

Overview of Community Benefit Agreements

and Status in Detroit, Michigan

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Community Benefit Agreements: What Does It Mean?

Community Benefit Agreements (CBAs) have been defined by several authors with some nuances but core characteristics include:

"CBAs are contracts between developers and a representative coalition of community organizations. The coalition exchanges public and political support of a proposed development project for a slate of economic benefits. CBAs are now the standard practice for developers and community groups to resolve disputes surrounding large developments in many cities and towns across the country." (De Barbieri, 2016)

"A CBA is a contract negotiated between a prospective developer and community representatives. In essence, a CBA specifies the public benefits and amenities that a particular developer will provide to the impacted community in exchange for the community's support of its proposed project. Community support goes far to ensure that the development approval process will occur expeditiously, and it may be especially useful to developers seeking government subsidies, zoning variances or permits." (Salkin and Lavine, 2008a)

"A CBA is a documented bargain outlining a set of programmatic and material commitments that a private developer has made to win political support from the residents of a development area and others claiming a stake in its future." (Laura Wolf-Powers, 2008)

"Usually framed as private agreements (with or without municipal involvement), CBAs may require a developer to mitigate potential impacts of the development. But often they go even farther, asking the developer to work with the community to improve housing, employment options, and recreational and cultural facilities." (Salkin and Lavine, 2008b)

"At its simplest, a CBA is a legal contract between a developer and a set of nongovernmental groups whose support the developer considers necessary to obtain key public approvals or subsidies" (Laura Wolf-Powers, 2008).

History of CBAs

CBA campaigns are an example of Community Economic Development (CED) practice.

In the 1990's, CED lawyering (lawyers supporting a community economic development cause) emerged as the dominant form of poverty alleviation and as a market-based response to traditional entitlement programs. Coalitions of grassroots activists and lawyers were spurred on by successes in the movements to increase living wages. They began using local business subsidies to bring economic benefits to low-income communities. CBA campaigns developed out of these movements to increase living wages. The term CBA has expanded and includes agreements in which local government officials replace the coalition as the negotiating party. (Salkin and Lavine, 2008b)

The CBA movement was born in the late 1990s, early 2000s. It started as a mechanism for community groups to organize and work collaboratively to communicate and negotiate directly with developers. The first CBA was negotiated in 1998. It was for the development of the Hollywood and Highland Center (California).

The development became home to the theater that now hosts the annual Oscar ceremonies. The \$388 million development includes more than 4,000 theater seats, parking lots and hotels, and also 1.2 million square feet of retail space. Residents were concerned about the impacts: increased traffic and congestion among Hollywood residents and business owners, environmental and aesthetic effects, and increased crime. The developer, in exchange for the groups' support, offered to finance traffic improvements, ensure a living wage for workers, implement a first-source hiring plan, and enact a policy of union-neutrality. (Salkin and Lavine, 2008b; Partnership for Working Families, 2016)

CBAs began in California. Coalitions in Los Angeles, San Diego, San Jose, and the Bay Area obtained successful campaigns. CBAs movements continued and organizations in Atlanta, Boston, Chicago, Denver, Indianapolis, Miami, Milwaukee, Minneapolis/St. Paul, Pittsburgh, New Orleans, New York City, Seattle, and Washington D.C. have pursued a community benefits approach to major economic development projects, often successfully. Today, as investment in real estate development returns with tremendous force to metropolitan regions, stakeholders across the country are demanding community benefits and pursuing campaigns for CBAs. (Partnership for Working Families, 2016)

CBA Pros

What are the benefits of CBAs?

CBAs ARE NOW BECOMING THE ‘NORM’, ‘COMMONPLACE NATIONWIDE’

CBAs are becoming the “norm,” “commonplace nationwide” and “revolutionized” land use approvals for private-public economic development projects (Salkin and Lavine, 2008b; Fazio and Wallace, 2010; De Barbieri, 2016).

CBAs LOWER TRANSACTION COSTS, ENHANCE CIVIC PARTICIPATION, AND PROTECT TAXPAYERS

CBAs, when properly negotiated, lower transaction costs, enhance civic participation and protect taxpayers. Some contend that CBAs achieve all these outcomes well, and more efficiently than existing government processes (De Barbieri, 2016).

