

1-7.2020
Referrals

**PLANNING AND
ECONOMIC
DEVELOPMENT
STANDING
COMMITTEE**



EXHIBIT D

**RESOLUTION CALLING A PUBLIC HEARING REGARDING
APPROVAL OF THE BROWNFIELD PLAN OF THE
CITY OF DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
FOR THE 2119 FIELD STREET 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 a Brownfield Plan for the City Club Apartments 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 23rd day of January, 2020 at 10:25 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 All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are rescinded.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 three (3) 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



December 20, 2019

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

Re: 2119 Field Street Apartments Brownfield Redevelopment Plan

Dear Honorable Council Members:

The enclosed Brownfield Plan for the City Club Apartments Redevelopment Project (the "Plan") (Exhibit A), was submitted by the Detroit Brownfield Redevelopment Authority Board (the "DBRA") and to the Community Advisory Committee (the "CAC"). The Plan was considered and reviewed by the CAC at its October 9, 2019 and October 30, 2019 meeting and a public hearing was held by the DBRA on October 28, 2019 to solicit public comments. The Committee's communication to the City Council and the DBRA, dated October 30, 2019 (Exhibit B), recommending approval of the Plan, including the excerpt of the minutes of the CAC meeting pertaining to the plan and the minutes the public hearing held by the DBRA, are enclosed for the City Council's consideration.

On November 6, 2019, 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.

Project Introduction

K8 Partners LLC is the project developer (the "Developer") for the Plan which entails the rehabilitation of the existing building into eight residential townhome apartments units. Each unit will include modern floorplans and finishes with private entry and exit, including covered porches which face the streets and rear porches that access private parking.

The total investment is estimated to be \$2.46 million. The Developer is requesting \$276,897.00 in TIF reimbursement.

There will be 73 temporary construction jobs and 1 FTE jobs. The 1 FTE job will be related to property management.

CITY CLERK 2019 DEC 20 AM 10:181

Property Subject to the Plan

The eligible property (the "Property") consists of one (1) parcels located in Detroit's Islandview neighborhood, on the east side of Detroit, bounded by the property line to the north, Field Street to the east, Kercheval Avenue to the south, and the property line 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 residential 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 functionally obsolete 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 demolition and lead and asbestos abatement, infrastructure improvements, site preparation, and development and preparation of brownfield plan and Act 381 work plan. 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 commence within 18 months of approval of the Plan and be completed within 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

1. Pre-Approved Activities	\$14,850.00
2. Demolition	\$75,250.00
3. Asbestos and Lead Activities	\$13,750.00
4. Infrastructure Improvements	\$30,500.00
5. Site Preparation	\$82,280.00
6. Brownfield Plan & Work Plan Preparation and Implementation	\$30,000.00
7. Contingency (15%)	\$30,267.00
Total Reimbursement to Developer	\$276,897.00
8. Authority Administrative Costs	\$64,333.00
9. State Brownfield Redevelopment Fund	\$15,111.00
10. Local Brownfield Revolving Fund	\$76,241.00
TOTAL Estimated Costs	\$448,326.00

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 additional incentives, which will include local and/or state approval of an Obsolete Property Rehabilitation Act (PA 146) Abatement.

DBRA's Request

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

- a.) January 7, 2020

Honorable City Council

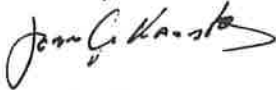
December 20, 2019

3

City Council adoption of the Resolution (Exhibit D), setting the 2119 Field Street Apartments Brownfield Redevelopment Plan public hearing, as approved by the Planning and Economic Development Standing Committee Chair and the City of Detroit Clerk, for January 23, 2020 at 10:25 AM in the Council Chambers, 13th Floor of the Coleman A. Young Municipal Center, located at 2 Woodward Avenue, Detroit, Michigan.

- b.) January 23, 2020, 10:05 AM
Discussion with taxing jurisdictions regarding the fiscal impact of the Plan.
- c.) January 23, 2020, 10:25 AM
Public Hearing at City Council's Planning and Economic Development Standing Committee concerning the 2119 Field Street Apartments Brownfield Redevelopment Plan.
- d.) January 28, 2020
City Council adoption of the Resolution approving the 2119 Field Street Apartments 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
 - Kevin Johnson
 - Malinda Jensen
 - Matthew Walters
 - Allen Rawls
 - Brian Vosburg
 - Stephanie Washington
 - Gail Fulton

EXHIBIT A

CITY OF DETROIT
BROWNFIELD REDEVELOPMENT AUTHORITY

BROWNFIELD PLAN FOR THE
PROPOSED 2119 FIELD STREET
REDEVELOPMENT PROJECT

Prepared by:

K8 Partners LLC
Astral Weeks Development
175 Great Neck Road, Suite 407
Great Neck, New York 11021
Contact Person: Mr. Adam Schloff
Phone: (516) 466-8001
adam@astralweeks.com

PM Environmental
4080 West Eleven Mile Road
Berkley, Michigan, 48072
Contact Person: Elizabeth Masserang
Phone: 248-414-1441
masserang@pmenv.com

October 2, 2019

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

TABLE OF CONTENTS

I.	INTRODUCTION	I-1
II.	GENERAL PROVISIONS	
	A. Description of Eligible Property	II-2
	B. Basis of Eligibility	II-3
	C. Summary of Eligible Activities	II-3
	D. Estimate of Captured Taxable Value and Tax Increment Revenues; Impact of Tax Increment Financing on Taxing Jurisdictions	II-5
	E. Plan of Financing; Maximum Amount Of Indebtedness	II-5
	F. Duration of Plan	II-6
	G. Effective Date of Inclusion	II-7
	H. Displacement/Relocation of Individuals On Eligible Property	II-7
	I. Local Brownfield Revolving Fund (LBRF)	II-7
	J. Brownfield Redevelopment Fund	II-8
	K. Developer's Obligations, Representations and Warrants	II-8
III.	ATTACHMENTS	
	A. Site Map	A-1
	B. Legal Description(s)	B-1
	C. Project Description	C-1
	D. Supportive Letters	D-1

E. Estimated Cost of Eligible Activities	E-1
F. TIF Tables	F-1
G. BSE&E Acknowledgement and Other Environmental Documents	G-1
H. Eligibility Documentation	H-1
I. Incentives Chart	I-1

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 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. A subsequent change to the identification or designation of the developer after the approval of this Plan by the governing body shall not necessitate an amendment to the Plan, affect the application of this Plan to the eligible property or impair the rights available to 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 of 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

The property comprising the eligible property consists of one (1) parcel. The parcel is commonly known as 2119 Field Street and is functionally obsolete. The parcel and all tangible personal property located thereon will comprise the eligible property and is collectively referred to herein as the “Property.”

Attachment A includes a site map of the Property. The Property is located in Detroit’s Islandview neighborhood, on the east side of Detroit, bounded by the property line to the north, Field Street to the east, Kercheval Avenue to the south, and the property line to the west.

Parcel information is outlined below.

Address	2119 Field Street
Parcel ID	15007454.002L
Owner	K8 Partners LLC
Legal Description	LOTS 29 AND 30 OF LINDEN LAWN SUBDIVISION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN LIBER 21 OF PLATS PAGE 21, WAYNE COUNTY RECORDS, BEING MORE PARTICULARLY DESCRIBED AS: BEGINNING AT THE NORTHERLY RIGHT OF WAY LINE OF KERCHEVAL AVENUE (80FT WIDE) AND THE WESTERLY RIGHT OF WAY LINE OF FIELD AVENUE (80 FT WIDE), ALSO BEING THE SOUTHEAST CORNER OF LOT 30 OF SAID LINDEN LAWN SUBDIVISION, THENCE ALONG SAID NORTHERLY LINE, SOUTH 62 DEGREES 57 MINUTES 26 SECONDS WEST 150 FEET TO THE EASTERLY LINE OF A PUBLIC ALLEY (VARIABLE WIDTH); THENCE ALONG SAID EASTERLY LINE, NORTH 26 DEGREES 57 MINUTES 26 SECONDS WEST 100.00 FEET TO THE NORTHWEST CORNER OF LOT 29; THENCE NORTH 62 DEGREES 57 MINUTES 26 SECONDS EAST 150.00 FEET TO THE WESTERLY LINE OF SAID FIELD STREET; THENCE ALONG SAID WESTERLY LINE SOUTH 26 DEGREES 57 MINUTES 26 SECONDS EAST 100.00 FEET TO THE POINT OF BEGINNING AND CONTAINING 0.344 ACRES.

K8 Partners, LLC on behalf of Astral Weeks Development, is the project developer (“Developer”) and owner of the Property. The project includes the rehabilitation of the current building into approximately eight (8) residential townhome apartment units. Each unit will include modern floorplans and finishes with private entry and exit, including

covered porches that face the streets, and rear porches that access private parking. It is currently anticipated that construction will begin in the fall of 2019 and eligible activities are anticipated to be completed by October 2021. The project description provided herein is a summary of the proposed development at the time of the adoption of the Plan. The actual development 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 staff 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 project 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 (o))

The Property is considered "eligible property" as defined by Act 381, Section 2 because (a) the Property was previously utilized or is currently utilized for a residential 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 functionally obsolete as defined by Act 381.

The current building's deterioration has left it dangerous and unable to be used to adequately perform the function for which it was intended due to a substantial loss in value. The requisite affidavit signed by a level 3 or level 4 assessor certifying the assessor's expert opinion that the Property is functionally obsolete shall be provided by Developer to the DBRA prior to the approval of this Plan and is attached hereto as Attachment H. Further description of its eligibility is outlined below:

- The current configurations do not meet market demand for the residential use of the building.
- Mechanical, electrical, and plumbing systems are antiquated and there are no operating utilities.
- The roof has active leaks and the building lacks windows.
- The building structure requires repair.
- The building lacks interior partitions.

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 of Act 381, because they include demolition and lead and asbestos abatement, infrastructure improvements, site preparation, and development and preparation of brownfield plan and Act 381 work plan.

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 in the table 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 performance 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 (MSF) 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 MSF the Michigan Department of Environment, Great Lakes, & Energy (EGLE), 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 EGLE 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>Reimbursements</u> <u>Costs</u>	<u>Admin.</u> <u>Costs</u>	<u>State</u> <u>Brownfield</u> <u>Fund</u>	<u>Local</u> <u>Revolving</u> <u>Fund</u>
School Operating Tax	\$87,198	\$0	\$0	\$0
State Education Tax	\$14,533	\$0	\$15,111	\$0
City Operating	\$88,875	\$32,793	\$0	\$38,682
Library	\$20,627	\$7,611	\$0	\$8,978
Wayne County	\$34,843	\$12,856	\$0	\$15,165
HCMA	\$953	\$352	\$0	\$416
RESA/Special Ed	\$15,432	\$5,694	\$0	\$6,716
Wayne County Community College	\$14,436	\$5,327	\$0	\$6,283
TOTALS	\$276,897	\$64,633	\$15,111	\$76,241
In addition, the following taxes are projected to be generated <u>but shall not be captured</u> during the life of this Plan:				
City Debt		\$70,947		
School Debt		\$102,479		
Wayne County DIA		\$1,577		
Wayne County Zoo		\$788		
Total		\$175,792		

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.

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

The eligible activities are to be financed solely 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 City or 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 or the City 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.

The Developer has applied or will apply for a property tax abatement under the Obsolete Property Rehabilitation Act, PA 146 of 2000, as amended, (OPRA). If approved, the approved OPRA will reduce the property tax obligations of the Property for the period applicable under the abatement certificate, thereby reducing the amount of tax increment revenues available pursuant to this Plan.

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 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 \$76,241. 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 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.*), has been performed on the Property ("Environmental Documents"). Attached hereto as Attachment G is the City of Detroit's Department of Buildings, Safety Engineering and Environmental acknowledgement of its receipt of the Phase I ESA, and if appropriate, the Phase II ESA.

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.

III. ATTACHMENTS

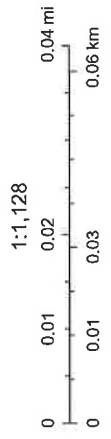
ATTACHMENT A

Site Map

Wayne County Parcel Viewer



April 17, 2019



City of Windsor, SEMCOG, Esri, Canada, Esri, HERE, Garmin, INCREMENT P, USGS, EPA, USDA, AAFC, NRCan

ATTACHMENT B

Legal Descriptions of Eligible Property to which the Plan Applies

Legal Description

2119 Field Street – PID 15007454.002L

LOTS 29 AND 30 OF LINDEN LAWN SUBDIVISION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN LIBER 21 OF PLATS PAGE 21, WAYNE COUNTY RECORDS, BEING MORE PARTICULARLY DESCRIBED AS: BEGINNING AT THE NORTHERLY RIGHT OF WAY LINE OF KERCHEVAL AVENUE (80FT WIDE) AND THE WESTERLY RIGHT OF WAY LINE OF FIELD AVENUE (80 FT WIDE), ALSO BEING THE SOUTHEAST CORNER OF LOT 30 OF SAID LINDEN LAWN SUBDIVISION, THENCE ALONG SAID NORTHERLY LINE, SOUTH 62 DEGREES 57 MINUTES 26 SECONDS WEST 150 FEET TO THE EASTERLY LINE OF A PUBLIC ALLEY (VARIABLE WIDTH); THENCE ALONG SAID EASTERLY LINE, NORTH 26 DEGREES 57 MINUTES 26 SECONDS WEST 100.00 FEET TO THE NORTHWEST CORNER OF LOT 29; THENCE NORTH 62 DEGREES 57 MINUTES 26 SECONDS EAST 150.00 FEET TO THE WESTERLY LINE OF SAID FIELD STREET; THENCE ALONG SAID WESTERLY LINE SOUTH 26 DEGREES 57 MINUTES 26 SECONDS EAST 100.00 FEET TO THE POINT OF BEGINNING AND CONTAINING 0.344 ACRES.

ATTACHMENT C

Project Description

**Proposed 2119 Field Street
Redevelopment Project**

PROJECT DESCRIPTION

Project Synopsis

The proposed Development is located at the intersection of Kercheval Avenue and Field Street in the Islandview neighborhood of Detroit, named for Detroit's famous island park, Belle Isle. The property is bounded by the property line to the north, Field Street to the east, Kercheval Avenue to the south, and the property line to the west. The property consists of one parcel totaling approximately 0.34 acres.

The proposed Development consists of the complete building rehabilitation of 2119 Field Street to create eight residential townhome apartment units. Each unit will include modern three-bedroom floorplans and finishes with private entry and exit for each unit, including covered porches that face the streets, and rear porches that access private parking.

The building is anticipated to consist of approximately 11,761 square feet of living space (not including an additional 5,951 square feet of basement floor space), divided into eight three-bedroom units with basements. A minimum of 20% of the units will be priced to meet affordable unit requirements for the 80% of the Area Median Income (AMI).

The developer will create a new parking area at the rear of the property, including parking for each apartment unit. The parking area will include an automatic gate, a four foot fence, and a hedge row to screen green space from the parking lot. New concrete walkways will also be installed throughout the property.

Upon completion, this project will replace a functionally obsolete building and bring the property into a higher use that will support the current market. On a short-term basis approximately 73 construction jobs will be created, while approximately one full-time equivalent (FTE) job related to the management and maintenance of the property will be created upon completion of the redevelopment. Construction activities are anticipated to commence in the fall of 2019, with construction completion anticipated for October 2021.

Economic Benefit

Upon successful redevelopment, the Development will generate increased income taxes through the new jobs and residents that the project will create. It will also return much needed residential density to an area of Islandview that is characterized by vacant lots and disinvestment. Activation of this property will spur further growth and act as a catalyst for future redevelopment of numerous vacant and blighted properties along the Kercheval Avenue corridor and the surrounding neighborhoods and provide spinoff consumer spending in an area of Detroit that is currently left out of redevelopment planning.

On a short-term basis approximately 73 construction jobs will be created, while approximately one full-time equivalent (FTE) job related to the management and maintenance of the property will be created upon completion of the redevelopment. The development team have several Detroit-based contractors that they have used in the past and that they have requested bids from to ensure Detroit-based contractors and workers benefit from the redevelopment. In addition, should additional contractors be needed for the project, the Developer will reach out to the Skilled Trades Taskforce to ensure Detroit-based contractors and workers benefit from the redevelopment.

The Development is also anticipated to generate new income tax in addition to the jobs created. Investments in the community such as this will have positive long-term effects and help to secure a brighter future for the Islandview neighborhood.

Project Investment Estimates to Date

Hard Costs: Approximately \$1.50 million

Total Costs: Approximately \$2.46 million

Additional Financing Incentives Associated with the Redevelopment

The Developer is also pursuing the following at this time:

- An Obsolete Property Rehabilitation Act (OPRA) Tax Exemption (Public Act 146 of 2000, as amended)

Development Team and Company Synopsis

K8 Partners, LLC was formed in 2018 and is affiliated with Astral Weeks Development (“Astral Weeks”) Astral Weeks is a privately held real estate development and management company, working primarily in the New York City region and Detroit. With a focus on dynamic urban neighborhoods, Astral Weeks develops and invests in residential, commercial, and mixed use projects. Whether through ground-up new construction or adaptive reuse projects, the company contributes to the thriving neighborhoods in which its projects are located by helping meet local demands for quality housing, community facilities, creative workspaces, and retail. Because Astral Weeks owns, operates and manages its properties, the company’s approach to development is distinguished by strategic purpose and professional execution.

Astral Weeks has been active in the City of Detroit since 2014, making several property acquisitions, as well as executing on a neighborhood development strategy in Islandview/Greater Villages, including the planned rehab of approximately 60 single family and duplex homes, 15 of which have been completed and leased out or sold to date.

The Roy Company, the construction manager (CM), is a contracting firm based in Detroit, and a dedicated partner for this development. With the experience of Astral Weeks and the dedication of The Roy Company, the Developer is poised to successfully rehabilitate this historic building, providing increased housing variety in an area of Detroit ripe for building rehabilitation and increased residential density.

