

**HENRY
FORD
HEALTH**

**HENRY FORD HEALTH +
MICHIGAN STATE UNIVERSITY**
Health Sciences



THE FUTURE OF HEALTH IN A THRIVING NEW CENTER

MISSION – DRIVEN DEVELOPMENT

Opportunity to create more unique job opportunities for Detroiters



**HENRY
FORD
HEALTH** SM

**NON-PROFIT HOSPITAL
SYSTEM**



**MICHIGAN STATE
UNIVERSITY**

**NON-PROFIT LAND
GRANT UNIVERSITY**



**COMMUNITY
IMPACT**

LIFE-CHANGING HOSPITAL, HOUSING, AND RESEARCH



- **2.5X Expanded emergency room**
- **State of the art medical technology**
- **Privacy – all single patient rooms**
- **Relocates density of visitors, staff, parking, and truck traffic away from neighborhoods**

- **Research sets foundation for best care**
- **Fight multiple health issues**
- **Better health outcomes**
- **Accelerate health equity**
- **Career pathways for Detroiters**

- **Building an inclusive community**
- **Affordable achievable housing for all Detroiters**
- **Commercial / retail and green space**

COMMUNITY CONVERSATIONS

WHAT WE'VE HEARD SHAPES OUR PILLARS

ENGAGEMENT SESSIONS

Reached **over 1,000** residents

Over **200 survey results** collected

Hosted meetings with over **80 community leaders** citywide

Hosted **5 community group/block clubs** in the impact area

Hosted **3 business roundtables**

Host clergy roundtable discussion

Hosted panel discussion with local High School

Patient Experience Listening Session



We would love to hear from you

Please scan the QR code to fill out our survey (5-10 minutes)

COMMUNITY GROUP MEETINGS

Vanguard Community Development Corp.

360 Detroit

Motown Museum

West Grand Blvd Collective

North End Neighborhood Alliance

North End Cabinet

Historic Boston Edison Association

East Village Association

5 Alive

CANCAN

LaSalle Gardens Block Club

Central Detroit Christian CDC

Northwestern High School

U Prep Art and Design HS and MS

Green Living Science Student

Ambassadors

Warrior on Wheels

Detroit Clergy Roundtable

District 5 Business Roundtable

Department of Neighborhoods

Det Black Business Alliance

Midtown Inc.

Urban Neighborhood Initiatives

(UNI)

Franklin Wright Settlements

Wayne County Community College

COMPLETED / UPCOMING CITY COUNCIL TOURS

D5 City Council President Sheffield

D1 Councilmember Pro Tempore Tate

At Large Councilmember Waters

At Large Councilmember Young

D2 Councilmember Calloway

D3 Councilmember Benson

D4 Councilmember Johnson

D6 Councilmember Santiago-Romero

D7 Councilmember Durhal

MISSION-DRIVEN DEVELOPMENT

5 PILLARS OF IMPACT



**CAREER OPPORTUNITIES
CLOSE TO HOME**



**FINEST HEALTH CARE FOR
DETROITERS**



EDUCATION



**FUTURE OF
HEALTH:
DETROIT**



**COMMUNITY
BUILDING**



**HOUSING FOR
DETROITERS**

FUTURE OF HEALTH: DETROIT

LARGEST COMMUNITY BENEFITS AGREEMENT

OUR MISSION-DRIVEN PILLARS

INFORMED BY THE NAC + OVER 1,000 LISTENING SESSIONS IN THE COMMUNITY AND ACROSS THE CITY OF DETROIT

Projects	Gross Square Ft.	Units	Parking Spaces	Cost (in Ms)
One Ford Place - Residential 1 (Adaptive Reuse)	625,000	403		\$189.9 M
New Residential 2	160,000	154		\$79.3 M
Research	335,000	-		\$392.6 M
Parking Garage	320,000		800	\$57.7 M
New Residential 3	112,000	105		\$54.0 M
Total Projects in TBP	1,552,000	662	800	\$773.5 M
HFH Hospital Expansion Projects	1,200,000		1,500	\$2,248 M
Grand Total Investment			2,300	\$3,000 M
Total Incentives Requested				\$287 M

**Least amount of incentives compared to overall investment, 9% of total Future of Health investment of \$3B or 35% of TBP projects*

CITY OF DETROIT NET FISCAL BENEFIT

\$118 MILLION

\$3.4M / Year (Over 35 Years)

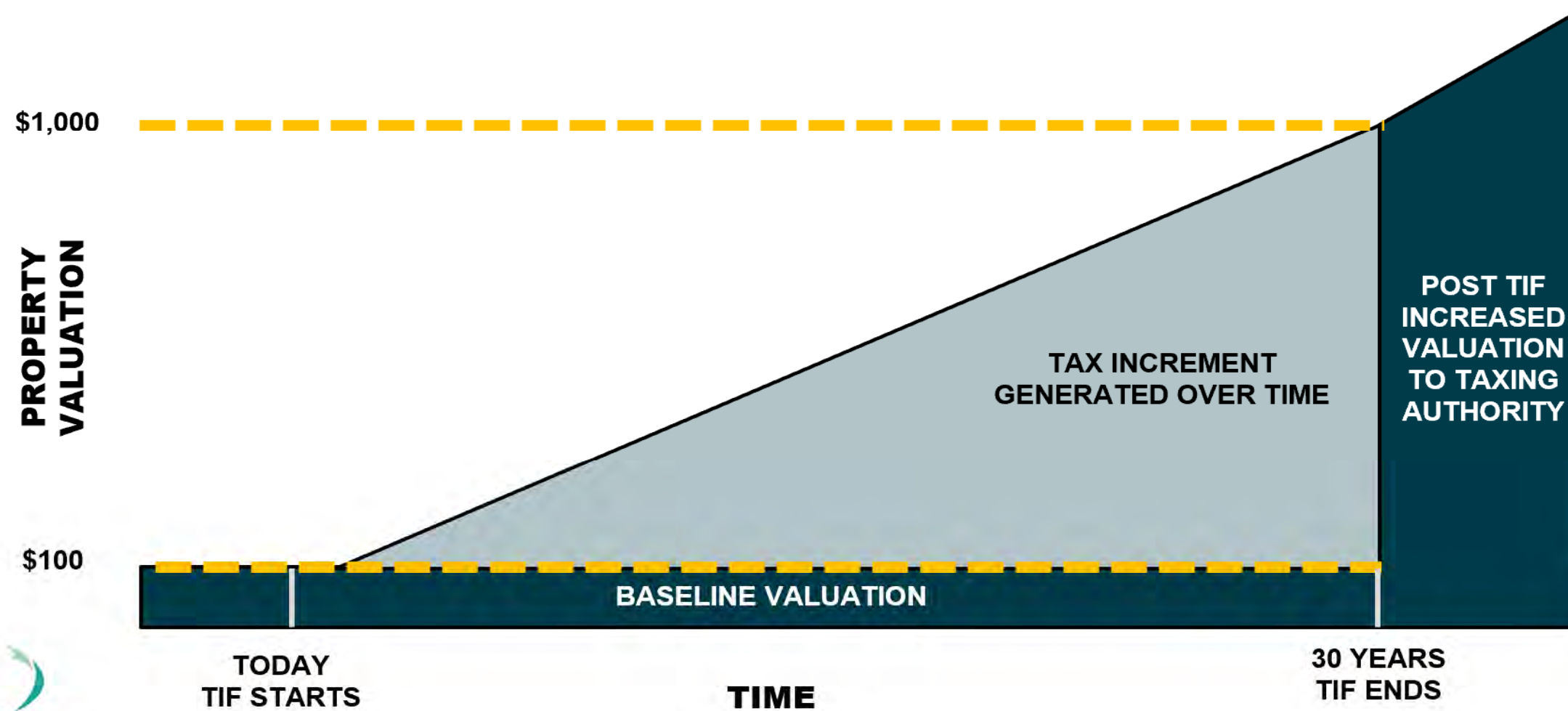
PILLAR	FUTURE OF HEALTH COMMITMENTS SUMMARY
HOUSING	<ul style="list-style-type: none"> 662 New Residential Units 20% Affordable 13 @ 30% AMI 107 @ 50% AMI 13 @ 70% AMI Acceptance of Section 8 Vouchers Home Repair + Rental Assistance Funding
HEALTHCARE	<ul style="list-style-type: none"> Urgent/Fast Track Care Services Dedicated Behavioral Health Space Uncompensated Care Community Health Worker Impact Area Senior Citizens Community Health Fairs + Medical Resources for NWHS and UPrep
CAREER OPPORTUNITIES + EDUCATION	<ul style="list-style-type: none"> 50 Free Tuition MSU Scholarships Over 10 Years + Alternative Career Education Apprenticeship + Mentorship Programs Job Preference for Detroiters 17,100 Active Positions 8,943 New Opportunities
COMMUNITY BUILDING	<ul style="list-style-type: none"> Local Business Acceleration Plan Community Partnerships + Micro-Grants Fairbanks School Redevelopment Planning Virtual Website Information – Job Postings, Construction Updates, Affordable Housing Information
TOTAL	\$604 M



THE FUTURE OF HEALTH TRANSFORMATIONAL BROWNFIELD PLAN

TAX INCREMENT FINANCING

Tax Increment Financing (TIF) How It Works





Traditional vs. Transformational Brownfield

	Traditional Brownfield Plan	Transformational Brownfield Plan
ELIGIBLE PROPERTY	4 Types of Property Qualification	Same as Traditional
MINIMUM INVESTMENT	No Minimum Investment Amount	\$500 Million Minimum Investment
COSTS COVERED	Specific, Limited Construction Costs	All Construction Costs
TAXES CAPTURED & REIMBURSED	Incremental Property Taxes – 30 years	Incremental Property Taxes – 30 years
		Construction Materials – 100% Sales Tax Exemption
		Construction Labor - 100% State Income Tax Capture
		Permanent Employees – 50% State Income Tax Capture – 20 years
		Development Residents – 100% State Income Tax Capture – 20 years



