



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

**DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
REGULAR BOARD OF DIRECTORS MEETING
WEDNESDAY, APRIL 12, 2017
4:00 PM**

BOARD MEMBERS PRESENT: Mia Grillier
Pamela McClain
Matt Walters
Donele Wilkins
Raymond Scott
Matthew Walters
Stephanie Washington

BOARD MEMBERS ABSENT: Maggie Desantis
Evette Griffie

OTHERS PRESENT: Jennifer Kanalos (DEGC/DBRA)
Brian Vosburg (DEGC/DBRA)
Ayesha Maxwell (DEGC/DBRA)
Malinda Jensen (DEGC/DBRA)
Glen Long (DEGC/DBRA)
Ngozi Nwaesei (Lewis & Munday)
Jason Headen (Bedrock Detroit)
Steven Ogden (Bedrock Detroit)
Scott Collins (Bedrock Detroit)
Gabrielle Poshadlo (Bedrock Detroit)
Anne Jamieson (Jamieson Development Consulting)
Mark Jacobs (Dykema)
John George (Blight Busters)



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

MINUTES OF THE DETROIT BROWNFIELD
REDEVELOPMENT AUTHORITY REGULAR MEETING
WEDNESDAY, April 12, 2017
DETROIT ECONOMIC GROWTH CORPORATION
500 GRISWOLD SUITE 2200 DETROIT, MI - 4:00PM

CALL TO ORDER

Chairperson Matt Walters called the meeting to order at 4:09 PM.

GENERAL

Approval of Minutes

Mr. Walters called for a motion approving the minutes of March 22, 2017 as presented. The Board took the following action:

On a motion by Mr. Sanders, seconded by Ms. Grillier, DBRA Resolution Code 17-04-02-215 was unanimously approved.

PROJECTS

Free Press Building Brownfield Redevelopment Plan

Mr. Vosburg presented the information on the previously approved Free Press Building Brownfield Plan ("Plan"). The Plan is being proposed for termination due to the fact that the previous plan failed to occur within five (5) years. Additionally a new Plan, which is the following agenda item, will be presented to the board. The MEDC staff are considering the assignment of the Michigan Business Tax Credit ("MBT Credit") approved as part of the Plan to a new developer. The termination of the Plan will not affect the MBT Credit.

Mr. Walters called for a motion approving the Termination of the Free Press Building Brownfield Plan and any other agreements or contracts related to the Plan. The Board took the following action:

On a motion by Ms. Grillier, seconded by Mr. Sanders, DBRA Resolution Code 17-04-191-04 was unanimously approved.

Former Free Press Building Brownfield Redevelopment Plan

Mr. Vosburg presented the Former Free Press Building Brownfield Redevelopment Plan. PowerPoint slides provided maps and renderings of the project. Mr. Ogden and Mr. Collins provided additional information regarding the voluntary Tier 1 Community Benefits Agreement ("CBA") between the City of Detroit and the developer and responded to board member questions

about project timing, design, Detroit employment and contractors, future tenants, affordable housing, and previous projects completed by the developer.

Project Introduction

Pyramid Development Co., LLC, a Bedrock Detroit affiliate, is the project developer (the “Developer”) for the Plan which entails the rehabilitation of the 276,183 square foot former Detroit Free Press building into a mixed-use building with retail on the first floor, office on the second and third floors, and residential on floors 4-17 and an undetermined use for the basement and sub-basement. First through third floor tenants have not been determined at this time.

It is estimated that 196 temporary construction jobs will be created and 10 direct permanent jobs will be created in connection with the redevelopment. Additional permanent jobs are expected to be created by the retail and office tenants. The Developer has agreed to comply with City Executive Orders.

Total investment is expected to be approximately \$69,660,000.00. The Developers are requesting \$7,029,190.00 in TIF reimbursement under the proposed Plan.

Property Subject to the Plan

The eligible property (the “Property”) consists of a single (1) parcel containing only the Free Press Building located at 321 West Lafayette Boulevard on the west side of downtown Detroit.

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 commercial 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.