ATTACHMENT D

Supportive Letters



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

August 23, 2019

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

RE: 2119 Field Street Brownfield Redevelopment Plan

Dear Ms. Kanalos,

The Detroit Brownfield Redevelopment Authority (DBRA) has asked that the Planning and Development Department to review and comment on the 2119 Field Street Brownfield Redevelopment Plan (the "Plan").


K8 Partners, LLC is the project developer ("Developer"). The property in the Plan is located on one parcel located at the corner of Kercheval Avenue and Field Street in Detroit's Islandview neighborhood. The property is roughly bounded by the property line and residential properties to the north, Field Street to the east, Kercheval Avenue to the south, and the property line and a public alley to the west. Previous use of the property has historically been limited to residential uses.

The proposed Development consists of the complete building rehabilitation of 2119 Field Street to create eight residential townhome apartment units. Each unit will include modern three-bedroom floorplans and finishes with private entry and exit for each unit, including covered porches that face the streets, and rear porches that access private parking. The building is anticipated to consist of approximately 11,761 square feet of living space (not including an additional 5,951 square feet of basement floor space), divided into eight three-bedroom units with basements. A minimum of 20% of the units will be priced to meet affordable unit requirements for the 80% of the Area Median Income (AMI).

The development will renovate and reactivate an important building in the Islandview neighborhood and the Kercheval corridor of Detroit. Total investment is estimated at \$2.46 million.

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

Sincerely,


Maurice Cox
Director
Planning and Development Department

c: B. Vosburg

The Villages • Detroit



7900 Mack Avenue
Detroit, MI 48214
Phone: 313-486-2900
Fax: 313-331-1500
E-Mail: mac@thevillagesofdetroit.com
Web: www.thevillagesofdetroit.com

October 15, 2019

City of Detroit and its Agencies
2 Woodward Avenue,
Detroit MI, 48226

Re: Letter of support for the Kercheval/Field Avenues townhouses project

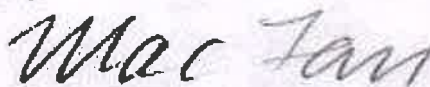
To Whom It May Concern:

We are writing in connection with the aforementioned development project. The Villages Community Development Corporation supports this project and urges all City agencies to move forward with it.

Adam Schloff, Director of Development and Design, reached out to us earlier this summer in order to obtain our support for this project. He subsequently met with community stakeholders at the Five Alive meeting that took place on September 9th of this year. Through Pastor Barry Randolph, leader of the Five Alive organization, they reported favorably on the new development.

This project also aligns with several of our own strategic considerations. In addition to continuing to generate new units of housing, bringing two more units online at 80% of AMI is beneficial for the neighborhood. Additionally, the renewal of vacant buildings on a prime thoroughfare in the Villages is advantageous, as well as eliminating blight and enhances density. Therefore, the Villages Community Development Corporation, supports the necessary City approvals to move this project towards completion and subsequent occupancy.

Sincerely,



Mac Farr
Executive Director
Villages Community Development Corporation



October 15, 2019

Ms. Jennifer Kanalos
Detroit Brownfield Redevelopment Authority
500 Griswold, Suite 2200
Detroit, MI 48226

RE: 2119 Field Street for K8 Partners, LLC

Dear Ms. Kanalos,

On behalf of the Church of the Messiah and Five Alive, our community organization for social issues, I would like to express support for the K8 Partners project located at the corner of Field Street and Kercheval Avenue. The Church of the Messiah has served the needs of residents of the Islandview neighborhood for more than 140 years, whereby we have provided 213 housing units, sponsored a local employment office through Michigan Works, acted as a community safety agency, and fostered a mentorship program.

The proposed renovation at 2119 Field Street will bring to life a building that has been vacant for nearly a decade. We have witnessed many previous developers begin work on the property, however none have been able to see the project through to completion. We are excited to see this project come to fruition and provide addition housing opportunities for Islandview residents and families. Its location along Kercheval Avenue is important to help provide neighborhood stability and spur additional investment in our neighborhood. We are confident the K8 team is able to see this project through.

We are pleased to offer our full support of this project. If you have any questions, please feel free to contact me

Sincerely,

A handwritten signature in cursive script that reads 'Rev. Barry Randolph'.

Rev. Barry Randolph
Senior Pastor
313-633-5331
Barryrandolph56@gmail.com



October 15, 2019

Ms. Jennifer Kanalos
Detroit Brownfield Redevelopment Authority
500 Griswold, Suite 2200
Detroit, MI 48226

RE: 2119 Field Street for K8 Partners, LLC

Dear Ms. Kanalos,

On behalf of the Church of the Messiah and Five Alive, our community organization for social issues, I would like to express support for the K8 Partners project located at the corner of Field Street and Kercheval Avenue. The Church of the Messiah has served the needs of residents of the Islandview neighborhood for more than 140 years, whereby we have provided 213 housing units, sponsored a local employment office through Michigan Works, acted as a community safety agency, and fostered a mentorship program.

The proposed renovation at 2119 Field Street will bring to life a building that has been vacant for nearly a decade. We have witnessed many previous developers begin work on the property, however none have been able to see the project through to completion. We are excited to see this project come to fruition and provide additional housing opportunities for Islandview residents and families. Its location along Kercheval Avenue is important to help provide neighborhood stability and spur additional investment in our neighborhood. We are confident the K8 team is able to see this project through.

We are pleased to offer our full support of this project. If you have any questions, please feel free to contact me

Sincerely,

A handwritten signature in black ink, appearing to read 'Rev. Wallace A. Gilbert, Jr.' with a stylized flourish at the end.

Rev. Wallace A. Gilbert, Jr.
Assistant Pastor
248-796-1921
wallyg@blvdharambee.org



August 9, 2019

City of Detroit Brownfield Redevelopment Authority
Attn: Detroit Economic Growth Corporation
500 Griswold Street
Detroit, MI 48226

To Whom It May Concern:

Villages Property Management is writing in support of K8 Partners LLC's proposed rehabilitation of 2119 Field Street, located at the corner of Kercheval Avenue and Field Street in the Islandview/Villages neighborhood. The project will reintroduce eight 3-bedroom townhomes into the neighborhood as rental units, including two affordable units. It will also create safe, off street parking for the development by constructing a new, 8 space parking lot.

We have reviewed the project with K8 Partners and believe that it will be an important catalyst and anchor for this section of Kercheval Avenue, complementing our development efforts in the neighborhood, as well as the city's planning and investment strategy for Islandview/Greater Villages. Most importantly, it will rehabilitate a long blighted structure, helping to make this part of the neighborhood safer, and raise property values for residents and businesses.

As a long-term property owner in the area, we appreciate what K8 partners is doing to bring further investment and more housing options to this neighborhood, and we look forward to this project continuing to the continued growth of the Kercheval corridor. If you have any questions, please feel free to reach out to me at reimer@villagesPM.com or 504-875-8112.

Sincerely,

A handwritten signature in black ink, appearing to read "Reimer Priester". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Reimer Priester
Managing Member

ATTACHMENT E

Estimated Cost of Eligible Activities Table

Table 1: Eligible Activities Cost Estimates

Item/Activity	Total Request	MSF Act 381 Eligible Activities	MDEQ Act 381 Eligible Activities
Pre-Approved Activities			
Phase I ESA	\$ 2,200		\$ 2,200
Hazardous Materials Survey	\$ 12,650		\$ 12,650
Pre-Approved Activities Sub-Total	\$ 14,850	\$ -	\$ 14,850
Demolition			
Building Demolition Activities	\$ 55,900	\$ 55,900	
Site Demolition Activities	\$ 19,350	\$ 19,350	
Demolition Sub-Total	\$ 75,250	\$ 75,250	\$ -
Asbestos and Lead Activities			
Asbestos Abatement	\$ 13,750	\$ 13,750	
Asbestos and Lead Activities Sub-Total	\$ 13,750	\$ 13,750	
Infrastructure Improvements			
Roads	\$ 7,000	\$ 7,000	
Sanitary Sewer Mains	\$ 23,500	\$ 23,500	
Infrastructure Sub-Total	\$ 30,500	\$ 30,500	
Site Preparation			
Temporary Facility	\$ 37,280	\$ 37,280	
Relocation of Active Utilities (Electric, Gas, Water, Sewer)	\$ 45,000	\$ 45,000	
Site Preparation Sub-Total	\$ 82,280	\$ 82,280	
Preparation of Brownfield Plan and Act 381 Workplan			
Brownfield Plan and Act 381 Work Plan	\$ 30,000	\$ 30,000	\$ -
Brownfield Plan and Act 381 Workplan Sub-Total	\$ 30,000	\$ 30,000	\$ -
Eligible Activities Sub-Total	\$ 246,630	\$ 231,780	\$ 14,850
15% Contingency*	\$ 30,267	\$ 30,267	\$ -
Developer Eligible Reimbursement Total	\$ 276,897	\$ 262,047	\$ 14,850
TIF Capture for Local Brownfield Revolving Fund	\$ 88,491	\$ -	\$ -
Administrative Fee	\$ 67,827		
State Brownfield Fund	\$ 15,111		
Total	\$ 448,326	\$ 262,047	\$ 14,850

*15% Contingency excludes preparation of Brownfield Plan/381 Work Plan and Pre-Approved Activities

ATTACHMENT F

TIF Tables

Tax Increment Revenue Capture Estimates - Table
 2119 Field Street, Detroit
 Wayne County, Michigan
 October 2, 2019

	Estimated Taxable Value (TV) Increase Rate: 1% per year												
	Plan Year	0	1	2	3	4	5	6	7	8	9	10	11
Calendar Year	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	
*Base Taxable Value	\$ 66,400	\$ 66,400	\$ 66,400	\$ 66,400	\$ 66,400	\$ 66,400	\$ 66,400	\$ 66,400	\$ 66,400	\$ 66,400	\$ 66,400	\$ 66,400	\$ 66,400
Estimated New TV	\$ 460,000	\$ 464,600	\$ 469,246	\$ 473,938	\$ 478,678	\$ 483,465	\$ 488,299	\$ 493,182	\$ 498,114	\$ 503,095	\$ 508,126	\$ 508,126	\$ 508,126
Incremental Difference (New TV - Base TV)	\$ 393,600	\$ 398,200	\$ 402,846	\$ 407,538	\$ 412,278	\$ 417,065	\$ 421,899	\$ 426,782	\$ 431,714	\$ 436,695	\$ 441,726	\$ 441,726	\$ 441,726
School Capture													
	Millage Rate (through 2021)	Millage Rate (from 2022)											
State Education Tax (SET)	6.0000	6.0000	\$ 398	\$ 2,362	\$ 2,389	\$ 2,417	\$ 2,445	\$ 2,474	\$ 2,502	\$ 2,531	\$ 2,561	\$ 2,590	\$ 2,620
School Operating Tax	18.0000	18.0000	\$ 1,195	\$ 7,085	\$ 7,168	\$ 7,251	\$ 7,336	\$ 7,421	\$ 7,507	\$ 7,594	\$ 7,682	\$ 7,771	\$ 7,861
School Total	24.0000	24.0000	\$ 1,594	\$ 9,446	\$ 9,557	\$ 9,668	\$ 9,781	\$ 9,895	\$ 10,010	\$ 10,126	\$ 10,243	\$ 10,361	\$ 10,481
Local Capture													
	Millage Rate (through 2021)	Millage Rate (from 2022)											
City Operating	19.9520	19.9520	\$ 1,325	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Library	4.6307	4.6307	\$ 307	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Wayne County Operating (summer)	5.6483	5.6483	\$ 375	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Wayne County Operating (winter)	0.9897	0.9897	\$ 66	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Wayne County Jails	0.9381	0.9381	\$ 62	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Wayne County Parks	0.2459	0.2459	\$ 16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
HCMA	0.2146	0.2146	\$ 14	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
RESA Enhancement	2.0000	0.0000	\$ 133	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Wayne County SD (RESA)	3.4643	3.4643	\$ 230	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Wayne County Community College	3.2408	3.2408	\$ 215	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Total	41.3244	39.3244	\$ 2,744	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non-Capturable Millages													
	Millage Rate (through 2021)	Millage Rate (from 2022)											
City Debt	9.0000	9.0000	\$ 595	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School Debt	13.0000	13.0000	\$ 863	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Wayne County DIA	0.2000	0.2000	\$ 13	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Wayne County Zoo	0.1000	0.1000	\$ 7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Non-Capturable Taxes	22.3000	22.3000	\$ 1,481	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Capturable Millages	65.3244	63.3244											
Total Tax Increment Revenue (TIR) Available for Capture	\$	\$ 9,446	\$ 9,557	\$ 9,668	\$ 9,781	\$ 9,895	\$ 10,010	\$ 10,126	\$ 10,243	\$ 10,361	\$ 10,481	\$ 10,481	\$ 10,601

*Base taxable value was provided by the Office of the Assessor in a letter dated August 23, 2019.

Tax Incremental Revenue Capture Estimates - Table
 2119 Field Street, Detroit
 Wayne County, Michigan
 October 2, 2019

Estimated Taxable Value (TV) Increase Rate:

Plan Year	12	13	14	15	16	17	18	19	20	21	22
Calendar Year	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
* Base Taxable Value \$	66,400	66,400	66,400	66,400	66,400	66,400	66,400	66,400	66,400	66,400	66,400
Estimated New TV \$	513,207	518,340	523,523	528,758	534,046	539,386	544,780	550,228	555,730	561,287	566,900
Incremental Difference (New TV - Base TV) \$	446,807	451,940	457,123	462,358	467,646	472,986	478,380	483,828	489,330	494,887	500,500

School Capture	Millage Rate (through 2021)	Millage Rate (from 2022)
State Education Tax (SET)	6.0000	6.0000
School Operating Tax	18.0000	18.0000
School Total	24.0000	24.0000

Local Capture	Millage Rate (through 2021)	Millage Rate (from 2022)
City Operating	19.9520	19.9520
Library	4.6307	4.6307
Wayne County Operating (summer)	5.6483	5.6483
Wayne County Operating (winter)	0.9887	0.9887
Wayne County Jails	0.9381	0.9381
Wayne County Parks	0.2459	0.2459
HICMA	0.2146	0.2146
RESA Enhancement	2.0000	2.0000
Wayne County ISD (RESA)	3.4643	3.4643
Wayne County Community College	3.2408	3.2408
Local Total	41.3244	41.3244

Non-Capturable Millages	Millage Rate (through 2021)	Millage Rate (from 2022)
City Debt	9.0000	9.0000
School Debt	13.0000	13.0000
Wayne County DIA	0.2000	0.2000
Wayne County Zoo	0.1000	0.1000
Total Non-Capturable Taxes	22.3000	22.3000
Total Capturable Millages	63.3244	63.3244

Total Tax Incremental Revenue (TIR) Available for Capture \$	10,723	28,619	28,947	29,279	29,613	29,952	30,293	30,638	30,987	31,338	31,694
--	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------

*Base taxable value was provided by the Office of the Asst

Tax Increment Revenue Capture Estimates - Table
 2119 Field Street, Detroit
 Wayne County, Michigan
 October 2, 2019

Estimated Taxable Value (TV) Increase Rate:

Plan Year	23	24	25	26	27	28	TOTAL
Calendar Year	2042	2043	2044	2045	2046	2047	
*Base Taxable Value \$	66,400	66,400	66,400	66,400	66,400	66,400	
Estimated New TV \$	572,569	578,295	584,078	589,919	595,818	601,776	
Incremental Difference (New TV - Base TV) \$	506,169	511,895	517,678	523,519	529,418	535,376	

School Capture	Millage Rate (through 2021)	Millage Rate (from 2022)	23	24	25	26	27	28	TOTAL
School Operating Tax (SET)	6.0000	6.0000	3,037	3,071	3,106	3,141	3,177	3,212	77,521
School Operating Tax	18.0000	18.0000	9,111	9,214	9,318	9,423	9,530	9,637	232,563
School Total	24.0000	24.0000	12,148	12,285	12,424	12,564	12,706	12,849	310,084
Local Capture	Millage Rate (through 2021)	Millage Rate (from 2022)	19.9520	19.9520	10.213	10.329	10.445	10.563	157,282
City Operating	4.6307	4.6307	2,344	2,370	2,397	2,424	2,452	2,479	36,504
Library	5.6483	5.6483	2,859	2,891	2,924	2,957	2,990	3,024	44,526
Wayne County Operating (summer)	0.9897	0.9897	501	507	512	518	524	530	7,802
Wayne County Operating (winter)	0.9381	0.9381	475	480	486	491	497	502	7,395
Wayne County Parks	0.2459	0.2459	124	126	127	129	130	132	1,938
HGMA	0.2146	0.2146	109	110	111	112	114	115	1,692
RESA Enhancement	2.0000	0.0000	-	-	-	-	-	-	-
Wayne County ISD (RESA)	3.4643	3.4643	1,754	1,773	1,793	1,814	1,834	1,855	27,309
Wayne County Community College	3.2408	3.2408	1,640	1,659	1,678	1,697	1,716	1,735	25,547
Local Total	41.3244	39.3244	19,905	20,130	20,357	20,587	20,819	21,053	309,996

Non-Capturable Millages	Millage Rate (through 2021)	Millage Rate (from 2022)	23	24	25	26	27	28	TOTAL
City Debt	9.0000	9.0000	4,556	4,607	4,659	4,712	4,765	4,818	70,917
School Debt	13.0000	13.0000	6,589	6,655	6,730	6,806	6,882	6,960	102,479
Wayne County DIA	0.2000	0.2000	101	102	104	105	106	107	1,577
Wayne County Zoo	0.1000	0.1000	51	51	52	52	53	54	788
Total Non-Capturable Taxes	22.3000	22.3000	11,298	11,415	11,544	11,674	11,806	11,939	175,792
Total Capturable Millages	65.3244	63.3244	31,103	31,545	31,901	32,261	32,625	32,992	485,788

Total Tax Increment Revenue (TIR) Available for Capture \$ 32,053 \$ 32,415 \$ 32,782 \$ 33,152 \$ 33,525 \$ 33,902 \$

*Base taxable value was provided by the Office of the Assessor

Tax Incremental Revenue Capture Estimates - Table
 2119 Field Street, Detroit
 Wayne County, Michigan
 October 2, 2019