FUTURE OF HEALTH

TAX CAPTURE BY PROPERTY

(in Millions)

#	PROJECT NAME	TOTAL COST	STATE TAXES ^[1]	NON-CITY PROPERTY TAXES	CITY PROPERTY TAXES	TOTAL TBP (OVER 35 YEARS)
1	HFH + MSU Research Center	\$392.6M	\$39.6M	\$0	\$0	\$39.6M
2	East Campus Parking Garage	\$57.7M	\$0.3M	\$10.1M	\$6.3M	\$16.7M
3	One Ford Place – Residential 1	\$189.9M	\$43.1M	\$40.6M	\$25.1M	\$108.8M
4	Residential 2	\$79.3M	\$18.8M	\$13.6M	\$7.3M	\$39.6M
5	Residential 3	\$54.0M	\$12.6M	\$9.5M	\$5.0M	\$27.1M
TOTAL		\$773.5M	\$114.4M	\$73.7M	\$43.7M	\$231.8M

[1] "State Taxes" Includes Reimbursement Of Sales/Use Tax During the Project Construction Period & Income Tax Capture During Construction & After (Limited to 20 Years)



FUTURE OF HEALTH

INCENTIVES OVERVIEW

UNIQUE PARTNERSHIP THAT PROVIDES MAJOR STATE INCOME TAX INCENTIVES ON TOP OF TYPICAL LOCAL PROPERTY TAX INCENTIVES

TOTAL TAX INCENTIVES CONTRIBUTED TO THE PROJECT

	<u>Abatements</u>	<u>TIF</u>
City of Detroit	\$23 Million	\$47 Million
All Other Taxing Jurisdictions	\$32 Million	\$80 Million
Property Tax Abatement Benefit (PA 210, PA 255, NEZ)	\$55 Million	
Brownfield Tax Increment Financing	\$117 Million	
State of Michigan Transformational Brownfield Program	\$114 Million	
Total Incentives Over 35 Years	\$287 Million	

THIS ASSUMES PROJECT IS FULLY BUILT OUT

THE DEVELOPER RECEIVES NOTHING IF THEY DO NOT BUILD

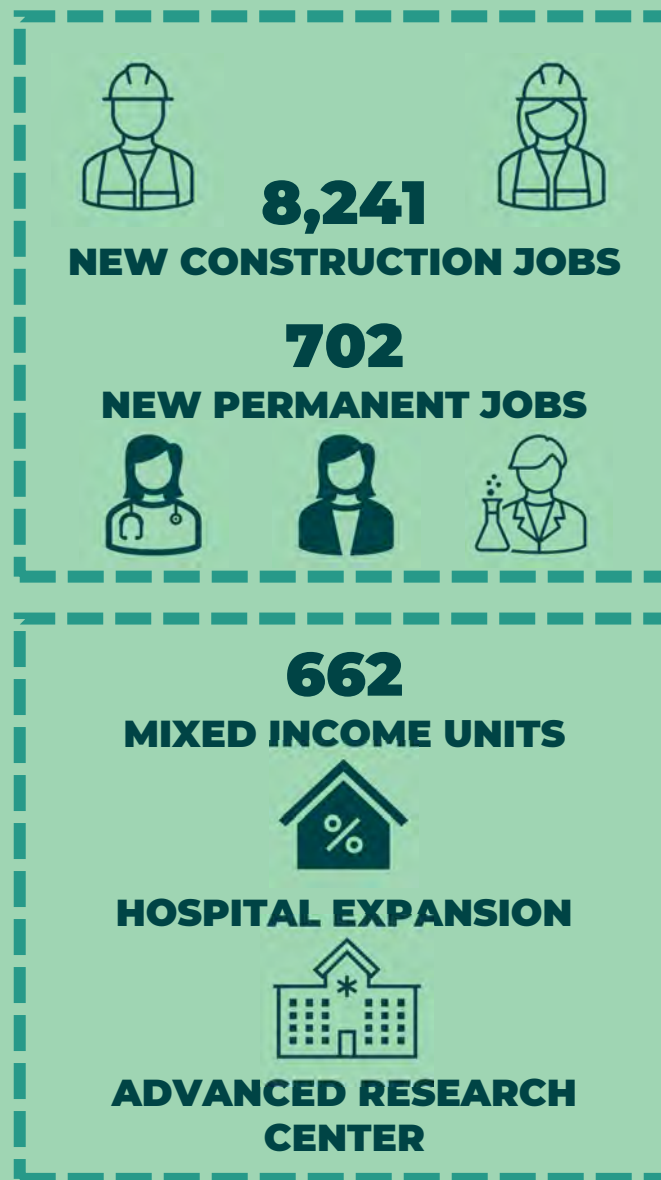
THE DEVELOPERS CAN EARN THESE INCENTIVES OVER 35 YEARS BY BUILDING THE PROJECTS & FILLING THE BUILDINGS WITH CITY OF DETROIT RESIDENTS & EMPLOYEES

TOTAL TBP BENEFIT = \$232 MILLION

FUTURE OF HEALTH

NET BENEFIT

\$3.0 BILLION
MISSION-DRIVEN
INVESTMENT



New City Property Taxes, Income Taxes, Other Taxes



City Resident Income Taxes



CITY PROPERTY TAXES
\$17.3 MILLION

CONSTRUCTION CITY INCOME TAXES
\$7.7 MILLION

EMPLOYEE CITY INCOME TAXES
\$70.5 MILLION

RESIDENT CITY INCOME TAXES
\$18.5 MILLION

CITY UTILTIY USER TAX, PERMITS, MISC. TAXES
\$3.9 MILLION

\$118 MILLION
\$3.4M / Year



TAX ABATEMENT PRESENTATION

DETROIT ECONOMIC GROWTH CORPORATION

Detroit City Council:
Planning + Economic Development Standing Committee Meeting
Thursday, February 8, 2024





FUTURE OF HEALTH

PROPERTY TAX ABATEMENTS

REQUESTED



**COMMERCIAL
REHABILITATION
EXEMPTION (PA 210)**



**COMMERCIAL
REDEVELOPMENT
ACT (PA 255-R)**



**NEIGHBORHOOD
ENTERPRISE ZONE
(PA 147)**

BENEFIT



Provides reduced tax rate on the value of improvements.

Provides a tax exemption on the value of commercial improvements.

Provides a tax exemption on the value of residential improvements.

LENGTH OF TIME



**UP TO 10 YEARS AFTER
COMPLETION**

**UP TO 12 YEARS AFTER
COMPLETION**

UP TO 17 YEARS



FUTURE OF HEALTH

NEW AND RENOVATED HISTORIC PROJECTS

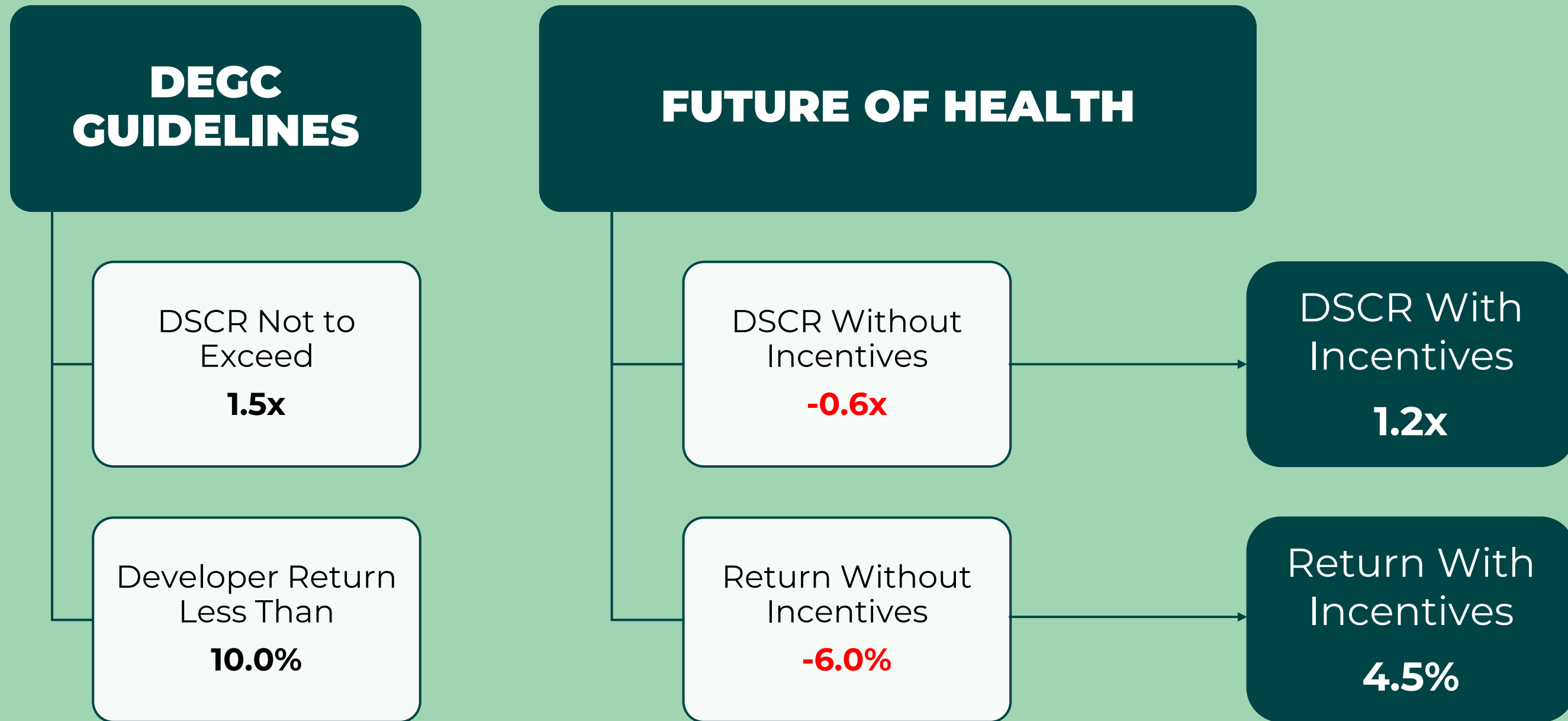
#	PROJECT NAME	PA 210	PA 255
1	One Ford Place – Residential 1 (6005 Second Avenue)		X
2	Residential 2 (725 Amsterdam Street)	X	
3	Residential 3 (675 Amsterdam Street)	X	





FUTURE OF HEALTH

INCENTIVE NEED



HFH Hospital Expansion, HFH + MSU Research Center, & Parking Deck are not pursuing any tax abatements and do not influence developers returns



FUTURE OF HEALTH

INCENTIVE NEED

Q: HOW DOES THIS PROJECT COMPARE TO OTHER PROJECTS THAT HAVE RECEIVED INCENTIVES?

