Plan on the date this Plan is approved by the governing body.

H. Displacement/Relocation of Individuals on Eligible Property (Section 13(2)(i-l))

There are no persons or businesses residing on the eligible property and no occupied residences will be acquired or cleared, therefore there will be no displacement or relocation of persons or businesses under this Plan.

I. Local Brownfield Revolving Fund ("LBRF") (Section 8; Section 13(2)(m))

The DBRA has established a Local Brownfield Revolving Fund (LBRF). The LBRF will consist of all tax increment revenues authorized to be captured and deposited in the LBRF, as specified in Section 13(5) of Act 381, under this Plan and any other plan of the DBRA. It may also include funds appropriated or otherwise made available from public or private sources.

The amount of tax increment revenue authorized for capture and deposit in the LBRF is estimated at \$1,658,008.00. All funds, if any, deposited in the LBRF shall be used in accordance with Section 8 of Act 381.

J. Brownfield Redevelopment Fund (Section 8a; Section 13(2)(m))

The DBRA shall pay to the Department of Treasury at least once annually an amount equal to 50% of the taxes levied under the state education tax, 1993 PA 331, MCL 211.901 to 211.906, that are captured under this Plan for up to the first twenty-five (25) years of the duration of capture of tax increment revenues for each

eligible property included in this Plan. If the DBRA pays an amount equal to 50% of the taxes levied under the state education tax, 1993 PA 331, MCL 211.901 to 211.906, on a parcel of eligible property to the Department of Treasury under Section 13b(14) of Act 381, the percentage of local taxes levied on that parcel and used to reimburse eligible activities for the Project under this Plan shall not exceed the percentage of local taxes levied on that parcel that would have been used to reimburse eligible activities for the Project under this Plan if the 50% of the taxes levied under the state education tax, 1993 PA 331, MCL 211.901 to 211.906, on that parcel were not paid to the Department of Treasury under Section 13b(14) of Act 381.

K. Developer's Obligations, Representations and Warrants

The Developer and its affiliates shall comply with all applicable laws, ordinances, executive orders, or other regulations imposed by the City or any other properly constituted governmental authority with respect to the Property and shall use the Property in accordance with this Plan.

The Developer, at its sole cost and expense, shall be solely responsible for and shall fully comply with all applicable federal, state, and local relocation requirements in implementing this Plan.

The Developer represents and warrants that the legal descriptions for the Property described herein are accurate and correct to the best of its knowledge. The Developer acknowledges and agrees that the legal descriptions for the Property described herein are under review by the City of Detroit's Assessor's office and may be amended accordingly, as directed by the City of Detroit Assessor's office, to correctly designate the actual areas of the Property subject to this Plan.

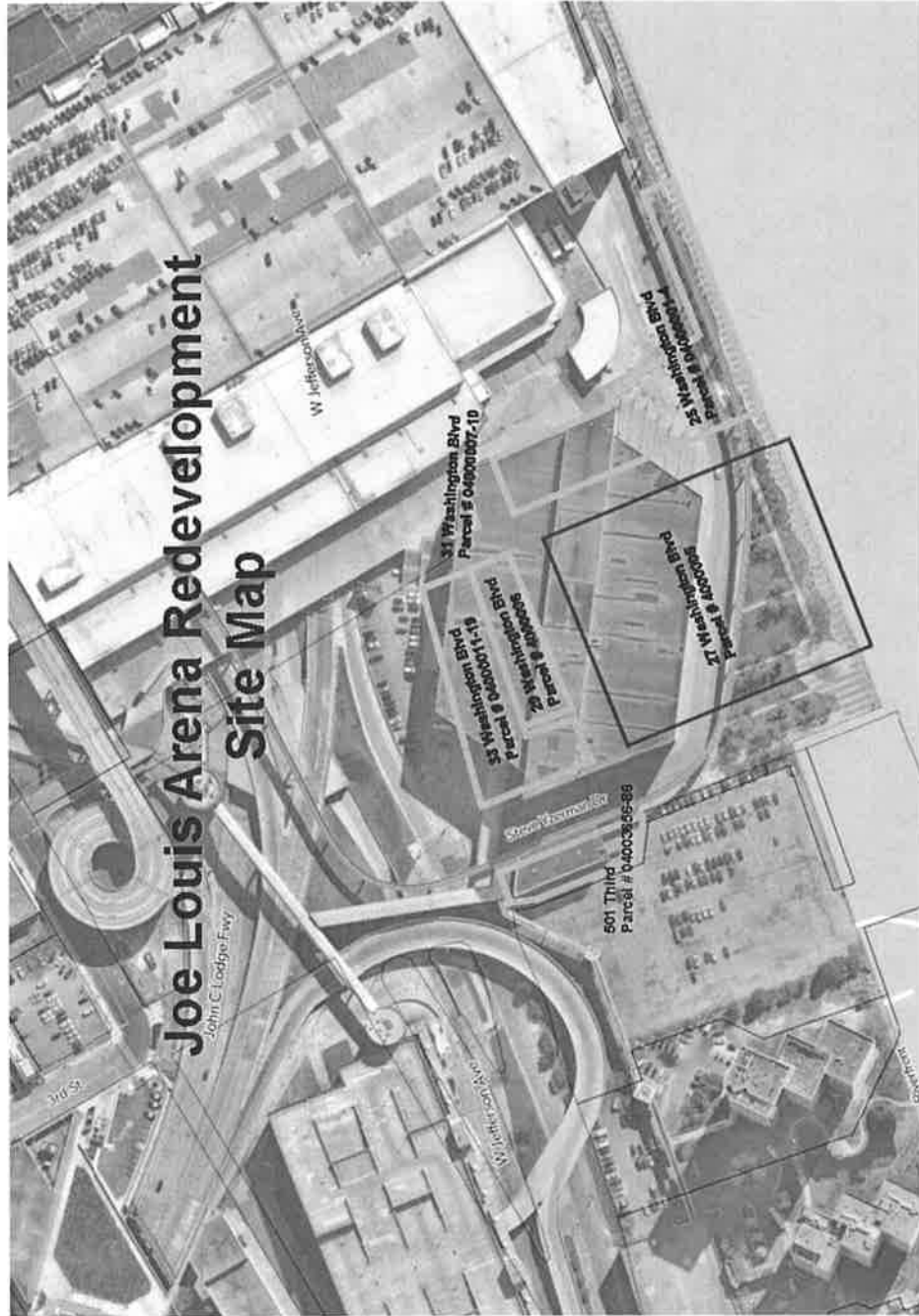
The Developer represents and warrants that a Phase I Environmental Site Assessment ("ESA"), and if appropriate, a Phase II ESA, baseline environmental assessment, and due care plan, pursuant to Part 201 of Michigan's Natural Resources and Environmental Protection Act (MCL 324.20101 *et seq.*), are underway on the Property ("Environmental Documents"). Copies of the reports will be provided to the City of Detroit's Department of Buildings, Safety Engineering and Environmental upon completion.

The Developer further represents and warrants that the Project does not and will not include a City of Detroit Land Bank Authority, Wayne County Land Bank Authority or State of Michigan Land Bank financing component.

Except as otherwise agreed to by the DBRA, any breach of a representation or warranty contained in this Plan shall render the Plan invalid, subject to the Developer's reasonable opportunity to cure as described in the Reimbursement Agreement.

ATTACHMENT A

Site Map



**Site boundaries depicted herein may vary slightly from actual boundaries in the legal descriptions found in Attachment B.*

ATTACHMENT B

Legal Descriptions of Eligible Property to which the Plan Applies

PROPERTY DESCRIPTION

(PER TITLE COMMITMENT NO. 681218 REVISION C, PREPARED BY FIRST AMERICAN TITLE INSURANCE COMPANY, DATED MARCH 17, 2016)

THE LAND REFERRED TO IN THIS COMMITMENT, SITUATED IN THE COUNTY OF WAYNE, CITY OF DETROIT, STATE OF MICHIGAN, IS DESCRIBED AS FOLLOWS:

LAND IN THE CITY OF DETROIT, WAYNE COUNTY, MICHIGAN, BEING ALL OF LOTS 12 THROUGH 20, BOTH INCLUSIVE AND PART OF LOTS 10, 11, AND 21 OF BLOCK D; ALSO ALL OF LOTS 1 THROUGH 30, BOTH INCLUSIVE OF BLOCK E; ALSO PART OF LOTS 3 AND 4 OF BLOCK C; ALSO PART OF LOTS 1 THROUGH 4, BOTH INCLUSIVE, OF BLOCK F; ALSO PART OF LOTS 22 THROUGH 30, BOTH INCLUSIVE, OF BLOCK A ALL OF THE MAP OF THE FRONT OF THE CASS FARM AS SUBDIVIDED INTO LOTS FOR THE PROPRIETORS, ACCORDING TO THE PLAT THEREOF AS RECORDED ON NOVEMBER 19, 1836, IN LIBER 9 OF CITY RECORDS, PAGE 409; INCLUDING ALL OF THE VACATED STREETS AND ALLEYS ADJACENT TO THE ABOVE DESCRIBED LOTS WITHIN THE BOUNDS OF THE FOLLOWING MORE PARTICULARLY DESCRIBED PARCEL: COMMENCING AT HARBOR REFERENCE MONUMENT NO. 39, SAID MONUMENT BEING 2.20 FEET WEST OF THE CENTERLINE OF THIRD STREET (60' WIDE) EXTENDED; THENCE NORTH 22 DEGREES 55 MINUTES 55 SECONDS WEST, 165.52 FEET ALONG A LINE PARALLEL TO AND 2.20 FEET WEST OF THE CENTERLINE OF THIRD STREET TO A POINT ON THE NORTH LINE OF STEVE YZERMAN DRIVE (DEDICATED AS CIVIC CENTER DRIVE) EXTENDED; THENCE SOUTH 84 DEGREES 15 MINUTES 14 SECONDS EAST, 36.70 FEET TO THE POINT OF BEGINNING AT THE INTERSECTION OF THE EAST LINE OF THIRD STREET AND THE NORTH LINE OF STEVE YZERMAN DRIVE; THENCE NORTH 22 DEGREES 55 MINUTES 55 SECONDS WEST, 334.26 FEET ALONG SAID EAST LINE OF THIRD STREET TO A POINT ON THE SOUTH LINE OF RELOCATED JEFFERSON AVENUE (VARIABLE WIDTH); THENCE THE FOLLOWING 3 COURSES ALONG THE SOUTH LINE OF JEFFERSON AVENUE AND JOHN C. LODGE FREEWAY: 1) ALONG A NON-TANGENT CURVE TO THE RIGHT 329.17 FEET, SAID CURVE HAVING A RADIUS OF 756.00 FEET, A CENTRAL ANGLE OF 24 DEGREES 56 MINUTES 50 SECONDS, AND LONG CHORD BEARING NORTH 86 DEGREES 15 MINUTES 59 SECONDS EAST, 326.58 FEET, AND 2) NORTH 75 DEGREES 01 MINUTES 45 SECONDS EAST, 40.50 FEET, AND 3) NORTH 81 DEGREES 06 MINUTES 07 SECONDS EAST, 99.72 FEET; THENCE SOUTH 31 DEGREES 06 MINUTES 22 SECONDS EAST, 338.27 FEET; THENCE SOUTH 63 DEGREES 43 MINUTES 17 SECONDS WEST, 18.10 FEET; THENCE SOUTH 30 DEGREES 25 MINUTES 42 SECONDS EAST, 155.04 FEET TO A POINT ON THE NORTH LINE OF STEVE YZERMAN DRIVE; THENCE THE FOLLOWING 3 COURSES ALONG SAID NORTH LINE: 1) SOUTH 67 DEGREES 44 MINUTES 55 SECONDS WEST, 152.14 FEET, AND 2) ALONG A TANGENT CURVE TO THE RIGHT 69.58 FEET, SAID CURVE HAVING A RADIUS OF 142.40 FEET, A CENTRAL ANGLE OF 27 DEGREES 59 MINUTES 49 SECONDS, AND A LONG CHORD BEARING SOUTH 81 DEGREES 44 MINUTES 53 SECONDS WEST, 68.89 FEET AND 3) NORTH 84 DEGREES 15 MINUTES 14 SECONDS WEST, 336.12 FEET TO THE POINT OF BEGINNING.

TAX ITEM NOS.:

- ▲ 000005/WARD 04
- ▲ 000001-4/WARD 04
- ▲ 000006/WARD 04
- ▲ 000011-19/WARD 04
- ▲ 000007-10/WARD 04
- 000401-3/WARD 24, AS TO BUILDING ON LEASED LAND

▲ - denotes parcel included in Brownfield Plan

TOGETHER WITH THE FOLLOWING NON-EXCLUSIVE EASEMENTS:

- A) GRANT OF MUTUAL EASEMENT (LOADING AREAS) AS CREATED, LIMITED AND DEFINED IN INSTRUMENT RECORDED IN LIBER 48125, PAGE 242, WAYNE COUNTY RECORDS.
- B) GRANT OF MUTUAL EASEMENT (UTILITIES) AS CREATED, LIMITED AND DEFINED IN INSTRUMENT RECORDED IN LIBER 48125 PAGE 264, WAYNE COUNTY RECORDS.

And

Address	501 THIRD
Parcel ID	Ward 04 Item 003656-86
Owner	City of Detroit
Legal Description	W THIRD PT OF LOTS 1 THRU 3 PT OF LOTS 28 THRU 30 AND VAC ALLEY ADJ ALSO PT OF VAC FRONT ST ADJ BLK H PLAT OF CASS FARM BETW DETROIT RIVER & LARNED ST L9 P409 CITY RECORDS W C R DESC AS BEG AT INTSEC W LINE THIRD ST 60 FT WD & S LINE JEFFERSON AVE AS WIDENED TH ALG SD W LINE S 22D 02M 53S E 209.54 FT TH N 83D 19M 52S W 62.45 FT TH N 22D 02M 53S W 157.63 FT TH N 08D 44M 55S W 28.47 FT TO S LINE SD JEFFERSON AVE TH ALG SD S LINE N 74D 49M 13S E 48.47 FT TO P O B 4/1 10 742 SQ FT

ATTACHMENT C

Project Description	
Type of Use	Assessments and demolition to prepare for mixed-used development which may include residential, commercial, and retail space. Project To Be Determined.
Square Footage (overall and retail/commercial/industrial/hotel)	Joe Louis Area Site = 5.192 acres (+/-)
Number of Housing Units (rental/for sale) (market rate/affordable)	Not applicable.
Additional Incentives	No additional incentives at this time.
Estimated Jobs Construction Jobs	70 Jobs
Project Timeline	Eligible activities may take up to three years

ATTACHMENT D
Support Letters

Detroit Transportation Corporation

Owner and Operator of the Detroit People Mover



June 8, 2018

Ms. Jennifer Kanalos
Director of Board Administration
Detroit Economic Growth Corporation
500 Griswold, Suite 2200
Detroit, MI 48226


RE: Letter of support for DEGC in connection with DBRA Project Plan – Joe Louis Arena Site
Redevelopment Project

Dear Ms. Kanalos:

This letter is issued to the Detroit Brownfield Redevelopment Authority (the "DBRA") in support of a brownfield plan (the "Brownfield Plan") being prepared in connection with the Joe Louis Arena (the "Property") Redevelopment Project.

With the recent vacation of the facility by Olympia Development, it is important that this facility not remain and fall into disrepair. The demolition of the Joe Louis Arena is important to ensure a safe and comfortable environment for our users of the People Mover and those coming to the Riverfront. Thus, the Detroit Transportation Corporation supports this Brownfield Plan as a funding mechanism to support the demolition of the Joe Louis Arena.

Sincerely,


Barbara Hansen, General Manager
Detroit Transportation Corporation

cc: Kevin Johnson, DEGC
Jennifer Kanalos, DEGC
Kenyetta Bridges, DEGC
Sarah Pavelko, DEGC
Brian Vosburg, DBRA

Wednesday, June 6, 2018

Jennifer Kanalos
Director of Board Administration
Detroit Economic Growth Corporation
500 Griswold, Suite 2200
Detroit, MI 48226

RE: Letter of support for DEGC in connection with DBRA Project Plan – Joe Louis Arena Site
Redevelopment Project

Dear Ms. Kanalos:

This letter is issued to the Detroit Brownfield Redevelopment Authority (the "DBRA") in support of a brownfield plan (the "Brownfield Plan") being prepared in connection with the Joe Louis Arena (the "Property") Redevelopment Project.

As the adjacent property owner of 701 W Jefferson, I am writing to support the City of Detroit's demolition of the Joe Louis Arena and the Brownfield Plan being submitted. Their effort to remove this obsolete structure and create a development ready project site is vital to attracting future investment to the West Riverfront. The demolition will ensure this property does not become blighted and safety concern.

Sincerely,



Peter Cummings
Principal, The Platform, LLC



BOARD OF DIRECTORS

Matthew P. Cohen
Chairman

Mark C. Wallace
President & CEO

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Usaid Rasul

Ramona Rodgers

Maria Elena Rodriguez

Nettie H. Seabrooks

Hon. Gary Sheffield

Rainee Starni

John W. Stein, III

Frank Venegas, Jr.

Jonathan T. Walton

Beverly J. Watts

Scott A. Wickens

Aaron Wilby

June 7, 2018

Jennifer Kanalos
Director of Board Administration
Detroit Economic Growth Corporation
500 Griswold, Suite 2200
Detroit, MI 48226

RE: Letter of support for DEGC in connection with DBRA Project Plan – Joe Louis Arena Site Redevelopment Project

Dear Ms. Kanalos:

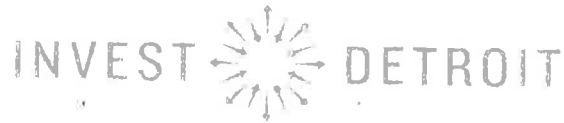
This letter is issued to the Detroit Brownfield Redevelopment Authority (the “DBRA”) in support of a brownfield plan (the “Brownfield Plan”) being prepared in connection with the Joe Louis Arena (the “Property”) Redevelopment Project.

The Detroit RiverFront Conservancy (DRFC) is a non-profit organization that has a mission to develop public access to Detroit’s riverfront and to have this development serve as an anchor for economic revitalization – all while working with others to create a more thriving, walkable and connected communities within Detroit. The demolition of this building could allow for a more people friendly development to be built on this site which supports our users of the riverfront. The future of this site will be a catalyst for other uses that encourage people to come to the water’s edge.

Thus, the DRFC supports this Brownfield Plan as a funding mechanism to support the demolition of the Joe Louis Arena. Please reach out to Karen Slaughter-DuPerry at 313-566-8257, if you have any further questions.

Sincerely,

Mark Wallace
President and CEO



June 7, 2018

Jennifer Kanalos
Director of Board Administration
Detroit Economic Growth Corporation
500 Griswold, Suite 2200
Detroit, MI 48226

RE: Letter of support for DEGC in connection with DBRA Project Plan – Joe Louis Arena Site Redevelopment Project

Dear Ms. Kanalos:

This letter is issued to the Detroit Brownfield Redevelopment Authority (the "DBRA") in support of the brownfield plan (the "Brownfield Plan") being prepared in connection with the Joe Louis Arena (the "Property") Redevelopment Project.

Invest Detroit strongly supports the City of Detroit's efforts to remove obsolete structures and create development-ready project sites. The demolition of the Joe Louis Arena is the first step in ensuring that this property attracts future investment for its eventual redevelopment and reactivation. This redevelopment will result in the creation of property taxes and new amenities for our Downtown.

Please feel free to reach out if you have any further questions, (313) 259-6368.