Developer Maximum Reimbursement	Total Proportionality	School & Local Taxes	Local-Only Taxes	Total
State	36.74%	\$ 101,731	\$ -	\$ 101,731
Local	63.26%	\$ 175,166	\$ -	\$ 175,166
TOTAL				
EGLE	5.36%	\$ 14,850	\$ -	\$ 14,850
MSF	94.64%	\$ 262,047	\$ -	\$ 262,047

Estimated Capture	
Administrative Fees	\$ 64,633
State Revolving Fund	\$ 15,111
LBRF	\$ 76,241

Estimated Total
 Years of Plan: 28

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Total State Incremental Revenue	\$ 9,446	\$ 9,557	\$ 9,668	\$ 9,781	\$ 9,895	\$ 10,010	\$ 10,126	\$ 10,243	\$ 10,361	\$ 10,481	\$ 10,601	\$ 10,723				
State Brownfield Revolving Fund (50% of SET)	\$ 1,181	\$ 1,195	\$ 1,209	\$ 1,223	\$ 1,237	\$ 1,251	\$ 1,266	\$ 1,280	\$ 1,295	\$ 1,310	\$ 1,325	\$ 1,340				
State TIR Available for Reimbursement	\$ 8,266	\$ 8,362	\$ 8,460	\$ 8,558	\$ 8,658	\$ 8,758	\$ 8,860	\$ 8,962	\$ 9,066	\$ 9,171	\$ 9,276	\$ 9,383				
Total Local Incremental Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
BRA Administrative Fee (15% of total TIR)*	\$ 1,417	\$ 1,434	\$ 1,450	\$ 1,467	\$ 1,484	\$ 1,501	\$ 1,519	\$ 1,536	\$ 1,554	\$ 1,572	\$ 1,590	\$ 1,609	\$ 1,627	\$ 1,646	\$ 1,666	\$ 1,686
Developer Paid Amount to Admin Fee	\$ 472	\$ 478	\$ 483	\$ 489	\$ 495	\$ 500	\$ 506	\$ 512	\$ 518	\$ 524	\$ 530	\$ 536	\$ 542	\$ 548	\$ 554	\$ 560
Outstanding DBRA Admin Fee	\$ 945	\$ 1,900	\$ 2,867	\$ 3,845	\$ 4,835	\$ 5,836	\$ 6,848	\$ 7,873	\$ 8,909	\$ 9,957	\$ 11,017	\$ 12,089	\$ 13,173	\$ 14,268	\$ 15,375	\$ 16,495
Local TIR Available for Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total State & Local TIR Available	\$ 8,266	\$ 8,362	\$ 8,460	\$ 8,558	\$ 8,658	\$ 8,758	\$ 8,860	\$ 8,962	\$ 9,066	\$ 9,171	\$ 9,276	\$ 9,383	\$ 9,491	\$ 9,601	\$ 9,712	\$ 9,825

DEVELOPER	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
DEVELOPER Reimbursement Balance	\$ 276,897	\$ 268,631	\$ 260,269	\$ 251,809	\$ 243,251	\$ 234,593	\$ 225,835	\$ 216,975	\$ 208,013	\$ 198,947	\$ 189,776	\$ 180,500	\$ 175,166	\$ 172,149	\$ 156,869	\$ 141,414

OPRA Tax Abatement																
MSF Non-Environmental Costs	\$ 262,047															
State Tax Reimbursement	\$ 7,822	\$ 7,914	\$ 8,006	\$ 8,099	\$ 8,194	\$ 8,289	\$ 8,385	\$ 8,482	\$ 8,580	\$ 8,679	\$ 8,779	\$ 8,879	\$ 8,979	\$ 9,079	\$ 9,179	\$ 9,279
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total MSF Reimbursement Balance	\$ 254,225	\$ 246,311	\$ 238,305	\$ 230,206	\$ 222,012	\$ 213,723	\$ 205,339	\$ 196,857	\$ 188,277	\$ 179,598	\$ 170,820	\$ 165,772	\$ 162,917	\$ 148,456	\$ 133,831	\$ 119,037
EGLE Environmental Costs	\$ 14,850															
State Tax Reimbursement	\$ 443	\$ 448	\$ 454	\$ 459	\$ 464	\$ 470	\$ 475	\$ 481	\$ 486	\$ 492	\$ 497	\$ 503	\$ 508	\$ 514	\$ 519	\$ 525
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total EGLE Reimbursement Balance	\$ 14,407	\$ 13,958	\$ 13,505	\$ 13,046	\$ 12,581	\$ 12,112	\$ 11,636	\$ 11,156	\$ 10,670	\$ 10,178	\$ 9,680	\$ 9,179	\$ 8,675	\$ 8,163	\$ 7,644	\$ 7,119
Total Annual Developer Reimbursement	\$ 8,266	\$ 8,362	\$ 8,460	\$ 8,558	\$ 8,658	\$ 8,758	\$ 8,860	\$ 8,962	\$ 9,066	\$ 9,171	\$ 9,276	\$ 9,383	\$ 9,491	\$ 9,601	\$ 9,712	\$ 9,825

LOCAL BROWNFIELD REVOLVING FUND																
State Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

*For years 1-12, a 5% admin fee is applied during OPRA Tax Abatement. Following expiration of the OPRA Tax Abatement, a 15% admin fee is applied
 ** Up to five years of capture for LBRF. Deposits after eligible activities are reimbursed. May be taken from EGLE & Local TIR only.

Tax Incremental Revenue Capture Estimates - Table
 2119 Field Street, Detroit
 Wayne County, Michigan
 October 2, 2019

	17	18	19	20	21	22	23	24	25	26	27	28	TOTAL
	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	
Total State Incremental Revenue													\$ 120,892
State Brownfield Revolving Fund (50% of SET)													\$ 15,111
State TIR Available for Reimbursement													\$ 105,780
Total Local Incremental Revenue	\$ 18,600	\$ 18,812	\$ 19,026	\$ 19,243	\$ 19,461	\$ 19,682	\$ 19,905	\$ 20,130	\$ 20,357	\$ 20,587	\$ 20,819	\$ 21,053	\$ 309,996
BRA Administrative Fee (15% of total TIR)*	\$ 2,790	\$ 2,822	\$ 2,854	\$ 2,886	\$ 2,919	\$ 2,952	\$ 2,986	\$ 3,019	\$ 3,054	\$ 3,088	\$ 3,123	\$ 3,158	\$ 64,633
Developer Paid Amount to Admin Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Outstanding DBRA Admin Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,045
Local TIR Available for Reimbursement	\$ 15,810	\$ 15,990	\$ 16,172	\$ 16,356	\$ 16,542	\$ 16,730	\$ 16,919	\$ 17,110	\$ 17,304	\$ 17,499	\$ 17,696	\$ 17,895	\$ 251,407
Total State & Local TIR Available	\$ 15,810	\$ 15,990	\$ 16,172	\$ 16,356	\$ 16,542	\$ 16,730	\$ 16,919	\$ 17,110	\$ 17,304	\$ 17,499	\$ 17,696	\$ 17,895	\$ 357,187
DEVELOPER													
DEVELOPER Reimbursement Balance	\$ 109,973	\$ 93,983	\$ 77,811	\$ 61,454	\$ 44,912	\$ 28,183	\$ 11,264	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
MSF Non-Environmental Costs													
State Tax Reimbursement	\$ 14,962	\$ 15,133	\$ 15,305	\$ 15,479	\$ 15,655	\$ 15,832	\$ 16,012	\$ 16,660					\$ 96,275
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total MSF Reimbursement Balance	\$ 14,962	\$ 15,133	\$ 15,305	\$ 15,479	\$ 15,655	\$ 15,832	\$ 16,012	\$ 16,660					\$ 96,275
EGL E Environmental Costs													
State Tax Reimbursement	\$ 848	\$ 858	\$ 867	\$ 877	\$ 887	\$ 897	\$ 907	\$ 604					\$ 5,456
Local Tax Reimbursement	\$ 5,898	\$ 5,040	\$ 4,173	\$ 3,296	\$ 2,408	\$ 1,511	\$ 604	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,394
Total EGL E Reimbursement Balance	\$ 6,746	\$ 5,898	\$ 5,040	\$ 4,173	\$ 3,296	\$ 2,408	\$ 1,511	\$ 604	\$ -	\$ -	\$ -	\$ -	\$ 14,850
Total Annual Developer Reimbursement	\$ 15,810	\$ 15,990	\$ 16,172	\$ 16,356	\$ 16,542	\$ 16,730	\$ 16,919	\$ 17,110	\$ 17,304	\$ 17,499	\$ 17,696	\$ 17,895	\$ 276,897
LOCAL BROWNFIELD REVOLVING FUND													
LBRE Deposits**	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

*For years 1-12, a 5% admin fee is applied durin
 ** Up to five years of capture for LBRE Deposit

ATTACHMENT G

BSE&E Acknowledgement and Other Environmental Documents

Attachment B

TO: THE DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY

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

PROJECT: 2119 FIELD/K8 PARTNERS LLC

DATE: August 21, 2019

The undersigned, from the City of Detroit, Buildings, Safety Engineering, and Environmental Department acknowledges the receipt of the environmental documents listed below, which have been submitted by PM Environmental on behalf of K8 Partners LLC, as developer, as part of its Brownfield Plan submittal to the Detroit Brownfield Redevelopment Authority (DBRA), for the 2119 Field Project.

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

Based upon its review of the above environmental documents and the representations of the developer, the City of Detroit, Buildings, Safety Engineering, and Environmental Department agrees with the environmental consultant that there are no Recognized Environmental Concerns associated with the site and no further investigation of the site is warranted. The property would qualify only as a blighted property or as functionally obsolete. The Buildings, Safety Engineering and Environmental Department has determined that the documents received for this project satisfy the DBRA Guidelines.

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

By: Paul Max

Its: General Manager

ATTACHMENT H
Eligibility Documentation



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

September 26, 2019

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

RE: 2119 Field Street, Detroit, Michigan

Dear Ms. Kanalos:

The, Office of the Assessor of the Office of the Chief Financial Officer has reviewed the proposed project for the property located at 2119 Field Street, Detroit, Michigan (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 Property was originally intended for residential use, however, without substantial updates and renovations, the Property is no longer able to meet market demand for such residential use for several reasons, including, but not limited to: roof leaks, lack of windows, lack of interior partitions, no operating utilities, the existing electrical, mechanical, and plumbing systems are antiquated, and there are repairs needed for the building structure.

The Office of the Chief Financial Officer, 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,

Charles Ericson, MMAO
Assessor, Board of Assessors

ATTACHMENT I

Incentives Chart

City of Detroit

CITY COUNCIL

COUNCIL PRESIDENT BRENDA JONES

INCENTIVE INFORMATION CHART:

Project Type	Incentive Type	Investment Amount	District
Multi-family residential	PA 146 – OPRA / Brownfield	\$2.46 Million	District 5

Jobs Available							
Construction				Post Construction			
Professional	Non-Professional	Skilled Labor	Non-Skilled Labor	Professional	Non-Professional	Skilled Labor	Non-Skilled Labor
2		70	1	1			

1. What is the plan for hiring Detroiters?

The Roy Company (the GC) has several Detroit-based contractors that they have used in the past and that they have requested bids from to ensure Detroit-based contractors and workers benefit from the redevelopment. In addition, should additional contractors be needed for the project, the Developer will reach out to the Skilled Trades Taskforce meetings to ensure Detroit-based contractors benefit from the development.

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

It is anticipated that 1 full-time equivalent (FTE) permanent job associated with the management and maintenance aspects of the proposed development.

The developer will be hiring skilled and non-skilled labor for all of the rehab and construction which would include roofers, framers, electricians, plumbers, heating, window installation, insulators, drywallers, painters, finish carpenters, cabinets installers, flooring, clean up, security.

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

There are no current residents at the subject property that will need to be relocated as a result of this development. Rather, the development will create eight new housing units that will create new Detroit residents

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

Members of the Development team are planning to reach out to local community groups regarding the new ownership and anticipated improvements to receive meaningful feedback on the anticipated project.

5. When is construction slated to begin?
Fall of 2019.

6. What is the expected completion date of construction?
Fall 2021.

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

Coleman A. Young Municipal Center • 2 Woodward Avenue • Suite 1340 • Detroit, Michigan 48226
(313) 224-1245 Fax (313) 224-4095



Exhibit B



October 30, 2019

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 2119 Field Street 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 30, 2019, adopted a resolution approving the proposed Brownfield Plan for the 2119 Field Street 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 Brownfield Plan for the 2119 Field Street Redevelopment.

Very truly yours,

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



**DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
MINUTES OF THE
REGULAR COMMUNITY ADVISORY COMMITTEE MEETING
WEDNESDAY, OCTOBER 9, 2019 -- 5:00 PM
AT DEGC OFFICES
500 GRISWOLD, SUITE 2200
DETROIT, MI**

COMMITTEE MEMBERS

PRESENT:

Rick Blocker
Kamal Cheeks
Dr. Regina Randall
Allen Rawls
Rico Razo
Michelle Lee

COMMITTEE MEMBERS

ABSENT:

Simone Sagovac
Brad Lutz
Sandra Stahl

OTHERS PRESENT:

Jennifer Kanalos (DEGC/DBRA)
Brian Vosburg (DEGC/DBRA)
Cora Capler (DEGC/DBRA)
Malinda Jensen (DEGC)
Kirstie Hardy (AKT Peerless)
Grant Greschuk (Riopelle Mkt GP)
Malik Goodwin (Riopelle Mkt GP)
Adam Schloff (K8 Partners)
Ginny Dougherty (PM Environmental)

Brownfield Plan for 2119 Field Street

Ms. Capler introduced the Brownfield Plan for 2119 Field Street to the CAC members present.

Project Introduction

K8 Partners LLC is the project developer (the "Developer") for the Plan which entails the rehabilitation of the existing building into eight residential townhome apartments units. Each unit will include modern floorplans and finishes with private entry and exit, including covered porches which face the streets and rear porches that access private parking.

The total investment is estimated to be \$2.46 million. The Developer is requesting \$276,897.00 in TIF reimbursement.

There will be 73 temporary construction jobs and 1 FTE jobs. The 1 FTE job will be related to property management.

Property Subject to the Plan

The eligible property (the "Property") consists of one (1) parcels located in Detroit's Islandview neighborhood, on the east side of Detroit, bounded by the property line to the north, Field Street to the east, Kercheval Avenue to the south, and the property line 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 or is currently utilized for a residential 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 functionally obsolete 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 demolition and lead and asbestos abatement, infrastructure improvements, site preparation, and development and preparation of brownfield plan and Act 381 work plan. 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 commence within 18 months of approval of the Plan and be completed within 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

1. Pre-Approved Activities	\$14,850.00
2. Demolition	\$75,250.00
3. Asbestos and Lead Activities	\$13,750.00
4. Infrastructure Improvements	\$30,500.00
5. Site Preparation	\$82,280.00
6. Brownfield Plan & Work Plan Preparation and Implementation	\$30,000.00
7. Contingency (15%)	\$30,267.00
Total Reimbursement to Developer	\$276,897.00
8. Authority Administrative Costs	\$64,333.00
9. State Brownfield Redevelopment Fund	\$15,111.00
10. Local Brownfield Revolving Fund	\$76,241.00
TOTAL Estimated Costs	\$448,326.00

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 additional incentives, which will include local and/or state approval of an Obsolete Property Rehabilitation Act (PA 146) Abatement.

Attached for the CAC's review and approval were three (3) resolutions: 1.) a resolution supporting the Plan in the event the Committee does not deem it necessary to conduct a CAC public hearing and 2.) a resolution authorizing a public hearing in the project area and 3.) a resolution authorizing a public hearing in the project area and to appoint up to two special CAC members. The public hearing may be held jointly with any public hearing conducted by the Detroit Brownfield Redevelopment Authority.

Mr. Schloff provided more information about the project including the background and experience of the development team in New York and Detroit, the proposed number of units for the project, the plans for parking behind the building for future tenants, the history of the Property, the financial challenges of the project, the levels of affordability of the units (20% available at 80% of the Area Median Income), the general contractor is The Roy Company and the plans to hire Detroit residents for the construction of the project, the property management for the project will be conducted by Villages Property Management, the architect for the project is Laavu Studio based in Detroit, the Developer's communication with Mac Farr, the Executive Director of the Villages CDC, Five Alive Islandview group out of the Church of Messiah, and residents in the area and the biggest concern was around the affordability of the units, and the Developer's plans to reach out to Genesis HOPE based on the feedback received by the DBRA Board.

Ms. Lee stated that she would like to see more letters of support from the community and from neighboring business owners and that she would like to see the façade of the project fit in with the fabric of the neighborhood.

Mr. Cheeks asked about the layouts of the units. Mr. Schloff stated that each unit has two stories with a basement and each unit has a private entrance.

Mr. Razo asked if all of the Developer's projects have been rentals or units for sale. Mr. Schloff stated that the Developer has done rental units almost exclusively.

Mr. Cheeks asked if there are other developments near the Property and if there are significant vacancies on the same block as the project. Mr. Schloff stated that there aren't many vacancies on the same side of the block as the Property and that the parcels across from the Property on Field Street are vacant.

Mr. Cheeks asked if the Developer has experience in new construction developments. Mr. Schloff stated that the Developer does have experience in new construction developments.

Mr. Cheeks asked if the Developer has any plans on new construction developments in Detroit. Mr. Schloff stated that it is possible that the Developer will have plans for a new construction development on land owned by the Developer across from the Property.

Mr. Blocker asked if there will be any differences between the affordable units and the market rate units for the project. Mr. Schloff stated that there will not be any differences between the affordable units and the market rate units, but the Developer has chosen to place the affordable units facing Field Street, the street with less traffic, keeping in mind that the affordable units would be better suited for families, and also the affordable units will have bathtubs and the market rate units may have stand up showers.

Mr. Razo asked about the number of parking spots for the project. Mr. Schloff stated that there will be one parking spot per unit located behind the building and street parking will be available for parking needed beyond that for the residents.

Mr. Rawls asked if there are any plans for stormwater management for the project. Mr. Schloff stated that the project is meeting code for stormwater, and the project is very tight financially so there isn't room in the budget for a stormwater management system for the project.

