

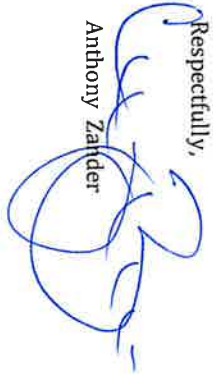


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To: **Honorable Detroit City Council
Neighborhood Advisory Councils**
From: **Anthony Zander, Director, Civil Rights, Inclusion and Opportunity**
Date: **July 2024**
Re: **Community Benefits Ordinance Biannual Report for the Herman Kiefer Development**

The Civil Rights, Inclusion, and Opportunity (CRIO) Department has been given the responsibility of monitoring the Community Benefits Ordinance. The report details the developer's compliance with each Community Benefits Provision (CBP) commitment. The Herman Kiefer project currently has "4" of their commitments considered "Off Track"
Below, you will find a key to reference when reviewing the status of each commitment listed in the Community Benefits Provision.

Status Update	Explanation	Commitments
On Track	Actions taken towards satisfying commitment	3
Off Track	Commitment not fulfilled	4
Off Track but Compliance Plan submitted		0
Not Started	No action taken	2
Additional information requested		0
Completed	Commitment fulfilled	3
Total Commitments		12

Respectfully,

Anthony Zander


Gerald Bennett



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Director, CRIO

Corporation Counsel

Biannual Community Benefits Report

Project Name/Location: Herman Kiefer Development (HKD) / 1151 Taylor St, Detroit, MI 48202

Agreement Approval Date: February 7, 2018

Developer Name/Address: Herman Kiefer Developer, LLC, 1151 Taylor St, Detroit, MI 48202

Commitment	Finding	Status	City Department
1 Neighborhood Stabilization			
1. Herman Kiefer Development (HKD) will board up as necessary, secure and maintain existing improvements in accordance with the development agreement, including but not limited to Hutchins School Building and the Crossman School Building	The Herman Kiefer Development properties were boarded up within 6 months of closing (2019). The properties were secured using fencing, security cameras and 24-hour security.	Completed	Housing and Revitalization Department
2. Herman Kiefer will secure vacant DLBA residential property located on land acquired by	The 115 Detroit Land Bank Authority properties were boarded up within 6	Completed	



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<p>Herman Kiefer Development located on DLBA property</p>	<p>months of closing (2019) the Herman Kiefer site as required by HKD's agreement with DLBA.</p>		<p>Detroit Land Bank Authority</p>
<p>3. HKD shall partner with, or otherwise contract with one or more Detroit-based non-profit organizations, community development corporations, or residents to rehabilitate not less than 20% of the improved lots of the DLBA Property which HKD has elected to rehabilitate in accordance with the Land Bank Agreement</p>	<p>According to the Detroit Land Bank Authority, the first 15 homes have been completed and have been offered for sale. However, HKD missed its July 31, 2024 deadline to complete an additional 60 homes. HKD has been issued a notice of breach and demand to cure by the Detroit Land Bank Authority.</p> <p>As a result of this failure, HKD is considered off-track with this commitment.</p> <p>Of the previous homes completed – 1461, 1454, 1460 West Philadelphia and 1671 Lee are the only remaining for sale.</p> <p>Listed are the local developers connected to the homes: CDC CDC - 1463 901 1471 1534, 1542, 1545, 1612 1667 1680 West Euclid</p>		<p>Detroit Land Bank Authority</p>



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	<p> 360 Degree Detroit - 1218, 1173, 1181, 1247, 1429, 1492, 1504, 1611 West Euclid NoMa Detroit Holding - 898 Hazelwood, 1473, 1633, 1645, 1657 Taylor. 1190, 1198, 1148, 1170, 1484, 1644 Virginia Park LCW42 Enterprises - 1553-1560 West Philadelphia HK Community Hope Enterprises - 1157- 1159, 1470, 1477, 1533-1535, 1645-1647, 1663-1665 Clairmount H&M Properties - 1630 Hazelwood Jaquelyn Aguilar - 1687 Lee Skilla Baby LLC - 1520 - 1522, 1530-1532, 1541-1543 Lee Charles Ellis - 1555-1557 Clairmount FreshM, LLC - 1668-1670 Blaine, 1693- 1695, 1710-1712 Lee </p>		
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<p>4. HKD Shall implement a general maintenance plan and/or land stewardship plan for any portion of the DLBA Property acquired by HKD in accordance with the Land Bank Agreement</p>	<p>HKD employs Action Works LLC to maintain the campus and the other properties included in the development. Action Works cuts grass, removes debris, clears sidewalks, and removes snow in the winter. HKD has set up containers in the neighborhood to collect trash. Additionally, HKD clears alleyways. CRIO has periodically noticed homes which have maintenance issues. However, these issues have been addressed swiftly.</p>		<p>Detroit Land Bank Authority</p>
<p>2 Work Force Development</p>			



