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City of Detroit

CITY COUNCIL

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TO: COUNCIL MEMBERS

FROM: David Whitaker, Director 
Legislative Policy Division Staff

DATE: June 15, 2022

RE: **Former AMC Headquarters Redevelopment Plan PA 381 of 1996
PUBLIC HEARING**

The Brownfield Redevelopment Financing Act 381 of 1996 provides tax incentives (i.e., tax increment financing) to develop brownfield properties in an area at or on which there has been a release (or threat of release) or disposal of a hazardous substance.

Former AMC Headquarters Redevelopment Plan

Northpoint Development, is the project developer of Former AMC Headquarters Redevelopment Plan. The eligible property consists of approximately 50 acres, bounded by Fullerton to the north, Hubbell, Strathmoor and Mark Twain to the east, and Plymouth Road to the south. The project entails the demolition, abatement, and preparation of the property for the construction of one of the two following proposed building options, depending on the prospective tenants. The first option (**Option A**) includes two (2) buildings consisting of one (1) approximately 513,000 square foot building and one (1) approximately 215,000 square foot building that would house warehousing and light assembly industrial tenants. The second option (**Option B**) includes one (1) approximately 761,000 square foot building that would house warehousing and light assembly industrial tenants.

As chronicled by HistoricDetroit.org, the former AMC headquarters located at 14250 Plymouth Road just west of Schaefer Road was built for the Kelvinator Corporation. In 1925, the Kelvinator Corporation produced the industry's first self-contained electric home refrigerator, and constructed its Art Deco¹ designed administration building and factory on the Plymouth site

¹ **Art Deco**, also called style moderne, movement in the decorative arts and architecture that originated in the 1920s and developed into a major style in western Europe and the United States during the 1930s. Its name was derived from the Exposition Internationale des Arts Décoratifs et Industriels Modernes, held in Paris in 1925, where the style was first exhibited. <https://www.britannica.com/art/Art-Deco>

in 1927. The centerpiece of the complex was a tall office tower with a three-story factory and power plant behind it. All in, the complex comprised 1.5 million square feet.

In January 1937, Kelvinator and Nash Motors of Kenosha, Wisconsin merged and the building became the home of Nash-Kelvinator and in 1940, the plant expanded to 1.46 million square feet. In the early 1940s, during the war effort, Nash-Kelvinator assembled airplane propellers and hundreds of helicopters at the plant.

Nash-Kelvinator merged with Hudson Motors in 1954 to form the American Motors Corporation, which continued to call the Plymouth Road plant home. The appliance division was sold off in 1968, and subsequently however, the complex was switched to serving as a design-and-research facility for cars.² AMC maintained its headquarters at the site until 1975, when it relocated its headquarters to Southfield. After AMC's move, the Plymouth Road complex building served as engineering offices for the automaker's widely popular Jeep line.

This was followed by the next series of events:

- **Chrysler bought out AMC in 1987**, and the west side complex was rebranded the Jeep and Truck Engineering Center
- **In 1996, Chrysler announced that it was leaving Detroit** and building a new research and design center in Auburn Hills
- **Following Chrysler's filing for bankruptcy in 2007**, the Plymouth Road property was transferred to a Chrysler subsidiary charged with selling off the automaker's surplus properties
- **The site was listed for sale at \$10 million; it would not find a buyer.** The facility was not closed completely until June 5, 2009. The last 900 workers at the facility were relocated.
- **In 2010, three years after listing it for sale, Chrysler let the property go for \$2.3 million** to a private buyer, who said he wanted to turn the office tower into a treatment center for sick children.
- **The buyer's real plan was to scrap the complex's steel and use it as a scrap metal facility.** He was charged with environmental violations and sentenced to two to three months in prison.
- **The Plymouth building was seized by the 36th District Court on July 18, 2013**, and scrappers and vandals continued to lay waste to the building. The land's title was transferred to the Wayne County Land Bank.
- **On April 5, 2018, the Wayne County Commission approved swapping the former AMC property to the City of Detroit** in exchange for land along West Warren Avenue and I-75 to build a \$533 million jail complex.³
- **On Dec. 9, 2021, Detroit's Mayor announced that NorthPoint would demolish the complex and replace it with a \$66 million development.**
- **On Feb. 22, 2022, the Detroit City Council voted unanimously, 9-0, to sell the property to NorthPoint and for the company to proceed with its plans for demolition and construction.**⁴

² By 1960, AMC was selling more than 486,000 cars a year. Among the automaker's well-known makes were the Rambler, Hornet, Javelin and the infamous Gremlin and Pacer.

³The City would spend the next several years trying to find a buyer for the property.

⁴ <https://www.historicdetroit.org/buildings/amc-headquarters#:~:text=14250%20Plymouth%20Road%2C%20Detroit%2C%20Mich.>

It is anticipated that the project will create 350 permanent jobs and 100 temporary construction jobs. The developer is requesting a **\$32,697,754** TIF,⁵ reimbursement, however, the projected TIF reimbursement in the Plan is **\$21,798,503**;⁶ with the overall value of the plan estimated at **\$37,994,659**, which includes local brownfield costs.⁷ The developer is also seeking the approval of an Industrial Facilities Exemption tax abatement, P.A. 198 of 1974, as amended. The estimated capital investment for this project is approximately **\$71 million**.⁸

Basis of Eligibility

The Property is considered “eligible property” as defined by Act 381, Section 2 because (a) the Property was previously utilized for an industrial, commercial, or residential purpose; (b) it is located within the city of Detroit, a qualified local governmental unit under Act 381; and (c) the Property parcels have been determined to be a “Facility,” “Blighted,” or adjacent and contiguous to a parcel that has been determined to be a Facility or Blighted as defined by Act 381.