In 2021 and 2022 City Council voted to approve incentives on \$2.0 billion in mixed-use projects:

	RETURN ON INVESTMENT (ROI)	FUTURE OF HEALTH ROI
2021	4.3%	4.5%
2022	7.1%	



FUTURE OF HEALTH

HOW DOES TBP WORK?

*UNIQUE PARTNERSHIP THAT PROVIDES MAJOR STATE INCOME TAX INCENTIVES
ON TOP OF TYPICAL LOCAL PROPERTY TAX INCENTIVES*

TOTAL TAX INCENTIVES CONTRIBUTED TO THE PROJECT

Property Tax Abatement Benefit (PA 210, PA 255, NEZ)	\$55 Million
Brownfield Tax Increment Financing	\$117 Million
State of Michigan Transformational Brownfield Program	\$114 Million
Total Incentives Over 35 Years (TBP + Incentives)	\$287 Million

THIS ASSUMES PROJECT IS FULLY BUILT OUT

THE DEVELOPER RECEIVES NOTHING IF THEY DO NOT BUILD

THE DEVELOPERS CAN EARN THESE INCENTIVES OVER 35 YEARS BY BUILDING THE PROJECTS & FILLING THE BUILDINGS WITH CITY OF DETROIT RESIDENTS & EMPLOYEES



10:20 a.m. – PED HEARING
PA 255 Certificate Hearing – Project #1



DETROIT ECONOMIC GROWTH CORPORATION
Project 1 – PA 255 Certificate – 6005 Second – One Ford Place
Thursday, February 8, 2024



FUTURE OF HEALTH

RENOVATED HISTORIC PROJECT PA 255 CERTIFICATE – PROJECT 1



#	PROJECT NAME	TOTAL INVESTMENT	PROGRAM	PA 255 VALUE
1	6005 Second – One Ford Place	\$190M	403 Resi Units* 17K SF Retail	\$1.3M

** 20% Of All Units Are Affordable Ranging From 30%-70% AMI, With An Average Of 50% AMI



FUTURE OF HEALTH

PA 255 CERTIFICATE – PROJECT 1

6005 Second – One Ford Place

Unit Type	All		Market-Rate		Affordable @ Avg. 50% AMI		
	Unit Ct	Avg SF	Unit Ct	Avg SF	Unit Ct	Avg SF	% of Total
Studio	181	565	144	565	37	565	20%
1 Bed	179	722	144	722	35	722	20%
2 Bed	43	1,070	34	1,070	9	1,070	20%



**** 20% Of All Units Are Affordable Ranging From 30%-70% AMI, With An Average Of 50% AMI**

**** Developer Will Accept Section 8 Vouchers**

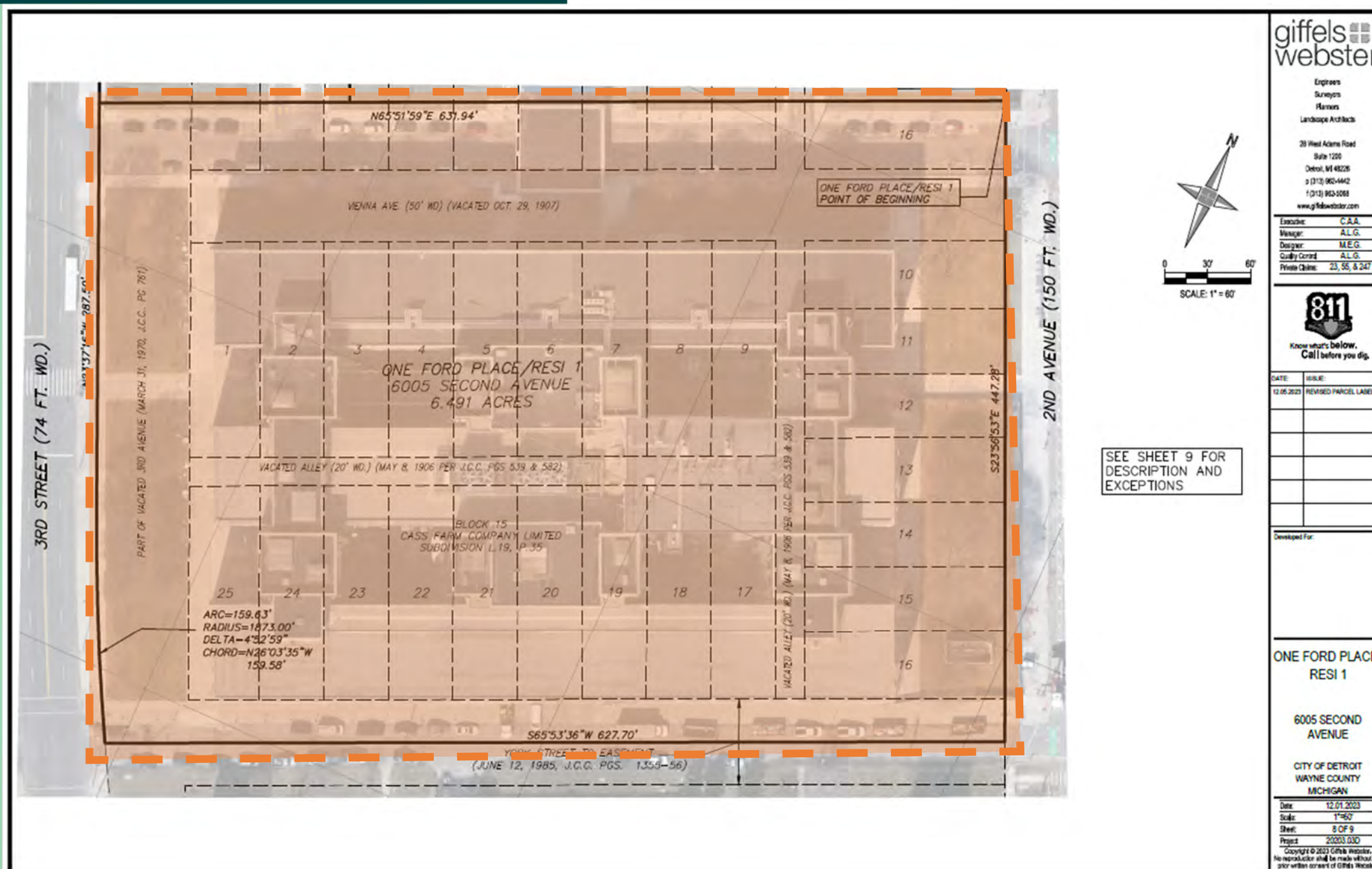
**** Proposed Unit Type Distribution is Based Upon Conceptual Design and is Subject to Change Prior to Construction Start**

**** Final Distribution of Affordable Units Will Remain Proportionate to Market-Rate Units**



FUTURE OF HEALTH

PA 255 DISTRICT – PROJECT 1



SEE SHEET 9 FOR
DESCRIPTION AND
EXCEPTIONS

giffels webster

Engineers
Surveyors
Planners
Landscape Architects

20 West Adams Road
Suite 1200
Detroit, MI 48226
P (313) 963-4442
F (313) 963-5088
www.giffelswebster.com

Executive: C.A.A.
Manager: A.L.G.
Designer: M.E.G.
Quality Control: A.L.G.
Project Codes: 23, 55, & 247

811
Know what's below.
Call before you dig.

DATE	ISSUE
12.05.2023	REVISED PARCEL LABELS

Developed For:

ONE FORD PLACE/
RESI 1

6005 SECOND
AVENUE

CITY OF DETROIT
WAYNE COUNTY
MICHIGAN

Date: 12.01.2023
Scale: 1"=60'
Sheet: 8 OF 9
Project: 20203.030

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FUTURE OF HEALTH

MIXED INCOME,
HISTORICAL ADAPTIVE RE-USE
6005 SECOND – ONE FORD PLACE

By The Numbers

539 Construction Jobs

98 Permanent Jobs

403 Residential Units

81 Affordable Housing Units, Ranging from 30-70% AMI, with an Average of 50% AMI

17K SF Shops & Dining

\$190M Total Investment

\$26M Net City Fiscal Benefit

PA 255 Commercial Abatement

For 50% AMI: Rents at \$828/Month for a 1-person household earning \$33,150
Rents at \$1,066/Month for a 3-person household earning \$42,650
*Represents 2023 AMI figures. Can change over time.