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<p>5. HKD will work with the City to maximize the employment of Detroit Based contractors and local residents.</p>	<p>HKD has continuously stated that it will work with EITI on job training at the house renovations. They've also stated that it will work with the Dick Night Train Lane Career Center for heavy equipment and construction training.</p> <p>However, HKD has not actively worked with Detroit at Work to create and maximize job opportunities at the facility.</p> <p>Executive Order 2021-2 Compliance is a requirement on this project. Executive Order 2021-2 requires that 51% of the hours on a publicly funded construction project be worked by Detroiters or that a contractor will pay into the City's workforce training fund. HKD has not complied with this Executive Order during the life of the project.</p> <p>HKD does list home repair job openings on its website. It also links to the EITI website.</p>		<p>Detroit at Work Housing and Revitalization Department</p>
<p>6. HKD expects to open an on-site resource center where local residents will be able to learn more about training and job opportunities related to the Project.</p>	<p>No permanent resource center has been created.</p>		



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	<p>HKD has, at times, used the security booth in its parking lot at Byron and Taylor, as a temporary resource center but a permanent resource center has not been opened.</p> <p>HKD does advertise home repair and EITI opportunities on its website.</p>		<p>Department of Neighborhoods</p>
<p>7. HKD expects to work with a local instructor to create a skilled trades training program for local residents.</p>	<p>HKD has stated that it is working with EITI to develop job training on the site with an initial focus on home repairs.</p> <p>HKD has said that The Night Train Lane Career Center has announced their opening and is waiting on remaining licenses. Once open, it will provide training services on site, however, CRIO has not seen concrete plans for next steps.</p>		<p>Detroit at Work</p>



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<p>8. HKD will continue to work with the Mayor's Office to create youth employment opportunities and training and job opportunities related to the Project</p>	<p>The Developer met with Detroit at Work in June 2019, April 2021, and June 2021 to discuss future opportunities. The Developer intended to participate in Grow Detroit's Young Talent in 2022 but this did not occur. The Developer also stated that they do not have any job openings until tenants move to the Campus. There has been no movement on this commitment.</p>		<p>Detroit at Work</p>
<p>3 Site Programming</p>			



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<p>9.</p> <p>HKD will make good faith effort to preserve the historically designated buildings located on the HKD Property (except as may be necessary for the preservation of public health, safety, and welfare)</p>	<p>The Developer continues preservation of the designated buildings by maintaining buildings, making needed repairs to preserve the structure and by filing and receiving approval on part 1 of the National Parks Service Historic Preservation Certificate application for the Herman Kiefer Hospital District, Hutchins School and Crozman School.</p> <p>Buildings have been stabilized to allow for full preservation. Part 1 of the National Park Service application has been approved.</p> <p>The Developer has stated that it doesn't plan on using historic tax credits at the site and that potential projects did not align with historic tax credit requirements.</p>		<p>Department of Neighborhoods Historic District Commission</p>
<p>10.</p> <p>HKD will make good faith effort to activate the HKD Property by means of establishing, installing, and developing educational, cultural and recreational facilities, recruiting and retaining commercial tenants and forming programming for community-accessible workshops, food truck rallies and movie screenings</p>	<p>Center of Creative Studies are back for another Art Project in a Pavilion 4.</p> <p>The Center of Creative Studies has hosted art projects on the site.</p>		<p>Housing and Revitalization Department</p>



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	<p>Container Globe has opened on a 3-story design true to the original theater.</p> <p>In the summer of 2024, a techno music festival was held on the grounds.</p> <p>HKD has not activated the actual hospital facilities. Due to lack of movement on leasing space, HKD cancelled its contract with Colliers and is bringing in a new real estate team.</p>		
4 Recreational Facilities			
<p>11. Prior to the Effective Date, HKD began to restore existing recreational amenities on the HK Property and will make good faith efforts to continue to do so, including by performing an initial clean-up of the Hutchins playground, basketball and tennis courts and by restoring the Hutchins field for community sports and recreational use</p>	<p>The Developer has restored the recreation amenities on the Hutchins playground, basketball courts and tennis courts.</p> <p>The Developer is maintaining the Hutchins football field and has restored fencing for the dugout</p> <p>The Developer is renovating the campus baseball fields.</p>	Completed	Housing and Revitalization Department
5 Community Engagement			



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12.	<p>HKD intends on meeting quarterly with local stakeholders and residents to provide project updates and to receive feedback and ideas about programming and events.</p>	<p>HKD did not advertise Q1 or Q2 2024 meetings. The last meeting that Herman Kiefer held was on July 25, 2024. These meetings are supposed to be held with the mission of giving the community any updates that are available on the status of the hospital campus, homes and lots.</p> <p>Not holding or advertising meetings in Q1 and Q2 is a violation of this provision.</p>		<p>Department of Neighborhoods Planning and Development Department</p>
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