Mr. Rawls asked if the Developer plans to paint the brick on the façade of the building. Mr. Schloff stated that the Developer does plan to paint the brick façade in order to create a uniform look for the façade considering there are various types and colors of brick currently on the building.

Ms. Lee asked what the rental rates will be for the affordable and market rate units. Mr. Schloff stated that the affordable units will be approximately \$1.00 per square foot and the market rate units will be approximately \$1.25 per square foot.

Mr. Rawls asked what year the building was built. Mr. Schloff stated that the building was built in 1910.

Mr. Rawls called for a motion regarding the Brownfield Plan for 2119 Field Street.

Ms. Lee motioned to authorize a public hearing in the project area for the Brownfield Plan for 2119 Field Street without appointing special members. Mr. Cheeks seconded the motion. DBRA-CAC Resolution Code 19-10-280-01, authorizing a public hearing in the project area for the Brownfield Plan for 2119 Field Street was unanimously approved.



**DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
MINUTES OF THE
SPECIAL COMMUNITY ADVISORY COMMITTEE MEETING
WEDNESDAY, OCTOBER 30, 2019 -- 4:00 PM
AT DEGC OFFICES
500 GRISWOLD, SUITE 2200
DETROIT, MI**

**COMMITTEE MEMBERS
PRESENT:**

Kamal Cheeks
Dr. Regina Randall
Allen Rawls
Rico Razo
Michelle Lee

**COMMITTEE MEMBERS
ABSENT:**

Simone Sagovac
Brad Lutz
Sandra Stahl
Rick Blocker

OTHERS PRESENT:

Jennifer Kanalos (DEGC/DBRA)
Brian Vosburg (DEGC/DBRA)
Cora Capler (DEGC/DBRA)
Malinda Jensen (DEGC)
Kaci Jackson (DEGC)
Sarah Pavelko (DEGC)
Adam Schloff (K8 Partners) (via phone)
Elizabeth Masserang (PM Environmental)
Jill Ferrari (Renovare)
Shannon Morgan (Renovare)
Matt Shenk (OTS)
Bradford Egan (The Elia Group/Iconic 511, LLC)
Matthew Langston (City of Detroit/HRD)

Brownfield Plan for 2119 Field Street

Ms. Capler introduced the Brownfield Plan for 2119 Field Street to the CAC members present.

Project Introduction

K8 Partners LLC is the project developer (the "Developer") for the Plan which entails the rehabilitation of the existing building into eight residential townhome apartments units. Each unit will include modern floorplans and finishes with private entry and exit, including covered porches which face the streets and rear porches that access private parking.

The total investment is estimated to be \$2.46 million. The Developer is requesting \$276,897.00 in TIF reimbursement.

There will be 73 temporary construction jobs and 1 FTE jobs. The 1 FTE job will be related to property management.

Property Subject to the Plan

The eligible property (the "Property") consists of one (1) parcels located in Detroit's Islandview neighborhood, on the east side of Detroit, bounded by the property line to the north, Field Street to the east, Kercheval Avenue to the south, and the property line 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 or is currently utilized for a residential 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 functionally obsolete 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 demolition and lead and asbestos abatement, infrastructure improvements, site preparation, and development and preparation of brownfield plan and Act 381 work plan. 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 commence within 18 months of approval of the Plan and be completed within 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

1. Pre-Approved Activities	\$14,850.00
2. Demolition	\$75,250.00
3. Asbestos and Lead Activities	\$13,750.00
4. Infrastructure Improvements	\$30,500.00
5. Site Preparation	\$82,280.00
6. Brownfield Plan & Work Plan Preparation and Implementation	\$30,000.00
7. Contingency (15%)	\$30,267.00
Total Reimbursement to Developer	\$276,897.00
8. Authority Administrative Costs	\$64,333.00
9. State Brownfield Redevelopment Fund	\$15,111.00
10. Local Brownfield Revolving Fund	\$76,241.00
TOTAL Estimated Costs	\$448,326.00

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 additional incentives, which will include local and/or state approval of an Obsolete Property Rehabilitation Act (PA 146) Abatement.

Public Comments

The joint DBRA and DBRA-CAC public hearing for the Plan will be held on Monday, October 28, 2019 at 5:30 pm at The Commons located at 7900 Mack Ave, Detroit, Michigan. The results of the DBRA public hearing will be provided.

Attached for the CAC's review and approval was a resolution recommending approval of the Plan.

Mr. Schloff provided the following statement to the CAC:

"We would not be before you today, requesting the brownfield TIF if our project did not have critical financial need.

We want to see this project get done because we believe it is a great long-term investment for the neighborhood, but it is simply not feasible without the brownfield TIF.

We have participated in this process in good faith, working within the existing framework of this application and approval process, and doing everything we have been asked to do in order to secure this request.

Since our last CAC meeting, we have spent significant time and energy on additional community engagement.

We secured the Villages CDC support letter after our engagement process with them, with their board voting 8 to 1 in our favor. I have also spoke at length with members of the CDC board as well as the Executive Director during this time.

We secured letters of support from the pastors of Church of the Messiah. We met them again in person, to discuss in further detail how we could work with them to the benefit of the community.

We reached out to the head of the block club, who also works at Genesis Hope, and she reiterated her feedback to me from the September 5 Alive meeting by email.

We also reached out to Jefferson East, MACC Development and West Village Association and had productive calls.

In all of this outreach, we had very constructive and positive feedback from community leaders, with the caveat that the block club president really wishes to see more deeply affordable housing units in the project, which just isn't feasible.

We took all of the feedback very seriously, and it will certainly inform the way we develop future projects, especially where we have more leeway.

It should also be noted that through our City Council approved OPRA, we have already made a written local hiring commitment which will benefit the local community.

In the context of the community hearing, there was an activist group that came out in opposition of the project in numbers. We heard their feedback and I received a generic petition that outlines their demands for all Islandview development.

This opposition, in large part, was not really about our project specifically, but about a deep dissatisfaction in the way that development happens in Detroit - project approvals, disbursement of incentives and community benefits, and frustration with past developments and developers.

I believe that this feedback is certainly important to a larger conversation about equitable development in Detroit, but their concerns really should be directed to elected officials in a different forum, than the hearing for a very small and financially challenged project.

I believe it would be a shame for the package that we have worked so hard to scrape together to fall apart over misplaced anger. I respectfully ask that the CAC keep all of this in context as they make their recommendation on this project, which will certainly benefit the community for the long term and allow us to keep a promise to the City of Detroit by finishing what we started."

Mr. Rawls requested that Mr. Schloff's statement be included in the minutes for the meeting.

Ms. Masserang introduced Matthew Langston from the Housing and Revitalization Department (HRD) of the City of Detroit who was involved in the approval process for the OPRA tax abatement for the project, as well as Kaci Jackson from the Detroit Economic Growth Corporation (DEGC) who performed the underwriting for this project.

Mr. Langston stated that his superiors at HRD, including Donald Rencher, are in favor of this project and have had multiple discussions with the Developer regarding the project including the plans for hiring Detroiters for the construction of the project as well as to make an effort to ensure that the one FTE job to be created by the project be filled by a Detroit resident. Mr. Langston also stated that he is on the board of the Historic Indian Village Association and has been a resident near the Property since about 1990 and that the building has been vacant and a hazard for that entire time and it is a project that will greatly benefit the community.

Ms. Jackson stated she performed the underwriting for the project and that the TIF request under the Plan is a critical component for the financing of the project and that without the OPRA tax abatement and the TIF the project would have a negative return for the Developer.

Dr. Randall stated that there was an apparent effort to get more community involvement for the project and should like to applaud the Developer for their efforts in engaging the community.

Mr. Razo stated that he appreciates the statement provided by Mr. Schloff to the CAC and that the CAC is in favor of the project, and that there are many developers that are interested in being a part of the revival of Detroit but aren't committed to being part of the community and that only having two support letters from the community included in the Plan when first presented to the CAC on October 9, 2019 did not show the Developer's commitment to being a part of the community. The efforts made to engage more of the community and organization are appreciated and should continue moving forward with other projects.

Ms. Lee stated that she agrees with the statements made by Mr. Razo.

Mr. Rawls called for a motion recommending approval of the Brownfield Plan for 2119 Field Street.

Mr. Razo motioned to recommend approval of the Brownfield Plan for 2119 Field Street. Dr. Randall seconded the motion. DBRA-CAC Resolution Code 19-10-280-02, recommending approval of the Brownfield Plan for 2119 Field Street was unanimously approved.



**MINUTES OF THE
DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
PUBLIC HEARING FOR THE
2119 FIELD STREET
BROWNFIELD REDEVELOPMENT PLAN**

**Monday, October 28, 2019
The Commons
7900 Mack Ave.
Detroit, MI 48214
5:30 PM**

In attendance were:

Jennifer Kanalos (DEGC/DBRA)
Cora Capler (DEGC/DBRA)
Brian Vosburg (DEGC/DBRA)
Adam Schloff (K8 Partners, LLC)
Elizabeth Masserang (PM Environmental)
Wally Gilbert (Church of the Messiah)
Mac Farr (Villages CDC)
M. Kimble (Genesis Hope)
Belinda Gilmore (Black Bottom Businesses)
Larry Durr (Field Street Block Club)
Jennine Spencer (Field Street Block Club)
Amy Senese (Charlevoix Villages Association, Field Street resident)
Toyia Watts (Charlevoix Villages Association)
Tristan Taylor (Charlevoix Villages Association)
Brian Silverstein (Charlevoix Villages Association, Fischer Street resident)
Michelle Lee (DBRA-CAC)
Daisy Jackson (Field Street Block Club)

Mr. Vosburg called the meeting to order at 5:41 PM.

Mr. Vosburg and Ms. Capler informed the hearing of the tax increment financing request per the Brownfield Plan and provided an overview of the project. Mr. Schloff and Ms. Masserang provided details regarding the redevelopment plan for the project location, the experience of the developer in the Islandview neighborhood, the financial need of the project, the discussions between the developer and the Church of the Messiah regarding the hiring of residents of the community to work on the project, the selection of a property management company for the project (Villages Property Management) and the availability of affordable residential units to be included in the project.

Question and Answer

The following are questions that were asked by those present at the public hearing and answered by Mr. Vosburg, Ms. Kanalos, and Mr. Schloff:

Q: Does the developer plan to retain ownership of the property for the life of the Brownfield Plan?
A: (Mr. Schloff) Yes, the developer plans to maintain ownership of the property for the life of the brownfield plan and sees this as a long-term investment in the neighborhood.



Q: Has the developer retained ownership of the single-family home and duplexes that the developer has purchased and renovated in the Islandview neighborhood over the last five years?

A: (Mr. Schloff) Yes, the developer has maintained ownership of those properties in partnership with other developers who are not involved in the project at 2119 Field Street.

Q: Why is this project different (pursuing tax incentives) from the other projects the developer completed in the neighborhood?

A: (Mr. Schloff) This project is a larger project than the others that the developer has completed in the neighborhood and has a need for the tax increment financing due to the conditions present at the property. (Ms. Kanalos) The purpose of the brownfield program under Act 381 is to promote the rehabilitation of existing structures with brownfield conditions present which is the case of this project.

Q: Where will the parking be located for the future residents of the property?

A: (Mr. Schloff) The parking for future residents will be located in the rear of the building and will be accessible to the residents through the rear entrance of each residential unit.

Q: If the developer does decide to sell the property, will the new owner be required to keep the affordable units at the same rental rate? Will the new owner receive the tax incentive(s)?

A: (Mr. Vosburg) The developer will enter into an agreement with the City of Detroit for the Obsolete Property Rehabilitation Act tax abatement which will require the property to have twenty percent (20%) of the residential units available at eighty percent (80%) of the Area Median Income (AMI) for the life of the abatement, which in this case is anticipated to be twelve years. Should the developer sell the property, as part of the sale it will be determined if the tax increment financing will be assigned to the new owner and such assignment will be presented to the DBRA Board for review and approval.

Q: Is there a plan to have affordable units available for the project after the abatement has expired?

A: (Mr. Schloff) The availability of affordable units after the abatement has been expired has not yet been determined.

Q: Is there a written agreement between the developer and the Church of Messiah regarding the plans to hire residents from the community to work on the project?

A: (Mr. Schloff) There has not been a written agreement drafted or signed at this point, the developer has been in discussions with the Church of the Messiah regarding the plans to hire residents from the community to work on the project.

Q: Does the developer have any plans to meet with a broader group of neighbors in the neighborhood or other block clubs regarding the project?

A: (Mr. Schloff) The developer has met with the Villages CDC, Five Alive, and the Church of the Messiah regarding the project and would be willing to meet with other groups to discuss the project.

Q: Who determines the level of affordability required for projects receiving a tax abatement?

A: (Mr. Vosburg) Detroit City Council has set the affordability requirements for projects receiving tax abatements, in this case the Obsolete Property Rehabilitation Act tax abatement, at twenty percent (20%) of the residential units available at eighty percent (80%) of the Area Median Income (AMI) for the life of the abatement and that AMI is a federal standard and is a common measurement used to determine levels of affordability and that the 'area' of the AMI for Detroit is the Detroit-Livonia-Warren metropolitan area.



Formal Public Comment

Ms. Lee stated that she believes the public hearing has been helpful in providing information and an understanding to the community regarding the project and tax increment financing. Ms. Lee also stated that she would like to see a Memorandum of Understanding between the developer and the Church of the Messiah regarding the hiring of local residents for the project.

Ms. Jackson stated that there have been multiple contractors in the neighborhood fixing up homes and some have caused damage to her property and neighboring properties during the renovation process.

Mr. Gilbert stated that he supports the project and would like to see the vacant building renovated into residential units and would like to see equitable development in the neighborhood.

Mr. Taylor stated that he would like to see a legal contract with the community, he supports the jobs on the project for residents of the community but would like to see a Memorandum of Understanding between the developer and the Church of the Messiah regarding the plan for hiring residents, and he does not support the project until those agreements are in place. Mr. Taylor also stated that he would like to see the affordable units for the project available at 30-60% of the AMI as opposed to the planned 80% of the AMI and he would like to see more tangible benefits for the community.

Mr. Durr stated that he supports the project and is happy to see plans for the long-vacant building to be renovated and he would like to see more families moving into the area.

Ms. Spencer stated that that she would like to see a written agreement with the Church of the Messiah regarding the hiring of local residents for the project, she would like to see at least two of the residential units available for low to moderate income levels, and that she would like the information regarding the public hearing for the Brownfield Plan distributed in a different way in order to reach a broader set of residents.

Mr. Silverstein stated that many developers have abandoned projects after receiving tax incentives and have not fulfilled their promises to the community and that he would like to see a community benefits agreement between the developer and the Islandview neighborhood residents and he does not support the project.

Ms. Watson stated that she is a member of the Charlevoix Villages Association and there have been homes purchased by developers in the Islandview neighborhood and the developer then leaves the neighborhood and does not provide a benefit to the current residents and that there may be some residents that would like to return to the neighborhood and the neighborhood needs schools and libraries.

Marcia stated that there have been homes that have burned in the neighborhood after being purchased and then left as a hazard to the neighboring homes and the community and that she believes that developers doing projects in the neighborhood should be giving back to the community.

Mr. Farr stated that in light of recent experiences with other projects the Villages CDC has revised its process of engagement with developers regarding their projects and support from the Villages CDC and that Villages CDC works with the Five Alive program through the Church of the Messiah and the Villages CDC Board approved a support letter for the 2119 Field Street project. Mr. Farr also stated that there isn't a single, central community organization in the neighborhood which makes it challenging for a developer to perform community engagement and that the Detroit Economic Growth Corporation does a good job distributing notices for public hearings for brownfield plans.



Ms. Senese stated that she will not support the project until there is a signed agreement between the developer and the Church of the Messiah and a contract between the developer and the community.

Paper copies of the Brownfield Plan, renderings for the project, and the attached handout were provided. A slideshow with a map of the project location, images of the property in its current state, and renderings for the project was shown.

Three people indicated their support for the project and four people indicated their opposition to the project on the sign-in sheet.

Mr. Vosburg closed the public hearing at 6:55 PM.

Exhibit C



CODE DBRA 19-11-280-02

2119 FIELD STREET 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 Brownfield Plan for the **2119 Field Street 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 Brownfield Plan for the **2119 Field Street 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 approves the Plan substantially in the form attached hereto and on file with the Secretary of the DBRA.

3. 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.

4. 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.

5. 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.

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

November 6, 2019

**RESOLUTION APPROVING BROWNFIELD PLAN
OF THE CITY OF DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
FOR THE 2119 FIELD STREET 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 Brownfield Plan for the 2119 Field Street Redevelopment Project (the “Plan”); and

WHEREAS, the Authority submitted the Plan to the Community Advisory Committee for consideration on October 9, 2019, per the provisions of the resolution establishing the Authority, and a public hearing was conducted by the Authority on October 28, 2019 to solicit comments on the proposed Plan; and

WHEREAS, the Community Advisory Committee recommended approval of the Plan on October 30, 2019; and

WHEREAS, the Authority approved the Plan on November 6, 2019 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 January 23, 2020.

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

(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 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 four (4) 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 _____, 2020, 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

72

EXHIBIT D

**RESOLUTION CALLING A PUBLIC HEARING REGARDING
APPROVAL OF THE BROWNFIELD PLAN OF THE
CITY OF DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
FOR THE CITY CLUB APARTMENTS 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 a Brownfield Plan for the City Club Apartments 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 23rd day of January, 2020 at 10:10 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 three (3) 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



December 20, 2019

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

Re: **City Club Apartments Brownfield Redevelopment Plan**

Dear Honorable Council Members:

The enclosed Brownfield Plan for the City Club Apartments Redevelopment Project (the "Plan") (Exhibit A), was submitted by the Detroit Brownfield Redevelopment Authority Board (the "DBRA") and to the Community Advisory Committee (the "CAC"). The Plan was considered and reviewed by the CAC at its November 20, 2019 meeting and a public hearing was held by the DBRA on December 2, 2019 to solicit public comments. The Committee's communication to the City Council and the DBRA, dated November 20, 2019 (Exhibit B), recommending approval of the Plan, including the excerpt of the minutes of the CAC meeting pertaining to the plan and the minutes the public hearing held by the DBRA, are enclosed for the City Council's consideration.

