

The Michigan District Council of the Urban Land Institute

**Robert C. Larson Center for Leadership
Technical Assistance Panel Report**



Daylighting Potential of the Clinton River: A Feasibility Study in Pontiac, Michigan



**Urban Land
Institute**
Michigan

DAYLIGHTING POTENTIAL OF THE CLINTON RIVER: A Feasibility Study in Pontiac, Michigan

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A Robert C. Larson Center for Leadership Study

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ABOUT THE URBAN LAND INSTITUTE

The mission of the Urban Land Institute is to provide leadership in the responsible use of land and in creating and sustaining thriving communities worldwide. ULI is committed to:

- Bringing together leaders from across the fields of real estate and land use policy to exchange best practices and serve community needs.
- Fostering collaboration within, and beyond ULI's membership, through mentoring, dialogue, and problem solving.
- Exploring issues of urbanization, conservation, regeneration, land use, capital information, and sustainable development.
- Advancing land use policies and design practices that respect the uniqueness of both built and natural environments.
- Sharing knowledge through educations, applied research, publishing, and electronic media.
- Sustaining a diverse global network of local practice and advisory efforts that address current and future challenges.

Established in 1936, the Institute today has nearly 30,000 members worldwide, representing the entire spectrum of land use and development disciplines. Professionals represented include developers, builders, property owners, investors, architects, public officials, planners, real estate brokers, appraisers, attorneys, engineers, financiers, academics, students, and more.

ULI relies heavily on the experience of its members. It is through member involvement and information resources that ULI has been able to set standards of excellence in development practice. The Institute has long been recognized as one of the world's more respected and widely quoted sources of objective information on urban planning, growth, and development.

ABOUT THE LARSON CENTER FOR LEADERSHIP

Named for the late Robert C. Larson – a nationally recognized and respected Michigan real estate professional, trustee of the Urban Land Institute, and former chair of the ULI Foundation – the Robert C. Larson Center for Leadership (also known as the Larson Center for Leadership) is a curriculum-based program designed to train and mentor the next generation of real estate and land use leaders in Michigan. The Center operates under ULI's Larson Leadership Initiative, which has successfully implemented leadership-based initiatives at a national level, and within other District Councils, throughout the past several years.

The mission of the Larson Center for Leadership is to cultivate leadership development by informing a select group of future leaders of the evolving dynamics currently emerging within Michigan's real estate and land use industries, and facilitating their engagement in this transformative process.

The nine-month program is comprised of eight day-long program days, each with a specific topic of focus, such as infrastructure, regionalism, and the role of government. Participants are required to complete the Center's Technical Assistance Panel (TAP) component – modeled after the Urban Land Institute Technical Assistance Program process – an integral component of leadership development in Larson Center for Leadership. As part of the TAP, participants will be presented with a "land-use challenge" and throughout the program will research and analyze the

area of focus, conduct due diligence, seek additional input from stakeholders and/or industry experts, summarize their findings and develop final recommendations to be compiled into a final report.

Participants of the program are mid-career, Michigan-based professionals, who work either directly or indirectly with the real estate or land-use sectors, and have a strong commitment to the mission of the Urban Land Institute; to provide leadership in the responsible use of land and in creating and sustaining thriving communities worldwide.

Participants of the inaugural year of the Larson Center for Leadership (2012-2013) consisted of professionals from both the public and private sectors, with diverse backgrounds in various fields related to real estate and land use, including but not limited to finance, law, development, planning, architecture, engineering, and economic and community development.

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ORIGIN OF TAP PROJECT

Oakland County Executive L. Brooks Patterson, a long-time advocate for a revitalized Pontiac, conceived of a study that factored in the economic, engineering, environmental and community opportunities and constraints of daylighting the Clinton River in downtown Pontiac. He envisioned a study that would provide Pontiac leaders with useful information to consider when making decisions about downtown development.

Seeking a solution, Mr. Patterson asked the ULI to consider the daylighting study as the focus of an ULI TAP. The ULI concluded the topic was a perfect fit for the inaugural year of the Larson Center for Leadership. With support from Pontiac Mayor Leon Jukowski and Council President Lee Jones, the TAP project was launched.

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PROJECT OVERVIEW

Over the years, many things have changed in the City of Pontiac. It was once known for the automobiles produced in the city throughout the 20th century. During the 1920s and 1930s, Pontiac experienced a boom in population growth as tens of thousands of prospective autoworkers flocked to the city to find work in one of the three General Motors' assembly plants within the city limits. At its peak in the 1960s, the General Motors factories in Pontiac employed approximately 37,000 people, and Pontiac was designated as the third fastest growing city in Michigan.

From the time of Pontiac's founding in 1818, all the way until its mid-20th century auto industry boom, the Clinton River flowed freely through the city. However, during the 1940s and 1950s, the Clinton River went through numerous periods of high flow, causing catastrophic flooding throughout downtown Pontiac. As a result, in 1963 the construction of the Clinton River Drain No. 1 was completed, eliminating the flooding issues by enclosing the river in a 10-foot-high by 10-foot-wide reinforced concrete double-box conduit running below the downtown area for approximately 3,000 feet.

Pontiac's problems were far from over. The automobile industry staggered and the city struggled financially for years to come. The city's financial issues eventually resulted in the appointment of an Emergency Manager in 2009.

Downtown Pontiac also struggles to define its sense of place, lacking a gathering spot for the community. With this in mind, participants of the Larson Center for Leadership were tasked with finding a way to utilize the Clinton River as an asset, through daylighting or other means to stimulate economic development in downtown Pontiac. The following report summarizes their finding and recommendations.

SUMMARY OF RECOMMENDATIONS

- The project should consist of a phased development, with Phase 1 being the primary focus of this report.
- The Phase 1 site has been identified as the parcel bounded by Woodward Avenue to the east, Pike Street to the north, Mill Street to the west and Water Street to the south – referred to as the 'Library Block.'
- Due to the prohibitive cost of excavating and elevating the flow of water that currently lies approximately 20' below grade, Phase I is recommended to consist of public space that only includes interpretive references to the river.
- Development of the Phase 1 site will be limited to public/civic space uses such as park, landscape or other recreational use.
- An illustrative interpretation of the original Clinton River should be commissioned as a way to promote the project within the community and create interest with stakeholders and potential investors.
- A non profit entity (501(c)3) should be established to maintain the water feature and public space and to continue the momentum of the project into future phases.
- Future phases may include the partial excavation of the Clinton River as part of an open water feature, located on either the repurposed Phoenix Center site, Lot 9, or both.
- Subsequent commercial or residential development should be targeted for adjacent parcels.

ASSUMPTIONS

The panel initially identified the following assumptions as a basis for conducting the study:

- Although gaining strength, the current market can only support limited new development.
- Lot 9 is not being considered in Phase 1 as it is currently under private ownership.
- Although the Phoenix Center maybe demolished, due to ongoing litigation it is not being considered as a potential site for Phase 1.¹
- The recommendations of the Downtown Pontiac Transportation Assessment, specifically in regards to the Woodward “Loop”, will be implemented.

FEASIBILITY OF DAYLIGHTING THE CLINTON RIVER

During the panel's analysis of the feasibility of daylighting the Clinton River through downtown Pontiac, it was determined that daylighting the River at this time is not only impractical, but economically and politically infeasible, as there are many obstacles to daylighting the Clinton River through downtown Pontiac.

In November 2008 the Oakland County Water Resources Commissioner (OCWRC) published the "Clinton River Daylighting Feasibility Study." The Feasibility Study was prepared by Environmental Consulting & Technology, Inc. and Applied Science, Inc. The purpose of the report was to evaluate the feasibility of exposing the Clinton River that is currently enclosed in two rectangular subterranean channels under the City of Pontiac. In order to daylight the Clinton River through downtown Pontiac the study determined that "a number of constraints presented by existing conditions have been identified and must be overcome." The study identified the following challenges:

Daylighted River Route

A new daylighted river route cannot follow the natural Clinton River stream bed. The Feasibility Study determined that the Phoenix Center has been constructed over approximately 20% of the original stream bed. This constraint restricts daylighting and creates the need for a new river route. The new route would require excavation within city streets and adjacent lots.

Peak Flow Rate

In order for a new daylighted waterway to handle the peak flood flow rates of the Clinton River an "exceptionally deep and wide channel" would be required. In order to handle peak flows the new daylighted river would have to work with the existing subterranean channels. The new river would have a low flow and be shallower than the existing channels.

Preservation of Hydraulic Grade

The study stressed the need to preserve hydraulic grade and allow for natural flow, meaning the average depth of the river should be approximately 20 feet below existing grade. An adjoining "river-walk" would also have to be constructed approximately 14 feet below the current road level, a fairly significant grade change for this dense, urban area.

Existing Structures

The infrastructure of the current River conveyance system through Pontiac goes under parcels and buildings, with various owners. Daylighting the river would require reconstruction and/or abandonment of existing commercial buildings along the new river route.

Public and Private Utilities

In order to maintain hydraulic grade the new river would be significantly below existing grade. This condition would require identification and relocation of existing underground services including natural gas, electric, telephone, cable, water main, storm drainage, sanitary sewer and other underground utilities. The study indicates that the most complicated utility relocation work would involve the relocation of a network of sanitary sewers up to 24-inches in diameter.

Cost

Daylighting the Clinton River through downtown Pontiac involves overcoming a number of significant physical constraints, not to mention cost. The study estimates the overall project cost to daylight the Clinton River through downtown Pontiac to be \$47 million.

Conclusions

Based on the findings of the 2008 Oakland County Water Resource Commissioner study, as well as the City of Pontiac's current economic standing, the panel has concluded that the physical daylighting of the Clinton River through downtown Pontiac does not appear to be practically or financially feasible at this time.

Based on this initial conclusion, the panel has evaluated alternative approaches and has outlined recommendations for a feasible solution that encompasses the goals of the original daylighting project.

PANEL CONSIDERATIONS

The panel considered many factors when making its final recommendations; case studies of similar projects were evaluated, the current real estate market in downtown Pontiac was analyzed, and assumptions were derived based on the current challenges and opportunities facing the downtown area.

CASE STUDIES

The panel looked at four similar projects across the United States, with the purpose to provide various options for the City of Pontiac and Oakland County to consider as it moves forward in determining the right governance structure for the Pontiac Daylighting Project. The four case studies that we analyzed are:

- The Detroit River, Detroit, Michigan
- Arcadia Creek, Kalamazoo, Michigan
- Bloody Run Creek, Detroit, Michigan
- Strawberry Creek, Berkeley, California

Each of these projects will be briefly summarized herein. Depending on the governance structure that the City of Pontiac or Oakland County chooses to proceed with for the Pontiac Daylighting Project, the applicable daylighting case study discussed should be further analyzed and examined to understand which aspects of the governance structure worked, and which aspects presented challenges.

The Corporate Model:

The Detroit Riverfront Conservancy

In 2002, Mayor Kilpatrick authorized the formation of a 34-member Study Group, or Blue Ribbon Commission, to spend 90 days developing a revitalization strategy for Detroit's east riverfront. Members of the Blue Ribbon Commission included critical stakeholders from City, County, State and Federal government agencies, public organizations, corporations, foundations and community groups. As part of the study, an agreement was created and signed by all the stakeholders. The agreement set forth a promise and a philosophy that every participant would do everything within their power to bring this vision to a reality. In December 2002, the Study Group unveiled a multi-faceted redevelopment plan for Detroit's East riverfront. To provide momentum, The Kresge Foundation simultaneously announced a series of challenge grants over five years totaling \$50 million.

Knowing that the key to the success of the Riverfront project was a successful public/private partnership, the project champions agreed to form an independent entity, the Detroit Riverfront Conservancy, Inc. (DRFC) in 2003. The DRFC was charged with the establishment, improvement, operation, maintenance, security and programming of the Riverfront and the envisioned Riverwalk. The members of the Board were diverse in terms of demographics as well

as positions within the community. Of the 44 members, 33 percent were racial/ethnic minorities and 33 percent were women. A few of the organizations represented included: the State of Michigan, Wayne County, City of Detroit, Wayne State University, large riverfront property owners, riverfront residents, community representatives and other organizations that had connections to the riverfront such as tourism and economic development organizations.

The Detroit Riverfront Project was able to produce results in a fairly short period of time, given the scope and scale of the project. There are many reasons for this; two however, stand out: the existence of project champions and the engagement of a wide-variety of stakeholders. The City of Detroit, the General Motors Company, and The Kresge Foundation were the key champions from the beginning of the project. They were involved in each phase of the project, from the Blue Ribbon commission, to ensuring a solid launch of the DRFC, to participating on the Board to bringing key stakeholders to the table. More than 75 percent of the East Riverfront is complete and open to the public, including more than 2 ½ miles of RiverWalk. The DRFC continually manages and programs these spaces and continues to raise funds for the East Riverfront capital campaign, which provides support for building and permanently operating, maintaining and programming the Detroit International Riverfront.

The DDA Model:

Arcadia Creek

In 1986, after having been buried for more than a century, officials in Kalamazoo, Michigan began a study to daylight Arcadia Creek as part of a downtown revitalization project. The area in question had become isolated to the more vibrant sections of the central business district. This isolation had led to a state of decline, with high crime, undesirable business activity, and deteriorating buildings and storefronts. Further, the area became prone to flooding in the spring months due to undersized culverts, causing many of the businesses to relocate.

The city formed the Downtown Development Association (DDA) to steer the development plan and act as the funding agent for the project. In the very early planning stage, the DDA was active in creating public interest and support through community meetings, workshops and corporate outreach. They even took to creating a children's book which outlined the project, which was distributed to school-children.

Seven city blocks were purchased along the creek corridor, which is still owned by the DDA. Construction began in 1989 and substantially completed in 1996.

The daylighted portion of the creek is approximately ¾ of a mile long, comprised of three blocks and runs through a concrete channel. The channel leads to a two-block section of an open stormwater pond which had been a parking lot.