CBAs HAVE THE POWER TO BRING MORE DENSE DEVELOPMENT TO CITIES

CBAs have the power to bring more dense development to cities. CBAs can help development move forward in a way that encourages the growth of productive urban cores by resolving conflict and facilitating bargains that public processes do not facilitate (De Barbieri, 2016).

CBAs HELP ADDRESS A MULTITUDE OF ISSUES BEYOND THE REALM OF MUNICIPALITIES

CBAs allow community groups to address a multitude of community impacts and opportunities that the host municipality may not have legal authority and/or the political will to discuss otherwise. (Salkin and Lavine, 2008b). When properly negotiated, they are qualified as a "much more efficient tool" than existing government process" to include effectively community issues in the development projects (Beent, 2010; De Barbieri, 2016).

CBAs HAVE THE POTENTIAL TO ENHANCE THE PROJECT APPROVAL PROCESS FOR PUBLIC LAND USE

CBAs have the potential to enhance the project approval process for public land use. Community groups tend to like CBAs because community groups have a greater role in shaping the development process. The public impacts of CBA campaigns can be profound with respect to increased minimum wages, affordable housing, open spaces, and other community benefits (Beent, 2010; De Barbieri, 2016).

CBAs CAN EMPOWER COMMUNITIES TO BECOME ACTIVE PARTICIPANTS IN THE PLANNING PROCESS

CBAs can empower communities to become active participants in the planning process. Because of their potential to improve communities’ quality of life, CBAs are becoming increasingly popular (Salkin and Lavine, 2008b). CBAs give more meaningful role of communities in the development projects (Beent, 2010).

CBA's HELP ACHIEVE SOCIAL EQUITY AND ENGAGE COMMUNITY

CBA's represent an opportunity to accomplish development projects in a manner that achieves social equity and engages community stakeholders in projects with an eye towards designing processes and results that can be win-win for communities and developers (Salkin and Lavine, 2008b; De Barbieri, 2016).

CBA Cons

What are some of the issues associated with CBAs?

DIFFICULTIES TO REPRESENTING AND ORGANIZING THE COMMUNITY

There are concerns about whether parties to a CBA represent faithfully the interests of the community (Laura Wolf-Powers, 2008; Beent, 2010, Partnership for Working Families, 2016).

Also, Community organizing may not be easy; it requires "money and strong leadership, both of which may be difficult to find" (Salkin and Lavine, 2008b).

CHALLENGES FOR COMMUNITY BARGAINING POWER AND BARGAINING TACTICS

It is necessary that the community negotiating the CBA have "adequate leverage" or the "power to slow down or block" the project to obtain meaningful promises from the developer. Developers may also "divide and conquer" to weaken the bargaining power of community coalitions. (Beentt, 2010; Salkin and Lavine, 2008b). Developers may co-opt and retain power and use CBAs as a tool to benefit themselves (Partnership for Working Families, 2016).

DIFFICULTIES OF LEGAL CONSIDERATION

There are concerns about legal considerations of the agreements. The agreements may not binding to all parties. Community coalitions may have difficulty in enforcement compliance and developing agreements may not always be transferable (Salkin and Lavine, 2008b; Partnership for Working Families, 2016).

COSTLY

The costs of negotiating a CBA can be high: costs of organizing a coalition, holding meetings, conducting community research and preparing reports. The costs may inhibit the CBA process. In addition coalitions with no experience with CBAs will likely need technical and legal assistance throughout the negotiation process (Salkin and Lavine, 2008b).

DIFFICULTIES OF ENFORCEMENT AND MONITORING

Sustaining the energy for monitoring and enforcement of CBAs may be difficult, and may not stand the test of time, as the neighborhood changes and populations fluctuate, leading to an evolution of the community's goals and development priorities. (Salkin and Lavine, 2008a,b).

DIFFICULTIES OF LEGAL ENFORCEABILITY

There are also concerns about legal enforceability of the agreements. Who can enforce provisions in a CBAs? Contract law generally permits only contract signatories to enforce a contract, there is a need to find what signatories needed to have an enforceable CBA (Salkin and Lavine, 2008b; Partnership for Working Families, 2016).