BEFORE



AFTER



**10:30 a.m. – PED HEARING
PA 210 Certificate – Project-3**



DETROIT ECONOMIC GROWTH CORPORATION
Project -3 – PA 210 Certificate – 675 Amsterdam
Thursday, February 8, 2024



FUTURE OF HEALTH

PA 210 CERTIFICATE – PROJECT 3

#	PROJECT NAME	TOTAL INVESTMENT	PROGRAM	PA 210 VALUE
3	675 Amsterdam – Residential 3	\$54M	105 Resi Units* 6K SF Retail	\$5.0M

** 20% Of All Units Are Affordable Ranging From 30%-70% AMI, With An Average Of 50% AMI





FUTURE OF HEALTH

PA 210 CERTIFICATE – PROJECT 3

675 Amsterdam – Residential 3

Unit Type	All		Market-Rate		Affordable @ Avg. 50% AMI		
	Unit Ct	Avg SF	Unit Ct	Avg SF	Unit Ct	Avg SF	% of Total
Studio	55	493	44	493	11	493	20%
1 Bed	40	796	32	796	8	796	20%
2 Bed	10	1,060	8	1,060	2	1,060	20%

** 20% Of All Units Are Affordable Ranging From 30%-70% AMI, With An Average Of 50% AMI

** Developer Will Accept Section 8 Vouchers

** Proposed Unit Type Distribution is Based Upon Conceptual Design and is Subject to Change Prior to Construction Start

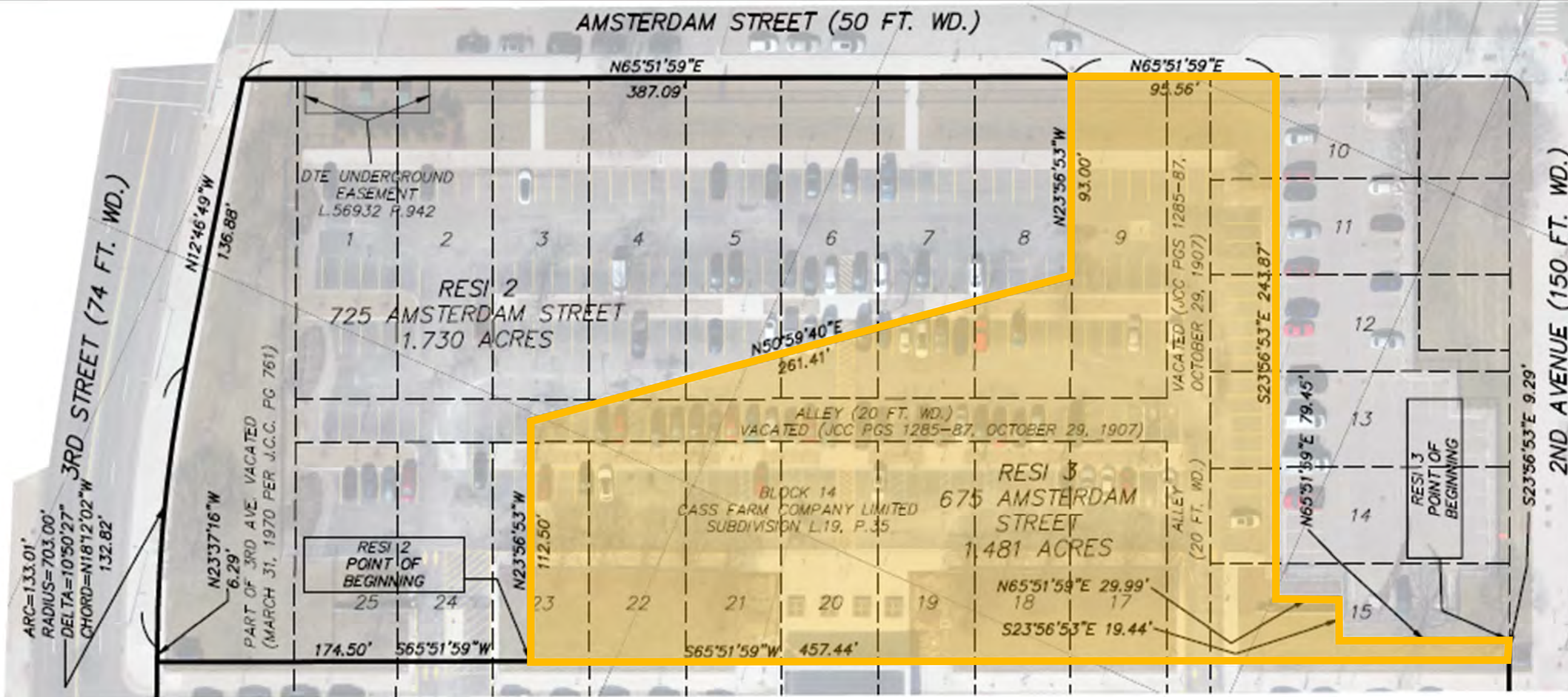
** Final Distribution of Affordable Units Will Remain Proportionate to Market-Rate Units



Residential 3

FUTURE OF HEALTH

PA 210 CERTIFICATE – PROJECT 3



giffels
webster

Engineers
Surveyors
Planners
Landscape Architects

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Detroit, MI 48226
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f (313) 962-5068
www.giffelswebster.com

Executive:	CAA
Manager:	ALG
Designer:	M.E.G.
Quality Control:	ALG
Private Claims:	23, 55, & 247



DATE	ISSUE
12.05.2023	REVISED PARCEL LABELS



FUTURE OF HEALTH

SURFACE PARKING LOT CONVERTED TO
MIXED-USE, MIXED INCOME
675 AMSTERDAM – RESIDENTIAL 3

By The
Numbers

- 158** Construction Jobs
- 34** Permanent Jobs
- 105** Residential Units
- 21** Affordable Housing Units, Ranging from 30-70% AMI, with an Average of 50% AMI
- 6K SF** Shops & Dining
- \$54M** Total Investment
- \$7M** Net City Fiscal Benefit
- PA 210** Abatement
 - Rents at \$828/Month for a 1-person household earning \$33,150
 - Rents at \$1,066/Month for a 3-person household earning \$42,650
 - *Represents 2023 AMI figures. Can change over time.



Residential 3



10:40 a.m. – PED HEARING
PA 210 Certificate – Project #2



DETROIT ECONOMIC GROWTH CORPORATION
Project 2 – PA 210 Certificate – 725 Amsterdam
Thursday, February 8, 2024

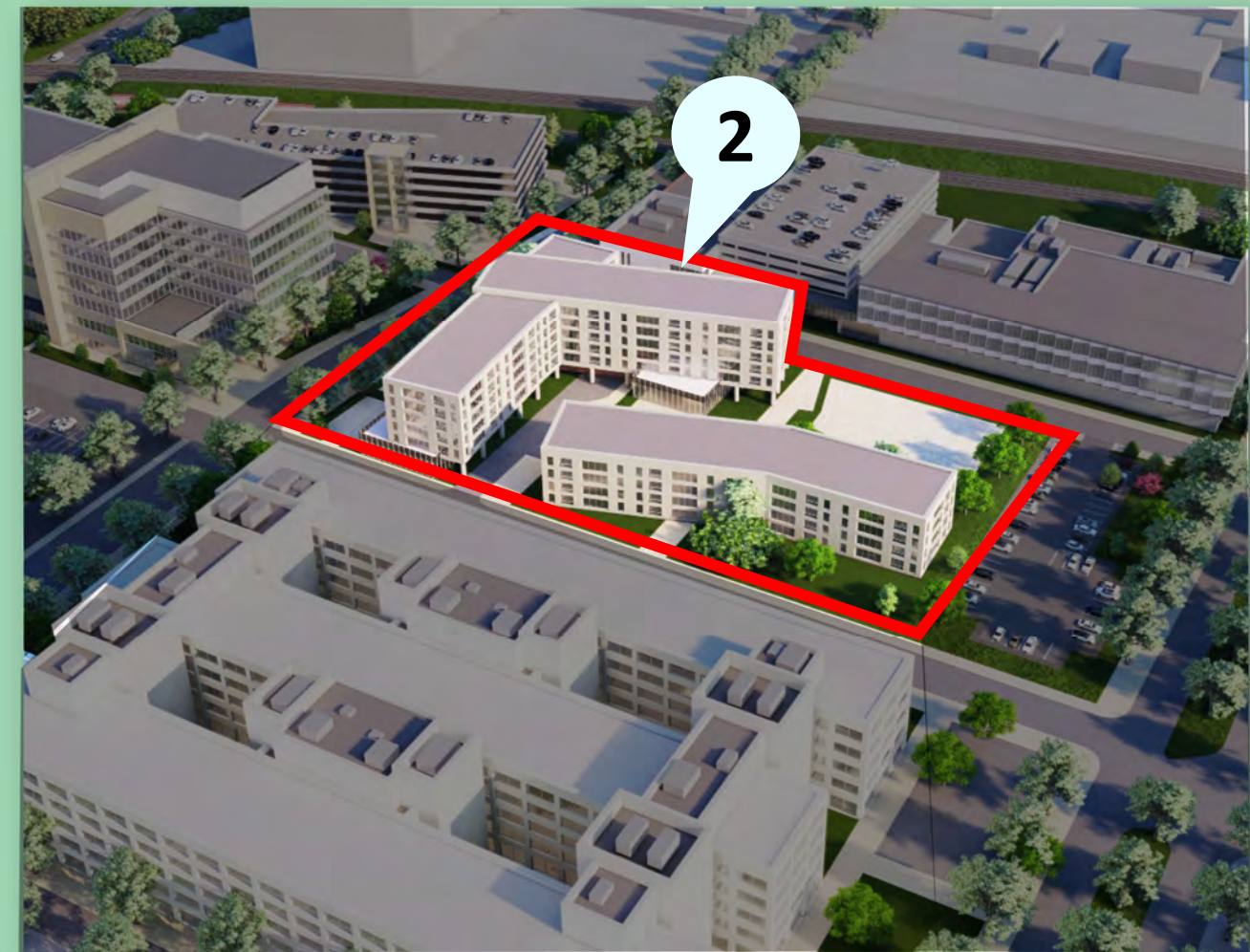


FUTURE OF HEALTH

PA 210 Certificate – Project #2

#	PROJECT NAME	TOTAL INVESTMENT	PROGRAM	PA 210 VALUE
2	725 Amsterdam – Residential 2	\$79M	154 Resi Units* 8K SF Retail	\$7.1M

