



January 21, 2022

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

Re: **The Ribbon Brownfield Redevelopment Plan**

Dear Honorable Council Members:

The enclosed Brownfield Plan for the Jefferson-Holcomb 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 December 1, 2021 meeting and a public hearing was held by the DBRA on December 14, 2021 to solicit public comments. The Committee's communication to the City Council and the DBRA, dated December 1, 2021 (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 15, 2021, 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

Flux City, LLC, is the project developer ("Developer"). The project includes the redevelopment of the property into a mixed-use commercial retail and residential development with on-site parking and site improvements. The Developer will redevelop the currently vacant, one-story, former bank building into a 3-story mixed-use building that will include a café/restaurant and market on the ground floor, and two residential floors above. The project is being envisioned as a one-story noncombustible podium, with the residential construction above being light-frame wood construction. The Developer is projecting 30 total parking places between the main parking lot west of the building, and the secondary parking lot on the Eastside of Kensington Ave (directly across from the building). The first-floor retail space is estimated to be a total of 7,320 square feet. The two residential floors are each estimated to be 6,925 square feet and will include some affordable residential units that will range from 50-80% AMI, with 9 units on both the second and third floors, for a total of 18 residential units.

The total investment is estimated to be \$6 million. The Developer is requesting \$1,036,154.00 in TIF reimbursement.

There will be approximately 40 temporary construction jobs and 27 permanent jobs are expected to be created by the project.

Property Subject to the Plan

The eligible property (the "Property") consists of four (4) parcels bounded by East Warren Avenue to the north, Yorkshire Road to the east, Cornwall Street to the south, and Outer Drive East to the west in the East English Village neighborhood of Detroit.

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 parcel has been determined to be "functionally obsolete," a "Facility," or adjacent and contiguous to a parcel that has been determined to be Functionally Obsolete or a Facility 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 department specific activities, due care activities, demolition, asbestos and hazardous materials abatement activities, site preparation, infrastructure improvements, interest, and development, preparation and implementation of a 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	\$20,075.00
2. Due Care Activities	\$11,000.00
3. Demolition	\$173,397.00
4. Asbestos and Hazardous Materials Abatement	\$23,000.00
5. Site Preparation	\$209,000.00
6. Infrastructure Improvements	\$226,263.00
7. Brownfield Plan & Work Plan	\$52,500.00
8. Contingency (15%)	\$96,399.00
9. Interest	\$224,520.00
Total Reimbursement to Developer	\$1,036,154.00
10. Authority Administrative Costs	\$240,482.00
11. State Brownfield Redevelopment Fund	\$73,838.00
12. Local Brownfield Revolving Fund	\$230,539.00
TOTAL Estimated Costs	\$1,581,013.00

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

Honorable City Council
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The Developer is seeking additional incentives, which will include local and/or state approval of an Obsolete Property Rehabilitation Act (PA 146) Tax Abatement.

DBRA's Request

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

- a.) January 25, 2021
City Council adoption of the Resolution (Exhibit D), setting the Ribbon Brownfield Redevelopment Plan public hearing, as approved by the Planning and Economic Development Standing Committee Chair and the City of Detroit Clerk, for February 10, 2022 at 11:40 AM.
- b.) February 10, 2022, 11:35 AM
Discussion with taxing jurisdictions regarding the fiscal impact of the Plan.
- c.) February 10, 2022, 2021, 11:40 AM
Public Hearing at City Council's Planning and Economic Development Standing Committee concerning the Ribbon Brownfield Redevelopment Plan.
- d.) February 15, 2022
City Council adoption of the Resolution approving the Ribbon Brownfield Redevelopment Plan (Exhibit E).

Sincerely,



Jennifer Kanalos
Authorized Agent

- C
- City Clerk
 - Marcel Todd
 - Irvin Corley, Jr.
 - David Whitaker
 - Derrick Headd
 - Marcel Hurt
 - Edwina King
 - Nicole Sherard-Freeman
 - Kevin Johnson
 - Malinda Jensen
 - Raymond Scott
 - Kamal Cheeks
 - Brian Vosburg
 - Gail Fulton

EXHIBIT A

CITY OF DETROIT
BROWNFIELD REDEVELOPMENT AUTHORITY

BROWNFIELD PLAN FOR THE RIBBON
REDEVELOPMENT PROJECT

Prepared by:

16530 East Warren, LLC
16816 Shaftsbury Ave.
Detroit, Michigan 48219
Contact Person: Edward Carrington
Phone: (248) 789-8653

AKT Peerless
333 West Fort Street
Ste 1410
Detroit, Michigan 48226
Contact Person: Samantha Seimer
Phone: (248) 224-0305

November 23, 2021

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

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I. INTRODUCTION

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

The primary purpose of this 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 (as defined by Act 381) 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 four (4) parcels and approximately 0.5 acres of land. The above referenced parcels, all tangible personal property located thereon, and all adjacent roads and public rights-of-ways (“ROW”) 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 East English Village, on the east side of Detroit, bounded by East Warren Avenue to the north, Yorkshire Road to the east, Cornwall Street to the south, and Outer Drive East to the west. Kensington Avenue runs between the parcels located at 16530 East Warren Avenue and 16596 East Warren Avenue.

Attachment B provides the current individual legal descriptions for the eligible property.

Address	Tax ID	Basis of Brownfield Eligibility	Owner
16510 East Warren Avenue, Detroit, MI 48224	21002320	Adjacent and Contiguous to 16530 East Warren Avenue	Charter One Bank
16530 East Warren Avenue, Detroit, MI 48224	21002312-9	Functionally Obsolete	16530 E Warren LLC
16596 East Warren Avenue, Detroit, MI 48224	21002311	Adjacent and Contiguous to 16602 East Warren Avenue	16530 E Warren LLC
16602 East Warren Avenue, Detroit, MI 48224	21002310	Facility	16530 E Warren LLC

Flux City, LLC is the project developer (“Developer”) and the anticipated future owner of the Property. In the meantime, the Developer has created a single-purpose entity (i.e. 16530 East Warren, LLC) to own and manage the subject property. The Developer proposes to redevelop the property into a mixed-use commercial retail and residential development with on-site parking and site improvements. The property is currently developed with one 5,760 square foot commercial building (formerly, a bank) and surface parking lots. The former bank will be rehabilitated into a 21,170 square foot mixed-use building. The first floor will include a 7,320 square foot commercial retail space. The second and third floors will comprise of 6,925 square feet of residential space each, which will include a total of 18 majority-affordable residential units, with 9 units on the second floor, and 9 units on the third floor. Onsite parking is projected to include 33 total parking places between the main parking lot west of the building, and the secondary parking lot on the east side of Kensington Ave (directly across from the building).

It is currently anticipated that pre-development activities will begin in the Spring of 2022 and all eligible activities will be completed within 15-18 months thereafter. The project description provided herein is a summary of the proposed development at the Property at the time of the adoption of the Plan. The actual development may vary from the project description provided herein (including, without limitation, the references to square footage or number of units or parking spaces), 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 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 for a commercial purpose; (b) the Property is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) the parcels comprising the Property are determined to be: (i) a “facility” as defined by Part 201 of the Natural Resources and Environmental Protection Act, Michigan PA 451, 1994, as amended (“NREPA”), (ii) “functionally obsolete”, as defined by Act 381, and/or (iii) adjacent and contiguous to property that is a “facility” and or “functionally obsolete”, the development of which is estimated to increase the taxable value of such parcels.

16602 East Warren Avenue

A Phase II Environmental Site Assessment (“ESA”) was completed by AKT Peerless for the properties located at 16602 East Warren Avenue in December 2019. AKT Peerless submitted four soil samples for laboratory analysis of LDOs, one soil sample for VOCs, and three soil samples for VOCs, PNAs, cadmium, chromium, lead, and hexavalent chromium. The results of the laboratory analyses of the soil samples indicated that no parameters were identified to exceed the Michigan Department of Environment, Great Lakes, and Energy (“EGLE”) Generic Residential Clean-up Criteria (GRCC).

AKT Peerless submitted one groundwater sample for laboratory analysis for VOCs. The results of the laboratory analyses of the groundwater sample identified cis-1,2-Dichloroethylene, tetrachloroethylene, trichloroethylene, and vinyl chloride in groundwater at the AKT-9/TW boring locations above the EGLE Residential Drinking Water (DW) criteria and tetrachloroethylene above the EGLE Groundwater Surface Water Interface (GSI) criteria.

Based on laboratory analytical results, the subject property meets the definition of a “facility,” as defined in Part 201.

16530 East Warren Avenue:

The 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 and attached to this Plan as Attachment I before approval of this Plan by the governing body. Further description of its eligibility is outlined below.

Functionally Obsolete

- The current configurations do not meet market demand for the original commercial purpose of the building, nor does it meet market demand for its future residential use.
- Mechanical and electrical systems must be replaced.
- Elevators must be installed
- Interior finishes have been stripped.
- Life safety systems (smoke detectors, fire alarm systems, exit signs and fire sprinklers) must be installed.
- A new security system must be installed.
- The windows must be rehabilitated or replaced.
- The entire roof must be replaced.