The total redevelopment project cost was \$18 million, with \$7.5 million tied specifically to the daylighting project. As an enticement to developers, the DDA put forward 30-year leases with aggressive interest rates, with a renewal option of \$1 per year. As a result, \$200 million was leveraged (including renovation and new construction along the daylighted stream).

Today, this once run-down industrial area is now home to many boutiques and white collar office space, and a hub to many cultural and community events. The pond is now known as the festival site and hosts events throughout the summer months, generating an estimated \$12 million annually through various sources, including gate receipts, employment, restaurants and hotel stays.

The Developer Model: Bloody Run Creek

The Bloody Run Creek Greenway Redevelopment Project in Detroit represents another daylighting project proposed locally. The Bloody Run Creek originally extended northwest from Belle Isle past I-94. Similar to the Clinton River in Downtown Pontiac, the creek was used as a sewage outlet as the area became populated and was buried when sewers were installed as a solution to a massive cholera outbreak. The only section where the creek is still visible today is at the Elmwood Cemetery.

The Guiding Principles for the project are consistent with the vision for Pontiac. The Bloody Run Redevelopment Project calls for a bold transformation that connects the city, champions environmental sustainability through green technologies, generates jobs, and sets new standards for landscape, environmental, and architectural design. The daylighting of the Bloody Run Creek would provide the City of Detroit an opportunity to divert a portion of its storm water runoff from its sanitary sewer system. The current combined system unnecessarily treats storm water the same as sewage, a process more costly and environmentally taxing than necessary. Since this is an environmental issue that must be addressed, the U.S. Environmental Protection Agency has been identified as a potential funding source. Pontiac is not faced with this existing environmental issue to address so the corresponding funding opportunities are unlikely.

While the estimated cost to daylight the entire creek exceeds \$1 billion, the assemblage of the land required is likely the larger hurdle. The project implementation strategy anticipates five phases spanning a decade. Phase 1 would be built around Eastern Market, capitalizing on the



strength of an existing community asset. A \$15 million demonstration project encompassing 30 acres has been proposed to test feasibility and garner stakeholder support.

No governance structure has been formalized, but the conceptual plan proposes the organization of the Bloody Run Development Alliance led by McCormack Baron Salazar on behalf of the City of Detroit and in collaboration with corporate and community interests. The plan seems to be gaining some momentum with the publication of the Detroit Future Cities Plan, and investment in the Eastern Market neighborhood to build upon the Market's success had been identified as a priority. A demonstration project may be achievable in the foreseeable future.

The Municipal Model: Strawberry Creek

One of the first-ever daylighting projects in the United States, Strawberry Creek anchors a popular park in Berkeley, California, and has served as a model for other local daylighting efforts. In 1974, a four-acre railyard reverted to the city of Berkeley after it was abandoned by the Santa Fe Railroad. The plan was initially met with resistance from city officials who were concerned that the exposed creek would be a safety and flood hazard and a litter-filled eyesore and from neighbors who worried that it would attract vermin or drown their children. Supporters of the project responded

by launching a vigorous leafleting campaign to attract citizens to public meetings and eventually gained approval from the Parks Commission.

Project design and construction occurred in 1983 and 1984, and the entire park was completed within a limited budget of \$580,000 (1984 dollars) from city funds, 10 percent of which accounted for daylighting the creek. When the parks department staff complained that maintaining the facility had created a new burden, the city accepted a proposal from a local job training program to reduce maintenance costs. As part of the program, high school students from low income families pick up garbage, prune plantings and otherwise maintain the park in exchange for tutoring, income and job training. Although the city parks department still handles mowing, the city gains financially by not having to hire and pay benefits for adult parks staff.

Strawberry Creek Park features playing courts, landscaped hillocks, grassy meadows, native trees and 200 feet of babbling brook, draws dozens to hundreds of people each day and has caused an increase in property values and local businesses. Despite the initial fears of neighbors and city officials, Strawberry Creek has survived many major storms and has an impeccable safety record, even with heavy use by children.



MARKET POTENTIAL

Development

Recent mixed-use investment in downtown Pontiac such as Lafayette Place Lofts², the Ten West Lofts³ and the renovation and pending reopening of the Strand Theater has demonstrated limited market potential for residential and commercial expansion. The Clinton River Daylighting Project provides an opportunity to further large scale investment in Pontiac's downtown and support multiple strategies already underway in the area.

The Downtown Development Plan⁴ found that the commercial core of downtown has a much wider customer capture than comparable shopping districts attracting consumers 18 minutes drive away. A mixed-use redevelopment of downtown which provides an opportunity for city-center living, recreation, leisure and entertainment could attract an even wider local and regional audience to the area.

Additionally, the trend towards city center living has at-

tracted new households to Pontiac's downtown. Residential market analysis conducted pre-recession found that the downtown core could attract 1,500 households of younger singles and couples, empty nesters and retirees, as well as family-oriented households. The rapid rate at which new downtown residential development has been occupied notably Ten West Lofts and Lafayette Place Lofts is a strong indicator that the residential market is returning and attractive to a diverse range of households.

The Pontiac Downtown Business Association (PDBA) continues to see positive long term forward movement. From the increased residential population, continuing new businesses entering downtown, and a crime rate drop of almost 50% in two years. The downtown has also been averaging one building being sold per month for over two years now. The city expects to see foot traffic increase this year by approximately 40% or more due to new venues opening this year, and word starting to spread about the positive accelerated change the downtown has gone through since the start of 2011.

With new buildings under renovations, and new venues scheduled to open later this year and 2014, we continue to see the resurgence gain strength at a significant rate. This is also supported with inquiries from new restaurant venues about entry into downtown, which will be followed with new retail and services businesses expected in 2014.

Connectivity

In the early 1960's, the "Woodward Loop" was constructed in Pontiac, dividing the city's main thoroughfare, Woodward Ave, into two one-way segments of road running on either side of downtown, effectively diverting all traffic away from the city's urban core. As a result, downtown Pontiac was physically cut off from the city's neighborhoods, surrounded on all sides by large, heavily trafficked roads, making it difficult for residents to travel to and from downtown. To make matters worse, there is inadequate signage on local roads to direct motorists traveling through the city to the downtown area.

The recently completed Downtown Pontiac Transportation Assessment recommends converting the 3 – 5 lane one-way Woodward Loop to two-way traffic. The study also recommends reducing the number of traffic lanes, adding on-street parking and improved pedestrian and non-motorized facilities.

Even non-motorists are diverted away from downtown. Many recreational bicyclists, walkers and runners utilized the Clinton River Trail, a 16 mile-long recreational trail that runs through Oakland County along an abandoned rail-line. The trail begins in West Bloomfield Township with a connection to the West Bloomfield Trail, runs through the Oakland County municipalities of Orchard Lake, Keego Harbor, Sylvan Lake, Pontiac, Auburn Hills, Rochester Hills and Rochester, where it ends at the Oakland/Macomb County border with a connection to the Macomb Orchard Trail.

While the trail does traverse into Pontiac, it does not travel into the downtown area, and the Western and Eastern segments are connectable via various indirect routes. The Friends of the Clinton River Trail are currently working to build a trail connection through downtown.

The effects of this “urban isolation” have had a profound impact on Pontiac, and to this day the city continues to struggle with attracting visitors to the downtown area. Clearly identifying these barriers helps downtown businesses owners and City officials work together to resolve infrastructure issues and create new ways to attract even more visitors into the downtown area. Planning that promotes foot traffic is essential to the business momentum downtown Pontiac is experiencing.

RECOMMENDATIONS

A PHASED APPROACH

Due to costs, availability of funding, potential for scale-ability, engineering constraints and current market conditions, an alternative approach to daylighting the river was necessary. A project of this magnitude would be daunting for any community and given the economic climate of the region, we believe that phasing this project would allow us to get a project off the ground, in a small, but impactful manner. Our recommendation for a phased approach will also allow for future expansion to the north parcels and/or south parcels as political and economic factors adjust and the impact of the initial phase is assessed.

The following sections include our recommendations for a phased approach, starting with Phase 1: The creation of a park on one parcel in downtown Pontiac, developed with an attractive, at-grade water feature that pays homage to the City's history and connection to the Clinton River, and will serve as a catalyst for future phase development. Phase 1 is comprised of three components; illustrative, planning and construction.

The illustrative component involves the creation of an illustrative representation of the former pathway of the Clinton River beginning at the selected site and continuing through downtown Pontiac. This representation will literally paint a picture of the significant history between the city of Pontiac and the Clinton River along the streets of downtown, and is designed to engage the community and its stakeholders



as a way to create interest and “buy in” to the project. In addition, in order to engage the financial support and interest of external stakeholders the community and this project will need to demonstrate community support and early success. Implementing this component will show that there are stakeholders who are willing to put dollars around their support.

The second component of Phase I is the planning component. The planning component will include the architecture and engineering of the park and water systems, construction budgeting, the identification of programs and activities. Additionally, the governance structure and financial strategy for the implementation and maintenance of the park should be prepared.

The third and final component of Phase 1 includes the physical construction of the project, activation of the space, on-going maintenance and continued community engagement.

THE SITE

Given the high costs of implementing any approach, the panel chose to start with one parcel that can stand alone or serve as a starting point for future phases. We evaluated several general criteria in choosing which parcel would serve as the best starting point, considering ownership, control and availability of parcels, the topography of site and other physical features that could affect cost, and the nexus of the parcel to other public amenities, and determined that the Pontiac Public Library block located at 60 East Pike Street (parcel numbers 14-29-482-001, 14-29-482-002, 14-29-482-003) is the ideal site for the project.

The approximately 300' by 300', 2 acre roughly square-shaped site currently contains Pontiac Public Library, a surface parking lot and an outbuilding. The site is bordered on the north by Pike Street, the east by northbound Woodward, the south by Water Street and the west by Mill Street. The covered Clinton River currently runs roughly through the middle of the site bisecting the library and surface parking lot.

Based on Sanborn maps going back to the early 1900's (see Exhibit A) the site was originally home to City Hall on the west bank of the Clinton River that bisected the site. On the east bank was a series of residential dwellings. It was on the west bank of the Clinton River that the Pontiac Knitting Mill was located. The Knitting Co. dammed up the river to use the flow for industrial purposes thereby creating the Mill Pond on the southern end of this site.

Between 1915 and 1919 the Pontiac Knitting Mill was closed and the dams removed thereby eliminating the Mill Pond (see Exhibit B). Several commercial buildings



were constructed on the site, including an Armory. The site retained this composition until the 1950s when City Hall moved across Wide Track (currently northbound Woodward) and the Library replaced the residential sites east of the Clinton River (see Exhibit C) and supporting structures were constructed to support the library surface parking, following the covering of the Clinton River.

The topography of the library block has a 10 foot gradient change going from the east to the west side of the block. This gradient change facilitates the collection and recycling of storm water runoff for the entire block as part of the water feature we propose for the park.

Another exciting element for the library block redevelopment is a proposal laid out in the Downtown Pontiac Transportation Assessment report. The report has proposed transforming the Woodward Avenue section that borders the library's west side into a two way local route complete with bike lanes.

The transformed local road would be renamed Parke Street as it was previously. The Parke Street transformation will also serve as a connection to the Clinton River Trail making it a perfect fit for our suggested plan. This parcel is also across the street from another public space, the existing City Hall. This project has the exciting potential to serve as a catalyst for the City to create a connected public space complex, anchored by the park, along with Parke Street, the Clinton River trail, and the City Hall campus.

The site itself consists of three (3) parcels, recently transferred from the City of Pontiac to the Pontiac Library Board, (see Exhibit D), which contain the Public Library and supporting structures. The block immediately to the north of the subject parcel contains four (4) parcels, two of which are owned by public entities (Oakland County and City of Pontiac) and two of which are owned by private interests. The two blocks immediately to the west of the subject site contain a total of eleven (11) parcels all owned by private interests.

District Zoning & Development Recommendations

We strongly recommend that the City of Pontiac establish clear guidelines for future development to ensure that the city is able to implement a fully connected park space that considers the current plan of a representational river, as well as sections for a potentially daylighted river. For successful implementation of future phases, the city will need to designate specific parcels that delineate a path for the connected park space, and zone them accordingly. Regardless of use type, the street frontage should be pedestrian-scaled with active uses. We recommend that the City rezone these blocks to Planned Use Development (PUD) to allow greater development flexibility and creativity as well as to increase the City's ability to negotiate community benefits for new development.

As this parcel is located at the eastern edge of the downtown district, the panel recommends that the City of Pontiac treat this as a transitional zone connecting the largely commercial downtown with the surrounding single-family neighborhoods as well as with the City Hall and school just

east of Woodward. Creating a transitional zone can dovetail nicely with Woodward Avenue traffic calming efforts to create mutually beneficial neighborhoods and destinations that encourage walking & biking across Woodward Avenue.

Buildings built in this transitional zone should be multi-story. The district as a whole should include a mix of building uses: some may have ground floor retail with upper level residential, others may be commercial/retail only or residential only.

We recommend allowing developers flexibility in developing building footprints as they relate to the interpretive river feature. Efforts should be made to ensure that buildings not only have active street frontages, but also active and engaging water feature frontages that take advantage of the water and park access. Retailers and restaurants with storefronts that open up to and even into the river/park area are encouraged. Riverfront uses may include restaurants, art galleries or studios, live music venues and retailers with visually interesting, pedestrian engaging displays such as garden centers, florists, kites & whirligigs, clothing, antiques, furniture, housewares, sports equipment, etc.

The city may also want to consider encouraging or requiring form-based zoning within the PUD district, since promotion of pedestrian-oriented active ground floors is the primary goal. Within this context, the programming and use of upper floors is subordinate to the objective of ground-level activation.

The Pontiac Public Library is currently in the process of a capital fundraising campaign to relocate the library to a different site. When the Library board reaches its funding goal for the relocation, we recommend the City re-acquire the three parcels from the library in order to make the library block the first phase of the project. We recommend the City offer a land swap with the library if they are unable to come to terms with a land donation or sale price. However, if there are issues securing the library block for the redevelopment there are other options.

