



May 1, 2025

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

Re: Termination of the 404 West Congress Brownfield Redevelopment Plan

Dear Honorable Council Members:

The 404 West Congress Brownfield Redevelopment Plan (the "Plan") was approved by City Council on July 17, 2002. The legal descriptions for the subject Plan are attached (Exhibit A).

At the regularly scheduled March 12, 2025 DBRA Board of Directors meeting, DBRA staff recommended termination of the Plan on the basis that the project has failed to occur in accordance with Section 14(8)(b) of Act 381. The DBRA subsequently adopted a resolution (Exhibit B) approving the termination of the Plan and authorizing the submission of a copy of its resolution to request that City Council adopt a resolution terminating the Plan.

The DBRA, as authorized by City Council, sent a notification of termination 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.) May 6, 2025
Referral of the resolution terminating the Plan to Detroit City Council Planning and Economic Development Standing Committee on May 8, 2025.
- b.) May 8, 2025
Consideration of the City Council's Planning and Economic Development Standing Committee to terminate the Plan and opportunity for the Developer to be heard during public comment.
- c.) May 13, 2025
City Council adoption of the Resolution (Exhibit D), terminating 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

necessary to achieve the purposes of Act 381.

This Brownfield Plan contains the information required by Section 13(1) of Act 381.

II. GENERAL PROVISIONS

A. Description of Eligible Property (*Sec. 13(1)(g)*)

The eligible property comprising the development project and this Brownfield Plan consists of 1 parcel of property identified as 404 W Congress, Ward 02 Item 155 and common address of 623 Cass.

The legal description is as follows:

Lots 2 and 3; NORTH SIDE OF CONGRESS, MILITARY RESERVE, a subdivision in the City of Detroit, Wayne County, Michigan, as recorded in Liber 5 of Plats, Page 218 of Wayne County Records.

The eligible property also includes all tangible personal property to be located on the real property.

Site Maps are included as Exhibit A.

B. Basis of Eligibility (*Sec. 13(1)(g)* and *Sec. 2(1)*)

The property is considered to be "eligible property" as defined by Act 381 because it is located in a qualified governmental unit under the Brownfield Act, has previously been utilized for a commercial purpose and is determined to be "Functionally Obsolete" as defined by Act 381.

PA 381 of 1996, as amended, defines "Functionally Obsolete Property" 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 super adequacies in design, or other similar factors that affect the property itself or the properties relationship with other surrounding property.

Evidence is presented below that establishes the property as eligible property, in that it has been or is being used for commercial purposes, and is functionally obsolete.

Evidence that the property is Functionally Obsolete

623 Cass was built in 1904 as a "state of the art" storage facility for Riverside Storage and Cartage.

Today's standards require that "state of the art" storage facilities have the following features:

Exhibit B
DBRA Resolution



CODE DBRA 25-03-23-03

404 W CONGRESS BROWNFIELD PLAN: RECOMMENDATION TO CITY COUNCIL TO TERMINATE 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 May 1, 2002, the DBRA Board of Directors approved the 404 W Congress Brownfield Plan (the “Plan”) and recommended the approval of the Plan to City Council; and

WHEREAS, on July 17, 2002, City Council approved the Plan; and

WHEREAS, Section 14(8)(b) of Act 381 of 1996, as amended, permits a governing body to terminate a brownfield plan or plan amendment for an eligible property if the project for which eligible activities identified in the brownfield plan or plan amendment fails to occur with respect to the eligible property for at least 2 years following the date of the resolution approving the brownfield plan or plan amendment, provided that the governing body first does both of the following: (i) Gives 30 days' prior 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 an opportunity to be heard at a public meeting; and

WHEREAS, the “developer” for the Plan is 623 Associates LLC (the “Developer”); and

WHEREAS, the DBRA has determined that the project identified in the Plan failed to occur within 2 years of City Council's approval of the Plan; and

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

NOW THEREFORE, BE IT 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 termination of the Plan to City Council; and