16510 and 16596 East Warren Avenue:

Two parcels (i.e., 16510 and 16596 East Warren Avenue) qualify as eligible property (as defined by Section 2 of Act 381) because (i) they are adjacent and contiguous to a parcel that qualifies as a "facility" or "functionally obsolete" parcel; and (ii) eligible activities will be conducted on these parcels and the inclusion and development of these adjacent or contiguous parcels is estimated to increase the captured taxable value of the remainder of the Property.

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 department specific activities, due care activities, demolition, asbestos and hazardous materials abatement activities, site preparation, infrastructure improvements, interest and the development, preparation and implementation of a brownfield plan and non-environmental Act 381 work plan(s).

A summary of the eligible activities and the estimated cost of each eligible activity intended to be reimbursed with tax increment revenues generated and captured 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 cost 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 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 as described below. Some eligible activities may commence prior to the adoption of this Plan and, to the extent permitted by Act 381, the costs of such eligible activities shall be reimbursable pursuant to the Reimbursement Agreement. Tax increment revenue generated by the Property will be captured by the DBRA and used to reimburse the cost of the eligible activities completed on the Property pursuant to the terms of a Reimbursement Agreement to be executed by the DBRA and the Developer after approval of this Plan (the "Reimbursement Agreement"), to the extent permitted by Act 381. In the event this Plan contemplates the capture of tax increment revenue derived from "taxes levied for school operating purposes" (as defined by Section 2(uu) of Act 381 and hereinafter referred to as "School Taxes"), the Developer acknowledges and agrees that DBRA's obligation to reimburse the Developer for the cost of eligible activities with tax increment revenue derived from Local Taxes, or Specific Taxes that are considered Local Taxes, (as these capitalized terms are defined by Act 381) is contingent upon: (i) the Developer receiving at least the initial applicable work plan approvals by the Michigan Strategic Fund ("MSF") and 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 generated from the Property and captured by the DBRA 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>School Capture</u>	Millage Rate	Developer Reimbursement	BRA Admin	State Revolving Fund	LBRF	Totals by Tax Juris.
State Education Tax (SET)	6.0000	\$149,006		\$73,429	\$63,591	\$286,026
School Operating Tax	16.8579	\$418,655			\$178,668	\$597,323
City General Operating	19.9520	\$211,439	\$116,298		\$117,079	\$444,816
Library	4.6307	\$49,073	\$26,992		\$27,173	\$103,238
Wayne County	0.9873	\$10,463	\$5,755		\$5,793	\$22,011
Wayne Charter	5.6347	\$59,713	\$32,844		\$33,065	\$125,622
Wayne Jail	0.9358	\$9,917	\$5,455		\$5,491	\$20,863
Wayne Parks	0.2453	\$2,600	\$1,430		\$1,439	\$5,469
Wayne RESA	0.0962	\$1,019	\$561		\$565	\$2,145
Wayne Special Ed	3.3596	\$35,603	\$19,583		\$19,714	\$74,900
Wayne RESA ENH	1.9962	\$21,155	\$11,636		\$11,714	\$44,504
Wayne Comm College	3.2378	\$34,312	\$18,873		\$18,999	\$72,185
Huron Clinton Operating	0.2089	\$2,214	\$1,218		\$1,226	\$4,657
TOTALS		\$1,005,170	\$240,644	\$73,429	\$484,516	\$1,803,759
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	9.0000	\$541,179				
School Debt	13.0000	\$324,695				
Wayne DIA	0.1995	\$7,360				
Wayne Zoo	0.0997	\$25,293				
DDA	0.9285	\$22,840				
Total		\$921,368				

In no event shall the duration of this Plan exceed thirty-five (35) years following the date of the governing body's resolution approving this Plan, nor shall the duration of the tax capture exceed the lesser of the period authorized under subsection (5) of Section 13 of Act 381 or 30 years. Further, in no event shall the beginning date of the capture of tax increment revenues be later than five (5) years after the date of the governing body's resolution approving this Plan or such other date authorized by Act 381. The beginning date of the capture of tax increment revenues is anticipated to be the 2023 tax year (commencing with the Winter property taxes).

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 and captured 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.

If agreed upon by the Developer and the DBRA, and so long as the applicable agency/department of the State of Michigan approves an Act 381 Work Plan including this Plan, the DBRA may incur note or bonded indebtedness to finance the purposes of this Plan; provided that any such note or bonded indebtedness contemplated by this section shall be (i) subject to approval by the DBRA Board of Directors and other approvals required in accordance and compliance with Act 381 and applicable law; (ii) non-recourse to the DBRA; and (iii) in an amount not to exceed the maximum amount of tax increment revenues authorized for capture under this Plan and any subsequent Act 381 work plan approvals.

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 from School Taxes with respect to the cost of such eligible activity. Unless otherwise agreed upon by the Developer, the DBRA, and applicable agency/department of 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 estimated total cost of eligible activities permitted under this Plan. For the avoidance of doubt, if the approved interest rate for interest on eligible activities described in this Plan would result in actual reimbursement to the Developer that would exceed the estimated total costs for reimbursement described in Attachment E (the “Maximum Reimbursement”); notwithstanding the approved interest rate for eligible activities in this Plan, the actual reimbursement to Developer for all eligible activities (including interest) shall under no circumstances exceed the Maximum Reimbursement.

The Developer anticipates approval of a tax abatement under the Obsolete Property Rehabilitation Act, P.A. 146 of 2000, as amended, (“OPRA”). If approved, this tax abatement will reduce the property tax obligations of the Property for the period applicable under the approved abatement certificate, thereby reducing the amount of tax increment revenues available under this Plan. Assumption of this reduction is included in the tax capture projections provided with 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 the Property shall occur in accordance with the tax increment financing (TIF) table described in Attachment 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 Property and no occupied residences or businesses 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 \$242,258. 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”) has been performed at the Property. 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.*), will be prepared and conducted on the Property and provided to the City of Detroit’s Department of Buildings, Safety Engineering and Environment (“BSEED”). Attached hereto as Attachment G is BSEED’s acknowledgement of its receipt of the Phase I 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.

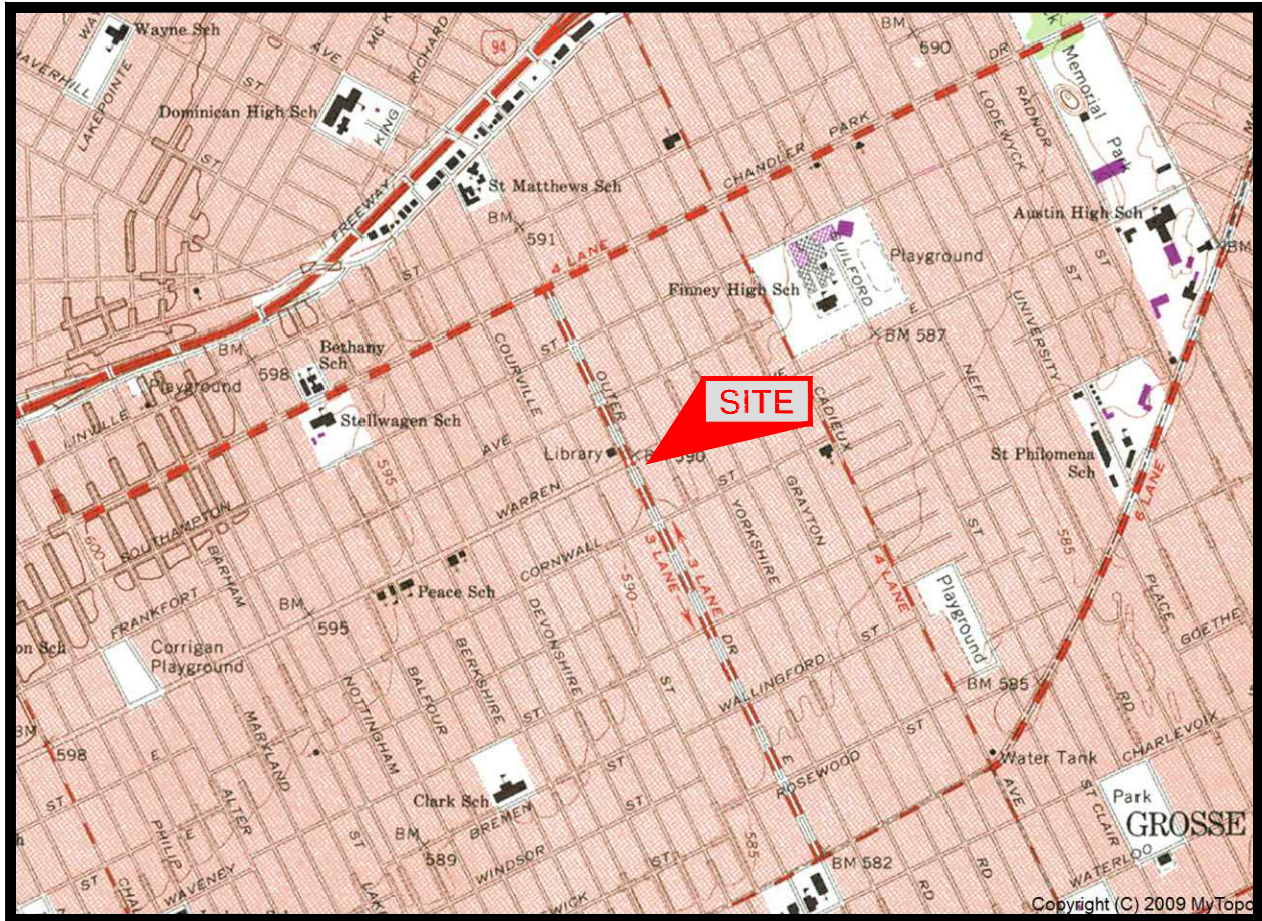
#3708938 v9

III. ATTACHMENTS

ATTACHMENT A

Site Map

GROSSE POINT QUADRANGLE
 MICHIGAN - OAKLAND COUNTY
 7.5 MINUTE SERIES (TOPOGRAPHIC)



T.1 S. - R.13 E.