Sincerely,

A handwritten signature in cursive script that reads "Sarah L. McClelland".

Sarah McClelland
Chief Operating Officer



June 7, 2018

Ms. Jennifer Kanalos
Director of Board Administration
Detroit Economic Growth Corporation
500 Griswold, Suite 2200
Detroit, Michigan 48226

RE: Letter of support for DEGC in connection with DBRA Project Plan
Joe Louis Arena Site Redevelopment Project

Dear Ms. Kanalos:

This letter is issued to the Detroit Brownfield Redevelopment Authority (the "DBRA") in support of a brownfield plan (the "Brownfield Plan") being prepared in connection with the Joe Louis Arena (the "Property") Redevelopment Project.

The Downtown Detroit Partnership (DDP) has worked hard over the years to create a vibrant and safe downtown urban core for our visitors, employees and residents. Removal of vacant, obsolete structures is vital to us achieving this. With the recent vacation of Joe Louis Arena, it is vital to ensure the timely demolition of this structure in order to ensure it does not fall into disrepair or cause security concerns on our river's edge.

Thus, the DDP supports this Brownfield Plan as a funding mechanism to support the demolition of Joe Louis Arena. Please feel free to reach out to me if you have any further questions at elarson@downtowndetroit.org.

Sincerely,

A handwritten signature in black ink, appearing to read "Eric B. Larson", followed by a long horizontal line extending to the right.

Eric B. Larson
CEO, Downtown Detroit Partnership

ATTACHMENT E

ESTIMATED COST OF ELIGIBLE ACTIVITIES

Description of Eligible Activities	Estimated Cost
MSF Activities	
1. ALTA Survey	\$ 18,200
2. Engineering Services: Demo Design	\$ 840,286
3. Abatement and Demolition	\$ 8,829,870
4. Brownfield and Work Plan Preparation	\$ 15,000
5. Brownfield Plan Implementation	\$ 15,000
6. 15% Contingency	\$ 1,453,253
7. MSF Interest	\$ 2,346,038
Subtotal MSF	\$ 13,517,647
MDEQ Activities	
8. Environmental Assessment Activities	\$ 375,000
9. Response Activities	\$ 20,000
10. Due Care Activities	\$ 200,000
11. Brownfield and Work Plan Preparation	\$ 15,000
12. Brownfield Plan Implementation	\$ 15,000
13. 15% Contingency	\$ 89,250
14. MDEQ Interest	\$ 131,250
Subtotal MDEQ	\$ 845,500
Subtotal Site Eligible Activities	\$ 14,363,147
15. DBRA Administrative Costs	\$ 2,429,098
16. Local Brownfield Revolving Fund	\$ 1,658,008
17. State Brownfield Redevelopment Fund	\$ 1,822,047
Total Other Eligible Activities	\$ 5,909,154
Total Estimated Cost to be Funded Through TIF	\$ 20,272,301

ATTACHMENT F

TIF Tables

Tax Increment Revenue Capture Estimates
 Joe Louis Arena
 Detroit, Michigan
 October 2018

EXHIBIT A: Joe Louis Arena Brownfield Plan TIF TABLE

	Estimated Taxable Value (TV) Increase Rate: 1% per year														
	Plan Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Calendar Year	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	
Base Taxable Value \$	\$ 500,000	\$ 6,562,500	\$ 10,500,000	\$ 18,375,000	\$ 24,937,500	\$ 24,937,500	\$ 25,186,875	\$ 25,438,744	\$ 25,693,131	\$ 25,950,062	\$ 26,209,563	\$ 26,471,659	\$ 26,736,375	\$ 27,003,739	
Estimated New TV \$	\$ 500,000	\$ 6,562,500	\$ 10,500,000	\$ 18,375,000	\$ 24,937,500	\$ 24,937,500	\$ 25,186,875	\$ 25,438,744	\$ 25,693,131	\$ 25,950,062	\$ 26,209,563	\$ 26,471,659	\$ 26,736,375	\$ 27,003,739	
Incremental Difference (New TV - Base TV)	\$ 0	\$ 6,062,500	\$ 10,000,000	\$ 17,875,000	\$ 24,437,500	\$ 24,437,500	\$ 24,688,875	\$ 25,138,744	\$ 25,393,131	\$ 25,650,062	\$ 25,909,563	\$ 26,169,659	\$ 26,429,375	\$ 26,703,739	
School Capture															
Millage Rate															
State Education Tax (SET)	6.0000	\$ 3,000	\$ 39,375	\$ 63,000	\$ 110,250	\$ 133,875	\$ 149,625	\$ 151,121	\$ 152,632	\$ 154,159	\$ 155,700	\$ 157,257	\$ 158,830	\$ 160,418	\$ 162,022
School Operating Tax	18.0000	\$ 9,000	\$ 118,125	\$ 189,000	\$ 330,750	\$ 401,625	\$ 448,875	\$ 453,364	\$ 457,897	\$ 462,476	\$ 467,101	\$ 471,772	\$ 476,490	\$ 481,255	\$ 486,067
School Total															
Millage Rate															
Wayne County (Winter)	2.1737	\$ 1,087	\$ 14,265	\$ 22,824	\$ 39,942	\$ 48,501	\$ 54,207	\$ 54,749	\$ 55,296	\$ 55,849	\$ 56,408	\$ 56,972	\$ 57,541	\$ 58,117	\$ 58,698
Wayne County ISD	3.4643	\$ 1,732	\$ 22,734	\$ 36,375	\$ 63,657	\$ 77,297	\$ 86,391	\$ 87,255	\$ 88,127	\$ 89,009	\$ 89,899	\$ 90,798	\$ 91,706	\$ 92,623	\$ 93,549
Wayne County ENH	2.0000	\$ 1,000	\$ 13,125	\$ 21,000	\$ 36,750	\$ 44,625	\$ 49,875	\$ 50,374	\$ 50,877	\$ 51,386	\$ 51,900	\$ 52,419	\$ 52,943	\$ 53,473	\$ 54,007
0.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
0.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
0.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
0.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Total															
Millage Rate															
City Debt	8.2437	\$ 4,122	\$ 54,099	\$ 86,559	\$ 151,478	\$ 183,938	\$ 205,577	\$ 207,633	\$ 209,709	\$ 211,806	\$ 213,925	\$ 216,064	\$ 218,224	\$ 220,407	\$ 222,611
School Debt	13.0000	\$ 6,500	\$ 85,313	\$ 136,500	\$ 238,875	\$ 290,063	\$ 324,188	\$ 327,429	\$ 330,704	\$ 334,011	\$ 337,351	\$ 340,724	\$ 344,132	\$ 347,573	\$ 351,049
City Operating	19.9520	\$ 9,976	\$ 130,935	\$ 209,436	\$ 366,618	\$ 445,179	\$ 497,553	\$ 502,529	\$ 507,554	\$ 512,629	\$ 517,756	\$ 522,933	\$ 528,163	\$ 533,444	\$ 538,779
Library	4.6307	\$ 2,315	\$ 30,389	\$ 48,622	\$ 85,089	\$ 103,322	\$ 115,478	\$ 116,633	\$ 117,789	\$ 118,977	\$ 120,167	\$ 121,369	\$ 122,582	\$ 123,808	\$ 125,046
HCMA	0.2140	\$ 107	\$ 1,404	\$ 2,247	\$ 3,932	\$ 4,775	\$ 5,337	\$ 5,390	\$ 5,444	\$ 5,498	\$ 5,553	\$ 5,609	\$ 5,665	\$ 5,722	\$ 5,779
Wayne County Community College	3.2408	\$ 1,620	\$ 21,268	\$ 34,028	\$ 59,550	\$ 72,310	\$ 80,817	\$ 81,626	\$ 82,442	\$ 83,266	\$ 84,099	\$ 84,940	\$ 85,789	\$ 86,647	\$ 87,514
Wayne County Operating	5.6483	\$ 2,824	\$ 37,067	\$ 59,307	\$ 103,788	\$ 126,028	\$ 140,854	\$ 142,263	\$ 143,686	\$ 145,123	\$ 146,574	\$ 148,039	\$ 149,520	\$ 151,015	\$ 152,525
Wayne County DIA	0.2000	\$ 100	\$ 1,313	\$ 2,100	\$ 3,675	\$ 4,463	\$ 4,988	\$ 5,037	\$ 5,088	\$ 5,139	\$ 5,190	\$ 5,242	\$ 5,294	\$ 5,347	\$ 5,401
Wayne County Zoo	0.1000	\$ 50	\$ 656	\$ 1,050	\$ 1,838	\$ 2,231	\$ 2,494	\$ 2,519	\$ 2,544	\$ 2,569	\$ 2,595	\$ 2,621	\$ 2,647	\$ 2,674	\$ 2,700
Total Non-Capturable Taxes	55.2295														
Total Tax Increment Revenue (TIR) Available for Capture		\$ 15,819	\$ 207,624	\$ 332,199	\$ 581,348	\$ 705,923	\$ 788,973	\$ 796,862	\$ 804,831	\$ 812,879	\$ 821,008	\$ 829,218	\$ 837,510	\$ 845,885	\$ 854,344

Tax Increment Revenue Capture Estimates
 Joe Louis Arena
 Detroit, Michigan
 October 2018

EXHIBIT A: Joe Louis Arena Brownfield Plan TIF TABLE

	15	16	17	18	19	20	21	22	23	24	25	26	27	28
Plan Year	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051
Calendar Year														
Base Taxable Value	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Estimated New TV - Base TV	\$ 27,273,776	\$ 27,546,514	\$ 27,821,979	\$ 28,100,199	\$ 28,381,201	\$ 28,665,013	\$ 28,951,663	\$ 29,241,180	\$ 29,533,592	\$ 29,828,928	\$ 30,127,217	\$ 30,428,489	\$ 30,732,774	\$ 31,040,102
Incremental Difference (New TV - Base TV)	\$ 27,273,776	\$ 27,546,514	\$ 27,821,979	\$ 28,100,199	\$ 28,381,201	\$ 28,665,013	\$ 28,951,663	\$ 29,241,180	\$ 29,533,592	\$ 29,828,928	\$ 30,127,217	\$ 30,428,489	\$ 30,732,774	\$ 31,040,102
School Capture														
State Education Tax (\$ET)	6.0000	\$ 163,643	\$ 165,279	\$ 166,932	\$ 168,601	\$ 170,287	\$ 171,990	\$ 173,710	\$ 175,447	\$ 177,202	\$ 178,974	\$ 180,763	\$ 182,567	\$ 184,387
School Operating Tax	18.0000	\$ 490,928	\$ 495,837	\$ 500,796	\$ 505,804	\$ 510,862	\$ 515,970	\$ 521,130	\$ 526,341	\$ 531,605	\$ 536,921	\$ 542,290	\$ 547,713	\$ 553,191
School Total	24.0000													
Local Capture														
Wayne County (Winter)	2.1737	\$ 59,285	\$ 59,878	\$ 60,477	\$ 61,081	\$ 61,692	\$ 62,309	\$ 62,932	\$ 63,562	\$ 64,197	\$ 64,839	\$ 65,488	\$ 66,142	\$ 66,804
Wayne County ISD	3.4643	\$ 94,485	\$ 95,429	\$ 96,384	\$ 97,348	\$ 98,321	\$ 99,304	\$ 100,297	\$ 101,300	\$ 102,313	\$ 103,336	\$ 104,370	\$ 105,413	\$ 106,468
Wayne County ENH	2.0000	\$ 54,548	\$ 55,093	\$ 55,644	\$ 56,200	\$ 56,762	\$ 57,330	\$ 57,903	\$ 58,482	\$ 59,067	\$ 59,658	\$ 60,254	\$ 60,857	\$ 61,466
0.0000		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
0.0000		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
0.0000		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
0.0000		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Total	7.6380													
Non-Capturable Millages														
City Debt	8.2437	(ODA Capturable) \$ 224,837	\$ 227,085	\$ 229,356	\$ 231,650	\$ 233,966	\$ 236,306	\$ 238,669	\$ 241,056	\$ 243,466	\$ 245,901	\$ 248,360	\$ 250,843	\$ 253,352
School Debt	13.0000	(ODA Capturable) \$ 354,559	\$ 358,105	\$ 361,686	\$ 365,303	\$ 368,956	\$ 372,645	\$ 376,372	\$ 380,135	\$ 383,937	\$ 387,776	\$ 391,654	\$ 395,570	\$ 399,526
City Operating	19.9520	(ODA Capturable) \$ 544,166	\$ 549,608	\$ 555,104	\$ 560,655	\$ 566,262	\$ 571,924	\$ 577,644	\$ 583,420	\$ 589,254	\$ 595,147	\$ 601,098	\$ 607,109	\$ 613,180
Library	4.6307	(ODA Capturable) \$ 126,297	\$ 127,560	\$ 128,835	\$ 130,124	\$ 131,425	\$ 132,739	\$ 134,066	\$ 135,407	\$ 136,761	\$ 138,129	\$ 139,510	\$ 140,905	\$ 142,314
HGMA	0.2140	(ODA Capturable) \$ 5,837	\$ 5,895	\$ 5,954	\$ 6,013	\$ 6,074	\$ 6,134	\$ 6,196	\$ 6,258	\$ 6,320	\$ 6,383	\$ 6,447	\$ 6,512	\$ 6,577
Wayne County Community College	3.7408	(ODA Capturable) \$ 88,389	\$ 89,273	\$ 90,165	\$ 91,067	\$ 91,978	\$ 92,898	\$ 93,827	\$ 94,765	\$ 95,712	\$ 96,670	\$ 97,636	\$ 98,613	\$ 99,599
Wayne County Operating	5.6483	(ODA Capturable) \$ 154,050	\$ 155,591	\$ 157,147	\$ 158,718	\$ 160,306	\$ 161,909	\$ 163,528	\$ 165,163	\$ 166,815	\$ 168,483	\$ 170,168	\$ 171,869	\$ 173,584
Wayne County DIA	0.2000	\$ 5,455	\$ 5,509	\$ 5,564	\$ 5,620	\$ 5,676	\$ 5,733	\$ 5,790	\$ 5,848	\$ 5,907	\$ 5,966	\$ 6,025	\$ 6,086	\$ 6,147
Wayne County Zoo	0.1000	\$ 2,727	\$ 2,755	\$ 2,782	\$ 2,810	\$ 2,838	\$ 2,867	\$ 2,895	\$ 2,924	\$ 2,953	\$ 2,983	\$ 3,013	\$ 3,043	\$ 3,073
Total Non-Capturable Taxes	55.7295													
Total Tax Increment Revenue (TIR) Available for Capture	\$ 862,868	\$ 871,517	\$ 880,232	\$ 889,034	\$ 897,924	\$ 906,904	\$ 915,973	\$ 925,132	\$ 934,384	\$ 943,728	\$ 953,165	\$ 962,697	\$ 972,324	\$ 982,047

Tax Increment Revenue Capture Estimates
 Joe Louis Arena
 Detroit, Michigan
 October 2018

EXHIBIT A: Joe Louis Arena Brownfield Plan TIF TABLE

Estimated Taxable Value (TV) Increase Rate:

	Plan Year	29	TOTAL
	Calendar Year	2052	
	Base Taxable Value	\$ -	
	Estimated New TV	\$ 31,350,503	
	Incremental Difference (New TV - Base TV)	\$ 31,350,503	
School Capture			
	Millage Rate		
State Education Tax (SET)	6.0000		\$ 3,672,420
School Operating Tax	18.0000		\$ 11,017,260
	24.0000		
School Total			
	Millage Rate		
Wayne County (Winter)	2.1737	\$ 68,147	\$ 1,588,759
Wayne County ISD	3.4643	\$ 108,608	\$ 2,532,060
Wayne County ENH	2.0000	\$ 62,701	\$ 1,461,802
	0.0000	\$ -	\$ -
	0.0000	\$ -	\$ -
	0.0000	\$ -	\$ -
	0.0000	\$ -	\$ -
	0.0000	\$ -	\$ -
	7.6380	\$ -	\$ -
Local Total			
	Millage Rate		
City Debt	8.2437 (DDA Capturable)	\$ 258,444	\$ 6,025,337
School Debt	13.0000 (DDA Capturable)	\$ 407,557	\$ 9,501,710
City Operating	19.9520 (DDA Capturable)	\$ 625,505	\$ 14,582,932
Library	4.6507 (DDA Capturable)	\$ 145,175	\$ 3,384,582
HCMA	0.2140 (DDA Capturable)	\$ 6,709	\$ 156,413
Wayne County Community College	3.2408 (DDA Capturable)	\$ 101,601	\$ 2,368,703
Wayne County Operating	5.6483 (DDA Capturable)	\$ 177,077	\$ 4,128,347
Wayne County DIA	0.2000	\$ 6,270	\$ 146,180
Wayne County Zoo	0.1000	\$ 3,135	\$ 73,090
	55.2295		
Total Non-Capturable Taxes			
		\$ 239,455	\$ 20,272,301
Total Tax Increment Revenue (TIR) Available for Capture			
		\$ 239,455	\$ 20,272,301

Tax Incremental Revenue Reimbursement Allocation Table
 Joe Louis Arena
 Detroit, Michigan
 October 2018

Estimated Total
 Years of Plan: 29

Developer Maximum Reimbursement	Proportionality	School & Local Taxes	Local-Only Taxes	Total
State	87.80%	\$ 12,924,406		\$ 12,924,406
Local	12.11%	\$ 1,738,741		\$ 1,738,741
TOTAL				
MDECO	6%	\$ 845,500		\$ 845,500
MSF	9.4%	\$ 13,517,647		\$ 13,517,647