CBAs MAY NOT FULFILL EXPECTATIONS REGARDING ECONOMIC DEVELOPMENT BENEFITS

The economic development benefits espoused by the developer may not actually create jobs that pay a living wage and offer decent benefits for residents in the neighborhood or in a larger geographic community. CBAs may not address the actual needs (Salkin and Lavine, 2008b; Partnership for Working Families, 2016)

Cases of CBAs in the U.S.

The following are cases of CBAs in the United States:

FACEBOOK – EAST PALO ALTO, CA

The Envision Transform Build – East Palo Alto (ETB) coalition of community organizations and Facebook announced a ground-breaking and innovative agreement on December 2, 2016, that could be a model for other communities dealing with the affordable housing crisis and resulting displacement of longtime residents and, in some cities, entire communities.

REQUIREMENTS:

A Catalyst Housing Fund will be created to develop and preserve affordable housing in the area, an innovative model that could be expanded to address affordable housing problems throughout California. Facebook will make an initial contribution of \$20 million to the partnership, with \$18.5 million going to the housing fund. The partnership will also address other issues of community concern such as legal support for tenants and economic opportunities. Together, the partners will work to bring in other private and public sector organizations to contribute to the partnership and its initiatives.

Source: Community Advocates; Community organizations win ground-breaking agreement with Facebook. www.publicadvocates.org/our-work/housing-justice/community-organizations-win-ground-breaking-agreement-with-facebook-to-create-affordable-homes-protect-tenants-prevent-displacement-and-increase-jobs-access/. Accessed 12/2017

PORT COVINGTON PROJECT – BALTIMORE, MD

Advocates, city leaders, and Sagamore, Under Armour's real estate arm negotiate a \$660 million tax deal and a vision for economic development in Baltimore. Sagamore CEO Kevin Plank, had long wished to build an expansive new campus for his booming Baltimore-based enterprise. Sagamore had paid \$46.5 million to buy Baltimore Sun printing plant in Port Covington, a peninsula in South Baltimore, two miles south of Inner Harbor. The total purchase included 60 of Port Covington's 266 mostly-empty acres. Sagamore paid \$35 million for a 59-acre parcel that held a Walmart and Sam's Club (both have since closed).

REQUIREMENTS:

Sagamore would transform Port Covington into a \$5.5 billion city-within-a-city, including 7,500 housing units, 1.5 million square feet of offices, 1.5 million square feet of entertainment and retail space, and over 40 acres of public parks. Sagamore initially expected the project to create almost 60,000 jobs, though that number has fluctuated since.

Source: Daniel Kravetz (2016); Who Will Benefit from Port Covington?. Shelterforce.org. <http://shelterforce.org/2016/10/21/who-will-benefit-from-port-covington/>. Accessed 12/2017

OAKLAND ARMY BASE – OAKLAND, CA

In July, 2012, the Revive Oakland coalition won a package of jobs measures for the \$800 million redevelopment of the Oakland Army Base undertaken by local Oakland developer CCIG and global corporation Prologis. The package includes at least \$300 million in public resources. The project, a modern goods movement and warehousing development, is expected to produce more than 2,800 construction jobs and 2,000 operations positions.

REQUIREMENTS:

The Jobs Policies won by the coalition establish requirements for local hire, disadvantaged hire, living wages, and limitations on use of temporary workers, and community oversight and enforcement. The policies resulted from extensive work between City staff, City Councilmembers and a broad range of community stakeholders, and were included as terms of the Lease Disposition and Development Agreement between Oakland and the project developers and made binding on project contractors and tenants. The City and community groups also entered into a cooperation agreement under which the groups agreed to support the project in exchange for assurances about the delivery of community benefits.

Sources: Partnerships for Working Families; Policy & Tools: Community Benefits Agreements and Policies In EffectSource: Policy & Tools: Community Benefits Agreements and Policies In Effect <http://www.forworkingfamilies.org/page/policy-tools-community-benefits-agreements-and-policies-effect#cbas>. Accessed 12/2017.

KINGSBRIDGE ARMORY – NEW YORK, NY

In April 2013, the Kingsbridge Armory Redevelopment Alliance (KARA), a broad-based coalition of community organizations, entered into a comprehensive CBA regarding the redevelopment of the Kingsbridge Armory, in the Northwest Bronx. The project, an ice sports center, will include nine hockey rinks, a 5,000-seat arena and a 50,000-square-foot community space. Shortly after announcement of the CBA, the developer who had entered into the agreement was selected by the City of New York to build

the project. Under the CBA, the developer agreed to: a “wall to wall” living wage payment requirement, covering all workers within the projects.