We recommend a contingency plan involving scaling down the park and locating it at the parcel just south of the library block or the parcel just north of the site, which still preserves the option for multiple future phases. Both parcels are owned by the City of Pontiac.

THE WATER FEATURE

The purpose of the water feature is to acknowledge the river running 20 feet below, be touchable and interactive, and to incorporate stormwater capture, filtering and reuse to achieve environmental and aesthetic benefits. We have selected two examples of existing projects that shared common goals with the Pontiac project; the Uptown Normal Circle⁵ in Normal, Illinois, and City Creek Center in Salt Lake City, Utah.



Normal, Illinois

The central Illinois town of Normal had been in decline for decades; a bypass road diverted traffic from the retail stores downtown; and the downtown business district was severely fragmented due to an awkward intersection of five streets that was also the historic location of a former stream that had been diverted

underground. In connection with a broader urban revitalization plan, the town of Normal and the landscaping architectural firm, Hoerr Schaudt, designed a new roundabout that calmed traffic and created an innovative public gathering space with two sustainable water features that pay tribute to the historical stream and serve as the gateway to a rejuvenated downtown.

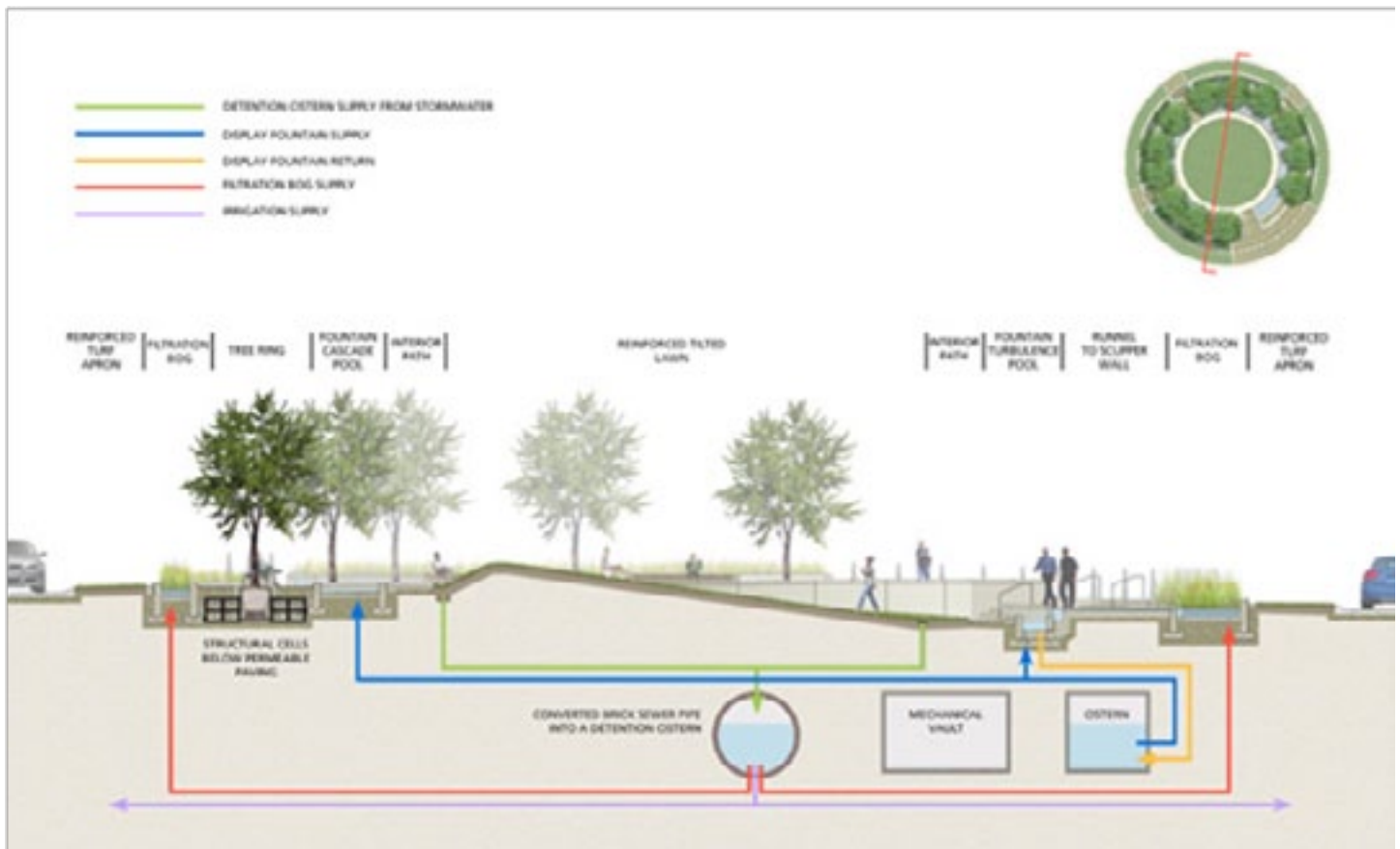
Although we are not recommending a new traffic circle for the City of Pontiac, the Uptown Normal Circle was a viable solution for this community's challenges, which are similar to Pontiac's. The Circle also incorporates a number of unique infrastructure techniques that could serve as an important model in creating a great civic space that reinvigorates the identity and growth of the City of Pontiac.

A key element of the Uptown Normal Circle involves the capture, storage, filtration, and reuse of a significant portion of the stormwater in the downtown district. Runoff from the streets surrounding the Circle is collected and stored in an approximately 75,000 gallon underground detention cistern, which the town converted from an abandoned stormwater pipe that once was used to divert the flow of a former creek. After being treated by an ultraviolet (UV) filter, the



water collected in the detention cistern is utilized for irrigation of the lawn area of the Circle or pumped to the surface for use in the water features that are the central focus of the Circle.

The first water feature consists of the filtration bog, which is a series of four terraced pools in one of the outer rings of the Circle. Using the grade of the Circle to generate flow, the water is further cleansed as it travels around the Circle through plant material that removes excess sediments and absorbs additional toxins from the water. After the water reaches the last filtration bog, it cascades into a fountain turbulence pool and is directed to a secondary 4,500 gallon underground cistern that is the main source of water for the



interactive water feature in the ring of the Circle that surrounds the central lawn area.

Once the water reaches the secondary cistern, it passes through a sand filtration system and an ultraviolet sanitizer and is then pumped to a collection pool at the surface, which begins the interactive water feature of the Circle. Again, using the gradient of the site, the water flows around the inner ring of the Circle in a shallow channel and returns to the fountain turbulence pool where it is recycled back to the secondary cistern.

To mitigate the nearby traffic noise at the Circle, Hoerr Schaudt added a reverse shingle surface along the course of the inner water feature to create the sound of a rippling stream. Initially, Hoerr Schaudt designed the interactive water feature to run dry when the detention cistern could not supply enough water, but the community elected to supplement the water feature with potable water during dry periods. The interactive water feature has exceeded expectations in becoming a popular place for residents and visitors to wade, walk, and play in the water.

The inner ring of the Circle is an open lawn area that the residents and visitors of Normal use as a public gathering space. Between the water features sits a fifteen foot wide ring that includes a series of alternating benches and trees for shade and further relaxation.

The sustainable infrastructure of the Circle includes more than just the water features, as the trees are planted in Silva Cells[®] that encourage greater growth and significantly extend the lifespan of the trees to more than fifty years. In a typical urban environment, trees are planted at the edge of the sidewalk or a road that has been paved and compacted to handle the heavy vehicle loads. The lifespan of a typical urban tree is only thirteen years. The modular design of the

Silva Cell transfers the traffic loads well below the surface, leaving uncompacted soil near the surface for greater root growth.

Further, the Silva Cells create additional subsurface capacity for stormwater storage, which reduces potential downstream flooding and provides additional nourishment for the trees. Although more expensive than planting trees in the usual urban planters (roughly \$14,000 compared to \$4,000), the structural cell technology mitigates the excess costs by reducing the need to frequently replace the trees, reducing stormwater retention costs, and offsetting the higher temperatures and increased energy consumption that result from a developed urban environment.

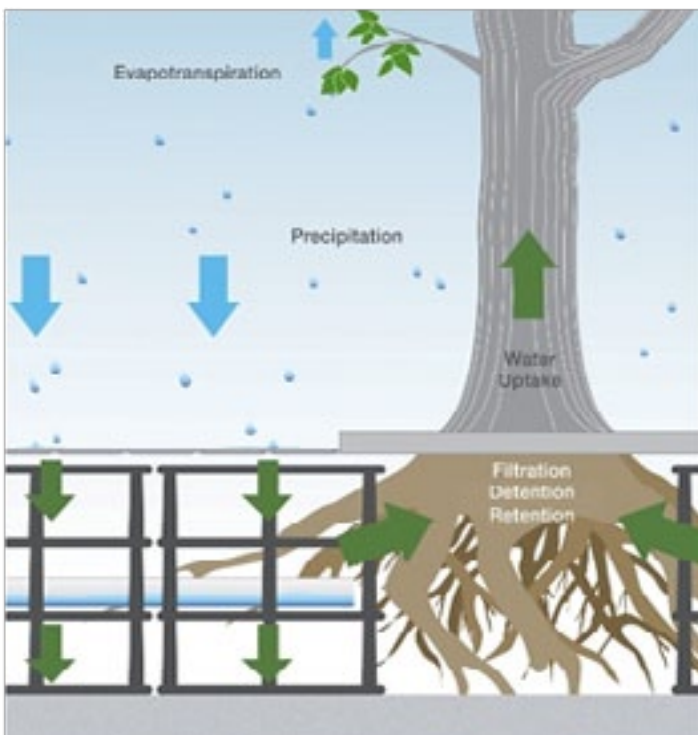
The Uptown Normal Circle offers a model of how sustainable infrastructure can be utilized to create a great civic gathering space that the City of Pontiac can use in its own revitalization and redevelopment efforts.

City Creek

City Creek is an urban, walkable and sustainably designed downtown redevelopment project in Utah. Built on over 20 acres across the equivalent of 8 square city blocks, it contains residential buildings, office towers and a regional shopping center with world class shopping, dining and entertainment at its core. Running through this Silver LEED certified project is a man-made urban creek comprised of 2 waterfalls, 6 creek segments, and three active fountains. The retail center and creek are both built above a five-story underground parking garage. This makes the creek one of, if not the largest, flowing streams built above another structure in the U.S. The complex construction below combined with the goal of essentially recreating the original City Creek demanded a shallow creek profile with remotely located pump rooms, connecting infrastructure and water treatment systems. These fundamentals are similar to the needs in Pontiac in order to construct a similar creek project.

A key element of the City Creek Center creek involves a controlled and recirculating water system in order to conserve water and generate the creek's flow. Treating the water is also required by the Health Department given it is a body of water to which people may have access. Although the system is not intended to be interactive, visitors cannot be held back a great distance in order to create a meaningful and engaging experience. Water is introduced into the system from a municipal water source. The water is treated and held in one of a number of reservoirs. When the creek operates, a pump in the remote pump room pushes the water into the creek with enough pressure to create a "flow" for the creek.

The other end of the creek acts as a simple return to the reservoir and water treatment system. Filters and screens catch and hold debris as the water flows. A heating system heats the water nominally during the winter months in order to avoid freezes. The system is not let to run dry at any time other than for maintenance or repairs.





- Create pocket parks and urban plazas as a part of new downtown development.
- Ensure safety in all neighborhood and community parks and provide active and passive recreation opportunities within walking distance of every residential neighborhood.
- Create an interconnected network of trails, sidewalks and bike paths.

The City of Pontiac completed a 5 year Parks and Recreation plan in 2011 to determine the state of the recreational opportunities within the city. A survey was undertaken to understand the recreation needs of the populace. Respondents indicated that while enough parkland is available, more programs, activities, and facilities are needed. Furthermore, the survey identified walking, hiking, bicycling, jogging, basketball, and fishing as the most popular and participated-in physical recreational activities, and computer and technology classes, picnicking, and concerts as the most popular non-sport activities.

The survey also concluded that in terms of recreational development, respondents would like to see new walking and hiking trails, bicycle paths, mountain biking trails, and indoor/outdoor swimming pools incorporated into the community.

Another consideration when determining the location and use of a future public space is the existing configuration of park space within a city.

As demonstrated by the following map from the Park Plan, a large portion of the downtown area is underserved from a park perspective. In fact, there are no parks in the downtown proper, the closest being Richardson Park on the East side of downtown, over ¼ mile away from virtually all of downtown. The likelihood that workers and residents from downtown would walk or bike that far to reach a mini-park is quite low, given safety and other concerns.

Thus, it seems that Downtown Pontiac is underserved in terms of smaller, walkable public spaces. The demanded recreational opportunities indicate that a set of small parks connected with a series of trails and pathways could achieve better health objectives for the population of Pontiac than large, under-programmed park spaces. Furthermore, establishing a concert venue in such a small park would meet the social needs of residents who would like to enjoy music with friends, perhaps arriving there by bike or walking.

The current path of the Clinton River Trail, a popular biking, walking and hiking path throughout central Oakland County which connects to trails to its east and west, effectively ends just west of downtown Pontiac and is detoured south of the downtown through a “temporary” route along South Boulevard. A small section of the trail, the “Downtown Pontiac Spur”, extends into historic Downtown Pontiac but it is unmarked and lacks the unifying paving and wayfind features found in the main sections of the trail.

The plantings situated in and around the creek are indigenous to the original City Creek and the creek that flows in the mountains today. Water pH is kept in balance to support the plantings while still meeting health code requirements. Critical to the success of the creek was the selection of the protective and waterproof membrane. The membrane needed to be compatible with the natural plantings lining the creek.

We recommend that the design attributes of both the Normal Circle and City Creek be combined and incorporated at this site to create a similar, yet unique, interactive water feature in downtown Pontiac.

CONNECTIVITY & PUBLIC SPACE

The City of Pontiac Master Plan⁷, created in 2008, contains many goals that align with and support the idea that downtown needs more walkable, interconnected, social and recreational public spaces we are proposing for the library site. The goals of the Master Plan that align most strongly with our proposal are:

- Complete the Clinton River Trail to connect with Auburn Hills to the east and Sylvan Lake to the west.