Description of the Eligible Property & Legal Description

Address	Parcel ID	Owner	Qualification
14250 Plymouth Road	22006074.001	City of Detroit	Facility
14306 Fullerton Avenue	22006735.	City of Detroit P&DD	Facility
14310 Fullerton Avenue	22036580.	Detroit Land Bank Authority	Adjacent & contiguous
12092 Hubbell Avenue	22038858.	Detroit Land Bank Authority	Blighted
12200 Hubbell Avenue	22038860.	Detroit Land Bank Authority	Blighted
12230 Hubbell Avenue	22038861.	Detroit Land Bank Authority	Blighted
12240 Hubbell Avenue	22038862.001	Detroit Land Bank Authority	Blighted
12250 Hubbell Avenue	22038863.001	Detroit Land Bank Authority	Blighted
12252 Hubbell Avenue	22038862.002L	Detroit Land Bank Authority	Blighted
12264 Hubbell Avenue	22038863.002L	Detroit Land Bank Authority	Blighted
12270 Hubbell Avenue	22038864.	Detroit Land Bank Authority	Blighted
12272 Hubbell Avenue	22038865.001	Ali Ftouni (under contract)	Adjacent & contiguous
12274 Hubbell Avenue	22038865.002L	Ali Ftouni (under contract)	Adjacent & contiguous
12400 Hubbell Avenue	22038866-9	Detroit Land Bank Authority	Blighted
11675 Mark Twain Street	22037444-59	City of Detroit Brownfield Redevelopment Authority	Adjacent & contiguous
12245 Mark Twain Street	22037438-43	City of Detroit	Adjacent & contiguous
12300 Mark Twain Street	22006074.002	City of Detroit	Adjacent & contiguous
12310 Mark Twain Street	22006074.003	City of Detroit	Adjacent & contiguous
12311 Mark Twain Street	22038870-3	City of Detroit P&DD	Facility
12603 Mark Twain Street	22037437.	Detroit Land Bank Authority	Blighted
12610 Mark Twain Street	22036581.	Detroit Land Bank Authority	Blighted or Adjacent & contiguous

⁵ Tax Increment Financing (TIF) subsidizes an entity by refunding or diverting a portion of their taxes to help finance development in an area or on a project site.

⁶ This Plan includes total Developer eligible activities of \$32,697,754, however, current tax increment revenue projections anticipate that only \$21,798,503 will be available to reimburse the Developer for its eligible activities costs during the term of this Plan. The Developer intends to submit reimbursement requests for the maximum costs approved for eligible activities under this Plan.

⁷ The duration of the TIF plan is 34 years.

⁸ The coverletter from DBRA, dated May 19, 2022, indicates: *The total hard costs are estimated to be \$66 million.*

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

<u>COSTS TO BE REIMBURSED WITH TIF</u>	<u>ITEM</u>
1. Baseline Environmental Assessment Activities	\$300,000
2. Department Specific Activities	\$11,675,873
3. Demolition & Lead and Asbestos Abatement	\$14,470,000
4. Site Preparation	\$1,000,000
5. Infrastructure Improvements	\$1,000,000
6. Brownfield Plan & Work Plan	\$30,000
7. Contingency (15%)	\$4,221,881
Total Reimbursement to Developer	\$32,697,754
8. Authority Administrative Costs	\$4,064,311
9. State Brownfield Redevelopment Fund	\$1,232,594
10. Local Brownfield Revolving Fund	\$0
TOTAL Estimated Costs	\$37,994,659

COSTS TO BE REIMBURSED WITH TIF⁹

<u>Taxing Jurisdictions</u>	<u>Reimbursement Costs</u>	<u>DBRA Admin Costs</u>	<u>SBRF Capture</u>	<u>LBRF Capture</u>	<u>Impact on Taxing Jurisdiction</u>
School Operating Tax	\$6,975,753	\$0	\$0	\$0	\$6,975,753
State Education Tax	\$1,803,648	\$0	\$1,232,594	\$0	\$3,036,242
City General Op	\$6,291,880	\$1,964,203	\$0	\$0	\$8,256,083
Wayne County Op	\$1,776,907	\$554,716	\$0	\$0	\$2,331,623
HCMA	\$65,877	\$20,565	\$0	\$0	\$86,442
Wayne County Jail	\$295,105	\$92,126	\$0	\$0	\$387,231
Library	\$1,460,295	\$455,876	\$0	\$0	\$1,916,171
Wayne County Parks	\$77,356	\$24,149	\$0	\$0	\$101,504
WCCC	\$1,021,043	\$318,750	\$0	\$0	\$1,339,793
Wayne County	\$311,346	\$97,196	\$0	\$0	\$408,542
Wayne County	\$1,719,293	\$536,730	\$0	\$0	\$2,256,023
ISD					
TOTAL¹	\$21,798,503	\$4,064,311	\$1,232,594	\$0	\$27,095,408

The following taxes are projected to be generated but shall not to be captured during the life of the Plan:

City Debt	\$3,724,175
School Debt	\$5,379,364
DIA	\$82,553
Zoo	\$41,256
TOTAL	\$9,227,348

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⁹ A maximum fifteen percent (15%) contingency for unforeseen circumstances and cost overruns may be added to the estimated cost of the proposed activities. The contingency should not be calculated on the costs for Brownfield Plan, Work Plan preparation or implementation, or for activities conducted prior to Work Plan submittal. Act 381 Work Plan Guidance

¹⁰ This Plan includes total Developer eligible activities of \$32,697,754, however, current tax increment revenue projections anticipate that only \$21,798,503 will be available to reimburse the Developer for its eligible activities costs during the term of this Plan.

Feasibility of the Brownfield Approval

The 14250 Plymouth, 12400 Strathmoor, 14306 Fullerton and 12311 Mark Twain parcels were determined to be “eligible property” as defined by Act 381, Section 2, because they: (a) were previously utilized for an industrial, commercial or residential purpose; (b) are located within the City of Detroit, a qualified local governmental unit; and (c) were determined to be a “facility” as defined by Act 381. The remaining parcels comprising the Property are either blighted (land bank owned) or adjacent or contiguous to the aforementioned parcels and their development is estimated to increase the captured taxable value of the property and will be combined following acquisition. Further, the 14250 Plymouth and 12400 Strathmoor parcels are also considered a "site" as defined by Part 201 and 213 of Act 451.

