



# THE MID

Community  
Benefits  
Ordinance  
Public Meeting 3  
May 7, 2019



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# Agenda

- **Introduction of the Neighborhood Advisory Council (NAC) + Expectations**
- **Overview of Economic Benefit of this Project from the DEGC**
- **Questions from the NAC**
- **The Mid Development Project Presentation + Developer & NAC Discussion**
- **Public Comment**



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# **The Mid NAC Members**

- 1. Deidra Anderson**
- 2. Elliot Broom**
- 3. Michael Boettcher**
- 4. Melissa Corrigan**
- 5. Mike Essian**
- 6. James Harrigan**
- 7. Chris Jackson**
- 8. Cynthia Redmond**
- 9. Bernice Smith**



# Schedule

## The Mid (3750 Woodward) CBO SCHEDULE

| Meetings   | April  |        |        | May   |        |        |        | June  |        |        |      |
|--|--------|--------|--------|-------|--------|--------|--------|-------|--------|--------|------|
|  | WK 2   | WK 3   | WK 4   | WK 1  | WK 2   | WK 3   | WK 4   | WK 1  | WK 2   | WK 3   | WK 4 |
| <b>Deadline: Mail-by Date</b>  | 3-Apr  |        |        |       |        |        |        |       |        |        |      |
| <b>Meeting 1</b> - Introduction to CBO                                       | 16-Apr |        |        |       |        |        |        |       |        |        |      |
| <b>Meeting 2</b> - NAC Selection ( <i>2 members selected by the public</i> ) |        | 23-Apr |        |       |        |        |        |       |        |        |      |
| <b>Bye Week</b> - City Selection Week  |        |        | No Mtg |       |        |        |        |       |        |        |      |
| <b>Meeting 3</b> - Developer Project Presentation to NAC                     |        |        |        | 7-May |        |        |        |       |        |        |      |
| <b>Bye Week</b> - NAC Prepares Project Impacts & Community Benefits          |        |        |        |       | No Mtg |        |        |       |        |        |      |
| <b>Meeting 4</b> - NAC Presents Project Impacts & Community Benefits         |        |        |        |       |        | 21-May |        |       |        |        |      |
| <b>Bye Week</b> - Developer Prepares Responses for NAC                       |        |        |        |       |        |        | No Mtg |       |        |        |      |
| <b>Meeting 5</b> - Developer Presents Responses to Community Benefits        |        |        |        |       |        |        |        | 4-Jun |        |        |      |
| <b>Bye Week</b> - NAC Prepares Letter of Consensus by June 11                |        |        |        |       |        |        |        |       | No Mtg |        |      |
| <b>Meeting 6</b> - TBD   |        |        |        |       |        |        |        |       |        | 18-Jun |      |

\*Please note that this schedule might change. Updates will be provided to any changes as we progress.



# THE MID

## Incentives

### Overview

May 7, 2019



**DEGC**

Detroit Economic  
Growth Corporation





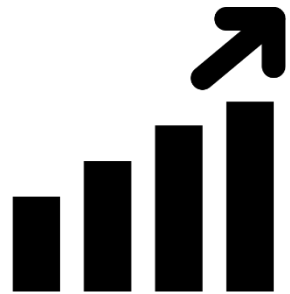


# Property Tax Abatements

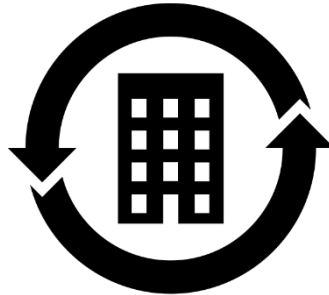
## General Eligibility Criteria



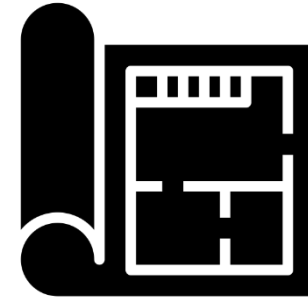
State Law allows developers the future increase in taxes for a certain period of time



**Business Expansion**



**Rehabilitation of Blighted or Obsolete Building**



**New construction of commercial property on vacant land.**





# Eligibility for Incentives

## “But-For” Analysis

- Investment would not have occurred in Detroit without local commitments

## Economic Benefits

- Create and/or retain jobs for Detroiters
- Represent an industry targeted by the City for job growth
- Brings other sources of investment (state or federal grants and loans)

## Fiscal Benefits

- **Provides increase in tax revenues and a net gain over the incentive period**
- **Does not reduce existing taxes for any local jurisdiction**

## Strategic Benefits

- Project is consistent with the city’s plans, corridor strategies, or strategic initiatives, including:
  1. Increased employment for Detroiters or blight elimination
  2. Local hiring and training programs for Detroit residents
  3. Local opportunities for Detroit-based businesses



# DEGC Evaluation of The Mid



## Activation of Vacant Land w/ Public Amenities

*Site has been vacant since September 2014*



## Job Attraction – 503 Direct Jobs

*Full-time employees to work in property management and retail*

*1,800 construction jobs with Local Hire commitments*



## “But For” Test

*High construction and site remediation costs*

*Underwriting demonstrated economic need*



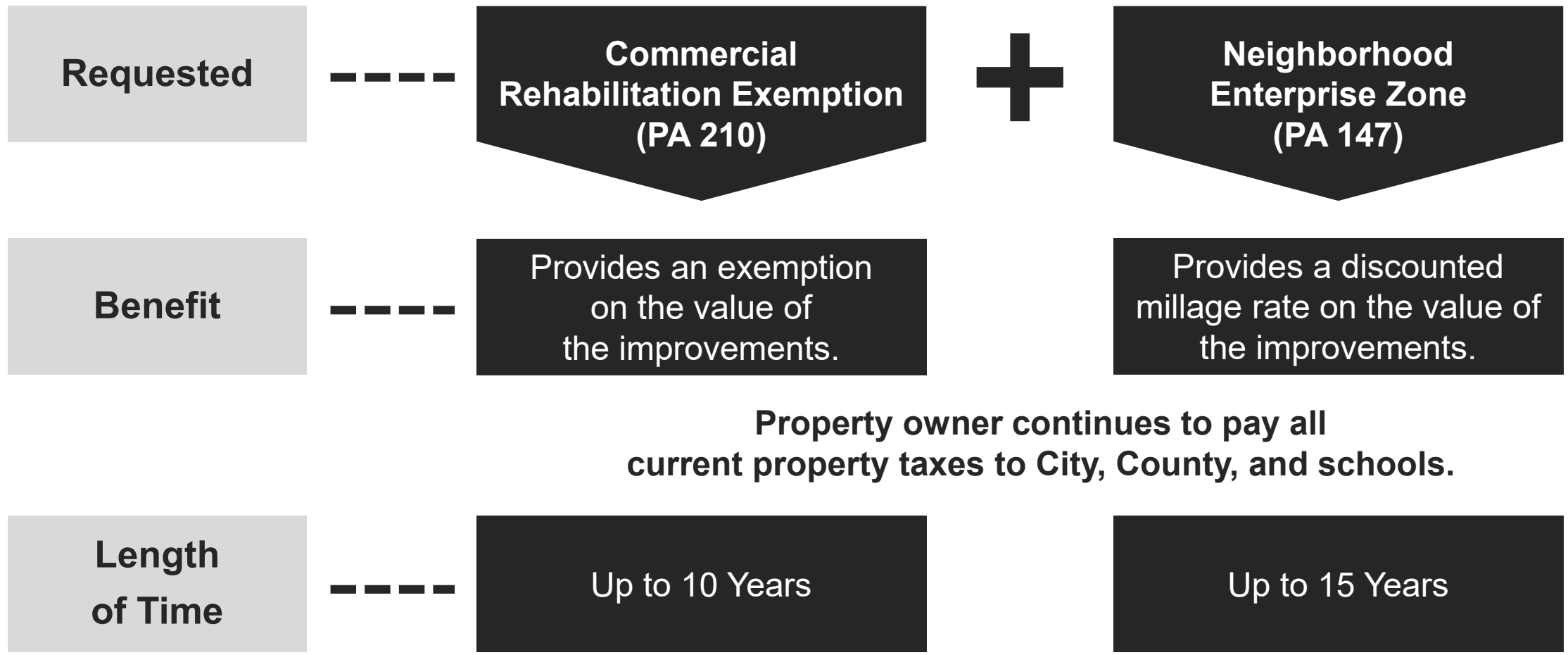
## Net Benefit

**\$52M** in net fiscal benefit to the City over 30 years





# The Mid Tax Abatements





# Summary of Tax Abatements

| Requested Abatements | Estimated Abated Taxes |                   | Time Period |
|----------------------|------------------------|-------------------|-------------|
|                      | Detroit                | All Jurisdictions |             |
| CRE (PA 210)         | \$12M                  | \$24M             | 10 Yrs      |
| NEZ (PA 147)         | \$1.5M                 | \$3M              | 15 Yrs      |
| <b>TOTAL</b>         | <b>\$13.5M</b>         | <b>\$27M</b>      |             |

**NET FISCAL  
BENEFIT TO  
THE CITY**

**\$52M**

**30 Year  
Analysis**





# City of Detroit

## Net Benefit Breakdown\*

| Revenues                    |               |
|-----------------------------|---------------|
| Property Taxes.....         | <b>\$48M</b>  |
| Income Taxes.....           | <b>\$27M</b>  |
| Utilities.....              | <b>\$5.5M</b> |
| State Shared Sales Tax..... | <b>\$9.5M</b> |
| Permits, Fees, Misc.....    | <b>\$14M</b>  |
| <b>Total Revenues</b>       | <b>\$104M</b> |

| Costs                              |                |
|------------------------------------|----------------|
| Services (Fire, Police, Etc.)..... | <b>\$16M</b>   |
| Utilities .....                    | <b>\$3M</b>    |
| Tax Abatement.....                 | <b>\$13.5M</b> |
| Brownfield TIF.....                | <b>\$20M</b>   |
| <b>Total Costs</b>                 | <b>\$52M</b>   |

\* DEGC Estimates



# Brownfield Act



In 1996,  
Act 381 of the State of  
Michigan allowed a  
**“Qualified Local  
Governmental Unit”** to  
establish a Brownfield  
Redevelopment Authority  
(BRA)



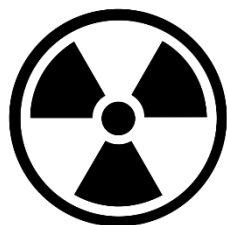
Detroit is a  
Qualified Local  
Governmental Unit



In 1998  
The Detroit Brownfield  
Redevelopment  
Authority (DBRA) was  
established

