



July 10, 2024

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

Re: Abolishment of the E&B Brewery Lofts Brownfield Redevelopment Plan

Dear Honorable Council Members:

The E&B Brewery Lofts Brownfield Redevelopment Plan (the "Plan") was approved by City Council on July 28, 2004. The legal descriptions for the subject Plan are attached (Exhibit A).

At the regularly scheduled June 12, 2024 DBRA Board of Directors meeting, DBRA staff recommended termination of the Plan on the basis that the project has been completed and the purposes for which the plan was established are accomplished in accordance with Section 14(8)(a) of Act 381. The DBRA subsequently adopted a resolution (Exhibit B) approving the abolishment of the Plan and authorizing the submission of a copy of its resolution to request that City Council adopt a resolution abolishing the Plan.

The DBRA, as authorized by City Council, sent a notification of abolishment of the Plan (Exhibit C) in accordance with Section 14(8)(b).

Authority's Request

The Authority is respectfully requesting the following action from the City Council:

- a.) July 16, 2024
Referral of the resolution abolishing the Plan to Detroit City Council Planning and Economic Development Standing Committee on July 18, 2024.
- b.) July 18, 2024
Consideration of the City Council's Planning and Economic Development Standing Committee to abolish the Plan and opportunity for the Developer to be heard during public comment.
- c.) July 23, 2024
City Council adoption of the Resolution (Exhibit D), abolishing the Plan.

Sincerely,

Jennifer Kanalos
Authorized Agent

C: Detroit City Council
City Clerk
Lakisha Barclift

Jai Singletary
Raymond Scott
Brian Vosburg
Malik Washington

Exhibit A
Legal Descriptions of Plan to be Terminated

II. GENERAL PROVISIONS

A. Eligible Property (Section 13 (1)(g))

The property comprising the eligible property consists of one parcel located at 1551 Winder Street in the City, the former manufacturing facility of E&B Brewery. The E&B Brewery Lofts building is functionally obsolete.

E&B Brewery Lofts, Inc. (“Developer”), a Michigan corporation, is the project developer. The site, built over multiple phases starting in 1891, was originally the home of the E&B Brewery which manufactured beer until the 1960s. Shortly after the building closed in the 1960s, a former E&B Brewery employee purchased the building from the company and illegally converted the first four floors into very large loft apartments with no investment in life safety systems, proper means of egress or other residential requirements. The current owner, since purchasing the building, has attempted to bring the building up to code. The project has been reviewed and approved with conditions by the Building Safety and Engineering Department’s loft review committee and the Developer has diligently worked to bring the building into compliance. Unfortunately unanticipated costs, particularly with a new fire suppression system, have halted major construction as the Developer searches for additional resources.

The project will convert this nine story former brewery into approximately 36 residential units and approximately 2,000 square feet of commercial space. A second phase is planned in which a new construction addition will be created on the roof of the 6th floor for an additional 4 units. The condominiums will be market-rate. The Developer has applied for a Neighborhood Enterprise Zone district to include the property.

Attachment A includes a site map of the parcels. The eligible property in the Eastern Market district and is bounded by Adelaide to the North, Orleans to the East, Winder to the South and Riopelle to the West.

The eligible property will include all tangible personal property to be located on the real property.

The individual legal description for the parcel of the eligible property is listed below:

Address	1551 Winder Street
Tax ID	Ward 07, Item 000829
Owner	E&B Brewery Lofts, Inc.
Legal Description	Lots 31, 32 and the east 45.83 feet of Lot 30 except the north 10 feet taken for alley purposes, section 26 of part of private claim 8 & 17 of plat of Antoine Dequindre Farm, City of Detroit, Wayne County, Michigan as recorded in Liber 10 of Plats, Pages 715, 716, and 717 of Wayne County Records, described as beginning at the southeast corner of said lot 32, said southeast corner also being the northwest

	corner of Orleans Street and Winder Street, thence S. 64'00'00" W. along the southerly line of said lots 30, 31 & 32 a distance of 145.59 feet, thence N. 26'00'00" W. 105.00 feet, thence N. 64'00'00" E. 145.59 feet, thence S. 26'00'00" E. 105.00 feet along the easterly line of said lot 32 to the point of beginning, containing 0.351 acres, more or less.
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The parcels and all tangible personal property located thereon will comprise the eligible property and is referred to herein as the "Property."

B. Basis of Eligibility (Section 13 (1)(h) and Section 2 (m))

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

The Property qualifies as "functionally obsolete" under the definition in Act 381 because it cannot be used to adequately perform the manufacturing function for which it was intended. Further description of eligibility is outlined below.