The 14250 Plymouth parcel is a “facility” as defined by Act 381, Section 2 and Part 201 of Act 451 due to the presence of benzene, sec-butylbenzene,¹¹ carbon tetrachloride, chloroform, cis-1,2-dichloroethene, ethylbenene, isopropylbenzene, 2-methylnaphthalene, naphthalene, n-propylbenzene, toluene, trichloroethene, 1,2,4-trimethylbenzene, 1,3,5-trimethylbenzene, vinyl chloride, xylens, benzo(a)anthracene, benzo(a)pyrene, benzo(b)fluoranthene, dibenz(a,h)anthracene, fluoranthene, phenathrene, arsenic, cadmium, copper, lead, mercury, selenium, silver and zine in the soil and groundwater above the Michigan Department of Environment Great Lakes and Energy (“EGLE”) Part 201 Generic Cleanup Criteria (GCC). This parcel is also a "site" as defined by Part 201 and 213 of Act 451 as it is a closed *LUST site*¹² with 12 releases reported between 1989 and 2002 and another 6 releases reported between 2002 and 2020.

The 12400 Strathmoor parcel is a "facility" due to the presence of arsenic and benzo(a)pyrene in the soil above the EGLE Direct Contact (DC) Criteria.

The 14306 Fullerton parcel is a "facility" due to the presence of arsenic and chromium (total) in the soil above EGLE GCC.

The 12311 Mark Twain parcel is a "facility” due to the presence of arsenic, lead, benzo(a)anthracene, benzo(b)fluoranthene, benzo(a)pyrene, dibenzo(a,h)anthracene and indeno(1,2,3-cd)pyrene in the soil exceed the EGLE DC Criteria.

Please contact us if we can be of any further assistance.

cc: Auditor General’s Office
Donald Rencher, Chief of Services and Infrastructure
Antoine Bryant, Planning and Development Department
Julie Schneider, HRD
Veronica Farley, HRD

¹¹ sec-Butylbenzene is an organic compound classified as an aromatic hydrocarbon. Its structure consists of a benzene ring substituted with a sec-butyl group. It is a flammable colorless liquid which is nearly insoluble in water but miscible with organic solvents.

¹² leaking underground storage tank (LUST)

Stephanie Grimes Washington, Mayor's Office
Gail Fulton, Mayor's Office
Malinda Jensen, DEGC
Kenyetta Bridges, DEGC
Jennifer Kanalos, DEGC
Brian Vosburg, DEGC
Cora Capler, DEGC



Photo Images of the Former AMC Headquarters as of November 2021¹³

¹³ Photos by Dan Austin/HistoricDetroit.org <https://www.historicdetroit.org/galleries/amc-headquarters-photos>

Estimated Costs of Activities

Description of Eligible Activities	Estimated Cost
EGLE Eligible Activities	
1. Baseline Environmental Assessment Activities	\$300,000
2. Department Specific Activities – transportation and disposal of contaminated soils, vapor mitigation system (local only), storm water management, UST removal and associated product disposal under Parts 211 and 213, and oversight/project management	\$11,675,873
<i>Subtotal EGLE Eligible Activities</i>	<i>\$11,975,873</i>
3. Contingency (15%) – Excludes BEA Costs	\$1,751,381
4. Brownfield/Work Plan Preparation, Development and Implementation	\$15,000
Total EGLE Eligible Activities	\$13,742,254
MSF Eligible Activities	
5. Demolition and Lead and Asbestos Abatement	\$14,470,000
6. Site Preparation – dewatering, temporary fencing, temporary security, temporary traffic control, temporary facility, clearing and grubbing, mass grading and land balancing, staking, erosion control, geotechnical testing, utility relocation	\$1,000,000
7. Infrastructure Improvements – Sidewalks, curb/gutter, landscaping and street/road improvements in the public ROW	\$1,000,000
<i>Subtotal MSF Eligible Activities</i>	<i>\$16,470,000</i>
8. Contingency (15%)	\$2,470,500
9. Brownfield/Work Plan Preparation, Development and Implementation	\$15,000
Total MSF Eligible Activities	\$18,955,500
Total Estimated Cost of Eligible Activities Conducted by Developer*	
	\$32,697,754
10. State Brownfield Revolving Fund	\$1,232,594
11. DBRA Administrative Fees	\$4,064,311
12. Local Brownfield Revolving Fund	\$0
Total Eligible Activities Cost	\$37,994,659

*Project is applying for an EGLE Grant in the amount of \$1,000,000 and any eligible costs covered by Grant funds will not be submitted for reimbursement under this Plan. Developer is requesting reimbursement of the \$32,697,754 while projected TIF reimbursement in the Plan is \$21,798,503.



ROW Areas to be vacated

City of Detroit
CITY COUNCIL

COUNCIL PRESIDENT BRENDA JONES

INCENTIVE INFORMATION CHART

Project Type	Incentive Type	Investment Amount	District
Industrial	Brownfield TIF and PA 198	\$72.1 million	7

Jobs Available							
Construction				Post Construction			
Professional	Non-Professional	Skilled Labor	Non-Skilled Labor	Professional	Non-Professional	Skilled Labor	Non-Skilled Labor
6	4	80	10	50	100	100	100

1. What is the plan for hiring Detroiters?
 - The Developer’s contractor will work with local trades and the landlord will work with tenants and the City of Detroit to help facilitate and ensure that local hiring practices are implemented.
2. Please give a detailed description of the jobs available as listed in the above chart, i.e.: job type, job qualifications, etc.
 - Available jobs will include professional and non-professional office and administrative positions as well as skilled and non-skilled warehouse/shop labor. The above estimates are based on past tenant placement but may vary depending on final tenant mix.