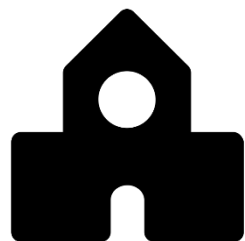


# Eligibility for Brownfield



## Facility

A property formally recognized as contaminated per the Natural Resources & Environmental Protection Act (NREPA), Michigan PA 451 of 1994



## Historic Resource

A property located in a City, State and/or Federal Historic District



## Functionally Obsolete / Blighted

Must also be accompanied by written confirmation from City Assessor

Public nuisance, utilities removed/destroyed, tax reverted, buried subsurface demolition material



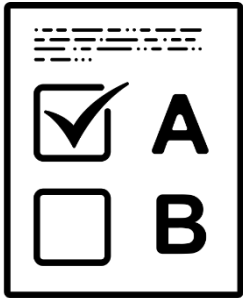
## Adjacency

Parcels directly adjacent to an eligible property



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# Eligible Environmental Brownfield Costs



**Environmental  
Testing & Reporting**



**Environmental  
Insurance**



**Removal &  
Remediation of  
Contamination**

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# Eligible Non- Environmental Brownfield Costs

- **Demolition** – interior, exterior & site
- **Lead, asbestos and mold abatement**
- **Infrastructure improvements in public right of way**  
*bike paths, curb & gutter, landscaping, lighting, parks, roads, public rail lines, marinas, sidewalks, sanitary main, signage, storm sewer, water main*
- **Site preparation**
  - Staking for eligible costs
  - Clearing & grubbing
  - Temporary construction access & roads
  - Temporary traffic control
  - Temporary erosion control
  - Temporary site control – fencing, lighting & signs

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# Timeline

Community Benefits Process (In process & ongoing)

City Council Planning and Economic Development Meeting

- Public Hearings for NEZ/PA 210/Brownfield: **Thursday June 20, 2019**
- **District on June 20, 2019**
- Certificate date TBD

