



March 23, 2023

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

Re: **The Brownfield Redevelopment Plan for 3200 Tyler Street**

Dear Honorable Council Members:

The enclosed Brownfield Plan for the Danish Brotherhood Hall 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 March 8, 2023 meeting and a public hearing was held by the DBRA on March 15, 2023 to solicit public comments. The Committee's communication to the City Council and the DBRA, dated March 8, 2023 (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 March 22, 2023, 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

Marigold Houses, LLC is the project developer ("Developer"). The project will renovate the abandoned 15-unit multifamily apartment building with retained elements of the original historic charm. The building identified as the Webster Arms Apartment was constructed in 1928 and consists of a two-story multi-family residential building with a basement. The HVAC system will be converted in this building into a 100% electric Green building, with Green Heat Pump heating and cooling in every unit (4 times more efficient than older electric heating and cooling systems, designed to meet climate reduction goals). Anticipated rental rates will be 50%-60% of the Area Median Income (AMI). It is currently anticipated construction will begin in summer 2023 and eligible activities will be completed within 18 months.

The total investment is estimated to be \$2 million. The Developer is requesting \$476,698.00 in TIF reimbursement.

There will be approximately 77 temporary construction jobs and approximately 2 permanent jobs are expected to be created by the project.

Property Subject to the Plan

The eligible property (the "Property") consists of one (1) parcel, 3200 Tyler Street, which is bounded by an alleyway to the north, Wildemere Street to the east, Tyler Street to the south and the property line to the west in the Russell Woods/Narden Park neighborhood.

Basis of Eligibility

The Property is considered "eligible property" as defined by Act 381, Section 2 because (a) it was previously utilized for a commercial purpose; (b) is located within the City of Detroit, a qualified local governmental unit; and (c) the Property is "Functionally Obsolete" 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 environmental assessment activities, demolition, lead and asbestos abatement, site preparation, public infrastructure improvements, and the 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. Environmental Assessment Activities	\$2,500.00
2. Demolition	\$74,700.00
3. Lead and Asbestos Abatement	\$85,355.00
4. Site Preparation	\$33,360.00
5. Infrastructure Improvements	\$166,757.00
6. Brownfield Plan & Work Plan	\$60,000.00
7. Contingency (15%)	\$54,026.00
Total Reimbursement to Developer	\$476,698.00
8. Authority Administrative Costs	\$93,235.00
9. State Brownfield Redevelopment Fund	\$24,037.00
10. Local Brownfield Revolving Fund	\$0.00
TOTAL Estimated Costs	\$593,970.00

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 includes local and/or state approval of an Obsolete Property Rehabilitation Act (PA 146) Tax Abatement as well as a DBRA Local Brownfield Revolving Fund (LBRF) grant and loan.

DBRA's Request

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

- a.) March 28, 2023

City Council adoption of the Resolution (Exhibit D), setting the 3200 Tyler Street Brownfield Redevelopment Plan public hearing, as approved by the Planning and Economic Development Standing Committee Chair and the City of Detroit Clerk, for May 11, 2023 at a requested time of 10:35 AM.

- b.) May 11, 2023, requested time of 10:30 AM
Discussion with taxing jurisdictions regarding the fiscal impact of the Plan.
- c.) May 11, 2023, requested time of 10:35 AM
Public Hearing at City Council's Planning and Economic Development Standing Committee concerning the 3200 Tyler Street Brownfield Redevelopment Plan.
- d.) May 16, 2023
City Council adoption of the Resolution approving the 3200 Tyler Street Brownfield Redevelopment Plan (Exhibit E).

Sincerely,

A handwritten signature in black ink, appearing to read "Jennifer Kanalos".

Jennifer Kanalos
Authorized Agent

- c City Clerk
Marcel Todd
Irvin Corley, Jr.
David Whitaker
Derrick Headd
Marcel Hurt
Jai Singletary
Nicole Sherard-Freeman
Kevin Johnson
Raymond Scott
Rico Razo
Brian Vosburg
Malik Washington

EXHIBIT A

CITY OF DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY

BROWNFIELD PLAN FOR THE 3200 TYLER AVENUE REDEVELOPMENT PROJECT

Prepared by:

Marigold Houses, LLC
1420 Washington Blvd, Suite 301
Detroit MI 48226
Phone: 989-255-3493
kurt@marigoldhouses.com

Jamieson Development Consulting
4495 Lynne Lane
Contact Person: Anne Jamieson-Urena
Phone: 248-762-8701
anne@jamiesondevelop.com

March 7, 2023

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

TABLE OF CONTENTS

I.	INTRODUCTION	I-1
II.	GENERAL PROVISIONS	
	A. Description of Eligible Property	II-2
	B. Basis of Eligibility	II-3
	C. Summary of Eligible Activities	II-4
	D. Estimate of Captured Taxable Value and Tax Increment Revenues, Impact of Tax Increment Financing on Taxing Jurisdictions	II-5
	E. Plan of Financing; Maximum Amount Of Indebtedness	II-6
	F. Duration of Plan	II-7
	G. Effective Date of Inclusion	II-7
	H. Displacement/Relocation of Individuals On Eligible Property	II-7
	I. Local Brownfield Revolving Fund (LBRF)	II-8
	J. Brownfield Redevelopment Fund	II-8
	K. Developer's Obligations, Representations and Warrants	II-8
III.	ATTACHMENTS	
	A. Site Map	A-11
	B. Legal Description(s)	B-12
	C. Project Description	C-13
	D. Supportive Letters	D-14

E. Estimated Cost of Eligible Activities	E-15
F. TIF Tables	F-16
G. BSE&E Acknowledgement and Other Environmental Documents	G-17
H. Incentive Information Chart	H-18
I. Eligibility Documentation	I -19

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 in Act 381) shall not necessitate an amendment to this 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 one parcel. 3200 Tyler Avenue is functionally obsolete. The parcel and all tangible personal property located thereon 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 one block east of the Russell Woods/Narden Park Neighborhood. The Property is 0.177 acres of land that includes one (1) 9,488-square-foot, 15-unit, multi-family, apartment building. The Property is zoned R2 – two-family residential district and is located in an area of Detroit that is characterized by residential properties to the north, south, and east.

The property can be accessed from Tyler Avenue to the south, and a public alley to the north. The building, commonly known as the Webster Arms Apartment, was constructed in 1928 and consists of a two-story multi-family residential building with a daylight basement. It appears to have been occupied between 1928-2000.

Parcel information is outlined below.

Address	3200 Tyler Avenue / Street
Parcel ID	12004342
Owner	Marigold Houses, LLC
Legal Description	N TYLER 84-85 WARK-GILBERT COS SECURITY SUB L38 P60 PLATS, W C R 12/273 70 X 110

Marigold Houses, LLC is the project developer (“Developer”). The project contemplated at the Property consists of the renovation of the abandoned and vacant 15-unit multifamily apartment building into an approximately 15-unit modern apartment building with retained elements of the original historic charm.

The building will be converted into a 100% electric green building. Green Heat Pump Heating and Cooling (i.e. 4 times more efficient than older electric heating and cooling systems, designed to meet our climate reduction goals) will be installed in every unit. In addition, inefficient gas boilers will be replaced with electric hot water heaters; allowing the building to be 100% electric and taking advantage of the increase in renewable energy on the electric grid.

The Developer’s model for this project and other future developments is to provide a safe, energy efficient, and economically viable product to the residents in the City of Detroit. This will include, but not be limited to, utilizing other green assets (such as sustainable

stormwater management practices), reducing the current impact of stormwater to public utilities, and providing affordable housing options so that Detroiters can afford to live *and* work in the City. The Property will include green focused amenities (ex. disconnecting the current roof drains from the public storm/sewer infrastructure and creating bioswales and other green storm water mitigation practices), which will add sustainable design and environmental elements not seen in a typical neighborhood rehab, and the project anticipates marketing and renting the units to prospective tenants whose annual incomes do not exceed 55-60% of the Detroit Metropolitan Statistical Area median income.

It is currently anticipated that construction will begin in the summer of 2023 and eligible activities will be completed within 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, any references to square footage or number of units), 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. Any 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 detailed 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 (p))

The Property is considered “eligible property” as defined by Act 381, Section 2 because (a) the Property was previously utilized multi-family residential purpose; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) the Property is determined to be functionally obsolete and blighted, as defined by Act 381.

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. A letter from the City of Detroit Assessor (i.e. level 3 or level 4 assessor) certifying that the Property is functionally obsolete is attached as Attachment I. Further description of its eligibility is outlined below:

Functionally Obsolete

- The current configurations do not meet market demand for its future *residential* use.
- HVAC, Mechanical and electrical systems must be replaced.
- 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.

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 pursuant to this Plan are considered “eligible activities” as defined by Section 2 of Act 381, because they include a Phase I Environmental Site Assessment (“ESA”), hazardous building materials survey, civil and structural engineering studies, interior demolition and lead and asbestos abatement, site preparation, public infrastructure improvements, and the development, preparation and implementation of a brownfield plan and/or work plan.

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 do 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. To the extent permitted by Act 381, 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”). 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(vv) 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 the Michigan Department of Environment, Great Lakes, and Energy (“EGLE”) as may be required pursuant to Act 381, within 270 days after this Plan is approved by the governing body; 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 any 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 aggregate 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 pursuant to this Plan is attached as Attachment F. The figures included in Attachment F are estimates and are subject to change depending on actual assessed values and changes to annual millage rates.

Tax increments are projected to be captured and applied to (i) the reimbursement of eligible activity costs and payment of DBRA administrative and operating expenses, (ii) make deposits into the State Brownfield Redevelopment Fund (SBRF) as follows:

	<u>Total</u>	<u>Admin.</u>	<u>LBRF*</u>	<u>SBRF</u>	<u>Total</u>
	<u>Reimburseme</u>	<u>Costs</u>			
	<u>nts Costs</u>	<u>Costs</u>			
School Operating Tax	\$132,636			\$0.00	\$132,636
State Education Tax	\$23,347			\$24,037	\$46,022
County (combined)	\$60,491	\$17,585		\$0.00	\$78,076
HCMA	\$1,611	\$468		\$0.00	\$2,079
City of Detroit	\$155,275	\$45,140		\$0.00	\$200,415
RESA	\$ 42,239	\$12,279		\$0.00	\$54,518
WCCC	\$ 25,060	\$7,285		\$0.00	\$32,345
Library	\$ 36,038	\$10,477		\$0.00	\$45,515

TOTALS	<u>\$476,698.00</u>	<u>\$93,235</u>	<u>\$0</u>	<u>\$24,037</u>	<u>\$593,970</u>
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*No deposits to the DBRA’s Local Brownfield Revolving Fund (LBRF) are anticipated with this Plan; however, following reimbursement of eligible activities contemplated by this Plan, deposits to the LBRF may occur in years 30-35, as appropriate.