EXHIBIT A: Joe Louis Arena Brownfield Plan TIP TABLE

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	
State	\$ 12,000	\$ 157,500	\$ 315,000	\$ 472,500	\$ 630,000	\$ 787,500	\$ 945,000	\$ 1,102,500	\$ 1,260,000	\$ 1,417,500	\$ 1,575,000	\$ 1,732,500	\$ 1,890,000	\$ 2,047,500	\$ 2,205,000	\$ 2,362,500	\$ 2,520,000	\$ 2,677,500	\$ 2,835,000	\$ 2,992,500	
Local	\$ 1,500	\$ 29,688	\$ 59,375	\$ 89,063	\$ 118,750	\$ 148,438	\$ 178,125	\$ 207,813	\$ 237,500	\$ 267,188	\$ 296,875	\$ 326,563	\$ 356,250	\$ 385,938	\$ 415,625	\$ 445,313	\$ 475,000	\$ 504,688	\$ 534,375	\$ 564,063	\$ 593,750
TOTAL	\$ 13,500	\$ 187,188	\$ 374,375	\$ 561,563	\$ 748,750	\$ 935,938	\$ 1,123,125	\$ 1,310,313	\$ 1,497,500	\$ 1,684,688	\$ 1,871,875	\$ 2,059,063	\$ 2,246,250	\$ 2,433,438	\$ 2,620,625	\$ 2,807,813	\$ 2,995,000	\$ 3,182,188	\$ 3,369,375	\$ 3,556,563	\$ 3,743,750
State Tax Reimbursement	\$ 11,483	\$ 150,750	\$ 301,500	\$ 452,250	\$ 603,000	\$ 753,750	\$ 904,500	\$ 1,055,250	\$ 1,206,000	\$ 1,356,750	\$ 1,507,500	\$ 1,658,250	\$ 1,809,000	\$ 1,959,750	\$ 2,110,500	\$ 2,261,250	\$ 2,412,000	\$ 2,562,750	\$ 2,713,500	\$ 2,864,250	\$ 3,015,000
Local Tax Reimbursement	\$ 517	\$ 16,438	\$ 32,875	\$ 49,313	\$ 65,750	\$ 82,188	\$ 98,625	\$ 115,063	\$ 131,500	\$ 147,938	\$ 164,375	\$ 180,813	\$ 197,250	\$ 213,688	\$ 230,125	\$ 246,563	\$ 263,000	\$ 279,438	\$ 295,875	\$ 312,313	\$ 328,750
Total MSF Reimbursement Balance	\$ 13,500,000	\$ 203,626	\$ 407,251	\$ 610,876	\$ 814,501	\$ 1,018,126	\$ 1,221,751	\$ 1,425,376	\$ 1,629,001	\$ 1,832,626	\$ 2,036,251	\$ 2,239,876	\$ 2,443,501	\$ 2,647,126	\$ 2,850,751	\$ 3,054,376	\$ 3,258,001	\$ 3,461,626	\$ 3,665,251	\$ 3,868,876	\$ 4,072,501
Local Tax Reimbursement	\$ 618	\$ 19,703	\$ 39,406	\$ 59,109	\$ 78,813	\$ 98,516	\$ 118,219	\$ 137,923	\$ 157,626	\$ 177,329	\$ 197,032	\$ 216,735	\$ 236,438	\$ 256,142	\$ 275,845	\$ 295,548	\$ 315,251	\$ 334,954	\$ 354,658	\$ 374,361	\$ 394,065
Total MDECO Reimbursement Balance	\$ 845,500	\$ 618,000	\$ 1,236,000	\$ 1,854,000	\$ 2,472,000	\$ 3,090,000	\$ 3,708,000	\$ 4,326,000	\$ 4,944,000	\$ 5,562,000	\$ 6,180,000	\$ 6,798,000	\$ 7,416,000	\$ 8,034,000	\$ 8,652,000	\$ 9,270,000	\$ 9,888,000	\$ 10,506,000	\$ 11,124,000	\$ 11,742,000	\$ 12,360,000
Local Tax Reimbursement	\$ 85	\$ 2,719	\$ 5,438	\$ 8,157	\$ 12,236	\$ 17,315	\$ 22,394	\$ 27,473	\$ 32,552	\$ 37,631	\$ 42,710	\$ 47,789	\$ 52,868	\$ 57,947	\$ 63,026	\$ 68,105	\$ 73,184	\$ 78,263	\$ 83,342	\$ 88,421	\$ 93,500
Total Local Only Reimbursement Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Annual Developer Reimbursement	\$ 21,946	\$ 186,793	\$ 353,589	\$ 520,385	\$ 687,181	\$ 853,977	\$ 1,020,773	\$ 1,187,569	\$ 1,354,365	\$ 1,521,161	\$ 1,687,957	\$ 1,854,753	\$ 2,021,549	\$ 2,188,345	\$ 2,355,141	\$ 2,521,937	\$ 2,688,733	\$ 2,855,529	\$ 3,022,325	\$ 3,189,121	\$ 3,355,917
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Local Only Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Annual Developer Reimbursement	\$ 21,946	\$ 186,793	\$ 353,589	\$ 520,385	\$ 687,181	\$ 853,977	\$ 1,020,773	\$ 1,187,569	\$ 1,354,365	\$ 1,521,161	\$ 1,687,957	\$ 1,854,753	\$ 2,021,549	\$ 2,188,345	\$ 2,355,141	\$ 2,521,937	\$ 2,688,733	\$ 2,855,529	\$ 3,022,325	\$ 3,189,121	\$ 3,355,917

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Local Brownfield Revolving Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Local Only Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Annual Developer Reimbursement	\$ 21,946	\$ 186,793	\$ 353,589	\$ 520,385	\$ 687,181	\$ 853,977	\$ 1,020,773	\$ 1,187,569	\$ 1,354,365	\$ 1,521,161	\$ 1,687,957	\$ 1,854,753	\$ 2,021,549	\$ 2,188,345	\$ 2,355,141	\$ 2,521,937	\$ 2,688,733	\$ 2,855,529	\$ 3,022,325	\$ 3,189,121

Estimate:
 DRIIA administrative fee is 15% with a \$100,000 cap. This amount may be adjusted downward or upward based upon a plan's proportionate share of all tax-incremental revenue available and based upon maximum amounts that an authority can capture for administrative fees per PA 38-1.
 * Up to five years of capture for LBRF deposits after eligible activities are reimbursed. May be taken from MDECO Local TIR only.

Tax Incremental Revenue Reimbursement Allocation Table

Joe Louis Arena
Detroit, Michigan
October 2013

EXHIBIT A: Joe Louis Arena Brownfield Plan TIF TABLE

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	TOTAL
Total State Incremental Revenue	\$ 681,149	\$ 687,960	\$ 694,480	\$ 701,788	\$ 708,806	\$ 715,894	\$ 723,053	\$ 730,306				\$ 10,690,680
State Brownfield Redevelopment Fund (50% of SET)	\$ 85,144	\$ 85,995	\$ 86,855	\$ 87,724	\$ 88,601	\$ 89,487	\$ 90,382					\$ 1,022,047
State TIR Available for Reimbursement	\$ 596,005	\$ 601,965	\$ 607,625	\$ 614,064	\$ 620,205	\$ 626,407	\$ 632,624	\$ 113,306				\$ 12,867,633
Total Local Incremental Revenue	\$ 216,776	\$ 218,943	\$ 221,133	\$ 223,344	\$ 225,578	\$ 227,833	\$ 230,112	\$ 232,413	\$ 234,737	\$ 237,084	\$ 239,455	\$ 5,943,620
BDA Administrative Fee (15%)	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 1,200,000
Local TIR Available for Reimbursement	\$ 116,776	\$ 118,943	\$ 121,133	\$ 123,344	\$ 125,578	\$ 127,833	\$ 130,112	\$ 132,413	\$ 134,737	\$ 137,084	\$ 139,455	\$ 4,743,620
Total State & Local TIR Available	\$ 712,781	\$ 720,903	\$ 728,758	\$ 736,408	\$ 744,783	\$ 753,241	\$ 761,736	\$ 770,269	\$ 778,821	\$ 787,369	\$ 795,910	\$ 15,641,303
DEVELOPER												
DEVELOPER Reimbursement Balance	\$ 3,690,680	\$ 2,869,771	\$ 2,240,653	\$ 1,601,245	\$ 957,402	\$ 322,111	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MIS-Admin-Environmental Costs												
State Tax Reimbursement	\$ 670,822	\$ 674,412	\$ 678,001	\$ 681,601	\$ 685,211	\$ 688,831	\$ 692,461	\$ 696,101	\$ 699,751	\$ 703,411	\$ 707,081	\$ 8,411,552
Local Tax Reimbursement	\$ 589,615	\$ 596,139	\$ 602,663	\$ 609,188	\$ 615,713	\$ 622,238	\$ 628,763	\$ 635,288	\$ 641,813	\$ 648,338	\$ 654,863	\$ 7,811,252
Total MISF Reimbursement Balance	\$ 1,260,437	\$ 1,270,551	\$ 1,280,664	\$ 1,290,776	\$ 1,300,889	\$ 1,310,999	\$ 1,321,112	\$ 1,331,225	\$ 1,341,338	\$ 1,351,451	\$ 1,361,564	\$ 16,222,804
MISF-Environmental Costs												
State Tax Reimbursement	\$ 41,859	\$ 42,417	\$ 42,975	\$ 43,533	\$ 44,091	\$ 44,649	\$ 45,207	\$ 45,765	\$ 46,323	\$ 46,881	\$ 47,439	\$ 558,200
Local Tax Reimbursement	\$ 36,879	\$ 37,300	\$ 37,724	\$ 38,148	\$ 38,572	\$ 38,996	\$ 39,420	\$ 39,844	\$ 40,268	\$ 40,692	\$ 41,116	\$ 489,144
Total MISF Reimbursement Balance	\$ 78,738	\$ 79,717	\$ 80,699	\$ 81,681	\$ 82,663	\$ 83,645	\$ 84,627	\$ 85,609	\$ 86,591	\$ 87,573	\$ 88,555	\$ 1,047,344
Local TIR Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Local TIR Reimbursement Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Annual Developer Reimbursement	\$ 712,781	\$ 720,903	\$ 728,758	\$ 736,408	\$ 744,783	\$ 753,241	\$ 761,736	\$ 770,269	\$ 778,821	\$ 787,369	\$ 795,910	\$ 15,641,303
LOCAL BROWNFIELD REVOLVING FUND												
LIBF Deposits *	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total LIBF Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
* Up to five years of capture for LIBF Deposits after all												

Footnote:
 DBA Administrative Fee is 15% with a \$100,000 cap.
 * Represents the sum of tax increment revenue available
 Administrative fees per PA 36 L.

ATTACHMENT G

Functionally Obsolete Determination Letter and Other Environmental Documents, if any



CITY OF DETROIT
OFFICE OF THE CHIEF FINANCIAL OFFICER
OFFICE OF THE ASSESSOR

COLEMAN A. YOUNG MUNICIPAL CENTI
2 WOODWARD AVE., SUITE 824
DETROIT, MICHIGAN 48226
PHONE 313•224•3011
FAX 313•224•9400
WWW.DETROITMI.GOV

June 25, 2018

Ms. Jennifer Kanalos
Authorized Agent
City of Detroit Brownfield Redevelopment Authority
500 Griswold Street, 22nd Floor
Detroit, Michigan 48226

RE: 600 Civic Center Drive, Detroit, Michigan - Joe Louis Arena

Dear Ms. Kanalos:

The Office of the Assessor has reviewed the proposed project for the property located at 600 Civic Center Drive, Detroit, Michigan and more commonly known as the "Joe Louis Arena" (the "Property") in anticipation of the Property being included in a brownfield plan.

The Brownfield Redevelopment Financing Act ("Act 381") requires that a level III or IV assessor make a finding that the Property is "functionally obsolete", as defined by Act 381, and provide the underlying basis for that opinion.

Section 2(s) of Act 381 defines "functionally obsolete" as property that is "unable to be used to adequately perform the function for which it was intended due to a substantial loss in value resulting from factors such as overcapacity, changes in technology, deficiencies or superadequacies in design, or other similar factors that affect the property itself or the property's relationship with other surrounding property." MCL 125.2652(s).

The Assessors Manual defines functional obsolescence as "a loss in value occurring in a structure caused by changes in design, overcapacity, or inadequacy." Michigan Assessors Manual, Vol. I Glossary, p. 239.

The Joe Louis Arena was originally intended for use by a National Hockey League franchise, the Detroit Red Wings, and other professional ice related activities. Without substantial updates and renovations, the Property was no longer able to meet market demand for such activities for several reasons, including, but not limited to: existing electrical and mechanical systems are severely antiquated and the cost to replace/update these systems is extremely cost prohibitive; utilities for the Property are not energy efficient and the cost to update would be cost prohibitive; any expansion of the building is cost prohibitive because of the substantial asbestos throughout the building (i.e. exterior walls); restroom facilities are severely outdated and would require expensive refurbishment/overhaul; there is no on-site chilling or cooling equipment and the cost to install such equipment would be cost prohibitive; the Property is land locked and efficient traffic flow and control is problematic; the parking garages that support the Property are deteriorating and require extensive cost prohibitive repairs; etc. In fact, the Detroit Red Wings franchise has relocated to another location known as Little Caesars Arena because the Property was no longer suitable for its intended use.

The Office of the Assessor finds the Property to be functionally obsolete within the definition of the Assessors Manual and the Brownfield Redevelopment Financing Act.

Sincerely,

Scott Vandemergel, MMAO
Assessor
Board of Assessors

City of Detroit

Brownfield Redevelopment Authority

Community Advisory Committee

500 Griswold Street • Suite 2200

Detroit, Michigan 48226

Phone: 313 963-2940

Fax: 313 963-8839

October 24, 2018

The Honorable City Council
City of Detroit
Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 1340
Detroit, Michigan 48226

City of Detroit Brownfield Redevelopment Authority
Board of Directors
500 Griswold Street, Suite 2200
Detroit, Michigan 48226

Re: Recommendation for Approval of the Amended and Restated Joe Louis Arena Brownfield Redevelopment Plan

Honorable Members of the Detroit City Council and the City of Detroit Brownfield Redevelopment Authority Board of Directors:

In accordance with the resolution of the Detroit City Council creating the City of Detroit Brownfield Redevelopment Authority (the "Authority"), the Community Advisory Committee, at its meeting of October 24, 2018, adopted a resolution approving the proposed Amended and Restated Brownfield Plan for the Joe Louis Arena Redevelopment and recommending adoption of this Brownfield Plan by the Authority and City Council.

Please accept this letter of recommendation for approval from the Community Advisory Committee on the Amended and Restated Brownfield Plan for the Joe Louis Arena Redevelopment.

Very truly yours,

By:



Allen Rawls, Chairperson
Community Advisory Committee to the City of Detroit
Brownfield Redevelopment Authority



Detroit Brownfield Redevelopment Authority
500 Griswold Street • Suite 2200
Detroit, Michigan 48226
Phone: 313 963-2940
Fax: 313 963-8839

**MINUTES OF THE
DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
PUBLIC HEARING FOR THE**

**AMENDED AND RESTATED JOE LOUIS ARENA
BROWNFIELD REDEVELOPMENT PLAN**

**Monday, November 5, 2018
Detroit Economic Growth Corporation
500 Griswold, Suite 2200
Detroit, MI 48226
5:30 PM**

In attendance were:

Jennifer Kanalos (DEGC/DBRA)
Brian Vosburg (DEGC/DBRA)
Sarah Pavelko (DEGC)
Tim Palazzolo (DBA)
Tyler Tinsey (DBA)

Mr. Vosburg called the public hearing to order at 5:30PM.

No members of the general public were in attendance. There were no comments received in favor of or in opposition to the plan.

Mr. Vosburg closed the public hearing at 5:45PM.



Detroit Brownfield Redevelopment Authority
500 Griswold Street • Suite 2200
Detroit, Michigan 48226
Phone: 313 963-2940
Fax: 313 963-8839

CODE DBRA 18-11-256-05

AMENDED AND RESTATED JOE LOUIS ARENA BROWNFIELD REDEVELOPMENT PLAN

WHEREAS, pursuant to 381 PA 1996, as amended ("Act 381"), the City of Detroit Brownfield Redevelopment Authority (the "DBRA") has been established by resolution of the City Council of the City of Detroit (the "City Council") for the purpose of promoting the revitalization of environmentally distressed areas in the City of Detroit; and

WHEREAS, under Act 381 the DBRA is authorized to develop and propose for adoption by City Council a brownfield plan for one or more parcels of eligible property; and

WHEREAS, in accordance with the policies, procedures and bylaws governing the DBRA, the DBRA has submitted a proposed Amended and Restated Brownfield Plan for the Joe Louis Arena Redevelopment Project (the "Plan") to the Community Advisory Committee for its consideration and comment and has solicited comments by the public by publication of notice stating that the proposed Plan has been submitted to the Community Advisory Committee and by conducting a public hearing in the area to which the proposed Plan applies; and

WHEREAS, the Community Advisory Committee has considered the proposed Plan and approved a resolution recommending the approval of the proposed Plan by the DBRA and the City Council as presented by the DBRA; and

WHEREAS, in accordance with the provisions of Act 381, the Board of Directors of the DBRA has considered the proposed Plan and desires to approve the proposed Plan and to request that City Council call a public hearing to consider and adopt a resolution approving the proposed Plan.

NOW, THEREFORE, BE IT RESOLVED:

1. The Board of Directors of the DBRA has determined that the adoption of the Amended and Restated Brownfield Plan for the **Joe Louis Arena Redevelopment Project** is in keeping with the purposes of Act 381 and recommends submittal of the Plan to City Council for approval.

2. The Board of Directors of the DBRA has determined that the Plan constitutes a "Qualifying Downtown Brownfield Project" under that certain Interlocal Agreement by and between the DBRA and the City of Detroit Downtown Development Authority.

3. The Board of Directors of the DBRA approves the Plan substantially in the form attached hereto and on file with the Secretary of the DBRA.

4. Any Authorized Agent of the DBRA is authorized and directed to submit a certified copy of this Resolution and the Plan to the City Clerk, together with a request that the City Council call a public hearing concerning the Plan and to take all other actions required to approve the Plan in accordance with Act 381.

5. That any one of the officers and any one of the Authorized Agents of the DBRA or any two of the Authorized Agents of the DBRA shall hereafter have the authority to negotiate and execute all documents, contracts, or other papers, and take such other actions, necessary or appropriate to implement the provisions and intent of this Resolution on behalf of the DBRA.

6. That all of the acts and transactions of any officer or authorized agent of the DBRA, in the name and on behalf of the DBRA, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

7. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are rescinded.

November 7, 2018

EXHIBIT D

**RESOLUTION CALLING A PUBLIC HEARING REGARDING
APPROVAL OF THE AMENDED AND RESTATED BROWNFIELD PLAN OF THE
CITY OF DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
FOR THE JOE LOUIS ARENA REDEVELOPMENT**

The following preamble and resolution were offered by Member _____ and supported by Member _____:

WHEREAS, the City of Detroit, County of Wayne, Michigan (the "City") is authorized by the provisions of Act 381, Public Acts of Michigan, 1996 ("Act 381"), to create a brownfield redevelopment authority; and

WHEREAS, pursuant to Act 381, the City Council of the City duly established the City of Detroit Brownfield Redevelopment Authority (the "Authority"); and

WHEREAS, in accordance with the provisions of Act 381, the Authority has prepared an Amended and Restated Brownfield Plan for the Joe Louis Arena Redevelopment (the "Plan") and submitted the Plan to the Community Advisory Committee for review and comment; and

WHEREAS, after receipt of the recommendation of the Community Advisory Committee to approve the, the Authority has approved the Plan and forwarded it to City Council with a request for its approval; and

WHEREAS, prior to approval of the Plan, the City Council is required to hold a public hearing in connection with consideration of the Plan pursuant to Act 381.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Council hereby acknowledges receipt of the Plan from the Authority.
2. A public hearing is hereby called on Thursday, the 15th day of November, 2018 at 10:45 AM, prevailing Eastern Time, in the Council Chambers, 13th Floor of the Coleman A. Young Municipal Center in the City to consider adoption by the City Council of a resolution approving the Plan.

3. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are rescinded.

4. The City Clerk is requested to submit one (1) certified copies of this resolution to the DBRA, 500 Griswold Street, Suite 2200, Detroit, MI 48226.

AYES: Members _____

NAYS: Members _____

RESOLUTION DECLARED ADOPTED.

WAIVER OF RECONSIDERATION

Janice Winfrey, City Clerk
City of Detroit
County of Wayne, Michigan

**RESOLUTION APPROVING AMENDED AND RESTATED BROWNFIELD PLAN
OF THE CITY OF DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
FOR THE JOE LOUIS ARENA REDEVELOPMENT PROJECT**

City of Detroit
County of Wayne, Michigan

WHEREAS, pursuant to 381 PA 1996, as amended (“Act 381”), the City of Detroit Brownfield Redevelopment Authority (“Authority”) has been established by resolution of the City Council of the City of Detroit (the “City”) for the purpose of promoting the revitalization of eligible properties in the City; and

WHEREAS, under Act 381 the Authority is authorized to develop and propose for adoption by City Council a brownfield plan for one (1) or more parcels of eligible property; and

WHEREAS, pursuant to the resolution establishing the Authority and the bylaws of the Authority, the Authority has submitted a proposed Amended and Restated Brownfield Plan for the Joe Louis Arena Redevelopment Project (the “Plan”); and

WHEREAS, the Authority submitted the Plan to the Community Advisory Committee for consideration on October 24, 2018, per the provisions of the resolution establishing the Authority, and a public hearing was conducted by the Authority on November 5, 2018 to solicit comments on the proposed Plan; and

WHEREAS, the Community Advisory Committee recommended approval of the Plan on October 24, 2018; and

WHEREAS, the Authority determined that the Plan constitutes a “Qualifying Downtown Brownfield Project” under that certain Interlocal Agreement by and between the Authority and the City of Detroit Downtown Development Authority approved the Plan on November 7, 2018 and forwarded it to the City Council with a request for its approval of the Plan; and

WHEREAS, the required notice of the public hearing on the Plan was given in accordance with Section 13 of Act 381; and

WHEREAS, the City Council held a public hearing on the proposed Plan on November 15, 2018.