DBRA Board Meeting: **May 8<sup>th</sup>**

DBRA Public Hearing: **Week of May 13<sup>th</sup>**

Michigan Strategic Fund Hearing for Brownfield: **July 23, 2019**

**Q + A**



# THE MID

3750 WOODWARD AVENUE  
MARCH 2019





DESIGN FOR  
ACTIVATION



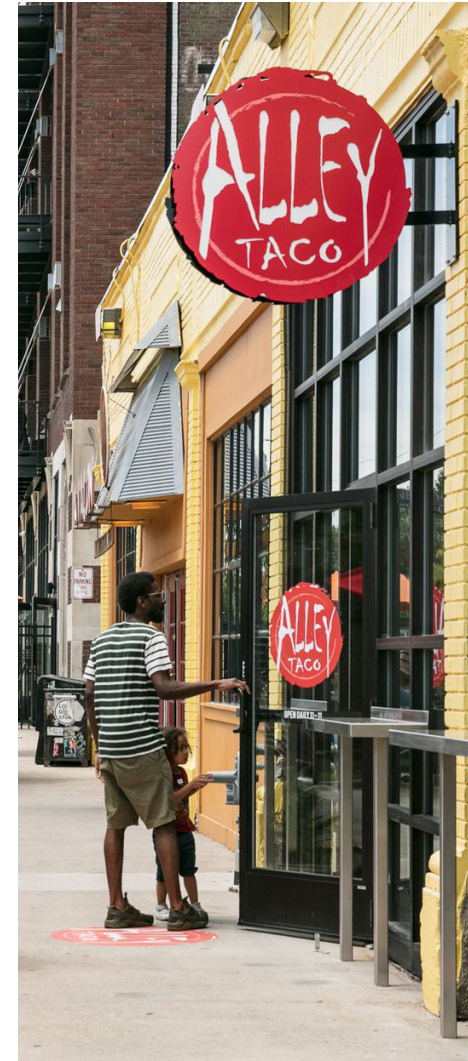
INTRODUCE  
MULTI-SEASONAL  
PUBLIC SPACE



ENRICH EXISTING  
NEIGHBORHOODS



STRENGTHEN  
MIDTOWN RETAIL  
ENVIRONMENT

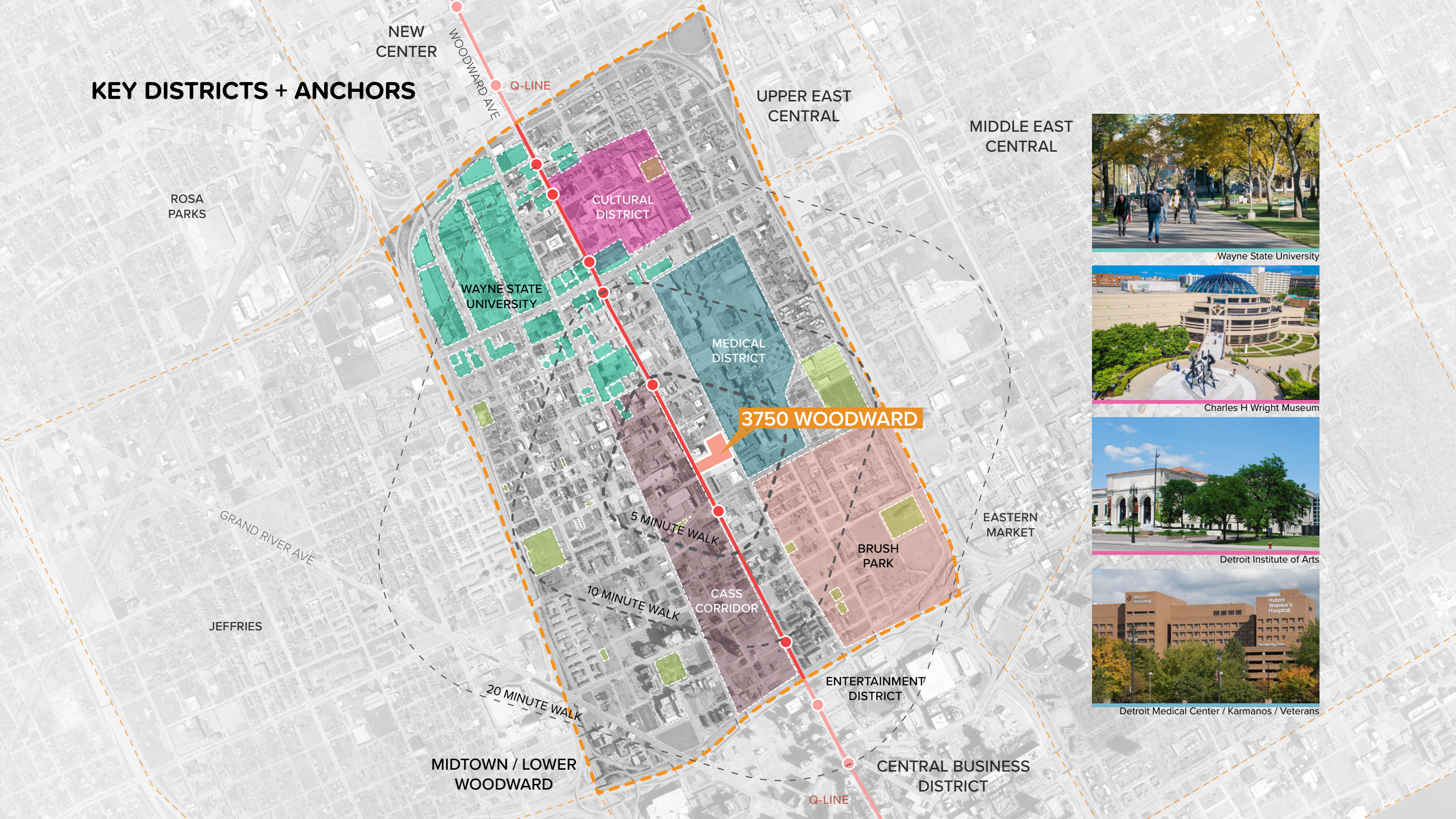


LINK URBAN  
ECOSYSTEMS





# KEY DISTRICTS + ANCHORS



Wayne State University



Charles H Wright Museum



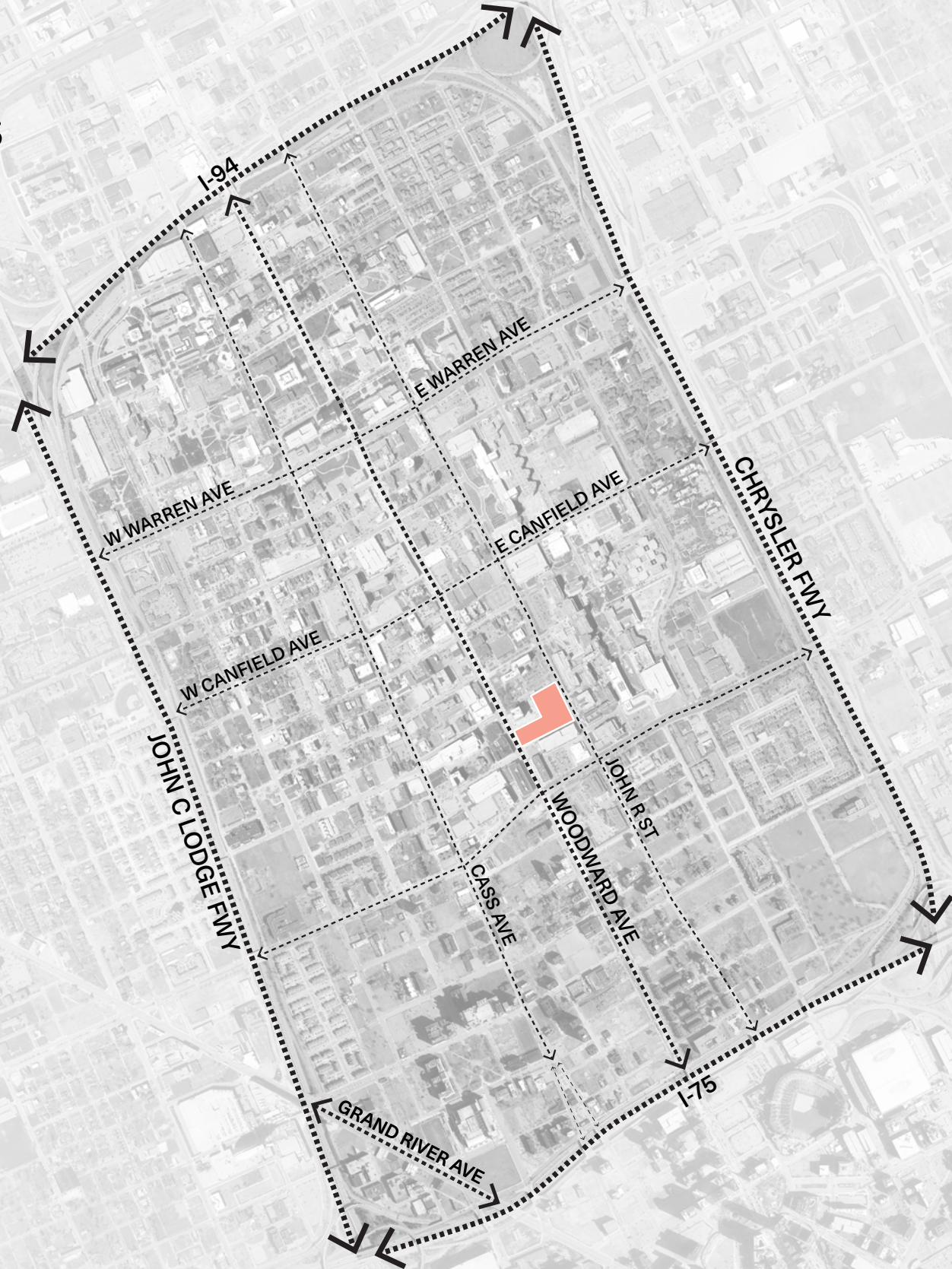
Detroit Institute of Arts