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

March 12, 2025

Exhibit C
Notice of Termination



April 1, 2025

SENT VIA CERTIFIED MAIL

623 Associates LLC
Sterling Group
220 W Congress, Ste 500
Detroit, Michigan 48226

RE: Notice of Intent to Terminate 404 W Congress Brownfield Redevelopment Plan

To whom it may concern:

Per Act 381 of 1996 Section 14 (8)(b), this letter is to inform you that the Detroit City Council has authorized this notice to inform you that termination of the Brownfield Plan for the 404 W Congress Redevelopment Project (the "Plan") will be considered in no less than thirty ("30") days.

On May 1, 2002 the DBRA adopted and on July 17, 2002 the Detroit City Council approved the Plan.

It is our understanding that the project as described in the Plan has failed to occur. Because the project failed to occur, the Brownfield Plan will be terminated for the subject project per Act 381 of 1996 Section 14 (8)(b). Because no Eligible Activities have been submitted, a new Brownfield Plan may be established in the future.

While you are welcome to speak at any public meeting of City Council regarding the proposed termination, the following public meetings have been tentatively scheduled via Zoom regarding the termination of the Plan where, should you desire, you will also have an opportunity to be heard:

- Thursday, May 8, 2025 at 10:00 AM – Detroit City Council Planning & Economic Development Standing Committee
- Tuesday, May 13, 2025 at 10:00 AM – Detroit City Council of the Whole Meeting

Both meetings will be held at the following Zoom link: <https://Detroitmi.gov/Online-CC-Meeting> To join via phone, please use one of the phone numbers below and enter the Meeting ID when prompted: US: +1 312 626 6799 +1 301 715 8592
+1 253 215 8782 +1 213 338 8477 +1 267 831 0333 +1 346 248 7799
Meeting ID: 330 332 554

In no event would any termination be effective until at least 30 days after the date of this notice.

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.

1. Article Addressed to:

623 Associates LLC
Sterling Group
220 W Congress, Ste 500
Detroit, Michigan 48226



9590 9402 4309 8190 5416 97

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X DW 2602 C19

☐ Agent

☐ Addre

B. Received by (Printed Name)

R. Toltbert

C. Date of De

4/6/02

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

☐ Priority Mail Expre

☐ Registered Mail™

☐ Registered Mail R

☐ Return Receipt for Merchandise

2 Article No

70

PS Form 38

U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

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Extra Services & Fees (check box, add fee as appropriate)

- ☐ Return Receipt (hardcopy) \$
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- ☐ Adult Signature Required \$
- ☐ Adult Signature Restricted Delivery \$

Postmark
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Sent To

Street at

City, State, ZIP+4

623 Associates LLC
Sterling Group
220 W Congress, Ste 500
Detroit, Michigan 48226

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

See Reverse for Instructions

7017 2620 0000 9613 9531

Exhibit D
City Council Resolution

**RESOLUTION
TERMINATING THE BROWNFIELD PLAN
OF THE CITY OF DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
FOR THE 404 WEST CONGRESS 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 17, 2007, City Council approved the Brownfield Plan for the 404 West Congress 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)(b) of Act 381 permits a governing body to terminate a brownfield plan or plan amendment for an eligible property if the project for which eligible activities were identified in the brownfield plan or plan amendment fails to occur with respect to the eligible property for at least two (2) years following the date of the resolution approving the brownfield plan or plan amendment, provided that the governing body first does both of the following: (i) gives 30 days’ prior 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 an opportunity to be heard at a public meeting; 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 no eligible costs for the project have been submitted pertaining to the eligible activities identified in the Plan within two (2) years of City Council’s approval of the Plan; and

WHEREAS, on March 12, 2025, the Board of Directors of the Authority adopted a resolution recommending termination 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, the required notice of the termination 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 March 6, 2025.

NOW, THEREFORE, BE IT RESOLVED, THAT:

1. The Plan is hereby terminated by City Council in accordance with Section 14(8)(b) 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

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 _____, 2025, 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