We propose creating a connection through an affordable public art project that brings cyclists and pedestrians into the downtown via a clearly marked path that echoes the historic route of the Clinton River itself. The path will symbolize the flow of the Clinton River, which lies 20 feet below the road, and will entice visitors both toward the downtown and toward the pocket park and its water feature which will lie at the western edge of the downtown on the current library site.

The proposed public park and water feature should include trailhead type amenities including benches, wayfinding signage, restrooms and a parking area. A parking area may not be appropriate for the library parcel, but wayfinding signage to nearby public parking will encourage users to depart from the site in addition to seeing it as a destination point from the trail to the west. Signage or public art celebrating the history of the site and of the downtown neighborhood should feature prominently in the park.

IMPLEMENTATION & COMMUNITY INVOLVEMENT

Estimated Project Costs

This cost estimate is primarily based on costs incurred on similar projects (e.g. Uptown Normal Circle and Utah Creek) and the experiences of our project team members. The cost to actually redevelop the site into the proposed

park can vary depending on many factors such as time of year, economic conditions, selected building materials, etc. This cost estimate should only be used for planning purposes. We recommend project design and bidding process be followed to understand actual project costs.

The project costs we considered can generally be broken down into three primary components: site preparation and planning, construction, and operations and maintenance. We estimated the project cost to be between \$3 million and \$4 million.

The majority of the initial project costs will be driven by project design and planning fees, demolition of existing building and subsurface structures, and earthwork necessary to grade and balance the site to accommodate the new development. The most expensive item in the site preparation phase will be demolition of the existing library building, including potential abatement of hazardous materials (e.g. asbestos) prior to demolition, and demolition of existing pavements, and subsurface utilities.

We anticipate the bulk of the project expenses (approximately 75%) to be incurred during the construction phase. The cost estimated for construction of the water feature was based on the Normal, Illinois Circle project, which had a project cost of \$1.5 million. We are uncertain on what was included/excluded in that budget; therefore, we assumed our project cost to be approximately 95% of the \$1.5 million Uptown Normal Circle project budget. The cost estimated for construction of the creek assumes construction of a 275 linear foot creek, with a cost of \$1,500 per linear foot.

These costs were based on a similar project built in Salt Lake City, Utah and cost estimates proposed by a group of Lawrence Tech students in their Clinton River Daylighting project summary.

For the purpose of this cost estimate, we anticipate operations and maintenance costs will fall into two categories: landscape maintenance and water feature/creek maintenance. To estimate a cost for maintaining the proposed landscaping associated with the site, we used costs incurred on similar green spaces/parks in Southeast Michigan and assumed approximately 80,000 square feet of grass and approximately 20,000 square feet of hardscape (pavements) that will require snow removal services. The cost to maintain the water feature and creek was estimated using costs incurred on similar water fountains and man-made creeks located in northern climates. This project assumes the water features will be deactivated during the winter months and “winterized” prior to the onset of freezing temperatures.

The Uptown Normal Circle offers a model of how sustainable infrastructure can be utilized to not only create a great civic gathering space, but also create a sustainable feature that can potentially save costs. Water features like this can save communities in potable water costs by capturing stormwater and reusing it in the water features and for site irrigation. Additionally, the water features can prevent

stormwater from entering the municipal storm sewer by directing runoff into the water feature, which can save on sewer costs and maintenance.

Finally, efforts can be made to recycle building materials during the building demolition for reuse during construction of the new park. This is not only a sustainable practice, but also a cost saver as materials that otherwise would have to be acquired off-site, can be reused from existing building materials.

Financing the Project

As with the phased approach to the overall project, the panel recommends a phased approach to financing the project as well, as it is the most optimal way to realizing the overall vision of creating a vibrant, historically relevant and interactive urban park in downtown Pontiac and would provide the most viable approach to garnering external financial support.

The rationale for phasing was based on two major factors: First, there is significant cost to implement the project, and a lack of immediately available funds to cover the full cost of the project. Second, there needs to be an immediate response to the work commissioned by the City and the County that will help to engage the community and its stakeholders and begin to show a commitment to the project.

Activity	Total Cost
Site Preparation	
Planning and Design	\$300,000
Demolition (structures, utilities, pavements, including hazardous materials abatement)	\$250,000
Earthwork (grading, balancing)	\$50,000
Subsurface Utilities Improvements	\$50,000
Road, curb, sidewalk improvements	\$50,000
Construction	
Water feature construction	\$1,400,000
Creek construction	\$450,000
Landscaping	\$550,000
Operations and Maintenance (annually)	
Landscape maintenance	\$8,000
Water feature/Creek maintenance	\$12,000
Contingency (15%)	\$468,000
Total	\$3,588,000*

*This cost estimate does not include land acquisition costs. The status of the property and plans to acquire the property for the purposes of this project was discussed in previous sections.

As described in the Phased Approach Recommendation, the initial and immediate phase would create an illustrative representation of the former pathway of the Clinton River through the downtown and the park. The estimated cost is between \$25,000 and \$50,000 depending on the final scope the community envisions and the amount of in-kind products and services the project can bring to bear.

As a part of the planning phase, we emphasize the importance of creating a year-round programming and maintenance plan for the park. Many projects often focus on getting the project built and do not think about the ongoing costs of operations and management. As a community project, we recommend that it should be programmed throughout the year as a way to bring together both the local community and regional visitors. The events should center on celebrating the vision of the park, the city of Pontiac and the Clinton River. We highly recommend that the County consider as a part of their stakeholder community returning the country farmers market to the city of Pontiac at the park. This will demonstrate to not only the local community but potential external funders that the project has regional support and investment.

The third and final phase is the construction of the project. The construction budget is estimated to be approximately \$3.05 million with a more detailed budget shown below.

Once the project has been completed the park is ready to experience. In order for the community to enjoy its new place it's important that it's kept clean, safe and secure. We have estimated the annual operating costs for maintenance to be around \$15,000 - \$25,000. In addition to the maintenance the governing authority should work with the police department to ensure appropriate patrols are implemented. We recommend that the project financing include a long term sustainable solution for ongoing maintenance. It would be an unfortunate mistake to build something and not have the resources to maintain it.

Deliberate public programming of the new civic space should be actively planned by the City of Pontiac in conjunction with downtown business owners as well as community groups, not only to animate the space, but also to build awareness and public affinity around the changes being implemented as a celebration of a unique Pontiac resource. With the river as a vehicle for focusing both public attention and municipal planning resources, interpretive opportunities can be identified to highlight the indigenous cultural history of Pontiac through the lens of the Clinton River.

The costs of programming and maintaining a park do not have to be funded by the already stretched City budget. There are multiple funding streams available to support the development and maintenance of a park and programming. In addition to federal funding sources such as the Community Development Block Grant, there are several national foundation/ philanthropic funding streams that have dedicated resources for green space maintenance and healthy

living programming, such as: Kaboom.org, Aetna Foundation, Land and Water Conservation Fund and Home Depot Building Healthy Communities Grant Program, to name a few.

Additionally, crowd-funding platforms where residents "vote" through raising funds for projects may encourage support and sustain engagement of local residents in the multi-phased development. Minor project costs such as the interpretive river may be well suited for a crowd-funding approach.

The Role of Leaders & Stakeholders

Regardless of which governance model the City of Pontiac and Oakland County choose to implement the Pontiac Daylighting Project, the identification of the stakeholders for this project is the first step to establishing a governance structure. The chart identifies the stakeholders in Pontiac that should be at the table for the Phase I daylighting project.

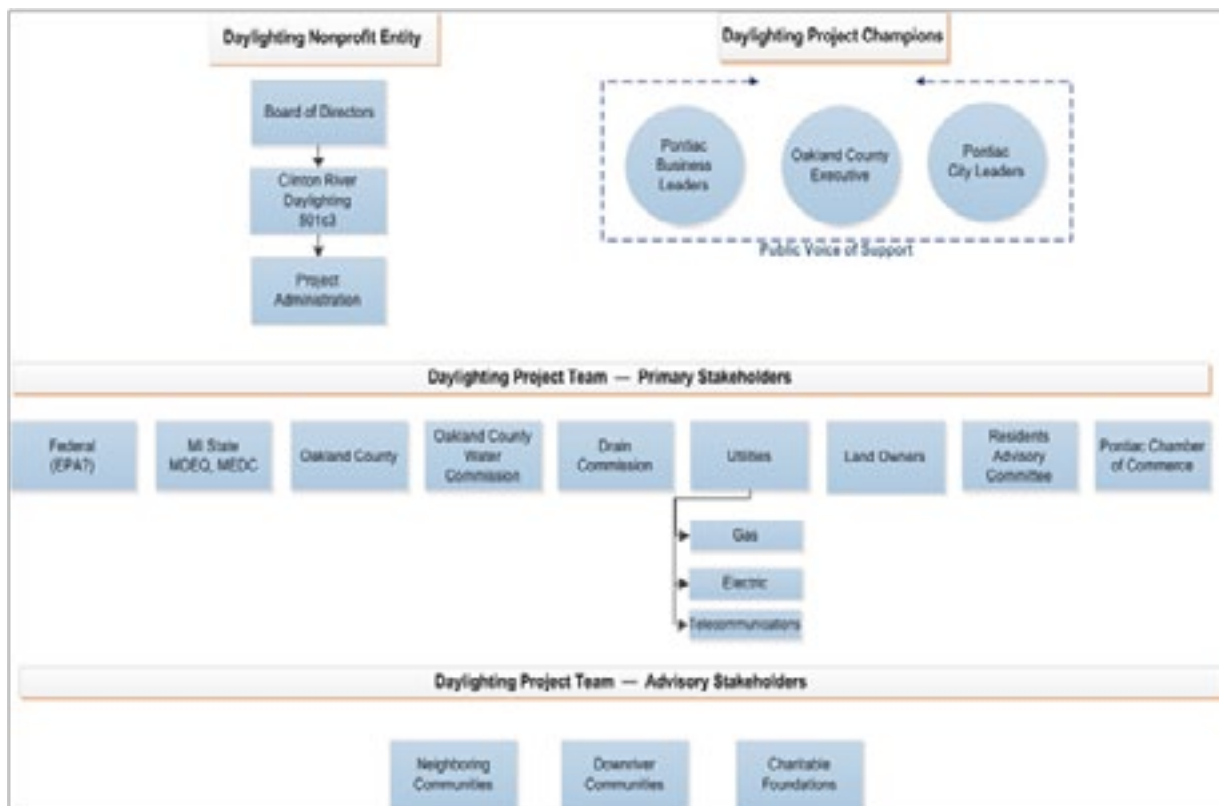
As you can see, the proposed governance structure for a water feature contemplated in a Phase I daylighting project is much more simplified and manageable than a governance structure for portions of physical daylighting contemplated in future phases plan. As explained in this report, an actual daylighting of the Clinton River has possible negative effects on neighboring communities, water resources, and environmental conditions. Therefore, many other stakeholders must be at the table in making decisions regarding an actual daylighting of the Clinton River. For these reasons, from a governance perspective, we recommend and support the implementation of various water feature parks in the downtown Pontiac area rather than an physical daylighting of the Clinton River.

Public/private partnerships (PPP) are an essential financial tool in most community development projects. For PPP to be successful, certain elements and project partners are necessary.

The first is strong political leadership. There needs to be commitment from the top, and in the case of Oakland County and the city of Pontiac, that would include the County Executive, the city Mayor and Council, the head of the Pontiac Downtown Business Association and the head of the Friends of Pontiac Parks. High ranking public officials must be willing to be actively involved in supporting the PPP and take a leadership role.

The second is strong public sector involvement. This is different than political leadership in that the public sector must remain actively involved and will provide active monitoring to ensure that activities and assignments are being completed in a timely manner.

A successful PPP will also have developed a thorough plan. The plan will identify the expectations of the PPP and will likely have been developed by an independent third



party who is an expert in the field of PPPs. This plan will lay the foundation for all the parties involved, including the public, private, and non-profit partners.

Having a clear and definable revenue stream for the PPP is essential to success and while the PPP may provide a portion or all of the funding for capital improvements, there must be an identifiable revenue stream sufficient to retire this investment and provide an acceptable rate of return over the term of the partnership. The income stream can be generated by a variety of sources such as fees, availability payments, tax increment financing.

The final and most important piece of any successful PPP is communication with stakeholders. More people will be affected by a PPP than just the public officials and the private sector partners. Impacted employees, neighborhood groups, the press, and relevant interest groups will all have opinions, and frequently significant misconceptions about a partnership and its value to everyone. It is important to communicate openly and candidly with these stakeholders to minimize potential resistance to establishing a PPP.

For the Clinton River project in Pontiac, most important is City leadership. This would be the elected officials and any boards/commissions that have an interest in the project. Typically, those would be the Planning Commission, the Brownfield Redevelopment Authority, Historic District, Housing Commission, Tax Increment Financing Authority, and the Zoning Board of Appeals. In addition to local government participation and leadership, Oakland County is equally as important as the city leadership. A minimum number of staff should be assigned to work with limited City resources to help champion and provide capacity to move

the project forward.

Key individuals/groups/companies to comprise PPP include City and County Leadership Private and non-profit sectors, and State Government.

The stakeholders within the PPP should each have a role related to identifying and securing funding sources to support the initiatives of the PPP including capital requirements, ongoing operational requirements and organizational requirements. While stakeholders may contribute to the financial security of the PPP and its initiative in different ways; some monetary and some services, their participation is essential to communicating to those outside the PPP. The message being communicated is that the partners are all putting real resources into the initiative. By communicating active involvement, the PPP can be to engage external funding partners including the philanthropic community, the public sector and the private sector.