In addition, the following taxes are projected to be generated but shall not be captured during the life of this Plan:

City Debt	\$ 59,519
School Debt	\$ 85,971
DIA	\$1,313
Zoo	\$656
 Total	 <u>\$147,460</u>

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 2024 tax year (commencing with the [Winter/Summer] 2024 property taxes) with the base tax year being 2022.

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 including this Plan, the DBRA may incur a 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.

The Developer further anticipates approval of a tax abatement under the Obsolete Property Rehabilitation Act, P.A. 146 of 2000, as amended (the “OPRA”). If the OPRA is 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.

Notwithstanding the tax capture projections described in Attachment F, the DBRA shall be permitted to capture tax increment revenue derived from Local Taxes, or Specific Taxes that are considered Local Taxes, during the abatement period.

Reimbursements under the Reimbursement Agreement shall not exceed the cost of Eligible Activities permitted under this Plan. Furthermore, the Developer acknowledges and agrees that any eligible activities funded by a grant or loan that is forgiven, or for which the Developer receives a credit for, shall be ineligible for reimbursement under this Plan and shall not be included in any reimbursement requests to DBRA by or on behalf of the Developer. However, any loans that the Developer is required to unconditionally repay shall be eligible for reimbursement under the Plan, subject to the Reimbursement Agreement.

F. Duration of Plan (Section 13(2)(f))

Subject to Section 13b(16) of Act 381, the beginning date and duration of capture of tax increment revenues for the Property shall occur in accordance with the tax increment financing (TIF) table in Attachment F. In no event, however, shall this Plan extend beyond the maximum term allowed by Section 13(b)(16) 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 \$0. 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 (Section 13(2)(m))

The Developer 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 ESA, and 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.*), has been performed or will be performed on the Property. Attached hereto as Attachment G is the City of Detroit's Department of Buildings, Safety Engineering and Environmental 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.

III. ATTACHMENTS

ATTACHMENT A

Site Map



Figure 1
Site Location Map



**APPLIED
ENVIRONMENTAL**

1210 North Maple Rd.
Ann Arbor, MI 48103
(734) 975-1970

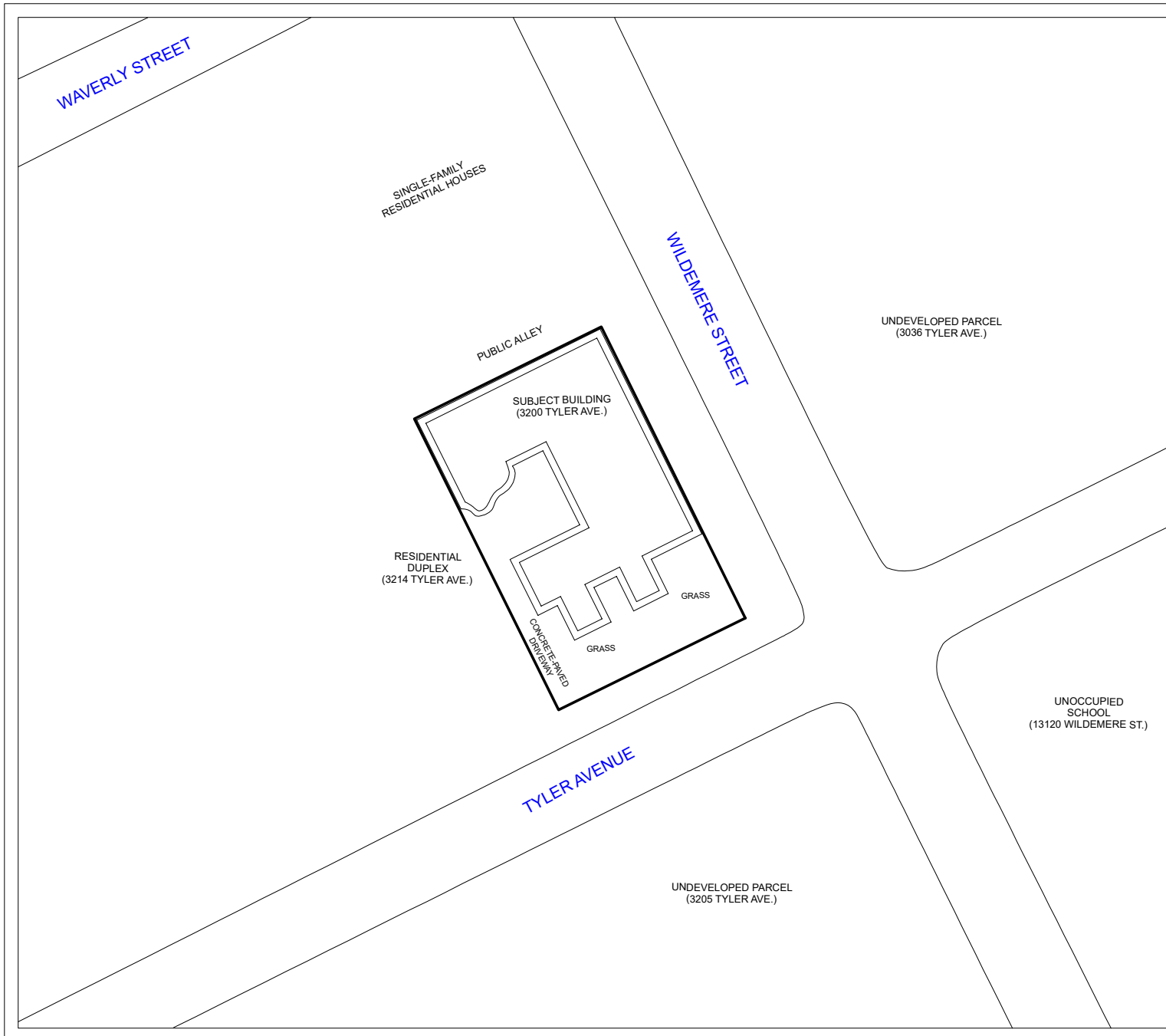
**Unoccupied Multi-Family Apartment Building
3200 Tyler Avenue
Detroit, Michigan**