REQUIREMENTS:

A requirement that at least 25% of construction employees be targeted workers; a requirement that at least 51% of non-construction workers within the project be local workers, with first priority placement of underemployed residents of the immediate neighborhood; an \$8,000,000 initial contribution, plus substantial ongoing contributions, to a coalition-controlled fund that may be used for specified community needs; a grant program for local businesses that employ large numbers of local workers; local contracting, M/WBE utilization, and local procurement requirements; extensive green building measures and community consultation on environmental issues; priority community access to the project’s athletic facilities; and formal structures for community-based oversight and enforcement of CBA commitments. As the first strong, community-driven CBA in New York City, the Kingsbridge Armory CBA is a major step forward for the community benefits movement.

Sources: Partnerships for Working Families; Policy & Tools: Community Benefits Agreements and Policies In EffectSource: Policy & Tools: Community Benefits Agreements and Policies In Effect <http://www.forworkingfamilies.org/page/policy-tools-community-benefits-agreements-and-policies-effect#cbas>. Accessed 12/2017.

BAYVIEW, HUNTERS POINT – SAN FRANCISCO, CA

In late May 2008, the San Francisco Labor Council, ACORN, and the San Francisco Organizing Project (SFOP) entered into a community benefits agreement regarding a major development project in the Bayview-Hunters Point neighborhood of San Francisco. Under the CBA, Lennar, a national housing developer, agreed that if the project moves forward,.

REQUIREMENTS:

Lennar will ensure that 32% of housing units built within the project are affordable, at a range of income levels; provide over \$27 million in housing assistance funds targeted to neighborhood residents, including down payment assistance enabling additional units to be sold below market rates; provide over \$8.5 million in job training funds targeted to neighborhood residents; ensure that all project employers participate in a state-of-the-art local hiring program; and ensure labor peace (i.e., card

check / neutrality) in key industries within the project: grocery stores, hotels, and certain service contracts.

Since all of these benefits are contained in the CBA, they are legally binding and enforceable by the Labor Council, ACORN, and SFOP.

Sources: Partnerships for Working Families; Policy & Tools: Community Benefits Agreements and Policies In EffectSource: Policy & Tools: Community Benefits Agreements and Policies In Effect <http://www.forworkingfamilies.org/page/policy-tools-community-benefits-agreements-and-policies-effect#cbas>. Accessed 12/2017.

YALE/NEW HAVEN HOSPITAL – NEW HAVEN, CT

Negotiated in March 2006 by the Connecticut Center for a New Economy (CCNE), this agreement set aside money for housing, economic development, youth programs and job training; included strong environmental standards, job training and a local hire program; and addressed neighborhood and community concerns.

REQUIREMENTS:

Benefits include Yale-New Haven Hospital (YNHH) will provide \$1.2 million for housing and economic development in the area surrounding the hospital; YNHH will hire 500 area residents over a five year period. A comprehensive training program will be established that includes at least 50 career ladder

opportunities and \$300,000 in funding per year; YNHH agrees to contribute \$100,000 per year for a minimum of five years to the City of New Haven's Youth Initiative; YNHH agrees to establish a Citizen's Advisory Committee to review issues and advise on "free care" policies; YNHH agrees to fund two outreach positions--one for asthma and one for uninsured children--through the City of New Haven Health Department; YNHH is initiating and funding a comprehensive program aimed to reduce by 10% the number of employees that drive to work; YNHH will register for LEED (Leadership in Environmental and Energy Design) Certification.

Sources: Partnerships for Working Families; Policy & Tools: Community Benefits Agreements and Policies In EffectSource: Policy & Tools: Community Benefits Agreements and Policies In Effect <http://www.forworkingfamilies.org/page/policy-tools-community-benefits-agreements-and-policies-effect#cbas>. Accessed 12/2017.

What Makes a Successful CBA?

There are several factors that appear to make a CBA a success. A review of the literature suggests the following factors to be important and to be considered.

LOCAL DEVELOPMENT CLIMATE IS FAVORABLE

The environment is open to bargaining; public subsidy is substantial; the community derailing power is great enough to justify developers meeting advocates' demands rather than resisting them or declining to invest (Laura Wolf-Powers, 2010; De Barbieri, 2016).