Detroit Medical Center / Karmanos / Veterans



# TRAFFIC + BOUNDARIES





# TRANSPORTATION



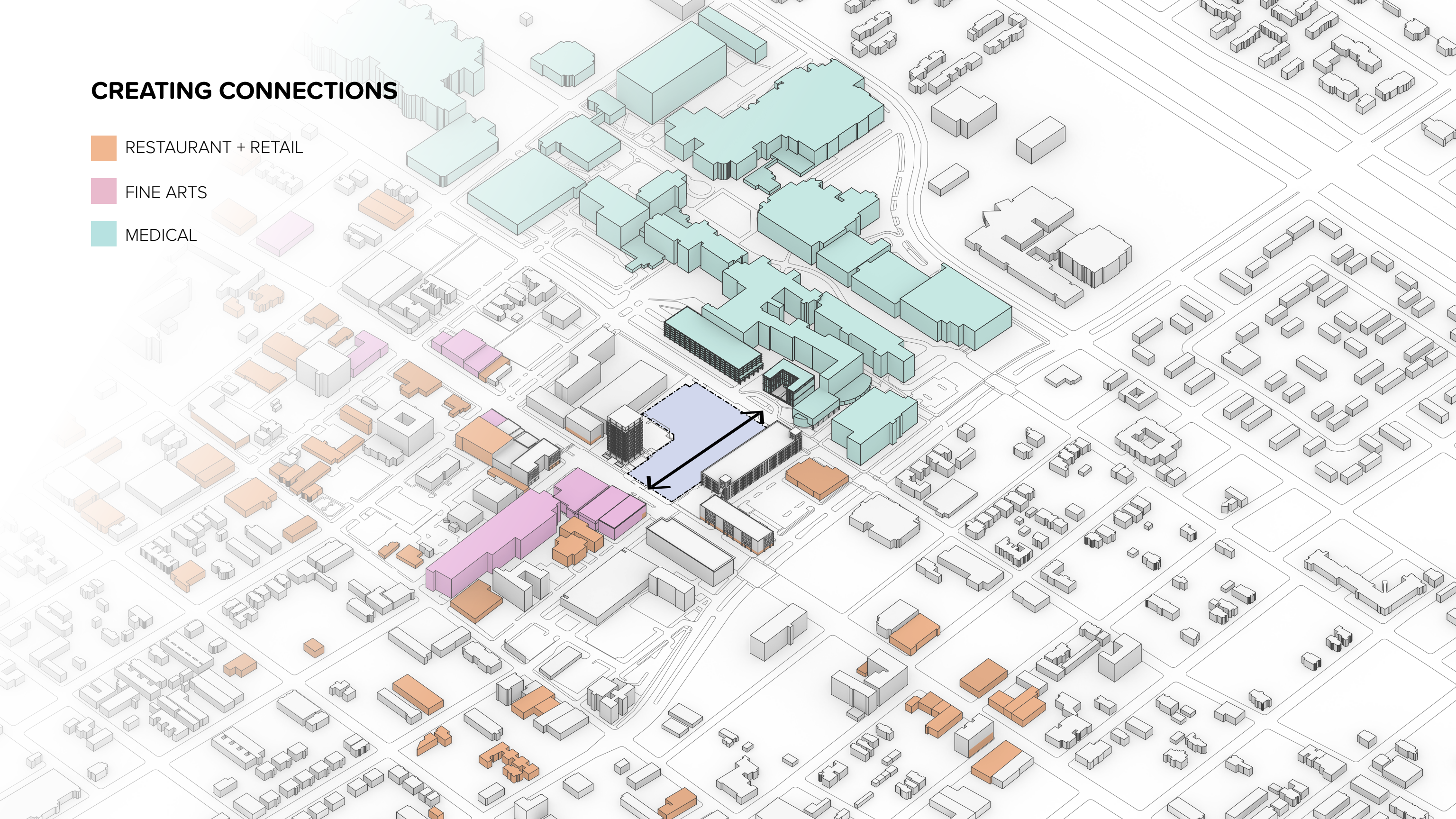


# CREATING CONNECTIONS

RESTAURANT + RETAIL

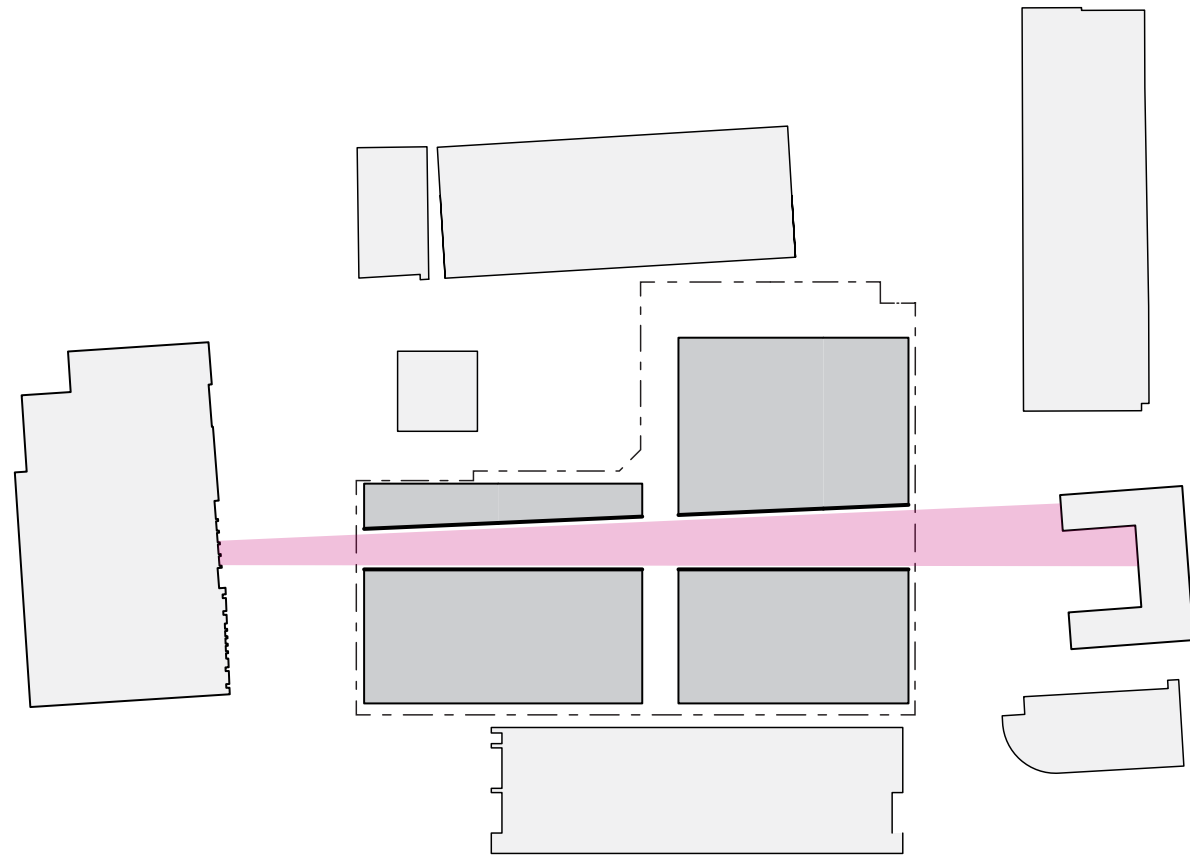
FINE ARTS

MEDICAL

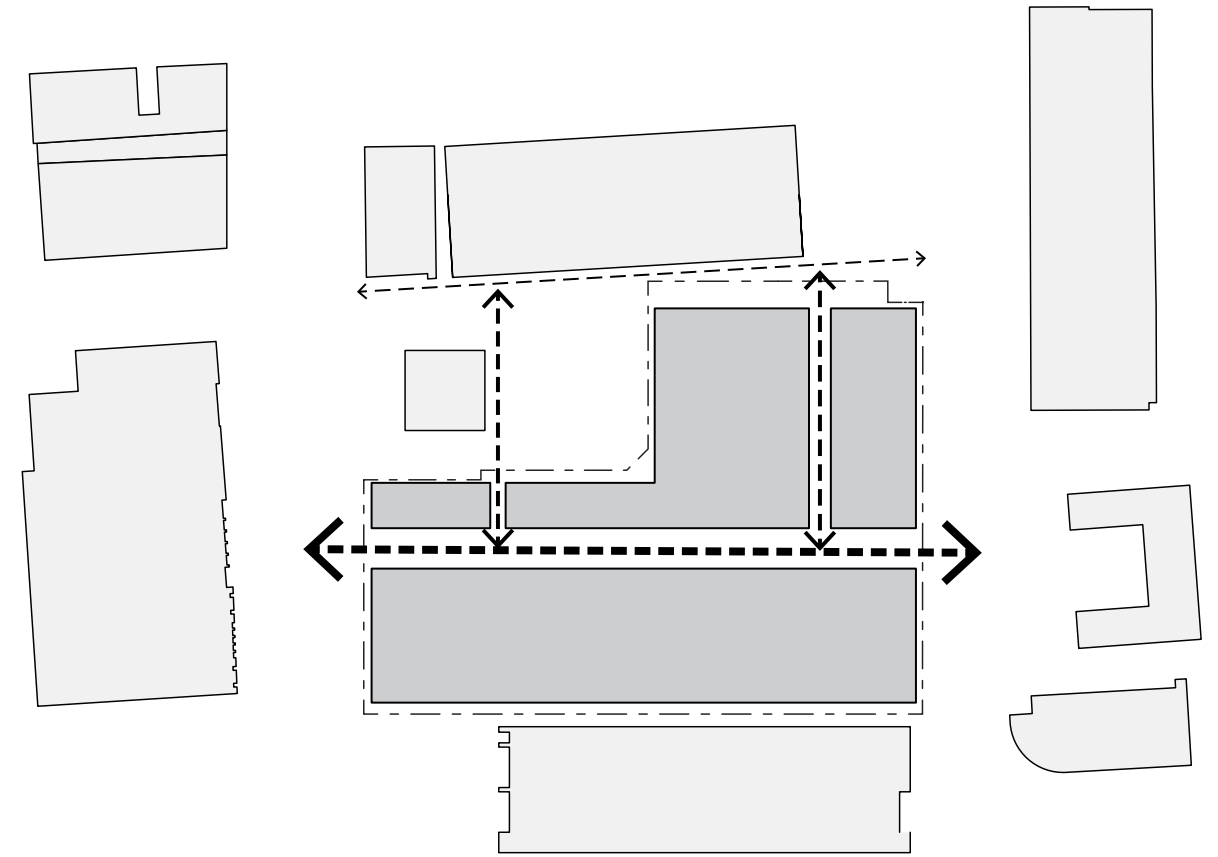




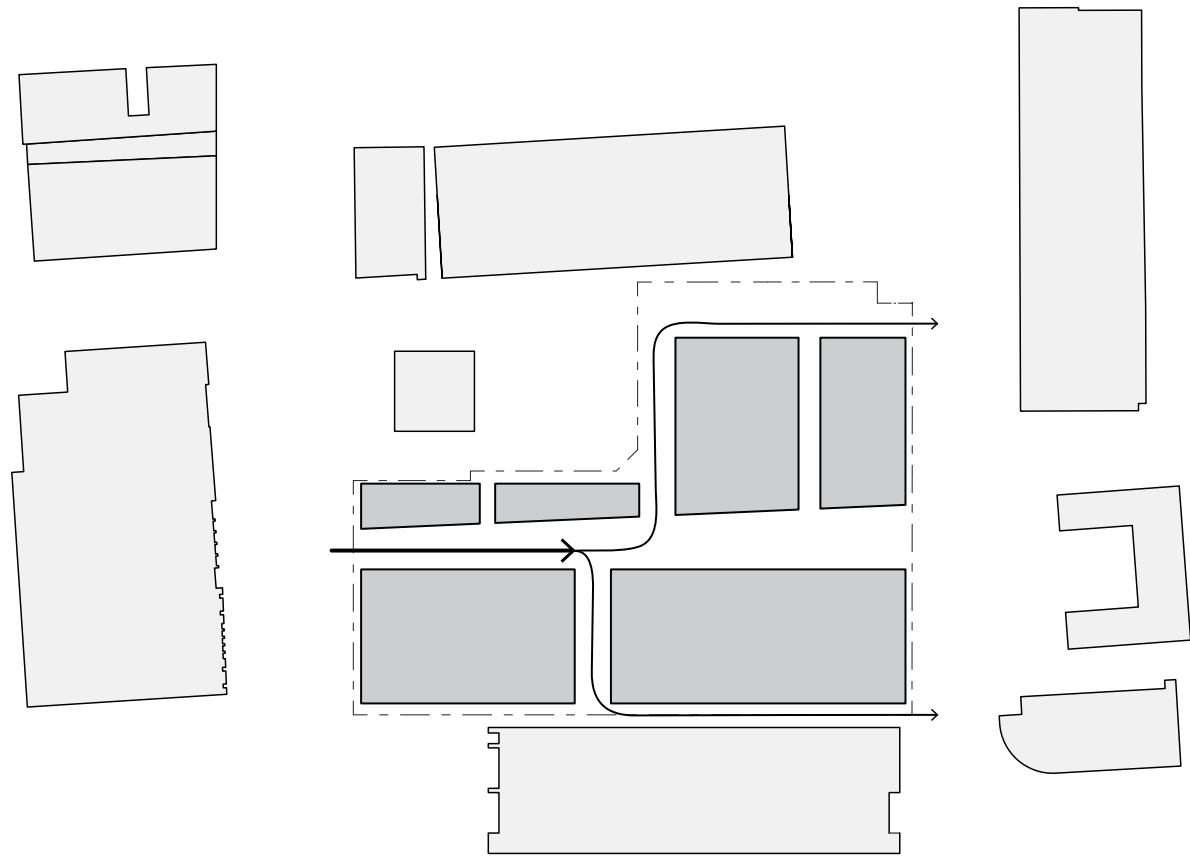
# SITE DEVELOPMENT



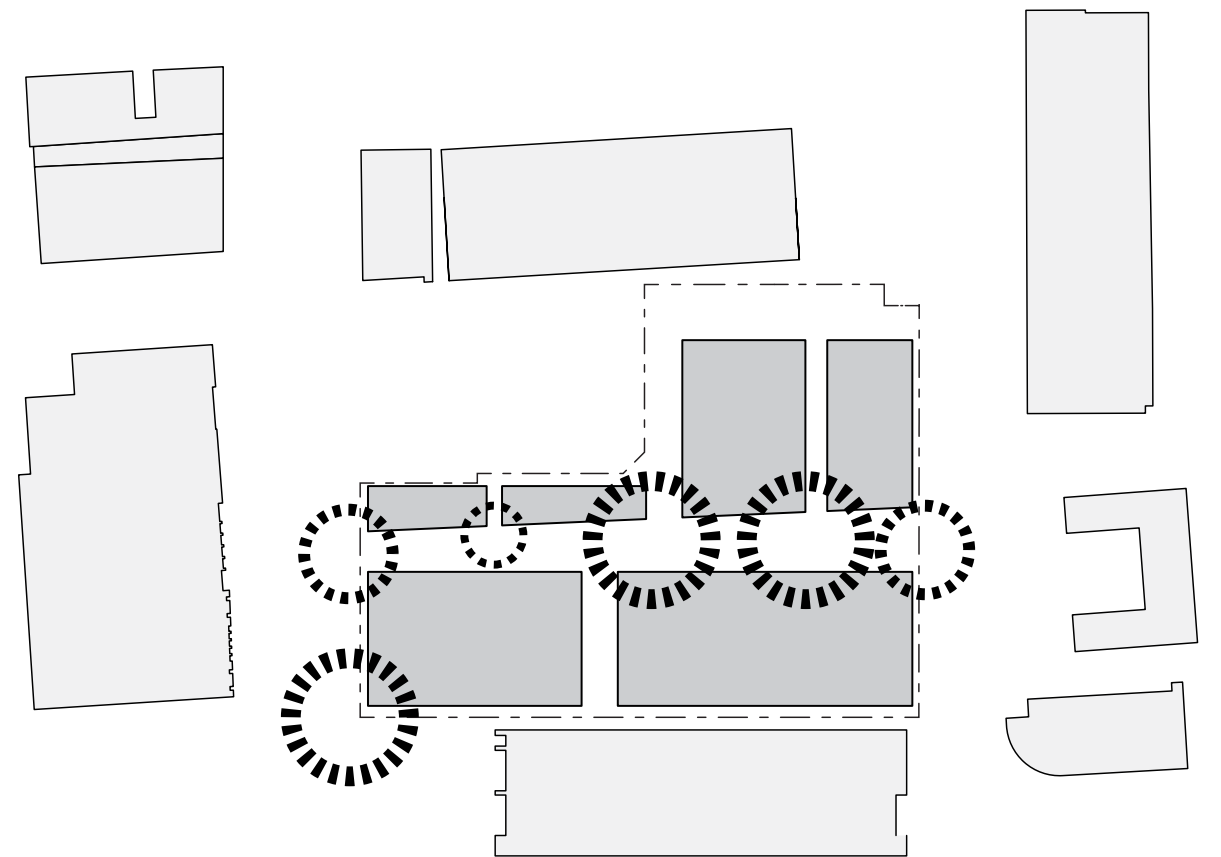
CREATE CONNECTIONS



ACTIVATE FOR PEDESTRIANS



VEHICULAR CIRCULATION



INTERSECTIONS

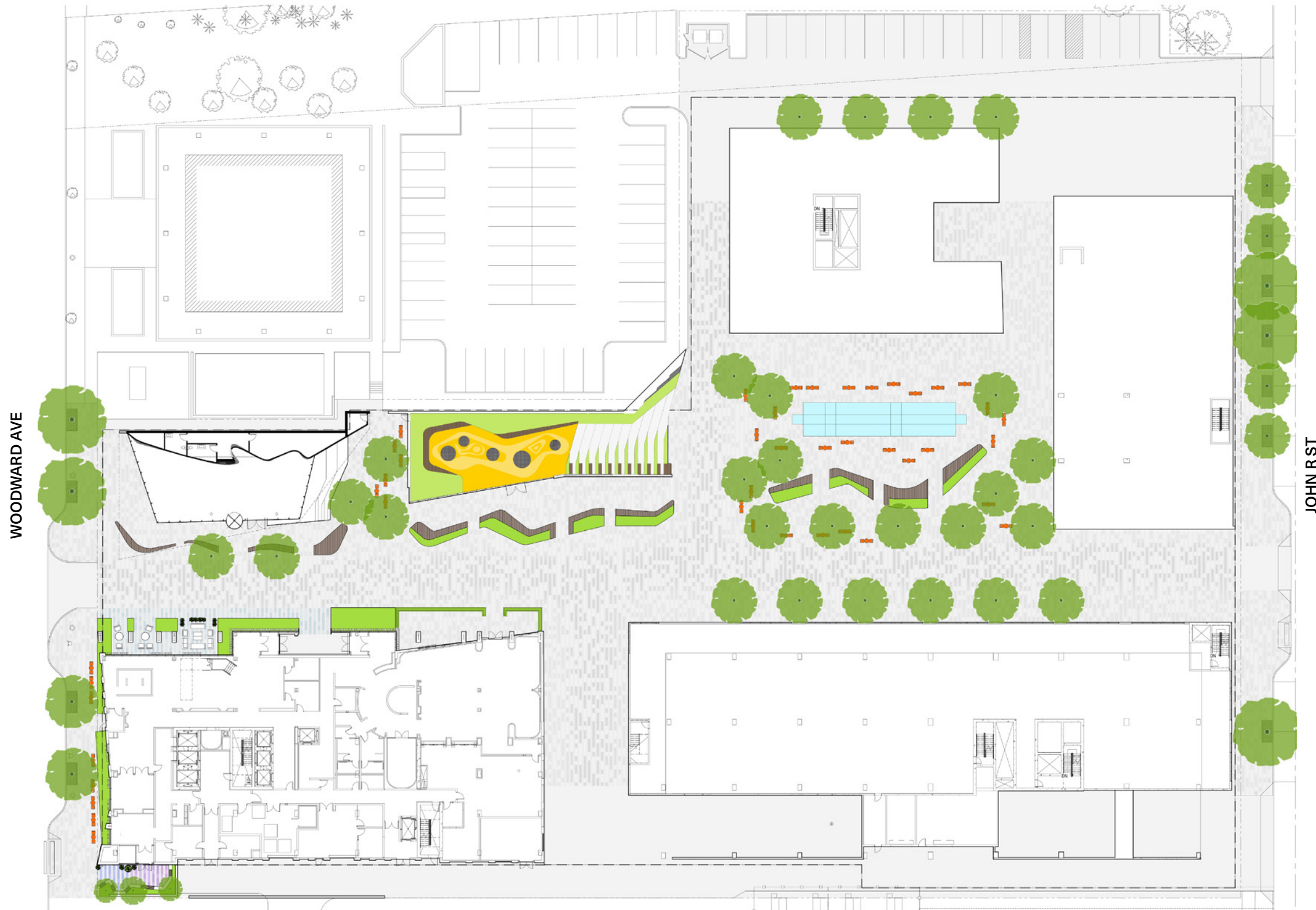


PUBLIC SPACES



ENTRY LOCATIONS





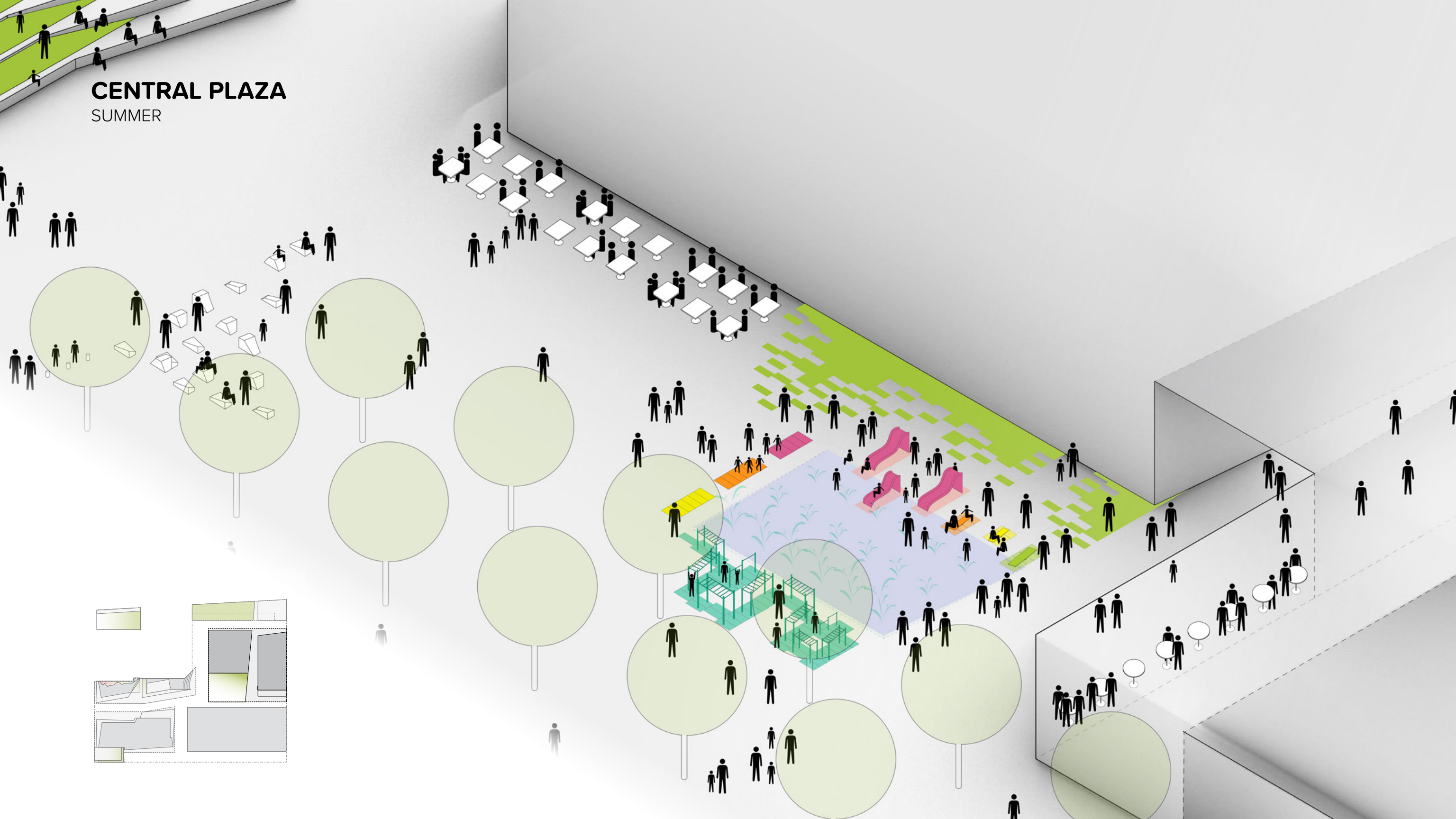






# CENTRAL PLAZA

SUMMER







MERCADO

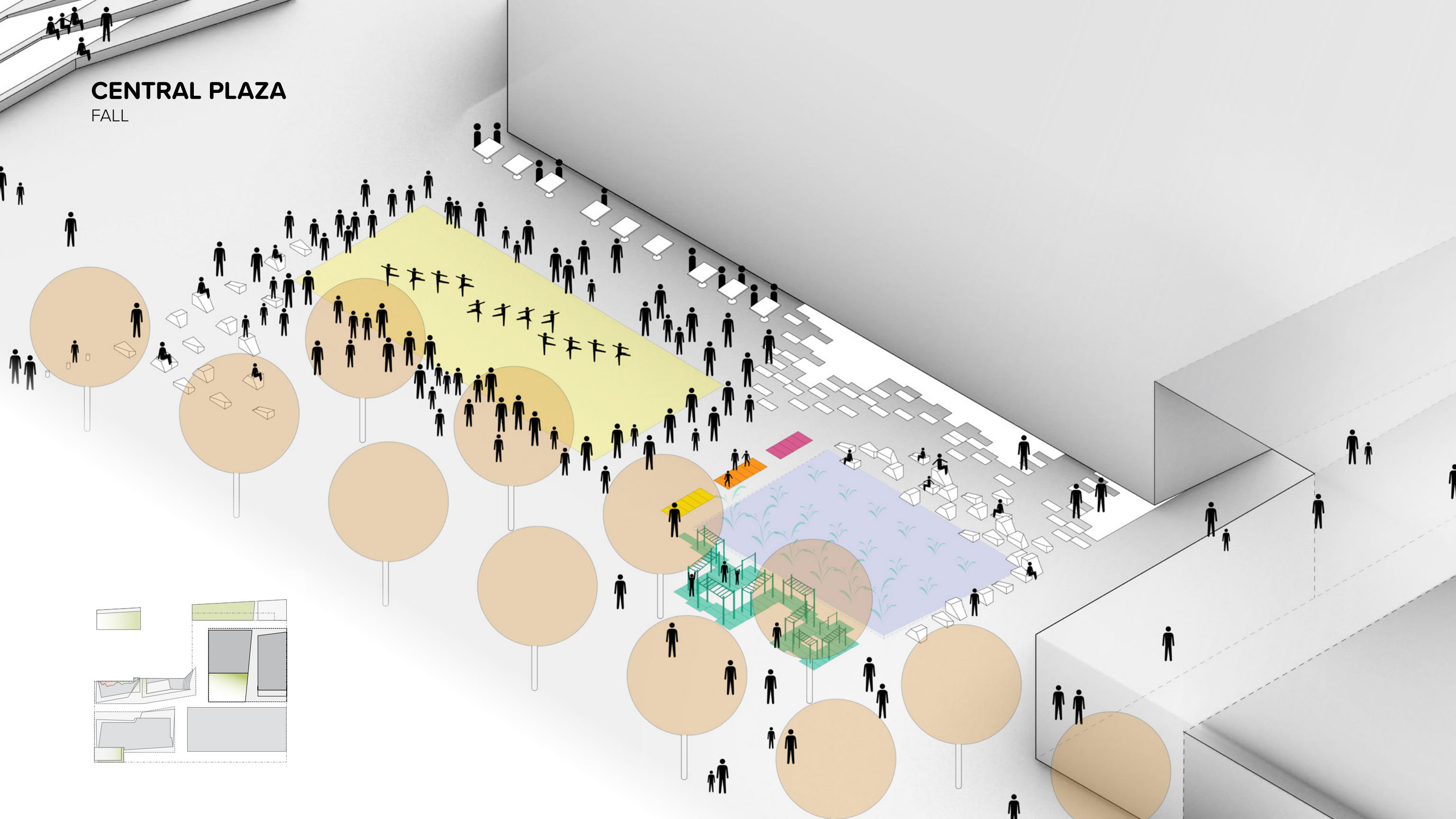