**** 20% Of All Units Are Affordable Ranging From 30%-70% AMI, With An Average Of 50% AMI**





FUTURE OF HEALTH

PA 210 CERTIFICATE – PROJECT #2

725 Amsterdam – Residential 2

Unit Type	All		Market-Rate		Affordable @ Avg. 50% AMI		
	Unit Ct	Avg SF	Unit Ct	Avg SF	Unit Ct	Avg SF	% of Total
Studio	75	514	60	514	15	514	20%
1 Bed	69	793	55	793	14	793	20%
2 Bed	10	1,117	8	1,117	2	1,117	20%

**** 20% Of All Units Are Affordable Ranging From 30%-70% AMI, With An Average Of 50% AMI**

**** Developer Will Accept Section 8 Vouchers**

**** Proposed Unit Type Distribution is Based Upon Conceptual Design and is Subject to Change Prior to Construction Start**

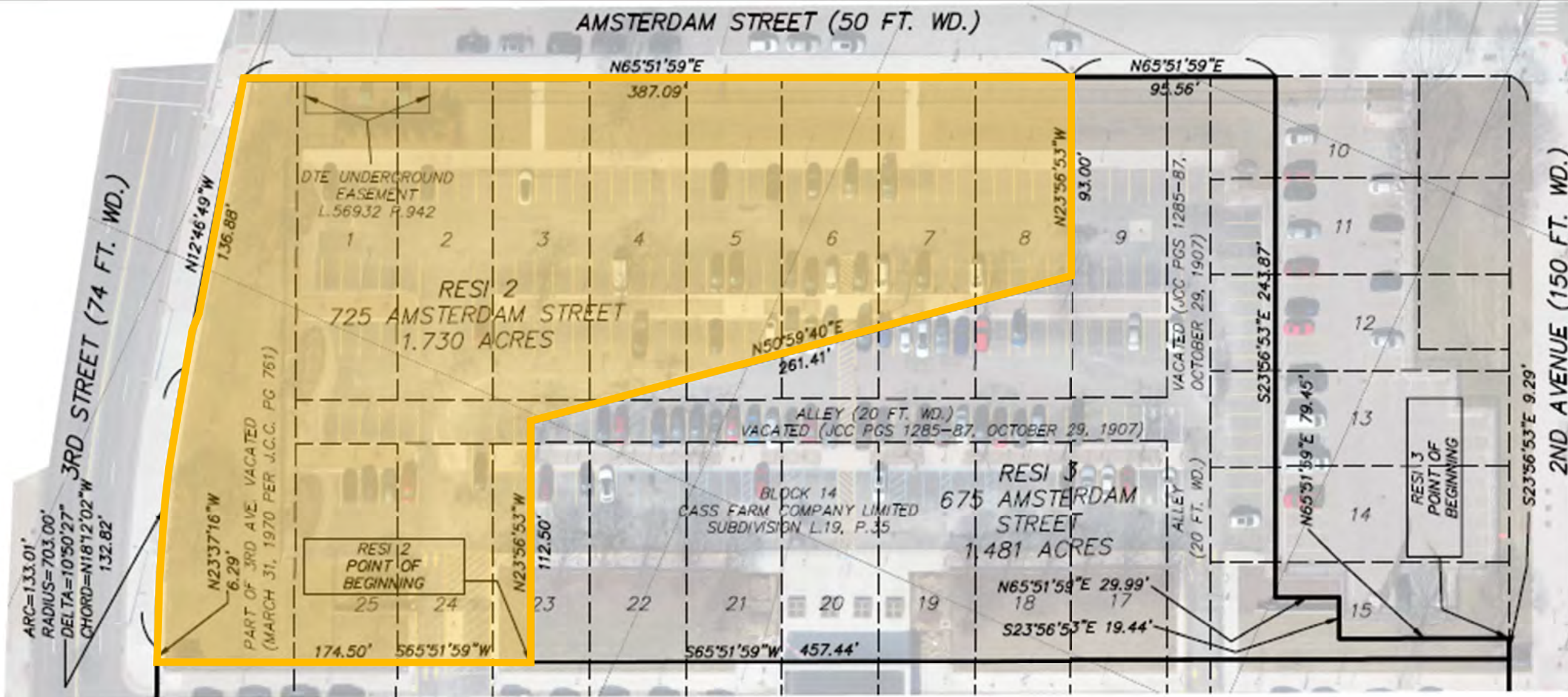
**** Final Distribution of Affordable Units Will Remain Proportionate to Market-Rate Units**



Residential 2

FUTURE OF HEALTH

PA 210 CERTIFICATE – PROJECT 2



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FUTURE OF HEALTH

SURFACE PARKING LOT CONVERTED TO MIXED-USE, MIXED INCOME

725 AMSTERDAM – RESIDENTIAL 2

**By The
Numbers**

- 248** Construction Jobs
 - 45** Permanent Jobs
 - 154** Residential Units
 - 31** Affordable Housing Units, Ranging from 30-70% AMI, with an Average of 50% AMI
 - 8K SF** Shops & Dining
 - \$79M** Total Investment
 - \$11M** Net City Fiscal Benefit
 - PA 210** Abatement
- Rents at \$828/Month for a 1-person household earning \$33,150
Rents at \$1,066/Month for a 3-person household earning \$42,650
*Represents 2023 AMI figures. Can change over time.



FUTURE OF HEALTH - DETROIT

COMMUNITY BENEFITS PROCESS



DEPARTMENT OF
Planning &
Development

Planning and Economic Development Standing Committee – February 8, 2024

COMMUNITY BENEFITS ORINDANCE (CBO)