NOW, THEREFORE, BE IT RESOLVED, THAT:

1. Definitions. Where used in this Resolution the terms set forth below shall have the following meaning unless the context clearly requires otherwise:

“Eligible Activities” or “eligible activity” shall have the meaning described in Act 381.

“Eligible Property” means the property designated in the Plan as the Eligible Property, as described in Act 381.

“Plan” means the Plan prepared by the Authority, as transmitted to the City Council by the Authority for approval, copies of which Plan are on file in the office of the City Clerk.

“Taxing Jurisdiction” shall mean each unit of government levying an ad valorem property tax on the Eligible Property.

2. Public Purpose. The City Council hereby determines that the Plan constitutes a public purpose.

3. Best Interest of the Public. The City Council hereby determines that it is in the best interests of the public to promote the revitalization of environmentally distressed areas in the City to proceed with the Plan.

4. Review Considerations. As required by Act 381, the City Council has in reviewing the Plan taken into account the following considerations:

(a) Portions of the property designated in the Plan meets the definition of Eligible Property, as described in Act 381, including consideration of the criteria of “blighted” as defined in Act 381;

(b) The Plan meets the requirements set forth in section 13 of Act 381.

(c) The proposed method of financing the costs of eligible activities is feasible and the Authority has the ability to arrange the financing.

(d) The costs of eligible activities proposed are reasonable and necessary to carry out the purposes of Act 381.

(e) The amount of captured taxable value estimated to result from adoption of the Plan is reasonable.

5. Approval and Adoption of Plan. The Plan as submitted by the Authority is hereby approved and adopted. A copy of the Plan and all amendments thereto shall be maintained on file in the City Clerk’s office.

6. Preparation of Base Year Assessment Roll for the Eligible Property.

(a) Within 60 days of the adoption of this Resolution, the City Assessor shall prepare the initial Base Year Assessment Roll for the Eligible Property in the Plan. The initial Base Year Assessment Roll shall list each Taxing Jurisdiction levying taxes on the Eligible Property on the effective date of this Resolution and the amount of tax revenue derived by each Taxing Jurisdiction from ad valorem taxes on the Eligible Property, excluding millage specifically levied for the payment of principal and interest of obligations approved by the electors or obligations pledging the unlimited taxing power of the local governmental unit.

(b) The City Assessor shall transmit copies of the initial Base Year Assessment Roll to the City Treasurer, County Treasurer, Authority and each Taxing Jurisdiction which will have Tax Increment Revenues captured by the Authority, together with a notice that the Base Year Assessment Roll has been prepared in accordance with this Resolution and the Plan approved by this Resolution.

7. Preparation of Annual Base Year Assessment Roll. Each year within 15 days following the final equalization of the Eligible Property, the City Assessor shall prepare an updated Base Year Assessment Roll. The updated Base Year Assessment Roll shall show the information required in the initial Base Year Assessment Roll and, in addition, the Tax Increment Revenues for each Eligible Property for that year. Copies of the annual Base Year Assessment Roll shall be transmitted by the Assessor to the same persons as the initial Base Year Assessment Roll, together with a notice that it has been prepared in accordance with the Plan.

8. Establishment of Project Fund; Approval of Depository. The Authority shall establish a separate fund for the Eligible Property subject to this Plan, which shall be kept in a depository bank account or accounts in a bank or banks approved by the Treasurer of the City. All moneys received by the Authority pursuant to the Plan shall be deposited in the Project Fund for the Eligible Property. All moneys in the Project Fund and earnings thereon shall be used only in accordance with the Plan and Act 381.

9. Use of Moneys in the Project Fund. The moneys credited to the Project Fund and on hand therein from time to time shall be used annually to first make those payments authorized by and in accordance with the Plan and any development agreement governing such payments and then to the Local Brownfield Revolving Fund, as authorized by Act 381:

10. Return of Surplus Funds to Taxing Jurisdictions. The Authority shall return all surplus funds not deposited in the Local Brownfield Revolving Fund proportionately to the Taxing Jurisdictions.

11. Payment of Tax Increment Revenues to Authority. The municipal and the county treasurers shall, as ad valorem and specific local taxes are collected on the Eligible Property, pay the Tax Increment Revenues to the Authority for deposit in the Project Fund. The payments shall be made not more than 30 days after the Tax Increment Revenues are collected.

12. Disclaimer. By adoption of this Resolution and approval of the Plan, the City assumes no obligation or liability to the owner, developer, lessee or lessor of the Eligible Property for any loss or damage that may result to such persons from the adoption of this Resolution and Plan. The City makes no guarantees or representations as to the determinations of the appropriate state officials regarding the ability of the Authority to capture tax increment revenues from the State and local school district taxes for the Plan.

13. Repealer. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

14. The City Clerk is requested to submit one (1) certified copies of this Resolution to the DBRA, 500 Griswold Street, Suite 2200, Detroit, MI 48226

AYES: Members

NAYS: Members

RESOLUTION DECLARED ADOPTED.

Janice Winfrey, City Clerk
City of Detroit
County of Wayne, Michigan

WAIVER OF RECONSIDERATION IS REQUESTED

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Detroit, County of Wayne, State of Michigan, at a regular meeting held on _____, 2018, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

Janice Winfrey, City Clerk
City of Detroit
County of Wayne, Michigan

K:\Art's And Wills\Arts DBRA Backup\Correspondence\City Council Resolutions\2018 City Council Resolutions\Amended and Restated Joe Louis Arena TIF CC resolution Qualifying Downtown Project.docx



November 7, 2018

Detroit City Council
1340 Coleman A. Young Municipal Center
Detroit, MI 48226

RE: Request for Public Hearing for Petition #474 to Establish a Commercial Rehabilitation District for City of Detroit Planning and Development Department in the area of 81, 95, 107, 119 Garfield Street, Detroit, Michigan, in accordance with Public Act 210 of 2005.

Honorable City Council:

The Housing and Revitalization Department has reviewed the request of **City of Detroit Planning and Development Department** to establish a Commercial Rehabilitation District, and find that it satisfies the criteria set forth by Public Act 210 of 2005 and that it would be consistent with the development and economic goals of the Master Plan.

Per Public Act 210 of 2005, prior to acting upon the resolution to approve a district, a public hearing must be held, and the City Clerk must provide written notice of the public hearing to the assessor and to the governing body of each taxing unit that levies an ad valorem tax within the eligible district, **said notice to be made not less than 10 days or more than 30 days** prior to your Honorable Body's adoption of said resolution.

We request that a public hearing be scheduled on the issue of adopting a resolution to establish a new commercial rehabilitation district. Attached for your consideration, please find a resolution establishing a date and time for the public hearing.

Respectfully submitted,

Donald Rencher
Director

DR/vf

cc: S. Washington, Mayor's Office
M. Cox, PDD
D. Rencher, HRD
V. Farley, HRD

Plans



BY COUNCIL MEMBER _____

WHEREAS, pursuant to Public Act No. 210 of 2005 (“the Act”) this City Council may adopt resolution which approves the request to establish a Commercial Rehabilitation District within the boundaries of the City of Detroit; and

WHEREAS, City of Detroit Planning and Development Department has requested that a Commercial Rehabilitation District be established as particularly described in the legal description and illustrated in the map attached hereto; and

WHEREAS, prior to such approval, the City Council shall provide an opportunity for a Public Hearing, at which Public Hearing on such adoption of a resolution providing such tax exemption, at which Public Hearing representatives of any taxing authority levying *ad valorem* taxes within the City, or any other resident or taxpayer of the City of Detroit may appear and be heard on the matter.

NOW THEREFORE BE IT

RESOLVED, that on _____, 2018 in the City Council Committee Room, 13th floor, Coleman A. Young Municipal Center, a Public Hearing be held on the above described application and be it finally

RESOLVED, that the City Clerk shall give notice of the Public Hearing to the general public and shall give written notice of the Public Hearing by certified mail to all taxing authorities levying an *ad valorem* tax within the City of Detroit, **such notices to be provided not less than 10 days or more than 30 days** before the date of the hearing.

City of Detroit
OFFICE OF THE CITY CLERK

Janice M. Winfrey
City Clerk

Caven West
Deputy City Clerk/Chief of Staff

DEPARTMENTAL REFERENCE COMMUNICATION

Monday, October 08, 2018

To: *The Department or Commission Listed Below*

From: *Janice M. Winfrey, Detroit City Clerk*

AMENDMENT

Herewith, the following referral is a copy of Petition **474**

LAW DEPARTMENT LEGISLATIVE POLICY DIVISION
PLANNING AND DEVELOPMENT DEPARTMENT FINANCE DEPT/ASSESSMENTS DIV.

474 *AKT Peerless, request to Establish a Commercial Rehabilitation District for 81, 95, 107, and 119 Garfield Street in accordance with PA 210 of 2000.*

NOTE: **Attached please find additional documentation for the above mentioned petition.**

PETITIONER IS AMENDING PETITION DUE TO:

Change in Petitioner. See attached.

Please provide the City Council with a report relative to this petition within four (4) weeks. Thanking you in advance.

Attachment



CITY OF DETROIT
PLANNING AND DEVELOPMENT DEPARTMENT

COLEMAN A. YOUNG MUNICIPAL CENTER
2 WOODWARD AVENUE SUITE 808
DETROIT, MICHIGAN 48226
(313) 224-1339 • TTY:711
(313) 224-1310
WWW.DETROITMI.GOV

474

October 3, 2018

Detroit City Council
Coleman A. Young Municipal Center
2 Woodward Ave Suite 1340
Detroit, MI 48226

RE: Petition for the Establishment of a Commercial Rehabilitation District at 81, 95, 107 and 119 Garfield Street

Honorable City Council:

On behalf of the City of Detroit Planning and Development Department ("PDD"), please accept this letter requesting the establishment of a Commercial Rehabilitation Development District for the property located at **81, 95, 107 and 119 Garfield Street** as described on Attachment A.

PDD is submitting this request for a Commercial Rehabilitation District for the purpose of stimulating development in the area. The Developer, POAH DD Sugar Hill, LLC, was awarded the opportunity to redevelop the vacant former parking lot property by the City of Detroit through a Request for Proposal process. The vision for the property includes the construction of a multi-story, mixed-use development with ground floor commercial/retail space, and estimated 85 residential apartments, and residential amenities in order to accommodate both rental residential and commercial/retail uses. The redevelopment will also include an approximately 254-space parking structure to support both the commercial and residential tenants, as well as the general public.

The Developer, POAH DD Sugar Hill, LLC, is a partnership of Develop Detroit and Preservation of Affordable Housing, an arm of the Housing Partnership Network. The Housing Partnership Network is a collaboration of 100+ housing and community development nonprofits. POAH DD Sugar Hill, LLC, anticipates investing approximately \$34,243,000 to redevelop the property. Both the commercial/retail space and the residential space will be included within the PA 210 District. Construction is expected to begin in spring of 2019 and with an anticipated completion date of fall of 2020.

This development project meets the statutory requirements for a Commercial Rehabilitation District because it is located in a business area as described in MCL 207.842 Sec. 2. (b):

"Commercial rehabilitation district" or "district" means an area not less than 3 acres in size of a qualified local governmental unit established as provided in section 3. However, if the commercial rehabilitation district is located in a downtown or business area or contains



Detroit City Council

RE: Petition for the Establishment of a Commercial Rehab. District at 81, 95, 107 & 119 Garfield
October 3, 2018

Page 2

a qualified retail food establishment, as determined by the legislative body of the qualified local governmental unit, the district may be less than 3 acres in size.


This project is on a block that is mostly zoned General Business, plus the parcels themselves are zoned as a Planned Development District. Additionally the parcels located within the proposed District are eligible because of commercial use (parking) which occurred within the previous 15 years, as stated in MCL 207.842 Sec. 2. (h).

Creation of the district and approval of an exemption certificate is necessary for the viability of the project. The property has lain vacant since the mid-1990s and previous attempts to redevelop the site never came to fruition. The project is estimated to create 15 full-time equivalent employees and 132 construction jobs.

The number of years requested for the CRA exemption is ten (10).

The redevelopment will greatly increase urban density in the City of Detroit and provide residential low income and market value housing options, in addition to much-needed commercial and retail space. The new development will further be supported by the 254-space parking deck, which will support both residential and commercial uses and the neighborhood generally. The project will create jobs for local residents, increase commercial activity, spur redevelopment of adjacent underutilized and vacant properties, and will provide additional tax revenue for the City of Detroit. The applicant is not delinquent in the payment of any taxes related to the subject property. The applicant is also applying for Tax Increment Financing.

Respectfully submitted,



Maurice D. Cox
Director
Planning & Development

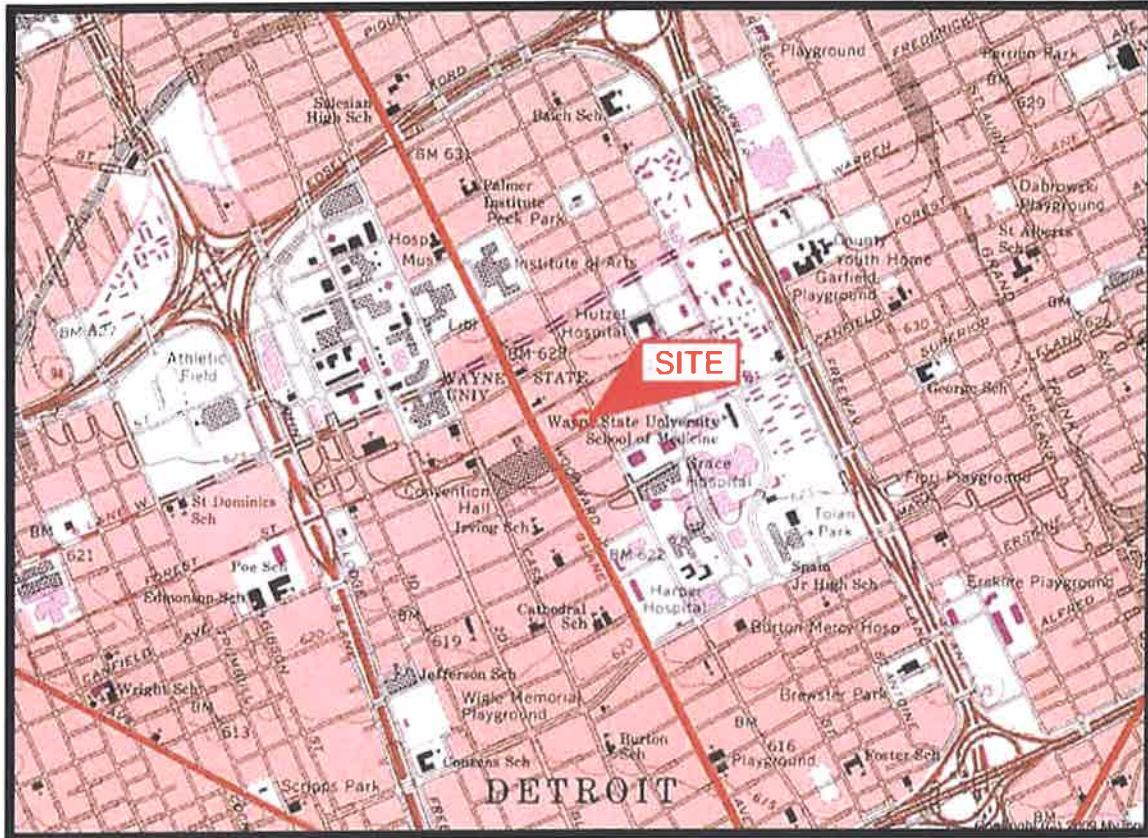
Attachment A: Site Map that includes the parcel(s) of property / Legal Description

Attachment B: A copy of the development agreement and/or purchase agreement

cc: K. Bridges, DEGC
N. Marsh, DEGC
V. Farley, HRD

ATTACHMENT A

**DETROIT QUADRANGLE
MICHIGAN - WAYNE COUNTY
7.5 MINUTE SERIES (TOPOGRAPHIC)**



T.2 S.-R.12 E.