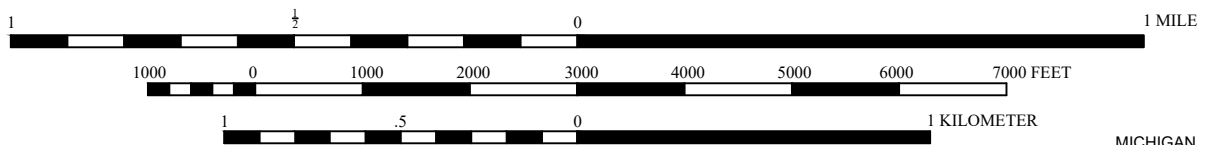


IMAGE TAKEN FROM 1983 U.S.G.S. TOPOGRAPHIC MAP

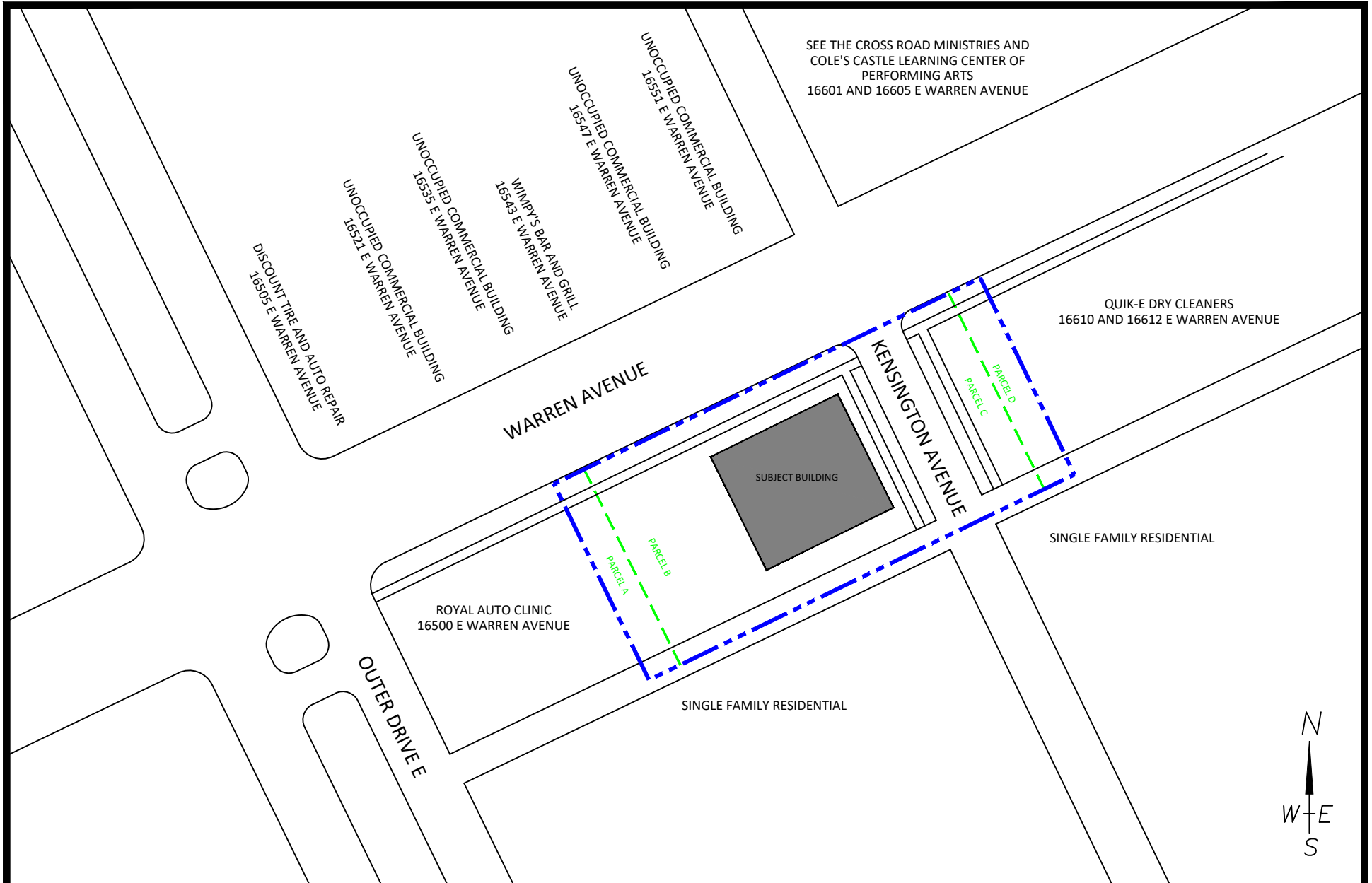


TOPOGRAPHIC LOCATION MAP

16510, 16530, 16596, AND
 16602 E. WARREN AVENUE
 DETROIT, MICHIGAN
 PROJECT NUMBER :14606F2-2-25

DRAWN BY: OGO
 DATE: 08/20/2021

FIGURE 1



BROWNFIELD ELIGIBLE PROPERTY MAP

16510, 16530, 16596, AND
16602 E. WARREN AVENUE
DETROIT, MICHIGAN

PROJECT NUMBER :14606F2-2-25

LEGEND

- - - - - = ELIGIBLE PROPERTY BOUNDARY LINE
- - - - - = ELIGIBLE PARCEL LINE

DRAWN BY: OGO
DATE: 08/20/2021

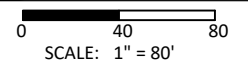


FIGURE 2

ATTACHMENT B

Legal Descriptions of Eligible Property to which the Plan Applies

1. Tax Item No.: 21002320
Property Address: 16510 East Warren Avenue, Detroit, MI 48224
Legal Description: S WARREN E 347 A M CAMPAUS THREE MILE DRIVE ADD L46 P78 PLATS, W C R 21/698
20 X 100
2. Tax Item No.: 21002312-9
Property Address: 16530 East Warren Avenue, Detroit, MI 48224
Legal Description: S-E WARREN 95 THRU 102 EASTERN HEIGHTS LAND COS SUB L48 P23 PLATS, W C R
21/716 160.14 X 100
3. Tax Item No.: 21002311
Property Address: 16596 East Warren Avenue, Detroit, MI 48224
Legal Description: S-E WARREN AVE 183 EASTERN HEIGHTS LAND COS SUB L48 P23 PLATS, W C R 21/716
20 X 100
4. Tax Item No.: 21002310
Property Address: 16602 East Warren Avenue, Detroit, MI 48224
Legal Description: S-E WARREN AVE 184 EASTERN HEIGHTS LAND COS SUB L48 P23 PLATS, W C R 21/716
20 X 100

ATTACHMENT C

Project Description

Project Description – The Ribbon Redevelopment Project

Project Developer:	The City of Detroit Brownfield Redevelopment Authority (DBRA) on behalf of the City of Detroit
Project Location:	16530, 16510, 16596, & 16602 East Warren Avenue, Detroit, Michigan
Capital Investment:	~\$6 million
Eligible Activities:	~\$1,036,154 (Department Specific Activities, Due Care Activities, Demolition, Asbestos and Hazardous Material Abatement, Site Preparation, Infrastructure Improvements, 15% Contingency on aforementioned activity costs, Interest and Preparation & Implementation of a Brownfield Plan and Act 381 Work Plans.)
Type of Eligible Property:	“Facility” under Part 201, “Functionally Obsolete/Blighted” under Act 381, and or Adjacent & Contiguous

Project Overview: 16530 East Warren, LLC is the project developer (“Developer”) and the anticipated future owner of the Property. The Developer proposes to redevelop the property into a mixed-use commercial retail and residential development with on-site parking and site improvements. The property comprising the eligible property consists of 4 parcels and approximately .506 acres of land. The above referenced parcels, all tangible personal property located thereon, and all adjacent roads, sidewalks and public rights-of-ways (“ROW”) will comprise the eligible property and is collectively referred to herein as the “Property.” The road and sidewalks between the properties will remain public ROW once the project is complete.