AE Project No. 22-4803PI



**North
Scale: Unknown**

**Source: Bing
Maps**



NORTH
Not to Scale

Legend

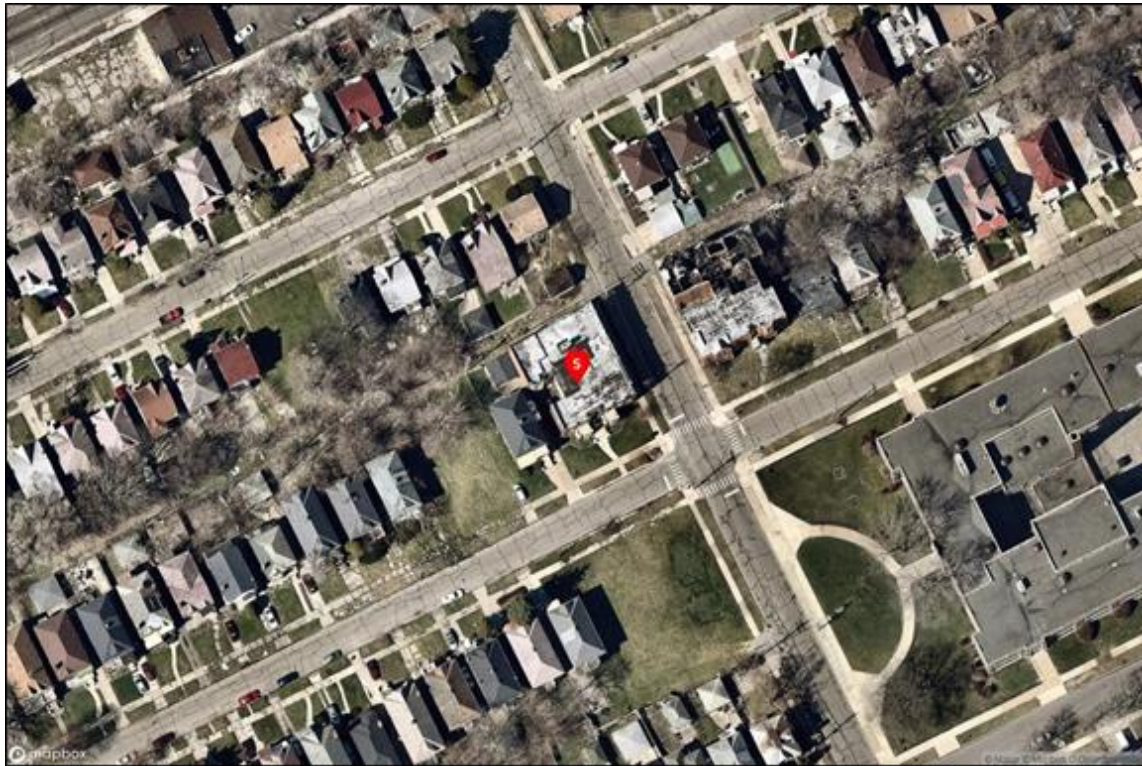
— Approximate Subject Property Border

FIGURE 2
SITE DIAGRAM
8/22/2022

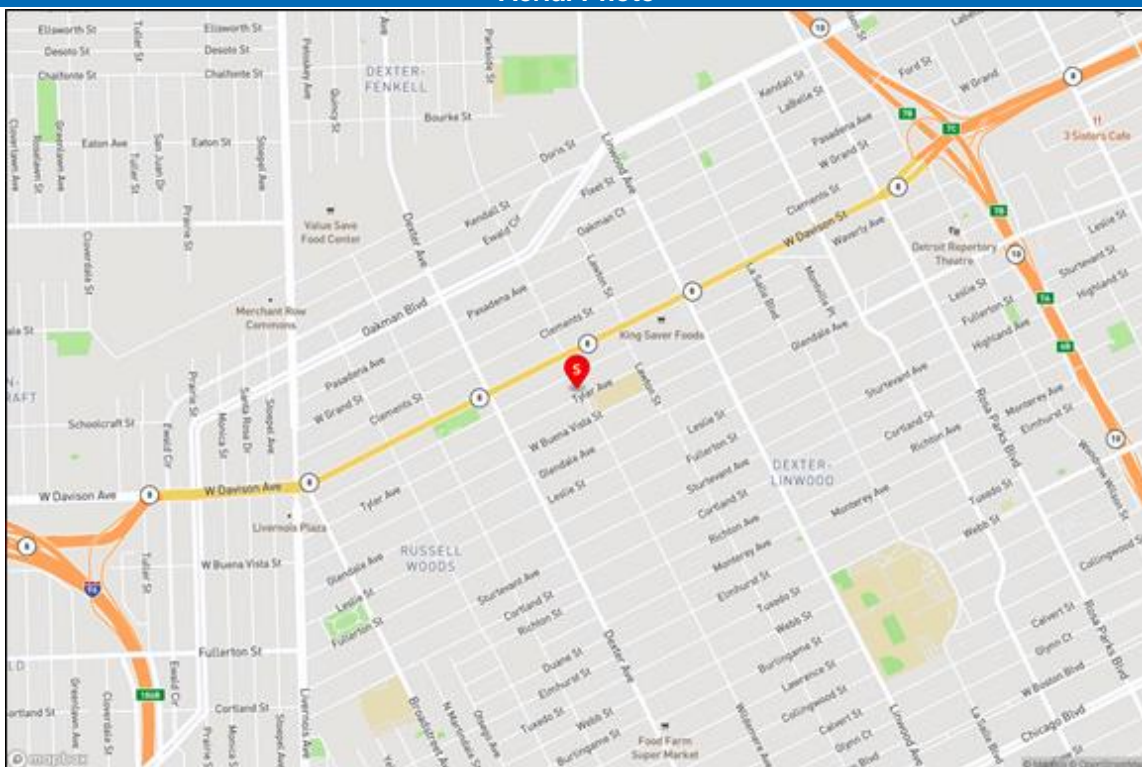
UNOCCUPIED MULTI-FAMILY
APARTMENT BUILDING
3200 TYLER AVENUE
DETROIT, MICHIGAN



Applied Environmental
1210 North Maple Road
Ann Arbor, Michigan 48103
(734) 975-1970



Aerial Photo



Location Map



Exterior



Wildemere St. facing north



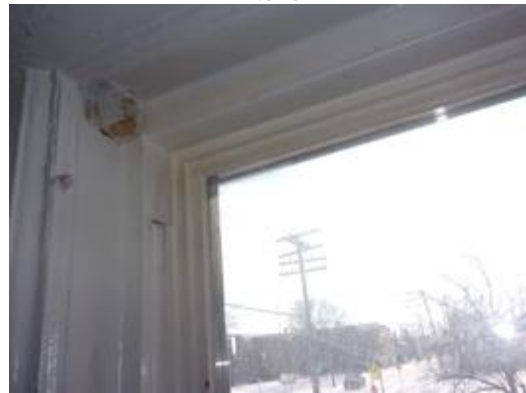
Tyler Street facing west



Exterior



Exterior



Window



Unit



Hallway



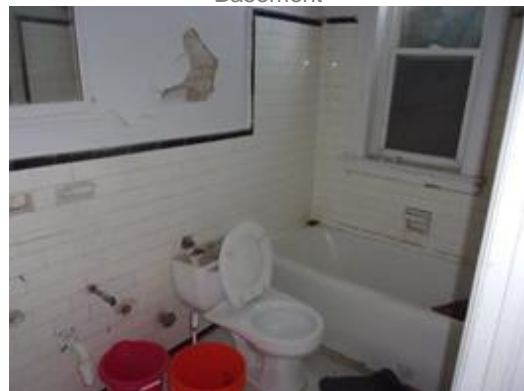
Stairs



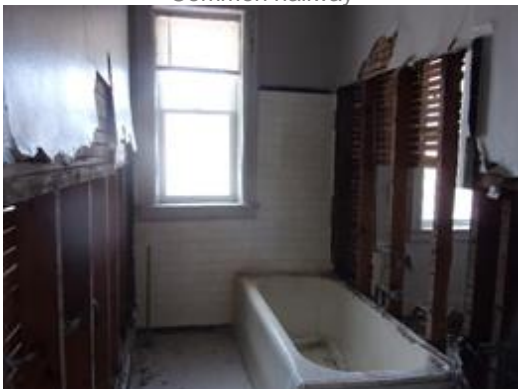
Basement



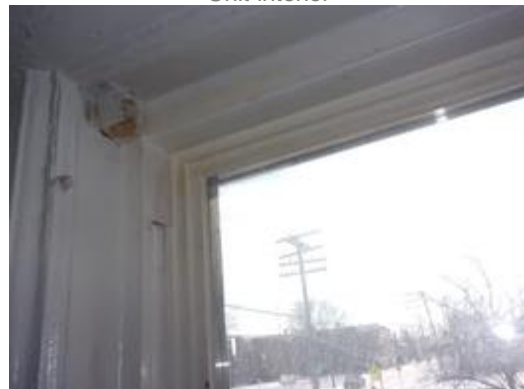
Common hallway



Unit interior



Unit interior



Window



Unit interior



Bathroom



Unit interior



Unit interior



Hallway



Unit interior

ATTACHMENT B

Legal Descriptions of Eligible Property to which the Plan Applies

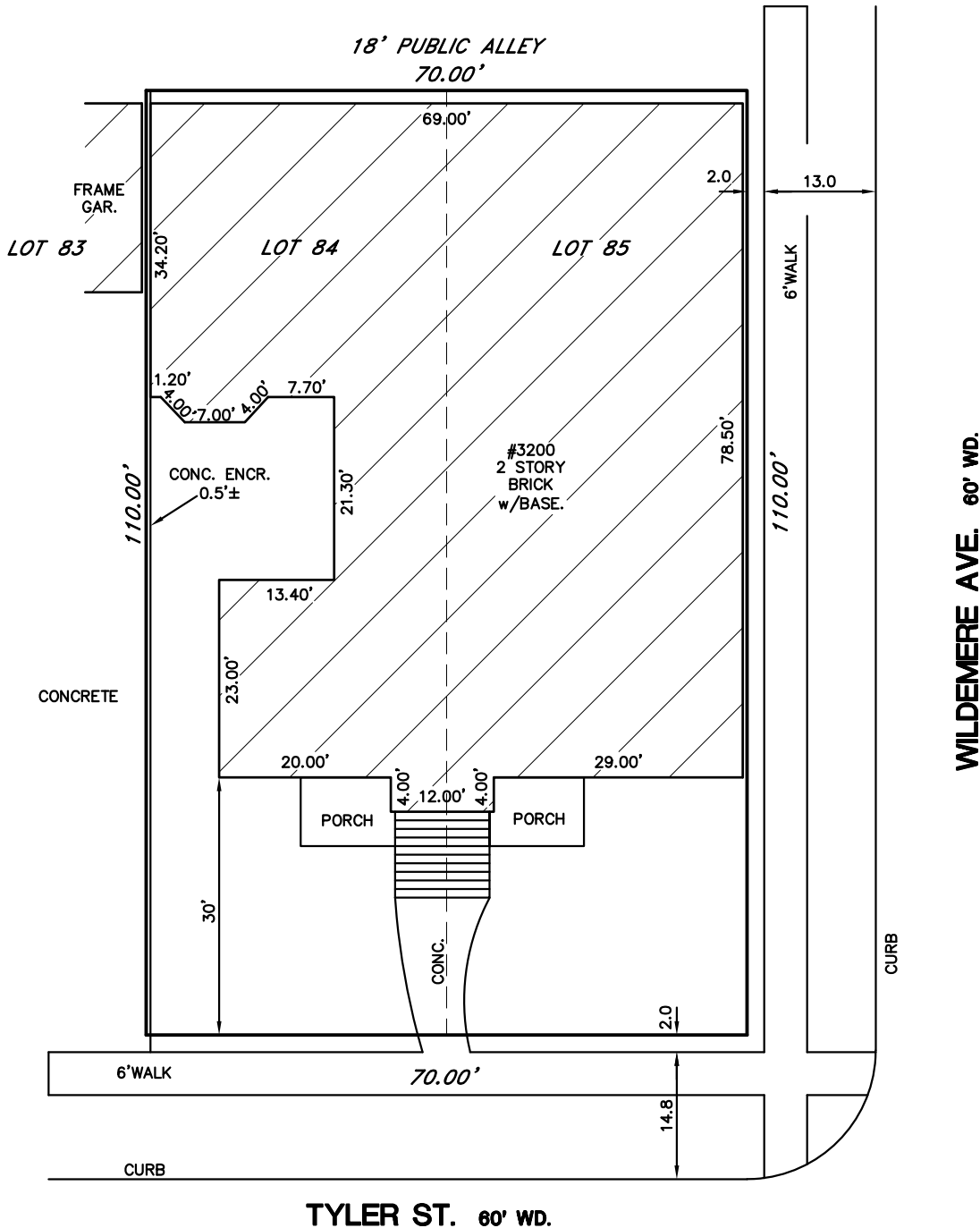


MORTGAGE REPORT for:

HORIZON BANK

CONSULTING MUNICIPAL & CIVIL ENGINEERS • SURVEYORS • 28304 HAYES • ROSEVILLE, MI 48066 • (586)774-3000
LEGAL DESCRIPTION OF PROPERTY (AS FURNISHED BY CLIENT)

Lots 84 and 85, WARK-GILBERT CO'S SECURITY SUBDIVISION, of part of 1/2 Section 13, 10,000 Acre Tract, City of Detroit, Wayne County, Michigan. Recorded in Liber 38 of Plats, Page 60 of Wayne County Records.