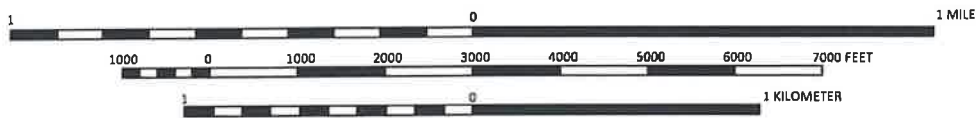


IMAGE TAKEN FROM 1968 U.S.G.S. TOPOGRAPHIC MAP
PHOTOREVISED 1973 & 1980

AKTPEERLESS

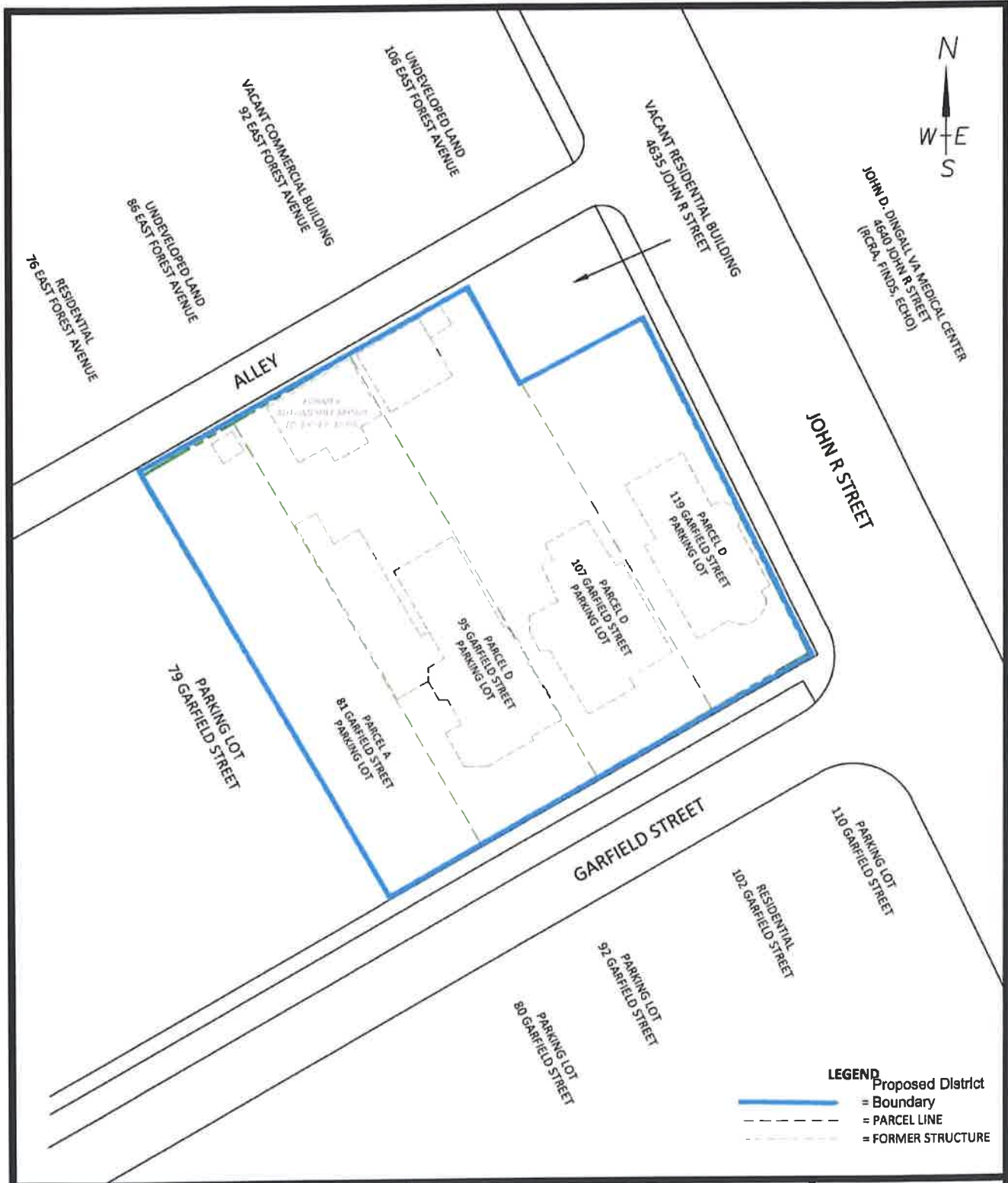
www.aktpeerless.com

TOPOGRAPHIC LOCATION MAP

81-119 GARFIELD STREET
DETROIT, MICHIGAN
PROJECT NUMBER: 12829F-8-17

DRAWN BY: OGO
DATE: 01/31/2018

FIGURE 1



LEGEND
 Proposed District
 = Boundary
 = PARCEL LINE
 = FORMER STRUCTURE

AKTPEERLESS

www.aktpeerless.com

SUBJECT PROPERTY MAP

81-119 GARFIELD STREET
 DETROIT, MICHIGAN
 PROJECT NUMBER: 12829F-8-17

DRAWN BY: OGO
 DATE: 01/31/2018

0 25 50
 SCALE: 1" = 50'

FIGURE 2



Address 81 GARFIELD
 Parcel ID 010001163.
 Owner CITY OF DETROIT-P&DD
 Zoning Code PD
 Zoning High Density Residential District
 Taxable Status CITY OWNED
 State Equalized Value 0.0
 Land Value 184000.0
 Taxable Value 0.0
 Tax Status OK
 Last Sale Price 0.0
 Total Acres 0.169
 Frontage 40.0
 Depth 184.0
 Sq. Ft 7360.0
 District 6
 Zip 48201
 Ward 01
 Subdivision HUBBARD & KINGS SUB
 Legal Description N GARFIELD W 40 FT & HUBBARD & KINGS L7 P20 PLATS, W C R 1/66 40 X 184.26

Address 95 GARFIELD
Parcel ID 01001164.
Owner CITY OF DETROIT-P&DD
Zoning Code PD
Zoning High Density Residential District
Taxable Status CITY OWNED
State Equalized Value 0.0
Land Value 276000.0
Taxable Value 0.0
Tax Status OK
Last Sale Price 0.0
Total Acres 0.253
Frontage 60.0
Depth 184.0
Sq. Ft 11040.0
District 6
Zip 48201
Ward 01
Subdivision HUBBARD & KINGS SUB
Legal Description N GARFIELD E 10 FT 8 9 HUBBARD & KINGS L7 P20 PLATS, WC R 1/66 60 X 184.26





Address	107 GARFIELD
Parcel ID	01001165.
Owner	CITY OF DETROIT-P&DD
Zoning Code	PD
Zoning	High Density Residential District
Taxable Status	CITY OWNED
State Equalized Value	0.0
Land Value	2300000.0
Taxable Value	0.0
Tax Status	OK
Last Sale Price	0.0
Total Acres	0.211
Frontage	50.0
Depth	184.0
Sq. Ft	9200.0
District	6
Zip	48201
Ward	01
Subdivision	HUBBARD & KINGS SUB
Legal Description	N GARFIELD 10 HUBBARD & KINGS L7 P20 PLATS, W C R 1/66 50 X 184.26



Address 119 GARFIELD
Parcel ID 01001166.
Owner CITY OF DETROIT-P&DD
Zoning Code PD
Zoning High Density Residential District
Taxable Status CITY OWNED
State Equalized Value 0.0
Land Value 165900.0
Taxable Value 0.0
Tax Status OK
Last Sale Price 0.0
Total Acres 0.152
Frontage 42.0
Depth 158.0
Sq. Ft 6636.0
District 6
Zip 48201
Ward 01
Subdivision HUBBARD & KINGS SUB
Legal Description N GARFIELD S 140.26 FT 11 HUBBARD & KINGS L7 P20 PLATS, W C R 1/66 42.10 IRREG

Parcel IDs and Legal Descriptions:

01001163.

N GARFIELD W 40 FT 8 HUBBARD & KINGS L7 P20 PLATS, W C R 1/66 40 X 184.26

01001164.

N GARFIELD E 10 FT 8 9 HUBBARD & KINGS L7 P20 PLATS, W C R 1/66 60 X 184.26

01001165.

N GARFIELD 10 HUBBARD & KINGS L7 P20 PLATS, W C R 1/66 50 X 184.26

01001166.

N GARFIELD S 140.26 FT 11 HUBBARD & KINGS L7 P20 PLATS, W C R 1/66 42.10 IRREG

ATTACHMENT B



TO: Veronica Farley, Housing and Revitalization
FROM: Esther Yang, Planning and Development
RE: Master Plan Interpretation for **Commercial Rehabilitation District** for 81, 95, 107
and 119 Garfield.
DATE: October 15, 2018
CC: Maurice Cox, Director

In order to ensure that the issuance of a certificate for a **Commercial Rehabilitation District** is consistent with the City's Master Plan of Policies and will have the reasonable likelihood to increase commercial activity; create, retain or prevent a loss of employment; revitalize an urban area; or increase the number of residents in a community, pursuant to State of Michigan, Public Act 210 of 2005 (section 207.841), the Planning and Development Department's Planning Division submits the following interpretation.

Petitioner:
City of Detroit, Planning and Development Department

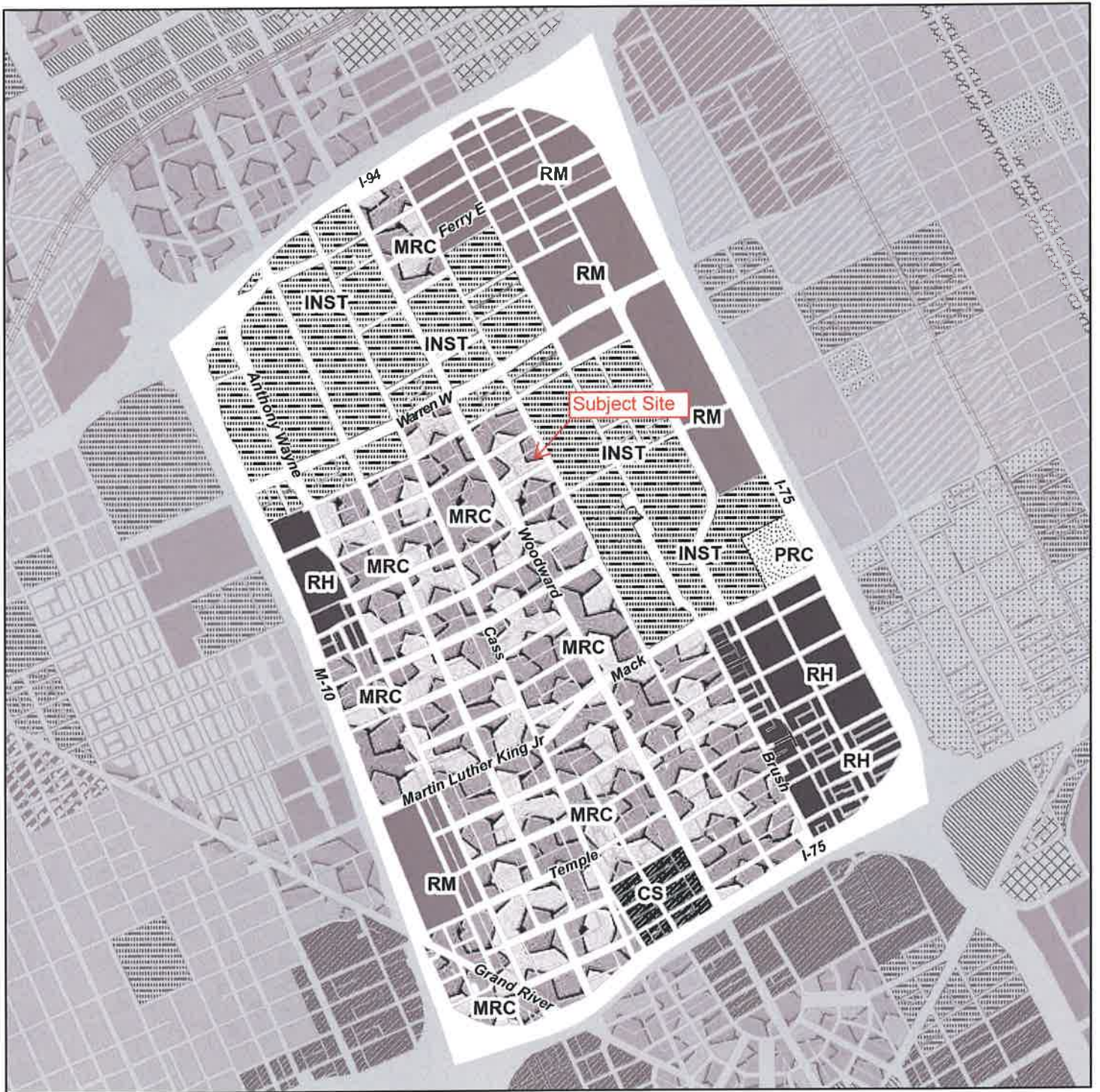
Project Description:
The development proposes an 85 unit apartment building and 254 space parking structure with 12,350 square feet of retail at the ground level.

Project Location
81, 95, 107 and 119 Garfield.

Interpretation:
The Master Plan Future General Land Use designation of the central portion of the site is **Mixed Residential-Commercial**. Mixed Residential Commercial areas consist predominantly of medium-to-high density housing developed compatibly with commercial and/or institutional uses. This classification is well suited to areas proximal to existing centers of major commercial activity, major thoroughfares, transportation nodes, or gateways into the city. Policy 2.1 of the Lower Woodward neighborhood recommends the development of "... Woodward... as high-density mixed-use corridor with housing and ground-floor commercial."


The development conforms to the Future General Land Use designation and Master Plan Policies for the area.

Attachment
Future General Land Use Map: Map 4-5B, Neighborhood Cluster 4, Lower Woodward



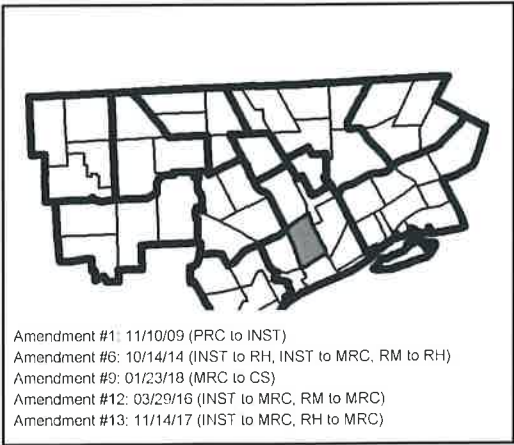
Map 4-5B
City of Detroit
Master Plan of
Policies

Neighborhood Cluster 4
Lower Woodward



Future Land Use

Low Density Residential (RL)	Thoroughfare Commercial (CT)	Mixed - Town Center (MTC)
Low / Medium Density Residential (RLM)	Special Commercial (CS)	Recreation (PRC)
Medium Density Residential (RM)	General Industrial (IG)	Regional Park (PR)
High Density Residential (RH)	Light Industrial (IL)	Private Marina (PRM)
Major Commercial (CM)	Distribution / Port Industrial (IDP)	Airport (AP)
Retail Center (CRC)	Mixed - Residential / Commercial (MRC)	Cemetery (CEM)
Neighborhood Commercial (CN)	Mixed - Residential / Industrial (MRI)	Institutional (INST)





CITY OF DETROIT
OFFICE OF THE CHIEF FINANCIAL OFFICER
OFFICE OF THE ASSESSOR

COLEMAN A. YOUNG MUNICIPAL CENTER
2 WOODWARD AVENUE, SUITE 824
DETROIT, MICHIGAN 48226
(313) 224-3011 • TTY: 711
(313) 224-9400
WWW.DETROITMI.GOV

October 17, 2018

Maurice Cox, Director
Planning & Development Department
2 Woodward Ave, CAYMC
Suite 810
Detroit, MI 48226

RE: Commercial Rehabilitation District – **City of Detroit Planning and Development Department**
81, 95, 107 and 119 Garfield Street
Parcels Number: 01001163., 01001164., 01001165. And 01001166.

Dear Mr. Cox:

The Office of the Chief Financial Officer, Office of the Assessor, has reviewed the proposed Commercial Rehabilitation District located in the **Midtown area in the City of Detroit**.

The rationale for creating Commercial Rehabilitation Districts under PA 210 of 2005, as amended, is based on the anticipation of increased market value upon completion of new construction and/or significant rehabilitation of commercial and former industrial property where the primary purpose and use is the operation of a commercial business enterprise or multifamily residential use. Commercial property also includes facilities related to a commercial business enterprise under the same ownership at that location, including, but not limited to, office, engineering, research and development, warehousing, parts distribution, retail sales, and other commercial activities. Commercial property also includes a building or group of contiguous buildings previously used for industrial purposes that will be converted to the operation of a commercial business enterprise.

The district, as proposed by the **City of Detroit Planning and Development Department** consists of graveled parking lots on .787 acres of land. The proposed project by the developer **POAH DD Sugar Hill LLC** consists of the construction of a multi-story mixed use development with ground floor commercial/retail space, an estimated 85 residential apartments with residential amenities and a 254-space parking structure.

This area meets the criteria set forth under PA 210 of 2005, as amended. It applies to blighted, functionally obsolete and contaminated properties. "Commercial rehabilitation district" or "district" means an area not less than 3 acres in size of a qualified local governmental unit established as provided in section 3. However, if the commercial rehabilitation district is located in a downtown or business area or contains a qualified retail food establishment as determined by the legislative body of the qualified local governmental unit, the district may be less than 3 acres in size. The local government unit may establish by resolution a district that contains 1 or more parcels or tracts of land if at the time the resolution is adopted the parcel or tract of land or portion of a parcel or tract of land within the district is a qualified facility.

A field investigation and application review indicated that the proposed Commercial Rehabilitation District located at **81, 95, 107 and 119 Garfield in the Midtown area in the City of Detroit** is eligible as it pertains to the Commercial Rehabilitation Act under P.A. 210 of 2005, as amended.

Sincerely,

Charles Ericson, MMAO
Assessor, Board of Assessors

mmp



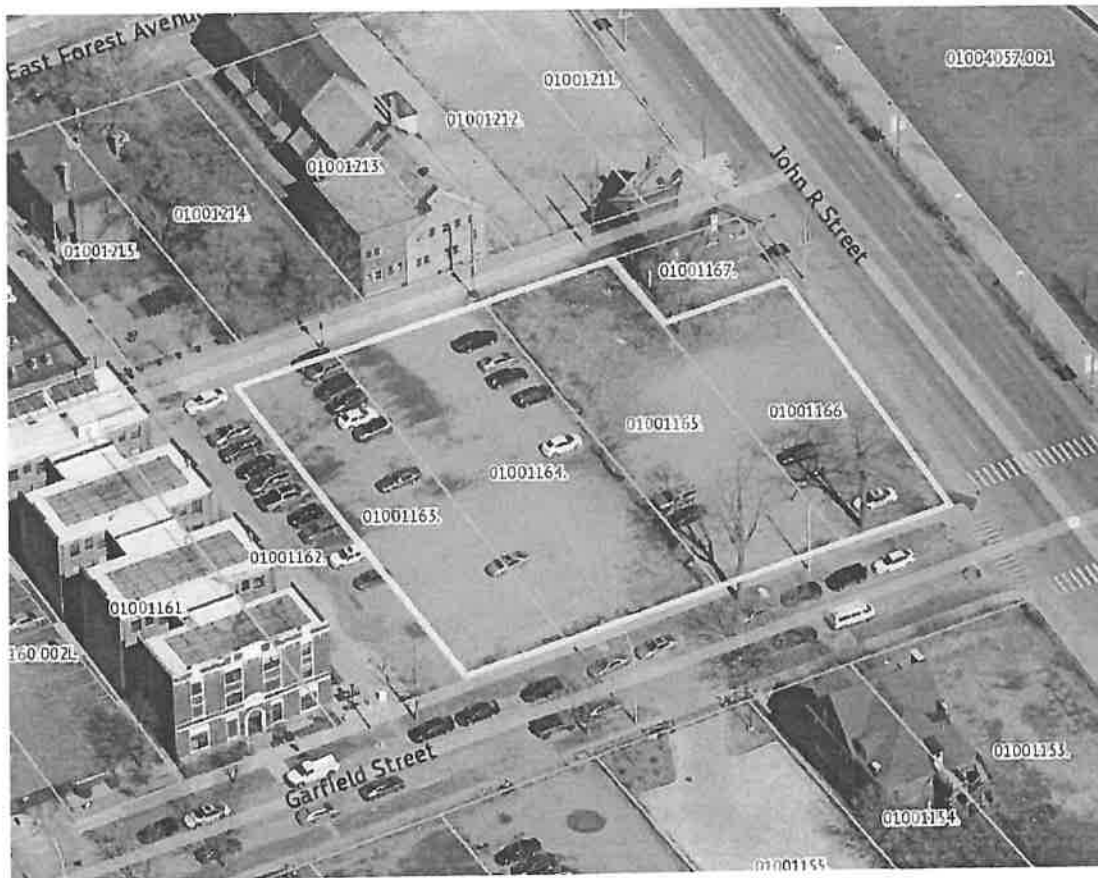
Commercial Rehabilitation District
POAH DD Sugar Hills LLC
Page 2

Property Address: 81 Garfield
Parcel Number: 01001163.
Legal Description: N GARFIELD W 40 FT 8 HUBBARD & KINGS L7 P20 PLATS, W C R 1/66 40 X 184.26

Property Address: 95 Garfield
Parcel Number: 01001164.
Legal Description: N GARFIELD E 10 FT 8 9 HUBBARD & KINGS L7 P20 PLATS, W C R 1/66 60 X 184.26

Property Address: 107 Garfield
Parcel Number: 01001165.
Legal Description: N GARFIELD 10 HUBBARD & KINGS L7 P20 PLATS, W C R 1/66 50 X 184.26

Property Address: 119 Garfield
Parcel Number: 01001166.
Legal Description: N GARFIELD S 140.26 FT 11 HUBBARD & KINGS L7 P20 PLATS, W C R 1/66 42.10 IRREG





CITY CLERK 2018 NOV 8 9:41 AM
November 8, 2018

Detroit City Council
1340 Coleman A. Young Municipal Center
Detroit, MI 48226

RE: Approval of Additions to 2018 HOME, CDBG, NSP Awards

Honorable City Council:

The City of Detroit, through the Housing and Revitalization Department (“HRD”), has continued to work closely with the U.S. Department of Housing and Urban Development (“HUD”), in making required commitments and disbursements of City HOME funds to meet project commitment and disbursement deadlines. HRD issued a NOFA on December 18, 2017, to assist in making allocations for “ready-to-proceed projects” from available HOME, NSP and CDBG funding. The Department is requesting City Council approval additions and/or new allocation to six HOME, NSP, or CDBG projects.