Construction trade contractors include carpenters, laborers, operators, roofers, plumbers, electricians, and landscapers. There will be approximately 100 construction positions during the duration of construction with additional indirect support positions.

3. Will this development cause any relocation that will create new Detroit residents?
 - Given the scope of the Project, it is unknown whether or not it will result in the creation of new Detroit residents. However, the Project will provide new industrial space for tenant growth and expansion and it is anticipated that it will act as a draw for employees that may currently be living outside of the City.
4. Has the developer reached out to any community groups to discuss the project and/or any potential jobs?
 - The developer has reached out and discussed the project with members of the community and is in the process of assembling additional support letters from the parties.

5. When is the construction slated to begin?
 - Construction is anticipated to begin between the fourth quarter of 2022 and the first quarter of 2023.

6. What is the expected completion date of construction?
 - Construction of the overall Project is expected to be completed within approximately 18 months following construction commencement.

Lauren Hood, MCD
Chairperson
Donovan Smith
Vice Chair/Secretary

Marcell R. Todd, Jr.
Director

City of Detroit

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Kenneth R. Daniels
David Esparza, AIA, LEED
Ritchie Harrison
Gwen Lewis
Melanie Markowicz
Frederick E. Russell, Jr.

April 22, 2022

Jennifer Kanalos, Director
Detroit Brownfield Redevelopment Authority
500 Griswold Street, Suite 2200
Detroit, Michigan 48226

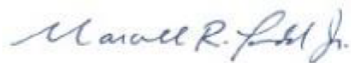
RE: Former AMC Headquarters Redevelopment Project – 14250 Plymouth Rd.

Attached is the review by staff to the City Planning Commission (as part of the Legislative Policy Division - LPD) of the Brownfield Blight application for the Former AMC Headquarters Redevelopment Project. Staff has reviewed the proposed Brownfield project in light of the criteria for blight as defined in the Brownfield Redevelopment Act, PA 381.

Based on the information submitted, the proposed project appears to meet at least one of the blighted property criteria. As provided in the Act, a property must meet any one of seven criteria listed in Section 2(c). Attached is an "Initial Blighted Determination DBRA Brownfield Redevelopment" form, as well as the "Application for Brownfield Blight Determination" for the subject project.

Please contact Jamie Murphy of our staff with any questions.

Sincerely,



Marcell R. Todd, Jr., Director
Jamie Murphy, City Planner

Attachment

Initial Blighted Determination
DBRA Brownfield Redevelopment

The Brownfield Redevelopment Financing Act (Act 381) is intended to promote the revitalization, redevelopment and reuse of certain properties. These properties can be eligible for inclusion in a brownfield plan if determined to be blighted, functionally obsolete or a facility as defined by Act 381.

The Former AMC Headquarters Redevelopment Project is a proposed DBRA brownfield project that will include **twenty-three properties** generally located in the area bounded by the I-96 Freeway, Hubbell Street, Wadsworth Street, and Shirley Avenue.

Blighted property must meet any of several qualifying criteria as determined by the governing body, which include:

1. Has been declared a public nuisance in accordance with a local housing, building, plumbing, fire, or other related code or ordinance.
2. Is an attractive nuisance to children because of physical condition, use, or occupancy.
3. Is a fire hazard or is otherwise dangerous to the safety of persons or property.
4. Has had the utilities, plumbing, heating, or sewerage permanently disconnected, destroyed, removed, or rendered ineffective so that the property is unfit for its intended use.
5. Is tax reverted property owned by a qualified local governmental unit, by a county, or by the state.
6. Is property owned or under control of a land bank fast track authority under the land bank fast track act.
7. Has substantial subsurface demolition debris buried on the site so that the property is unfit for its intended use.

The City of Detroit Planning Commission staff has been designated, by approval of City Council resolution on July 29, 2008 to make the initial determination of eligibility of blighted status for properties with that designation that will be included in DBRA brownfield plans.

The City of Detroit Planning Commission staff hereby makes the initial determination the property identified above for inclusion in the proposed brownfield project identified **qualifies as blighted according to criterion #6**, as defined in Act 381.



City of Detroit City Planning Commission



Application for Brownfield Blight Determination

To be filled in by Detroit Economic Growth Corporation staff:

Required date of submittal: _____
(At least 10 days before the Brownfield Authority needs the blight determination from the City Planning Commission [CPC] and at least 2 days before the initial brownfield review meeting.)

Project information

Applicant name: Northpoint Development

Project name: Former AMC Headquarters Redevelopment Project at 14250 Plymouth Road

Contact person & telephone number/email: Johnny Sweeney, 816.381.2901,
jsweeney@northpointkc.com

Location:

Describe the general location of the project (including the streets by which it is bounded). Attach a location map of the project (with lot lines) in which at least the following elements are identified: street names, street address numbers, the property/ies included in the project, and property/ies for which a blight determination is being sought.

The eligible property subject to this Plan are comprised of 23 parcels as shown in the attached exhibit.

Brief project description (Response should be limited to the space provided.):

NorthPoint Development is proposing to remove the existing structures and to construct approximately 790,000 square feet of Class A industrial space.

Instructions for the property information table

In order to be determined blighted, a property must meet any one of seven criteria listed in Section 2(c) of the Brownfield Redevelopment Financing Act (Act 381 of 1996). Those seven criteria are listed by number below, along with a description of the

documentation that must be submitted to demonstrate each criterion. *Note that a property only needs to meet one criterion, not all seven.*

On the table provided, list the properties for which a blight determination is being sought. In Column 5, list the blight criterion (by number) that applies to each property. In Column 6, list the documentation that has been submitted to demonstrate that blight exists on the subject property.

A blight determination is being sought for all of the parcels on the attached exhibit under Blight criteria 6.

Please note: When their location cannot be confirmed, photographs will not be accepted as the sole determination of the state of buildings or the presence of subsurface demolition debris. All information submitted is subject to verification. CPC staff may conduct site visits to confirm the condition of properties and the presence of blight, as defined by Act 381 of 1996.