THE LOFT

THE TABLE



# CENTRAL PLAZA

FALL



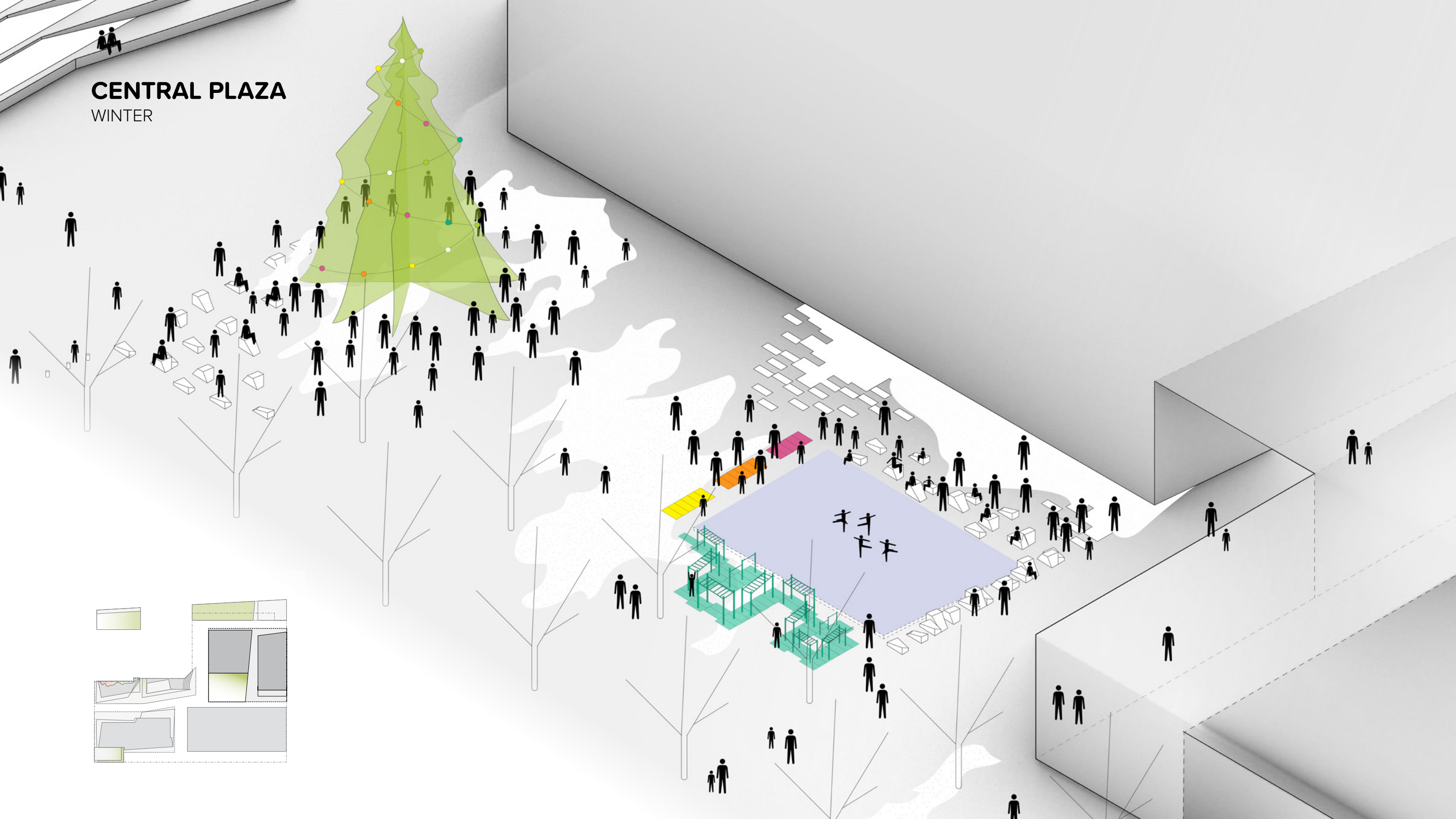






# CENTRAL PLAZA

WINTER



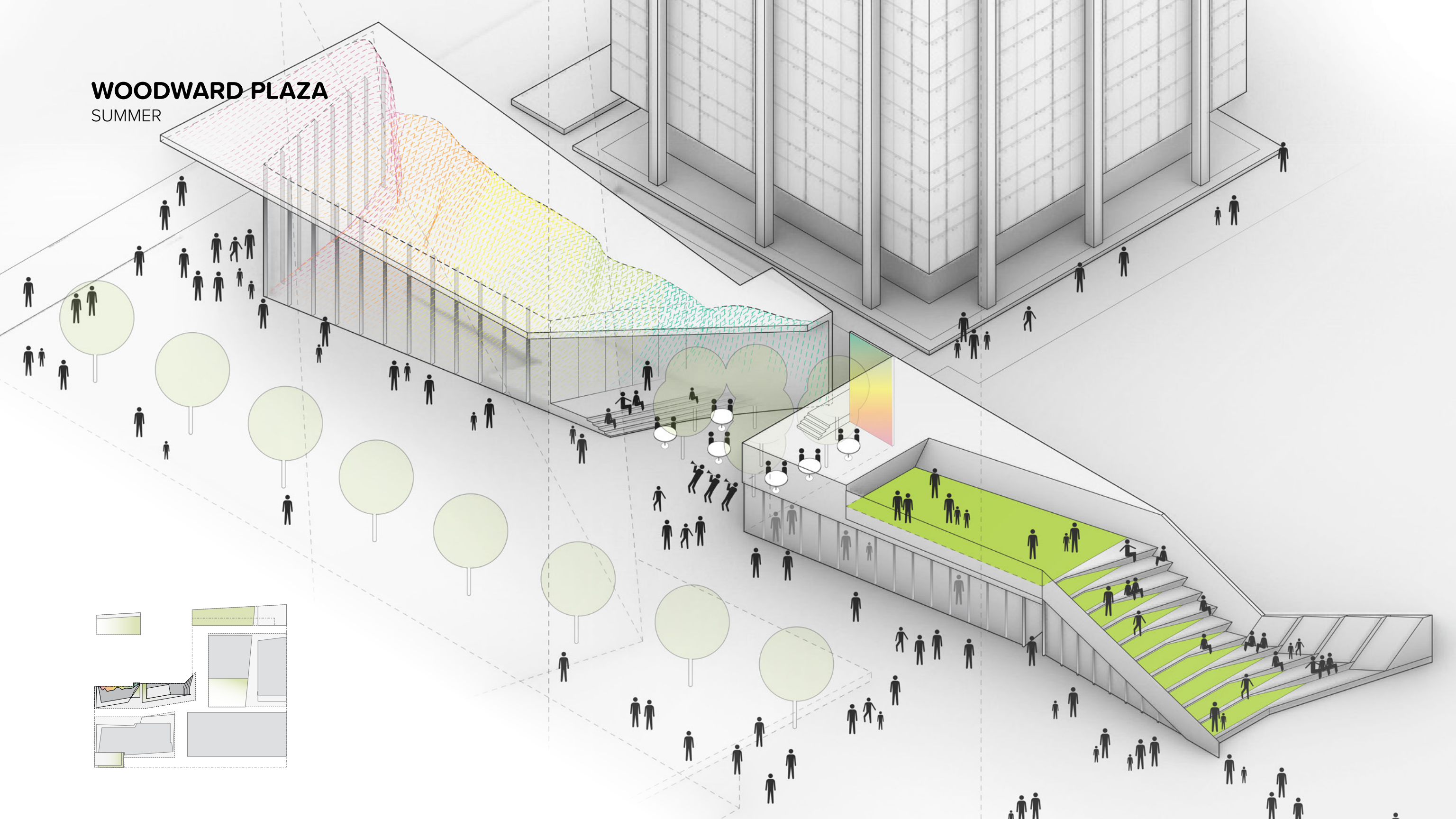






# WOODWARD PLAZA

SUMMER













## PROGRAMMING

-  HOTEL + CONDOMINIUMS
-  CO-LIVING HOUSING
-  MULTI-FAMILY HOUSING
-  PARKING
-  RETAIL

### Luxury Boutique Hotel

- 16 Levels
- 228 keys

### Luxury Condominiums

- 9 levels
- 60 units

### Co-Living Housing

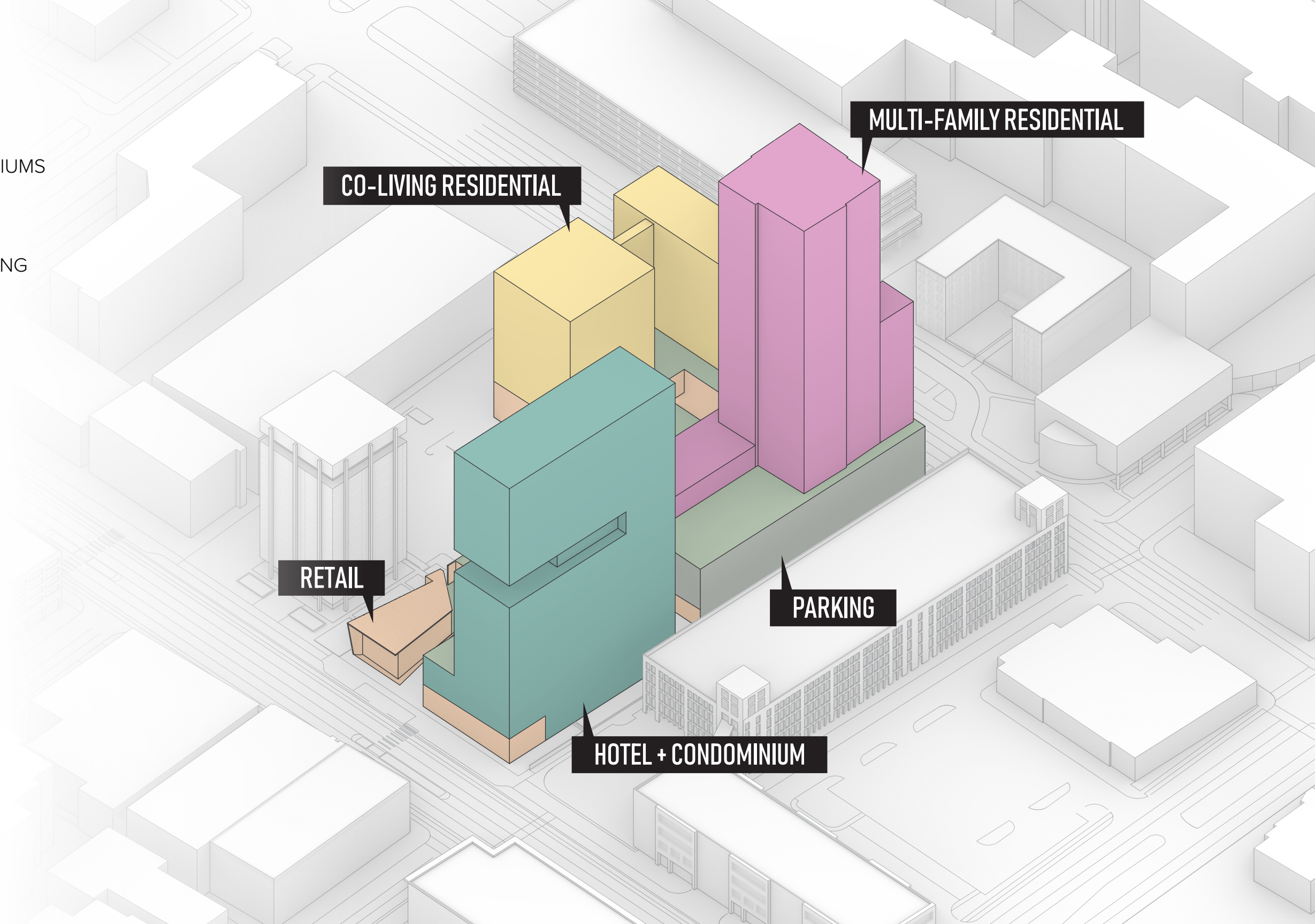
- 10 levels
- 500 - 550 beds

### Multi-Family Housing

- 29 Levels
- 313 units

### Parking

- 767 spaces



CO-LIVING RESIDENTIAL

MULTI-FAMILY RESIDENTIAL

RETAIL