The subject property currently contains one 5,750 square foot commercial building on 16530 East Warren Avenue that is currently unoccupied and is not used for any obvious or significant purpose. Exterior portions of the subject property consist of asphalt parking areas, concrete walkways, and landscaped areas.

Invest Detroit, in partnership with the City of Detroit, established the Strategic Neighborhood Fund (SNF) to spur and support investment in Detroit’s neighborhoods. Invest Detroit has been committed to equitable and inclusive real estate development that builds off existing neighborhood strengths and incorporates local knowledge and talent. In 2019 Blue Cross Blue Shield of Michigan pledged \$5 million to the East Warren/Cadieux area, which is the eighth Detroit neighborhood that has a completed revitalization framework plan from the City of Detroit.

In February of 2020, Invest Detroit sought proposals from qualified entities to rehabilitate the East English Village property located at 16520-16602 East Warren Avenue, which currently contains one single-story retail space totaling 5,760 square feet. Our team won this RFP process with the submission of The Ribbon at East English Village, and we currently have the property under contract via an agreement to purchase.

The subject development is comprised of two City parcels located at 16510 East Warren Avenue (Parcel 21002320) and 16530 East Warren Avenue (Parcel 21002312-9), and consisting of approximately 0.046 acres and 0.367 acres respectively. The subject property is located in an area of the City that is characterized by residential and commercial properties, and is zoned General Business District (B4).

The Developer will redevelop the one-story, 5,760 square foot site into a 3-story 21,170 square foot mixed-use building that will include a café/restaurant & market on the ground floor, and two residential floors. The project is being envisioned as a one-story non-combustible podium, with the residential construction above being light-frame wood construction. The Developer is projecting 30 total parking places between the main parking lot west of the building, and the secondary parking lot on the Eastside of Kensington Ave (directly across from the building).

The first-floor retail space is estimated to be a total of 7,320 square feet (this total includes first floor common area square footage). The two residential floors are each estimated to be 6,925 square feet. The Ribbon will include some affordable residential units that will range from 50-80% AMI, with 9 overall units on the second floor, and 9 overall units on the third floor (18 units in total).

The Developer's strategy from the beginning has been to make sure the community is heard as they design The Ribbon with a ground-up approach that focuses primarily on enhancing the streetscape with demanded retail options for the local residents to consistently interact with. This is why the Developer held a number of community engagement events over the past year to make sure that they gained, and continue to gain, input from the residents who walk, bike, and drive the neighborhood blocks on a daily basis.

One of the Developer's most successful forms of community engagement so far was partnering with the East Warren Dev Co. to jumpstart the East Warren Farmer's Market initiative in 2020. The Developer worked with EWDC and Invest Detroit to host the market in the subject property's parking lot. This gave the Development team the ability to interact with the local community on a weekly basis. The East Warren Development Co's initiative helped local vendors/small businesses generate over \$20k in revenue in that year alone.

During the Developer's ongoing engagement sessions, amenities that the community could directly interact with, such as a café, market, restaurant and bar, were in high demand. The community has a real need for spaces for neighbors to congregate and collaborate together. With this being said, the community has requests, and the retail

tenant that the Developer has identified is ready to meet those demands via a distinct, yet integrated, vision that promotes retail diversity, residential density, and stimulates street-level activity. The selected woman-owned retail tenant aims to incorporate some of the community's top requests.

The first-floor tenant space's direct integration with the streetscape will add to the vibrancy of the neighborhood, respond uniquely to demand, and capitalize on market conditions. The patio of the retail space will be designed in a manner that is highly welcoming and accessible to the whole community. The first-floor patio and streetscape seating will be visually appealing, and will highlight the activities of residents/customers comfortably sitting outside while pleasantly enjoying a meal, helping to increase the level of foot traffic across the corridor. The Ribbon will also have updated access points to bus routes, bike lanes, and sidewalks, thanks to The East Warren Public Realm streetscape plan that is set to be completed in 2022.

Due Care Activities, demolition, site preparation, and infrastructure activities will begin in earnest in mid 2022, and will take up to 18 months to complete. The Developer anticipates that the project will be operational by late 2023. This redevelopment will revive this vacant property, remove dilapidation in the area, and create commercial and retail attractions in the area. The retail component is expected to create up to 5 new part-time and full-time jobs.

The Project also anticipates local and state approval of an Obsolete Property Rehabilitation Tax Abatement and Act 381 Work Plans.

ATTACHMENT D

Supportive Letters



**PLANNING AND
DEVELOPMENT DEPARTMENT**

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

Phone 313•224•1339
www.detroitmi.gov

November 4, 2021

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

RE: The Ribbon Brownfield Redevelopment Plan

Dear Ms. Kanalos,

The Detroit Brownfield Redevelopment Authority (DBRA) The Ribbon Brownfield Redevelopment Plan (the "Plan").

Flux City Development is the project developer ("Developer"). The property in the Plan consists of four (4) parcels bounded by East Warren Avenue to the north, Yorkshire Road to the east, Cornwall Street to the south, and Outer Drive East to the west in the East English Village neighborhood of Detroit.

The project consists of the redevelopment the property into a mixed-use commercial retail and residential development with approximately 33 on-site parking space and additional site improvements. The property is currently developed with one former bank and surface parking lots. The bank will be rehabilitated for first floor commercial retail space to include a café/restaurant and market, with approximately 18 residential units constructed on the two floors above. It is currently anticipated that some the residential units will be affordable with 8 units to be available at 80% AMI, 3 units available at 60% AMI, and 1 unit available at 50% AMI. The project includes the following Brownfield eligible activities: demolition, site preparation, infrastructure improvements, asbestos and hazardous material abatement, environmental studies, and environmental remediation.

The project will redevelop an underutilized property to provide new residential units and commercial space in the East English Village neighborhood of Detroit. Total investment is estimated at \$5.2 million.

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

Sincerely,

Russell Baltimore
Assistant Director Design Review
Planning and Development Department

c: B. Vosburg
C. Capler

August 17, 2021

Board of Zoning Appeals
City of Detroit
CAYMC, Center 2 Woodward Avenue, Suite 212
Detroit MI 48226

To the Members of the Board of Zoning Appeals / To Whom it May Concern:

As Executive Director of the E. Warren Development Corporation I am writing to express my support of the proposed variances that are requested by Flux City, LLC & 16530 East Warren, LLC for The Ribbon at East English Village, which is to be located at 16530 East Warren Avenue (the old Charter One bank). I am confident that the Flux City's proposed building height of 38 feet, which is 3 feet taller than what the current Traditional Mainstreet Overlay rules allow (35 feet), and reduction of required residential parking spaces, will not significantly impact quality of life for the local residents that reside within our community.

I am also in support of increasing the number of residential apartment units on East Warren Avenue, as an increase in residents will help to add a more robust & diverse customer base to the Commercial Corridor that current and future local Small Businesses could serve.

As the non profit working on commercial development along the corridor I have witnessed how Mr. Carrington and the Flux City team have come into this project with the neighborhood as a partner. Allowing the local farmers market to set up in his lot, attending community meetings to make sure the community stays updated with design, and even volunteering at neighborhood events. It is my opinion that The Ribbon and Flux City are doing everything in their power to make sure the community is engaged in the process and that this development will be an incredible addition to our amazing corridor.



JOE RASHID
Executive Director
Mobile: 313-575-7014
Email: Joe@ewarren.org
Website: ewarren.org



LETTER OF SUPPORT

The Ribbon at East English Village

Board of Zoning Appeals
City of Detroit
CAYMC, Center 2 Woodward Avenue, Suite 212
Detroit MI 48226

To the Members of the Board of Zoning Appeals / To Whom it May Concern:

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In conclusion, The Ribbon at East English Village has my full support. I urge you to vote YES on this project, and look forward to its successful completion.

Cheryl Williams Smith
Signature

August 19, 2021
Date

Cheryl Williams Smith
Print Name

East Warren Development / Detroit Teas, LLC
Neighborhood / Organization

313 - 477 - 5587
Contact Information

LETTER OF SUPPORT

The Ribbon at East English Village

Board of Zoning Appeals
City of Detroit
CAYMC, Center 2 Woodward Avenue, Suite 212
Detroit MI 48226

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In conclusion, The Ribbon at East English Village has my full support. I urge you to vote YES on this project, and look forward to its successful completion.

Christine U. Johnson
Signature

08/19/2021
Date

Christine U. Johnson
Print Name

Morningside
Neighborhood / Organization

313 ~~478-7777~~ 759-6911
Contact Information

LETTER OF SUPPORT

The Ribbon at East English Village

Board of Zoning Appeals
City of Detroit
CAYMC, Center 2 Woodward Avenue, Suite 212
Detroit MI 48226

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In conclusion, The Ribbon at East English Village has my full support. I urge you to vote YES on this project, and look forward to its successful completion.