On December 18, 2019, 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.

Project Introduction

CCA CBD Detroit, LLC is the project developer (the "Developer") for the Plan which involves the construction of a mixed-use building that will contain approximately 288 apartments, 11,291 square feet of retail and other commercial space and an underground parking garage with capacity for approximately 410 vehicles. Twenty percent of the 288 residential units will be available at 80% of the Area Median Income (AMI).

The adoption of this Plan is being requested after the commencement of construction due to the discovery of significant unknown underground obstructions during construction. Although eligible activities in connection with the Plan are expected to exceed \$10,000,000, the Developer is requesting approval of \$7,933,739, which corresponds to the additional costs that have been incurred by the Developer due to the discovery of the unknown underground obstructions. Further, in the event the Michigan Strategic Fund

("MSF") does not approve the use of school taxes to reimburse eligible activity costs, the Developer seeks approval for only \$4,359,103 of the eligible activity costs and interest thereon.

The total investment is estimated to be \$92 million.

There will be approximately 450 temporary construction jobs and 58 FTE jobs created under this Plan. Approximately 50 part time and full-time retail jobs are expected for the commercial and retail establishments and 8 full time jobs related to property management.

Property Subject to the Plan

The eligible property (the "Property") consists of one (1) parcel located at 313 Park Avenue in Downtown Detroit, bounded by Park Avenue to the north, Washington Boulevard to the east, Clifford Street to the south, and Bagley Street 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 commercial purpose; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) the Property is a "facility" pursuant to Part 201.

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, infrastructure improvements, interest, and development and implementation of brownfield plan and/or Act 381 work plan. 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 began in November 2017 and are expected to be complete by the end of 2019.

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 – WITH MSF APPROVAL

1. Environmental Assessment Activities	\$28,000.00
2. Infrastructure Improvements	\$6,452,156.00
3. Brownfield Plan & Work Plan Preparation	\$30,000.00
4. Interest	\$1,423,583.00
Total Reimbursement to Developer	\$7,933,739.00
5. Authority Administrative Costs	\$1,420,712.00
6. State Brownfield Redevelopment Fund	\$949,148.00
7. Local Brownfield Revolving Fund	\$1,068,728.00
TOTAL Estimated Costs	\$11,372,327.00

COSTS TO BE REIMBURSED WITH TIF – WITHOUT MSF APPROVAL

8. Environmental Assessment Activities	\$28,000.00
9. Infrastructure Improvements	\$4,060,324.00
10. Brownfield Plan & Work Plan Preparation	\$30,000.00
11. Interest	\$242,779.00
Total Reimbursement to Developer	\$4,359,103.00
12. Authority Administrative Costs	\$769,606.00
13. State Brownfield Redevelopment Fund	\$0.00

14. Local Brownfield Revolving Fund	\$0.00
TOTAL Estimated Costs	\$5,128,709.00

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

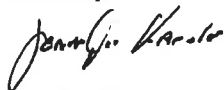
The Property has been approved for a Commercial Rehabilitation Act (PA 210) Abatement and a Neighborhood Enterprise Zone Act (PA 147) Abatement.

DBRA's Request

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

- a.) January 7, 2020
City Council adoption of the Resolution (Exhibit D), setting the City Club Apartments Brownfield Redevelopment Plan public hearing, as approved by the Planning and Economic Development Standing Committee Chair and the City of Detroit Clerk, for January 23, 2020 at 10:10 AM in the Council Chambers, 13th Floor of the Coleman A. Young Municipal Center, located at 2 Woodward Avenue, Detroit, Michigan.
- b.) January 23, 2020, 10:05 AM
Discussion with taxing jurisdictions regarding the fiscal impact of the Plan.
- c.) January 23, 2020, 10:10 AM
Public Hearing at City Council's Planning and Economic Development Standing Committee concerning the City Club Apartments Brownfield Redevelopment Plan.
- d.) January 28, 2020
City Council adoption of the Resolution approving the City Club Apartments 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
Kevin Johnson
Malinda Jensen
Matthew Walters
Allen Rawls
Brian Vosburg
Stephanie Washington
Gail Fulton

EXHIBIT A

CITY OF DETROIT
BROWNFIELD REDEVELOPMENT AUTHORITY

BROWNFIELD PLAN FOR THE
CITY CLUB APARTMENTS PROJECT

Prepared by:

Richard A. Barr, Esq.
Honigman LLP
660 Woodward Avenue, Ste. 2290
Detroit, MI 48226
Phone: (313) 465-7308

Developer:

CCA CBD Detroit LLC
Attn: Jonathan Weiss
31700 Middlebelt, Ste. 140
Farmington Hills, MI 48334
Phone: (312) 971-6610

November 10, 2019

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

TABLE OF CONTENTS

I.	INTRODUCTION	1
II.	GENERAL PROVISIONS	1
	A. Description of Eligible Property	1
	B. Basis of Eligibility	2
	C. Summary of Eligible Activities	2
	D. Estimate of Captured Taxable Value and Tax Increment Revenues; Impact of Tax Increment Financing on Taxing Jurisdictions	4
	E. Plan of Financing; Maximum Amount Of Indebtedness	6
	F. Duration of Plan	7
	G. Effective Date of Inclusion	7
	H. Displacement/Relocation of Individuals On Eligible Property	7
	I. Local Site Brownfield Revolving Fund (LSBRF)	7
	J. Brownfield Redevelopment Fund	8
	K. Developer’s Obligations, Representations and Warrants	8
III.	ATTACHMENTS	
	A. Site Map	A-1
	B. Legal Descriptions of Eligible Property	B-1
	C. Project Description	C-1
	D. Supportive Letters	D-1
	E. Estimated Cost of Eligible Activities	E-1
	F. TIF Tables	F-1
	G. BSE&E Acknowledgement and Other Environmental Documents	G-1
	H. Incentives Table	H-1

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 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. A subsequent change to the identification or designation of developer after the approval of this Plan by the governing body shall not necessitate an amendment to the 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 of 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

The property comprising the eligible property consists of one (1) tax parcel that is the location of the City Club Apartments project in downtown Detroit. The parcel is a facility. The parcel and all tangible personal property located thereon will comprise the eligible property and is collectively referred to herein as the “Property.”

Attachment A includes a site map of the Property. The Property is located in Detroit’s downtown area at 313 Park Avenue and is bounded by Washington Boulevard to the east, by Clifford Street to the south, by Park Avenue to the north and Bagley Street by the west.

Parcel information is outlined as follows:

Address	Tax ID	Basis of Eligibility	Developer
313 Park Avenue	02000315-7	Facility	CCA CBD Detroit LLC

Additional tax parcel numbers are expected to be issued for the portion of the Property subject to tax abatements described below and for personal property. The plan will include those new tax parcels once created. Attachment B provides the legal description for the eligible property.

CCA CBD Detroit LLC, a Delaware limited liability company, is the project developer (“Developer”). The Developer is constructing a mixed-use building that will contain approximately 288 apartments, 11,291 square feet of retail and other commercial space and an underground parking garage with capacity for approximately 396 vehicles. Pursuant to the terms and conditions of the Neighborhood Enterprise Zone Certificate Agreement for the property dated July 15, 2016, twenty percent (20%) of the apartments (57) will be offered as affordable housing for those with income not greater than 80% of area median income for Detroit-Warren-Livonia Michigan Metropolitan Statistical Area.

The project description provided herein is a summary of the proposed development at the time of the adoption of the Plan. The actual development may vary from the project description provided herein, without necessitating an amendment to this Plan, so long as such variations are not material and/or 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 the DBRA, to the project description are subject to the approval of the DBRA staff 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 project 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(o))

The Property is considered “eligible property” as defined by Act 381, Section 2 because (a) the Property was previously utilized for a commercial residential purpose; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) the Property is a “facility” pursuant to Part 201.

The tax parcel included in this plan is a facility under Part 201 due to the presence of arsenic, lead, benzo(a)Pyrene, polychlorinated bi-phenyls, 1, 2-dichlorobenzene, 1, 3-dichlorobenzene, 1, 4-dichlorobenzene, and other hazardous substances above the Part 201 generic residential cleanup criteria.

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

The “eligible activities” that have been carried out or are intended to be carried out at the Property are considered “eligible activities” as defined by Section 2 of Act 381, because they consist of infrastructure improvements and interest. The adoption of this Plan is being requested after the commencement of construction due to the discovery of significant unknown underground obstructions during construction. Due to the location of the obstructions over 30 feet below grade, the extent, type, thickness and cost to remove the obstructions could not reasonably have been discovered and determined prior to the commencement of construction.

The extent of the problem was not known until deep, difficult underground work was conducted. This necessitated revision of planned measures required under the EPA-approved PCB remediation plan and EGLE-approved work plan after experts were consulted as to how to break, cut and remove PCB-contaminated, concrete encased, steel I-beams more than 30 feet below grade.

Although eligible activities in connection with the Project are expected to exceed \$10,000,000, the Developer is requesting approval of only Six Million Five Hundred Ten Thousand One Hundred Fifty-Six Dollars (\$6,510,156) of these costs, which amount corresponds to the additional costs that have been incurred due to the discovery of the unknown underground obstructions. Further, in the event that the Michigan Strategic Fund (“MSF”) does not approve the use of school taxes to reimburse eligible activity costs, the Developer seeks approval for only Four Million One Hundred Eighteen Thousand Three Hundred Twenty Four Dollars (\$4,118,324) of the eligible activity costs and interest thereon.

A summary of the eligible activities and the estimated cost of each eligible activity intended to be reimbursed with Tax Increment Revenues from the Property are shown in the table attached hereto as Attachment E. The eligible activities intended to be reimbursed consist of only a portion of the costs to construct the parking garage levels of the building. 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 performance of such eligible activities does not exceed the total costs stated in Attachment E.

Eligible activities that are approved for reimbursement under this Plan began in approximately November, 2017 and are expected to be completed in November, 2019; however, in no event shall the commencement of all eligible activities begin later than eighteen (18) months after the date the governing body approves this Plan, unless otherwise agreed to in writing by DBRA. All eligible activities will be completed within three (3) years of the date the governing body approves this Plan; provided however, 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 and interest thereon as described below. Tax increment revenue generated by the Property will be captured by the DBRA and used to reimburse the cost of the eligible activities described in Attachment E and 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 MSF and the Michigan Department of Environment, Great Lakes, and Energy (“EGLE”), as may be required pursuant to Act 381, within one hundred and eighty (180) days after the date this Plan is approved by the governing body, or such other date as the DBRA may agree to in writing; 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 upon 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 EGLE 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, two tables of estimated tax increment revenues to be captured are attached to this Plan as Attachment F. The first set of tables assumes that School Taxes will not be captured and that only \$4,118,324 of eligible activity costs plus interest will be reimbursed. The second set of tables assumes that School Taxes will be captured and that \$6,510,156 of eligible activity costs plus interest will be reimbursed. See the discussion in Section II(C) above.

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 Redevelopment Revolving Fund (if applicable), and (iii) make deposits into the DBRA's Local Brownfield Revolving Fund, as follows:

In the event that school taxes are not approved by the MSF for use in the reimbursement of MSF eligible costs, then as follows:

Captured Taxes	Totals	Reimbursement of costs & Interest	DBRA Admin. Fees	State Redev. Fund	Local Brownfield Revolving Fund
School Operating Taxes		\$0	\$0	\$0	\$0
State Education Taxes		\$0	\$0	\$0	\$0
School Taxes Total		\$0	\$0	\$0	\$0
Wayne County Winter, Jail and Parks	\$1,423,381	\$1,209,874	\$213,507	\$0	\$0
RESA	\$3,661,739	\$3,112,479	\$549,261	\$0	\$0
Local Taxes Total	\$5,085,120	\$4,322,352	\$762,768	\$0	\$0
Total Captured Incremental Taxes	\$ 5,085,120	\$ 4,322,352	\$ 762,768	\$ -	\$ -

In addition, in the event that school taxes are not approved by the MSF for use in the reimbursement of MSF eligible costs, the following taxes are projected to be generated but shall not be captured during the life of this Plan:

City Debt	\$5,971,462
School Debt	\$8,625,445
DIA Tax	\$132,699
Zoo Tax	\$66,350
Total Debt and Special Millages	\$14,795,955

In the event that School Taxes are approved by the MSF for use in the reimbursement of MSF eligible costs, then as follows:

Captured Taxes	Totals	Reimbursement of costs & Interest	DBRA Adm'n. Fees	State Redev. Fund	Local Brownfield Revolving Fund
School Operating Taxes	\$ 5,812,782	\$ 5,788,782	\$ -	\$ -	\$ 24,000
State Education Taxes	\$ 1,886,644	\$ 939,322	\$ -	\$ 943,322	\$ 4,000
School Taxes Total	\$ 7,699,425	\$ 6,728,103	\$ -	\$ 943,322	\$ 28,000
Wayne County Winter, Jail and Parks	\$ 1,001,304	\$ 339,384	\$ 393,862	\$ -	\$ 268,058
RESA	\$ 2,608,859	\$ 884,251	\$ 1,026,193	\$ -	\$ 698,415
Local Taxes Total	\$ 3,610,163	\$ 1,223,635	\$ 1,420,055	\$ -	\$ 966,472
Total Captured Incremental Taxes	\$ 11,309,588	\$ 7,951,738	\$ 1,420,055	\$ 943,322	\$ 994,472

In addition, in the event that School Taxes are approved by the MSF for use in the reimbursement of MSF eligible costs, the following taxes are projected to be generated but shall not be captured during the life of this Plan:

City Debt	\$4,223,891
School Debt	\$6,101,176
DIA Tax	\$93,864
Zoo Tax	\$46,932
Total Debt and Special Millages	\$10,465,863

The Developer has received approval of property tax abatements under the Commercial Rehabilitation Act, PA 210 of 2005, as amended, and the Neighborhood Enterprise Zone Act Exemption. These abatements will reduce the property tax obligations of the Property for the periods applicable under the abatement certificates, thereby reducing the amount of tax increment revenues available pursuant to this Plan. These abatements are included in the tax capture assumptions provided with this Plan in Attachment F.

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.

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

The eligible activities are to be financed solely 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 City or 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 or the City 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 MSF or EGLE 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 and interest as provided herein.

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 TIF table described in Exhibit F. The beginning date of the capture of tax increment revenues shall be the 2020 tax year (commencing with the summer 2020 property taxes). 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-1))

There are no persons or businesses residing on the 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 \$0 to \$949,138 (see pages 5-6). All funds 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 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 a Phase I Environmental Site Assessment (“ESA”) has been performed on the Property (“Environmental Documents”). If appropriate, a Phase II ESA, baseline environmental assessment and due care plan will be prepared or conducted pursuant to Part 201 of Michigan’s Natural Resources and Environmental Protection Act (MCL 324.20101 *et seq.*), Attached hereto as Attachment G is the City of Detroit’s Department of Buildings, Safety Engineering and Environmental acknowledgement of its receipt of the Phase I ESA, and if appropriate, the Phase II ESA.

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.

The Developer has received approval of property tax abatement under the Act 210 Commercial Rehabilitation Act and Neighborhood Enterprise Zone programs. The abatements will reduce the property tax obligations of the Property for the periods applicable under the abatement certificates, thereby reducing the amount of tax increment revenues available pursuant to this Plan.

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.

III. ATTACHMENTS

ATTACHMENT A
Site Map



ATTACHMENT B

Legal Descriptions of Eligible Property to which the Plan Applies

Land situated in the City of Detroit in the County of Wayne in the State of Michigan:

PARCEL 1:

Lot 16 and the South 40 feet of Lot 17 and the West 5 feet of vacated Washington Blvd. adjacent and 1/2 vacated alley West of and adjacent of Governor and Judges Plan of Section 10, as recorded in Liber 34 of Deeds, Page 553, Wayne County Records.

PARCEL 2:

Lot 26, also that part of the Westerly one-half of that portion of public alley, 20 feet wide, Governor and Judge's Plan as recorded in Liber 34, Page 553 of Deeds, Wayne County Records.

PARCEL 3:

North 20 feet of Lot 27, Block 10, also that part of the Westerly one-half of that portion of public alley, 20 feet wide, Governor and Judge's Plan, as recorded in Liber 34 of Deeds, Page 553, Wayne County Records.

PARCEL 4:

Lot 67 and West one-half of vacated alley formerly located on East side of Lot 67, also the East one-half of vacated alley formerly located on the West side of Lot 67, Section 10, Governor and Judges Plan, as recorded in Liber 34, Page 553 of Deeds, Wayne County Records.

PARCEL 5:

The South 40 feet of Lot 27, also that part of the Westerly one-half of that portion of public alley, 20 feet wide, Plat of Section 10, Governor & Judge's Plan as recorded in Liber 34, Page 553 of Deeds, Wayne County Records.

PARCEL 6:

Land in the City of Detroit, County of Wayne, Michigan, being all of Lots 16 through 24 of the Plan of Section 10 of the "Plat of the City of Detroit as laid out by the Governor & Judges", recorded in the Governor & Judges Journal, Wayne County, and in Liber 34 of Deeds, Page 553, Wayne County Records; also the vacated westerly 5.00 feet of Washington Blvd., vacated by the Common Council of the City of Detroit on January 2, 1912 and May 16, 1916; also that part of the Easterly one-half of that portion of public alley, 20 feet wide, adjoining Lots 16 thru 18, of above said Section 10 of the "Governor & Judges Plan of the City of Detroit."

Except for the Lot 16 and the South 40 feet of Lot 17 and the West 5 feet of vacated Washington Blvd. adjacent and 1/2 vacated alley West of and adjacent of Governor and Judges Plan of Section 10, recorded in Liber 34 of Deeds, Page 553, Wayne County Records.

PARCEL 7:

Lot Twenty-Five (25), also the Westerly one-half of that portion of public alley, 20 feet wide, of the Plan of Section 10 of the "Plat of the City of Detroit as laid out by the Governor & Judges", recorded in the Governor & Judges Journal, Wayne County, and in Liber 34 of Deeds, Page 553, Wayne County Records.