Public Private Partnership Considerations:

Placemaking

The importance of creating a sense of place for the community and its visitors is an integral part of placemaking. The PPP should consider engaging a consulting firm specializing in placemaking to assist in further developing the vision. It is critical to the success and sustainability of the project to consider the ongoing maintenance and operations of the project prior to undertaking the construction. Of equal importance to the activation of the river/water feature, is the activation of projects and programs that create a sense of place for Downtown Pontiac and its residents,

businesses and visitors. As discussed in the Philanthropic Financing Opportunities section, the integration of arts and culture is a substantially documented way to spur economic growth in a community.

It is important that the vision for the creative placemaking program be championed by an individual who is able to tailor the growth strategy to the community's distinctive features (for example, the illustrative representation of the Clinton River). In doing so, the engaged community will mobilize and attract private sector buy-in. Many small towns have created vibrant main streets through placemaking strategies that Pontiac already utilizes, such as the historical markers, the downtown façade art and other art programs and the downtown business owners' initiatives for programming around the downtown streets. Creating something that draws the community together, whether it happens organically or intentionally, will only add to the fabric of the Pontiac community.

The challenges the private/public partnership may face include community skepticism, clearing regulatory hurdles and developing appropriate metrics of performance for the long term finance/management to ensure sustainability and drive growth.

Connecting to the Community

It is critical that the stakeholders give proper consideration and research to creating a sense of place for the community and its downtown. The process of placemaking can be as great a community building tool as it is transformative for the area in which it takes place. Further, the influence of placemaking strategies and events/programming can have a positive impact on local businesses. The long term impact of developing a sense of place that is both engaging and welcoming will prove beneficial to the city.

Governance

Creating a governance structure that has a sole purpose of the completion of this project and its objectives is essential to attracting any funding sources. Funders want to know who is leading, engaged, and committed to the process. Whether this is the PPP structure proposed or another structure, it should be independent of the city and county governmental. Government should be a supportive part of the structure but not leading the governance.

Build on Existing Assets

Create a physical and historical assessment of Pontiac's assets, the historic buildings – many in good condition, the importance of Pontiac to Michigan's history, to the Clinton River and to its Native American heritage. Create a vision for the community and seek development opportunities that align with the vision.

Storytelling

Do not discount the importance of telling the story of the project and all the other activities happening around the project. Storytelling is a process that is continual, not just during the project fundraising but should happen through-

out the life of the project and be a part of the plan created by the governance.

The Role of Philanthropy

Increasingly across Michigan, particularly in the state's urban centers, communities are pursuing philanthropic support as a way to launch and complete a project that yields positive community impact. By the same token, philanthropic institutions, particularly those that operate on a national level, are increasingly identifying places of interest that support their unique mission and grantmaking strategies, working independently from, but more commonly in collaboration with local stakeholders.

The ecosystem of philanthropy is fairly complex and includes private foundations, charitable/community foundations and corporate foundations, each with their own sets of geographic and sector-specific interests (i.e. arts and culture, community development, human services, media and technology, the environment, education, etc.). This section will provide an up-to-date look at the philanthropic funding environment as a guide for the City of Pontiac as it relates to the recommended project. We have completed a scan of the major national, statewide, and local philanthropic organizations active in the Southeast Michigan region, with a specific focus on private philanthropy. We will also discuss grant opportunities offered through the federal and state government.

General considerations for soliciting support from philanthropy:

As informed by the scan, we have elevated a set of general considerations to inform the client's approach when soliciting support from philanthropy. Specific to the philanthropic organizations in the scan:

- The vast majority only consider applications from 501(c)3 nonprofit organizations.
- Some of these organizations accept unsolicited proposals through RFPs or through open-cycles and others do not accept unsolicited proposals. Those that do not accept unsolicited proposals will likely require a concerted cultivation effort.
- Many have a deep, even explicit, interest in urban areas, particularly disinvested urban areas. However, very few philanthropic resources flow into the City of Pontiac and the Greater Pontiac area from the cited organizations though many philanthropic organizations have a regional focus.
- Corporate foundations may be more interested in projects that have a component that speaks to their business interests or a particular location (e.g., supporting efforts in a community in which it does business). In some cases, corporate foundations can provide different types of supports that private foundations cannot that may be more useful to project.

It is also important to bear in mind that the grants budgets for many private foundations were negatively impacted by the economic recession in 2008, as these organizations allocate funding in ways directly related to the growth or decline in its endowment. Similarly, the grants budgets for corporate foundations are largely linked to revenues and the overall financial health of the parent company. As such, and given much of the general considerations listed above, it is unrealistic to assume that any one funder may support the entire project. The acquisition of philanthropic support needs to be strategically thought out as individual funders can potentially bring something unique to the project.

Philanthropic Scan Summary

The panel researched the grantmaking strategies of the major national, regional and local private, community and corporate foundations active in the Southeast Michigan region. We compiled data on those organizations most relevant to the recommended project as determined by current giving priorities and recent grant history. The full results of this scan can be found in the Appendix.

Community Engagement

The philanthropic organizations included in the scan are far more interested in projects that involve members of the community, especially neighborhood residents, at the beginning and through the life of the project. While certainly related to Item 3, above, the interest on the part of philanthropic organizations in community engagement reflects broader organizational values to strengthen communities, empower residents, and deliver projects with better, more meaningful outcomes for residents, particularly residents in historically disadvantaged neighborhoods. For example, both the Kresge and Ford Foundations were deeply involved in supporting community engagement as part of the multi-year Detroit Works Long-Term Planning Process. Neither funder would have participated in that land-use visioning project if City of Detroit leadership were not willing to support the robust engagement process.

The Role of Public Finance

The use of public financing sources to subsidize development projects has become a common practice in most cities nationwide. In Michigan, public finance programs are often required to attract private investment. There are many layers of public sources that can be accessed for projects, including Federal, State and County Governments.

The primary purpose of public financing programs is to provide subsidy to projects that meet specific requirements and often would not otherwise be economically feasible without the use of the subsidy. The form of public financing or subsidy can be offered in a variety of ways:

Tax Incentive

A deduction, exclusion, or exemption from a tax liability, offered as an enticement to engage in a specified activity (such as investment in capital into historic rehabilitation) for a certain period.

Tax Abatement

A reduction of or exemption from taxes granted by a government for a specified period, usually to encourage certain activities such as investment in capital equipment.

Credit Enhancement

A form of collateral security offered to reduce the recourse obligations to encourage engagement in a specific activity such as the investment in affordable housing.

Public Incentive Programs

We have included in this report a scan of possible public funding sources that could be utilized for encouraging further economic development in the city of Pontiac. Please see the Appendix for the toolbox.

While it is possible that there will be some direct public funding sources to complete the proposed project proposed, it is more likely that the public funding sources will be aligned with private development projects such as housing, commercial and mixed use projects. Keeping in mind that many of these programs have limited funds or incentives available and a community looking to be competitive in assisting developers in securing public funding must build a strong case for support.

The City of Pontiac using this project and other activities currently happening within the community should focus on leveraging these activities. The public funders are looking for communities where there are some early success stories regarding development and investment.

In our review of the development and opportunities around this project, we identified several projects and attributes which Pontiac should leverage to support public funding:

- Downtown Pontiac is a part of the National Trust for Historic Preservation's Main Street Program and the City of Pontiac has a significant collection of well preserved historical assets.
- Pontiac is a part of Oakland County's Main Street Program – an initiative committed to preserving the importance of main streets to communities.
- The local community has a high unemployment and poverty rate.
- Pontiac is the seat of Oakland County, and is therefore a strategic geographic location for both the county and the State of Michigan.
- The City of Pontiac has an active Downtown Business Association.
- The recently announced M1 Concourse Project will acquire and repurpose of 87.5 acres of currently vacant land on Woodward Avenue in Pontiac.

The Master Plan completed by the city of Pontiac in 2008 is a valuable reference for the community as it lays out the framework for Pontiac to attract the private development which would benefit from the public funding programs most.

Recommendations for Community Engagement

Oakland County engaged over 400 stakeholders and 30 community groups during its community engagement process to support the Downtown Pontiac Transportation Assessment. This process lays a foundation to re-engage a broad base of stakeholder in this effort to implement the panel's recommendations. The following recommendations provide a guide for ensuring community engagement is a beneficial and productive aspect of the project for all involved.

Be clear about the scope of the project and its purposes and goals from the onset of the process. While some aspects of the project will be a moving target, the more details that can be finalized regarding governance, project scope and intent before the community engagement process begins, the better.

This will help establish clear expectations and a sense of mutual trust between governmental officials and the public.

Seek commitment from all involved that community engagement is a critical part of the process. Although extensive outreach was completed during the transportation assessment, it is essential efforts to reach the public continue. Community engagement is most beneficial when it is positioned as a feedback loop, rather than an initial aspect of a project that has a definitive ending.

Establish multiple ways for all community members to engage. Social media, surveys and meetings are essential components of engagement. However, the more creativity that can be employed the better. Design contests, roaming tables, gaming applications are "spins" on community engagement that can reach different segments of the community and enrich the final project.

Listen with the intent of identifying how community desires can be addressed.

One of the purposes of community engagement is to create buy-in for the project. However, this can be undermined if residents' ideas or concerns are not reflected in the implementation. Establish a goal of trying to meet community needs and communicate quickly and clearly when their expectations will not be met.

Create one "table" that is accessible to all. Segmenting stakeholders into affinity groups is efficient, however, for long-term governance "one table" comprised of representatives from business, government and the community is more inclusive. The Detroit Riverfront Conservancy is an example of an organization whose board reflects the broad

constituents of users for a public amenity.

MAINTENANCE

The panel suggest that the exploratory committee for the project establish a 501(c) 3 non-profit entity to facilitate the maintenance of the proposed water feature and public space, the formation of a green corridor through downtown, and any opportunity for future phase development. This is a potential long-term management approach that would help attract investment and support the development and operations of a new park outside of the City budget, and is a common approach that has been adopted by other municipalities to develop and oversee public infrastructure projects.

The board of the 501(c)3 entity would initiate a fundraising campaign to generate funds for the project. It is important at the outset of the formation of exploratory committee or the 501(c)3 non-profit entity, that a brand must be created to identify this project and to initiate programming regardless of what stage the board is at in raising funds or getting a shovel in the ground. The purpose of this brand is to garner support, and create excitement about the future of this project. There are ways in which the Clinton River can be celebrated along with the heritage of the City of Pontiac right now to generate excitement for the project. The Detroit Riverfront Conservancy began building a brand and hosting events long before a shovel went into the ground. By the time the first phase of the Detroit Riverfront project was completed, the brand of the Detroit Riverfront Conservancy was established, and the Detroit Riverfront has become a well known destination because of the brand awareness generated by the early marketing efforts of the Detroit Riverfront Conservancy.

FUTURE DEVELOPMENT & ECONOMIC GROWTH

As popular use grows over time, commercial food and beverage offerings should become sustainable and should be introduced. Small outdoor cafes/restaurants, food carts, food truck parking, etc. can all contribute to an augmented sense of place and to efforts to activate the public space. It should be noted that some areas within the future park/public space development may be multi-use & multi-seasonal, similar to the Campus Martius and River walk models in downtown Detroit.

Mixed-income housing should be considered for residential developments adjacent to the Phase 1 project site. The use of Low Income Housing Tax Credit (LIHTC) funding may be an attractive way to densify and diversify the downtown resident base as well as provide equity and favorable financing terms for new construction in this district.

A long-term view should also seek to build on the phenomenal success and attention generated by the free rent

program 'The Rise of the Phoenix,' ensuring that tenants garnered by the program become long-term tenants of the downtown well past their free rent period. A note of caution is in order. It will be important to adopt a balanced approach in slowly increasing rents and sales prices in order to create a more financially sustainable downtown real estate market that does not require as much subsidy, without pushing quality tenants out. We recommend a strategic, calibrated methodology that successfully balances on the one hand a measured increase in rents and sales prices over time with the imperative to maintain access for quality tenants independent of eventual market price points that will lessen the need for intensive subsidies for development.

We believe that plans for additional parking should be minimized and/or eliminated. Where additional parking is necessary, there is ample opportunity for it to be shared with other nearby facilities and located away from pedestrian-oriented spaces streets, and parks.

Alternatively, if all efforts to locate new parking away from the street are not feasible, we recommend that zoning require new parking amenities to be screened from sidewalks with visually interesting fencing and/or screen walls that also feature landscaping. Locating parking underground, at or above 2nd floor levels, or in non-street or non-river facing alleyways, etc. is strongly preferred.

Should an partial excavation of sections of the Clinton River take place in a future phase, the panel recommend that the city ensure public access to the entire length of the excavated river in downtown, and may want to consider

designating spaces along the river for larger public spaces that could include uses such as performance spaces, water features, outdoor art and/or a sculpture garden.

FUTURE PHASE POTENTIAL

The panel spent the majority of our efforts focusing on the first phase of the project, but views future phases as potential for economic development. As the real estate development potential increases around the proposed Library Site, there may be a demand for more water feature real estate in the downtown area. It is also notable that the increased walking and bicycle traffic that the development of the Library Site would bring should increase the market for business development on adjacent sites and help connect the downtown area.

The next phase (Phase II) of the proposed project is likely an extension of the water feature on adjacent sites located both to the north and to the south of the Library Site.

Further phases could potentially include a partial excavation of the Clinton River with an open water source. The recommended site viewed as having the best potential for a partial excavation would be on the current Phoenix Center Site.

It is important to note that even partial excavation in future phases would need to address both the water grade and flow of the current river, and would likely need supplemental water from storm water collection or other sources to make it attractive and reduce the impact of water levels in surrounding communities.

CONCLUSION

The project provides an opportunity to join up multiple downtown strategies in particular: livability, connectivity, and commercial and residential investment around a unique historic and natural asset. We believe this can be achieved successfully through a phased approach that begins with a relatively low-cost investment in green space that adds value, demonstrates progress and lays the foundation for private investment in the area. The recommendations build upon the recent private investment successes and highlight strategies to recruit the additional capital needed to continue downtown Pontiac's turnaround.

The recommendations of the panel suggest the project should consist of a phased development, with Phase 1 being the primary focus of the preceding report.