CERTIFICATE: We hereby certify to: HORIZON BANK
that we have inspected the above-described property in accordance with the description furnished and confirmed to be correct by mortgagee or mortgagee's title company for the purpose of a new mortgage loan to be made by MARIGOLD HOUSES, LLC

mortgagor, and that the buildings located thereon do not encroach on the adjoining property, nor do the buildings on the adjoining property encroach upon the property heretofore described, except as shown. The location of fences, driveways, other buildings, and non-permanent structures shown are only approximate. Any easements shown are either recorded in the subdivision plat or appear in the instrument referenced in the title policy, if both have been furnished to us. This report does not locate or identify the existence or absence of utilities entering into or crossing above or below the property. This report is to be used for mortgage purposes only and not for the purpose of establishing property lines, nor for construction purposes. No property lines were established and no property corners were set. This is not an ALTA type survey. This cannot be used for future refinance purposes or transferred to any future property owners.

REVISED _____
DRAWN BY TMM
SCALE 1"=20'

George Jerome
GEORGE G. JEROME
PROFESSIONAL LAND SURVEYOR
NO. 19837

DATED 02-21-2022
JOB NO. 248420

3200 TYLER 48238 (Property Address)

Parcel Number: 12004342.



Item 1 of 3

[2 Images / 1 Sketch](#)**Property Owner: MARIGOLD HOUSES LLC****Summary Information**

- > Commercial/Industrial Building Summary
 - Yr Built: 1928
 - # of Buildings: 1
 - Total Sq.Ft.: 9,488
- > Assessed Value: \$150,400 | Taxable Value: \$35,520
- > Property Tax information found

Owner and Taxpayer Information

Owner	MARIGOLD HOUSES LLC 10705 LAUREL VISTA WAY TAMPA, FL 33647	Taxpayer	SEE OWNER INFORMATION
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General Information for Tax Year 2022

Property Class	201 COMMERCIAL-IMPROVED	Unit	01 CITY OF DETROIT
School District	DETROIT CITY SCHOOL DISTRICT	Assessed Value	\$150,400
WARD#	12	Taxable Value	\$35,520
COUNCIL#	2	State Equalized Value	\$150,400
PP CODE#		Date of Last Name Change	03/25/2022
RELATED #		Notes	
Historical District		Census Block Group	
HOPE#		Exemption	

Principal Residence Exemption Information**Homestead Date**

Principal Residence Exemption	June 1st	Final
2023	0.0000 %	-
2022	0.0000 %	0.0000 %

Land Information

Zoning Code	R2	Total Acres	0.177
Land Value	\$6,600	Land Improvements	\$0
Renaissance Zone	No	Renaissance Zone Expiration Date	
ECF Neighborhood		Mortgage Code	
Lot Dimensions/Comments		Neighborhood Enterprise Zone	No

Lot(s)	Frontage	Depth
Lot 1	70.00 ft	110.00 ft
Total Frontage: 70.00 ft		Average Depth: 110.00 ft

Legal Description

N TYLER 84-85 WARK-GILBERT COS SECURITY SUB L38 P60 PLATS, W C R 12/273 70 X 110

Sale History

Sale Date	Sale Price	Instrument	Grantor	Grantee	Terms of Sale	Liber/Page
03/18/2022	\$225,000.00	WD	DOLLARS 4 DEEDS	MARIGOLD HOUSES LLC	03-ARM'S LENGTH	2022115350
09/07/2018	\$103,000.00	WD	NUVIEW IRA,MACK MAJOR 1613593, ,	ICONOCLAST HOLDINGS LLC	21-NOT USED/OTHER	2018272526

06/05/2018	\$50,000.00	WD	HARVEY, TERRY	AMERICAN STRATEGIC INVESTMENTS LLC	21-NOT USED/OTHER	2018203306
06/05/2018	\$75,000.00	WD	AMERICAN STRATEGIC INVESTMEN et al	NUVIEW IRA,MAJRO, ,MACK	21-NOT USED/OTHER	2018339031
02/21/2013	\$65,000.00	PTA	HOLMES, REGINE E & JOHNSON, LEON	FILICE, ALBERT J & FELICE, NUBIA	21-NOT USED/OTHER	
04/01/1995	\$60,000.00	WD			21-NOT USED/OTHER	28012:05730

Building Information - 9488 sq ft Multiple Residences (Commercial)

Floor Area	9,488 sq ft	Estimated TCV	
Occupancy	Multiple Residences	Class	C
Stories Above Ground		Average Story Height	
Basement Wall Height		Identical Units	
Year Built	1928	Year Remodeled	
Percent Complete	100%	Heat	Complete H.V.A.C.
Physical Percent Good	42%	Functional Percent Good	100%
Economic Percent Good	100%	Effective Age	53 yrs

****Disclaimer:** BS&A Software provides BS&A Online as a way for municipalities to display information online and is not responsible for the content or accuracy of the data herein. This data is provided for reference only and WITHOUT WARRANTY of any kind, expressed or inferred. Please contact your local municipality if you believe there are errors in the data.

ATTACHMENT C

Project Description

PROJECT SUMMARY

Project Name:	3200 Tyler Avenue Redevelopment Project
Project Location:	The Eligible Property is located at 3200 Tyler Avenue in the Dexter-Linwood neighborhood-West Design Region, but is one block east outside of the Russell Woods/Narden Park Neighborhood in Detroit, Wayne County, MI
Type of Eligible Property:	Functionally Obsolete
Total Project Investment:	~\$1,645,000 including land acquisition
Eligible Activities:	Phase I Environmental Site Assessment (ESAs), Hazardous Building Material Survey, Asbestos and Lead Abatement, Demolition, Site Preparation, Infrastructure Improvements, Brownfield Plan and Act 381 Work Plans.
Reimbursable Costs:	\$476,698 (Estimated Eligible Activities, contingency, interest) \$93,235 (Estimated BRA Administrative Fees) \$24,037 (Estimated State Revolving Loan Fund) <u>\$0</u> (Estimated LSRRF to BRA) * can be modified to add 5 years of capture following the reimbursement of Eligible Activities provided that the 35 years is not exceeded in the Brownfield Plan
Total:	\$593,970.00
Years to Complete Payback:	30 Years
Base TV/New ITV Estimate:	\$35,520/\$260,533
Job Creation:	There will be 77 temporary construction jobs created as a result of this development and at least 2 FTE property management and maintenance jobs created.
Project Timeline:	Following approval of the supporting incentives that are anticipated to include an OPRA tax abatement and Brownfield TIF for the project it is expected that the eligible activities will begin in the Summer of 2023 with a completion date of Fall 2024.
Project Overview:	The Property is located one block east of the Russell Woods/Narden Park Neighborhood. The subject property is 0.177 acres of land that includes one 9,488-square-foot 15-unit, multi-family apartment building. The Property is zoned R2 – Two-family residential district and is located in an area of Detroit that is characterized by residential properties to the north, south, and east.

The building identified as the Webster Arms Apartment was constructed in 1928 and consists of a two-story multi-family residential building with a basement. property is improved with landscaping in the southern portion and a concrete-paved driveway along the southwestern portion from Tyler Avenue. It appears to have been occupied between 1928-2000.

This building, while on the smaller side from other projects typically incented in the City of Detroit, is a gorgeous building, with great bones, but has been abandoned for at least the last 22 years and has fallen into disrepair. The plan is to fully renovate the 15-unit building and complete all of the necessary environmental remediation prior to the rehab of the building. The building renovation plans and approach for the development include:

1. Renovation of this abandoned multifamily apartment building will upgrade the property and building so that the neighborhood can continue to prosper economically allowing for equity in the rental market for Detroit residents, and pride in the neighborhoods.
2. Rents meet 55-60% of AMI, and we welcome guaranteeing affordable units as part of the OPRA process. Our model is to provide a safe, energy efficient, economically viable product to the residents in the City of Detroit, who can afford to live and work in the City.
3. Remove all hazardous materials (asbestos and lead based paint), functionally obsolete HVAC, plumbing and electrical systems, prior to renovation of the building.
4. In addition, the current configuration of apartments will be gutted down to studs, and rehab the building into a modern apartment building with retained elements of the original charm that residents can be proud to live in.
5. The building will be converted into a 100% electric Green building, with the goal of providing green heat pump heating and cooling in every unit (4 times more efficient than older electric heating, and the exact technology experts say we need to use to meet our climate goals).
6. The model and goal for this development and other future developments is to include other green assets (such as sustainable stormwater management practices), as well to reduce the current impact of stormwater to the public utilities by disconnecting the current roof drains from the public storm/sewer and creating bioswales and other green storm water mitigation practices on the property. This will add sustainable design and environmental elements not seen in a typical neighborhood rehab.
7. The development teams' goal is to use this project as a model project to continue renovation and retrofitting buildings in the neighborhoods and bring them back to life by adding sustainable design elements. Other development team projects in this area of Detroit to date have been smaller, but I've got a great team, and we're confident in this project and the vision for it.

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

March 1, 2023

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

RE: 3200 Tyler Brownfield Redevelopment Plan

Dear Ms. Kanalos,

The Detroit Brownfield Redevelopment Authority (DBRA) has asked that the Planning and Development Department to review and comment on the 3200 Tyler Brownfield Redevelopment Plan (the "Plan").

Marigold Houses, LLC is the project developer ("Developer"). The property in the Plan is located on a single parcel in the Dexter-Linwood neighborhood bounded by Wildemere Street on the east, Tyler Street on the south, the home at 3214 Tyler on the west, and the alleyway between Waverly Street and Wildemere Street on the north.

The Plan consists of the renovation of the existing 2-story apartment building at 3200 Tyler which was constructed in approximately 1928. The exterior will be repaired and rehabilitated in a way that respects the design details of the all-brick façade as well as the noteworthy porches of the building. The interior of the building will also be renovated in a way that respects the craftsmanship of the existing building, while also modernizing the interior layouts, mechanical systems, and finishes into 15 studio and one-bedroom rental apartments. Extensive green features, including a green stormwater system as well as insulation and weather sealing that greatly exceed current building codes, will be incorporated into the renovation of the building.