OVERALL LEGAL DESCRIPTION (AS FIELD SURVEYED)

ALL OF LOTS 16 THROUGH 27, INCLUSIVE, AND ALL OF LOT 67 OF THE PLAN OF SECTION 10 OF THE "PLAT OF THE CITY OF DETROIT AS LAID OUT BY THE GOVERNOR & JUDGES", RECORDED IN THE GOVERNOR & JUDGES JOURNAL, WAYNE COUNTY, AND IN LIBER 34 OF DEEDS, PAGE 553, WAYNE COUNTY RECORDS, ALSO THE VACATED WESTERLY 5.00 FEET OF WASHINGTON BLVD., VACATED BY THE COMMON COUNCIL OF THE CITY OF DETROIT ON JANUARY 2, 1912 AND MAY 16, 1916 AND ALL OF THE VACATED PUBLIC ALLEYS LYING WITHIN THE FOLLOWING DESCRIBED PARCEL: BEGINNING AT THE INTERSECTION OF THE SOUTHERLY LINE OF PARK AVENUE (60 FT. WIDE) AND THE EASTERLY LINE OF BAGLEY AVENUE (120 FT. WIDE), SAID POINT ALSO BEING AT THE NORTHWEST CORNER OF SAID LOT 22; THENCE S.75°13'53"E., 98.34 FEET ALONG SAID SOUTHERLY LINE TO A POINT ON THE WESTERLY LINE OF WASHINGTON BOULEVARD (195 FT. WIDE); THENCE S.00°13'53"E., 360.83 FEET TO A POINT ON THE NORTHERLY LINE OF CLIFFORD STREET (60 FT. WIDE); THENCE THE FOLLOWING TWO COURSES ALONG SAID NORTHERLY LINE OF CLIFFORD, (1) S.89°46'03"W., 152.35 FEET, AND (2) N.60°13'53"W., 143.47 FEET TO A POINT ON THE EASTERLY LINE OF BAGLEY AVENUE (120 FT. WIDE), SAID POINT ALSO BEING THE SOUTHWEST CORNER OF SAID LOT 27; THENCE N.29°46'07"E., 363.21 FEET ALONG SAID EASTERLY LINE TO THE POINT OF BEGINNING.

ATTACHMENT C

Project Description and Pictures of Underground Obstructions

The overall project consists of the construction of a mixed-use building that will contain approximately 288 apartments, 11,291 square feet of retail and other commercial space and an underground parking garage with capacity for approximately 396 vehicles. Over 100 of the parking spaces are expected to be available for parking for the general public, including customers of the retail businesses in the building, with daytime capacity for public parking expected to be approximately 200 vehicles.

The project encountered over \$6,500,000 of unexpected costs due to substantial, deep previously unknown underground obstructions including concrete encased steel I-beams contaminated by PCBs and other contaminants. Substantial additional effort was required approximately 30' below grade in the Winter of 2016-2017 to identify and remove and properly dispose of these obstructions, causing delays in the project timeline. The additional costs include winter conditions, special equipment for deep excavation, torch-cutting of steel I-beams, removal and disposal of contaminated steel, soils and concrete and similar costs. Pictures of some of the unexpected underground obstructions are on the following page.

The project implements several notable "green" construction aspects, including:

1. 9,179 square feet of vegetated green roof system.
2. Drip irrigation for landscape beds, including evapotranspiration (ET) based irrigation controller with rain sensor.
3. ICC 700-2012 National Green Building Standard™ Certified.

When the project was originally approved by the City Council for tax abatements in 2016, the estimated hard costs investment was approximately \$50,000,000. Since then, the total hard costs have increased to close to \$75,000,000, caused in significant part by the \$6,500,000 of additional costs caused by the unknown underground obstructions and unforeseen cost conditions and circumstances. An estimated 150 construction jobs have been or are expected to be created at the overall property. Approximately eight (8) permanent jobs are expected to be created at the property by the Developer or its affiliates. An unknown number of additional jobs will be created by retail and other commercial tenants.

The Developer has received approval of property tax abatements under the Act 210 Commercial Rehabilitation Act and the Act 147 Neighborhood Enterprise Zone programs. The abatements will reduce the property tax obligations of the Property for the periods applicable under the abatement certificates, thereby reducing the amount of tax increment revenues available pursuant to this Plan.

**Pictures of
unanticipated
underground
obstructions**



ATTACHMENT D

Supportive Letters

(see attached)



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

Phone: 313.224.3765 TTY:311
Fax: 313.224.1647
www.detroitmi.gov

November 15, 2019

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

RE: City Club Apartments Brownfield Redevelopment Plan

Dear Ms. Kanalos,

The Detroit Brownfield Redevelopment Authority (DBRA) has asked that the Planning and Development Department to review and comment on the City Club Apartments Brownfield Redevelopment Plan (the "Plan").

CCA CBD Detroit LLC is the project developer ("Developer"). The property in the Plan is located at 313 Park Avenue and is bounded by Park Avenue to the north, Washington Boulevard to the east, Clifford Street to the south, and Bagley Street to the west in Downtown Detroit.

The proposed Development consists of the construction of a mixed-use retail and residential building featuring first-floor retail along with 288 apartments above. The project is projected to include approximately 11,291 gross square feet of retail space and an underground parking garage with capacity for approximately 410 vehicles.

The development will redevelop and activate a significant parcel in the Downtown area of Detroit. Total investment is estimated at \$92 million.

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

Sincerely,

Russell Baltimore
Assistant Director Design Review
Planning and Development Department

c: B. Vosburg
c: B. Vosburg



October 25, 2019

Detroit Brownfield Redevelopment Authority
Attn: Brian Vosburg
500 Griswold Street, Suite 2200
Detroit, MI 48226

Dear Mr. Vosburg:

The Downtown Detroit Partnership (DDP) is pleased to submit this letter in support of the proposed brownfield plan for the City Club Apartments at 313 Park Avenue in Downtown Detroit. Based on the project summary provided and reviewed we feel the project supports Downtown's continued revitalization through needed housing provisions, workforce development and support of the broader neighborhood and community.

DDP's Greater Downtown residential housing study completed in 2017 identified a strong demand for housing and insufficient supply. With its 288 apartments, 11,291 square feet of retail space and 410 parking space parking garage, the development will add needed residential units to Downtown's housing stock, in addition to addressing historic brownfield conditions at the former site of the Statler Hotel.

Additionally, DDP is responsible for Grand Circus Park which abuts the City Club Apartments site. The project includes first-floor retail that will further activate the area for pedestrians around the park. In supporting this project, DDP believes that Grand Circus Park is becoming an anchor for the surrounding Downtown residential and entertainment district.

All my best,

A handwritten signature in blue ink, appearing to read "Eric B. Larson", with a long horizontal flourish extending to the right.

Eric B. Larson
CEO



32991 Hamilton Court
Farmington Hills, MI 48334
main: 248-737-0300
fax: 248-536-5060
levelonebank.com

November 15, 2019

Detroit Brownfield Redevelopment Authority
Attn: Brian Vosburg
500 Griswold Street, Suite 2200
Detroit, MI 48226

Dear Mr. Vosburg:

We have operated a retail banking center at 1420 Washington Boulevard since January 2016 and have been very pleased with the neighborhood and business opportunities from having a presence in the City of Detroit.

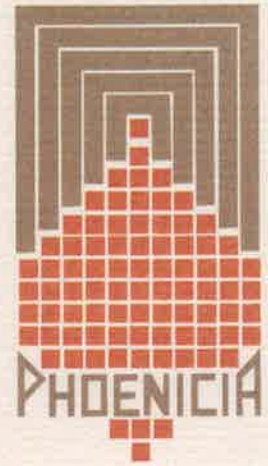
We are excited to see the CBD Detroit apartments bringing more residents and parking to the Grand Circus Park. The project supports continued revitalization of the neighborhood. We hope that you approve the brownfield plan for the project. Thank you.

Yours Sincerely,

A handwritten signature in blue ink that reads "D Walker".

David C. Walker
EVP&CFO
Level One Bank
248-737-6903 (O)
248-762-6081 (C)
dwalker@levelonebank.com

DCW db



November 18, 2019

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

Attn: Brian Vosburg

We are the proprietors of the newly opened Leila Restaurant on Griswold. We are excited to see the CBD Detroit apartments bringing more residents and parking to the Grand Circus Park area.

The project supports continued revitalization of the neighborhood. We hope that you approve the Brownfield plan for the project.

Thank you,

Samy S. Eid

Proprietor

ATTACHMENT E-1

**Estimated Cost of Eligible Activities Table
(without MSF work plan approval)**

Description of Eligible Activities	Estimated Cost
1. Brownfield Plan and Possible Work Plan Preparation	\$15,000
2. Baseline Environmental Assessment Activities	\$28,000
3. Additional Response Activities (effective 4/3/17, part of "Department Specific Activities")	\$0
4. Due Care Activities	\$0
5. Site Preparation	\$0
6. Infrastructure Improvements, including a 396 space parking garage, storm water management features and right of way improvements	\$4,060,324
7. Lead and Asbestos Survey and Abatement	\$0
8. Site Demolition	\$0
9. Brownfield Plan Implementation	\$15,000
10. Department Specific Activities Contingency (15%)	\$0
11. MSF Activities Contingency	\$0
Subtotal Site Eligible Activities	\$4,118,324
12. Interest	\$204,028
13. DBRA Administrative Fees	\$762,768
14. Local Brownfield Revolving Fund	\$0
15. State Brownfield Redevelopment Fund	\$0
Total Estimated Cost to be Funded Through TIF	\$5,085,121

ATTACHMENT E-2

**Estimated Cost of Eligible Activities Table
(with MSF work plan approval)**

Description of Eligible Activities	Estimated Cost
1. Brownfield Plan and Possible Work Plan Preparation	\$15,000
2. Baseline Environmental Assessment Activities	\$28,000
3. Additional Response Activities (effective 4/3/17, part of "Department Specific Activities")	\$0
4. Due Care Activities	\$0
5. Site Preparation	\$0
6. Infrastructure Improvements, including a 396 space parking garage, storm water management features and right of way improvements	\$6,452,156
7. Lead and Asbestos Survey and Abatement	\$0
8. Site Demolition	\$0
9. Brownfield Plan Implementation	\$15,000
10. Department Specific Activities Contingency (15%)	\$0
11. MSF Activities Contingency	\$0
Subtotal Site Eligible Activities	\$6,510,156
12. Interest	\$1,441,612
13. DBRA Administrative Fees	\$1,420,055
14. Local Brownfield Revolving Fund	\$994,472
15. State Brownfield Redevelopment Fund	\$943,322
Total Estimated Cost to be Funded Through TIF	\$11,309,617

ATTACHMENT F

TIF Tables

(see attached)

Table 1: Assumes school taxes are not captured

(see attached)

	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T
11	NEZ Special Tax																		
12	Personal property tax																		
13	Adjusted for DORA administrative fee																		
14	Adjusted for DORA administrative fee																		
15	Adjusted for DORA administrative fee																		
16	Adjusted for DORA administrative fee																		
17	Adjusted for DORA administrative fee																		
18	Adjusted for DORA administrative fee																		
19	Adjusted for DORA administrative fee																		
20	Adjusted for DORA administrative fee																		
21	Adjusted for DORA administrative fee																		
22	Adjusted for DORA administrative fee																		
23	Adjusted for DORA administrative fee																		
24	Adjusted for DORA administrative fee																		
25	Adjusted for DORA administrative fee																		
26	Adjusted for DORA administrative fee																		
27	Adjusted for DORA administrative fee																		
28	Adjusted for DORA administrative fee																		
29	Adjusted for DORA administrative fee																		
30	Adjusted for DORA administrative fee																		
31	Adjusted for DORA administrative fee																		

Adjusted for DORA administrative fee which is \$100,000 annually but is taken from non-school taxes only.

Personal property tax is captured but not included in this table.

NEZ Special Tax is equal to 50% of average rate of taxation levied upon commercial property upon which ad valorem taxes are assessed

Leviable Value Estimate

AGCS

Retail sq. feet

Parking spaces

NEZ interest rate (calculated)

Maximum tax rate

Full tax rate

Adjusted interest rate from 5%

NSPS**	\$4,080,324	59.22%	Non-subject Tax	159,652	100.00%
TOTAL	\$4,110,324	100.00%			

1	2	3	4	5	6	7	8	9	10	11	12	13
0	0	1	2	3	4	5	6	7	8	9	10	11

MISEQ	\$0
TOTAL	\$312,000
SCHOOL	\$0
LOCAL	\$312,000

NEZ Factor: non-NEZ Factor: local op base

Years 13-15 of the Years 13-15 of the

	%	Rate/NEZ	Commuting/PA 210
NEZ Special Tax	72.5%	\$13,048,750	0
Personal Property Tax	1.9%	\$0	\$308,730
DORA Administrative Fee	0.5%	\$4,080,324	\$0
NEZ Interest Rate	1.0%	\$10,080,750	\$308,730
Maximum Tax Rate	5.0%		
Full Tax Rate			
Adjusted Interest Rate from 5%			

		U	V	W	X	Y	Z	AA	AB	AC	AD	AE	AF	AG	AH	AI	AJ	AK	AL
1	CCA CBD/Former Staffer Brownfield P																		
2	Estimated Tax Incremental Revenue -- B																		
3	DDA 111019 \$4.1M of costs with local																		
4																			
5																			
6																			
7																			
8																			
9																			
10																			
11																			
12																			
13																			
14																			
15																			
16																			
17																			
18																			
19																			
20																			
21																			
22																			
23																			
24																			
25																			
26																			
27																			
28																			
29																			
30																			
31																			
32																			
33																			
34																			
35																			
36																			
37																			
38																			
39																			
40																			
41																			
42																			
43																			
44																			
45																			
46																			
47																			
48																			
49																			
50																			
51																			
52																			
53																			
54																			
55																			
56																			
57																			
58																			
59																			
60																			
61																			
62																			
63																			
64																			
65																			
66																			
67																			
68																			
69																			
70																			
71																			
72																			
73																			
74																			
75																			
76																			
77																			
78																			
79																			
80																			
81																			
82																			
83																			
84																			
85																			
86																			
87																			