CBO Fast Facts

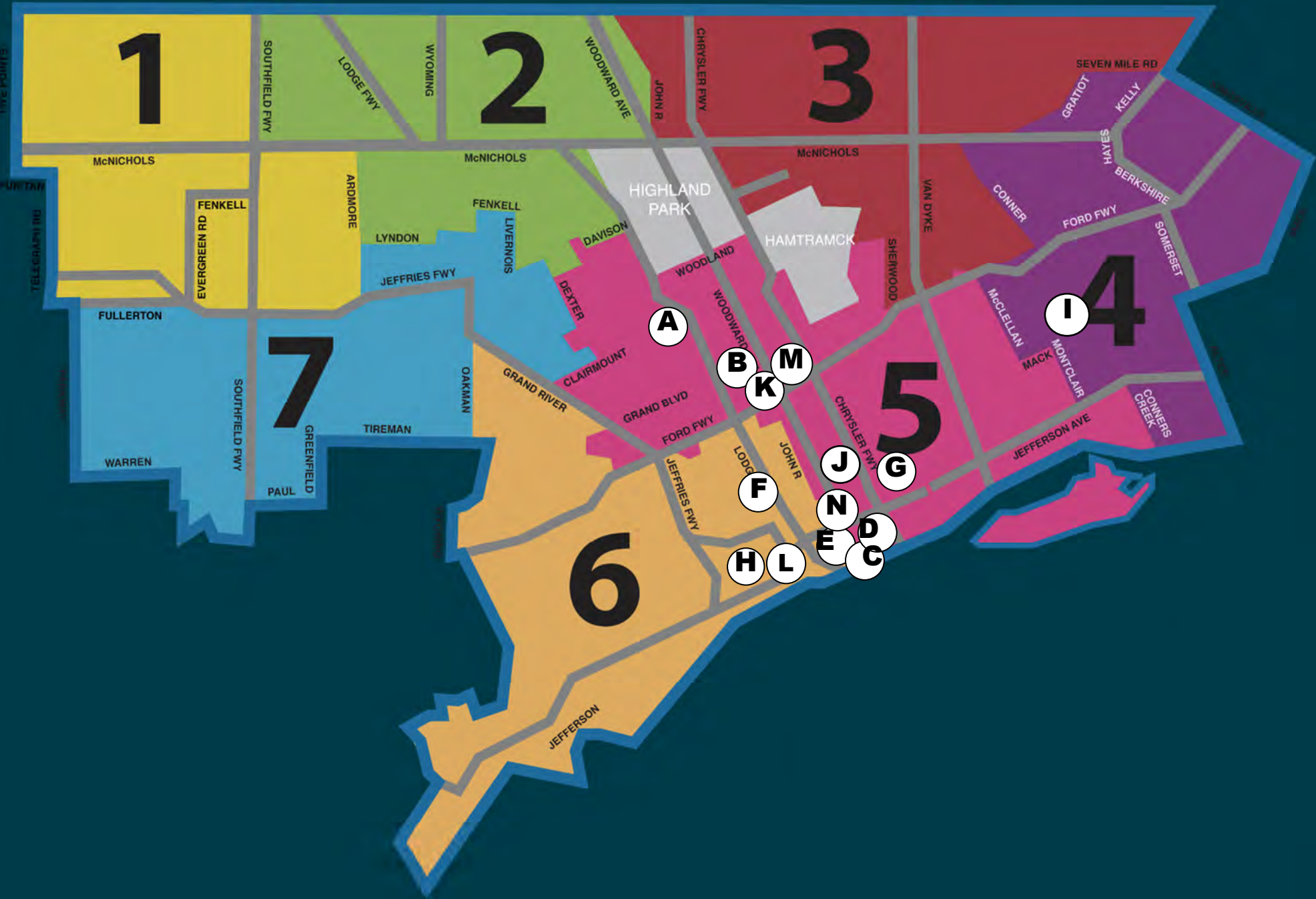


**CBO WAS
APPROVED
BY DETROITERS
DURING THE
2016 ELECTION – AND
AMENDED BY CITY
COUNCIL IN 2021**



**A PROCESS FOR
DEVELOPERS
TO PROACTIVELY ENGAGE
WITH THE COMMUNITY
TO IDENTIFY AND ADDRESS
ANY PROJECT IMPACTS**

13 TIER 1 CBO PROJECTS COMPLETED SINCE 2017*



- A** HERMAN KIEFER - 5 MEETINGS
- B** PISTONS - 6 MEETINGS
- C** HUDSONS - 5 MEETINGS
- D** BOOK TOWER & MONROE BLOCKS - 6 MEETINGS
- E** DETROIT FREE PRESS BUILDING - 4 MEETINGS
- F** WIGLE: MIDTOWN WEST - 8 MEETINGS
- G** LAFAYETTE WEST - 5 MEETINGS
- H** MICHIGAN CENTRAL STATION - 8 MEETINGS
- I** FIAT CHRYSLER ASSEMBLY PLANT - 8 MEETINGS
- J** THE MID - 5 MEETINGS
- K** *CASS & YORK (PROCESS SUSPENDED AFTER 7th MEETING)
- L** MICHIGAN & CHURCH ST. - 6 MEETINGS
- M** FISHER BODY 21 - 9 MEETINGS
- N** THE DISTRICT DETROIT - 9 MEETINGS

CBO TIER 1 TRIGGERS

The Community Benefits Ordinance TIER I requirements only applies to a development project if...



\$75M
OR MORE IN
CONSTRUCTION
COSTS

+



\$1M
OR MORE
IN CITY TAX
ABATEMENTS
IN THE CITY
OF DETROIT

OR



\$1M
OR MORE
IN VALUE OF
CITY PROPERTY
SALE OR
TRANSFER FOR
BELOW MARKET
VALUE &
WITHOUT
OPEN BIDDING

Future of Health: Detroit

Project's Tier 1 CBO

Qualifying Factors

- Total Cost of Investment of ~\$3.02 Billion
- Residential Buildings seeking Commercial Rehabilitation Act (PA 210) and Commercial Redevelopment Act (PA 255-R Tax Abatements valued over \$1M



CBO TIER 1 PROCESS

Identifying Project Impacts and Mitigations



**THE
NEIGHBORHOOD
ADVISORY
COUNCIL (NAC)
9 RESIDENTS
FROM THE
IMPACT AREA**



**THE NAC MEETS
WITH **PLANNING &
DEVELOPMENT,**
THE DEVELOPER,
AND COMMUNITY
TO IDENTIFY
PROJECT IMPACTS**



**THE NAC
DEVELOPS
SUGGESTIONS
TO IDENTIFIED
IMPACTS AND
THE
DEVELOPER
RESPONDS**



**THE CITY AND
DEVELOPER
GENERATE AN
AGREEMENT
IN RESPONSE
TO THE
IMPACTS WITH
THE NAC'S
SUPPORT**

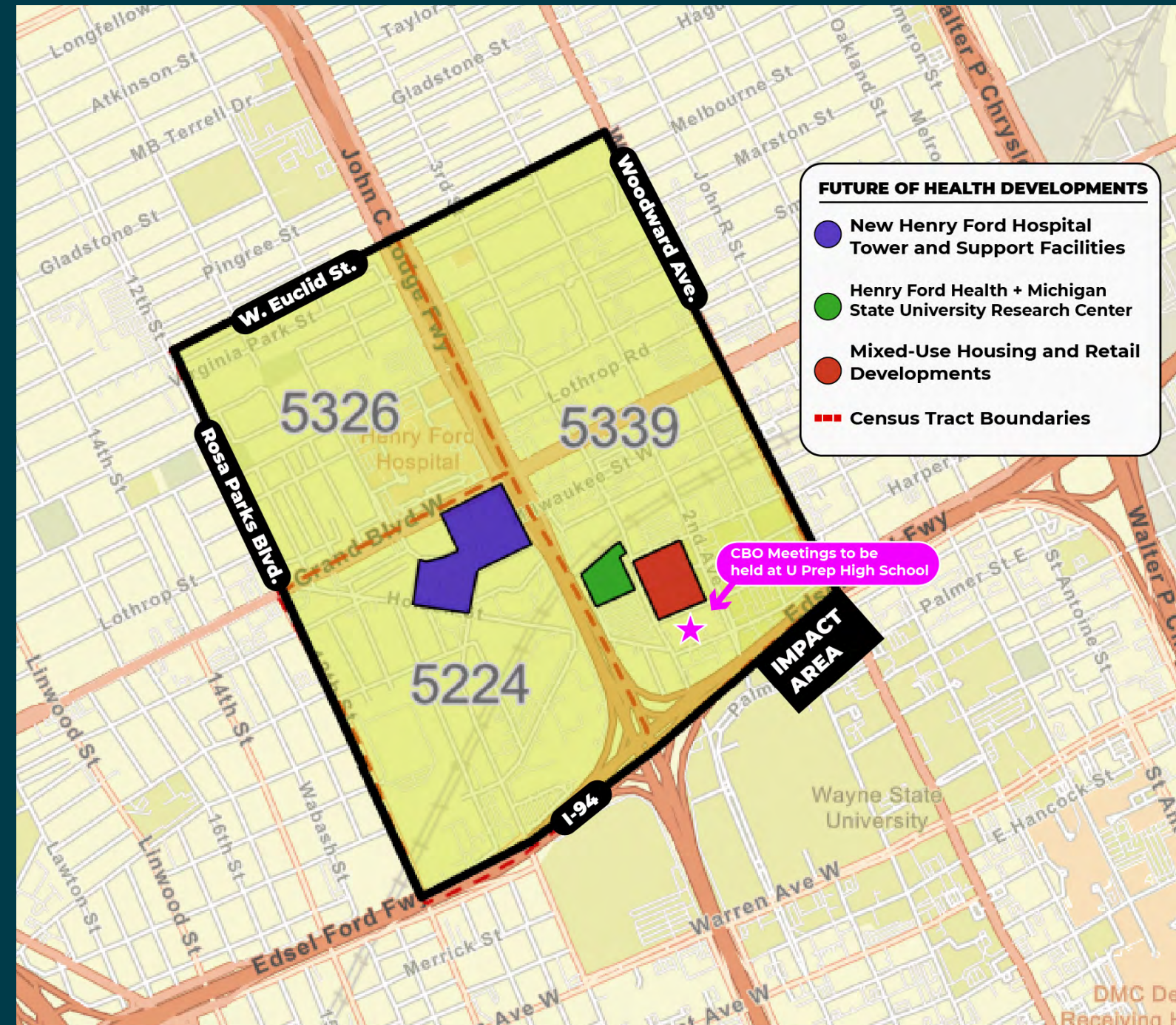
FUTURE OF HEALTH PROJECT IMPACT AREA AND MEETING NOTICE

PDD reviews the project scope and **defines the Impact Area** which includes at least the census tracts of the projects

The Impact Area is determined to identify **who can serve** on the Neighborhood Advisory Council (NAC) and **who can vote** to select 2 representatives to serve on the NAC

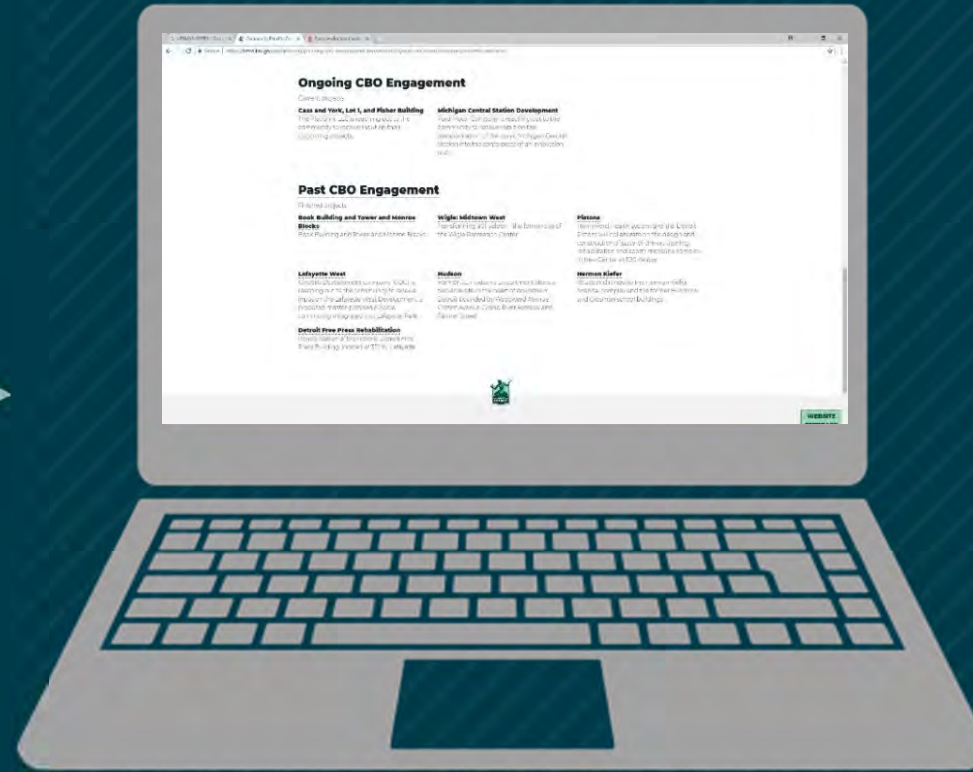
A notice of the first CBO meeting is **mailed to all residents within 300ft of the Impact Area**