The development will reactivate and fully renovate a notable vacant apartment in the Dexter-Linwood neighborhood. Total investment is estimated at \$1.9 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 Design Director
Planning and Development Department

c: B. Vosburg
C. Capler



Coleman A. Young Municipal Center Phone 313•224•3011
2 Woodward Avenue, Suite 824 Fax 313•224•9400
Detroit, Michigan 48226 www.detroitmi.gov

February 1, 2023

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

RE: **3200 Tyler – Webster Arms Apartments**
Parcel 12004342.

Dear Ms. Kanalos:

The Office of The Chief Financial Officer, Office of the Assessor, has reviewed the proposed project for the property located at 3200 Tyler, Detroit, Michigan (the "Property") in anticipation of the Property being included in a future 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 Office of the Assessor has reviewed the Property and has found that it fits within the definition of functional obsolescence as 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 current configurations do not meet market demand for the original commercial purpose of the building. Mechanical and electrical systems must be replaced, life safety systems (smoke detectors, fire alarm systems, exit signs and fire sprinklers) must be installed, interior finishes have been stripped, a new security system must be installed and the windows, flooring, and roof must be substantially repaired or replaced.

The 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

Anthony Littleton
True Rock Church
3039 W Davison St
Detroit, MI 48238

Detroit Brownfield Redevelopment Authority
500 Griswold St., Ste. 200
Detroit, MI 48226

Dear Detroit Brownfield Redevelopment Authority,

On behalf of True Rock Church, I, Anthony Littleton would like to express our full support for Marigold Houses plan to bring 3200 Tyler St back to life. This apartment building is only a few hundred feet from our church, and has been vacant for far too long. The boarded-up windows are a blight on the neighborhood, and the alley behind the building has been gathering trash. We are happy to see someone with a plan to make this building an anchor of the neighborhood instead of an eyesore.

We need responsible and sustainable development, and I trust the Hines brothers and Marigold Houses can bring that to Dexter-Linwood by restoring a building that has existed here for a hundred years.

It's great to see investment happening in the our neighborhood, and long overdue. I and my congregation look forward to the completion of the project, and welcoming our new neighbors.

Sincerely,

A handwritten signature in black ink, reading "Anthony Littleton". The signature is fluid and cursive, with the first name "Anthony" and last name "Littleton" clearly distinguishable.

Anthony Littleton

Mohamed ali
Tires Express
3201 W Davison St.
Detroit, MI 48238

Detroit Brownfield Redevelopment Authority
500 Griswold St., Ste. 200
Detroit, MI 48226

Dear Detroit Brownfield Redevelopment Authority,


On behalf of Tires Express I, Mohamed Ali would like to express our full support for Marigold Houses redevelopment plan for 3200 Tyler St. We believe this redevelopment will add significant value to the neighborhood by returning a blighted building to a functional anchor of the neighborhood. It will provide quality housing and additional foot traffic and patronage for local businesses.

Furthermore, we believe the Hines brothers and Marigold Houses, LLC are the right team to invest in the neighborhood. They have a proven track record in our neighborhood, and I trust them to do right by our trust in them.

We need responsible and sustainable development, and I trust the Hines brothers and Marigold Houses can bring that to Dexter-Linwood by restoring a building that has existed here for a hundred years.

As a local business, I look forward to this project contributing to the character and vibrancy of our neighborhood.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mohamed Ali', with a stylized flourish at the end.

Mohamed Ali

John Craft
Davison Appliances
3275 W Davison St
Detroit, MI 48238

Detroit Brownfield Redevelopment Authority
500 Griswold St., Ste. 200
Detroit, MI 48226

Dear Detroit Brownfield Redevelopment Authority,

On behalf of Davison Appliances, I, John Craft, would like to express our full support for Marigold Houses proposed redevelopment of 3200 Tyler St. I've been seeing that building from across my parking lot as long as I have been in business, and it's been a shame to see such a fine building boarded up and fading away.

Our area doesn't get enough investment, and I think bringing that building back to life could be of great benefit for the neighborhood and the local businesses.

I've worked with the Hines brothers for years with their other properties, and know them to be trustworthy people. They've always treated me fairly, and from everything I've seen, treated their tenants fairly as well. I think they are a great choice to bring more housing to the neighborhood.

Sincerely,

A large, stylized handwritten signature in black ink, appearing to read 'John Craft', with a long horizontal flourish extending to the right.

John Craft

ATTACHMENT E

Estimated Cost of Eligible Activities Table

Table 1 - Brownfield Eligible Activities -3200 Tyler		
EGLE Department Specific Eligible Activity	Estimated Total Cost of Eligible Activities approved under Brownfield Plan	Completion/Season/Year
Pre- Approved Exempt Activities		Summer 2022
Phase I Environmental Site Assessment (ESA)	\$ 2,500.00	
Total - BEA Activities *no contingency already completed	\$ 2,500.00	
MSF - Non- Environmental Eligible Activities		
Demolition and Hazardous Building Material Abatement		
Building Demolition (interior, partial building)		Summer 2023
Deconstruction or select demolition of building elements for rehab, interal removal of all building walls, HVAC, plumbing, electrical, roof	\$ 55,000.00	
Proper Disposal of building content solid waste	\$ 2,200.00	
Site Demolition		
Abandoned utilities, alley, abandoned foundations, curbs and gutters, sidewalks	\$ 15,000.00	
Demolition - Project Management and Oversight	\$ 2,500.00	
Lead & Asbestos Surveys and Abatement		
Hazardous Building Material Survey - Exempt Activity	\$ 8,755.00	
Abatement of ACM, LBP, Mold and Universal Waste Disposal (AST)	\$ 65,000.00	
Dewatering during basement mold abatement and foundation improvements	\$ 1,600.00	
Project Management	\$ 10,000.00	
Total - Demolition and Abatement Activities as allowable under Act 381	\$ 160,055.00	
Site Preparation		
Clearing and Grubbing	\$ 1,500.00	
<i>Solid waste disposal - used tires, old appliances and furniture, used car batteries</i>	\$ 3,860.00	
Relocation of Electrical Utility - private in certain cases	\$ 25,000.00	
Temporary Utilities	\$ 3,000.00	
Total - Site Preparation	\$ 33,360.00	
Infrastructure Improvements		
Landscape in ROW	\$ 10,000.00	
Public Ally- utilities - DTE Utility Work, if applicable	\$ 10,000.00	
Sidewalk/Alley & Pavers in ROW	\$ 5,000.00	
Streetscape / Landcapting / Lighting in ROW	\$ 5,000.00	
Urban Stormwater Management System	\$ 111,757.00	
Infrastructure Improvements - Project Management -	\$ 25,000.00	
Total Infrastructure	\$ 166,757.00	
Contingency 15% on all MSF Non-Environmental Activities	\$ 54,026	
Brownfield Plan & Act 381 Work Plan Preparation		
Brownfield Plan/Act 381 Work Plan Preparation / Project Management	\$ 30,000.00	
Act 381 Work Plan Implemenation / Reimbursement Agreement and associated Project Management and Legal review	\$ 30,000.00	
Sub-Total Brownfield Plan & Act 381 Work Plan Preparation	\$ 60,000.00	
State Revolving Loan Fund	\$ 24,037.00	
DBRA Administrative Costs	\$ 93,235.00	
DBRA LBRF	\$ -	
Developer Reimbursement of Total EGLE Exempt Environmental Activities	\$ 2,500.00	
Developer Reimbursement of Total MSF Non-Environmental Activities	\$ 474,198	
Developer Total Estimated Brownfield Activities	\$ 476,698	
Total Estimated Brownfield Activities	\$ 593,970	

ATTACHMENT F

TIF Tables

Tax Increment Revenue Capture Estimates

3200 Tyler Avenue

Detroit, Wayne County, Michigan

March 2023

Estimated Taxable Value (TV) Increase Rate 1.5%:

Brownfield Plan Year			0	0	1	2	3	4	5	6	7	8	9	10	11	12
Calendar Year			2022	2023-2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2035
Parent Parcel LAND - Ad Valorem	Base Year set in 2022	*Base Taxable Value	\$ 35,520	\$ 35,520	\$ 35,520	\$ 35,520	\$ 35,520	\$ 35,520	\$ 35,520	\$ 35,520	\$ 35,520	\$ 35,520	\$ 35,520	\$ 35,520	\$ 35,520	\$ 35,520
	Estimated New TV		\$ -		\$ 296,053	\$ 300,494	\$ 305,001	\$ 309,576	\$ 314,220	\$ 318,933	\$ 323,717	\$ 328,573	\$ 333,502	\$ 338,504	\$ 343,582	\$ 348,735
	Incremental Difference (New TV - Base TV)				\$ 260,533	\$ 264,974	\$ 269,481	\$ 274,056	\$ 278,700	\$ 283,413	\$ 288,197	\$ 293,053	\$ 297,982	\$ 302,984	\$ 308,062	\$ 313,215

OPRA - 100% of Local only Taxes for 12 Years					\$ 16,546	\$ 16,828	\$ 17,114	\$ 17,405	\$ 17,700	\$ 17,999	\$ 18,303	\$ 18,611	\$ 18,924	\$ 19,242	\$ 19,564	\$ 19,892
Post Development Taxable Value					\$ 296,053	\$ 300,494	\$ 305,001	\$ 309,576	\$ 314,220	\$ 318,933	\$ 323,717	\$ 328,573	\$ 333,502	\$ 338,504	\$ 343,582	\$ 348,735

School Capture *no capture	Millage Rate															
State Education Tax (SET)	6.0000	\$ -	\$ 1,563	\$ 1,590	\$ 1,617	\$ 1,644	\$ 1,672	\$ 1,700	\$ 1,729	\$ 1,758	\$ 1,788	\$ 1,818	\$ 1,848	\$ 1,879		
School Operating Tax	17.0430	\$ -	\$ 4,440	\$ 4,516	\$ 4,593	\$ 4,671	\$ 4,750	\$ 4,830	\$ 4,912	\$ 4,995	\$ 5,078	\$ 5,164	\$ 5,250	\$ 5,338		
School Total	23.0430		\$ 6,003	\$ 6,106	\$ 6,210	\$ 6,315	\$ 6,422	\$ 6,531	\$ 6,641	\$ 6,753	\$ 6,866	\$ 6,982	\$ 7,099	\$ 7,217		