COMMUNITIES' INTERESTS ARE WELL REPRESENTED

The parties to a CBA represent the interests of the community.

Coalitions advocating for the CBA faithfully represent stakeholders. The Process is inclusive, transparent, accessible and addresses real community needs (Laura Wolf-Powers, 2010; Partnership for Working Families, 2016).

THE POLITICS OF CBAs AND ORGANIZED LABOR ARE WELL CONNECTED

Organized labor politics, when bound with the CBAs politics, supports CBA efforts including efforts outside the immediate domain of the workplace and the collective bargaining agreement (Laura Wolf-Powers, 2010).

THERE IS A KEY PARTNERSHIP WITH LOCAL GOVERNMENT

Even if CBAs may not need the involvement of the local government, government-backed deals have shown to be more likely to succeed (Laura Wolf-Powers, 2010).

SIZE AND NATURE OF THE PROJECT ARE CONDUCIVE

CBAs for big projects in emerging markets are more likely to succeed (Laura Wolf-Powers, 2010).

CBAs CAN BE ENFORCED AND MONITORED PROPERLY

Enforcement mechanisms are clearly defined to ensure accountability.

The coalition is affiliated with larger, established nonprofits that have strong bargaining power (Partnership for Working Families, 2016). The developer set aside seed money for the maintenance of the coalition (Laura Wolf-Powers, 2010;

MONEY AND RESOURCES ARE AVAILABLE TO THE COMMUNITY

Communities can afford and support negotiating costs (meetings, research, reports etc.).

Communities have negotiation resources (technical and legal assistance, etc.) (Laura Wolf-Powers, 2010; De Barbieri, 2016; Partnership for Working Families, 2016).

Detroit, Michigan Ordinance and Pending Cases

In November 2016 Detroit voters passed Proposal B, a Community Benefits Ordinance that includes different requirements for large-scale and small-scale projects.

TIER 1 PROJECTS

Tier 1 projects include \$75M or more in total investment. Including tax abatements or below market-value land transfers

TIER 2 PROJECTS

Tier 2 projects include \$3m of total investment, along with tax abatements or below-market value land transfers.

THE NEIGHBORHOOD ADVISORY COUNCIL (NAC)

The NAC is key in the CBA process. NAC is charged with advising the developer of concerns within the community impacted by a proposed development. They are the eyes and ears of community concerns on how a development affects their well-being, convenience, and livelihood.

Eligible members must be: Residents of the impacted area; Nominated by residents of the impacted area, and, At least 18 years of age. The NAC consists of 9 members, Members are selected as follows: 2 selected by residents of the impacted area; 4 selected by the City of Detroit Planning and Development Department (with preference given to residents expected to be directly impacted by project), 2 selected by the At-Large Council Members, 1 selected by the local District Council Member whose district contains the largest portion of the Impact Area

Source:

COMMUNITY BENEFIT REPORTS

A Community Benefit Report is the document stating activities accomplished by the NAC, the developer and the city including the proposed benefits of the NAC and the responses given by the Developer. The Community Benefit Report is sent to the City for examination before the City calls for a final agreement, which will become a Community Benefits Agreement. At this date, in Detroit, Community Benefits Reports have been completed for 5 projects out of 7. However, there is not yet a finalized and signed (but pending) Community Benefit Agreements (CBA) in Detroit.

Projects marked:

** have passed the meeting stages and have finalized a Community Benefit Report.

*are still at meeting stages and have not yet finalized a Community Benefit Report.

/ are not regulated by the CBA Ordinance but are voluntarily organized by the parties.

Community Benefit Report is the document stating activities accomplished by the NAC, the developer and the city including the proposed benefits of the NAC and the responses given by the Developer. The Community Benefit Report is sent to the City for examination before the City calls for a final agreement, which will become a Community Benefit Agreement. At this date, there is no finalized and signed Community Benefit Agreement (CBA) in Detroit.