Curtis Smith
Signature

8/19/2021
Date

CURTIS SMITH
Print Name

EAST ENGLISH VILLAGE
Neighborhood / Organization

313-580-9607
Contact Information

August 17, 2021

Board of Zoning Appeals
City of Detroit
CAYMC, Center 2 Woodward Avenue, Suite 212
Detroit MI 48226

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JOE RASHID
Executive Director
Mobile: 313-575-7014
Email: Joe@ewarren.org
Website: ewarren.org



LETTER OF SUPPORT

The Ribbon at East English Village

Board of Zoning Appeals
City of Detroit
CAYMC, Center 2 Woodward Avenue, Suite 212
Detroit MI 48226

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(Signature)
(Signature)
(Signature)

In conclusion, The Ribbon at East English Village has my full support. I urge you to vote YES on this project, and look forward to its successful completion.

 Jacqueline M. Samuel
Signature

 05 - 19 - 2021
Date

 Jacqueline M. Samuel
Print Name

 East English Village
Neighborhood / Organization

 (313) 212-9363
Contact Information

LETTER OF SUPPORT

The Ribbon at East English Village

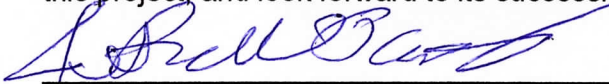
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In conclusion, The Ribbon at East English Village has my full support. I urge you to vote YES on this project, and look forward to its successful completion.



Signature

08/19/01

Date

JERRELL PASLEY

Print Name

EAST ENGLISH VILLAGE

Neighborhood / Organization

313-969-1894

Contact Information

LETTER OF SUPPORT

The Ribbon at East English Village

Board of Zoning Appeals
City of Detroit
CAYMC, Center 2 Woodward Avenue, Suite 212
Detroit MI 48226

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In conclusion, The Ribbon at East English Village has my full support. I urge you to vote YES on this project, and look forward to its successful completion.



Signature

8-19-2021

Date

Carlos Davis

Print Name

East English Village

Neighborhood / Organization

313-303-3796

Contact Information

LETTER OF SUPPORT

The Ribbon at East English Village

Board of Zoning Appeals
City of Detroit
CAYMC, Center 2 Woodward Avenue, Suite 212
Detroit MI 48226

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In conclusion, The Ribbon at East English Village has my full support. I urge you to vote YES on this project, and look forward to its successful completion.

Artheria Hudson

Signature

Aug 19 2021

Date

Artheria Hudson

Print Name

Morning side

Neighborhood / Organization

616 990 5294

Contact Information

LETTER OF SUPPORT

The Ribbon at East English Village

Board of Zoning Appeals
City of Detroit
CAYMC, Center 2 Woodward Avenue, Suite 212
Detroit MI 48226

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In conclusion, The Ribbon at East English Village has my full support. I urge you to vote YES on this project, and look forward to its successful completion.

Matthew Pasley

Signature

08/19/17

Date

Matthew Pasley

Print Name

EAV English Village

Neighborhood / Organization

313 974-4351

Contact Information

LETTER OF SUPPORT

The Ribbon at East English Village

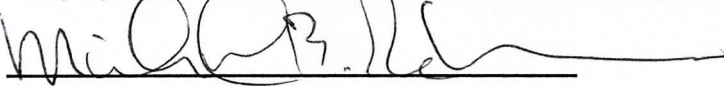
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Detroit MI 48226

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In conclusion, The Ribbon at East English Village has my full support. I urge you to vote YES on this project, and look forward to its successful completion.



Signature

08/19/2021

Date

Michael B. Robinson

Print Name

Morning Side

Neighborhood / Organization

313 694 1881

Contact Information

ATTACHMENT E

Estimated Cost of Eligible Activities Table

Table 1. Eligible Activities

The Ribbon
 16503 East Warren Avenue
 Detroit, MI
 AKT Project No. 14606f2
As of November 23, 2021

ELIGIBLE ACTIVITIES COST SUMMARY								
				Estimated Cost of Eligible Activity	EGLT TIF	MSF TIF	Local-Only TIF	
Predevelopment Activities				\$ 20,075	\$ 20,075	\$ -	\$ -	
Due Care Compliance Activities				\$ 11,000	\$ -	\$ -	\$ 11,000	
TOTAL ENVIRONMENTAL ELIGIBLE ACTIVITIES				\$ 31,075	\$ 20,075	\$ -	\$ 11,000	
Demolition				\$ 173,397	\$ -	\$ 173,397	\$ -	
Asbestos and Hazardous Material Abatement				\$ 23,000	\$ -	\$ 23,000	\$ -	
Site Preparation Activities				\$ 209,000	\$ -	\$ 209,000	\$ -	
Eligible Infrastructure Improvement Activities				\$ 226,263	\$ -	\$ 226,263	\$ -	
TOTAL NON-ENVIRONMENTAL ELIGIBLE ACTIVITIES				\$ 631,660	\$ -	\$ 631,660	\$ -	
Subtotal Environmental and Non-Environmental Eligible Activities				\$ 662,735	\$ 20,075	\$ 631,660	\$ 11,000	
15% Contingency on Eligible Activities*				\$ 96,399	\$ -	\$ 94,749	\$ 1,650	
Brownfield Plan & Act 381 WP Preparation				\$ 22,500	\$ -	\$ 15,000	\$ 7,500	
Brownfield Plan & Act 381 WP Implementation				\$ 30,000	\$ -	\$ 15,000	\$ 15,000	
Total Eligible Activities Cost with 15% Contingency				\$ 811,634	\$ 20,075	\$ 756,409	\$ 35,150	
Interest (calculated at 5%, simple)				\$ 193,536	\$ 5,944	\$ 187,042	\$ 550	
Total Eligible Activities Cost, with Contingency & Interest				\$ 1,005,170	\$ 26,019	\$ 943,451	\$ 35,700	
BRA Administration Fee				\$ 240,644				
State Revolving Fund				\$ 73,429				
Local Brownfield Revolving Fund (LBRF)				\$ 242,258				
Total Eligible Costs for Reimbursement				\$ 1,561,500	\$ 26,019	\$ 943,451	\$ 35,700	

*The contingency is applied to the Subtotal, excluding Predevelopment Activities, which have already been performed.

ATTACHMENT F

TIF Tables

Table 2. Tax Increment Revenue Estimates

The Ribbon
 16503 East Warren Avenue
 Detroit, MI
 AKT Project No. 14606f2
 As of November 23, 2021

ATTACHMENT F: The Ribbon Brownfield Plan TIF Table

Estimated TV Increase rate: 1.02													End OPRA		
Plan Year	1	2	3	4	5	6	7	8	9	10	11	12	13		
Calendar Year	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035		
Initial Taxable Value	\$ 125,162	\$ 125,162	\$ 125,162	\$ 125,162	\$ 125,162	\$ 125,162	\$ 125,162	\$ 125,162	\$ 125,162	\$ 125,162	\$ 125,162	\$ 125,162	\$ 125,162		
Estimated New TV	\$ 947,712	\$ 966,666	\$ 985,999	\$ 1,005,719	\$ 1,025,834	\$ 1,046,350	\$ 1,067,277	\$ 1,088,623	\$ 1,110,395	\$ 1,132,603	\$ 1,155,255	\$ 1,178,360	\$ 1,201,927		
Incremental Difference (New TV - Initial TV)	\$ 822,550	\$ 841,504	\$ 860,837	\$ 880,557	\$ 900,672	\$ 921,188	\$ 942,115	\$ 963,461	\$ 985,233	\$ 1,007,441	\$ 1,030,093	\$ 1,053,198	\$ 1,076,765		
School Capture															
	Millage Rate														
State Education Tax (SET)	6.0000	Incremental	\$ 2,331	\$ 2,388	\$ 2,446	\$ 2,505	\$ 2,566	\$ 2,627	\$ 5,653	\$ 5,781	\$ 5,911	\$ 6,045	\$ 6,181	\$ 6,319	\$ 6,461
School Operating Tax	16.8579	Incremental	\$ 7,317	\$ 7,477	\$ 7,639	\$ 7,806	\$ 7,975	\$ 8,148	\$ 15,882	\$ 16,242	\$ 16,609	\$ 16,983	\$ 17,365	\$ 17,755	\$ 18,152
School Total	22.8579														
Total School Tax Increment Revenue Capture			\$ 9,648	\$ 9,865	\$ 10,085	\$ 10,311	\$ 10,541	\$ 10,775	\$ 21,535	\$ 22,023	\$ 22,520	\$ 23,028	\$ 23,546	\$ 24,074	\$ 24,613
Local Capture															
	Millage Rate														
City General Operating	19.9520	Incremental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,484
Library	4.6307	Incremental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,986
Wayne County	0.9873	Incremental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,063
Wayne Charter	5.6347	Incremental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,067
Wayne Jail	0.9358	Incremental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,008
Wayne Parks	0.2453	Incremental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 264
Wayne RESA	0.0962	Incremental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 104
Wayne Special Ed	3.3596	Incremental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,618
Wayne RESA ENH	1.9962	Incremental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,149
Wayne Comm College	3.2378	Incremental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,486
Huron Clinton Operating	0.2089	Incremental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 225
Local Total	41.2845														
Total Local Tax Increment Revenue Capture			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44,454
Non-Capturable Millages															
	Millage Rate														
City Debt	9.0000	Taxes Paid	\$ 410	\$ 410	\$ 410	\$ 410	\$ 410	\$ 410	\$ 410	\$ 410	\$ 410	\$ 410	\$ 410	\$ 410	\$ 10,817
School Debt	13.0000	Taxes Paid	\$ 592	\$ 592	\$ 592	\$ 592	\$ 592	\$ 592	\$ 592	\$ 592	\$ 592	\$ 592	\$ 592	\$ 592	\$ 15,625
Wayne DIA	0.1995	Taxes Paid	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9	\$ 240
Wayne Zoo	0.0997	Taxes Paid	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 120
DDA	0.9285	Taxes Paid	\$ 42	\$ 42	\$ 42	\$ 42	\$ 42	\$ 42	\$ 42	\$ 42	\$ 42	\$ 42	\$ 42	\$ 42	\$ 1,116
Total Non-Capturable Taxes	23.2277														