The HOME Program is authorized under Title II of the Cranston-Gonzalez National Affordable Housing Act, and is designed exclusively to create affordable housing for low-income households. Eligible activities under the HOME program include:

- Providing home purchase or rehabilitation financing assistance to eligible homebuyers;
- Building or rehabilitating housing for rent or homeownership; and
- Other reasonable and necessary expenses related to the development of non-luxury housing.

HOME funds are awarded on a formula basis, are included in the annual entitlement award from HUD and are part of the Consolidated Plan.

HRD is requesting approval of increases to the following projects according to the list in attachment A: Sugar Hill Mixed Use Development, Clay Apartments, Brightmoor Homes I, St. Rita Apartments, and LifeBuilders, and Kercheval Van Dyke Apartments. HRD has reprogrammed CDBG development funding for increases to Clay Apartments (\$1,000,000), Brightmoor Homes I (\$450,000), and Life Builders (\$350,000). The department is also requesting approval of a Challenge grant of \$1,500,000 for the Van Dyke Apartments project and an increase of HOME in the amount of \$170,000 for the St. Rita Apartments project. Finally, the department is also requesting approval of an assumption of a Section 108 loan for the Sugar Hill project for a new borrower. (See Exhibit 1).



Detroit City Council

RE: Approval of Additions to 2018 HOME, CDBG, NSP Awards

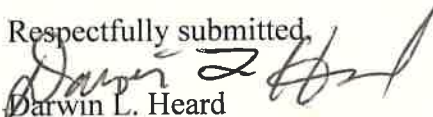
November 8, 2018

Page 2

Consistent with the new process adopted by City Council in 2012 for approving HOME, CDBG and/or development awards and development partners, HRD is requesting that your Honorable Body review and approve the attached list.

We request approval of the attached resolution with a waiver of reconsideration so additional housing investments and neighborhood reinvestment through the HOME, CDBG, and NSP program can continue. Should you have questions or require additional information, please do not hesitate to contact me at (313) 628-0034.

Respectfully submitted,


Darwin L. Heard

Multi-Family Housing Director

Attachments

cc: S, Washington, Mayor's Office
D. Rencher, Director
K. Vickers, Associate Director



BY COUNCIL MEMBER: _____

WHEREAS, the City of Detroit receives an annual allocation of HOME, CDBG and NSP (program income) Development funds from the U.S. Department of Housing and Urban Development (“HUD”), through the Housing and Revitalization Department (“HRD”), for the purpose of creating affordable housing opportunities in Detroit neighborhoods; and

WHEREAS, the City Council authorized the Housing and Revitalization Department’s Director to accept and utilize Housing and Urban Development (HUD) HOME, CDBG and NSP funds according to HUD regulations during the City’s annual Budgeting process; and

WHEREAS, H&RD will use existing appropriation number 10821 for HOME funds for the following projects: “Van Dyke Apartments”- \$1,500,000, “St. Rita Apartments” - \$1,664,421; and

Whereas, HRD will use existing CDBG appropriation numbers for LifeBuilders \$350,000, and Brightmoor I \$450,000; and

Whereas, HRD will use existing appropriation for 108 for the Sugar Hill project (\$6,696,930) for the new borrower for the project loan;

RESOLVED, that the City Council approves HOME, CDBG, and NSP Loans and /or grants for Developers and/or borrowers in the amounts indicated on the attached list, provided that loan amounts may vary by not more or less than 10%; and

RESOLVED, that the Housing & Revitalization Department Director or his designee, is authorized to process, prepare and execute all loan and grant documents required to close, secure, and use HOME, CDBG, and NSP funds according to HUD regulations for the approved list of developers and borrowers; and

Finally Resolved, that the Housing and Revitalization Department Director, or his designee, is authorized to process, prepare, and execute all loan and grant documents required to modify HOME Loans, Grants, and/or Mortgages and or subordinate HOME funds according to HUD regulation for the development partners listed on the Exhibit.

Waiver of Reconsideration per motions before adjournment.

Exhibit 1: Additions to 2018 HOME, CDBG, and NSP Awards

New Awards, Loan Modifications and/or Loan Subordinations (Various Developers)

DEVELOPER OR BORROWER	PROJECT DESCRIPTION	PROJECT ACTION	TOTAL DEVELOPMENT COST	ORIGINAL ALLOCATION	New or Revised ALLOCATION	COMMENTS
POAH Support Corporation 2, Inc. 535 Griswold, Ste 1600 Detroit, MI 48226	Sugar Hill Mixed Use Development 81-119 Garfield Detroit, MI 48201 New Construction 85 Units (15 HOME Assisted) And Parking Structure	Amend prior loan to allow assumption by new borrower. Terms of the loan assumption are as follows: \$6,696,930 Section 108 loan at 1.8% with a balloon after 20 years to build a parking garage.	\$32,045,523.00	\$6,696,930 (Section 108)	\$6,696,930 (New Borrower)	Amend prior \$6,696,930 Section 108 Loan to allow assumption by new borrower. City 108 Loan Funds (CDBG) will assist in leveraging New Market Tax Credits to build a parking garage and mixed use development including retail.
NSO and MHT Housing 32600 Telegraph Ste 102 Bingham Farms, MI 48025	Clay Apartments (the Sanctuary) 330 Mack Avenue Detroit, MI 48212 New Construction 42 Units (100% Affordable)	Amend Award to also provide \$1,000,000 in CDBG funding to assist in buildout of 1st floor of supportive housing project to provide Emergency Shelter Services not included in HOME portion of project. LIHTC project has been awarded to build 42 unit supportive housing complex.	\$16,516,349	\$1,900,000 (Prior HOME)	\$1,000,000 (CDBG)	\$1,000,000 CDBG grant to pay hard cost related to the buildout of the 1st floor for Emergency Shelter Services. Will supplement HOME award of \$1,900,000 provided to assist in building a 42 unit supportive housing complex.
Southwest Housing Solutions 1920 25th Street, Suite A Detroit, MI 48216	Brightmoor Homes I 14529 Pierson, Detroit, MI and 49 other parcels in 48223 Zip Code	Increase CDBG award from \$158,548 to \$450,000 to allow payoff of first position lender to facilitate the sale of up to 50 units nearing the end of the HOME affordability period on a rental development. Southwest Solutions will work with the developer to assist in qualifying eligible tenants purchase existing rental homes.	\$8,750,000	\$2,712,340 (HOME)	\$450,000 (CDBG)	Modify Loan to reduce principal balance to \$1,000,000 to be assumed in three notes: \$25,000, \$225,000, and \$750,000. Payoff first position lender, associated legal and other transaction costs with \$450,000 in CDBG funds reprogrammed for this purpose.

Detroit Central City Community Mental Health, Incorporated 10 Peterboro Detroit, MI 48201	St. Rita Apartments 35 Owen Street Detroit, MI 48202 26 Units Rehab (100% Affordable)	Increase HOME allocation by \$170,000 to assist in covering construction cost increase required to closeout and complete project.	\$7,421,343	\$1,324,421	\$170,000	Increase HOME allocation by \$170,000 to facilitate the closeout and completion of project construction costs required to place the project in service.
Life Builders 20250 Harper Detroit, 48225	LifeBuilders Project 2994-2968 Brush St Detroit, MI 48201 Rehabilitation of Six Single Family Homes (100% Affordable)	Increase development funding to include \$350,000 in CDBG to accommodate reduced NSP 1 and NSP 3 funding to rehab and sell homes in the Regent Park Neighborhood. City funding will be targeted for the "for sale units" in the project.	\$1,005,079	\$340,000 (NSP 1 & 3)	\$350,000	\$350,000 in CDBG funding to supplement \$110,000 in NSP 1 and NSP 3 funding . Funding for this activity was recently reprogrammed for this purpose. Total funding is now \$460,000.
Kercheval Associates, LLC 600 Renaissance Center, Suite 1710 Detroit, Michigan, 48243	Kercheval Van Dyke Apartments 8003-8057 Kercheval Detroit, MI 48215 New Construction 92 Units (20% Affordable)	HOME Challenge grant to support request to support public and private funds to build a mixed income and mixed-use development.	\$3,533,935	N/A	\$1,500,000	HOMEChallenge grant of \$1,500,000 to leverage public and private funding to build a mixed income development.
		Total Investments:	\$69,272,229.00	\$13,002,270.00	\$8,146,930.00	

CITY OF DETROIT, MICHIGAN

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City of Detroit

CITY COUNCIL


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TO: COUNCIL MEMBERS 
FROM: David Whitaker, Director
Legislative Policy Division Staff
DATE: November 7, 2018
RE: Joe Louis Arena Amended and Restated Brownfield Plan PA 381 of 1996
PUBLIC HEARING

The Brownfield Redevelopment Financing Act 381 of 1996

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.

Joe Louis Arena Amended and Restated Brownfield Plan

For the purposes of this Plan, the "Developer" is the City of Detroit. The primary purpose of this Plan is to facilitate the demolition of the Joe Louis Arena (JLA) and to prepare the property for a future mixed-use development, which may include residential, commercial, and/or retail space. This brownfield request is unique, in that the City of Detroit is the owner of the eligible property, the Joe Louis Arena and the Detroit Building Authority will oversee the demolition.

A Plan Amendment is being requested due to increased Eligible Activities that have recently been discovered by environmental consultants working on behalf of the City of Detroit.¹ The total in the amount of \$14,363,147² is estimated under the Plan for the demolition and related eligible activities involved.

The amendment to the original plan is due to the following projected increases, abatement and demolition activities have increased from \$3.6 million to approximately \$8.8 million in the Plan Amendment. Engineering Services: Demo Design has increased from \$790,286 to \$840,286.

¹ Phase II Environmental Site Assessment of The Joe Louis Arena, dated October 23, 2108

² To provide funding for the JLA demolition, in accordance with the bankruptcy settlement with the Financial Guaranty Insurance Company (FGIC).

New Eligible Costs of Due Care Activities, Response Activities and Interest totaling approximately \$2.7 million are new Eligible Cost. In total, the Eligible Costs for the TIF³ reimbursement to the “Developer” have increased from \$5,561,009⁴ to \$14,363,147 (258%).

The eligible property⁵ (the “property”), consists of six (6) parcels located at 27 Washington Blvd. The common address of the JLA is also known as “600 Civic Center Drive.” 25 Washington Blvd, 29 Washington Blvd, 31 Washington Blvd, and 33 Washington Blvd are properties that are adjacent and continuous to 27 Washington Blvd. 501 Third is also adjacent to 27 Washington Blvd and is the location of the Detroit People Mover – Joe Louis Arena Station Stop. The property is located adjacent to the Central Business District and is generally bounded by Jefferson Street to the north, Atwater Street to the east, Detroit River to the south and Cobo Convention Center to the west.

The “eligible activities” that are intended to be carried out at the property are considered “eligible activities” as defined by Sec 2 of Act 381, because they include environmental assessment activities, demolition and abatement and brownfield plan and work plan preparation and brownfield plan implementation. The eligible activities and budgeted costs are intended as part of the development of the property and will be financed solely by the Developer. The Authority is not responsible for any costs of eligible activities and will incur no debt. The eligible activities are estimated to begin within eighteen months and be completed within three (3) years.

Parcel Information:

Address	25 WASHINGTON BLVD
Parcel ID	Ward 04 Item 000001-4
Owner	City of Detroit
Legal Description	S W JEFFERSON W 29.71 FT VAC 1ST S 43.59 FT OF LOTS 1 THRU 3 W 5 FT ON N LINE BG W 24.14 FT ON S LINE OF OF N 136 FT OF 3 179.59 FT OF 3 4 EXC N 183+- FT ON E LINE BG N 174.30 FT ON W LINE OF E 10+- FT AND VAC SECOND AVE ADJ BLK C PLAT OF FRONT OF CASS FARM L9 P409 CITY RECORDS, W C R 4/1 139.42 IRREG 66,290+- SQ FT

Address	27 Washington Boulevard
Parcel ID	Ward 04 Item 000005
Owner	City of Detroit
Legal Description	S W JEFFERSON 1 THRU 4;BLK FPLAT OF CASS FARM L9 P409 CITY RECORDS 4/1 308.27 X 245AV

Address	29 Washington Boulevard
Parcel ID	Ward 04 Item 000006

Source: Detroit Brownfield Redevelopment Authority

³ Tax increment financing (TIF) is a public financing method that is used as a subsidy for redevelopment.

⁴ Council approved the original Joe Louis Arena Brownfield Plan

⁵ The Property is considered “eligible property” as defined by Act 381, Section 2 because (a) the Property was previously utilized for a public purpose; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) the Property is determined to be a functionally obsolete or adjacent and contiguous as defined by Act 381.

Owner	City of Detroit
Legal Description	S W JEFFERSON 20 THRU 30;BLK EPLAT OF CASS FARM L9 P409 CITY RECORDS 4/1 228.29 IRREG

Address	33 Washington Boulevard
Parcel ID	Ward 04 Item 000011-19
Owner	City of Detroit
Legal Description	S JEFFERSON 1 THRU 18 W 6 FT 19 VAC ALLEY ADJ BLK E--CASS FARM SUB L9 P409 CITY RECORDS, W C R 4/1 310.58 IRREG

Address	31 WASHINGTON BLVD
Parcel ID	Ward 04 Item 000007-110
Owner	City of Detroit
Legal Description	S W JEFFERSON TRIANG PT OF LOTS 16 THRU 19 BG 80 FT ON S LINE & S 40 FT ON W LINE BLK D PLAT OF FRONT OF CASS FARM L9 P409 CITY RECORDS, W C R 4/1 80 IRREG 1,600 SQ FT

Address	501 THIRD
Parcel ID	Ward 04 Item 003656-86
Owner	City of Detroit
Legal Description	W THIRD PT OF LOTS 1 THRU 3 PT OF LOTS 28 THRU 30 AND VAC ALLEY ADJ ALSO PT OF VAC FRONT ST ADJ BLK H PLAT OF CASS FARM BETW DETROIT RIVER & LARNED ST L9 P409 CITY RECORDS W C R DESC AS BEG AT INTSEC W LINE THIRD ST 60 FT WD & S LINE JEFFERSON AVE AS WIDENED TH ALG SD W LINE S 22D 02M 53S E 209.54 FT TH N 83D 19M 52S W 62.45 FT TH N 22D 02M 53S W 157.63 FT TH N 08D 44M 55S W 28.47 FT TO S LINE SD JEFFERSON AVE TH ALG SD S LINE N 74D 49M 13S E 48.47 FT TO P O B 4/1 10 742 SQ FT

Source: Detroit Brownfield Redevelopment Authority

The “eligible activities” that are intended to be carried out at the property are considered “eligible activities” as defined by Sec 2 of Act 381, include environmental assessment activities, demolition and abatement and brownfield plan and work plan preparation and brownfield plan implementation.

The eligible activities and budgeted costs are intended as part of the development of the property and will be financed solely by the Developer. The Authority is not responsible for any

costs of eligible activities and will incur no debt. The eligible activities are estimated to begin within eighteen months and be completed within three (3) years.

The Developer is seeking reimbursement for the costs of eligible activities via the brownfield development plan.

Description of Eligible Activities	Estimated Cost
MSF Activities	
1. ALTA Survey	\$18,200
2. Engineering Services: Demo Design	\$840,286
3. Abatement and Demolition	\$8,829,870
4. <i>Brownfield and Work Plan Preparation</i> ⁶	\$15,000
5. <i>Brownfield Plan Implementation</i> ⁷	\$15,000
6. 15% Contingency	\$1,453,253
7. MSF Interest	\$2,346,038
Subtotal MSF	\$13,517,647
MDEQ Activities	
8. Environmental Assessment Activities	\$375,000
9. Response Activities	\$20,000
10. Due Care Activities	\$200,000
11. <i>Brownfield and Work Plan Preparation</i>	\$15,000
12. <i>Brownfield Plan Implementation</i>	\$15,000
13. 15% Contingency	\$89,250
14. MDEQ Interest	\$131,250
Subtotal MDEQ	\$845,500
Subtotal Site Eligible Activities	\$14,363,147
15. DBRA Administrative Costs	\$2,429,098
16. Local Brownfield Revolving Fund	\$1,658,009
17. State Brownfield Redevelopment Fund	\$1,822,047
Total Other Eligible Activities	\$5,909,154
Total Estimated Cost to be Funded Through TIF	\$20,272,301

Below, are the Eligible Activities with significant increases from the Original Plan:

COST TO BE REIMBURSED WITH TIF	ORIGINAL PLAN	NEW PLAN	VARIANCE	% Increase
Engineering Services: Demo Design	\$790,286	\$840,286	\$50,000	6.3%
Abatement and Demolition	\$3,600,000	\$8,829,870	\$5,229,870 ⁸	145.3%
15% Contingency	\$717,523	\$1,453,253	\$735,730	102.5%
DBRA Administrative Costs	\$1,142,079	\$2,429,098	\$1,287,019	112.7%
Local Site Remediation Revolving Fund	\$290,911	\$1,658,009	\$1,367,098	469.9% ⁹
State Brownfield Revolving Fund	\$649,863	\$1,822,047	\$1,172,184	180.4%

⁶ Brownfield and Work Plan Preparation reflected at \$30,000 in the original plan is evenly split at \$15,000 under the respective categories of "MSF Activities" and "MDEQ Activities," thereby resulting in no change from the 1st plan.

⁷ Brownfield Plan Implementation reflected at \$30,000 in the original plan is evenly split at \$15,000 under the respective categories of "MSF Activities" and "MDEQ Activities," thereby resulting in no change from the 1st plan.

⁸ Abatement and Demolition increase of \$5,229,870, reflects the most significant dollar increase.

⁹ Local Site Remediation Revolving Fund increase of 469.9%, reflects the most significant increase by percentage.

Below, are the Eligible Activities in the New Plan that were not in the Original Plan:

COST TO BE REIMBURSED WITH TIF	Tax Capture
7. MSF Interest	\$2,346,038
9. Response Activities	\$20,000
10. Due Care Activities	\$200,000
13. 15% Contingency	\$89,250
14. MDEQ Interest	\$131,250
TOTAL OF NEW COSTS	\$2,786,538
TOTAL OF Activities with significant increases FROM ORIGINAL PLAN¹⁰	\$9,841,901
GRAND TOTAL OF PLAN AMENDED PLAN INCREASE	\$12,628,439

Tax increments are projected to be captured and applied to (1) reimbursement of eligible activity costs and payment of DBRA administrative and operating expenses, (2) make deposits into the State Brownfield Revolving Fund (SBRF), and (3) make deposits into the DBRA's Local Site Remediation Revolving Fund (LSRRF), as follows:

	<u>Reimbursement Costs</u>	<u>Admin. Costs</u>	<u>State Brownfield Fund</u>	<u>Local Revolving Fund</u>
School Operating Tax	\$9,027,748	\$0.00	\$0.00	\$624,843
State Education Tax	\$1,504,625	\$0.00	\$1,822,047	\$118,304
County (combined)	\$1,090,201	\$691,298	\$0.00	\$260,361
HCMA	\$0.00	\$0.00	\$0.00	\$0.00
City of Detroit	\$0.00	\$0.00	\$0.00	\$0.00
RESA	\$2,740,574	\$1,737,801	\$0.00	\$654,501
WCCC	\$0.00	\$0.00	\$0.00	\$0.00
Library	\$0.00	\$0.00	\$0.00	\$0.00
TOTALS	\$14,363,148	\$2,429,099	\$1,822,047	\$1,658,009

Source: Detroit Brownfield Redevelopment Authority

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

City Debt (DDA)	\$6,025,327
School Debt and Judgment (DDA)	\$9,501,710
City Operating (DDA)	\$14,582,932
Library (DDA)	\$3,384,582
HCMA (DDA)	\$156,413
Wayne County Community College (DDA)	\$2,368,703
Wayne County Operating (DDA)	\$4,128,347
Wayne County DIA	\$146,180
Wayne County Zoo	\$73,090
Total	\$40,367,284

Source: Detroit Brownfield Redevelopment Authority

¹⁰ Activities with significant increases from the Original Plan listed on the previous page.

