

City of Detroit


CITY COUNCIL

GABRIELA SANTIAGO-ROMERO
COUNCIL MEMBER, DISTRICT 6

MEMORANDUM

TO: Antoine Bryant, Director
Planning and Development Department

THRU: Council Member Mary Sheffield, Council President

FROM: Council Member Gabriela Santiago-Romero 

DATE: January 31, 2024

RE: Future of Health Detroit Project Benefits

As co-chair of the Equitable Development Task Force, I believe that equity must be at the forefront of all developments. To that end, please see the below requests:

- I. **Fee Based Development Services:** Commit to hiring a minority owned, Detroit-based developer(s) to assist the development through General Contractor selection, architectural design and project implementation, etc.
 - a. **Recommendation:** Commit 25-50% of the professional services fee to be spent with this community.
 - b. Potential areas of economic collaboration include but not limited to:
 - i. Predevelopment Services
 - ii. Federal, State, Local and Environmental Incentive Structuring
 - iii. LIHTC Development Consulting Services
 - iv. Owners Representation
 - v. Political and Community Engagement

- II. **General Partner Participation:** Provide a mechanism for the fee-based developer to assume a predefined scope, project risk and co-participation within the General Partnership structure.
 - a. **Recommendation:** Commit up to 15% of the Future of Health’s target equity investment raise with qualified minority development professionals

- III. **General Contractor Participation:** Commit to hiring a minority-owned, Detroit-based General contractor to manage the construction.
 - a. **Subcontractor Participation:** require the general contractor to:
 - i. Commit to hiring a specific number of Detroit-based employees
 - ii. Commit to spend a minimum percentage of construction dollars with companies that are minority-owned, Detroit-based subcontractors.