Table 2. Tax Increment Revenue Estimates

The Ribbon
 16503 East Warren Avenue
 Detroit, MI
 AKT Project No. 14606f2
As of November 23, 2021

ATTACHMENT F: The Ribbon Brownfield Plan TIF Table

Estimated TV Increase rate:

Plan Year	14	15	16	17	18	19	20	21	22	23
Calendar Year	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
Initial Taxable Value	\$ 125,162	\$ 125,162	\$ 125,162	\$ 125,162	\$ 125,162	\$ 125,162	\$ 125,162	\$ 125,162	\$ 125,162	\$ 125,162
Estimated New TV	\$ 1,225,966	\$ 1,250,485	\$ 1,275,495	\$ 1,301,005	\$ 1,327,025	\$ 1,353,566	\$ 1,380,637	\$ 1,408,250	\$ 1,436,415	\$ 1,465,143
Incremental Difference (New TV - Initial TV)	\$ 1,100,804	\$ 1,125,323	\$ 1,150,333	\$ 1,175,843	\$ 1,201,863	\$ 1,228,404	\$ 1,255,475	\$ 1,283,088	\$ 1,311,253	\$ 1,339,981

School Capture	Millage Rate											
State Education Tax (SET)	6.0000	Incremental	\$ 6,605	\$ 6,752	\$ 6,902	\$ 7,055	\$ 7,211	\$ 7,370	\$ 7,533	\$ 7,699	\$ 7,868	\$ 8,040
School Operating Tax	16.8579	Incremental	\$ 18,557	\$ 18,971	\$ 19,392	\$ 19,822	\$ 20,261	\$ 20,708	\$ 21,165	\$ 21,630	\$ 22,105	\$ 22,589
School Total	22.8579											

Total School Tax Increment Revenue Capture	\$ 25,162	\$ 25,723	\$ 26,294	\$ 26,877	\$ 27,472	\$ 28,079	\$ 28,698	\$ 29,329	\$ 29,972	\$ 30,629
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Local Capture	Millage Rate											
City General Operating	19.9520	Incremental	\$ 21,963	\$ 22,452	\$ 22,951	\$ 23,460	\$ 23,980	\$ 24,509	\$ 25,049	\$ 25,600	\$ 26,162	\$ 26,735
Library	4.6307	Incremental	\$ 5,097	\$ 5,211	\$ 5,327	\$ 5,445	\$ 5,565	\$ 5,688	\$ 5,814	\$ 5,942	\$ 6,072	\$ 6,205
Wayne County	0.9873	Incremental	\$ 1,087	\$ 1,111	\$ 1,136	\$ 1,161	\$ 1,187	\$ 1,213	\$ 1,240	\$ 1,267	\$ 1,295	\$ 1,323
Wayne Charter	5.6347	Incremental	\$ 6,203	\$ 6,341	\$ 6,482	\$ 6,626	\$ 6,772	\$ 6,922	\$ 7,074	\$ 7,230	\$ 7,389	\$ 7,550
Wayne Jail	0.9358	Incremental	\$ 1,030	\$ 1,053	\$ 1,076	\$ 1,100	\$ 1,125	\$ 1,150	\$ 1,175	\$ 1,201	\$ 1,227	\$ 1,254
Wayne Parks	0.2453	Incremental	\$ 270	\$ 276	\$ 282	\$ 288	\$ 295	\$ 301	\$ 308	\$ 315	\$ 322	\$ 329
Wayne RESA	0.0962	Incremental	\$ 106	\$ 108	\$ 111	\$ 113	\$ 116	\$ 118	\$ 121	\$ 123	\$ 126	\$ 129
Wayne Special Ed	3.3596	Incremental	\$ 3,698	\$ 3,781	\$ 3,865	\$ 3,950	\$ 4,038	\$ 4,127	\$ 4,218	\$ 4,311	\$ 4,405	\$ 4,502
Wayne RESA ENH	1.9962	Incremental	\$ 2,197	\$ 2,246	\$ 2,296	\$ 2,347	\$ 2,399	\$ 2,452	\$ 2,506	\$ 2,561	\$ 2,618	\$ 2,675
Wayne Comm College	3.2378	Incremental	\$ 3,564	\$ 3,644	\$ 3,725	\$ 3,807	\$ 3,891	\$ 3,977	\$ 4,065	\$ 4,154	\$ 4,246	\$ 4,339
Huron Clinton Operating	0.2089	Incremental	\$ 230	\$ 235	\$ 240	\$ 246	\$ 251	\$ 257	\$ 262	\$ 268	\$ 274	\$ 280
Local Total	41.2845											

Total Local Tax Increment Revenue Capture	\$ 45,446	\$ 46,458	\$ 47,491	\$ 48,544	\$ 49,618	\$ 50,714	\$ 51,832	\$ 52,972	\$ 54,134	\$ 55,320
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Non-Capturable Millages	Millage Rate											
City Debt	9.0000	Taxes Paid	\$ 11,034	\$ 11,254	\$ 11,479	\$ 11,709	\$ 11,943	\$ 12,182	\$ 12,426	\$ 12,674	\$ 12,928	\$ 13,186
School Debt	13.0000	Taxes Paid	\$ 15,938	\$ 16,256	\$ 16,581	\$ 16,913	\$ 17,251	\$ 17,596	\$ 17,948	\$ 18,307	\$ 18,673	\$ 19,047
Wayne DIA	0.1995	Taxes Paid	\$ 245	\$ 249	\$ 254	\$ 260	\$ 265	\$ 270	\$ 275	\$ 281	\$ 287	\$ 292
Wayne Zoo	0.0997	Taxes Paid	\$ 122	\$ 125	\$ 127	\$ 130	\$ 132	\$ 135	\$ 138	\$ 140	\$ 143	\$ 146
DDA	0.9285	Taxes Paid	\$ 1,138	\$ 1,161	\$ 1,184	\$ 1,208	\$ 1,232	\$ 1,257	\$ 1,282	\$ 1,308	\$ 1,334	\$ 1,360
Total Non-Capturable Taxes	23.2277											

Table 2. Tax Increment Revenue Estimates

The Ribbon
 16503 East Warren Avenue
 Detroit, MI
 AKT Project No. 14606f2
As of November 23, 2021