Blight criteria: *(for the full text of criteria see MCL § 125.2652[2][c])*

1. Has been declared a public nuisance in accordance with a local housing, building, plumbing, fire, or other related code or ordinance.

Documentation: A demolition order by the Detroit City Council. A demolition order would be on file with the Detroit City Clerk.

2. Is an attractive nuisance to children because of physical condition, use, or occupancy.

Documentation: Statement and supporting evidence from the applicant explaining why the property is an attractive nuisance to children. Attached.

3. Is a fire hazard or is otherwise dangerous to the safety of persons or property.

Documentation: Copies of existing notices of, or citations for, code violations issued by the Detroit Buildings and Safety Engineering Department (B&SE) or the Detroit Fire Marshal. If the property has not yet been inspected, the applicant may request a special inspection by B&SE or the Fire Marshal. (Note that inspections may result in the issuance of fines and orders to improve or vacate structures on the property.)

4. Has had the utilities, plumbing, heating, or sewerage permanently disconnected, destroyed, removed, or rendered ineffective so that the property is unfit for its intended use.

Documentation: Evidence from DTE Energy and/or the Detroit Water and Sewerage Department.

5. Is tax-reverted property owned by a qualified local governmental unit, by a county, or by this state.

Documentation: The applicant must show that the property is a tax-reverted property. Proof of the tax-reverted status is available from the Wayne County Register of Deeds. Proof of ownership by a qualified local governmental unit may be shown by a deed or listing with the Detroit Planning and Development Department's inventory of City-owned properties.

6. Is property owned or under the control of a land bank fast track authority under the Land Bank Fast Track Act, whether or not located within a qualified local governmental unit.

Documentation: Evidence that the property is on the inventory of real property of the City of Detroit or Wayne County Land Bank Authorities.

7. Has substantial subsurface demolition debris buried on site so that the property is unfit for its intended use.

Documentation: The presence of subsurface demolition debris must be documented (e.g., boring logs) by a qualified professional (e.g., licensed engineer, environmental consultant, construction management team, etc.).



**PLANNING AND
DEVELOPMENT DEPARTMENT**

Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 808
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Phone 313-224-1339
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April 4, 2022

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

RE: Former AMC Headquarters Redevelopment Plan

Dear Ms. Kanalos,

The Detroit Brownfield Redevelopment Authority (DBRA) has asked that the Planning and Development Department review and comment on the former AMC Headquarters Redevelopment Plan (the "Plan").

NorthPoint Development, LLC is the project developer ("Developer"). The property is located on the north side of Plymouth Road and east of Strathmoor St., encompassing roughly 34 totaling approximately 56 acres. The Plan includes demolition of the vacant AMC building, infrastructure improvements, and environmental remediation.

The Plan involves the redevelopment of the former AMC Headquarters into at least 500,000 square feet of speculative Class A industrial, suited for advanced manufacturing, assembly, distribution, and logistics. This project is similar in size, scope, and building design to the redevelopment of the former Cadillac Stamping Plant site that is currently being redeveloped by the Developer. The project will have multiple access points to provide efficient circulation around the property, while directing trucks north to Fullerton via Hubbell to limit truck traffic near homes. The property will be screened along Strathmoor St., with offsite improvements to Mallet Playground and Shirley greenway providing additional buffering and landscaping to the east and west of the site. Total investment is estimated at \$66 million.

The review for this redevelopment plan is ongoing. Comments on the latest plan have been forwarded to the developer. The Planning and Development Department recommends conditional approval of the brownfield plan, provided the developer sufficiently addressing our outstanding comments.

Sincerely,

Russell Baltimore
Assistant Director, Design Review

CC: B. Vosburg
C. Capier



March 29, 2022

Tim Conder, Vice President
NorthPoint Development
3825 NW 41st Street, Suite 500
Riverside, MO 64150

RE: Tier 2 Community Benefits Ordinance Requirements for NorthPoint Development, LLC Project at the former AMC Headquarters

Dear Mr. Conder,

As we communicated to you in our letter dated March 16, 2022, PDD has determined that the proposed NorthPoint Development, LLC (“NorthPoint”) project at the former AMC Headquarters at 14250 Plymouth Rd., Detroit, MI 48227 qualifies as a Tier 2 project under the Community Benefits Ordinance (CBO). This letter provides an update on the Tier 2 process and competition status for this project.

I. Tier 2 Project Requirements

Sec. 12-8-4(a): The developer shall... (2) Partner with the Planning Director to address and mitigate negative impacts that the Tier 2 project may have on the community and local residents.

The Planning and Development Department (PDD) has worked closely with your team through PDD’s Design Review process over the past six months to identify and address any negative impacts that the project might have on the surrounding community. The following documents our understanding of those issues and your responses to each:

- A. **Buffering.** Buffering will be provided around all parking areas, particularly where trailer parking and/or loading docks will be visible from the public right-of-way or neighboring residential areas. Off-site improvements to Mallet Playground and Shirley Greenway will be completed to enhance buffers and provide upgraded green space for the neighborhoods on either side of the property.
- B. **Site Access and Circulation.** Truck traffic will be routed primarily along Fullerton to the north, accessing the site from Hubbell to minimize truck traffic near homes. Access to the site from Plymouth will primarily be for visitors and/or employees.
- C. **Parking, Loading, and Outdoor Storage.** Landscaped buffers, detention areas, and/or a wall or fence will provide screening of truck parking areas and loading

docks where noted above. Loading docks are oriented away from Plymouth so that the front façade is not dominated by truck bays.

- D. Building Form and Materials. Building materials and massing will be similar in design and quality to the precedent images submitted to PDD.
- E. Site Plan Review. The project still needs to complete site plan review. PDD review of the site plan is required prior to permitting submittal to BSEED. During that review, PDD will provide comment on any changes to the above as well as any outstanding items noted in our Design Review Comments dated November 11, 2021.