- The Future of Health CBO meeting notice was sent to **4,694 Impact Area** addresses in addition to notices distributed via GovDelivery, social media and the City of Detroit website



CITY OF DETROIT CBO WEBSITE

THE CBO WEBSITE IS UPDATED REGULARLY WITH PUBLIC MEETING TIMES, DATES, & PRESENTATIONS + THE SIGNED COMMUNITY BENEFITS PROVISION



WWW.DETROITMI.GOV/FUTUREOFHEALTH

SUBSCRIBE TO EMAIL UPDATES ON THE WEBSITE

The Future of Health Gov Delivery List has 744 subscribers

CBO TIER 1 PROCESS

Neighborhood Advisory Council (NAC) Selection – 9 Members

2

COMMUNITY SELECTIONS



+

3

APPOINTED BY COUNCIL MEMBERS



+

4

APPOINTED BY PLANNING & DEVELOPMENT



ELIGIBILITY TO SERVE ON NAC

- Resident of the Impact Area and at least 18 years of age
 - Nominated at the public CBO meeting
 - Has no conflicts of interest

NEIGHBORHOOD ADVISORY COUNCIL (NAC)


- **Joanne Adams, Co Vice-Chair** - Elected by Impact Area Residents
- **Russell Howard** - Appointed by Council President Mary Sheffield
- **Lauren McNeary** - Appointed by Council Member Coleman A. Young II
- **Venita Thompkins, Co Vice-Chair** - Appointed by Council Member Mary Waters
- **Stephan Bobalik** - Appointed by Planning & Development
- **Lynda Jeffries, Chair** - Appointed by Planning & Development
- **Marcus Keys, Secretary** - Appointed by Planning & Development
- **Gary Williams** - Appointed by Planning & Development
- **Benjamin Bennett** – Appointed by fellow NAC members*

Email the NAC directly at: futureofhealthNAC@gmail.com

FUTURE OF HEALTH CBO MEETINGS

Nine public meetings held in-person at University Prep High School Theater - 610 Antoinette with a hybrid zoom option to allow maximum community participation.*

449 unique individuals attended at least one of the public meetings. Public comment was part of each CBO meeting and over 300 total comments and questions were received by the NAC.

- **OCTOBER 3, 2023: PUBLIC MEETING 1** - Introduction to CBO and The Future of Health Projects
- **OCTOBER 10, 2023: PUBLIC MEETING 2** - Impact Area Residents Vote for 2 NAC Members
- *REMAINING NAC APPOINTMENTS / BYE WEEK / NAC ORIENTATION* 
- **OCTOBER 24, 2023: PUBLIC MEETING 3** - DEGC & DBRA Presentation of Incentives Package and Brownfield TIF Plan. Development Team Shares Detailed Project Presentation
- **NOVEMBER 1, 2023: PUBLIC MEETING 4** - *NAC Working Session: Discussion of impact focus areas*
- **NOVEMBER 7, 2023: PUBLIC MEETING 5** – NAC and Developer discussion of project impacts and potential community benefits / mitigations. Discussion of CBO Process and Racial Equity
- **NOVEMBER 14, 2023: PUBLIC MEETING 6** – Housing Presentation and NAC Presentation of Initial Draft of Project Impacts List

**NAC ORIENTATION –
October 23, 2023**

PDD INFORMED NAC MEMBERS VIA EMAIL OR PHONE OF THEIR INVITATION TO SERVE & HELD AN ORIENTATION TO PROVIDE THE NAC WITH:

- **CBO MEETING AGENDAS**
- **ROLES & RESPONSIBILITIES**
- **PREVIOUS EXAMPLES OF CBOS**
- **NAC CONTACT LIST**
- **OTHER “ESSENTIAL INFORMATION” AS SPECIFIED IN THE CBO**

NAC PROJECT IMPACT LIST AND BENEFITS

At the November 28th CBO Meeting, the NAC presented a list of project impacts and desired community benefits to the Future of Health Development team

- **Housing**
- **Health Care**
- **Employment**
- **Education**
- **Community Building**
 - *Neighborhood Quality of Life*
 - *Green Space*
 - *Community Partnerships*
 - *Construction Impacts*
 - *Traffic and Mobility*
 - *Building and Site Design*
 - *Sustainability*
 - *Local and Minority / Women Owned Business Support*



FUTURE OF HEALTH CBO MEETINGS - *Continued*

- **NOVEMBER 28, 2023: PUBLIC MEETING 7** – NAC Presentation of Project Impacts and Community Benefits Requests (held remotely via Zoom only due to maintenance issue causing High School to be closed)
- **DECEMBER 5, 2023: PUBLIC MEETING 8** – Developer presentation of Community Benefit Proposals
- **DECEMBER 12, 2023: PUBLIC MEETING 9** - Continued Developer / NAC Discussion: Final Resolution and Vote on Proposed Community Benefits Package



NAC Support of Community Benefits Provision

At the ninth public meeting on December 12th, the voting members of the NAC passed a motion in support of the community benefits package agreed to with the Developer – pending receipt of finalized language. Subsequently:

- **January 23, 2024: Finalized agreement language shared with NAC and support letter drafted**
- **Following a one-week review period, seven of the voting members signed the letter in support of the Community Benefits Provision**

ADDITIONAL NAC SESSIONS

To facilitate greater discussion and collaboration, NAC members held a series of additional sessions with the Future of Health team and other subject matter experts via Zoom on the dates noted below. Each additional session was announced, publicly available, and recorded for later viewing

- *October 30th*
- *November 13th*
- *December 4th*
- *December 11th*

COMMUNITY BENEFITS PROVISION - HOUSING

- **Affordability Agreement:** At least 20% of residential units (~133) will be available for residents with incomes at 30% (13 units); 50% (107 units), and 70% (13 units) of the Area Median Income (AMI).
- *Affordable Unit Monthly Rents (Based on 2023 MSHDA figures)*
 - *Studio: \$497 - \$1,160*
 - *1BD: \$532 - \$1,243*
 - *2BD: \$639 - \$1,492*
- **Section 8 Vouchers:** Accepted for all affordable units.
- **Home Repair Fund:** \$2M provided over five years for grants of up to \$15k for home repairs to qualified owner-occupied homes in Impact Area neighborhoods.
- **Rental Assistance Fund:** \$500k provided over five years to qualified Impact Area tenants in need of rental assistance.
- **Housing Accessibility:** Hiring an architect or consultant with ADA and universal design expertise.

COMMUNITY BENEFITS PROVISION - HEALTHCARE

- **New Research Center:** Focus on discovering measures and treatment solutions to address the health disparities that exist in the City of Detroit.
- **Expanded Hospital:** Including Urgent / Fast Track Care Services, additional Primary Care Services, Behavioral Health Space.
- **Expanded Emergency Department:** Additional uncompensated care costs to be absorbed annually by Henry Ford Health due to larger capacity emergency services.
- **Implicit Bias Training:** For all Future of Health partners employee training.
- **Community Health Fairs and Community Health Worker in Impact Area**
- **Medical Equipment / Resources:** Provided to Impact Area High Schools.
- **Increasing African-American Medical Professions:** HBCU pipeline / partnerships and RYSE MED Program.

COMMUNITY BENEFITS PROVISION – EMPLOYMENT

- **Voluntary Executive Order Compliance:** Henry Ford Health will comply with EO requirements for hiring 51% Detroiters into construction jobs.
- **Priority Review for Permanent Jobs:** First review priority for Impact Area Zip Code Residents and second-review priority for Detroiters for all new temporary and permanent non-construction jobs.
- **Ban the Box:** Unless otherwise required, developer will not inquire or consider criminal convictions in initial screening during hiring process.
- **Impact Area Job Fairs:** Held twice per year for permanent and construction jobs.
- **Virtual Information Website:** Providing information and updates on Future of Health project affordable housing, job opportunities, and construction updates. Updates also to be provided via Developer's e-mail list and social media channels

COMMUNITY BENEFITS PROVISION – EDUCATION

- **Apprenticeship and Mentorship Opportunities:** Developer or their contractor partners will operate apprenticeship programs in Nursing, Medical Assistantships, Skilled Trades, and provide Healthcare Career mentorship opportunities.
- **Educational Partners and Opportunities:** Work with DPSCD and local post-secondary institutions to provide health, wellness and career pathway education opportunities, internships, mentorship opportunities and college application assistance for students.
- **Michigan State University Scholarships:** Over a 10-year period, provide 50 full tuition four-year scholarships for qualified students from Northwestern High School and University Prep High School to attend Michigan State University.

COMMUNITY BENEFITS PROVISION – COMMUNITY BUILDING

Neighborhood Quality of Life, Green Space, and Community Partnerships

- **Fairbanks School:** Engage the community and create a redevelopment plan for vacant school within 1 year.
- **New Public Greenspace at Hospital:** Create up to 5 acres of new public greenspace adjacent to Henry Ford Hospital.
- **Youth-Centered Community Space:** Developer will contribute \$200k to Brilliant Detroit to support the rehabilitation and transformation of a home in the Impact Area into a community space with programming for children,
- **Creation of Additional City Park:** City to host two community listening sessions on desired greenspace improvements in Impact Area. City is working to purchase land at north-east corner of W. Grand Blvd. and Rosa Parks Blvd. for a public park.

COMMUNITY BENEFITS PROVISION – COMMUNITY BUILDING

Neighborhood Quality of Life, Green Space, and Community Partnerships

- **Support for Community Organizations:** Provide resources to or explore partnership opportunities with local organizations such as Pistons Wheelchair Team, 360 Detroit, Northwest Goldberg Cares, Midnight Golf, Black Leaders Detroit, Black United Fund, Detroit Parent Network and Sobriety House.
- **Community Micro-Grant Program:** Provide \$300k (\$100 per Impact Area Census Tract) over 15 years for a micro-grant program available to organizations serving Impact Area, with grants decided by a panel of community members.
- **Community Event Sponsorship:** For 15 years, sponsor no fewer than 10 annual community events hosted by local organizations serving the Impact Area and adjacent neighborhoods.