Functionally Obsolete

- The building was originally built as a multiple story manufacturing building for the purpose of beer manufacturing. The current building design is not functional for modern manufacturing.
- The ceiling heights vary from 9' to 22' however any ceiling below 16' is not up to modern manufacturing building standards.
- The 6th and 9th floors both contain extremely large metal tanks used in the brewing process. The 9th floor is almost completely occupied by a single tank. The tanks are no longer useful for the manufacturing and must be removed. These tanks are in addition to the underground storage tanks.
- Windows must be replaced throughout the building.
- The building required life safety systems.
- The building lacks modern telecommunication wiring including coaxial wires for broadband internet service and interactive television. While not a code issue, manufacturing today relies heavily on large file data transmission that this building can not current support at reasonable speeds.

C. Summary of Eligible Activities and Description of Costs (Section 13 (1)(a),(b))

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 underground storage tank removal, demolition and lead and asbestos abatement.

The following eligible activities and budgeted costs are intended as part of the development of the Property and are to be financed solely by the Developer. The Authority is not responsible for any cost of eligible activities and will incur no debt.

Exhibit B
DBRA Resolution



CODE DBRA 24-06-74-03

E&B BREWERY LOFTS BROWNFIELD PLAN: RECOMMENDATION TO CITY COUNCIL TO ABOLISH PLAN

WHEREAS, the City of Detroit Brownfield Redevelopment Authority (the “DBRA”) was created pursuant to Michigan Public Act 381 of 1996, as amended (“Act 381”); and

WHEREAS, the City Council of the City of Detroit (“City Council”) is the governing body (as that term is defined by Act 381) of the DBRA; and

WHEREAS, on June 25, 2004, the DBRA Board of Directors approved the E&B Brewery Lofts Brownfield Plan (the “Plan”) and recommended the approval of the Plan to City Council; and

WHEREAS, on July 28, 2004, City Council approved the Plan; and

WHEREAS, Section 14(8)(a) of Act 381 of 1996, as amended, permits a governing body to abolish a brownfield plan when it finds that the purposes for which the plan was established are accomplished; and

WHEREAS, on October 10, 2017, City Council delegated developer termination notices to the DBRA; and

WHEREAS, the “developer” for the Plan is E&B Brewery Lofts, Inc. (the “Developer”); and

WHEREAS, the DBRA has determined that the project identified in the Plan has been completed and the purposes for which the Plan was established have been accomplished; and

WHEREAS, the DBRA Board of Directors desires to recommend abolishment of the Plan to City Council.

NOW THEREFORE, BE IT RESOLVED, subject to the notice authority delegated to the DBRA by the City Council, the DBRA Board of Directors hereby authorizes a written abolishment notice to the Developer; and

BE IT FURTHER RESOLVED, subject to the completion of the notice requirement described in Section 14(8)(b)(i) of Act 381 and the provision to the Developer of an opportunity to be heard at a public meeting pursuant to Section 14(8)(b)(ii) of Act 381, the DBRA Board of Directors hereby recommends abolishment of the Plan to City Council; and

BE IT FURTHER RESOLVED, subject to the abolishment of the Plan by City Council, that the DBRA Board of Directors hereby authorizes the termination of any other agreements or contracts between the Developer and the DBRA that were executed in conjunction with the Plan; and

BE IT FURTHER RESOLVED, that any two Officers, or any one of the Officers and any one of the Authorized Agents or any two of the DBRA’s Authorized Agents, shall hereafter have the authority to negotiate and execute all documents with such other terms and conditions that are determined by such

Authorized Agents and/or Officers to be customary or appropriate and not inconsistent with this resolution, and to negotiate and execute all other documents, contracts, or papers, and take all actions, necessary or appropriate to implement the provisions and intent of this resolution on behalf of the DBRA.

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

June 12, 2024

Exhibit C
Notice of Abolishment



June 13, 2024

SENT VIA CERTIFIED MAIL

James Pellerito
E&B Brewery Lofts, Inc.
2000 Mack Avenue
Detroit, MI 48207

Corey Leon
Development Incentives & Consulting, LLC
P.O. Box 15619
Detroit, MI 48215

RE: Notice of Intent to Abolish Brownfield Plan for E&B Brewery Lofts Project

To Whom it May Concern:

Per Act 381 of 1996 Section 14(8)(a), this letter is to inform you that the Detroit City Council has authorized this notice to inform you that abolishment of the Brownfield Plan for E&B Brewery Lofts Project (the "Plan") will be considered in no less than thirty ("30") days.

On July 28, 2004 the Detroit City Council approved the Plan.