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 site demolition, selective building demolition, lead & asbestos surveying, asbestos abatement, air monitoring, hazardous material removal, site preparation, and preparation of a brownfield plan and 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 begin in the summer of 2017 and be complete no later than December 2020.

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. Site Demolition	\$121,701.00
2. Selective Building Demolition	\$951,503.00
3. Lead & Asbestos Survey	\$55,000.00
4. Asbestos Abatement	\$951,503.00
5. Air Monitoring	\$145,000.00

6. Hazardous Material Removal	\$895,100.00
7. Brownfield Plan	\$10,000.00
8. Work Plan	\$15,000.00
Total Reimbursement to Developer	\$7,029,190.00
9. Authority Administrative Costs	\$1,169,001.00
10. State Brownfield Redevelopment Fund	\$1,012,326.00
11. Local Brownfield Revolving Fund	\$0.00
TOTAL Estimated Costs	\$9,210,517.00

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 Development Incentives

The Developers of this Plan will seek additional support through the transfer of the existing Michigan Business Tax Credit for the property as well as a Neighborhood Enterprise Zone Abatement (PA 147).

Attached for your review and approval is a resolution authorizing the Former Free Press Building Brownfield Plan for submittal to the Community Advisory Committee for consideration and comment within 30 days of their receipt of the proposed Plan. In addition, it authorizes the President of the Detroit Economic Growth Corporation or any person designated by him, as a representative of the DBRA, to conduct a public hearing in the area to which the Proposed Plan applies within the next 30 days. This public hearing may be held jointly with any public hearing conducted by the Community Advisory Committee.

Mr. Walters called for a motion approving the transmittal of the Brownfield Plan to the Community Advisory Committee as well as to conduct a public hearing for the Plan for the Former Free Press Building Brownfield Redevelopment Plan.

On a motion by Ms. Grillier, seconded by Mr. Sanders, DBRA Resolution Code 17-03-245-01, was unanimously approved.

ADMINISTRATIVE

Designation of Authorized Signatories for DBRA Bank Accounts

Mr. Long stated that with a change in staff at the DEGC the DBRA board needs to approve new authorized signatories for the DBRA board. In the past the DBRA, and all other public authorities managed by the DBRA, have historically approved the names of specific individuals as authorized signatories for bank accounts. This has become difficult administratively for DEGC staff as well as the operations of the DBRA and other public authorities. Mr. Long is proposing that specific titles: the board Treasurer and Authorized Agents, be approved as signatories for the DBRA. This would eliminate the need for the Board to approve new signatories any time there is a change in the specific individuals who are the Treasurer or Authorized Agents.

Mr. Sanders asked for clarification on what the process would be if the Board had questions or concerns about a future Authorized Signatory. Mr. Long stated that any board member may ask questions, discuss and request a vote on Authorized Signatories at any time and that Authorized Signatories serve at the discretion of the Board.

Ms. McClain stated that it has been the practice with other boards she serves on that positions, rather than individuals, are approved as authorized signatories and she supports this change in practice.

Mr. Walters called for a motion approving the Treasurer and Authorized Agents as Authorized Signatories for Detroit Brownfield Authority bank accounts.

On a motion by Ms. Wilkins seconded by Ms. Griller, DBRA Resolution Code 17-04-01-181 was unanimously approved.

OTHER

None

PUBLIC COMMENT

None

ADJOURNMENT

There being no further business, Mr. Walters called for a motion approving the adjournment of the meeting. On a motion by Ms. Wilkins, seconded by Mr. Sanders, the board agreed unanimously to adjourn the meeting at 4:35 PM.



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

CODE DBRA 17-04-02-215

APPROVAL OF MINUTES MARCH 22, 2017

RESOLVED, that the minutes of the regular meeting of the March 22, 2017 are hereby approved and all actions taken by the Directors present at such meeting, as set forth in such minutes, are hereby in all respects ratified and approved as actions of the Detroit Brownfield Redevelopment Authority.