WIGLE : MIDTOWN WEST COMMUNITY BENEFITS ORDINANCE PROCESS *

First public meeting held in May 2017

- PDH Development Group, a partnership between Detroit-based developer Roderick Hardamon and New York-based developer Mario Procida, will transform 901 Selden (the former site of the Wigle Recreation Center) into a new mixed-use development and public space amenity.
- PDH will spend \$77 million to bring more than 300 new residential units, 8000 square feet of retail space, and one acre of public open space.
 - The development, known as Midtown West, will include 335 new residential units, comprised of 175 rental units and 160 for sale units.
 - 35 of the rental units will be affordable housing for residents making a maximum of 80 percent of the area median income.
- Phase I will include construction of 8000 square feet of new rental space and 167 of the 335 proposed new residential units. Phase I also includes the construction of the one acre open space plan, the reopening of 4th Street from Selden to Brainard and the rebuilding of Tuscola from 3rd Street to the Lodge access road. Phase II will see the completion of the residential units and some commercial space.
- This project is considered a Tier 1 Project under the Community Benefits Ordinance, as the total development exceeds \$75M in total investment.
 - Neighborhood Advisory Council set up and meetings being held.
- Status: Neighborhood Advisory Council Meeting stage. Community Benefit Report not completed.

Source: <http://www.detroitmi.gov/government/departments-and-agencies/planning-and-development-department/community-benefits-ordinance>

<https://www.dropbox.com/sh/i5zra3zlbluxnrm/AAA1HPrcvGj9gQvqifNGrHQba?dl=0>

Herman Kiefer Community Benefits Ordinance Process**

First public meeting held in March 2017

- Herman Kiefer Development, LLC (HKD), led by New York developer and architect Ron Castellano, will adaptively reuse and renovate the Herman Kiefer hospital complex and the former Hutchins and Crosman school buildings and will work with the City and community residents and stakeholders to stabilize and revitalize the surrounding neighborhood.
- HKD is expecting to invest over \$100 million to renovate the buildings included in the 18-acre hospital complex site for commercial use.
- The project is considered a Tier 1 Project under the Community Benefits Ordinance because the total development of the hospital complex is expected to exceed \$75 million in investment and HKD will be requesting the approval of a commercial property tax abatement from City Council.
 - Neighborhood Advisory Council set up and meetings being held.

Status: Community Benefit Report between the developer and the NAC completed.

Source: <http://www.detroitmi.gov/government/departments-and-agencies/planning-and-development-department/community-benefits-ordinance>

The project's Community Benefit Report can be read at:

<http://www.detroitmi.gov/portals/0/docs/Planning/CBO/HK%20CBO/Herman%20Kiefer%20Community%20Benefits%20Report.pdf?ver=2017-06-07-125022-293>

Pistons Community Benefits Ordinance Process**

First public meeting held in March 2017

- Henry Ford Health System and the Detroit Pistons will collaborate on the design and construction of state-of-the-art training, rehabilitation and sports medicine complex in New Center at 690 Amsterdam Avenue
- The Detroit Pistons will operate a practice facility and training center for their players, as well as offices for their basketball and business operations staff.
 - The project's cost is estimated at \$50 million.
- Henry Ford Health System will operate a comprehensive sports medicine, treatment and rehabilitation facility in an adjacent building.

Status: Community Benefit Report completed between the developer and the NAC

Source: <http://www.detroitmi.gov/government/departments-and-agencies/planning-and-development-department/community-benefits-ordinance>

The project's Community Benefit Report can be read at:

<http://www.detroitmi.gov/Portals/0/docs/Planning/CBO/COMBINED%20REPORT.pdf?ver=2017-05-05-094750-173>

Detroit Free Press Rehabilitation Community Benefits Ordinance Process**

First public meeting held in June 2017

- Bedrock, LLC, projects to spend \$69 million to rehabilitate the historic Detroit Free Press Building, located at 321 W. Lafayette.
- The project will create a mixed-use development that will include retail on the first floor, office space on the second and third floors, and residential apartments on the remaining floors above.
- Bedrock, LLC has noted that the project is estimated to create 196 temporary construction-related jobs and 10 permanent jobs. This total job creation number does not include employment created from tenants occupying the retail and commercial space, which is expected to create additional permanent full-time jobs.
 - Construction expected to being in the 3rd quarter of 2017.
- The project cost is under the threshold for Tier 1 Community Benefits Ordinance public review; but Bedrock, LLC is interested in becoming good neighbors and a good partner in the community and seek the community's help and counsel; thereby submitting to the Neighborhood Advisory Council for guidance to mitigate any concerns.