It is our understanding that the project as described in the Plan has been completed, the associated Single Business Tax Credit has been utilized, and the purposes for which the plan was established have been accomplished. Because the project has been completed, the Brownfield Plan will be abolished for the subject project per Act 381 of 1996 Section 14(8)(a). While you are welcome to speak at any public meeting of City Council regarding the proposed abolishment, the following public meetings have been tentatively scheduled at the Coleman A. Young Municipal Center, 2 Woodward Avenue, 13th Floor, Detroit, MI 48226 regarding the abolishment of the Plan where, should you desire, you will also have an opportunity to be heard:

- Thursday, July 18, 2024 at 10:00 AM – Detroit City Council Planning & Economic Development Standing Committee
- Tuesday, July 23, 2024 at 10:00 AM – Detroit City Council of the Whole Meeting

In no event would any abolishment be effective until at least 30 days after the date of this notice. Should you have any questions please feel free to contact Brian Vosburg at (313) 237-4612 or bvosburg@degc.org.

Sincerely,

Jennifer Kanalos
Authorized Agent

CC: Rebecca Navin, DEGC
Brian Vosburg, DEGC/DBRA
Ngozi Nwaesei, Lewis & Munday

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

James Pellerito
E&B Brewery Lofts, Inc.
2000 Mack Avenue
Detroit, MI 48207



9590 9402 7279 1284 2840 51

2. Article Number (Transfer from service label)

7018 2290 0000 8690 7777

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Fe

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

- Agent
- Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No



3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Priority Mail Express®
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- Signature Confirmation®
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Extra Services & Fees (check box, add fee as appropriate)

- Return Receipt (hardcopy) \$ _____
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- Certified Mail Restricted Delivery \$ _____
- Adult Signature Required \$ _____
- Adult Signature Restricted Delivery \$ _____

Postage

\$ _____

Total Post:

\$ _____

Sent To _____

Street and _____

City, State, _____

6/13/24

Postmark
Here

James Pellerito
E&B Brewery Lofts, Inc.
2000 Mack Avenue
Detroit, MI 48207

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

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Total Post:

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Street and _____

City, State, _____

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PS Form 3800, April 2015 PSN

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Extra Services & Fees (check box, add fee as appropriate)	
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<input type="checkbox"/> Return Receipt (electronic)	\$ _____
<input type="checkbox"/> Certified Mail Restricted Delivery	\$ _____
<input type="checkbox"/> Adult Signature Required	\$ _____
<input type="checkbox"/> Adult Signature Restricted Delivery	\$ _____

6/13/24

Postmark
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Postage	
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Sent To	
Development Incentives & Consulting	
P.O. Box 15619	
Detroit, MI 48215	
Street and	
City, State,	

Exhibit D
City Council Resolution

**RESOLUTION
ABOLISHING THE BROWNFIELD PLAN
OF THE CITY OF DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
FOR THE E&B BREWERY LOFTS 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 Council”) for the purpose of promoting the revitalization of eligible properties in the City of Detroit; and

WHEREAS, on July 28, 2004, City Council approved the Brownfield Plan for the E&B Brewery Lofts Brownfield Redevelopment Plan (the “Plan”); and

WHEREAS, the eligible property described in Exhibit A, attached hereto, is the eligible property subject to the Plan; and

WHEREAS, Section 14(8)(a) of Act 381 permits a governing body to abolish a brownfield plan or plan amendment for an eligible property if finds that the purposes for which the plan was established are accomplished; and

WHEREAS, the City Council is the governing body (as that term is defined by Act 381) of the Authority; and

WHEREAS, the Authority’s staff has confirmed that the project has been completed and the purposes for which the plan was established are accomplished; and

WHEREAS, on June 12, 2024, the Board of Directors of the Authority adopted a resolution recommending abolishment of the Plan; and

WHEREAS, on October 3, 2017, City Council authorized the Authority, on behalf of City Council, to manage and/or administer the notices required by Act 381 in connection with any brownfield plan or plan amendment terminations; and

WHEREAS, a notice of the abolishment of the Plan was given in accordance with Section 14(8)(b)(i) of Act 381, a copy of which is attached as Exhibit B; and

WHEREAS, in accordance with Section 14(8)(b)(ii) of Act 381, the developer identified in the Plan was provided with an opportunity to be heard at a public meeting on July 18, 2024.

NOW, THEREFORE, BE IT RESOLVED, THAT:

1. The Plan is hereby abolished by City Council in accordance with Section 14(8)(a) of Act 381.
2. City Council hereby ratifies the termination, if any, of any agreements or contracts between the developer of the Plan and the Authority that were executed in conjunction with the Plan, including, but not limited to, the reimbursement agreement.

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

AYES: Members

NAYS: Members

RESOLUTION DECLARED ADOPTED.

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

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 _____, 2024, 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