Feasibility of the Brownfield Approval

In addition to the Brownfield reimbursement, the developer is seeking a loan through the Michigan Strategic Fund's Community Revitalization Program (CRP). In order to facilitate the immediate demolition of JLA and to avoid the long term carrying costs to maintain the arena estimated near \$1 million annually, pending City Council approval the City plans to repay the aforementioned CRP loan with annual payments from the City's general funds, which are to be backed by the incremental financing of the proposed Brownfield Plan.

The draft terms of the repayment of the CRP Loan¹¹ by the City to the MSF are as follows:

The following is a summary of the highlights of the agreement and basic terms for which the City of Detroit desires incentive support from the Michigan Strategic Fund ("MSF"). *The following proposal should not be considered a commitment to lend and does not contain all of the final lending parameters. Any proposal must be reviewed and approved by the MSF Board.*

Date: November 6, 2018

- **Project Address and Description ("Project"):** Demolition and site preparation of approximately 5.9 acres of property located at 600 Civic Center Drive, Detroit, Michigan and more commonly known as "Joe Louis Arena."
- **Incentive Type:** Performance Based Direct Loan
- **Maximum Amount of Award:** Up to \$10,000,000
- **Loan Security:** The loan is secured by the full faith and credit of the City of Detroit and first position on future tax increment revenue from the Project.
- **Future Investment:** The City anticipates that there will be a minimum of \$24 million in private investment made on the Project site in the future.
- **MSF Fees:** One-time fee equal to one percent of the MSF award
- **Interest Rate and Repayment Term:** Annual interest only payments with an interest rate of 1.00% for years one and two followed by 18 equal payments of principle and Interest with interest rate of 2% for years three through 20.
 - **Milestones & Disbursement:** The final terms and conditions of each of the Progress Milestones shall be included in the final Agreement, which may include but not limited to:
 - The first disbursement of up to \$850,000 will be made upon execution of agreement.
 - Second disbursement of \$3,000,000 will be made upon request from applicant and demonstration of acceptance of a guaranteed maximum price contract.
 - Third disbursement of amount necessary to cover the cost of the demolition activities up to \$2,150,000 based on documented expenditures.
 - A fourth and final disbursement will be made upon completion of demolition of structures and restoration of the site for the remaining cost of demolition of which total disbursements shall not exceed \$10,000,000. In addition, the final disbursement will be subject to MSF approved site restoration specifications, MSF certification of costs and MSF verification of all necessary lien waivers. Lastly, before final disbursement, the City

The Developer represents and warrants that a Phase I Environmental Site Assessment ("ESA"), and a Phase II ESA, baseline environmental assessment, and due care plan will be completed, pursuant to Part 201 of Michigan's Natural Resources and Environmental Protection Act (MCL 324.20101 et seq.), are underway on the property. Copies of the reports have been provided to the Building Safety Engineering and Environmental Department.

¹¹ LPD has provided the Council a report on the CRP Loan under a different cover.

Demolition Budget

Eligible Activity	Cost
ALTA Survey	\$ 18,200
Environmental Testing and Report	\$ 375,000
Due Care Dermal Barrier & Response Activities	\$ 220,000
Demolition	\$ 4,870,156
Abatement	\$ 4,800,000
Contingency (15%)	\$ 1,542,503
Brownfield Plan Prep & Implementation	\$ 60,000
Overall Project Total	\$ 11,825,859

Demolition Timeline

Task Name	Projected Start Date	Projected End Date
Environmental Due Diligence, Survey	February 2018	August 2018
Engineering Services: Demo Design	May 2018	September 2018
Brownfield Plan Amendment - DBRA & Council	October 2018	November 2018
MSF Approval of Brownfield Plan and Loan	November 2018	December 2018
Loan approval by City Council	October 2018	November 2018
Finalize and execute loan documents	November 2018	December 2018
Procure Demolition Contractor	September 2018	December 2018
Demolition	January 2019	October 2019
Closeout	November 2019	December 2019

Asbestos/Hazardous Material Assessment Report¹²

Testing Engineers and Consultants, Inc. (TEC) was retained by the City of Detroit Building Authority (DBA), to conduct an assessment for asbestos-containing materials (ACM)/Hazardous Materials (Haz-Mat), within the JLA, located at 19 Steve Yzerman Drive, Detroit, Michigan 48226. A total of 509 samples were collected from 119 suspect asbestos-containing homogeneous materials identified during the assessment. Dates of Inspection: March 26, 2018 to June 26, 2018.

Six ACMs¹³ (>1%¹⁴ asbestos) were identified through laboratory analysis during TEC's investigation:

- Flat Gasket material associated with the Boilers; 2 Boilers in Boiler Room
- Heat Converter Insulation; one unit in the Boiler Room
- Red Firestop (NAD)/Insulation/Drywall Ceiling; 4th Floor Ceiling
- Black Sink Undercoating; five sinks in Suites on 4th Floor
- Roof Flashing; on the entire perimeter of each roof level, and around all vents, fans, etc.
- Exterior Perimeter Wall

TEC has provided the regulatory abatement methods as defined by OSHA¹⁵ that can be performed by the demolition contractor if they are licensed to perform abatement in Michigan.

¹² Source: Asbestos/Hazardous Material Assessment Report of The Joe Louis Arena 19 Steve Yzerman Drive Detroit, Michigan 48226; Prepared by Testing Engineers and Consultants, Inc. (TEC)

¹³ asbestos-containing materials

¹⁴ greater than one percent

¹⁵ Occupational Health and Safety Administration

Phase 1 Environmental Site Assessment¹⁶

Testing Engineers & Consultants, Inc.

PHASE I ENVIRONMENTAL SITE ASSESSMENT
DETROIT BUILDING AUTHORITY
19 STEVE YZERMAN DR, DETROIT, MI

TEC REPORT 56752-01
JUNE 27, 2018
PAGE 25 of 26

10.0 CONCLUSIONS

We have performed a Phase I Environmental Site Assessment in conformance with the scope and limitations of ASTM Practice E1527 of 19 Steve Yzerman Drive in the City of Detroit, Wayne County, Michigan. Any exceptions to, or deletions from, this practice are described in the Limitations and Exceptions Section of this report. This assessment has revealed no evidence of recognized environmental conditions in connection with the Subject Property except for the following:

RECs

- Multiple historical uses, including the storage and use of hazardous substances and petroleum products, has occurred at the Subject Property and adjoining properties during periods of time before environmental awareness and regulation. Although no specific indications of releases were identified on the Subject Property or other properties except for Cobo Center, the number of potential sources of releases and the potential length of time during which the sources were present are considered to be an REC.
- The east-adjoining Cobo Center is a Baseline Environmental Assessment (BEA) site indicating that contamination is known to exist there, and is considered to be an REC.
- The Subject Property is riverfront land that has, at least in part, been filled to expand the useable land area. In TEC's experience, much of the fill material added to the Detroit riverfront is contaminated. The contamination often consists of metals and polynuclear aromatics; other contaminants may be present.

CRECs

- None identified.

In addition, this assessment has revealed the following:

HRECs

- None identified.

BERs

- The longtime presence of the west-adjoining railyard (likely used both for passenger service and freight).

SDGs

- The Subject Property and adjoining properties were nonresidential land used by multiple businesses in 1884. Prior uses are not known. It is possible that contamination exists from previous unidentified nonresidential uses on or near the Subject Property.

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According to the Joe Louis Phase I ESA¹⁸ (Environmental Site Assessment) as detailed above in a page from the report, dated June 27, 2018, a further Phase II ESA¹⁹ is recommended due to identified RECs²⁰ and SDGs.²¹

¹⁶ Source: Phase 1 Environmental Site Assessment of The Joe Louis Arena 19 Steve Yzerman Drive Detroit, Michigan 48226; Prepared by Testing Engineers and Consultants, Inc. (TEC)

¹⁷ Source: Testing Engineers & Consultants, Inc., via Buildings, Safety Engineering and Environmental Department

¹⁸ The Phase I ESA is generally considered the first step in the process of environmental due diligence.

¹⁹ Phase II ESA is an "intrusive" investigation which collects original samples of soil, groundwater or building materials to analyze for quantitative values of various contaminants.

²⁰ REC: "the presence or likely presence of any hazardous substances or petroleum products in, on, or at a property: (1) due to any release to the environment; (2) under conditions indicative of a release to the environment; or (3) under conditions that pose a material threat of a future release

²¹ Sample Delivery Group (SDG) Refers to the range of chemical analysis to be undertaken by the laboratory on a sample or group of samples.

Phase II Environmental Site Assessment²²

FINDINGS:

- Subsurface soil conditions encountered at the Subject property generally consisted of approximately 4 feet of sand and fill material over approximately 3 feet of sand and silty sand over clay to a maximum depth explored of approximately 24 feet bgs.²³
- Water was encountered in seven of the nine borings performed at the Subject property.
- Obvious field indications (PID²⁴ readings and/or chemical odor) of soil impacts were not identified in each of the nine soil borings performed at the Subject property.
- VOCs²⁵ were detected at concentrations above the method detection limit (MDL) in four of the sixteen soil samples submitted for analysis, however, none of the detected concentrations are above criteria.
- PNA²⁶ compounds were detected at concentrations above the MDL in twelve of the sixteen soil samples submitted for analysis. One SVOC²⁷ (phenanthrene) was detected at a concentration above criteria in one of the soil samples submitted for analysis. Phenanthrene was detected at a concentration exceeding the GSIP²⁸ criteria associated with residential and nonresidential land use in one of the soil samples submitted for analysis (SB-A (7'-8')).
- Multiple metals were detected at concentrations above the MDLs in each of the sixteen soil samples submitted for analysis. Arsenic, lead, selenium, and mercury were variously detected at a concentration above various criteria in each of the sixteen soil samples submitted for analysis.
- Sixteen VOCs were variously detected at a concentration above the MDLs in each of the seven groundwater samples submitted for analysis. Seven VOCs were variously detected at concentrations above various criteria in two of the seven groundwater samples submitted for analysis.
- Five SVOCs were variously detected at a concentration above the MDLs in five of the seven groundwater samples submitted for analysis. One SVOCs (Bis(2-Ethylhexyl)phthalate) was detected at a concentration above DW Criteria in one of the groundwater samples submitted for analysis.

Based on the results and the evaluation of the laboratory data collected during the Phase II ESA, the Subject property would be considered a "facility" as defined in Part 201 of Public Act 451 of 1994, as amended.

TEC also recommends the following:

- Future non-labile owners or operators should consider conducting a Baseline Environmental Assessment (BEA) to obtain available environmental liability exemptions for the existing contamination.

²² Source: Phase II Environmental Site Assessment of The Joe Louis Arena 19 Steve Yzerman Drive Detroit, Michigan 48226; Prepared by Testing Engineers and Consultants, Inc. (TEC)

²³ Bgs: below ground surface

²⁴ A photoionization detector or PID is a type of gas detector. Typical photoionization detectors measure volatile organic compounds and other gases in concentrations from sub parts per billion to 10 000 parts per million (ppm).

²⁵ Volatile organic compounds (VOCs) are emitted as gases from certain solids or liquids. VOCs include a variety of chemicals, some of which may have short- and long-term adverse health effects.

²⁶ polynuclear aromatic hydrocarbons (PNA)

²⁷ Semivolatile organic compounds (SVOCs) are a subgroup of VOCs that tend to have a higher molecular weight and higher boiling point temperature than other VOCs.

²⁸ Groundwater/Surface Water Investigation Plan (GSIP).

- The Subject property Operator should have a written due care plan (DCP, also known as a Section 7a Compliance report) to document compliance with the Natural Resources and Environmental Protection Act, 1994 PA 451.

Joe Louis Arena People Mover Station and Adjoining Tracks

In addition to the demolition of the Joe Louis Arena, the preservation of the Joe Louis Arena People Mover Station and its adjoining tracks in the vicinity of the JLA, is a factor to be considered. Given this fact, we contacted the Detroit Building Authority to address this specific issue:

- **LPD:** **Is there is a specific demolition plan in place that addresses the preservation of both the JLA people mover station and the tracks in the vicinity of the JLA. Please let me know how your demolition plan address these issues and also discuss the specifics of your overall demolition plan?**
- **DBA:** *The DBA is currently developing a demolition plan with the contractor and engineering team Barton Malow/Sidock Group, which has not been finalized. The entire project team has been working in conjunction with Barbara Hansen of the People Mover to ensure the interests of the People Mover are taken into account during the planning and design phases. There may be an opportunity to demolish the pedestrian bridge this fall that is located between Joe Louis Arena and the People Mover station.*

In addition, representatives from the City of Detroit Department of Environmental Affairs attend our weekly progress meetings, as we recognize the importance of that department's involvement from an environmental perspective.

Contact with some of the stakeholders located within close proximity attend our project meetings including representatives from Cobo Hall who provide valuable input. We will continue to reach out to other stakeholders by having a public meeting to present our demolition plan once finalized.

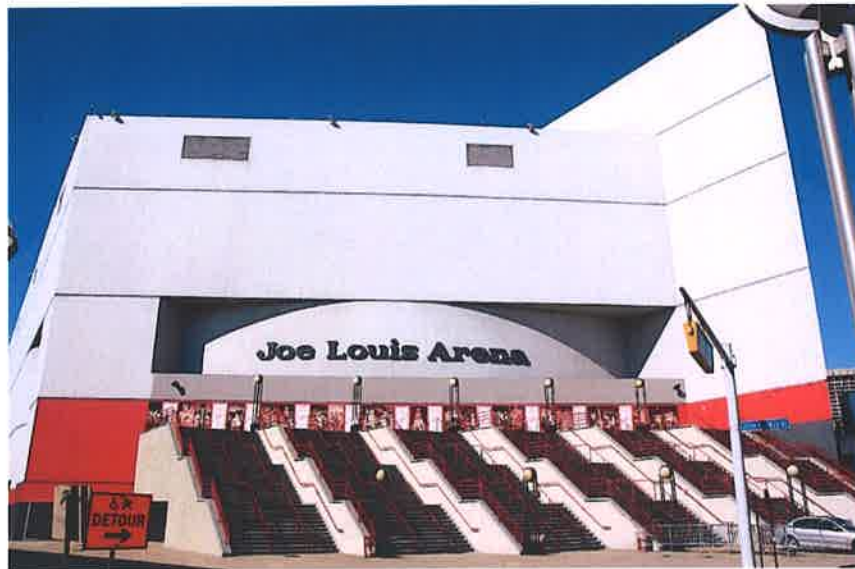
Conclusion

As we indicated in our initial report on the first JLA Brownfield plan, City council should be advised that to-date, no developer has been identified to develop the proposed multi-million mixed use project to follow the demolition of the JLA, which is necessary to generate the tax increment financing to repay the \$10 million MSF loan. If the costs of the demolition exceeds \$10 million and reaches \$12 million as it is now estimated, the OCFO will need to identify funds to address the \$2 million gap. If approved by Council and implemented as planned, ideally this project will ultimately result in a commercially viable project. So, if this works out as planned, the newly constructed project will generate the tax increment financing to repay the CRP loan.

Alternatively, if a developer is not identified and secured by the City, the City's general fund would not be reimbursed for the costs associated with the CRP loan for the demolition of JLA and the OCFO would be charged with the task of identifying funds. The City does face the burden of maintaining the Joe Louis arena at an estimated cost in excess of \$1 million as long as

the arena stands.²⁹ However, the parties involved (DBRA, DEGC) are optimistic that it will not be difficult to locate a developer for the site.

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

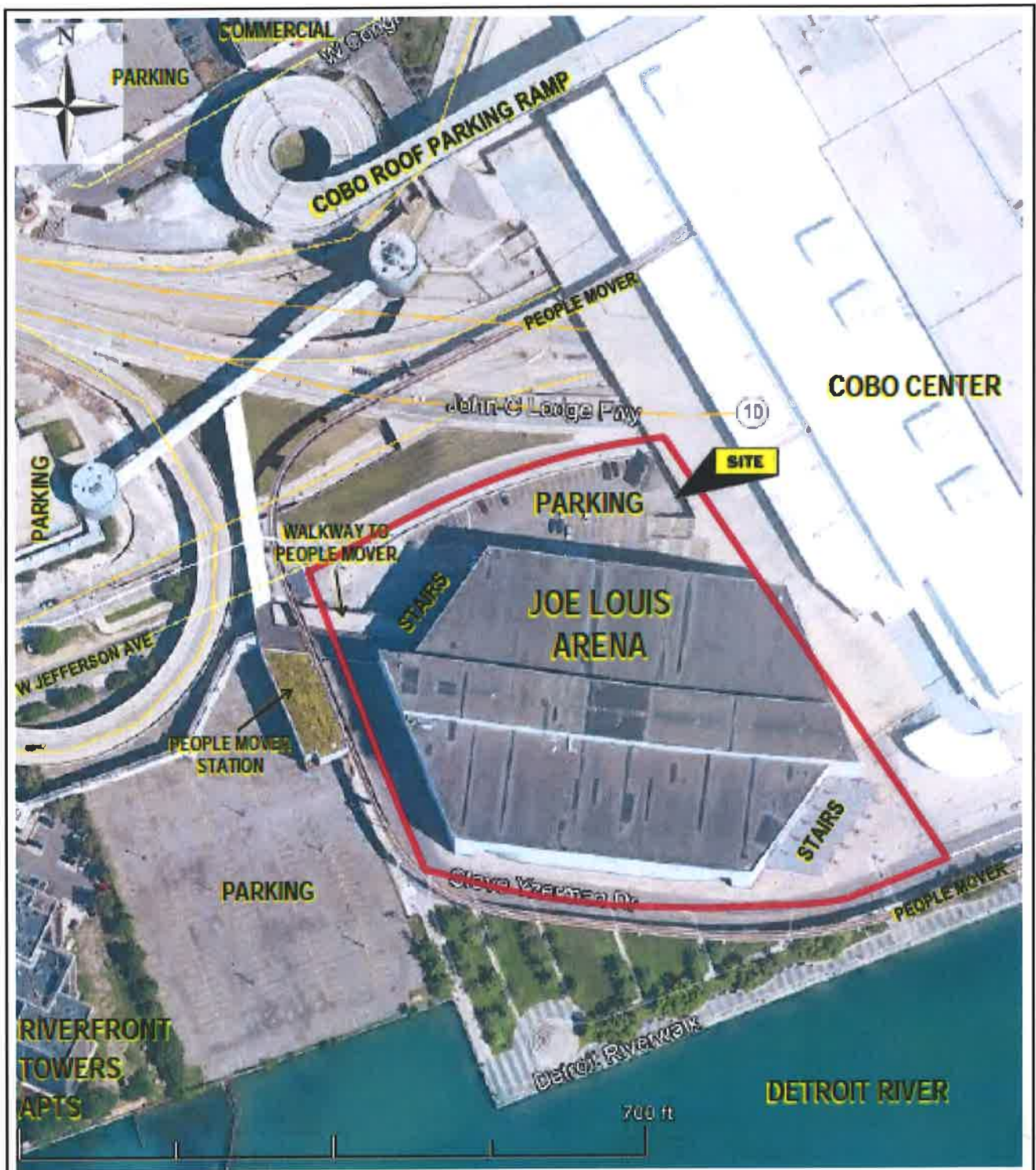


Joe Louis Arena ³⁰

cc: Auditor General's Office
Arthur Jemison, Chief of Services and Infrastructure
Maurice Cox, Planning and Development Department
Donald Rencher, HRD
Dinah Bolton, Planning and Development Department
Stephanie Grimes Washington, Mayor's Office
Malinda Jensen, DEGC
Kenyetta Bridges, DEGC
Jennifer Kanalos, DEGC
Sarah Pavelko, DEGC
Brian Vosburg, DEGC

²⁹ According to the Law Department, the carrying costs to maintain and secure the JLA. Also, Olympia has a non-competitive agreement with the City of Detroit, which bans the City from any revenue generating in the JLA.

