

May 1, 2025

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

Re: Termination of the Whittier Tower and Regatta Brownfield Redevelopment Plan

Dear Honorable Council Members:

The Whittier Tower and Regatta Brownfield Redevelopment Plan (the "Plan") was approved by City Council on September 15, 2004. The legal descriptions for the subject Plan are attached (Exhibit A).

At the regularly scheduled March 26, 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

## II. GENERAL PROVISIONS

## A. Description of Eligible Property (Section 13 (1)(g))

The area comprising the eligible property consists of two (2) parcels, with the addresses of 445 and 425 Burns Drive in the City. The parcel at 425 Burns Drive is "functionally obsolete" and the parcel at 445 Burns Drive is adjacent and contiguous to 425 Burns Drive. Note that some documents refer to 445 Burns Drive as 215 Burns Drive and 425 Burns Drive as 315 Burns Drive (the proposed addresses for the lot when first legally split).

The Whittier Tower and Regatta project, a development of Phoenix Communities, with the Phoenix Development Group as project manager, is a proposed in two phases. Phase 1 (the "Whittier Tower") of the project will consist of an extensive renovation and reconfiguration of the existing mid-rise tower located at 315 Burns Drive. Many of the smaller units will be combined in order to create over 100 new market-rate units and approximately 30,000 square feet of retail/office space will be renovated. The Whittier Tower will need approximately \$21.24 million in investment. Phase 2 (the "Regatta") will feature the construction of approximately 180 residential units at 215 Burns Drive. The Regatta will be market-rate for sale units with the unit configuration dependent on market-demand. It is estimated that the total eligible investment on the Regatta will be approximately \$38 million.

Attachment A includes a site map of the eligible property parcel. The eligible property is located on the east side of Detroit, bounded by Jefferson Avenue to the north, Burns Drive to the east, the property line to the south and the property line to the west.

The eligible property will include all tangible personal property to be located on the real property. Parcel information is outlined below.

Address	425 Burns Drive; formerly referred to as 315 Burns Drive
TaxTD	Ward 17, Item 000001-6
Owner	Formerly: River Park Village Senior Apartments Limited Dividend
Legal Description	Housing Association L.P.; Currently: Phoenix Communities  All that part of Private Claim 27, City of Detroit, Wayne County, Michigan, described as: Commencing at a point on the Southerly line of Jefferson Avenue (120 feet wide) which point is 117.84 feet Westerly of and measured at right angles to the Easterly line of said Private Claim 27; thence along the Westerly line of Burns Drive and parallel to said Easterly Private Claim line, South 28 degrees 16 minutes 30 seconds East 624.70 feet to the point of beginning; thence continuing along said Westerly line of Burns Drive South 28 degrees 16 minutes 30 seconds East 246.36 feet; thence South 61 degrees 43 minutes 30 seconds West
	213.10 feet; thence parallel to said Easterly Private Claim line, North 28 degrees 16 minutes 30 seconds West 246.36 feet; thence North 61 degrees 43 minutes 30 seconds East 213.10 to the point of beginning.
	Containing 52,499 square feet or 1.21 acres. Subject to and/or together with all easements or rights of record.

Address	445 Burns Drive; formerly referred to as 215 Burns Drive
Tax ID	Ward 17, Item 000001-6
Oxoci .	Currently: Phoenix Communities, Inc.
Legal Description	All that part of Private Claim 27, City of Detroit, Wayne County, Michigan, described as: Commencing at a point on the Southerly line of Jefferson Avenue (120 feet wide) which point is 117.84 feet Westerly of and measured at right angles to the Easterly line of said Private Claim 27; thence along the Westerly line of Burns Drive and parallel to said Easterly Private Claim line, South 28 degrees 16 minutes 30 seconds East 871.06 feet to the point of beginning; thence continuing along said Westerly line of Burns Drive South 28 degrees 16 minutes 30 seconds East 454.41 feet; thence along the U.S. Harbor Line of the Detroit River as established by the Secretary of War, July 28, 1933, South 73 degrees 2 minutes 48 seconds West 282.91 feet; thence parallel to said Easterly Private Claim line, North 28 degrees 16 minutes 30 seconds West 398.87 feet; thence North 61 degrees 43 minutes 30 seconds East 277.40 feet to the point of beginning. Containing 118,353 square feet or 2.72 acres. Subject to and/or together with all easements or rights of record.

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 at 425 Burns Drive is considered "eligible property" as defined by Act 381, Section 2 because (a) the property was previously utilized for a residential purpose; (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 at 445 Burns Drive is considered "eligible property" as defined by Act 381, Section 2 because it is adjacent and contiguous to 425 Burns Drive.

Additional description of the Property at 425 Burns Drive as functionally obsolete:

- The existing floor plan must be substantially reconfigured to accommodate apartments.
- The heating and ventilation system must be rehabilitated and portions replaced.
- The plumbing system must be substantially renovated and portions replaced.
- Elevators must be renovated.
- The roof must be replaced.
- Life safety systems must be installed.

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 the Developer to the Authority.

# Exhibit B DBRA Resolution



### CODE <u>DBRA 25-03-78-03</u>

## WHITTIER TOWER AND REGATTA 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 July 21, 2004, the DBRA Board of Directors approved the Whittier Tower and Regatta Brownfield Plan (the "Plan") and recommended the approval of the Plan to City Council; and

WHEREAS, on September 15, 2004, 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 Phoenix Development Group (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 26, 2025

## Exhibit C Notice of Termination



April 1, 2025 SENT VIA CERTIFIED MAIL

Phoenix Development Group, Inc. 4150 Grand River Avenue Detroit, MI 48208 Development Incentives & Consulting, LLC P.O. Box 15619
Detroit, MI 48215

#### RE: Notice of Intent to Terminate Whittier Tower and Regatta 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 Whittier Tower and Regatta Redevelopment Project (the "Plan") will be considered in no less than thirty ("30") days.

On July 21, 2004 the DBRA adopted and on September 15, 2004 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 the 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: <a href="https://Detroitmi.gov/Online-CC-Meeting">https://Detroitmi.gov/Online-CC-Meeting</a> 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

+1 253 215 8782 +1 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

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

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# Exhibit D City Council Resolution

# RESOLUTION TERMINATING THE BROWNFIELD PLAN OF THE CITY OF DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY FOR THE WHITTIER TOWER AND REGATTA 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 September 15, 2004, City Council approved the Whittier Tower and Regatta Brownfield Redevelopment Plan (the "Plan"); and

**WHEREAS**, the eligible property described in <u>Exhibit A</u>, 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 26, 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 <u>Exhibit B</u>; 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.
- 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		_
RESOLU <sup>-</sup>	TION DECLARED ADOPTE	D.	
		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 Det	roit, County of Wayne, State of Michigan, at
a regular meeting held on, 2	025, 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 Ac	ts of Michigan, 1976, as amended, and that
the minutes of said meeting were kept and	d will be or have been made available as
required by said Act.	
	ce Winfrey, City Clerk
City	of Detroit
Cou	nty of Wayne, Michigan