The Phase 1 site was defined by the panel as identified as the parcel of land bounded by Woodward Avenue to the east, Pike Street to the north, Mill Street to the west and Water Street to the south. Due to the cost of excavating

and elevating the flow of water, Phase I is now recommended to consist of public space that only includes interpretive references to the river, as opposed to a physical daylighting of the river. Development of the Phase 1 site was recommended to be limited to public/civic space uses such as park, landscape or other recreational use. An illustrative interpretation of the original Clinton River should be commissioned as a way to promote the project within the community and create interest with stakeholders and potential investors.

Once completed, a 501(c)3 entity should be established to maintain the water feature and public space and to continue the momentum of the project into future phases. Future phases may include the partial excavation of the Clinton River as part of an open water feature, located on either the repurposed Phoenix Center site, Lot 9, or both. Additional uses such as commercial or residential will be reserved for other parcels to be subsequently redeveloped.

THE PANEL

KATE BAKER



Kate Baker has over 10 years of fund development, external relations, and community development experience in Metro Detroit. She currently serves as Managing Director of the Detroit Historical Society, overseeing the Society's operations, development, and marketing and public relations efforts.

Prior to joining the Society, Baker was a Senior Project Administrator for Economic Development at Wayne State University, the Director of Development for the Wayne State University Press and a member of the development and capital campaign teams at The Henry Ford in Dearborn. She served on the Ferndale City Council, as Ferndale's Mayor Pro Tem and interim Mayor from 2008 to 2012, and is active on many local nonprofit and political boards.

Baker holds a Bachelor of Arts in Government and Urban Studies from Smith College and is pursuing a Master of Urban Planning at Wayne State University.

SCOTT BENSON



Scott Benson has an extensive backing in urban planning, and over 15 years of experience working in the commercial real estate, municipal planning, and the community and economic development industries. He is currently running as a candidate for the newly created 3rd Council District of the Detroit City Council.

Throughout his career, Benson has been involved with numerous projects, both small and large scale, in the nonprofit, public, military and private sectors, respectively. Benson previously served as the Small Business Development Manager at Midtown Detroit, Inc., overseeing small business development in Detroit's Midtown area by providing technical assistance, financial packaging, marketing support, business plan development and façade grants.

He is a graduate of Wayne State University, Hampton University and the National Defense University, and has over 22 years of military experience. He currently serves, and has served, on several boards and committees, including the International Institute of Metro Detroit, Osborn Neighborhood Alliance, and the Detroit Brownfield Redevelopment Authority.

KHALILAH BURT GASTON



Khalilah Burt Gaston was named Deputy Director of Vanguard Community Development in April of 2012. In this role, she provides strategic direction for the organization, manages a 16-member team, and oversees all internal operations. Burt Gaston joined Vanguard after a 12-year career in the fields of real estate and community development. Prior to her work with Vanguard, she held the position of Development Specialist for the State of Michigan Land Bank Fast Track Authority, in which she was responsible for leading all real estate development projects for the Authority.

Burt Gaston attended the University of Michigan at both the undergraduate and graduate level, earning her bachelor's degree in Sports Management and Communication and her master's degree in Urban Planning. She is a Certified Economic Development Professional through the National Development Council, a licensed Real Estate Salesperson in the State of Michigan, and has been recognized for her accomplishments by various organizations, including the Network of Commercial Real Estate Women and the Center for the Education of Women.

ALICE CARLE



Alice Carle joined The Kresge Foundation in 2004 as a Program Officer, responsible for grantmaking activities across all sectors. She currently serves as Program Director for the Foundation's national Arts & Culture Program. Her responsibilities include guiding the strategic direction for the program, overseeing the general operations of the Arts & Culture team, and developing initiatives and strategic approaches to address issues in the field of arts and culture.

Carle is a graduate of John Carroll University in Cleveland, and holds a Master's Degree in Public Policy from the Gerald R. Ford School of Public Policy at the University of Michigan.

DANIEL CASSIDY



Daniel Cassidy is a Vice President and certified Professional Geologist at Soil and Materials Engineers, Inc. He began his SME career in August of 1997 as a Field Geologist and has since risen to lead the firm's Environmental Services Group. His responsibilities include managing a group of over 30 team members spread across three states, setting and implementing the Group's business strategy, managing liability and litigation issues, executing contracts, setting group goals, and leading the Group's business operations.

Cassidy is a member of the ULI Michigan Executive Committee and serves as Chair of the District Council's Communications Committee. He is an active member of both the International Council of Shopping Centers (ICSC), and ASFE: The Geoprofessional Business Association, where he serves on the Business Practices Committee and New Leaders Committee. Cassidy holds a Bachelor of Science degree in Environmental Science/Geology from Michigan State University and a Master's of Business Administration degree from the School of Business Administration at Wayne State University.

GINA CAVALIERE



Gina Cavaliere began her career as an attorney practicing municipal, criminal and real estate law. She then moved on to city government, where she gained over a decade of experience working for the City of Warren, initially as a DDA, TIFA and Brownfield Authority Director, and then as the Director of Economic and Community Development. She assumed her current position as Development Officer with Wayne County's Economic Development Growth Engine (EDGE) in 2011, and works daily to foster and grow local initiatives such as workforce development and the Detroit Aerotropolis project.

Cavaliere holds a Bachelor of Arts degree in Advertising from Michigan State University and a Juris Doctor from the Wayne State University Law School. She is both a licensed attorney and a licensed real estate broker in the State of Michigan.

DELON CHAN



Delon Chan serves as Consul and Trade Commissioner for the Consulate General of Canada in Detroit, Canada's official representation to Michigan, Ohio, Indiana, and Kentucky. In this role, he is responsible for building cross-border business relationships between organizations in the United States and Canada. He also assists US-based companies in doing business with Canada, including investing and conducting research and development activities in Canada.

Previously, Chan was a Senior Marketing and Trade Officer with the Canadian Federal Department of Agriculture where he assisted Canadian companies in exporting agricultural products and commercializing agricultural research. He holds a Bachelor of Commerce degree from the University of Manitoba with a double major in Finance and Marketing, and is a Certified Management Accountant.

ALEXANDER CLARK



Alexander Clark is an associate in the Real Estate Group at Miller, Canfield, Paddock and Stone, PLC, with a focus on commercial leasing work, acquisitions, dispositions, construction, the management and sale of bank-owned properties.

Clark graduated from the University of Notre Dame with a Bachelor of Science degree in Business. He then attended the Case Western Reserve University School of Law in Cleveland, Ohio, where he served as a Legal Extern for the U.S. District Court Northern District of Ohio under Judge Kathleen

O'Malley while earning his Juris Doctor.

KATHARINE CZARNECKI



Katharine Czarnecki is Manager of Community Development for the Michigan Economic Development Corporation (MEDC). In this role, she oversees the community development initiatives along with management of the Community Assistance Team and the Redevelopment Ready Communities® program, and works closely with other state agencies in an effort to coordinate programs and policy for the revitalization of Michigan's communities.

Prior to joining the MEDC, Czarnecki worked in several communities around Michigan and most recently with the Lansing Regional Chamber of Commerce. She is a graduate of the University of Georgia with a bachelor's degree in Economics and holds a master's degree in Urban Planning from Michigan State University.

ANDREA DAWSON



Andrea Dawson is the Sale Director for WH Canon Company's Landscape Maintenance Division at WH Canon. Her father, Bill Canon, founded WH Canon, a full service landscape construction company, in 1993.

Outside of her professional duties, Dawson is involved in fundraising for non-profit organizations. She recently founded a memorial fund to raise money and awareness for the Melanoma Research Foundation, and hosted a golf outing in September of 2012 which generated close to \$40,000 for the cause. She is the 2013 Detroit Chair for the March of Dimes' March for Babies. Dawson holds a Bachelor's degree in Business Management from the University of Michigan.

BOB DOIL



Bob Doil, Purchasing Manager at Robertson Brothers Company, has over 12 years of experience in the Commercial Construction industry, the last 10 of which were spent with Robertson Brothers, a southeast Michigan-based residential building and development company. Prior to his work with Robertson Brothers, he worked on various construction projects as both a project manager and as an estimator, respectively.

Doil holds a Bachelor of Science degree in Building Construction Management from Michigan State University, as well as an MBA from the University of Michigan Dearborn.

CARI EASTERDAY-KAR



Cari Easterday-Kar currently serves as Larson Realty Group's Chief Financial Officer. She has over 14 years of financial and accounting experience, and also serves as Executive Director for Community Investment Support Fund, a Michigan-based non-profit organization dedicated to promoting economic development and facilitating investment of capital to support community revitalization, the nonprofit sector and in underserved markets.

Prior to joining Larson Realty Group, she served as Senior Tax Accountant for Cendrowski Selecky, P.C and also held several positions within Bruce S. Brickman & Associates, Inc., a New York based Real Estate Company including Controller.

Easterday-Kar moved from Illinois to Michigan in 1993 to attend Michigan State University, where she earned her bachelor's degree in Finance. She also holds a Master of Science in Finance (MSF) from Walsh College.

DEENA FOX



Deena Fox, Principal at the southeast Michigan-based architecture and design firm Rossetti, has led an impressive career that spans work in both the non-profit and private sectors, with a special focus on creative industries. At Rossetti, she has led multidisciplinary architecture and engineering teams on design and planning projects ranging in scale from initial master plans to built development of over \$100 million in construction value.

Prior to joining the Rossetti team, Fox worked for five years as Project Manager at Gallagher & Associates. She also held various positions with the Smithsonian Institute between 1992 and 2000.

Fox is twice a graduate of Georgetown University in Washington, D.C.; earning both her undergraduate degree as well as a Master of Business Administration with an emphasis on international business strategy from the institution.

BRADLEY HANSEN



Bradley Hansen currently serves as the Business Development Representative for Oakland County Department of Planning and Economic Development, where he has been employed for over 10 years. He originally held the position of Project Specialist, moving up to the positions of Business Analyst and Environmental Program Coordinator before being promoted to his current role in 2012.

As Business Development Representative, Hansen is responsible for overseeing the Oakland Brownfield Initiative, Brownfield Assessment Grants (hazardous substance and petroleum), Brownfield Cleanup Revolving Loan Fund (BCRLF) and Oakland County Brownfield Redevelopment Authority (OCBRA), as well as the Oakland County One Stop Ready (OSR) Program, the Oakland County / City of Pontiac Economic Development Administration (EDA) Grant, North Oakland Household Hazardous Waste Consortium (NO HAZ), and Solid Waste Planning- Michigan Act 451 Part 115.

In March of 2013, Hansen was appointed Director of the Board of Directors for the Association of Brownfield Redevelopment Authorities. He holds a Bachelor of Arts degree in Political Science from Oakland University, and is a certified in hazardous waste operations and emergency response (HAZWOPER) by the Occupational Safety and Health Administration (OSHA).

TAMMY HELMINSKI



Tammy Helminski is an Associate with the Grand Rapids office of Barnes & Thornburg, and a member of the firm's Environmental Law Department. She has experience with environmental due diligence and risk evaluation, project management of large-scale remediation sites involving numerous parties, and assisting manufacturing and developer clients with environmental auditing and compliance. She also has litigation experience dealing with environmental, real estate and construction matters.

Prior to joining Barnes & Thornburg, Helminski was an attorney at the firm of Dickinson Wright, PLLC in Detroit, and during law school was an intern for the Honorable Robert H. Cleland in the United States District Court for the Eastern District of Michigan.

Helminski earned her Bachelor of Science in Environmental Engineering as well as her Master of Science degree in Environmental Policy from Michigan Technological University. She holds a Juris Doctor from the University of Michigan Law School. She belongs to the State Bar of Michigan Environmental Law Section, and is a chair of the Hazardous Substances & Brownfields Committee.

ERICA HOLTON



Erica Holton, Vice President of Transaction Management at Plante Moran CRESA, has a decade of experience in executing and managing complex commercial real estate transactions, as well as an extensive foundation of corporate transaction management, tenant representation, and agency leasing experience.

Prior to joining Plante Moran CRESA, Holton was a Senior Vice President and Co-Leader of Brokerage at Jones Lang LaSalle's Detroit office. During her time with Jones Lang LaSalle, she was responsible for managing several complex corporate real estate portfolio clients, including XEROX and Procter & Gamble.

Holton received her bachelor's degree from the University of Maryland as well as a Juris Doctor from the University of Pennsylvania Law School. She is a licensed salesperson in the state of Michigan and a licensed Attorney in the state of Texas. She is an active member of the American Bar Association, the Dallas Bar Association, and Commercial Real Estate Women (CREW).

J. PATRICK HOWE



J. Patrick Howe is a partner at Howard & Howard Attorneys, PLLC. He concentrates his practice in the areas of real estate, commercial transactions, business law, and hospitality law. Howe counsels a wide range of businesses from start up entrepreneurs to Fortune 500 companies both in Michigan and throughout the United States, and has significant experience representing clients in real estate developments in the City of Detroit.

Howe received his Bachelor of Arts, with honors, from the University of Michigan, his Master of Urban Planning from Wayne State University, and his Juris Doctor from the University of Detroit Mercy School of Law. Howe is a member of the State Bar of Michigan, serving on its Administrative & Regulatory Law Section Council, and Real Property Law Section Zoning & Land Use Committee. He is an active member of the Urban Land Institute, serving as Co-Chair of the Urban Land Institute Michigan Young Leaders Group.

JOEL HOWRANI HEERES



Joel Howrani Heeres has been at WARM Training Center and the Southeast Michigan Regional Energy Office since March 2010, serving as the Sustainable Communities Coordinator, a technical advisor to local governments around energy, climate, and sustainability issues. He was the main staff providing technical assistance to 41 local government recipients of federal energy efficiency grants. In addition, he has helped design and conduct climate and sustainability planning efforts in 11 communities throughout Southeast Michigan.

A graduate of both University of Michigan's School of Natural Resources and Environment and College of Architecture and Urban Planning, his wide ranging skills include policy and program development, data analysis and systems, and the design and facilitation of public processes.