	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	AL
98 Property Taxes																		
98.1 Total Taxable Value	\$467,636	\$467,636	\$512,360	\$527,730	\$543,362	\$559,089	\$570,685	\$583,085	\$611,794	\$630,138	\$649,042	\$668,513	\$688,568	\$709,225	\$730,502	\$749,042	\$769,513	\$790,105
98.2 Total Real Property Taxable Value - Commercial	\$462,948	\$462,948	\$507,360	\$522,730	\$538,362	\$554,089	\$565,685	\$578,085	\$606,794	\$625,138	\$644,042	\$663,513	\$683,568	\$704,225	\$725,502	\$744,042	\$764,513	\$785,105
98.3 Captured Taxable Value	\$4,688	\$4,688	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
99 Total Non-Schools Capturable Millage	\$3,619	\$3,619	\$4,013	\$4,013	\$4,408	\$4,803	\$5,198	\$5,593	\$6,087	\$6,581	\$7,076	\$7,571	\$8,066	\$8,561	\$9,056	\$9,551	\$10,046	\$10,541
100 Total Captured and Debt	\$19,468	\$19,468	\$21,016	\$22,564	\$24,112	\$25,660	\$27,208	\$28,756	\$30,304	\$31,852	\$33,400	\$34,948	\$36,496	\$38,044	\$39,592	\$41,140	\$42,688	\$44,236
101 Non-Capturable Taxes																		
101.1 City Debt	\$4,347	\$4,347	\$4,611	\$4,750	\$4,892	\$5,039	\$5,190	\$5,346	\$5,506	\$5,671	\$5,841	\$6,017	\$6,197	\$6,383	\$6,575	\$6,774	\$6,979	\$7,184
101.2 School Debt	\$6,279	\$6,467	\$7,068	\$7,669	\$8,278	\$8,893	\$9,521	\$10,162	\$10,817	\$11,486	\$12,160	\$12,849	\$13,544	\$14,245	\$14,952	\$15,666	\$16,387	\$17,114
101.3 DMA Tax	\$37	\$39	\$102	\$106	\$109	\$112	\$115	\$118	\$122	\$126	\$130	\$134	\$139	\$143	\$148	\$153	\$158	\$163
101.4 Zoo Tax	\$50	\$50	\$51	\$51	\$51	\$52	\$52	\$53	\$54	\$54	\$55	\$55	\$56	\$56	\$57	\$57	\$58	\$58
101.5 Total Debt/Millages	\$10,713	\$11,193	\$12,883	\$13,426	\$14,290	\$15,158	\$16,031	\$16,911	\$17,803	\$18,706	\$19,620	\$20,545	\$21,481	\$22,428	\$23,386	\$24,356	\$25,337	\$26,329
101.6 Total Captured and Debt	\$19,468	\$19,468	\$21,016	\$22,564	\$24,112	\$25,660	\$27,208	\$28,756	\$30,304	\$31,852	\$33,400	\$34,948	\$36,496	\$38,044	\$39,592	\$41,140	\$42,688	\$44,236
102 TE Reimbursement																		
102.1 Annual Captured Non-school Taxes (Wayne Co)	\$37,348	\$45,838	\$54,802	\$64,362	\$74,531	\$85,309	\$96,717	\$108,764	\$121,551	\$135,087	\$149,474	\$164,712	\$180,801	\$197,742	\$215,536	\$234,184	\$253,697	\$274,075
102.2 Annual Captured Non-school Taxes (RESA)	\$148,794	\$151,428	\$155,091	\$160,646	\$170,584	\$181,130	\$193,484	\$207,751	\$223,031	\$239,434	\$257,063	\$275,928	\$296,139	\$317,804	\$341,134	\$366,138	\$392,926	\$421,509
102.3 Annual Total Captured Incremental Taxes	\$186,142	\$197,266	\$209,893	\$225,008	\$245,115	\$266,439	\$290,201	\$319,914	\$354,582	\$374,518	\$406,537	\$441,640	\$484,940	\$535,546	\$596,670	\$658,322	\$721,633	\$785,584
102.4 Annual Accrued DBRA Administrative Fee ¹	\$27,621	\$29,587	\$31,604	\$33,776	\$36,104	\$38,698	\$41,568	\$44,724	\$48,178	\$51,942	\$56,026	\$60,450	\$65,224	\$70,358	\$75,862	\$81,746	\$88,000	\$94,634
102.5 DBRA Fee to State Bonded Redevelopment Fund (SEY) (included in 2024)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
102.6 Adjusted Annual Captured Non-School Taxes	\$29,487	\$37,423	\$45,806	\$54,661	\$64,549	\$75,482	\$87,472	\$100,542	\$114,730	\$130,052	\$146,526	\$164,172	\$183,016	\$203,178	\$224,772	\$247,898	\$272,574	\$298,818
102.7 (RESA) ¹	\$177,034	\$180,123	\$183,291	\$186,510	\$190,669	\$195,733	\$201,742	\$207,716	\$213,675	\$219,529	\$225,287	\$231,049	\$236,816	\$242,488	\$248,066	\$253,549	\$258,937	\$264,228
102.8 Adjusted Annual Captured School Taxes (School Open) (included in 2024)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
102.9 Adjusted Annual Captured School Taxes (SET) (closed in 2024)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
102.10 Adjusted Annual Total Incremental Taxes	\$156,620	\$167,546	\$179,089	\$191,171	\$203,849	\$217,131	\$231,026	\$245,542	\$260,677	\$276,431	\$292,803	\$309,801	\$327,427	\$345,683	\$364,566	\$384,087	\$404,251	\$425,069
102.11 Annual DBRA Administrative Fee ¹	\$27,621	\$29,587	\$31,604	\$33,776	\$36,104	\$38,698	\$41,568	\$44,724	\$48,178	\$51,942	\$56,026	\$60,450	\$65,224	\$70,358	\$75,862	\$81,746	\$88,000	\$94,634
102.12 Total	\$204,241	\$217,133	\$210,693	\$224,947	\$240,013	\$255,829	\$272,594	\$290,270	\$309,850	\$330,973	\$353,829	\$378,451	\$404,651	\$432,451	\$461,918	\$493,033	\$525,897	\$560,703
103 Reimbursed MFPE Expenses ²	\$155,456	\$166,407	\$177,872	\$189,871	\$202,419	\$215,516	\$229,172	\$243,397	\$258,191	\$273,564	\$289,527	\$306,090	\$323,262	\$341,053	\$359,474	\$378,535	\$398,246	\$418,617
103.1 Paid from School Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
103.2 Paid from Non-School Taxes	\$155,456	\$166,407	\$177,872	\$189,871	\$202,419	\$215,516	\$229,172	\$243,397	\$258,191	\$273,564	\$289,527	\$306,090	\$323,262	\$341,053	\$359,474	\$378,535	\$398,246	\$418,617
103.3 Unreimbursed NSF Costs	\$3,219,851	\$3,153,444	\$2,875,573	\$2,785,702	\$2,590,028	\$2,300,378	\$2,100,573	\$1,896,427	\$1,746,750	\$1,518,348	\$1,284,016	\$1,042,548	\$793,732	\$537,343	\$273,157	\$0	\$0	\$0
103.4 Interest Accrued on MFPE Expenses (see below for reduced rate during abatement periods)	\$53,106	\$50,731	\$48,188	\$45,479	\$42,591	\$39,529	\$36,299	\$32,897	\$29,331	\$25,614	\$21,747	\$17,729	\$13,563	\$9,180	\$4,610	\$0	\$0	\$0
103.5 Interest Paid on NSF Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
104 Interest Paid on NSF Expenses from School Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
105 Interest Paid on NSF Expenses from Non-School Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
106 Balance of Accrued and Unpaid Interest on NSF Expenses	\$756,235	\$606,895	\$458,154	\$307,932	\$153,218	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
107 Reimbursed EGLE/DKLT Specific Expenses ³	\$1,084	\$1,139	\$1,218	\$1,300	\$1,398	\$1,507	\$1,627	\$1,759	\$1,903	\$2,059	\$2,228	\$2,409	\$2,603	\$2,811	\$3,034	\$3,272	\$3,526	\$3,796
107.1 Paid from School Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
107.2 Paid from Non-school Taxes	\$1,084	\$1,139	\$1,218	\$1,300	\$1,398	\$1,507	\$1,627	\$1,759	\$1,903	\$2,059	\$2,228	\$2,409	\$2,603	\$2,811	\$3,034	\$3,272	\$3,526	\$3,796
107.3 Unreimbursed EGLE/DKLT Specific Costs	\$22,768	\$21,507	\$20,389	\$19,098	\$16,348	\$13,481	\$10,627	\$7,783	\$4,938	\$2,093	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
107.4 Detroit to Local Brownfield Revolving Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
107.5 Paid from School Taxes ³	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
107.6 Paid from Non-school Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$5,023,048	\$5,221,723	\$5,419,398	\$5,617,073	\$5,814,748	\$6,012,423	\$6,210,098	\$6,407,773	\$6,605,448	\$6,803,123	\$7,000,798	\$7,198,473	\$7,396,148	\$7,593,823	\$7,791,498	\$7,989,173	\$8,186,848	\$8,384,523

Table 2: Assumes school taxes are captured

(see attached)

Times	Proportionality	Eligible Activities Paid from Local-Debt Taxes	Total
School	6,078.7%	\$ 6,724,103	\$ 6,724,103
Non-School	31,933.3%	\$ 1,223,635	\$ 1,223,635
TOTAL		\$ 7,947,738	\$ 7,947,738
FCLE	0.35%	\$ 28,000	\$ 28,000
MGF	99.65%	\$ 7,921,738	\$ 7,921,738

Year	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Initial Taxable Value	\$743,628	\$743,628	\$743,628	\$743,628	\$743,628	\$743,628	\$743,628	\$743,628	\$743,628	\$743,628	\$743,628	\$743,628
TOTAL INITIAL TV	\$743,628	\$743,628	\$743,628	\$743,628	\$743,628	\$743,628	\$743,628	\$743,628	\$743,628	\$743,628	\$743,628	\$743,628

18	TAXES ON INCREMENTAL LAND VALUE												
19	Total Real Property Taxable Value - Land	3.00%	Total TV 2019=	\$743,628	\$765,937	\$788,915	\$812,582	\$836,960	\$862,069	\$887,931	\$914,569	\$942,006	\$969,374
20	Captured Taxable Value	3.00%		\$0	\$32,309	\$45,287	\$68,954	\$93,332	\$118,441	\$144,303	\$170,941	\$198,378	\$226,638
21	All School Taxes (on Captured Taxable Value) on Land		Ad Valorem Captured by DBRA in DDA										
22	School Operating	18.0000		\$0	\$402	\$615	\$1,241	\$1,680	\$2,132	\$2,597	\$3,077	\$4,079	\$4,603
23	State Education Tax	6.0000		\$0	\$134	\$272	\$414	\$560	\$711	\$866	\$1,026	\$1,180	\$1,360
24	Schools Incremental Taxes Total	24.0000		\$0	\$536	\$1,087	\$1,655	\$2,240	\$2,843	\$3,463	\$4,103	\$5,439	\$6,136
25	Wayne County Operating-Winter	0.8997		\$0	\$22	\$45	\$68	\$92	\$117	\$143	\$169	\$196	\$224
26	Wayne County Parks-Winter	0.2459		\$0	\$5	\$11	\$17	\$23	\$29	\$35	\$42	\$49	\$56
27	Wayne County Jail-Winter	0.9381		\$0	\$21	\$42	\$65	\$88	\$111	\$135	\$160	\$186	\$213
28	Wayne County ISD (RESA)	3.4643		\$0	\$77	\$157	\$239	\$323	\$410	\$500	\$592	\$687	\$785
29	Wayne County Special RESA ENH	2.0000		\$0	\$45	\$91	\$138	\$187	\$237	\$289	\$342	\$397	\$453
30	Total Incremental Local Taxes Captured	41.3227		\$0	\$170	\$346	\$527	\$713	\$905	\$1,102	\$1,308	\$1,515	\$1,731
31	Total Schools and Non-Schools Capturable Millage	65.3227	\$1,63800	\$708	\$1,433	\$2,182	\$2,953	\$3,747	\$4,565	\$5,408	\$6,276	\$7,170	\$8,091

32	Non-Capturable Taxes												
33	City Debt	9.0000		\$0	\$201	\$408	\$621	\$840	\$1,066	\$1,299	\$1,538	\$1,785	\$2,040
34	School Debt	13.0000		\$0	\$290	\$589	\$896	\$1,213	\$1,540	\$1,876	\$2,222	\$2,579	\$2,946
35	City Debt Tax	0.2000		\$0	\$4	\$9	\$14	\$19	\$24	\$29	\$34	\$40	\$46
36	City Debt Tax	0.1000		\$0	\$2	\$5	\$7	\$9	\$12	\$14	\$17	\$20	\$23
37	Total Debt Millages	22.3000		\$0	\$107	\$206	\$308	\$408	\$512	\$622	\$738	\$855	\$979
38	Total Mills on Incremental Land Value	87.6227	\$1,63800	\$1,303	\$2,443	\$3,719	\$5,054	\$6,354	\$7,728	\$9,220	\$10,794	\$12,224	\$13,714
39	TAXES ON INCREMENTAL RESIDENTIAL AND PARKING												
40	Total Real Property Taxable Value - Residential	0.80%	as of 1/23/19	\$11,338,279	\$11,338,279	\$11,338,279	\$11,338,279	\$11,338,279	\$11,338,279	\$11,338,279	\$11,338,279	\$11,338,279	\$11,338,279
41	Captured Taxable Value	3.00%	Total TV 2019=	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

42	NEZ - 15 Year abatement on Local and School Property Taxes												
43	Total Real Property Taxable Value - Residential	0.80%	as of 1/23/19	\$11,338,279	\$11,338,279	\$11,338,279	\$11,338,279	\$11,338,279	\$11,338,279	\$11,338,279	\$11,338,279	\$11,338,279	\$11,338,279
44	Captured Taxable Value	3.00%		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
45	Ad Valorem Captured by DBRA in DDA												
46	School Operating	18.0000		\$0	\$204,107	\$332,328	\$460,549	\$588,770	\$716,991	\$845,212	\$973,433	\$1,101,654	\$1,229,875
47	State Education Tax	6.0000		\$0	\$68,036	\$110,413	\$152,789	\$195,165	\$237,541	\$280,917	\$323,293	\$365,669	\$408,045
48	Schools Incremental Taxes Total	24.0000		\$0	\$272,143	\$442,741	\$613,338	\$783,935	\$954,532	\$1,126,129	\$1,296,726	\$1,467,324	\$1,637,920
49	Wayne County Operating-Winter	0.8997		\$0	\$11,222	\$18,181	\$25,140	\$32,099	\$39,058	\$46,017	\$52,976	\$59,935	\$66,894
50	Wayne County Parks-Winter	0.2459		\$0	\$2,768	\$4,413	\$6,058	\$7,703	\$9,348	\$10,993	\$12,638	\$14,283	\$15,928
51	Wayne County Jail-Winter	0.9381		\$0	\$10,456	\$16,685	\$22,914	\$29,143	\$35,372	\$41,601	\$47,830	\$54,059	\$60,288
52	Wayne County ISD (RESA)	3.4643		\$0	\$33,283	\$51,272	\$69,261	\$87,250	\$105,239	\$123,228	\$141,217	\$159,206	\$177,195
53	Wayne County Special RESA ENH	2.0000		\$0	\$18,467	\$27,701	\$36,935	\$46,169	\$55,403	\$64,637	\$73,871	\$83,105	\$92,339
54	Total Incremental Local Taxes Paid	41.3227		\$0	\$226,093	\$346,803	\$467,513	\$588,223	\$708,933	\$829,643	\$950,353	\$1,071,063	\$1,191,773
55	Total Schools and Non-Schools Capturable Millage	65.3227	\$1,63800	\$19,4148	\$9,60990	\$14,91000	\$20,81010	\$26,71020	\$32,61030	\$38,51040	\$44,41050	\$50,31060	\$56,21070
56	Non-Capturable Taxes												
57	City Debt	9.0000		\$0	\$273,7	\$547,4	\$821,1	\$1,094,8	\$1,368,5	\$1,642,2	\$1,915,9	\$2,189,6	\$2,463,3
58	School Debt	13.0000		\$0	\$395,5	\$791,0	\$1,186,5	\$1,582,0	\$1,977,5	\$2,373,0	\$2,768,5	\$3,164,0	\$3,559,5
59	City Debt Tax	0.2000		\$0	\$10,9	\$21,8	\$32,7	\$43,6	\$54,5	\$65,4	\$76,3	\$87,2	\$98,1
60	City Debt Tax	0.1000		\$0	\$5,5	\$10,9	\$16,4	\$21,8	\$27,2	\$32,7	\$38,1	\$43,6	\$49,0
61	Total Debt Millages	22.3000		\$0	\$170,1	\$339,2	\$507,7	\$676,3	\$844,8	\$1,013,4	\$1,181,9	\$1,350,4	\$1,518,9
62	Total Mills on Incremental Land Value	87.6227	\$1,63800	\$19,4148	\$9,60990	\$14,91000	\$20,81010	\$26,71020	\$32,61030	\$38,51040	\$44,41050	\$50,31060	\$56,21070

Estimated Capture
 Administrative Fees
 State Brownfield Redevelopment Fund
 Local Brownfield Revolving Fund

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	
12	Year	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
13	Brownfield Plan Capture Year	0	1	2	3	4	5	6	7	8	9	10	11
14	NEZ Year	0	0	1	2	3	4	5	6	7	8	9	10
15	PA 210 Year	1	2	3	4	5	6	7	8	9	10	11	
16	Adjusted Annual Captured Non-School Taxes (RESA)	\$0	\$22,597	\$10,992	\$11,328	\$11,975	\$12,031	\$12,398	\$12,777	\$13,166	\$13,568	\$13,981	\$16,521
17	Adjusted Annual Captured School Taxes (School Oper) (capped in 2030)	\$0	\$210,606	\$110,423	\$114,137	\$117,963	\$121,903	\$125,982	\$130,142	\$134,448	\$138,883	\$143,451	\$148,156
18	Adjusted Annual Captured School Taxes (SET) (capped in 2030)	\$0	\$35,101	\$18,404	\$19,023	\$19,660	\$20,317	\$20,994	\$21,690	\$22,408	\$23,147	\$23,909	\$24,693
19	Adjusted Annual Total Incremental Taxes	\$0	\$277,310	\$144,228	\$149,050	\$154,016	\$159,132	\$164,401	\$169,828	\$175,418	\$181,175	\$187,106	\$198,170
20	Annual DBRA Administrative Fee ¹	\$0	\$55,131	\$28,700	\$28,660	\$30,649	\$31,667	\$32,717	\$33,797	\$34,910	\$36,057	\$37,238	\$38,976
21	Total Fees	\$0	\$55,131	\$28,700	\$28,660	\$30,649	\$31,667	\$32,717	\$33,797	\$34,910	\$36,057	\$37,238	\$38,976
22	Payment of Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	Balance of Deferred Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24	Reimbursed MSF Expenses ²	\$0	\$276,334	\$143,720	\$148,525	\$153,474	\$158,571	\$163,822	\$169,230	\$174,800	\$180,537	\$186,447	\$195,479
25	PA 210 Paid from School Taxes ³	\$0	\$244,841	\$128,373	\$132,691	\$137,139	\$141,720	\$146,438	\$151,298	\$156,304	\$161,460	\$166,770	\$172,240
26	PA 210 Paid from Non-School Taxes	\$0	\$31,492	\$15,347	\$15,834	\$16,335	\$16,852	\$17,384	\$17,932	\$18,496	\$19,078	\$19,677	\$20,238
27	Unreimbursed MSF Coeds (Interest Accrued on MSF Expenses (see below for reduced rates during business prob))	\$6,482,126	\$6,205,792	\$6,062,072	\$5,913,547	\$5,760,074	\$5,601,502	\$5,437,860	\$5,269,450	\$5,093,650	\$4,913,113	\$4,728,666	\$4,531,187
28	Interest Paid on MSF Expenses	\$39,053	\$94,831	\$92,634	\$90,365	\$88,020	\$85,596	\$83,093	\$80,507	\$77,836	\$75,077	\$72,228	\$69,299
29	Interest Paid on MSF Expenses from School Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	Interest Paid on MSF Expenses from Non-School Taxes	\$39,053	\$94,831	\$92,634	\$90,365	\$88,020	\$85,596	\$83,093	\$80,507	\$77,836	\$75,077	\$72,228	\$69,299
31	Balance of Account and Unpaid Interest on MSF Expenses	\$39,053	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
32	Reimbursed EGLE/Dept. Specific Expenses ⁴	\$0	\$976	\$508	\$525	\$542	\$560	\$579	\$598	\$618	\$638	\$659	\$691
33	PA 210 Paid from School Taxes ⁵	\$0	\$865	\$454	\$469	\$485	\$501	\$517	\$535	\$552	\$571	\$589	\$609
34	PA 210 Paid from Non-School Taxes	\$0	\$111	\$54	\$56	\$58	\$60	\$61	\$63	\$65	\$67	\$70	\$72
35	Unreimbursed EGLE/Dept. Specific Coeds	\$28,000	\$27,024	\$26,516	\$25,991	\$25,448	\$24,888	\$24,308	\$23,711	\$23,094	\$22,456	\$21,797	\$21,106
36	Deposit to Local Brownfield Revolving Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
37	PA 210 Paid from School Taxes ⁶	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
38	PA 210 Paid from Non-School Taxes	\$28,000	\$27,024	\$26,516	\$25,991	\$25,448	\$24,888	\$24,308	\$23,711	\$23,094	\$22,456	\$21,797	\$21,106
39	cap=	\$28,000	\$27,024	\$26,516	\$25,991	\$25,448	\$24,888	\$24,308	\$23,711	\$23,094	\$22,456	\$21,797	\$21,106
40	cap=	\$6,510,126	\$6,510,126	\$6,510,126	\$6,510,126	\$6,510,126	\$6,510,126	\$6,510,126	\$6,510,126	\$6,510,126	\$6,510,126	\$6,510,126	\$6,510,126
41	Adjusted for State Brownfield Redevelopment Fund, 25 years maximum.												
42	Adjusted for DBRA administrative (re-which is \$100,000 annually but is taken from non-school taxes only).												
43	Personal property tax is captured but not included in this table.												
44	NEZ Special Tax is equal to 50% of average rate of taxation levied upon commercial property upon which ad valorem taxes are assessed.												
45	Taxable Value Estimate												
46	Commercial TV												
47	Apex												
48	Retail sq. feet												
49	Parking spaces												
50	Interest rates calculation												
51	Assessment tax rate												
52	Full tax rate												
53	Adjusted interest rate from 5%												

Eligible activity school/local reimbursement breakdown		
EGLE	\$28,000	\$8,955
SCHOOL	\$12,062	\$0
LOCAL	\$0	\$0
TOTAL	\$28,000	\$8,955

Brownfield plan eligible expense ratio		Tax ratio	
EGLE	\$28,000	0.43%	School Tax
MSF**	\$6,482,126	99.57%	Non-school Tax
TOTAL	\$6,510,126	100.00%	100.00%

	NEZ	PA 210	Land	Totals
# Units	288	24	87,6227	3,000%
Commercial TV	\$96,867	\$0	\$0	\$13,948,799
Apex	\$60	\$0	\$0	\$338,730
Retail sq. feet	\$25,000	\$0	\$0	\$4,950,000
Parking spaces	\$19,237,529	\$0	\$0	\$18,898,799
Land	\$0	\$0	\$0	\$0
Assessment tax rate	26.815	24	87.6227	1.3187%
Full tax rate	87.6227	24	87.6227	1.3187%
Adjusted interest rate from 5%	1.3187%	24	87.6227	1.3187%

	S	T	U	V	W	X	Y	Z	AA	AB	AC	AD	AE	AF	AG
1															
2															
3															
4															
5															
6															
7															
8															
9															
10															
11															
12															
13															
14															
15															
16															
17															
18															
19															
20															
21															
22															
23															
24															
25															
26															
27															
28															
29															
30															
31															
32															
33															
34															
35															
36															
37															
38															
39															
40															
41															
42															
43															
44															
45															
46															
47															
48															
49															
50															
51															
52															
53															
54															
55															
56															
57															
58															
59															
60															
61															
62															
63															
64															
65															
66															
67															
68															
69															
70															
71															
72															
73															
74															
75															
76															
77															
78															
79															
80															
81															
82															
83															

ATTACHMENT G

BSE&E Acknowledgement and Other Environmental Documents

(see attached)

ATTACHMENT H

Incentives Table

The following table and additional information were submitted at the time of the requests for the tax abatements in 2016.