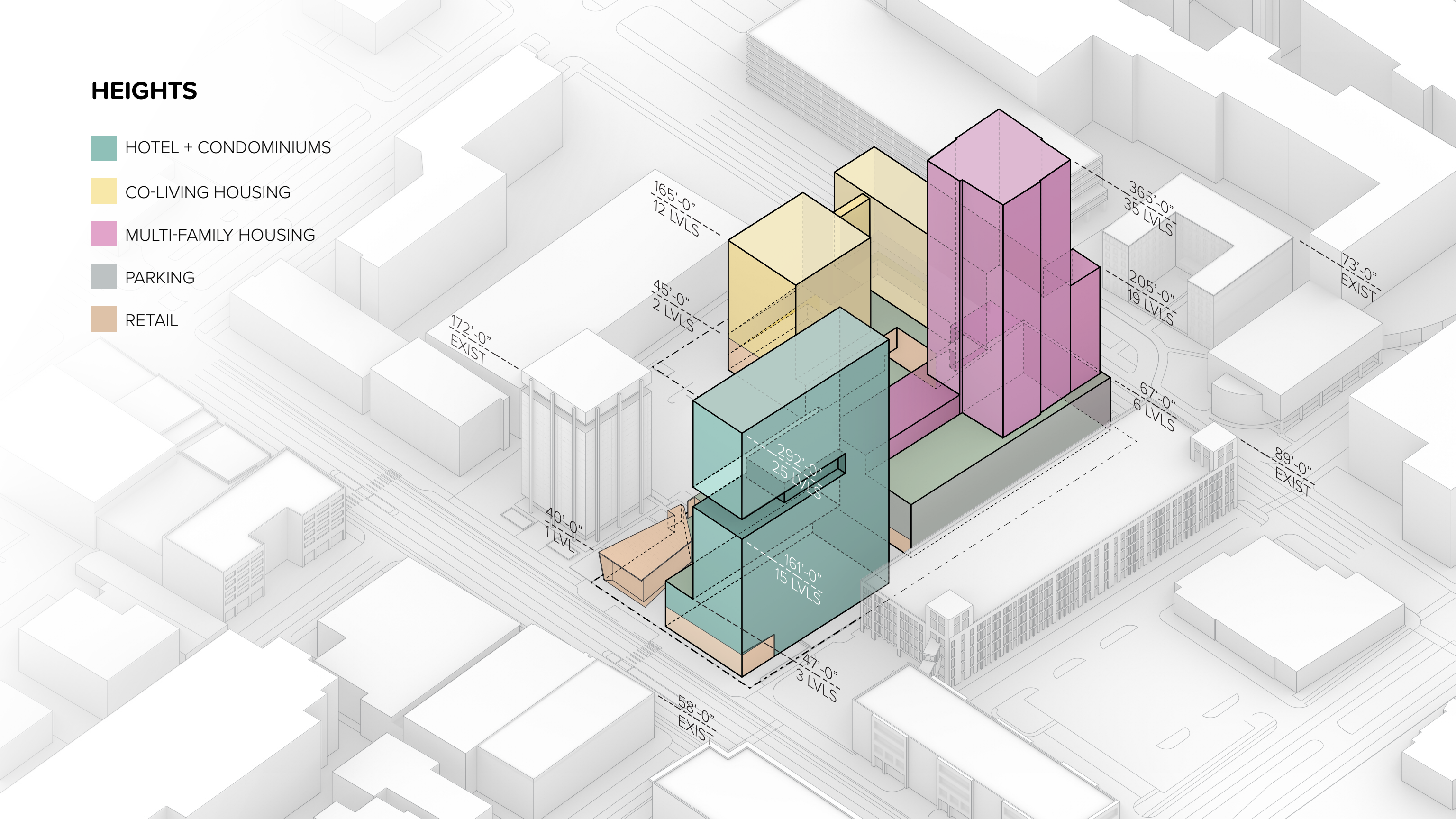
PARKING

HOTEL + CONDOMINIUM



# HEIGHTS

- HOTEL + CONDOMINIUMS
- CO-LIVING HOUSING
- MULTI-FAMILY HOUSING
- PARKING
- RETAIL







GOODMAN  
CRUM SANDWICHES

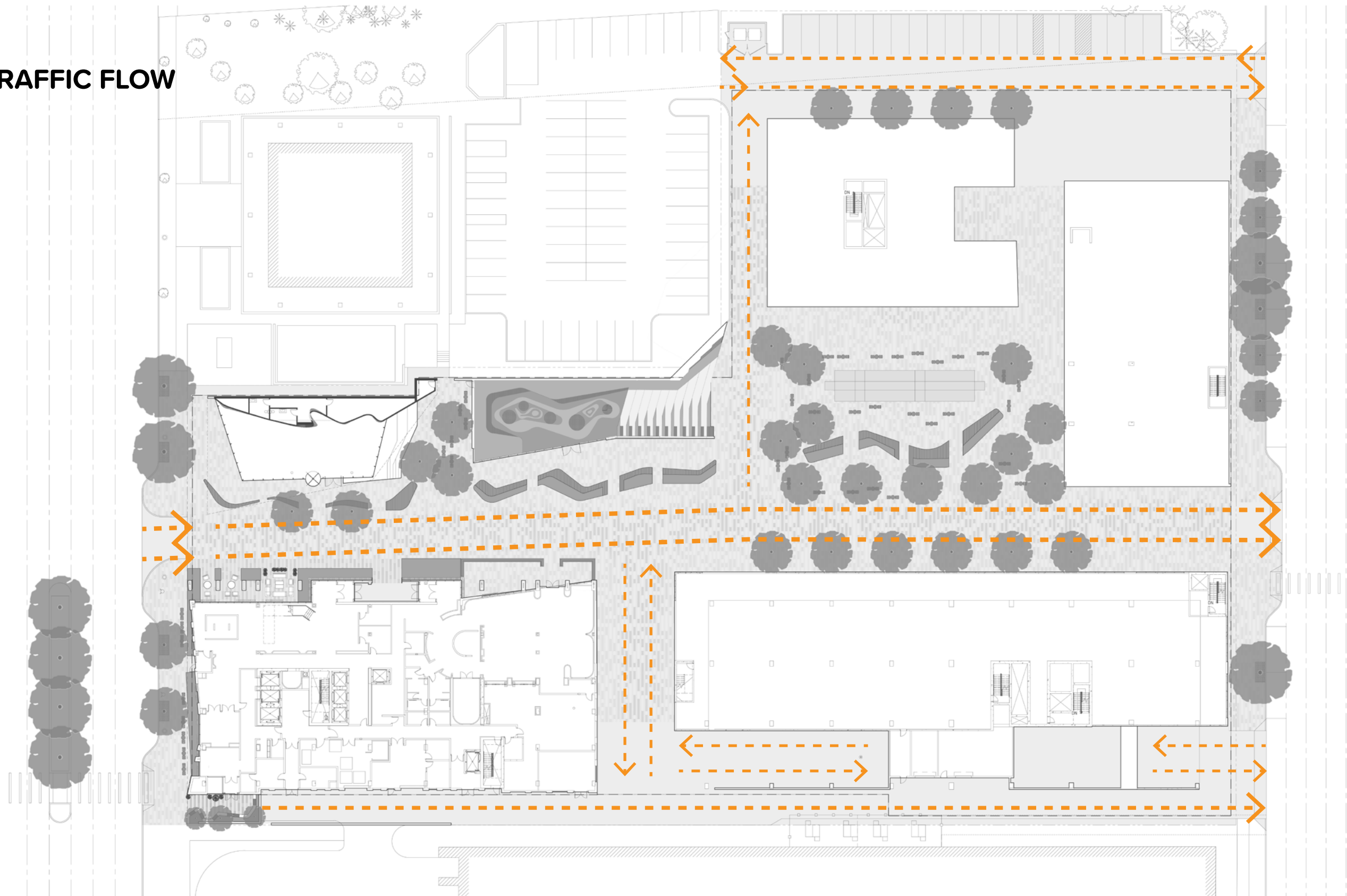
ROOFTOP CITY  
helix  
RADLEY







**TRAFFIC FLOW**



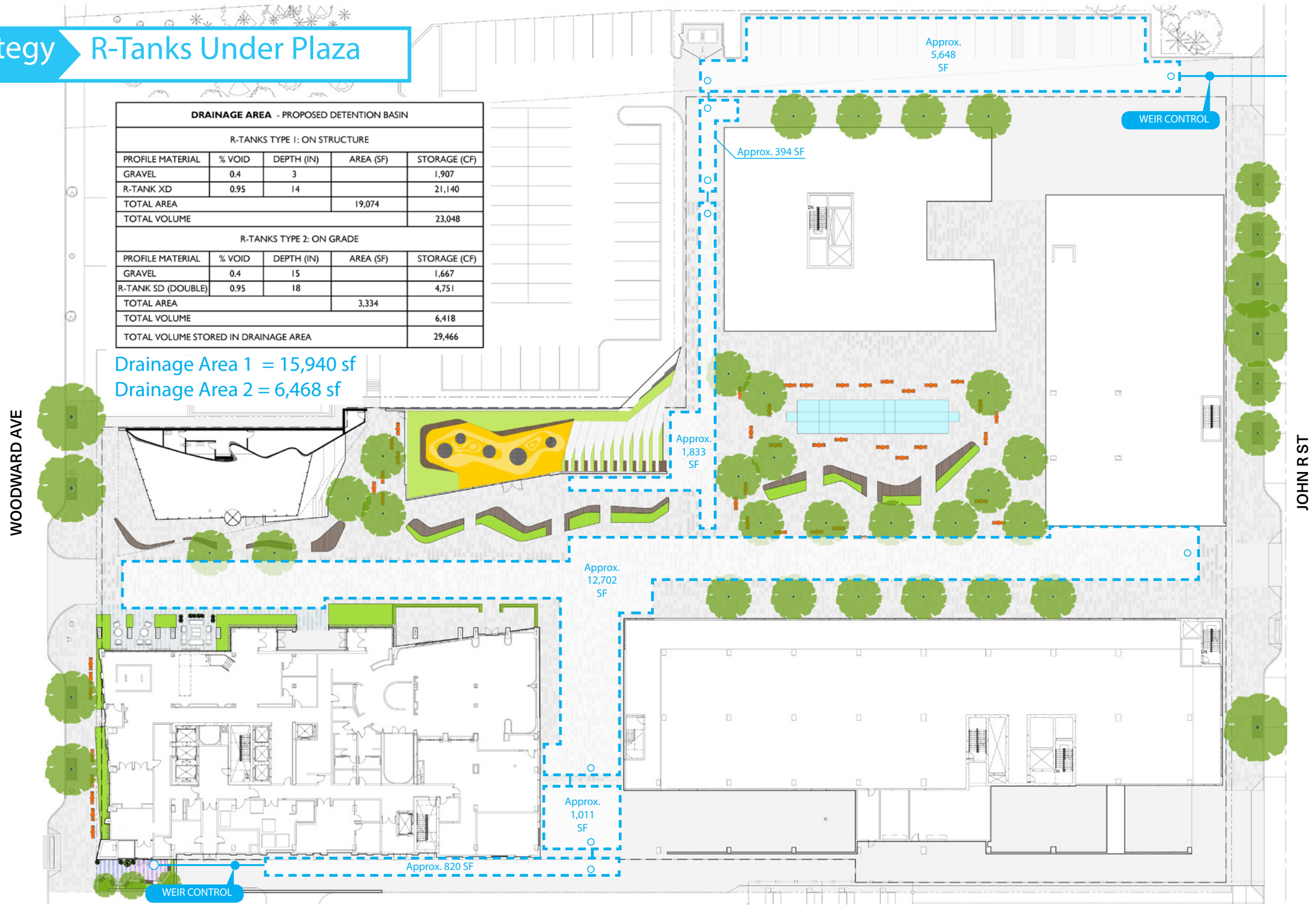


# Detention Strategy

## R-Tanks Under Plaza

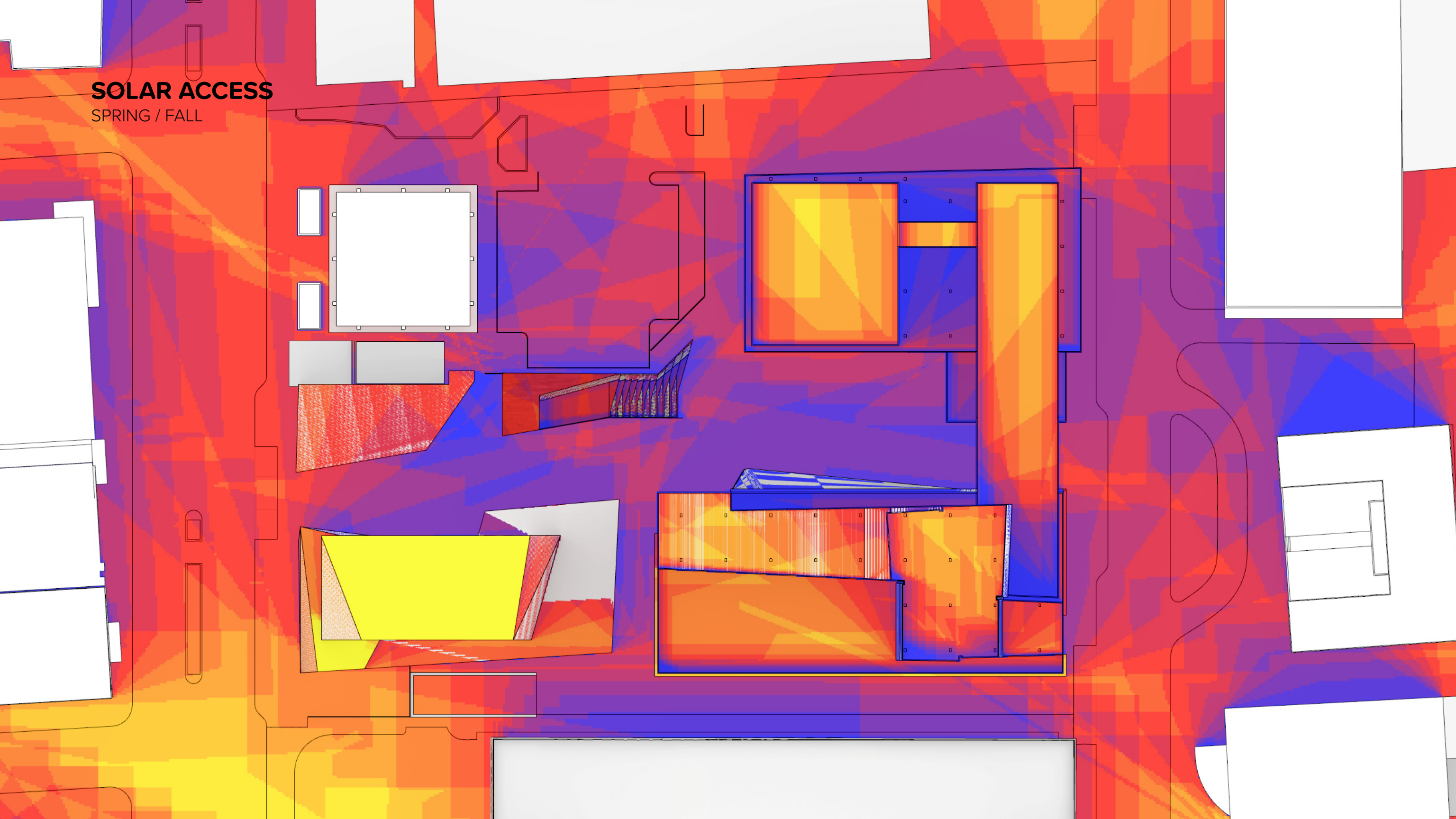
| DRAINAGE AREA - PROPOSED DETENTION BASIN |        |            |           |              |
|--|--------|------------|-----------|--------------|
| R-TANKS TYPE 1: ON STRUCTURE             |        |            |           |              |