GEORGE JACOBSEN



George Jacobsen, Program Officer with the Kresge Foundation, originally began his tenure with the Foundation as a Program Associate with the national Arts & Culture Program, working to advance the team's strategic interests in advancing sound capitalization practices for nonprofit arts and cultural organizations, the role of artists in a place, and the integration of the arts into broader community building efforts. He currently works on the Community Development/Detroit Program, a role in which he is responsible for Kresge Arts in Detroit, an effort designed to support and develop individual artists, arts and cultural organizations and arts-infrastructure groups in metropolitan Detroit. He is also responsible

for thinking through how the arts cross other sectors within the Program's nine-part Re-Imagining Detroit Framework, an effort that identifies key building blocks of the city's long-term vitality and works with public, private and philanthropic partners to support the revitalization of Detroit.

Jacobsen earned his master's degree in Urban Planning from Wayne State University. He is a member of the Michigan Association of Planning and the American Planning Association and serves on the Michigan Advisory Board for the Cultural Data Project.

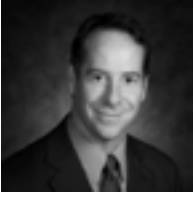
LORI JAMES IIDA, LEED AP ID+C



As Interior Designer and Project Manager in SmithGroupJJR's Detroit office, Lori James has experience in a wide array of corporate, academic and healthcare projects. She is skilled at listening to clients' needs, adapting her design approach to transcend facility types and market segments, and creating places that inspire people to work, learn, heal, design, invent, and play. James' notable clients include General Electric, Michigan State University, Oakland University, University of Louisville, U.S. Department of Veterans Affairs, and Visteon Corporation.

James received a Diploma in Interior Design from St. Clair College in Windsor, Ontario, and a Bachelor of Interior Architecture from Lawrence Technological University. She was recently named to Building Design + Construction magazine's list of 40 remarkable AEC professionals under the age of 40.

MICHAEL KENNEDY



Michael Kennedy has 10 years of experience with Hines in Detroit. As property manager of the Coleman A. Young Municipal Center for six years, he has led the turnaround team that assisted the Detroit-Wayne Joint Building Authority in repositioning the asset and consistently reducing annual operating expenses.

He has significant experience with public/private partnerships, and is adept at managing regulatory topics associated with government contracts. Kennedy is also a member of the development team responsible for the Hines contract with the Detroit Building Authority's Detroit Public Safety Headquarters Project, and will oversee the Hines facility management team assigned to the project. Kennedy holds a Bachelor's of Science in Marketing from Western Michigan University.

CHARLIE KUGHN



Charlie Kughn, Partner and Co-Founder of Manifold Ventures, has an extensive background in commercial real estate and development.

From 2005 to 2009, Charlie Kughn served as business development associate and analyst at KIRCO Development, a commercial real estate organization in metro Detroit. At KIRCO, Kughn was exposed to all commercial real estate asset types including retail, office, industrial, and multifamily. He specialized in preparing financial proformas for both new development and acquisitions for all property types. He also spearheaded the site search program in the Southwest United States to develop large retail anchored shopping centers with the Gershenson/KIRCO partnership. Following his tenure at KIRCO, Kughn was Asset Manager for an 800 unit multifamily portfolio at McKinley Real Estate.

Kughn is a licensed real estate professional in the state of Michigan and is actively involved in various community and political organization and is a founding member of Mitten Men, a state and national political action committee focused on fostering an interest in politics in young professionals. He holds a bachelor's degree in Finance from Wayne State University.

SCOTTIE LEE



Scottie Lee is Director of Strategy and Research at Taubman Centers, Inc., a leading regional mall developer. He is responsible for all market research relating to external growth, which includes new developments and acquisitions in both the U.S. and Asia. In addition, he is a member of the corporate strategy team, assisting the company's decision-making bodies on corporate initiatives.

Prior to joining Taubman, Lee worked as a Senior Consultant at FTI Consulting/FTI Helios and as a Senior Associate at Vantage Pointe Consultants. Lee earned a Bachelor of Science in Industrial Engineering and Economics from Northwestern University, and a Masters of Business Administration from the University of Michigan.

DEKONTI MENDS-COLE



Dekonti Mends-Cole was selected as a Strong Cities, Strong Communities Fellow - a HUD/White House fellowship – in 2012. Through the fellowship, she works on the City of Detroit's restructuring reforms, in the newly formed Program Management Office.

Originally from Monrovia, Liberia, Mends-Cole worked in London for five years advising national and local governments on urban development policies. She has also worked on two United Nation projects: UNIDO in Iraq and UNDP in Zambia, both on local economic development strategies.

Mends-Cole holds a Bachelor of Arts in International Studies and Economics from the University of Miami, a Juris Doctor from Georgetown Law Center, and an MSc in Affordable Housing and Urban Development at London School of Economics.

JENNIFER MERRIMAN



Jennifer Merriman serves as Vice President and General Counsel for Victor International Corporation, an international development company with experience in luxury residential, resort and commercial real estate, including Bay Harbor, Michigan, and Oil Nut Bay in the British Virgin Islands.

She earned her Juris Doctor from Michigan State University College of Law and her Bachelor of Arts from Western Michigan University. She is admitted to practice law in Michigan, Illinois and the U.S.

District Court for the Central District of Illinois. She also serves as "Of Counsel" to Merriman Law Office in Rochester and is actively involved in several non-profit organizations.

SHANNON MORGAN



Shannon Morgan has an extensive and diverse real estate background specializing in residential real estate, rehabilitation, land acquisition, and development. As a third generation Realtor, she began her career running her family's real estate office and quickly grew to become the top producing agent, managing builders accounts and representing the Big 3 in facilitating their Corporate Relocation.

Morgan's experience includes NSP, HOME, CDBG, Historic Rehab, Urban Renewal & Revitalization, Brownfield Demolition, and several thousand units of multi-family bond housing. She is a member of the Michigan Veterans Roundtable Task Force, Credit Suisse National Housing Committee, Board Member of the Michigan Community Development Association and most recently will be the Michigan State Coordinator of Locus/ Smartgrowth America in which she will be advocating walkable urbanism and transit oriented development.

DARIAN NEUBECKER



Darian Neubecker, Controller at Robertson Brothers Company, grew up in West Branch, Michigan. He earned his BS from Central Michigan University in 2003, and his MBA from Central Michigan University in 2005.

Neubecker interned at PricewaterhouseCoopers, and later spent two years in Plante Moran's tax department. He started at Robertson Brothers in late 2007.

JASON PAULATEER



Jason L. Paulateer serves as Vice President and Market Manager for the State of Michigan in Community Development Banking for PNC Bank. He is responsible for managing the Community Development team activities for PNC Bank throughout the State of Michigan.

Paulateer is a 2008 graduate of the Leadership Michigan Program, administered through the Michigan Chamber of Commerce. His community involvement was recognized by Grand Rapids Community College, which granted him the W.W. Plummer GIANT Humanitarian Award. The Grand Rapids Area Chamber of Commerce awarded him Financial Services Advocate of the Year during its annual Minority Business Celebration. He was named to the Who's Who in Black Detroit Inaugural Edition. He received the "Up and Coming Alumnus of the Year" Award from his alma mater - Grand Valley State University's Seidman College of Business.

He holds both undergraduate and graduate degrees from Grand Valley State University. He is a life member of Omega Psi Phi Fraternity, Incorporated (ΩΨΦ) where he formerly served as local chapter treasurer, representative for the State of Michigan and Chairman of its District Convention. He is a board member for CEDAM, the Art of Leadership Foundation, Michigan Magnet Fund and Matrix Human Services of Detroit.

MELANIE PIANA



Melanie Piana currently serves as Mayor Pro Tem and Planning Commissioner for the City of Ferndale, where she can practice urban planning and lead government innovation and transformation at the local level. She formerly served as the Deputy Director for the Michigan Suburbs Alliance, a Ferndale-based non-profit that helps metro Detroit cities tackle pressing regional challenges collaboratively.

Piana holds a bachelor's degree in German and Communications from Albion College, a Masters of Urban Planning from Wayne State University. She is an active member of the Detroit community, and serves on Data Driven Detroit's Advisory Council, the SEMCOG Executive Board, the Hamtramck Economic Development Corporation and the Ferndale Community Foundation Board.

JENNIFER RIGTERINK



Jennifer Rigterink is the Program Manager of the Redevelopment Ready Communities® Program at the Michigan Economic Development Corporation. She joined the MEDC in 2010, and in her current role is working to assist Michigan communities adopt innovative redevelopment and placemaking strategies.

Prior to joining the MEDC, she worked with the Genesee Institute where she assisted in building awareness of Michigan's land bank authority model. Rigterink holds a bachelor's degree in Urban and Regional Planning from Michigan State University and is a certified Economic Development Finance Professional through the National Development Council.

NICOLAI SCHULTZ



Nicolai “Nico” Schultz is Director of Development at the Taubman Company. His primary responsibilities involve the redevelopment of International Market Place in Waikiki, Hawaii, new Taubman Prestige Outlets mall developments, peripheral land sales and select expansions and entitlements for existing centers. Recent projects include City Creek Center in downtown Salt Lake City, Utah and rebranding Great Lakes Crossing Outlets in Auburn Hills, Michigan.

Schultz is a graduate of the University of Colorado Boulder and earned his MBA from Wayne State University. He is also a member of the International Council of Shopping Centers, the Urban Land Institute, and is a licensed real estate broker and builder in the State of Michigan.

BRIAN VOSBURG



Brian Vosburg is the Contract Administrator for the Detroit Housing Commission. In this capacity, he is in charge of the rental housing and infrastructure phases for the Gardenvue Estates (formerly Herman Gardens) HOPE VI redevelopment, as well as the Villages at Parkside HOPE VI redevelopment.

Vosburg holds a Bachelor of Arts in Urban Ministry from North Central University in Minneapolis, Minnesota, and a Master of Urban Planning degree from Wayne State University.

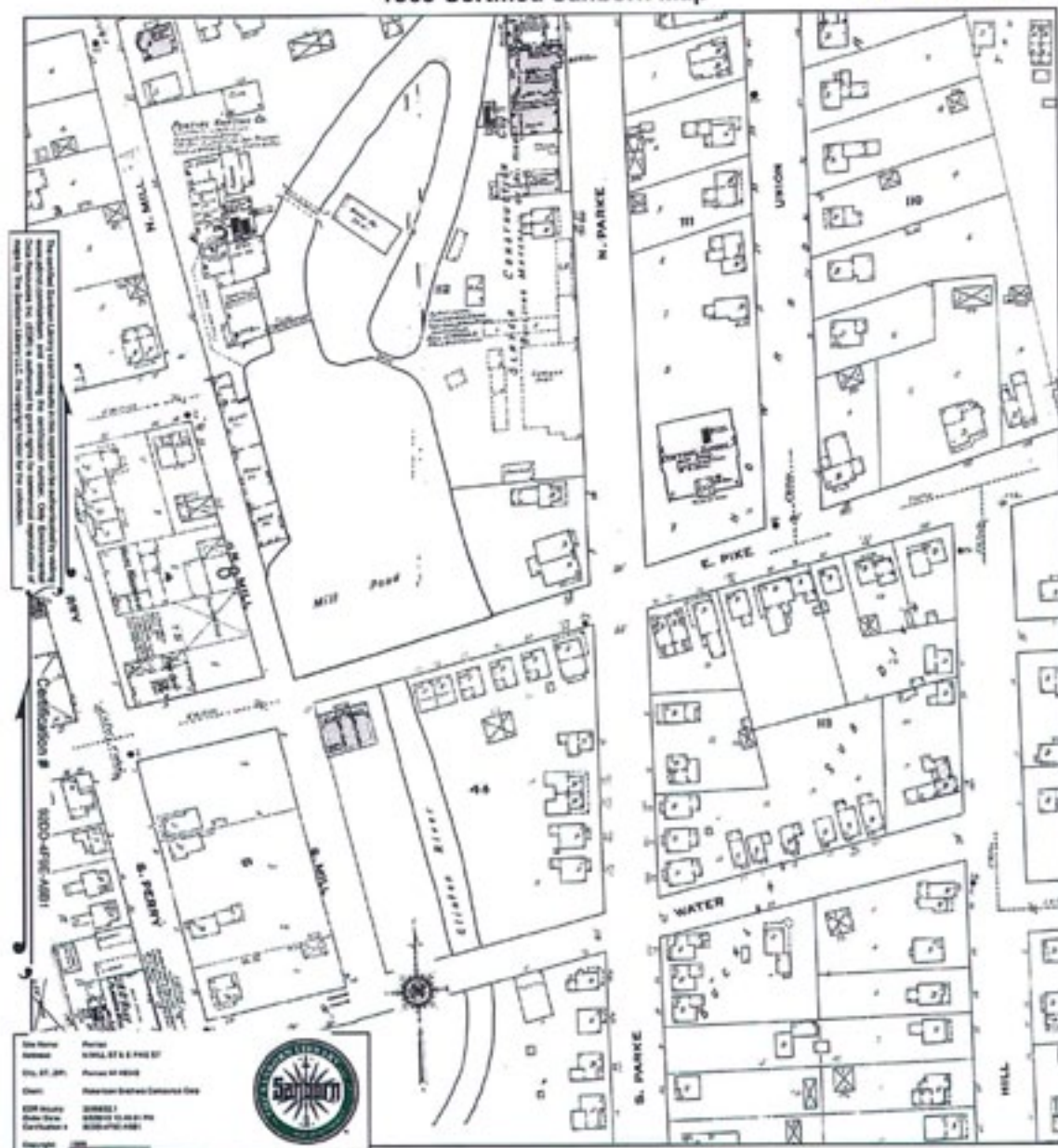
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1. http://www.pontiaclivability.org/about/recommended_alternative.aspx
2. <http://www.lafayetteplacelofts.com/>
3. <http://www.tenwestlofts.com/>
4. Downtown Development Plan (updated 2001, adopted 2008)
<http://www.pontiaclivability.org/pdfs/downtowndevelopmentplan2001.pdf>; Market Position Analysis 2006 http://www.pontiaclivability.org/pdfs/ZVA_Market_Studies.pdf;
5. For further information on the Uptown Normal Circle, please see the Hoerr Schaudt website: <http://www.hoerschaudt.com/civic/uptown-normal-circle.php>; and the Landscape Architecture Foundation Case Study of the Uptown Normal Circle at <http://www.lafoundation.org/research/landscape-performance-series/case-studies/case-study/395/>.
6. For further information on the Silva Cell technology, please see the Deep Root Partners, L.P. website at www.deeproot.com.
7. Pg. 7, Master Plan
IBID, pg. 20
IBID, pg. 21

EXHIBIT A

1909 Certified Sanborn Map

Exhibit A



Sanborn
Fire Insurance
Company
1000-17th St. N.W.
Washington, D.C. 20036
202-462-1000
www.sanborn.com



This Certified Sanborn Map combines the following sheets.
Outlined areas indicate map sheets within the collection.