Local Capture	Millage Rate															
Detroit City Operating	19.9520															
Library	4.6307															
Wayne County Operating (summer)	5.6099															
Wayne County Operating (winter)	0.9829															
Wayne County Jails	0.9358															
Wayne County Parks	0.2442															
HCMA	0.2070															
Wayne County RESA	0.0956															
Wayne County Special Ed	3.3443															
Wayne County RESA ENH	1.9876															
Wayne County Community College	3.2202															
Local Total	41.2102															

Non-Capturable Millages	Millage Rate															
City Debt	9.0000															
School Debt	13.0000															
DIA	0.1986															
Zoo	0.0992															
Total Non-Capturable Taxes	22.1986															

Total Millages	86.4518															
Total Brownfield Capturable Millages	0.00															

Total Brownfield Capturable Millages with OPRA					\$ 6,003	\$ 6,106	\$ 6,210	\$ 6,315	\$ 6,422	\$ 6,531	\$ 6,641	\$ 6,753	\$ 6,866	\$ 6,982	\$ 7,099	\$ 7,217
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March 2023

Brownfield Plan Year		13	14	15	16	17	18	19	20	21	22	23	24	25	26
Calendar Year		2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049
Base Year set in 2022	*Base Taxable Value	\$ 35,520	\$ 35,520	\$ 35,520	\$ 35,520	\$ 35,520	\$ 35,520	\$ 35,520	\$ 35,520	\$ 35,520	\$ 35,520	\$ 35,520	\$ 35,520	\$ 35,520	\$ 35,520
	Estimated New TV	\$ 353,966	\$ 359,276	\$ 364,665	\$ 370,135	\$ 375,687	\$ 381,322	\$ 387,042	\$ 392,848	\$ 398,740	\$ 404,722	\$ 410,792	\$ 416,954	\$ 423,209	\$ 429,557
Incremental Difference (New TV - Base TV)		\$ 318,446	\$ 323,756	\$ 329,145	\$ 334,615	\$ 340,167	\$ 345,802	\$ 351,522	\$ 357,328	\$ 363,220	\$ 369,202	\$ 375,272	\$ 381,434	\$ 387,689	\$ 394,037

Post Development Taxable Value	\$ 353,966	\$ 359,276	\$ 364,665	\$ 370,135	\$ 375,687	\$ 381,322	\$ 387,042	\$ 392,848	\$ 398,740	\$ 404,722	\$ 410,792	\$ 416,954	\$ 423,209	\$ 429,557
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Local Capture		Millage Rate																											
Detroit City Operating	19.9520	\$	6,354	\$	6,460	\$	6,567	\$	6,676	\$	6,787	\$	6,899	\$	7,014	\$	7,129	\$	7,247	\$	7,366	\$	7,487	\$	7,610	\$	7,735	\$	7,862
Library	4.6307	\$	1,475	\$	1,499	\$	1,524	\$	1,550	\$	1,575	\$	1,601	\$	1,628	\$	1,655	\$	1,682	\$	1,710	\$	1,738	\$	1,766	\$	1,795	\$	1,825
Wayne County Operating (summer)	5.6099	\$	1,786	\$	1,816	\$	1,846	\$	1,877	\$	1,908	\$	1,940	\$	1,972	\$	2,005	\$	2,038	\$	2,071	\$	2,105	\$	2,140	\$	2,175	\$	2,211
Wayne County Operating (winter)	0.9829	\$	313	\$	318	\$	324	\$	329	\$	334	\$	340	\$	346	\$	351	\$	357	\$	363	\$	369	\$	375	\$	381	\$	387
Wayne County Jails	0.9358	\$	298	\$	303	\$	308	\$	313	\$	318	\$	324	\$	329	\$	334	\$	340	\$	345	\$	351	\$	357	\$	363	\$	369
Wayne County Parks	0.2442	\$	78	\$	79	\$	80	\$	82	\$	83	\$	84	\$	86	\$	87	\$	89	\$	90	\$	92	\$	93	\$	95	\$	96
HCMA	0.2070	\$	66	\$	67	\$	68	\$	69	\$	70	\$	72	\$	73	\$	74	\$	75	\$	76	\$	78	\$	79	\$	80	\$	82
Wayne County RESA	0.0956	\$	30	\$	31	\$	31	\$	32	\$	33	\$	33	\$	34	\$	34	\$	35	\$	35	\$	36	\$	36	\$	37	\$	38
Wayne County Special Ed	3.3443	\$	1,065	\$	1,083	\$	1,101	\$	1,119	\$	1,138	\$	1,156	\$	1,176	\$	1,195	\$	1,215	\$	1,235	\$	1,255	\$	1,276	\$	1,297	\$	1,318
Wayne County RESA ENH	1.9876	\$	633	\$	643	\$	654	\$	665	\$	676	\$	687	\$	699	\$	710	\$	722	\$	734	\$	746	\$	758	\$	771	\$	783
Wayne County Community College	3.2202	\$	1,025	\$	1,043	\$	1,060	\$	1,078	\$	1,095	\$	1,114	\$	1,132	\$	1,151	\$	1,170	\$	1,189	\$	1,208	\$	1,228	\$	1,248	\$	1,269
Local Total	41.2102	\$	13,123	\$	13,342	\$	13,564	\$	13,790	\$	14,018	\$	14,251	\$	14,486	\$	14,726	\$	14,968	\$	15,215	\$	15,465	\$	15,719	\$	15,977	\$	16,238

[illegible]

March 2023

Brownfield Plan Year		27	28	29	30	TOTAL
Calendar Year		2050	2051	2052	2053	
Base Year set in 2022	*Base Taxable Value	\$ 35,520	\$ 35,520	\$ 35,520	\$ 35,520	
	Estimated New TV	\$ 436,000	\$ 442,540	\$ 449,178	\$ 455,916	
Incremental Difference (New TV - Base TV)		\$ 400,480	\$ 407,020	\$ 413,658	\$ 420,396	

Post Development Taxable Value	\$ 436,000	\$ 442,540	\$ 449,178	\$ 455,916
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Local Capture	Millage Rate										
Detroit City Operating	19.9520	\$	7,990	\$	8,121	\$	8,253	\$	8,388	\$	131,946
Library	4.6307	\$	1,855	\$	1,885	\$	1,916	\$	1,947	\$	30,624
Wayne County Operating (summer)	5.6099	\$	2,247	\$	2,283	\$	2,321	\$	2,358	\$	37,099
Wayne County Operating (winter)	0.9829	\$	394	\$	400	\$	407	\$	413	\$	6,500
Wayne County Jails	0.9358	\$	375	\$	381	\$	387	\$	393	\$	6,189
Wayne County Parks	0.2442	\$	98	\$	99	\$	101	\$	103	\$	1,615
HCMA	0.2070	\$	83	\$	84	\$	86	\$	87	\$	1,369
Wayne County RESA	0.0956	\$	38	\$	39	\$	40	\$	40	\$	632
Wayne County Special Ed	3.3443	\$	1,339	\$	1,361	\$	1,383	\$	1,406	\$	22,116
Wayne County RESA ENH	1.9876	\$	796	\$	809	\$	822	\$	836	\$	13,144
Wayne County Community College	3.2202	\$	1,290	\$	1,311	\$	1,332	\$	1,354	\$	21,296
Local Total	41.2102	\$	16,504	\$	16,773	\$	17,047	\$	17,325	\$	272,531

Total Millages	86.4518								
Total Brownfield Capturable Millages	0.00		\$ 25,732	\$ 26,152	\$ 26,579	\$ 27,012	\$ 645,606		

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Tax Increment Revenue Reimbursement Allocation Table
3200 Tyler Avenue
Detroit, Wayne County, MI
March 2023

Developer Maximum Reimbursement	Proportionality	School & Local Taxes	Local-Only Taxes	Total
State	38.50%	\$ 161,047		\$ 161,047
Local	61.50%	\$ 257,301	\$ -	\$ 257,301
TOTAL				
MSF	99%	\$ 415,849		\$ 415,849
EGLE	1%	\$ 2,500	\$ -	\$ 2,500

Estimated
Total
Years of Plan: 30 Years

Developer Total Estimated Tax Reimbursement	\$ 418,349
BRA Admin Fee Tax Reimbursement	\$ 93,235
State Brownfield Redevelopment Fund Reimbursement	\$ 24,037
Local Brownfield Revolving Loan Fund	\$ -
TOTAL	\$ 535,621

	0	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	2022	2023-2024	2025	2026	2027	2028	2029	2030	2031	2031	2032	2033	2034	2035	2036	2037	2038
Total State Incremental Revenue	\$ -	\$ -	\$ 6,003	\$ 6,106	\$ 6,210	\$ 6,315	\$ 6,422	\$ 6,531	\$ 6,641	\$ 6,753	\$ 6,866	\$ 6,982	\$ 7,099	\$ 7,217	\$ 7,338	\$ 7,460	\$ 7,584
State Brownfield Redevelopment Fund (50% of SET)	\$ -	\$ -	\$ 782	\$ 795	\$ 808	\$ 822	\$ 836	\$ 850	\$ 865	\$ 879	\$ 894	\$ 909	\$ 924	\$ 940	\$ 955	\$ 971	\$ 987
State TIR Available for Reimbursement	\$ -	\$ -	\$ 5,222	\$ 5,311	\$ 5,401	\$ 5,493	\$ 5,586	\$ 5,680	\$ 5,776	\$ 5,874	\$ 5,972	\$ 6,073	\$ 6,174	\$ 6,278	\$ 6,383	\$ 6,489	\$ 6,597
Total Local Incremental Revenue - not capture during OPRA period, if approved	\$ -	\$ -													\$ 13,123	\$ 13,342	\$ 13,564
BRA Administrative Fee (15%)	\$ -	\$ -													\$ 2,926	\$ 2,975	\$ 3,024
Local TIF basis for Admin Deferred fee	\$ -	\$ -	\$ 10,737	\$ 10,920	\$ 11,105	\$ 11,294	\$ 11,485	\$ 11,680	\$ 11,877	\$ 12,077	\$ 12,280	\$ 12,486	\$ 12,695	\$ 12,908	\$ 10,197	\$ 10,367	\$ 10,540
BRA Administrative Fee (15%) deferred	\$ 31,557		\$ 2,394	\$ 2,435	\$ 2,476	\$ 2,518	\$ 2,561	\$ 2,604	\$ 2,648	\$ 2,693	\$ 2,738	\$ 2,784	\$ 2,830	\$ 2,878			
Total State & Local TIR Available	\$ -	\$ -	\$ 5,222	\$ 5,311	\$ 5,401	\$ 5,493	\$ 5,586	\$ 5,680	\$ 5,776	\$ 5,874	\$ 5,972	\$ 6,073	\$ 6,174	\$ 6,278	\$ 16,580	\$ 16,856	\$ 17,137