(see attached)

City of Detroit

CITY COUNCIL

COUNCIL PRESIDENT BRENDA JONES

INCENTIVE INFORMATION CHART:

Project Type	Incentive Type	Investment Amount	District
Mixed use	Brownfield plan	\$92,000,000*	6

*Investment has increased since commencement of project

Jobs Available							
Construction				Post Construction**			
Professional	Non-Professional	Skilled Labor	Non-Skilled Labor	Professional	Non-Professional	Skilled Labor	Non-Skilled Labor
5	10	285	150	4	42	6	6

**Primarily expected jobs by tenants. An estimated 8 jobs will be created by the Developer.

1. What is the plan for hiring Detroiters?

Detroit-based contracting and employment—The Developer has a binding agreement to comply with the Mayor’s executive orders under the Development Agreement signed in 2015 with the DDA.

- The Developer worked with the D2D Business Program as a vehicle for engaging Detroit-based contractors, vendors and suppliers for all phases of the Project.
- Retail tenants will be connected with Detroit Employment Solutions to aid in recruiting Detroit residents for jobs.

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

- 50 part time and full time retail jobs expected for the commercial and retail establishments.
- 8 full time apartment employees will be engaged.

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

No. New residents to Detroit are expected to be attracted to live at the property.

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

There has been outreach to the downtown business organizations and to other neighboring property owners. Specifically, the Capital Park Neighborhood group supported the project on the record at the Historic Commission meeting (when the Certificate of Appropriateness was issued).



City of Detroit

CITY COUNCIL

COUNCIL PRESIDENT BRENDA JONES

5. When is construction slated to begin?

Construction began in the Fall of 2016.

6. What is the expected completion date of construction?

Early, 2020.

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



Exhibit B



November 20, 2019

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 City Club Apartments 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 November 20, 2019, adopted a resolution approving the proposed Brownfield Plan for the City Club Apartments 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 Brownfield Plan for the City Club Apartments Redevelopment.

Very truly yours,

By:

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



**DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
MINUTES OF THE
REGULAR COMMUNITY ADVISORY COMMITTEE MEETING
WEDNESDAY, NOVEMBER 20, 2019 -- 5:00 PM
AT DEGC OFFICES
500 GRISWOLD, SUITE 2200
DETROIT, MI**

**COMMITTEE MEMBERS
PRESENT:**

Rick Blocker
Kamal Cheeks
Dr. Regina Randall
Allen Rawls
Rico Razo
Peter Rhoades

**COMMITTEE MEMBERS
ABSENT:**

Simone Sagovac
Brad Lutz
Michelle Lee

OTHERS PRESENT:

Jennifer Kanalos (DEGC/DBRA)
Brian Vosburg (DEGC/DBRA)
Cora Capler (DEGC/DBRA)
Rob Platt (City Club)
Jon Borenstein (Honigman)
Bill Stewart (City Club)
Richard Barr (Honigman)

Projects

Brownfield Plan for City Club Apartments

Mr. Vosburg introduced the Brownfield Plan for City Club Apartments to the CAC members present.

Project Introduction

CCA CBD Detroit, LLC is the project developer (the "Developer") for the Plan which involves the construction of a mixed-use building that will contain approximately 288 apartments, 11,291 square feet of retail and other commercial space and an underground parking garage with capacity for approximately 410 vehicles. Twenty percent of the 288 residential units will be available at 80% of the Area Median Income (AMI).

The adoption of this Plan is being requested after the commencement of construction due to the discovery of significant unknown underground obstructions during construction. Although eligible activities in connection with the Plan are expected to exceed \$10,000,000, the Developer is requesting approval of \$7,933,739, which corresponds to the additional costs that have been incurred by the Developer due to the discovery of the unknown underground obstructions. Further, in the event the Michigan Strategic Fund

("MSF") does not approve the use of school taxes to reimburse eligible activity costs, the Developer seeks approval for only \$4,359,103 of the eligible activity costs and interest thereon.

The total investment is estimated to be \$92 million.

There will be approximately 450 temporary construction jobs and 58 FTE jobs created under this Plan. Approximately 50 part time and full-time retail jobs are expected for the commercial and retail establishments and 8 full time jobs related to property management.

Property Subject to the Plan

The eligible property (the "Property") consists of one (1) parcel located at 313 Park Avenue in Downtown Detroit, bounded by Park Avenue to the north, Washington Boulevard to the east, Clifford Street to the south, and Bagley Street 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 commercial purpose; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) the Property is a "facility" pursuant to Part 201.

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, infrastructure improvements, interest, and development and implementation of brownfield plan and/or Act 381 work plan. 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 began in November 2017 and are expected to be complete by the end of 2019.

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 – WITH MSF APPROVAL

1. Environmental Assessment Activities	\$28,000.00
2. Infrastructure Improvements	\$6,452,156.00
3. Brownfield Plan & Work Plan Preparation	\$30,000.00
4. Interest	\$1,423,583.00
Total Reimbursement to Developer	\$7,933,739.00
5. Authority Administrative Costs	\$1,420,712.00
6. State Brownfield Redevelopment Fund	\$949,148.00
7. Local Brownfield Revolving Fund	\$1,068,728.00
TOTAL Estimated Costs	\$11,372,327.00

COSTS TO BE REIMBURSED WITH TIF – WITHOUT MSF APPROVAL

8. Environmental Assessment Activities	\$28,000.00
9. Infrastructure Improvements	\$4,060,324.00
10. Brownfield Plan & Work Plan Preparation	\$30,000.00
11. Interest	\$242,779.00
Total Reimbursement to Developer	\$4,359,103.00
12. Authority Administrative Costs	\$769,606.00
13. State Brownfield Redevelopment Fund	\$0.00
14. Local Brownfield Revolving Fund	\$0.00

TOTAL Estimated Costs	\$5,128,709.00
------------------------------	-----------------------

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 Property has been approved for a Commercial Rehabilitation Act (PA 210) Abatement and a Neighborhood Enterprise Zone Act (PA 147) Abatement.

Attached for CAC review and approval were three (3) resolutions: 1.) a resolution supporting the Plan in the event the Committee does not deem it necessary to conduct a CAC public hearing and 2.) a resolution authorizing a public hearing in the project area and 3.) a resolution authorizing a public hearing in the project area and to appoint up to two special CAC members. The public hearing may be held jointly with any public hearing conducted by the Detroit Brownfield Redevelopment Authority.

Mr. Blocker asked how much due diligence is performed by the purchaser to discover potential environmental issues before a property is purchased. Mr. Barr provided more background on the Property including the demolition and environmental cleanup efforts funded by the Michigan Department of Environment, Great Lakes, and Energy (EGLE), formerly the Department of Natural Resources and the Michigan Department of Environmental Quality, and performed by Homrich in 2006. Such efforts were not brought to completion due to funding constraints and the Property was capped to prevent exposure to contaminants present on the Property, and the hole in the Property was filled in to be dealt with at a later time when an opportunity and funding was available. The Downtown Development Authority (DDA) gained title to and negotiated the sale of the Property to the Developer in 2016, at which point there were attempts made to gain access and review the environmental reports for the Property produced by DLZ. Additional investigation was performed by SME to gain more information on the contamination and conditions of the Property both before and after the acquisition of the Property by the Developer from the DDA. The Developer and all parties involved thought they had an understanding of the conditions of the Property and the financial burden associated with the condition of the Property at the time of acquisition through the start of construction. Upon construction start, concrete, steel, and additional contamination was discovered on the Property at a depth beyond what was able to be investigated prior to the start of the project. Once the true condition of the Property was discovered, it would have been too costly to halt construction to seek tax increment financing or other funding sources to offset the additional costs for the project, the extent of those costs were still greatly unknown, and the Developer did not want to seek additional incentives if they were not truly needed for the project. Construction continued once all buried materials were removed and abated, and the Developer is now requesting tax increment financing for reimbursement on the infrastructure improvements in lieu of the non-reimbursable costs for the environmental cleanup of the Property.

Mr. Rawls asked how the City of Detroit acquired the Property. Mr. Barr stated that the Property was likely acquired by the City of Detroit through tax foreclosure and that the former structure on the Property was vacant for a couple decades before it was demolished in 2006.

Mr. Rawls asked when the additional materials were discovered on the Property. Mr. Barr stated that the additional materials were discovered almost three years ago, and the true extent of the financial implications were unknown, and the Developer chose to wait until those costs were fully understood before requesting the approval of a brownfield plan. Mr. Barr stated that because the tax increment financing is limited due to the location of the Property in the DDA, the time it will take to fully reimburse the Developer will take longer than it would if the Property was located outside of the DDA.

Mr. Vosburg stated that he was not sure if the DDA ever took title of the Property or if the DDA just facilitated the sale of the Property to the Developer on behalf of the City of Detroit.

Mr. Razo asked how the infrastructure costs are eligible to be in the Plan since the work has already been performed. Mr. Vosburg stated that Michigan Public Act 381 allows for non-environmental eligible

activities to begin prior to brownfield plan approval and that the DBRA has a policy regarding allowing a lookback on non-environmental costs under a brownfield plan.

Mr. Cheeks asked how the Developer will show proof of costs to the DBRA in order to be reimbursed through tax increment financing. Mr. Vosburg stated that the Developer will be required to submit documentation for all eligible costs and proof of payment for those eligible costs which are then reviewed by the DBRA for eligibility, reasonable, and compliance with all state, local, and federal ordinances and requirements for environmental cleanup, and certification from the City of Detroit Civil Rights, Inclusion and Opportunity Department that the project is in compliance with all applicable Executive Orders.

Mr. Rawls asked if there has been any indication of the Michigan Strategic Funds' (MSF) support for the Plan. Mr. Barr stated that support from the MSF is unknown and likely not going to be obtained due to the MSF's policy regarding a lookback on non-environmental eligible costs but that he is optimistic that once the Plan gains local support and approvals from the DBRA and Detroit City Council the MSF may be more inclined to support the Plan as well and due to the lack of assurance from the MSF regarding its approval, the Developer is proposing an alternative amount for eligible costs under the Plan should the MSF choose to not support the Plan. Mr. Bornstein added that the MSF had previously indicated its willingness to provide support for the project. Mr. Barr stated that the Developer went through an extensive amount of information gathering as requested by the MSF and after a period of review by the MSF a meeting was conducted between the Developer and the MSF and the MSF indicated that they were not going to support the Plan, but in light of a change in leadership at the MEDC and MSF he is hopeful that support for the Plan will be reconsidered.

Mr. Razo asked if all additional costs for the project were due to the additional materials discovered on the Property. Mr. Platt stated that the additional costs were not all attributable to the additional materials discovered on the Property and that some were in part due to upgrades made to the project, the default of the framing subcontractor, and the delays on the project and subsequent loss of subcontractors and extension of the timeline for construction.

Mr. Rawls asked what the overall benefits of the project are to the Downtown Detroit area. Mr. Barr stated that the project will bring the addition of 288 residential units with 20% of the residential units at 80% of the Area Median Income (AMI) and approximately 11,000 square feet of commercial space which will be prominent in that area of Downtown, and an underground parking structure with 396 parking spaces, some of which will be available to the public. Mr. Barr added that the project will fill in a gap in the Grand Circus Park area and will bring a significant number of new residents and added density to the area and reactivate a key parcel which was underutilized. Mr. Platt stated that the additional parking which will be made available to the public is in a key location, the restaurant which will be part of the project will have indoor and outdoor seating options and the pet supply store will bring more dining and retail options and will make it a more dynamic area in the City.

Mr. Rawls asked what the rental rates will be for the project. Mr. Platt stated that the studio units will have a rental rate of approximately \$1,000 per month with the one, two, and three-bedroom units with increasing rental rates up to \$3,500 per month.

Mr. Rawls asked if the Developer thinks there is a high demand for studio residential units in Detroit. Mr. Platt stated that the building will have several common area spaces available to all residents and that a similar pilot building was built by the Developer in Minneapolis and was successful and the idea is that residents will sleep in their own residential unit but will really live in the whole building.

Dr. Randall stated that she thinks the Developer should try to target all demographics, not just younger generations, and that studio units will not attract residents over the age of 40 and that young people who live in Downtown Detroit tend to move to the suburbs when they start families.

Mr. Rhoades asked about the unfinished work performed in 2006 when the former structure was demolished and what was known then about the work that was left to do. Mr. Barr stated that there is some indication that it was known that there would be further work to do because of the capping of the site with

respect to the contamination and that a lot of those involved in the work performed in 2006 are no longer involved in the project and that there was a lot of funding provided to clear the Property. Mr. Vosburg added that EGLE followed all appropriate protocols and procedures when performing work on the site previously.

Mr. Cheeks asked what the unit mix will be for the project. Mr. Platt stated that approximately 35-40% of the units will be studios with the balance being slightly skewed toward one-bedroom units and an even mix of two and three-bedroom units.

Mr. Rawls called for a motion recommending approval of the Brownfield Plan for City Club Apartments.

Mr. Razo motioned to recommend approval of the Brownfield Plan for City Club Apartments without a CAC public hearing and without appointing special members. Dr. Randall seconded the motion. DBRA-CAC Resolution Code 19-11-282-01, recommending approval of the Brownfield Plan for City Club Apartments was unanimously approved.



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

**CITY CLUB APARTMENTS
BROWNFIELD REDEVELOPMENT PLAN**

**Monday, December 2, 2019
Detroit Economic Growth Corporation
500 Griswold, Suite 2200
Detroit, MI 48226
5:30 PM**

In attendance were:

Brian Vosburg (DEGC/DBRA)
Cora Capler (DEGC/DBRA)
Richard Barr (Honigman)
Bill Stewart (City Club Apartments)
John Schanoevel (Huntington Bank)

Mr. Vosburg called the public hearing to order at 5:32 PM.

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 5:48 PM.

Exhibit C



CODE DBRA 19-12-282-02

CITY CLUB APARTMENTS 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 Brownfield Plan for the **City Club Apartments 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 Brownfield Plan for the **City Club Apartments 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 approves the Plan substantially in the form attached hereto and on file with the Secretary of the DBRA.

3. 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.

4. 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.

5. 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.

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

December 18, 2019

**RESOLUTION APPROVING BROWNFIELD PLAN
OF THE CITY OF DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
FOR THE CITY CLUB APARTMENTS 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 brownfield plan for the City Club Apartments Redevelopment Project (the “Plan”); and

WHEREAS, the Authority submitted the Plan to the Community Advisory Committee for consideration on November 20, 2019, per the provisions of the resolution establishing the Authority, and a public hearing was conducted by the Authority on December 2, 2019 to solicit comments on the proposed Plan; and

WHEREAS, the Community Advisory Committee recommended approval of the Plan on November 20, 2019; 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 December 18, 2019 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 January 23, 2020.

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

(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 Site Remediation 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 four (4) 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 _____, 2020, 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

City of Detroit

CITY COUNCIL



RAQUEL CASTAÑEDA-LÓPEZ
COUNCIL MEMBER
DISTRICT 6

MEMORANDUM

TO: Arthur Jemison, Group Executive for Housing, Planning and Development
THRU: Council Member Scott Benson, Chair, Public Health and Safety Committee
FROM: Council Member Raquel Castañeda-López
DATE: December 12, 2019
RE: Planning Studies in Boynton, Midwest and Chadsey-Condon

Please provide the anticipated cost and a timeline for the completion of planning studies in Boynton, Midwest and Chadsey-Condon.

Thank you. If you have any questions, please contact my office at 313-224-2450.

Cc: Honorable Detroit City Council
Stephanie Washington, Mayor's Liaison
City Clerk

CITY CLERK 2019 DEC 13 AM 9:41