In addition, PDD participated in two public meetings led by NorthPoint to hear resident concerns and answer questions about the project. Community feedback and NorthPoint's responses from those meetings are documented in the Community Outreach Ordinance (COO) Report submitted to Detroit City Council on February 4, 2021.

II. Next Steps

Should you agree that the above accurately reflects the project commitments discussed to date, please sign and return this letter to PDD to complete the Tier 2 process for this project.

Thank you for your investment and commitment to the City of Detroit and we look forward to continuing to work together towards the success of this project. Please reach out if you have any questions.

Sincerely,



Antoine Bryant
Director, Planning and Development Department

CC: Luke Polcyn, Mayor's Office
Aaron Goodman, Planning and Development Department
Julie Connochie, Planning and Development Department
Kenyetta Bridges, Detroit Economic Growth Corporation
Catherine Frazier, Detroit Economic Growth Corporation
Jean Belanger, Detroit Economic Growth Corporation

III. Acknowledgment

Should NorthPoint Development, LLC agree with the commitments detailed in this letter, please sign and date below and return to my office through LaTia Searcy (latsea@detroitmi.gov) and copy Julie Connochie, Industrial Planner (julie.connochie@detroitmi.gov) and Aaron Goodman, Community Benefits Ordinance Manager (goodmana@detroitmi.gov).

Tim Conder

3/31/2022

Signature

Date

February 4, 2022

Detroit City Council
Coleman A. Young Municipal Center
2 Woodward Avenue #1310
Detroit, MI 48226

Dear City of Detroit Council Members:

RE: AMC- NorthPoint Development, LLC Proposal

I am writing this letter to request that you help our community by supporting the proposal by NorthPoint LLC to demolish and build a completely new building at the old AMC factory site located at 14250 Plymouth.

I have lived in this community since 1979 about 43 years. I have been the block club president of Thornton Street for most of those years. I am also the President of Paved Way Block Club. I was here when the factory was AMC and later when it was Chrysler. The buildings were maintained, and it was the jewel in our working-class community. This community had a Kmart on Plymouth. We had several grocery stores/cleaners/a veterinary clinic/name brand pizza places. It was a friendly community with varied businesses in the area.

Chrysler made the decision to move out. This whole area seemed to have declined. The building was bought by a man who destroyed the building and sold off the lots to various individuals. The parking lot at Shirley and Plymouth was turned into an illegal truck school. The large parking lot next to the building was illegally being used by a company that had about 20 to 30 or more semi-trucks spewing fumes and leaking oil into the ground.

In addition, the former owner allowed huge monstrous piles of some type of landfill to be put on the property in our residential community. I had to go to The Department of Environment, Great Lakes and Energy (EGLE) the Detroit District Office that was in the Cadillac Building on W. Grand Blvd to have them test the numerous piles of landfill. They tested the materials for me. The test was negative for dangerous chemicals, but the piles are unsightly and need to be removed. They also informed me the current owner was a recently convicted criminal and had been sentenced to 5 years in prison for the illegal things he did at the old AMC plant.

We are still dealing with horrible situations at that abandoned factory. We in the community are continually having to run off corporations and individuals who want to dump all kinds of debris on the sides and behind the plant.

This proposal is a win-win situation. The tower and the rest of the building cannot be saved. They were open to the elements and are now too far gone. A plaque can be put on site there to acknowledge the old building and the beloved tower. I do not see trying to keep this old, dilapidated building and tower because someone who does not live near the building has sentimental value about it. I also feel if some people want to save the building and tower why didn't they do this years ago?

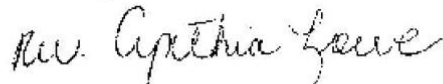
One of the reasons that no other companies would buy the building is because of the asbestos situation. The asbestos needs to be removed. NorthPoint is a company that is experienced and can get the asbestos removed correctly.

The proposed new building is beautiful. The whole proposed plans are just wonderful. The parks will be improved. North Point has agreed to have green space around the area. There will be camera and upgraded lighting to help the community fight the huge amount of illegal dumping on Shirley Street.

But the most important thing is the jobs this project will bring. The location is close to the Plymouth and Schaefer bus lines. It is also close to the Jeffries freeway. People living in this community could walk to work. This plot of land is zoned for industrial use. This is an industrial use that the residents are happy with. The plant will also have employees paying taxes to help the City of Detroit.

To conclude: The City of Detroit is in a revival. This new plant will be this community's revival. Please help us and approve this proposal. If you have any questions for me, please contact me at 313 934-1790 (h) or 313 330 1183 (c).

Sincerely,

A handwritten signature in cursive script that reads "Rev. Cynthia Lowe".

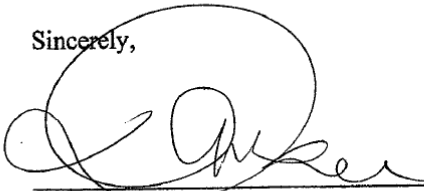
Reverend Cynthia Lowe
Paved Way Block Club

Detroit City Council
Coleman A. Young Municipal Center
2 Woodward Avenue #1310
Detroit, MI 48226

Dear City of Detroit Councilmembers,

As a community member of District 7, I support the demolition of the AMC Headquarters, remediation of contamination, and construction of the new facility proposed by NorthPoint Development. I hope that the councilmembers will please take into consideration my endorsement for this project.

Sincerely,


Signature

4/11/22
Date

Daphne M. Lee
Printed Name

d1maclies@aol.com
Email Address

11311 Strathmoor Det. 48227
Home Address

February 8, 2022

Detroit City Council

Coleman A. Young Municipal Center
2 Woodward Ave
#1340
Detroit, MI 48226

To the Members of The Detroit City Council,

On behalf of The Longacre Block Club, we lend our full support behind revitalizing The American Motors Building while also improving our neighborhood identity by cleaning up blight, raising home values and creating much needed job opportunities. We are excited about this initiative and look forward to supporting you in the near future.