| PROFILE MATERIAL                         | % VOID | DEPTH (IN) | AREA (SF) | STORAGE (CF) |
| GRAVEL                                   | 0.4    | 3          |           | 1,907        |
| R-TANK XD                                | 0.95   | 14         |           | 21,140       |
| TOTAL AREA                               |        |            | 19,074    |              |
| TOTAL VOLUME                             |        |            |           | 23,048       |
| R-TANKS TYPE 2: ON GRADE                 |        |            |           |              |
| PROFILE MATERIAL                         | % VOID | DEPTH (IN) | AREA (SF) | STORAGE (CF) |
| GRAVEL                                   | 0.4    | 15         |           | 1,667        |
| R-TANK SD (DOUBLE)                       | 0.95   | 18         |           | 4,751        |
| TOTAL AREA                               |        |            | 3,334     |              |
| TOTAL VOLUME                             |        |            |           | 6,418        |
| TOTAL VOLUME STORED IN DRAINAGE AREA     |        |            |           | 29,466       |

Drainage Area 1 = 15,940 sf  
 Drainage Area 2 = 6,468 sf



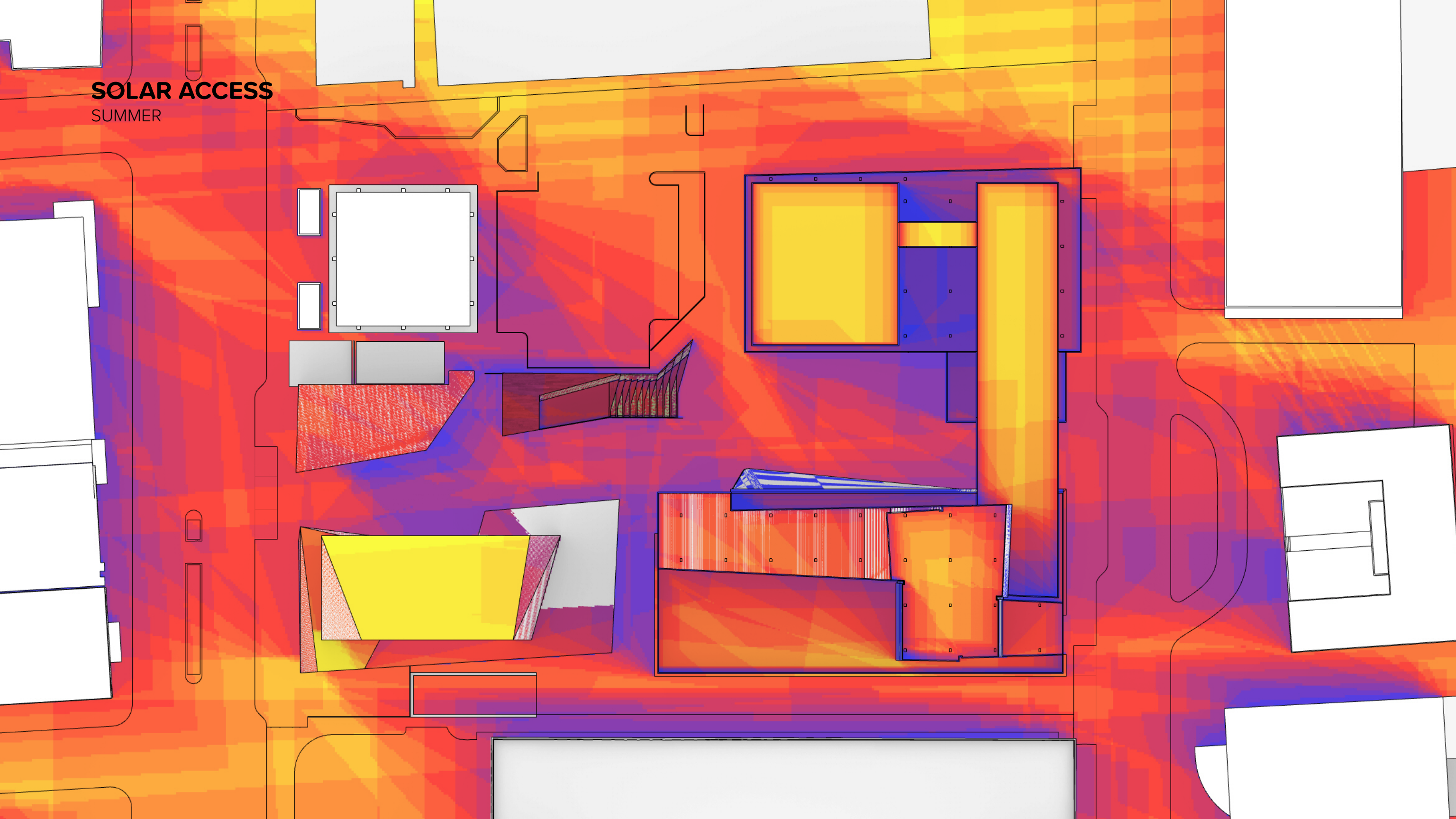


**SOLAR ACCESS**  
SPRING / FALL





**SOLAR ACCESS**  
SUMMER





# SOLAR ACCESS

WINTER