³⁰ Source: <http://michiganradio.org/post/riverfront-site-joe-louis-arena-may-see-overhaul>



Testing Engineers & Consultants, Inc.
 1343 Rochester Rd, Troy, MI 48063
 www.testingengineers.com

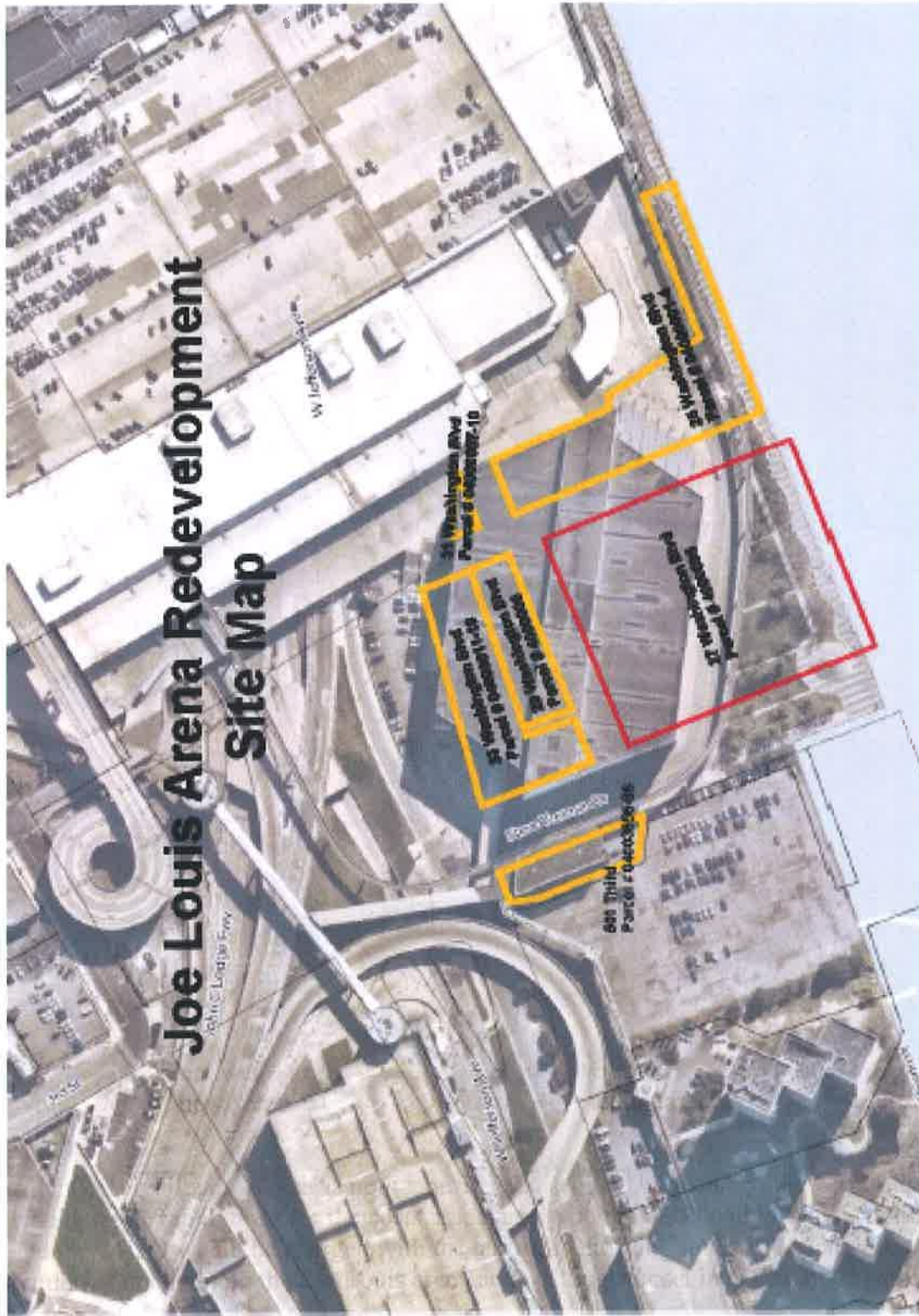
Phase II ESA
 19 Steve Yzerman Dr
 Detroit, MI 48226

TEC Project: 58752-04
 Approx. scale: Graphical
 Date: 2018/10/10

Figure 2
 Site Features
 Diagram

Area of the JLA Brownfield Plan³¹

³¹ Source: Phase II Environmental Site Assessment of The Joe Louis Arena 19 Steve Yzerman Drive Detroit, Michigan 48226; Prepared by Testing Engineers and Consultants, Inc. (TEC)



³² Source: DBRA JLA Brownfield Plan Attachment A



November 1, 2018

Detroit City Council
1340 Coleman A. Young Municipal Center
Detroit, MI 48226

RE: Surplus Property Sale – 13201 Dexter

Honorable City Council:

The Planning and Development Department is in receipt of an Offer from Malik Wilson to purchase, 13201 Dexter, located on the west side of Dexter, between Tyler and Waverly, for the amount of Seven Thousand and 00/100 Dollars (\$7,000.00). This property consists of a one story commercial building, located on an area of land containing approximately 2,200 square feet and zoned B-4 (General Business District).

The Offeror proposes to continue the use of the property as a commercial dry cleaners. This use is permitted as a matter of right in a B-4 zone.

We, therefore, request that your Honorable Body adopt the sale and authorize the Planning and Development Department Director, or his authorized designee, to issue a quit claim deed to the property and such other documents as may be necessary to effectuate the sale, to Malik Wilson, for the sales price of \$7,000.00

Respectfully submitted,

Maurice Cox
Director
Planning & Development Department

MC/am

cc: Stephanie Washington, Mayor's Office



By Council Member _____

WHEREAS, the City of Detroit Planning and Development Department (“P&DD”) has received an offer from Malik Wilson (“Offeror”) requesting the conveyance by the City of Detroit of real property having a street address of 13201 Dexter (the “Property”), more particularly described in the attached Exhibit A; and

WHEREAS, this property consists of a one story commercial building, located on an area of land containing approximately 2,200 square feet and zoned B-4 (General Business District); and

WHEREAS, Offeror proposes to continue the use of the Property as a commercial dry cleaners. This use is permitted as a matter of right in a B-4 zone;

NOW, THEREFORE, BE IT RESOLVED, that in accordance with the Offer to Purchase and the foregoing communication, the Planning and Development Department Director, or his authorized designee, be and is hereby authorized to issue a quit claim deed to 13201 Dexter, the property more particularly described in the attached Exhibit A, and such other documents as may be necessary to effectuate the sale, to Malik Wilson, for the amount of \$7,000; and be it finally

RESOLVED, that the deed and such other documents necessary to effectuate the sale, will be considered confirmed when signed and executed by the Planning and Development Department Director, or his authorized designee, and approved by Corporation Counsel as to form.

EXHIBIT A

Land in the City of Detroit, County of Wayne and State of Michigan being Lot 146; Sullivan's Dexter Boulevard Subdivision No. 1" part of ¼ Section 12, 10,000 Acre Tract, City of Detroit, Wayne Co., Mich. Rec'd L. 55, P. 53 Plats, Wayne County Records 22x100

a/k/a 13201 Dexter
Ward 14 Item 6179



November 07, 2018

Detroit City Council
1340 Coleman A. Young Municipal Center
Detroit, MI 48226

**RE: Property Sale by Development Agreement
3119 Brush and 313 Watson, Detroit, MI 48201**

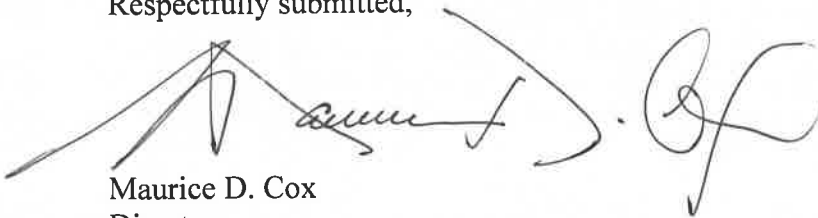
Honorable City Council:

The City of Detroit, Planning and Development Department (“P&DD”) has received an offer from Brush 8 LLC, a Michigan limited liability company, to purchase certain City-owned real property at 3119 Brush and 313 Watson, Detroit, MI (the “Properties”) for the purchase price of Three Hundred Seven Thousand and 00/100 Dollars (\$307,000.00).

Brush 8 LLC proposes to construct a residential development on the Properties that will include approximately 8 for-sale units. Currently, the Properties are within a PD-H zoning district (Planned Development-Historic). The Historic District Commission reviewed the proposed use in October 2018 and it was determined that the proposed land sale will have the potential to be beneficial and have a positive effect on the Brush Park Historic District. An amendment to the respective PD-H zoning district that reflects the proposed use is intended to be submitted to your Honorable Body for approval in January 2019.

We request that your Honorable Body adopt the attached resolution to authorize the Director of P&DD to execute a development agreement, deed and such other documents as may be necessary or convenient to effect a transfer of the Properties by the City to Brush 8 LLC.

Respectfully submitted,



Maurice D. Cox
Director

cc: Stephanie Washington, Mayor's Office

RESOLUTION

BY COUNCIL MEMBER: _____

NOW, THEREFORE, BE IT RESOLVED, that Detroit City Council hereby approves of the sale by development agreement of certain real property at 3119 Brush and 313 Watson, Detroit, MI (the "Properties"), as more particularly described in the attached Exhibit A incorporated herein, to Brush 8 LLC, a Michigan limited liability company, for the purchase price of Three Hundred Seven Thousand and 00/100 Dollars (\$307,000.00); and be it further

RESOLVED, that the Director of the Planning and Development Department, or his authorized designee, is authorized to execute a development agreement and issue a quit claim deed for the sale of the Properties, as well as execute such other documents as may be necessary or convenient to effect the transfer of the Properties to Brush 8 LLC consistent with this resolution; and be it further

RESOLVED, that the development agreement shall obligate Brush 8 LLC to cause a residential development to be constructed on the Properties; and be it further

RESOLVED, that the following Property Sales Services Fees be paid from the sale proceeds pursuant to the City's Property Management Agreement with the Detroit Building Authority ("DBA"): 1) Eighteen Thousand Four Hundred Twenty and 00/100 Dollars (\$18,420.00) shall be paid to the DBA from the sale proceeds, 2) Fifteen Thousand Three Hundred Fifty and 00/100 Dollars (\$15,350.00) shall be paid to the DBA's real estate brokerage firm from the sale proceeds and 3) customary closing costs up to Two Hundred and 00/100 Dollars (\$200.00) shall be paid from the sale proceeds; and be it further

RESOLVED, that the Director of the Planning and Development Department, or his authorized designee is authorized to execute any required instruments to make and incorporate technical amendments or changes to the quit claim deed (including but not limited to corrections to or confirmations of legal descriptions, or timing of tender of possession of particular parcels) in the event that changes are required to correct minor inaccuracies or are required due to unforeseen circumstances or technical matters that may arise prior to the conveyance of the Properties, provided that the changes do not materially alter the substance or terms of the transfer and sale; and be it finally

RESOLVED, that the development agreement and quit claim deed will be considered confirmed when executed by the Director of the Planning and Development Department, or his authorized designee, and approved by the Corporation Counsel as to form.

(See Attached Exhibit A)

EXHIBIT A

LEGAL DESCRIPTIONS

Property situated in the City of Detroit, Wayne County, Michigan, described as follows:

Parcel 1

N WATSON REAR N 75 FT OF LOT 1 BLK 8 BRUSH SUB L3 P24 PLATS, WCR 1/48 60
IRREG

a/k/a 3119 Brush
Tax Parcel ID 01000772.

Parcel 2

N WATSON S 75 FT OF LOT 1 BLK 8 BRUSH SUB L3 P24 PLATS, WCR 1/48 60 IRREG

a/k/a 313 Watson
Tax Parcel ID 01000771.



November 07, 2018

Detroit City Council
1340 Coleman A. Young Municipal Center
Detroit, MI 48226

**RE: Property Sale by Development Agreement
3124 and 3136 Brush, 420 and 430 Erskine, 3137, 3129, 3119 and 3101 Beaubien,
427 and 437 Watson, Detroit, MI 48201**

Honorable City Council:

The City of Detroit, Planning and Development Department (P&DD) has received an offer from Brush and Watson LLC, a Michigan limited liability company, to purchase certain City-owned real property at 3124 and 3136 Brush, 420 and 430 Erskine, 3137, 3129, 3119 and 3101 Beaubien, and 427 and 437 Watson, Detroit, MI (the "Properties") for the purchase price of One Million Two Hundred Thousand and 00/100 Dollars (\$1,200,000.00).

Brush and Watson LLC proposes to construct a mixed-income, mixed-use development on the Properties that will include approximately 168 residential rental units and 14,400 sq. ft. of retail/commercial space. Currently, the Properties are within a PD-H zoning district (Planned Development-Historic). The Historic District Commission reviewed the proposed use in October 2018 and it was determined that the proposed land sale will have the potential to be beneficial and have a positive effect on the Brush Park Historic District. An amendment to the respective PD-H zoning district that reflects the proposed use is intended to be submitted to your Honorable Body for approval in January 2019.

We request that your Honorable Body adopt the attached resolution to authorize the Director of P&DD to execute a development agreement, deed and such other documents as may be necessary or convenient to effect a transfer of the Properties by the City to Brush and Watson LLC.

Respectfully submitted,

Maurice D. Cox
Director

cc: Stephanie Washington, Mayor's Office

CITY CLERK 2018 NOV 8 AM 12:29

RESOLUTION

BY COUNCIL MEMBER: _____

NOW, THEREFORE, BE IT RESOLVED, that Detroit City Council hereby approves the sale by development agreement of certain real property at 3124 and 3136 Brush; 420 and 430 Erskine; 3137, 3129, 3119 and 3101 Beaubien; and 427 and 437 Watson, Detroit, MI (the “Properties”), as more particularly described in the attached Exhibit A incorporated herein, to Brush and Watson LLC, a Michigan limited liability company, for the purchase price of One Million Two Hundred Thousand and 00/100 Dollars (\$1,200,000.00); and be it further

RESOLVED, that the Director of the Planning and Development Department, or his authorized designee, is authorized to execute a development agreement and issue a quit claim deed for the sale of the Properties, as well as execute such other documents as may be necessary or convenient to effect the transfer of the Properties to Brush and Watson LLC consistent with this resolution; and be it further

RESOLVED, that the development agreement shall obligate Brush and Watson LLC to: 1) cause a mixed-income, mixed-use development to be constructed on the Properties and 2) lease for a period of no less than 30 years at least 20% of the rental units constructed on the Properties at a lease rate that is affordable to residents with incomes of 80% AMI or less; and be it further

RESOLVED, that the following Property Sales Services Fees be paid from the sale proceeds pursuant to the City’s Property Management Agreement with the Detroit Building Authority (“DBA”): 1) Seventy Two Thousand and 00/100 Dollars (\$72,000.00) shall be paid to the DBA from the sale proceeds, 2) Sixty Thousand and 00/100 Dollars (\$60,000.00) shall be paid to the DBA’s real estate brokerage firm from the sale proceeds and 3) customary closing costs up to Five Hundred and 00/100 Dollars (\$500.00) shall be paid from the sale proceeds; and be it further

RESOLVED, that the Director of the Planning and Development Department, or his authorized designee is authorized to execute any required instruments to make and incorporate technical amendments or changes to the quit claim deed (including but not limited to corrections to or confirmations of legal descriptions, or timing of tender of possession of particular parcels) in the event that changes are required to correct minor inaccuracies or are required due to unforeseen circumstances or technical matters that may arise prior to the conveyance of the Properties, provided that the changes do not materially alter the substance or terms of the transfer and sale; and be it finally

RESOLVED, that the development agreement and quit claim deed will be considered confirmed when executed by the Director of the Planning and Development Department, or his authorized designee, and approved by the Corporation Counsel as to form.

(See Attached Exhibit A)

EXHIBIT A

LEGAL DESCRIPTIONS

Property situated in the City of Detroit, Wayne County, Michigan, described as follows:

Parcel 1

E BRUSH S 45 FT OF LOT 2 BLK I BRUSH SUB L3 P24 PLATS, WCR 1/48 45 X 90

a/k/a 3124 Brush
Tax Parcel ID 01003827.

Parcel 2

E BRUSH N 45 FT OF LOT 2 BLK I BRUSH SUB L3 P24 PLATS, WCR 1/48 45 X 90

a/k/a 3136 Brush
Tax Parcel ID 01003828.

Parcel 3

S ERSKINE W 5 FT OF LOTS 27 & 28 MILLER & WILLCOX SUB L1 P86 PLATS, WCR 1/44
40 X 90

a/k/a 420 Erskine
Tax Parcel ID 01000777.

Parcel 4

S ERSKINE LOT 26 AND THE E 30 FT OF LOT 27 MILLER & WILLCOX SUB L1 P86
PLATS, WCR 1/44 65 X 90

a/k/a 430 Erskine
Tax Parcel ID 01000776.

Parcel 5

W BEAUBIEN N 35 FT OF LOT 25 MILLER & WILLCOX SUB L1 P86 PLATS W C R 1/44
35 X 96

a/k/a 3137 Beaubien
Tax Parcel ID 01003728-37

Parcel 6

W BEAUBIEN S 5 FT OF LOT 25 AND THE N 25 FT OF LOT 24 MILLER & WILLCOX L1
P86 PLATS, W C R 1/44 30 X 96

a/k/a 3129 Beaubien
Tax Parcel ID 01003738.

Parcel 7

W BEAUBIEN S 25 FT OF LOT 23 AND THE N 1/2 OF LOT 22 MILLER & WILLCOX L1
P86 PLATS, W C R 1/44 45 X 96

a/k/a 3119 Beaubien
Tax Parcel ID 01003740.

Parcel 8

W BEAUBIEN S 1/2 OF LOTS 22 AND 21 MILLER & WILLCOX L1 P86 PLATS, W C R 1/44
60 X 96

a/k/a 3101 Beaubien
Tax Parcel ID 01003741.

Parcel 9

N WATSON LOT 19 MILLER & WILLCOX SUB L1 P86 PLATS, WCR 1/44 35 X 90

a/k/a 427 Watson

Tax Parcel ID 01000774.

Parcel 10

N WATSON LOT 20 MILLER & WILLCOX SUB L1 P86 PLATS, WCR 1/44 35 X 90

a/k/a 437 Watson

Tax Parcel ID 01000775.