April 12, 2017



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

CODE DBRA 17-04-191-04

TERMINATION OF THE BROWNFIELD PLAN FOR THE FREE PRESS BUILDING REDEVELOPMENT PROJECT

WHEREAS, on June 30, 2010, the City of Detroit Brownfield Redevelopment Authority (the "DBRA") Board of Directors approved the Free Press Building Brownfield Plan (the "Plan") for Free Press Holdings, LLC (the "Developer") and recommended its approval to the Detroit City Council; and

WHEREAS, on July 29, 2010 the Detroit City Council approved the Plan; and

WHEREAS, on July 30, 2010 the Mayor of the City of Detroit approved the Plan; and

WHEREAS, on October 27, 2010 the DBRA approved the Reimbursement Agreement for the Plan; and

WHEREAS, Section 16(8)(b) of Act 381 of 1996, as amended, permits a governing body to terminate a brownfield plan or plan amendment if the project for which eligible activities identified in the brownfield plan or plan amendment fails to occur with respect to the eligible property for at least 5 years following the date of the resolution approving the brownfield plan or plan amendment; and

WHEREAS, the DBRA has determined that the project identified in the Plan failed to occur within 5 years of the City Council's approval of the Plan; and

WHEREAS, the DBRA Board of Directors desires to terminate the Plan.

NOW THEREFORE, BE IT RESOLVED, that the DBRA Board of Directors hereby recommends termination of the Plan to the Detroit City Council; and

BE IT FURTHER RESOLVED, that the DBRA Board of Directors hereby authorizes the termination of the Reimbursement Agreement as well as any other agreements or contracts between the Developer and the DBRA that were executed in conjunction with the Plan upon termination of the Plan by the City of Detroit; and

BE IT FINALLY RESOLVED that any two Officers, or any one of the Officers and any one of the Authorized Agents of the DBRA, shall hereafter have the authority to negotiate and execute any and all documents, contracts, or other papers necessary to implement the provisions and intent of this resolution on behalf of the DBRA.

April 12, 2017



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

CODE DBRA 17-03-245-01

**FORMER FREE PRESS BUILDING BROWNFIELD REDEVELOPMENT PLAN –
TRANSMITTAL OF BROWNFIELD PLAN TO THE COMMUNITY ADVISORY
COMMITTEE**

WHEREAS, pursuant to 381 PA 1996 (“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”) for the purpose of promoting the revitalization of environmentally distressed areas in the City; 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, under the resolution establishing the DBRA and the bylaws of the DBRA requires the DBRA, prior to the approval of a brownfield plan, submit the proposed brownfield plan to the Community Advisory Committee for consideration and comment and solicit comments by publication of notice that the proposed brownfield plan has been submitted to the Community Advisory Committee and by conducting a public hearing in the area to which the proposed Plan applies.

NOW, THEREFORE, BE IT RESOLVED:

1. The City of Detroit Brownfield Redevelopment Authority acknowledges receipt of the proposed Brownfield Plan for the **Former Free Press Building Brownfield Redevelopment Plan** (the “Proposed Plan”) and authorizes and directs the Chairperson to cause the Proposed Plan to be transmitted to the Community Advisory Committee for consideration and comment within 30 days of their receipt of the Proposed Plan.

2. The President of the Detroit Economic Growth Corporation or any person designated by him, as a representative of the DBRA, shall conduct a public hearing in the area to which the Proposed Plan applies within the next 30 days. This public hearing may be held jointly with any public hearing conducted by the Community Advisory Committee.

3. The Chairperson is authorized and directed to cause there to be published notice that the Proposed Plan has been submitted to the Community Advisory Committee and of the public hearing to be held pursuant to this resolution.

BE IT FINALLY RESOLVED, 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 resolution except that such acts were taken prior to execution of these resolution, are hereby in all respects confirmed, approved and ratified.

April 12, 2017



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

CODE DBRA 17-04-01-181

ADMINISTRATION: DESIGNATION OF AUTHORIZED SIGNATORIES FOR DBRA BANK ACCOUNTS

NOW, THEREFORE, BE IT RESOLVED:

1. That the authorized signatories for all existing bank accounts of the Detroit Brownfield Redevelopment Authority (the "DBRA") shall be the Treasurer and any one Authorized Agent of the DBRA, or any two Authorized Agents of the DBRA.
2. Prior resolutions of the DBRA with regard to authorized signatories for DBRA bank accounts shall be rescinded upon adoption of this resolution.