ATTACHMENT F: The Ribbon Brownfield Plan TIF Table

Estimated TV Increase rate:								TOTAL	
Plan Year	24	25	26	27	28	29			
Calendar Year	2046	2047	2048	2049	2050	2051			
Initial Taxable Value	\$ 125,162	\$ 125,162	\$ 125,162	\$ 125,162	\$ 125,162	\$ 125,162			
Estimated New TV	\$ 1,494,446	\$ 1,524,335	\$ 1,554,821	\$ 1,585,918	\$ 1,617,636	\$ 1,649,989			
Incremental Difference (New TV - Initial TV)	\$ 1,369,284	\$ 1,399,173	\$ 1,429,659	\$ 1,460,756	\$ 1,492,474	\$ 1,524,827			
School Capture									
	Millage Rate								
State Education Tax (SET)	6.0000	Incremental	\$ 8,216	\$ 8,395	\$ 8,578	\$ 8,765	\$ 8,955	\$ 9,149	\$ 243,493
School Operating Tax	16.8579	Incremental	\$ 23,083	\$ 23,587	\$ 24,101	\$ 24,625	\$ 25,160	\$ 25,705	\$ 516,813
School Total	22.8579								
Total School Tax Increment Revenue Capture			\$ 31,299	\$ 31,982	\$ 32,679	\$ 33,390	\$ 34,115	\$ 34,854	\$ 699,117
Local Capture									
	Millage Rate								
City General Operating	19.9520	Incremental	\$ 27,320	\$ 27,916	\$ 28,525	\$ 29,145	\$ 29,778	\$ 30,423	\$ 454,262
Library	4.6307	Incremental	\$ 6,341	\$ 6,479	\$ 6,620	\$ 6,764	\$ 6,911	\$ 7,061	\$ 105,113
Wayne County	0.9873	Incremental	\$ 1,352	\$ 1,381	\$ 1,412	\$ 1,442	\$ 1,474	\$ 1,505	\$ 42,099
Wayne Charter	5.6347	Incremental	\$ 7,716	\$ 7,884	\$ 8,056	\$ 8,231	\$ 8,410	\$ 8,592	\$ 126,939
Wayne Jail	0.9358	Incremental	\$ 1,281	\$ 1,309	\$ 1,338	\$ 1,367	\$ 1,397	\$ 1,427	\$ 21,408
Wayne Parks	0.2453	Incremental	\$ 336	\$ 343	\$ 351	\$ 358	\$ 366	\$ 374	\$ 5,727
Wayne RESA	0.0962	Incremental	\$ 132	\$ 135	\$ 138	\$ 141	\$ 144	\$ 147	\$ 14,304
Wayne Special Ed	3.3596	Incremental	\$ 4,600	\$ 4,701	\$ 4,803	\$ 4,908	\$ 5,014	\$ 5,123	\$ 80,906
Wayne RESA ENH	1.9962	Incremental	\$ 2,733	\$ 2,793	\$ 2,854	\$ 2,916	\$ 2,979	\$ 3,044	\$ 55,520
Wayne Comm College	3.2378	Incremental	\$ 4,433	\$ 4,530	\$ 4,629	\$ 4,730	\$ 4,832	\$ 4,937	\$ 71,748
Huron Clinton Operating	0.2089	Incremental	\$ 286	\$ 292	\$ 299	\$ 305	\$ 312	\$ 319	\$ 4,580
Local Total	41.2845								
Total Local Tax Increment Revenue Capture			\$ 56,530	\$ 57,764	\$ 59,023	\$ 60,307	\$ 61,616	\$ 62,952	\$ 905,175
Non-Capturable Millages									
	Millage Rate								
City Debt	9.0000	Taxes Paid	\$ 13,450	\$ 13,719	\$ 13,993	\$ 14,273	\$ 14,559	\$ 14,850	\$ 541,179
School Debt	13.0000	Taxes Paid	\$ 19,428	\$ 19,816	\$ 20,213	\$ 20,617	\$ 21,029	\$ 21,450	\$ 324,695
Wayne DIA	0.1995	Taxes Paid	\$ 298	\$ 304	\$ 310	\$ 316	\$ 323	\$ 329	\$ 7,360
Wayne Zoo	0.0997	Taxes Paid	\$ 149	\$ 152	\$ 155	\$ 158	\$ 161	\$ 165	\$ 25,293
DDA	0.9285	Taxes Paid	\$ 1,388	\$ 1,415	\$ 1,444	\$ 1,473	\$ 1,502	\$ 1,532	\$ 22,840
Total Non-Capturable Taxes	23.2277								

ATTACHMENT G

BSE&E Acknowledgement and Other Environmental Documents



CITY OF DETROIT
BUILDINGS, SAFETY ENGINEERING
& ENVIRONMENTAL DEPARTMENT
ENVIRONMENTAL AFFAIRS

401 COLEMAN A. YOUNG
MUNICIPAL CENTER
DETROIT, MICHIGAN 48226
Phone 313 • 628 • 2459
Fax 313 • 224 • 2745

Attachment B

TO: THE DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
FROM: DETROIT, BUILDINGS, SAFETY ENGINEERING, AND
ENVIRONMENTAL DEPARTMENT
PROJECT: 16602 East Warren
DATE: 08/13/2021

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 16530 E Warren LLC, as developer, as part of its Brownfield Plan submittal to the Detroit Brownfield Redevelopment Authority (DBRA), for the 16530 E Warren LLC Project.

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

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

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

By: Anita Harrison
Its: Environmental Specialist III

Michael E. Duggan, MAYOR

ATTACHMENT H

Incentive Chart

INCENTIVE INFORMATION CHART:

Project Type	Incentive Type	Investment Amount	District
Rehab & New Construction	TIF and OPRA	\$6 Million	4 – East English Village

Jobs Available							
Construction				Post Construction			
Professional	Non-Professional	Skilled Labor	Non-Skilled Labor	Professional	Non-Professional	Skilled Labor	Non-Skilled Labor
5	0	35	0	2	25	0	0

What is the plan for hiring Detroiters?

16530 East Warren, LLC, in conjunction with Flux City Development, is the project developer (“Developer”) and the anticipated future owner of the Property. The project will use Executive Order requirements as the basis for all trade contacts in terms of local participation. The Developer will work with local workforce development programs and will participate in Council President Jones’ Skilled Trades Taskforce to optimize the use of Detroit-based subcontractors.

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

We are estimating that The Ribbon at East English Village will create/support approximately 40 construction jobs during the construction phase. Upon completion and occupancy, we anticipate the creation of 2 in-house part-time jobs that will be needed to manage the various operations of the facility, and 25 part-time and full-time jobs created by our retail tenant. Post construction, the average wages for new hires are expected to range from \$12/hour to \$20/hour, and for yearly salary positions, between \$30,000 to \$50,000 per year.

The identified tenant, who is a Black woman, has signed an LOI to lease out the full first floor, which is estimated to be a total of 7,320 square feet (this total includes first floor common area square footage), and plans to hire from the immediate community to fill vital roles of the establishment.

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

The development will not cause any relocation issues to local residents. Of the parcels that are included within the development, 16530 East Warren Avenue is the only parcel that contains a structure that was built in 1956. This now-vacant structure used to operate as a Charter One bank branch that included a drive-up window bordered by the subject property’s alley. While 16602 and 16596 East Warren Avenue does not have a true brick-and-mortar structure, there is an inactive drive-up ATM fixture that has an underground electrical run coming from 16530 East Warren Avenue.

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

Our strategy from the beginning has been to make sure the community is heard as we design The Ribbon with a ground-up approach that focuses primarily on enhancing the streetscape with demanded retail options for the local residents to consistently interact with. This is why we held a number of community engagement sessions over the past year to make sure that we gained, and continue to gain, input from the residents who walk, bike, and drive the neighborhood blocks on a daily basis.

One of our most successful forms of community engagement was partnering with the East Warren Dev Co. to jumpstart the East Warren Farmer's Market initiative. I worked with EWDC and Invest Detroit to host the market in the subject property's parking lot. This gave our team the ability to interact with the local community on a weekly basis. This initiative also helped local vendors/small businesses generate over \$20k in revenue.

During our ongoing engagement sessions, amenities that the community could directly interact with, such as a café, market, restaurant, and bar, were in high demand. The community has a real need for spaces for neighbors to congregate and collaborate together. With this being said, the community has requests, and the retail tenant that we have identified is ready to meet those demands via a distinct, yet integrated, vision that promotes retail diversity, residential density, and stimulates street-level activity.

The selected tenant, a woman-owned café/restaurant & market, will be incorporating some of the community's top requests. The tenant's direct integration with the streetscape will add to the vibrancy of the neighborhood, respond uniquely to demand, and capitalize on market conditions. The patio of the retail space will be designed in a manner that is highly welcoming and accessible to the whole community. The restaurant/café's patio and streetscape seating will be visually appealing and will highlight the activities of residents/customers comfortably sitting outside while pleasantly enjoying a meal, helping to increase the level of foot traffic across the corridor. The Ribbon will also have updated access points to bus routes, bike lanes, and sidewalks, thanks to The East Warren Public Realm streetscape plan that is set to be completed in 2022.

While the impending East Warren streetscape will better accommodate for street parking, and although the subject property already includes parking slots for retail tenants and their customers, we plan to add more parking in order to support the residential tenants as required by code. Converting the 16602 & 16596 East Warren parcels into a green parking lot with permeable pavers is a consideration and may allow the development to qualify for water credits. Due to the recommendations that are included within Detroit's Traditional Main Street Overlay principles that suggest a more pedestrian-friendly design, we are currently not planning on bringing a drive-up window back to this development.

When is construction slated to begin?

The project is anticipating a Spring 2022 start date, pending approvals of the various economic incentives by the administering agencies.

What is the expected completion date of construction?

We estimate the construction schedule to take around 15-18 months to finish; thus, the development may be completed as early as spring of 2023. We anticipate having the residential units marketed once the site plans have been fully approved by the city of Detroit and having the retail unit lease agreement finalized by the end of 2021.