Sincerely,

Mike Banks
Longacre Block Club Vice President
(313) 687-3687

Detroit City Council
Coleman A. Young Municipal Center
2 Woodward Avenue #1310
Detroit, MI 48226

Dear City of Detroit Councilmembers,

As a community member of District 7, I support the demolition of the AMC Headquarters, remediation of contamination, and construction of the new facility proposed by NorthPoint Development. I hope that the councilmembers will please take into consideration my endorsement for this project.

Sincerely,

Patricia Robinson 4-11-22
Signature Date

Patricia Robinson
Printed Name

warriorheart.pr@gmail.com
Email Address

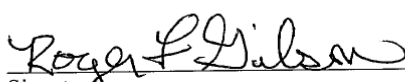
11724 Coyle Detroit MI 48227
Home Address

Detroit City Council
Coleman A. Young Municipal Center
2 Woodward Avenue #1310
Detroit, MI 48226

Dear City of Detroit Councilmembers,

As a community member of District 7, I support the demolition of the AMC Headquarters, remediation of contamination, and construction of the new facility proposed by NorthPoint Development. I hope that the councilmembers will please take into consideration my endorsement for this project.

Sincerely,


Signature

4/11/22
Date 4/11/2022

Roger Gibson
Printed Name

rogergibson622@gmail.com
Email Address

10105 Elmira
Home Address

February 4, 2022

Dear Members of the Detroit City Council,

As a community leader in the district "7", I support the American Motors Building coming down due to all the negativity that this building has brought to our communities over the years. When driving pass, the deliberated AMC site over the years, I watched it close down and financially destroy our businesses, communities, and neighborhoods. It started the revolving movement for the whole city. It was one of the largest business corporations in Detroit. The residents who live in our communities went to bed crying due to the horrible changes on Plymouth Road and the nightmares that led to broken hearts; to see their favor businesses has close and move away. Some of the residents have moved out of the community. Some stayed so they can tell what it used to be like on Plymouth Road, waiting for things to get better again. As far as my concern the residents that stayed in their homes and fought for their neighborhoods and communities were the ones that were punished and suffered the most.

Demolish the AMC building and ground so we don't have anything to remind us of the years of the building that drove down the value of our homes in our communities. The AMC over the years helped build our community up with new businesses moving in; but when they left and move to Southfield Michigan all the businesses close their doors and left. When they left our community, we didn't get new business. The AMC building became empty and destroyed by scrappers releasing dangerous toxins in our communities and then became an illegal dumping ground. This brought more blight to our communities. Across the GMC building site our children play in the park; they see what going on, we owe them a better quality of life. We want a safe, clean, and prosperous community. Tear the building down for our children, grandchildren and for our futures families. This is our responsibility to make sure we all make the right decision for our futures.

I also support new jobs in Detroit. Detroit was once the largest cities in the United States. Not now. We have to be capable of growth. Our new generation doesn't want to live in an old fashioned, dysfunctional city. Everyone wants to feel safe and secure. We need to bring jobs, cultures, and inspired communities in Detroit and keep our children and residents' living here. Detroit has too many old abandoned structures. We need to build new building s and shopping areas, new water pipes for new businesses. We have to be comparable to the suburbs including infrastructure improvement. Please start with the AMC building site we don't need 1920 pipes and wires. I welcome all the developments to Detroit that will bring quality and economic stability to the communities. New Developments is a great opportunity for Detroit. Thank you.

Shirley Rankin- Evergreen Block Club/Garden- President and Executive Director

Warrendale Community Organization- Board Member

Warrendale Worries Radio Patrol-Patroller

Cody Rouge Community Action Alliance- Member

Community Volunteer Leader

Phone- (313) 248-818-1952

Email- s-rankin22@hotmail.com

An open letter from the AMC-area community to Crain's Detroit Business

The AMC Building needs to be saved? Hey Crain's, what about the neighbors long-suffering in its shadows?

When Mayor Duggan and our local city, county, and state officials announced last week that the crumbling AMC building would finally be cleaned up and a new business employing hundreds would be built in its place, the joy in our neighborhoods was indescribable.

For many years, that monstrous abandoned AMC site has devastated our community, driving down the home values of those who stayed, crippling any effort to rebuild commercial businesses on Plymouth, and permanently affecting our children's view of the neighborhood where they are being raised.

That's why we were shocked and angered by the insensitive Crain's Editorial: "The AMC Complex is Worth Saving." The families who have suffered for decades from the decay of the AMC site read with disbelief Crain's romantic description of this "Art-Deco neighborhood landmark."

So whose history is Crain's demanding we preserve?

The history told by the many multi-generational families who live here is very different. This complex was originally built in the 1920's in what was then a white-only section of Detroit, where racial segregation was enforced by restrictive deed covenants and "citizen improvement" associations.

When black residents began migrating to this neighborhood, corporate investment fled. As Mayor Coleman A. Young was being elected Detroit's first Black Mayor in 1973, AMC suddenly announced it was moving its headquarters to a new building it was constructing in Southfield. The message was clear.

That 1.5 million square foot building steadily emptied in the years that followed, choking the economic vitality from our once-proud Plymouth corridor. The small businesses and shops that defined our neighborhood started closing, one after another. So many residents were driven out, local schools closed, further depressing the community.

When Chrysler moved the final employees out in 2009, we thought our neighborhood had hit bottom. We were wrong.

Chrysler sold the property to a chop shop operator who began rapidly stripping the building of every bit of steel, copper, and other material of value. We literally watched this giant hulk crumble before our eyes.

That owner scrapped the building so recklessly, he released high levels of asbestos, refrigerator coolant, and other dangerous toxins into our neighborhood. He was stopped only by a federal conviction and two-year prison sentence for spewing illegal air pollutants.

When the building owner was sentenced to prison in 2013, we thought our neighborhood had hit rock bottom. We were wrong.