DEVELOPER	Beginning																		
	Balance																		
DEVELOPER Reimbursement Balance	\$ 418,349	\$ 418,349	\$ 418,349	\$ 413,127	\$ 407,816	\$ 402,415	\$ 396,922	\$ 391,336	\$ 385,655	\$ 379,879	\$ 374,005	\$ 368,033	\$ 361,960	\$ 355,786	\$ 349,508	\$ 332,928	\$ 316,072	\$ 298,935	

EGLE -Preapproved-Environmental Costs	\$ 2,500			\$ 2,500													
State Tax Reimbursement				\$ -													
Local Tax Reimbursement																	
Total EGLE Reimbursement Balance				\$ -													

MSF Non-Environmental Costs	\$ 415,849			\$ 2,722	\$ 5,311	\$ 5,401	\$ 5,493	\$ 5,586	\$ 5,680	\$ 5,776	\$ 5,874	\$ 5,972	\$ 6,073	\$ 6,174	\$ 6,278	\$ 16,580	\$ 16,856	\$ 17,137
State Tax Reimbursement				\$ 2,722	\$ 5,311	\$ 5,401	\$ 5,493	\$ 5,586	\$ 5,680	\$ 5,776	\$ 5,874	\$ 5,972	\$ 6,073	\$ 6,174	\$ 6,278	\$ 6,383	\$ 6,489	\$ 6,597
Local Tax Reimbursement				\$ -												\$ 10,197	\$ 10,367	\$ 10,540
Total MSF Reimbursement Balance				\$ 413,127	\$ 407,816	\$ 402,415	\$ 396,922	\$ 391,336	\$ 385,655	\$ 379,879	\$ 374,005	\$ 368,033	\$ 361,960	\$ 355,786	\$ 349,508	\$ 332,928	\$ 316,072	\$ 298,935
Total Annual Developer Reimbursement	\$ 418,349			\$ 2,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,278	\$ 16,580	\$ 16,856	\$ 17,137

LOCAL BROWNFIELD REVOLVING FUND																		
LBRF Deposits *																		
State Tax Capture	\$ -																	
Local Tax Capture	\$ -																	
Total LBRF Capture	\$ -																	

* Up to five years of capture for LBRF Deposits after eligible activities are reimbursed. May be taken from EGLE & Local TIR only.

Tax Increment Revenue Reimbursement Allocation Table
3200 Tyler Avenue
 Detroit, Wayne County, MI
 March 2023

[illegible]

ATTACHMENT G

BSE&E Acknowledgement



**BUILDINGS, SAFETY ENGINEERING
AND ENVIRONMENTAL DEPARTMENT**

Coleman A. Young Municipal Center
2 Woodward Avenue, Fourth Floor
Detroit, Michigan 48226

Phone 313•224•2733 TTY:711
Fax 313•224•1467
www.detroitmi.gov/BSEED

December 16, 2022

Jennifer Kanalos
Detroit Brownfield Redevelopment Authority (DBRA)
500 Griswold, Suite 2200
Detroit, Michigan 48226

RE: DBRA Document Review and Invoice Notice

Dear Ms. Kanalos:

Attached please find Exhibit B, approving the environmental document submitted to the Buildings, Safety Engineering, and Environmental Department for review of the 3200 Tyler development.

The review of the Phase I Environmental Site Assessment (ESA) dated 8/30/2022 was completed on December 16, 2022 and Invoice #5965086 in the amount of \$500.00 for these services is submitted to your office for payment. The Record Number is POS2022-00062. Please remit a check payable to the Treasurer, City of Detroit by the due date to complete this activity.

If you have any questions, please contact my office at (313) 628-2459.

Sincerely,

Anita Harrington

Anita Harrington

Enclosure

cc: Brian Vosburg
Crystal Rogers

Attachment B

TO: THE DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY

FROM: DETROIT, BUILDINGS, SAFETY ENGINEERING, AND ENVIRONMENTAL DEPARTMENT

PROJECT: 3200 Tyler

DATE: 12/16/2022

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 Jamieson Development Consulting on behalf of Marigold Houses, LLC, as developer, as part of its Brownfield Plan submittal to the Detroit Brownfield Redevelopment Authority (DBRA), for the 3200 Tyler Development project.

- 1 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 not considered a Part 201 "facility" because no recognized environmental concerns were identified. The documents received for this project satisfy the DBRA Guidelines.

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

By: _____
Its: Environmental Specialist III

ATTACHMENT K

Incentives Chart

INCENTIVE INFORMATION CHART: Union at Midtown, Phase II

Project Type	Incentive Type	Investment Amount	District
Residential	OPRA & Brownfield Plan	\$1.645M	Council District 2

Construction				Post Construction			
Professional	Non-Professional	Skilled Labor	Non-Skilled Labor	Professional	Non-Professional	Skilled Labor	Non-Skilled Labor
6	4	36	31		2		

1. What is the plan for hiring Detroiters?

Primary objective is to qualify and hire Detroit based sub-contractors. Trades will be selected by location, and ability to complete the work, schedule and cost. Detroit workers/ trades will be given preferred status over other similar sub trades.

Marigold Houses, LLC is committed to hiring as many Detroit based subcontractors as possible, and will work with our construction manager/general contractors to prioritize this. Where possible, Detroit workers/trades will be given preferred status over other similar sub trades that are based outside the City. Post-construction, we will prioritize hiring Detroit based vendors to service the property.

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

3200 Tyler Work Force

Construction Trades

Demo and Abatement 8
Foundations 2
Flat concrete work 5
Technical Infrastructure 2
Rough Carpentry / Lumber 9
Masonry 4
Roofing 2
Insulation 2
Drywall 6
HVAC 6
Electrical 7
Painting 4
Finish carpentry 4
Cleanup 3
Low voltage 2
Construction manager 1

Total Construction: 67

Architecture 3
Structural Engineers 1
Mechanical Electrical, Plumbing Engineers 2
Civil Engineers/ Surveyors 4

Professionals: 10

Operations

Manager 1
Sales & Support 2
Maintenance staff 4

Total Operations: 7

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

Yes, the project will include 18 residential units. We anticipate the product type will draw residents from surrounding cities and suburbs as well as provide housing for existing Detroit Residents.

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

Thus, far the developer has reached out to regulatory groups such as the DEGC, MEDC, the Department of Neighborhoods and the local councilmembers office. Additionally, the developer has reached out to various trades to discuss the project and looks forward to attending the Skilled Trades Task Force. It is anticipated that through the approval process on the incentives that the developer will reach out to all available community groups.

5. When is construction slated to begin?

3rd quarter 2023.

6. What is the expected completion date of construction?

The project is expected to be complete the 4th quarter of 2024.

*Please contact Linda Wesley at (313) 628-2993 or wesleyl@detroitmi.gov to schedule a date to attend the Skilled Trades Task Force.

ATTACHMENT I

Letter of Functional Obsolescence



OFFICE OF THE CHIEF FINANCIAL OFFICER
Office of the Assessor

Coleman A. Young Municipal Center Phone 313•224•3011
2 Woodward Avenue, Suite 824 Fax 313•224•9400
Detroit, Michigan 48226 www.detroitmi.gov

February 1, 2023

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

RE: **3200 Tyler – Webster Arms Apartments**
Parcel 12004342.

Dear Ms. Kanalos:

The Office of The Chief Financial Officer, Office of the Assessor, has reviewed the proposed project for the property located at 3200 Tyler, Detroit, Michigan (the "Property") in anticipation of the Property being included in a future 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 Office of the Assessor has reviewed the Property and has found that it fits within the definition of functional obsolescence as 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 current configurations do not meet market demand for the original commercial purpose of the building. Mechanical and electrical systems must be replaced, life safety systems (smoke detectors, fire alarm systems, exit signs and fire sprinklers) must be installed, interior finishes have been stripped, a new security system must be installed and the windows, flooring, and roof must be substantially repaired or replaced.

The 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

Exhibit B



March 8, 2023

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 3200 Tyler 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 March 8, 2023, adopted a resolution approving the proposed Brownfield Plan for 3200 Tyler 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 3200 Tyler.

Very truly yours,

By:

Rico Razo, Chairperson
Community Advisory Committee to the City of Detroit
Brownfield Redevelopment Authority



Call to Order

Dr. Randall, Acting-Chairperson, called the meeting to order at 5:00 p.m.

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

Mr. Etheridge, Mr. Evans, Mr. Osbern, Mr. Franklin, Mr. Hasan, and Mr. Clay introduced themselves as the newest members of the CAC and provided some information on their professional backgrounds.

Projects

3200 Tyler Brownfield Redevelopment Plan

Mr. Vosburg presented the 3200 Tyler Brownfield Redevelopment Plan.

Project Introduction

Marigold Houses, LLC is the project developer ("Developer"). The project will renovate the abandoned 15-unit multifamily apartment building with retained elements of the original historic charm. The building identified as the Webster Arms Apartment was constructed in 1928 and consists of a two-story multi-family residential building with a basement. The HVAC system will be converted in this building into a 100% electric Green building, with Green Heat Pump heating and cooling in every unit (4 times more efficient than older electric heating and cooling systems, designed to meet climate reduction goals). Anticipated rental rates will be 50%-60% of the Area Median Income (AMI). It is currently anticipated construction will begin in summer 2023 and eligible activities will be completed within 18 months.