ATTACHMENT I

Signed Affidavit for Functional Obsolescence



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

COLEMAN A. YOUNG MUNICIPAL CENTER
2 WOODWARD AVE., SUITE 824
DETROIT, MI 48226
PHONE: 313•224•3011
FAX: 313•224•9400

November 12, 2021

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

RE: 16530 East Warren Avenue, Detroit, Michigan

Dear Ms. Kanalos:

The Office of the Chief Financial Officer, Office of the Assessor, has reviewed the proposed project for the property located at 16530 East Warren Avenue, 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 commercial use, and without substantial updates and renovations, the Property is not able to meet market demand for its future commercial and residential uses for several reasons, including, but not limited to: lack of modern electrical, plumbing, mechanical and fiber optic systems, poor condition of the roof and windows, lack of fire protection, security, and life safety systems, and the presence of asbestos throughout the 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 (IV)
Assessor, Board of Assessors

Exhibit B



December 1, 2021

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 Ribbon 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 December 1, 2021, adopted a resolution approving the proposed Brownfield Plan for the Ribbon 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 Ribbon Redevelopment.

Very truly yours,

By:

Kamal Cheeks, 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, DECEMBER 1, 2021 - 5:00 PM
HELD VIA ZOOM**

COMMITTEE MEMBERS

PRESENT:

Rick Blocker
Kamal Cheeks
Peter Rhoades
Brad Lutz
Allen Rawls

COMMITTEE MEMBERS

ABSENT:

Michelle Lee
Simone Sagovac
Rico Razo
Dr. Regina Randall

OTHERS PRESENT:

Jennifer Kanalos (DEGC/DBRA)
Brian Vosburg (DEGC/DBRA)
Malinda Jensen (DEGC/DBRA)
Cora Capler (DEGC/DBRA)
Edward Carrington (Flux City, LLC)
Sam Seimer (AKT Peerless)
David



Call to Order

Mr. Cheeks, Chairperson, called the meeting to order at 5:00 p.m.

Ms. Kanalos took a roll call of the CAC Members present.

Projects

Brownfield Plan for The Ribbon

Ms. Capler presented the Brownfield Plan for The Ribbon.

Project Introduction

Flux City, LLC, is the project developer ("Developer"). The project includes the redevelopment of the property into a mixed-use commercial retail and residential development with on-site parking and site improvements. The Developer will redevelop the currently vacant, one-story, former bank building into a 3-story mixed-use building that will include a café/restaurant and market on the ground floor, and two residential floors above. The project is being envisioned as a one-story noncombustible podium, with the residential construction above being light-frame wood construction. The Developer is projecting 30 total parking places between the main parking lot west of the building, and the secondary parking lot on the Eastside of Kensington Ave (directly across from the building). The first-floor retail space is estimated to be a total of 7,320 square feet. The two residential floors are each estimated to be 6,925 square feet and will include some affordable residential units that will range from 50-80% AMI, with 9 units on both the second and third floors, for a total of 18 residential units.

The total investment is estimated to be \$6 million. The Developer is requesting \$1,036,154.00 in TIF reimbursement.

There will be approximately 40 temporary construction jobs and 27 permanent jobs are expected to be created by the project.

Property Subject to the Plan

The eligible property (the "Property") consists of four (4) parcels bounded by East Warren Avenue to the north, Yorkshire Road to the east, Cornwall Street to the south, and Outer Drive East to the west in the East English Village neighborhood of Detroit.

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 parcel has been determined to be "functionally obsolete," a "Facility," or adjacent and contiguous to a parcel that has been determined to be Functionally Obsolete or a Facility 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 department specific activities, due care activities, demolition, asbestos and hazardous materials abatement activities, site preparation, infrastructure improvements, interest, and development, preparation and implementation of a 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	\$20,075.00
2. Due Care Activities	\$11,000.00
3. Demolition	\$173,397.00
4. Asbestos and Hazardous Materials Abatement	\$23,000.00
5. Site Preparation	\$209,000.00
6. Infrastructure Improvements	\$226,263.00
7. Brownfield Plan & Work Plan	\$52,500.00
8. Contingency (15%)	\$96,399.00
9. Interest	\$224,520.00
Total Reimbursement to Developer	\$1,036,154.00
10. Authority Administrative Costs	\$240,482.00
11. State Brownfield Redevelopment Fund	\$73,838.00
12. Local Brownfield Revolving Fund	\$230,539.00
TOTAL Estimated Costs	\$1,581,013.00

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) Tax 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. Carrington provided more information about the project including the community engagement conducted for the project to receive feedback for the development plan and future commercial tenants, and the approach to securing the future commercial tenant based on the needs of the community.

Ms. Seimer provided more information regarding the Eligible Activities to be completed on the Property.

Mr. Rhoades advised that the Developer work with the City of Detroit to coordinate their development efforts with the East Warren Streetscape Project scheduled to be completed in 2022 and provided the Zoom meeting information for the project. Mr. Carrington stated that they would like to work with the City of Detroit to coordinate efforts during the East Warren Streetscape Project.

Mr. Rhoades asked if the parking lot on the east side of Kensington adjacent to the Qui-Ke Dry Cleaners to be used for the future residents of the development will affect the parking available for customers of the Qui-Ke Dry Cleaners. Mr. Carrington stated that the parking lot on the east side of Kensington adjacent to the Qui-Ke Dry Cleaners used to have a drive thru for the former bank branch and that the Qui-Ke Dry Cleaners has been using the parking lot for its operations and that the Developer has been trying to get in

contact with the new owner of the Qui-Ke Dry Cleaners to discuss the parking arrangements for the future residents and the customers of the Qui-Ke Dry Cleaners and that the East Warren Streetscape Project will provide for additional parking on East Warren Avenue.

Mr. Rawls stated that he liked the design of the development and is happy to see a development project in a neighborhood and asked for more information about the development team for the project. Mr. Carrington stated that he is the Developer for the project, Infuse Architects and Artisan Contracting who have experience with other small scale development projects in the City of Detroit.

Mr. Rawls asked if the contractors for the project are working to hire Detroit residents for the construction of the project. Mr. Carrington confirmed that the contractors for the project are working to hire Detroit residents for the construction of the project.

Mr. Rawls asked if there are any sustainable design elements included in the project. Mr. Carrington stated that solar power has been considered for the project but because of the plans to provide the residential units at affordable rates, there isn't a lot of room in the budget for the project for a lot of sustainable design features.

Mr. Lutz stated that he is appreciative to see the reuse of a building that is otherwise not providing much value to the community and asked if the affordability rates of the residential units has been decided. Mr. Carrington stated that because LISC is a funding source for the project there are certain affordability requirements for the project which is currently being met and exceeded for the project and that the affordability of the residential units may be adjusted after the construction numbers are finalized.

Mr. Lutz asked if there will be any differences between the affordable units and the market rate units. Mr. Carrington stated that there will not be any differences between the affordable units and the market rate units.

Mr. Cheeks asked if the development would utilize the current support system present in the existing building or if a new support system will need to be constructed. Mr. Carrington stated that a new support system will need to be constructed to support the two additional floors above the ground-floor commercial space and added that he wanted all of the residential units to have at least one-bedroom and did not want to include any studio units.

Mr. Cheeks asked if there will be any smart technology design elements included in the project. Mr. Carrington stated that the General Contractor for the project is working with a smart technology company based in TechTown to integrate some smart technology features into the project.

Mr. Rawls asked what the target market is for the project and what the anticipated rental rates for the residential units will be. Mr. Carrington stated that the residential rental rates are anticipated to range from \$750 to \$1,600 per month and that the target market is young professionals and have also received interest from retired citizens who are looking to downsize their living arrangements.

Mr. Rawls asked when the project is expected to break ground. Mr. Carrington stated that the financial closing is expected to occur in March or April 2022 and will be completed in November 2023.

Mr. Cheeks called for a motion regarding the Brownfield Plan for The Ribbon, as presented.

Mr. Rhoades made a motion to recommend approval of the Brownfield Plan for The Ribbon without a CAC public hearing and without appointing special members. Mr. Lutz seconded the motion. A roll call vote was conducted with the following result:

Ayes: Mr. Blocker, Mr. Lutz, Mr. Rawls, Mr. Rhoades, and Mr. Cheeks

Nays: None.

DBRA-CAC Resolution Code 21-12-307-01 was approved.

Exhibit C



CODE DBRA 21-12-307-02

THE RIBBON 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 **Ribbon 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 **Ribbon 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 15, 2021

EXHIBIT D

**RESOLUTION CALLING A PUBLIC HEARING REGARDING
APPROVAL OF THE BROWNFIELD PLAN OF THE
CITY OF DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
FOR THE RIBBON 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 Ribbon 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 10th day of February, 2022 at 11:40 AM, prevailing Eastern Time, to be held via the Zoom teleconferencing platform, 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

**RESOLUTION APPROVING BROWNFIELD PLAN
OF THE CITY OF DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
FOR THE RIBBON 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 Ribbon Redevelopment Project (the “Plan”); and

WHEREAS, the Authority submitted the Plan to the Community Advisory Committee for consideration on December 1, 2021, per the provisions of the resolution establishing the Authority, and a public hearing was conducted by the Authority on December 14, 2021 to solicit comments on the proposed Plan; and

WHEREAS, the Community Advisory Committee recommended approval of the Plan on December 1, 2021; and

WHEREAS, the Authority approved the Plan on December 15, 2021 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 February 10, 2022.

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 _____, 2022, 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