COMMUNITY BENEFITS PROVISION – COMMUNITY BUILDING

Construction Impacts Mitigation

- **Environmental Mitigation:** Prior to any building demolition, third-party environmental assessment and clearance, air quality and vibration monitoring and employ efforts to reduce airborne particles, noise, and vibration.
- **Construction Parking:** Accelerate by three years the construction of new South Campus parking garage to be designated for contractor parking.
- **Small Business Plan:** Create plan to promote Impact Area businesses during construction period, including outdoor community events, prioritizing use of local small businesses by Developers, and feature a local small business in Developers' giftshop and/or store.
- **Virtual Information Website:** Developer's website to provides construction information and updates to the community. Updates also to be provided via Developer's e-mail list and social media channels.

COMMUNITY BENEFITS PROVISION – COMMUNITY BUILDING

Traffic and Mobility

- **Traffic Routing and Planning:** Conduct a traffic study to determine traffic impacts during construction and after completion of projects. Results will inform overall site master plan and future roadway improvements.
- **Infrastructure Improvements:** Developer to spend up to \$55M on infrastructure, right-of-way, and utility improvements.
- **MoGo:** Work with MoGo to explore bike and mobility enhancements
- **Bus Route Access:** City to reroute buses as needed to ensure consistent service during construction period. All rerouting information will be posted by DDOT.
- **Bus Stop Improvements:** City will identify two bus stops along W. Grand Blvd. near hospital for new or replacement bus shelters.

COMMUNITY BENEFITS PROVISION – COMMUNITY BUILDING

Building, Site Design, and Sustainability

- **Environmental Design:** All buildings meet or exceed LEED standards.
- **Accessibility:** For hospital and research building, hiring an architect or consultant with ADA and universal design expertise.
- **Bird Friendly Glass and Light Pollution:** Developer will make efforts to design and construct hospital using bird-friendly glass and design and mitigate light pollution through directional lighting, backlighting and fixtures to reduce light thrown onto adjacent properties.
- **Storm Water Management:** Incorporate underground storage, detention, and environmentally conscious mitigation and management designs into the Future of Health site plans

COMMUNITY BENEFITS PROVISION – COMMUNITY BUILDING

Local and Minority / Women-Owned Business Support

➤ Local Business Spend:

- Make efforts to procure 30% of total development costs from Detroit-Based Businesses, Detroit-Based Small Businesses, Detroit Headquartered Businesses, and Detroit-Resident Businesses.
- Targeted spending of at least \$100M of goods and services to be procured from disadvantaged and women owned businesses.
- **Small Business Plan:** Create plan to promote Impact Area businesses during construction period, including outdoor community events, prioritizing use of local small businesses by Developers, and feature a local small business in Developers' giftshop and/or store.
- **Small Business Support:** City commitment to provide technical assistance and award funding of at least \$250k through Motor City Match for businesses locating in Impact Area for at least 5 years.

THANK YOU!





TAX ABATEMENT PRESENTATION

APPENDIX





FUTURE OF HEALTH

TAX ABATEMENT BY PROPERTY

(in Millions)

#	PROJECT NAME	PA 210	PA 255	NEZ	TOTAL ABATEMENTS (10-17 YRS AFTER COMPLETION)	PRESENT VALUE OF ABATEMENTS (2023 DOLLARS) [1]
1	One Ford Place – Residential 1 (6005 Second Avenue)	-	\$1.3M	\$41.5M	\$42.8M	\$20.6M
2	Residential 2 (725 Amsterdam Street)	\$7.1M	-	-	\$7.1M	\$4.2M
3	Residential 3 (675 Amsterdam Street)	\$5.0M	-	-	\$5.0M	\$2.6M
TOTAL		\$12.1M	\$1.3M	\$41.5M	\$54.9M	\$27.4M

[1] “Present Value Of TBP Incentive” Reflects Today’s Value of the Abatement



FUTURE OF HEALTH

TAX ABATEMENT BY PROPERTY

(in Millions)

#	PROJECT NAME	TOTAL COST	STATE TAXES ^[1]	NON-CITY PROPERTY TAXES	CITY PROPERTY TAXES	TOTAL TBP (OVER 35 YEARS)
1	HFH + MSU Research Center	\$392.6M	\$39.6M	\$0	\$0	\$39.6M
2	East Campus Parking Garage	\$57.7M	\$0.3M	\$10.1M	\$6.3M	\$16.7M
3	One Ford Place – Residential 1	\$189.9M	\$43.1M	\$40.6M	\$25.1M	\$108.8M
4	Residential 2	\$79.3M	\$18.8M	\$13.6M	\$7.3M	\$39.6M
5	Residential 3	\$54.0M	\$12.6M	\$9.5M	\$5.0M	\$27.1M
TOTAL		\$773.5M	\$114.4M	\$73.7M	\$43.7M	\$231.8M

[1] "State Taxes" Includes Reimbursement Of Sales/Use Tax During the Project Construction Period & Income Tax Capture During Construction & After (Limited to 20 Years)



FUTURE OF HEALTH

PROGRAM SUMMARY

			PROGRAM			
			Investment \$/M	Mixed Income Residential Units	Mixed Income Residential Gross SF	Retail Gross SF
TOTAL			\$323M	662	898,552	31,348
1	One Ford Place – Residential 1	Dev Begin Date	\$190M	403	626,953	17,060
2	Residential 2	Apr. 2027	\$79M	154	159,204	8,015
3	Residential 3	Apr. 2025	\$54M	105	112,395	6,273
4	Research Building	Apr. 2027	\$393M	-	-	-
5	Parking Deck	May 2024	\$58M	-	-	-
		Oct. 2025				



FUTURE OF HEALTH

DEVELOPER SOURCES & USES

(in Millions)	\$ Total	% of Total
USES		
Hard Cost	\$515,871,521	67%
Infrastructure Costs	\$24,801,785	3%
Leasing, Marketing, Tenant Improvements	\$3,658,766	0%
Financing Costs	\$84,525,627	11%
Soft Cost	\$144,633,916	19%
Total Uses	\$773,491,615	100%
SOURCES		
Developer Equity	\$517,552,403	67%
HUD Debt Financing	\$173,630,284	22%
State/City Gap Funding	\$4,100,000	1%
TBP Sales/Use Exemption	\$8,229,444	1%
Low-Income Housing Tax Credit Equity	\$41,158,788	5%
Federal Historic Tax Credit Equity	\$28,820,696	4%
Total Sources	\$773,491,615	100%

***Capital source requirements will vary dependent upon final project costs and capital market conditions at the time of construction.



FUTURE OF HEALTH

2023 MSHDA WAYNE COUNTY AREA MEDIAN INCOMES & RENTS

Monthly Rent by Bedroom Type

% of AMI	Studio	1 Bedroom	2 Bedroom
30%	\$497	\$532	\$639
50%	\$828	\$888	\$1,066
70%	\$1,160	\$1,243	\$1,492

Annual Income by Household Size

% of AMI	1 Person	2 Person	3 Person
30%	\$19,890	\$22,740	\$25,590
50%	\$33,150	\$37,900	\$42,650
70%	\$46,410	\$53,060	\$59,710

1. 20% Of All Units Are Affordable Ranging From 30%-70% AMI, With An Average Of 50% AMI
2. Affordable Unit Breakdown -- 10% At 30% AMI, 10% At 70% AMI, & 80% At 50% AMI
3. Developer Will Accept Section 8 Voucher

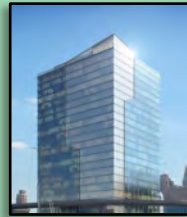


FUTURE OF HEALTH

QUALITY MARKET-RATE HOUSING AT WORKFORCE RENTS, NOT "LUXURY"

TIER 1 – "LUXURY"

WATER'S SQUARE (JOE LOUIS ARENA SITE)



Studio – \$2,000-\$2,475 / Mo
1 Bed – \$2,325-\$4,775 / Mo
2 Bed – N/A

THE VINTON



Studio – N/A
1 Bed – \$5,900 / Mo
2 Bed – \$7,300 / Mo

THE EXCHANGE



Studio – \$1,735-\$1,875 / Mo
1 Bed – \$2,445-\$2,895 / Mo
2 Bed – \$3,325-\$3,425 / Mo

TIER 2 – "NEW INVENTORY"

THE PERENNIAL



Studio – \$1,650-\$2,000 / Mo
1 Bed – \$1,975-\$2,425 / Mo
2 Bed – \$3,500-\$3,875 / Mo

CITY CLUB CBD



Studio – \$1,600-\$1,655 / Mo
1 Bed – \$1,750-\$2,570 / Mo
2 Bed – \$2,430-\$3,835 / Mo

FUTURE OF HEALTH RESIDENTIAL PROJECTS



Studio – \$1,340-\$1,700 / Mo
1 Bed – \$1,790-\$2,300 / Mo
2 Bed – \$2,230-\$2,830 / Mo

TIER 3 – "EXISTING INVENTORY"

THE BOULEVARD



Studio – \$1,726 / Mo
1 Bed – \$1,822-\$2,098 / Mo
2 Bed – \$2,174-\$2,620 / Mo

THE RESIDENCES AT CITY MODERN



Studio – \$1,210-\$1,250 / Mo
1 Bed – \$1,380-\$1,575 / Mo
2 Bed – \$1,840-\$2,155 / Mo

THE KAHN



Studio – \$1,300-\$1,435 / Mo
1 Bed – \$1,510-\$1,670 / Mo
2 Bed – \$2,050-\$3,500 / Mo