The total investment is estimated to be \$2 million. The Developer is requesting \$473,776.00 in TIF reimbursement.

There will be approximately 6-10 temporary construction jobs and approximately 2 permanent jobs are expected to be created by the project.

Property Subject to the Plan

The eligible property (the "Property") consists of one (1) parcel, 3200 Tyler Street, which is bounded by an alleyway to the north, Wildemere Street to the east, Tyler Street to the south and the property line to the west in the Russell Woods/Narden Park neighborhood.

Basis of Eligibility

The Property is considered "eligible property" as defined by Act 381, Section 2 because (a) it was previously utilized for a commercial purpose; (b) is located within the City of Detroit, a qualified local governmental unit; and (c) the Property is "Functionally Obsolete" 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 environmental assessment activities, demolition, lead and asbestos abatement, site preparation, public infrastructure improvements, and the 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. Environmental Assessment Activities	\$2,500.00
2. Demolition	\$74,700.00
3. Lead and Asbestos Abatement	\$36,050.00
4. Site Preparation	\$9,500.00
5. Infrastructure Improvements	\$237,000.00
6. Brownfield Plan & Work Plan	\$60,000.00
7. Contingency (15%)	\$54,026.00
Total Reimbursement to Developer	\$473,776.00
8. Authority Administrative Costs	\$93,235.00
9. State Brownfield Redevelopment Fund	\$24,037.00
10. Local Brownfield Revolving Fund	\$0.00
TOTAL Estimated Costs	\$591,048.00

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 includes 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. Hines provided more information about the project including the Developer's passion for redeveloping historic structures, the current conditions of the Property, the plans for stormwater management systems, the types of residential units that will be included in the development, and the conversion of the heating systems to all electric.

Mr. Clay asked how many projects the Developer has completed. Mr. Hines stated that he has completed about a dozen other projects in the City of Detroit and the City of Highland Park and that this will be the largest project that he will have completed and that he works with his brother on the projects.

Mr. Etheridge stated that he would like to commend the Developer on committing to a deeper level of affordability for the residential units than the standard affordability that is required with the approval of a tax abatement. Mr. Etheridge then asked what process the Developer will complete in order to identify a contractor to perform the lead and asbestos abatement. Mr. Hines stated that he has touched base with a few contractors about completing the lead and asbestos abatement for the project and received some cost estimates, and stated that considering the seriousness and sensitivity of lead and asbestos abatement, they will be utilizing a licensed and insured contractor to complete the work.

Mr. Etheridge asked for clarification on the requested grant and loan from the Local Brownfield Revolving Fund. Mr. Vosburg stated that the Developer is requesting a grant and loan from the Local Brownfield Revolving Fund, and stated that under brownfield plans, once the developer is fully reimbursed the DBRA

is able to capture up to five years of TIF under the plan to go into the Local Brownfield Revolving Fund which is used to provide grants and loans for projects with brownfield eligible activities.

Mr. Franklin stated that as he was born and raised in this neighborhood, he is happy to see this building being redeveloped and to see investment in the area. Mr. Franklin then asked what the plans are for parking for the development. Mr. Hines stated that the parking plans for the project is something that he has been working on and stated that he was in talks with the Detroit Land Bank Authority about purchasing a nearby lot to use for surface parking but that it didn't seem to be the best option for the project and that he is trying to contact the owners of some privately owned properties near the Property.

Mr. Franklin asked if there will be a fee charged for parking for the residents of the Property. Mr. Hines stated that if he isn't able to provide enough parking spots for all of the residents, he may charge a nominal fee for parking for those residents who do want to have a reserved parking spot.

Mr. Franklin asked for more information on the sizes of the residential units. Mr. Hines stated that the residential units are a mix of studio units and one-bedroom units.

Mr. Osborn stated that he commends the Developer on taking on this project, and asked if the Developer has plans to hire people from the community or Detroit-based contractors. Mr. Hines stated that through his past projects he has worked with various Detroit residents and Detroit-based contractors and that he finds many of them through word of mouth and talking to residents near the projects. Ms. Jamieson added that Mr. Hines and his brother are both residents of the City of Detroit.

Ms. Ali asked if any of the residential units are accessible for those with disabilities. Mr. Hines stated that unfortunately there are many stairs and levels throughout the building to get to the residential units and that layout makes it challenging to make the building accessible for those with disabilities.

Ms. Ali asked if the building is required to be ADA compliant. Mr. Hines stated that it is not a requirement for the building to be ADA compliant.

Mr. Franklin asked for more information on the new permanent jobs to be created by the project. Mr. Hines stated that the new permanent jobs created by the project will be related to property maintenance and property management.

Mr. Etheridge asked if the Developer pursued any tax incentives for his past projects. Mr. Hines stated that he did not pursue tax incentives for his past projects and this is the first time pursuing approval of tax incentives.

Ms. Ali asked for more information on the planned stormwater management for the project. Mr. Hines stated that currently the gutters and drains are connected directly to the sewer system and his plan is to disconnect those drains and there is an area on the Property where the stormwater management system will be located.

Mr. Osborn asked what the anticipated construction timeline is for the project. Mr. Hines stated that he would like to begin construction this summer and target finishing the project at the end of 2024 in order to allow for delays.

Mr. Franklin asked if the Developer is connected to any block clubs or community groups in the area. Mr. Hines stated that he has had a hard time connecting with any block clubs or community groups in the area but stated that he has been in contact with area residents and would like to be more involved with organized community groups.

Mr. Razo suggested that the Developer reach out to the City of Detroit Department of Neighborhoods for assistance with getting connected with community groups in the area.

Mr. Evans requested that the Developer provide a list of the Detroit-based companies that they have worked with in the past. Mr. Hines stated that he would provide a list of the Detroit-based companies that he has worked with in the past and that a lot of the work has been complete by individual contractors.

Dr. Randall stated that the support letters included in the Plan were very accurate and up to date and were provided by members of the community.

Mr. Clay asked if the Developer has asked to the residents adjacent to the Property. Mr. Hines stated that he has spoken with some of the residents adjacent to the Property and plans to reach out to the others.

Mr. Razo asked for more information on the amount of TIF being requested for the lead and asbestos abatement. Ms. Jamieson stated that the amount of TIF being requested for the lead and asbestos abatement is based on estimates from contractors.

Mr. Razo asked if the plan is to remove or encapsulate the lead and asbestos in the building. Mr. Hines stated that the plan is to try to keep as many of the design elements as possible in the process of lead and asbestos abatement.

Mr. Osbern asked when the local public hearing is scheduled. Mr. Vosburg stated that the local public hearing for this project is scheduled for Wednesday, March 15, 2023 at 5:00pm.

Mr. Razo called for a motion regarding the 3200 Tyler Brownfield Redevelopment Plan, as presented.

Dr. Randall made a motion to recommend approval of the 3200 Tyler Brownfield Redevelopment Plan. Mr. Osbern seconded the motion.
DBRA-CAC Resolution Code 23-03-316-01 was approved.



**MINUTES OF THE
DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
PUBLIC HEARING FOR THE
3200 TYLEAR STREET BROWNFIELD REDEVELOPMENT PLAN**

**Wednesday, March 15, 2023
Held via Zoom
5:00 PM**

In attendance were:

Jennifer Kanalos (DEGC/DBRA)
Cora Capler (DEGC/DBRA)
Brian Vosburg (DEGC/DBRA)
Anne Jamieson (Jamieson Consulting)
Kurt Hines (Marigold Houses)
Ponce Clay (DBRA-CAC Member)
DeMarcus Taylor

Mr. Vosburg called the meeting to order at 5:05 PM.

Mr. Vosburg gave an overview of the structure of the public hearing and provided instructions to participants on how to utilize the Zoom software to ask questions and/or provide public comment.

Mr. Vosburg informed the hearing of the way tax increment financing works, the structure of the Detroit Brownfield Redevelopment Authority, the tax increment financing request per the Brownfield Plan, and provided an overview of the project.

Mr. Hines provided additional details regarding the redevelopment plan for the project location, including the current conditions of the property and the community engagement that has been conducted to date.

Mr. Taylor asked for more information on the TIF capture for the Local Brownfield Revolving Fund (LBRF). Mr. Vosburg stated that under brownfield plans, once the Developer has been reimbursed for Eligible Activities and if the term of the brownfield plan allows, the DBRA is able to capture TIF for up to five to go into the LBRF. Mr. Vosburg added that in the case of the 3200 Tyler Brownfield Plan, the Developer anticipates needing the full 30-year term of the Plan to be fully reimbursed for Eligible Activities, and therefore the DBRA does not anticipate capturing TIF for the LBRF.

Mr. Taylor stated that he thinks the Developer should be in contact with the community to see how the Developer can provide more benefits to the neighborhood outside of the redevelopment of the abandoned building.

Citing no additional public comments or questions, Mr. Vosburg closed the public hearing at 5:38 PM.

Exhibit C



CODE DBRA 23-03-316-02

3200 TYLER AVENUE 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 **3200 Tyler 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 **3200 Tyler 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.

March 22, 2023

EXHIBIT D

RESOLUTION CALLING A PUBLIC HEARING REGARDING APPROVAL OF THE BROWNFIELD PLAN OF THE CITY OF DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY FOR 3200 TYLER STREET 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 3200 Tyler Street 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 11th day of May, 2023 at a requested time of 10:35 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.

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 3200 TYLER STREET 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 3200 Tyler Street Redevelopment Project (the “Plan”); and

WHEREAS, the Authority submitted the Plan to the Community Advisory Committee for consideration on March 8, 2023, per the provisions of the resolution establishing the Authority, and a public hearing was conducted by the Authority on March 15, 2023 to solicit comments on the proposed Plan; and

WHEREAS, the Community Advisory Committee recommended approval of the Plan on March 8, 2023; and

WHEREAS, the Authority approved the Plan on March 22, 2023 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 May 11, 2023.

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 Depositary. The Authority shall establish a separate fund for the Eligible Property subject to this Plan, which shall be kept in a depositary 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 _____, 2023, 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