Status: Community Benefit Report completed between the developer and the NAC

Source: <http://www.detroitmi.gov/government/departments-and-agencies/planning-and-development-department/community-benefits-ordinance>

<http://detroitmi.gov/Portals/0/docs/Planning/CBO/D%20Press%20Base%20Presentation%20Feb%202017.pdf>

The project's Community Benefit Report can be read at:

<http://www.detroitmi.gov/Portals/0/docs/Planning/CBO/Free%20Press%20CBO/PLANNING%20AND%20DEVELOPMENT%20Freep%20CBO%20Report%20FINAL2.pdf?ver=2017-07-13-084020-493>

Hudson Community Benefits Ordinance*

First public meeting held in September 2017

Bedrock, LLC is reaching out to the community to receive input on the redevelopment of the site of the former J.L. Hudson's Department Store, a two-acre site in the heart of downtown Detroit bounded by Woodward Avenue, Gratiot Avenue, Grand River Avenue, and Farmer Street. The mixed-used project will include over one million gross square feet of space, including commercial office, retail, residential, public space, and parking. This transformational development is expected to be a destination for residents and visitors alike, creating thousands of jobs and providing a unique experience that can't be found elsewhere in the region. Construction anticipated to begin in December 2017, beginning with the demolition of the existing parking structure, site prep and foundation. The project is anticipated to begin above grade construction in April or June 2018.

Bedrock, LLC proposes to spend an estimated \$900 million on the Hudson's site project.

Status: Community Benefit Report completed between the developer and the NAC

Source: <http://www.detroitmi.gov/government/departments-and-agencies/planning-and-development-department/community-benefits-ordinance>

The project's Community Benefit Report can be read at:

<http://www.detroitmi.gov/Portals/0/docs/Planning/CBO/Hudson/Hudsons%20CBO%20%20Report%2011-7-17.pdf>

Book Building and Tower and Monroe Blocks*

First public meeting held in August 2017

Bedrock, LLC is reaching out to the community to receive input on two projects, the Book Building and Tower, as well as the Monroe Blocks. Both projects are located in Downtown Detroit.

Bedrock, LLC's complete rehabilitation and restoration of the historic Book Building and Tower is anticipated to create a mixed-use development which will include retail, office space, residential apartments, and a hotel.

The Monroe Blocks will be a new multi-building, mixed-use development consisting of office, residential, and retail space featuring new parking and public spaces. Completing the circle of development around Campus Martius Park, the transformational project will include the first high-rise office building built in the area since the 2003 construction of One Campus Martius.

Status: Community Benefit Report completed between the developer and the NAC

Source: <http://www.detroitmi.gov/government/departments-and-agencies/planning-and-development-department/community-benefits-ordinance>

<http://www.detroitmi.gov/Portals/0/docs/Planning/CBO/Book%20Twoer%20%20Monroe%20Blocks%20CBO%20Presentation.pdf>

The project's Community Benefit Report can be read at:

<http://www.detroitmi.gov/Portals/0/docs/Planning/CBO/Book%20CBO/Book%20and%20Monroe%20CBO%20Report%2010-27-17.pdf>

Gordie Howe International Bridge*/*

Announced in June 2017

A long-awaited community-benefits agreement has been announced for residents of southwest Detroit's Delray District, which removes what should be the final political obstacle to building the Gordie Howe International Bridge. The agreement, with lots of moving parts, essentially means that \$48 million in project funds will be set aside for job training, health monitoring, and other neighborhood improvements in Delray, where the American side of the Gordie Howe Bridge will land. In exchange, the City of Detroit agrees to sell all the parcels it holds in Delray that are needed for the bridge footprint. The deal will also include a temporary transfer of about 5 miles of city-owned roads, bridges, and alleys to the Michigan Department of Transportation so the project can be built.

Source: <http://www.freep.com/story/money/business/john-gallagher/2017/06/23/gordie-howe-bridge-delray-neighborhood/423686001/>

Summary

This brief provides an overview of the role of Community Benefit Agreement (CBA) can potentially play in a community and economic development project. The CBA experience is very changing. Readers are encouraged to review other sources for additional information on CBA, such as the listed references in this document, to gain further insights on CBAs.

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