The site was left totally abandoned and quickly became Detroit's center of illegal dumping, with trucks coming in and out all hours of the night. Our children's neighborhood park looked directly into the AMC property and 30 acres of unspeakable blight. With Detroit in bankruptcy and a \$10 million estimated AMC clean-up bill, our neighborhood felt completely abandoned.

This is our history of the “neighborhood landmark” Crain’s wants to preserve. It’s a history of environmental racism.

But in recent years, hope emerged. Mayor Duggan got control of the site, began removing the illegal dumping, acquired 8 acres of another adjacent abandoned site, and announced an agreement with a developer who will spend their money for the \$10 million clean-up, bringing a major new employer to our neighborhood.

Our excitement grew when we learned the new buyer was NorthPoint, the company that earlier this year demolished the 1 million square foot abandoned Cadillac Stamping plant on Conner. The demolition was done by a Black-owned company employing Detroiters. On that site is already rising a new Lear seating plant with 400 good paying jobs with benefits. Most importantly, all of those 400 jobs will be offered first to Detroiters.

With NorthPoint’s track record, we can expect a site of terrible blight to soon become a site of real opportunity for our residents.

Crain’s remained completely silent for decades as our neighborhood suffered from the deterioration of the AMC site. Now that we finally have hope, Crain’s speaks up. But not for safety and well-being of our residents.

So we are going to speak up loudly and clearly for ourselves: our lives matter. Our children’s futures matter. They matter more than saving a crumbling, segregation-era, abandoned building.

We won’t sit by while outsiders who couldn’t find our neighborhood without a map, presume to tell us how much we should value their precious “Art-deco neighborhood landmark.”

Sincerely,

Karen Whitsett, State Representative
Leela Hughes, Paveway Block Club
Rev. Cynthia Lowe, Paveway Block Club
Willie Dickerson, Pride Area Community Association
Police Commissioner William Davis, Barton McFarland
Loraine Dixon, Manor Community Association
Gregory Waller, Cheyenne Mackenzie Littlefield Block Club
Pastor QuanTez Pressley, Third New Hope Baptist Church
Mike Saad, Starters Bar & Grill
Pastor Everette Jennings, New Providence Baptist Church
Marcia George, Rutland Plymouth through Chicago Association
Shirley Rankin, Evergreen Block Club
Sylvia Roland, Greenview Block Club
Veronica Armstead, Brace Street Block Club
Angy Webb, Joy Community Association

February 8, 2022

Detroit City Council

Coleman A. Young Municipal Center
2 Woodward Ave
#1340
Detroit, MI 48226

To the Esteemed Members of the Detroit City Council,

I am writing this letter to express my support for the efforts to redevelop the old American Motors Building, a project that in turn, will improve our neighborhoods and provide good paying jobs to our fellow Detroiters. As the President of Greenview (Warren and Sawyer) Block Club I can tell you that the members of our community work very hard every day for change. We believe in unity, in coming together to create a community that enables everyone to thrive. An effort like this is exactly what we've been striving towards and I am not the only one who is relieved to finally see it coming to fruition.

When I first heard that the old American Motors Building would finally be coming down, I was overjoyed. As a longtime member of this community, I've seen firsthand the devastation that the crumbling AMC Building has brought with it. What was indeed, once a beautiful building and a center of economic life in our community has become an eyesore and an environmental catastrophe, harming the health of those of us who live nearby. As local businesses and schools closed, the building was carelessly ransacked – scrapped for useful metals and materials. In doing so, toxins and pollutants were released into the air and soil, including asbestos and even refrigerator coolant. When the scrappers finally moved out, the building became a site for illegal dumping, the blight getting worse by the day. As the years went on, we watched as the situation only became more and more dire.

But with the news that NorthPoint would be moving in to not only take control of the site but demolish it entirely and rebuild something new in its place, I was absolutely ecstatic. Not only has this company completed impressive projects at other sites in the past, but they've also shown to have a good track record of hiring local employees to complete the job. While this new development will bring beauty and new hope to our neighborhood, it will also bring new jobs and opportunities to Detroiters, and I couldn't be more excited.

In summary, this important effort by the City of Detroit in partnership with NorthPoint is one that will bring nothing but good to our community. This project is one that is long overdue. It's time to demolish the abandoned American Motors Building so that something new can be built in its place, something that will bring new jobs to our fellow Detroiters, new opportunities for our children, and new hope for our community. This is the start of something great for our neighborhood, and I am in full support of the redevelopment of the AMC Complex for a brighter and more prosperous future. If you have any questions, I can be reached at (313) 673-1338 and mrs.successful@yahoo.com.

Sincerely,

Sylvia Roland
President of Greenview (Warren and Sawyer) Block Club

February 7, 2022

Dear Sir/Madam:

My name is Veronica Armstead, President of the Brace Street Block Club. I would first like to thank Representative Karen Whitsett for all her hard work and diligence working with District 7 to bring a safe, clean and uplifting environment to our community.

As a community leader my block club and myself, which includes over 200 residents agree with the demolition of the AMC building and the possibility of new jobs for Detroiters with the reconstruction of new businesses in its place.

Please let this letter serve as written support of the efforts of Representative Karen Whitsett connected to this project.

Thank you.

A handwritten signature in black ink that reads "Veronica Armstead". The signature is written in a cursive style with a large, sweeping initial "V".

Veronica Armstead, President Brace Street Block Club

cc: file

Detroit City Council
Coleman A. Young Municipal Center
2 Woodward Avenue #1310
Detroit, MI 48226

Dear City of Detroit Councilmembers,

As a community member of District 7, I support the demolition of the AMC Headquarters, remediation of contamination, and construction of the new facility proposed by NorthPoint Development. I hope that the councilmembers will please take into consideration my endorsement for this project.

Sincerely,

Willie E. Dickerson
Signature Date

Willie E. Dickerson
Printed Name

pacpresident@yahoo.com
Email Address

12223 Northwell: 48227
Home Address