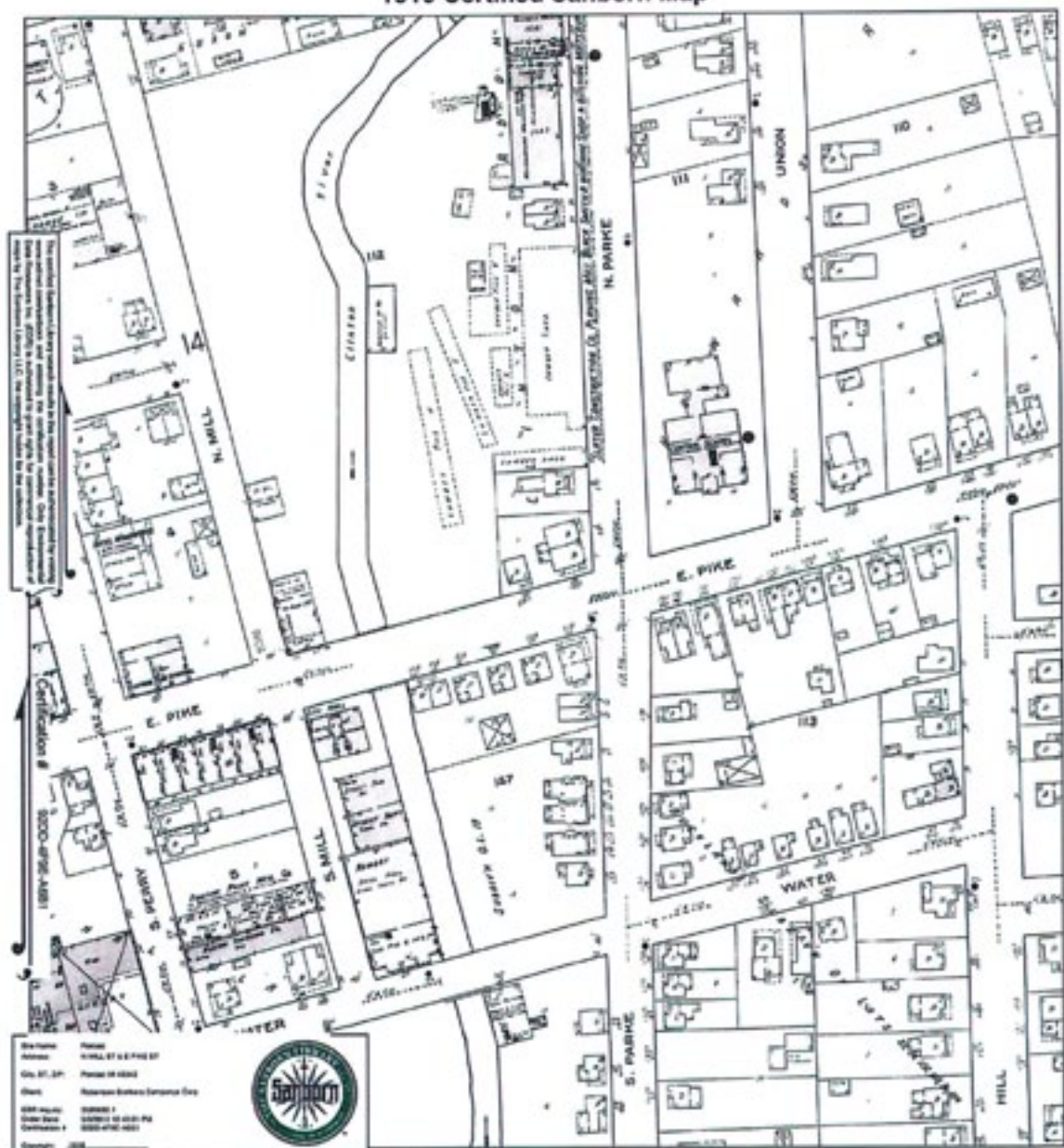
Volume 1, Sheet 7
Volume 1, Sheet 8
Volume 1, Sheet 10
Volume 1, Sheet 11



EXHIBIT B

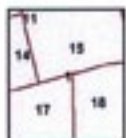
Exhibit D

1919 Certified Sanborn Map



This Certified Sanborn Map combines the following sheets.
Outlined areas indicate map sheets within the collection.

0 Feet 165 330 660



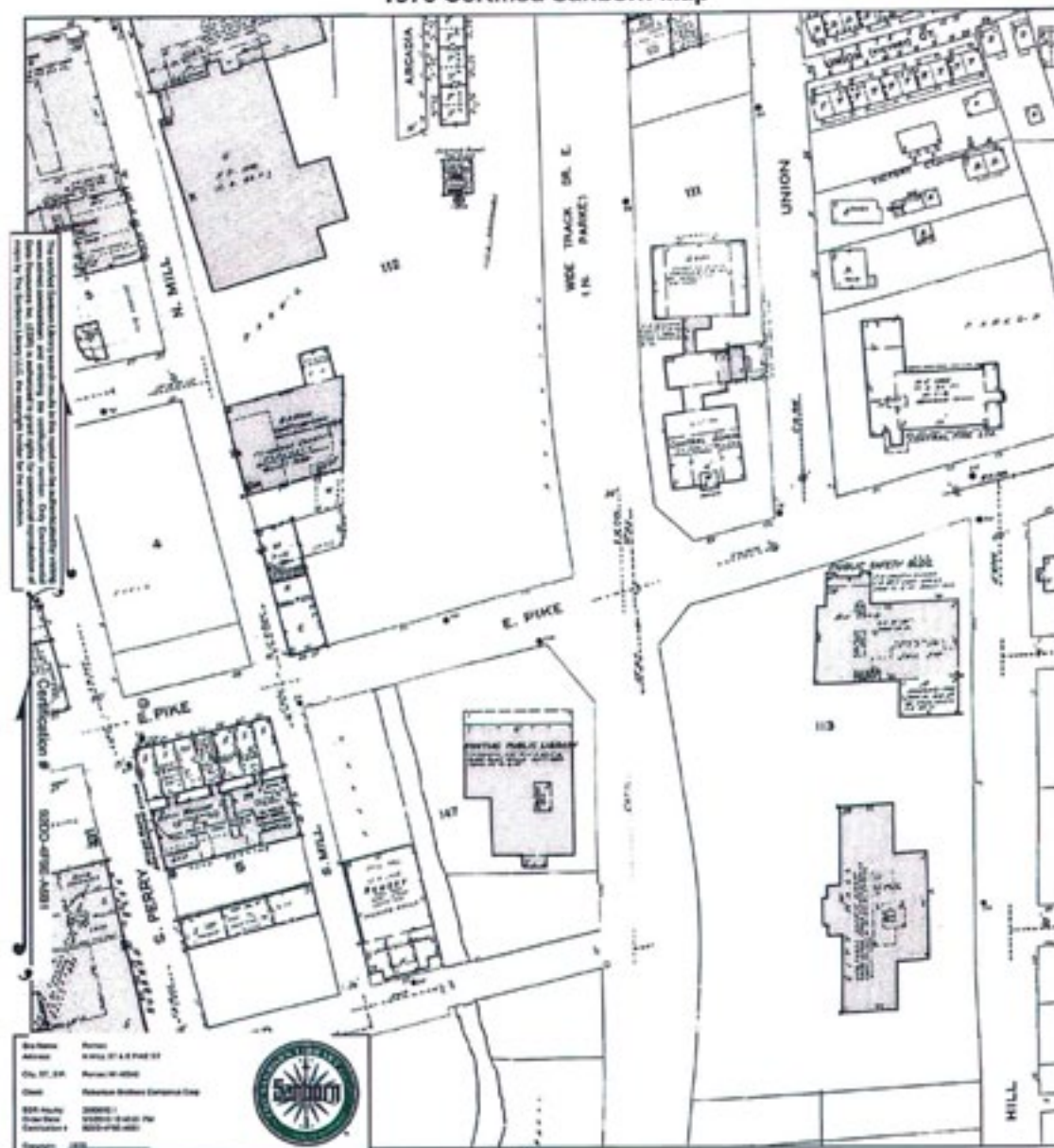
Volume 1, Sheet 1
Volume 1, Sheet 14
Volume 1, Sheet 15
Volume 1, Sheet 17
Volume 1, Sheet 18



EXHIBIT C

Exhibit E

1970 Certified Sanborn Map



This Certified Sanborn Map combines the following sheets.
Outlined areas indicate map sheets within the collection.



Volume 1, Sheet 5
Volume 1, Sheet 6
Volume 1, Sheet 10
Volume 1, Sheet 11
Volume 1, Sheet 55

0 Feet 165 330 660



EXHIBIT D

Downtown Pontiac

Exhibit G



APPENDIX A

Scan of Philanthropic Organizations Active in Southeast Michigan

ArtPlace

8 E. Randolph St, No. 2603, Chicago, IL 60601 / <http://www.artplaceamerica.org>

Type: Funding collaborative

Geographic Focus: National

Relevant Grantmaking Focus Area(s): Community Development

ArtPlace is a collaboration of leading national and regional foundations and six of the nation's largest banks focused on advancing the field of creative placemaking. ArtPlace also seeks advice and counsel from close working relationships with various federal agencies, including the National Endowment for the Arts, the departments of Housing and Urban Development, Health and Human Services, Agriculture, Education, and Transportation, along with leadership from the White House Office of Management and Budget and the Domestic Policy Council. ArtPlace invests in art and culture at the heart of a portfolio of integrated strategies that can drive vibrancy and diversity to transform communities. To date, ArtPlace has awarded 134 grants to 124 organizations in 79 communities across the U.S. for a total of \$42.1 million over three rounds of funding.

Assessment of Funding Prospects: Reasonable to consider in near-term. Michigan organizations in Detroit and Flint have benefited from ArtPlace funding, in terms of grant awards and publicity in all three years of grantmaking. The ArtPlace program is highly competitive. In the most recent round of funding, 54 projects were funded from over 1,200 applications – about 5% of all applications. Very few ArtPlace grants have gone to a governmental agency. ArtPlace supports capital projects, including planning and predevelopment, and programming.

Relevant Grants Made:

- Irrigate Arts, a project of Springboard for the Arts in the Twin Cities. Irrigate is an artist-led creative placemaking initiative spanning the six miles of the Central Corridor Light Rail Transit line in Saint Paul, MN during the years of its construction. ArtPlace awarded \$750,000 to this artist-led community and economic development approach that emphasizes cross-sector collaboration with local private and non-profit sectors.
- Neah Bay Village Longhouse Commons, a project of the Makah Tribe Neah Bay in Washington, received a \$100,000 ArtPlace grant to create a year-round indoor/outdoor community gathering space along a planned waterfront trail.

Roosevelt Row Cultural District, a project of Roosevelt Row Community Development Corporation in Phoenix, AZ, received a \$150,000 grant to brand an emerging cultural district as a vibrant arts community through streetscape design guidelines, a portable temporary gallery and artist live/work space.

Bank of America Charitable Foundation

Type: Corporate foundation

Geographic Focus: National

Relevant Grantmaking Focus Area(s): 1.) Workforce Development / Education, 2.) Community Development and 3.) Critical Needs

Within its Community Development focus, the Foundation's priorities include preserving neighborhoods (helping distressed individuals stay in their homes and move toward financial stability and increasing access to affordable housing) and revitalizing communities. Specific to its work in revitalizing communities, the Foundation supports large infrastructure nonprofits and cultural institutions that provide economic opportunity and contribute to the vitality and livability of communities and activities leveraging public/private investment and community partnerships.

Assessment of Funding Prospects: Unclear. The Foundation has been an active participant in large-scale infrastructure projects rooted in place like the M-1 light rail project in Detroit alongside a number of other funders. It is, however, unclear what role they might have in other geographies across Michigan. They do provide over \$20 million in funds annually around housing. The Foundation's grant making is reserved for 501(c)3 nonprofit organizations. The Foundation also provides sponsorships for projects that support the economic, social, and cultural life of communities.

Note: The Foundation recently closed an RFP for its Community Development focus area. Applications were accepted between April 15, 2013 and May 15, 2013. We recommend following-up on this particular grant initiative to understand if it will be available again in the future.

Relevant Grants Made: Information not available

Community Foundation for Southeastern Michigan

333 W Fort St, Suite 2010 / <http://www.cfsem.org>

Type: Community foundation

Geographic Focus: SE Michigan region

Relevant Grantmaking Focus Area(s): Multiple

The Community Foundation develops and implements large-scale, multi-year regional initiatives and programs on a regular basis. Working with donors, nonprofit organizations, civic leaders, local and national experts, and members of the southeast Michigan community, the Community Foundation identifies key concerns and develops initiatives to address specific concerns, as well as opportunities within the region. While past initiatives like GreenWays and Access to Recreation held relevance to this project, there are no public initiatives relevant to this project. For more information on current and future initiatives, see <http://www.cfsem.org>

Assessment of Funding Prospects: Reasonable to consider in near-term. The Community Foundation is open to ideas from communities within its geographic focus areas, including all of Oakland County, to improve the quality of life for residents. The Community Foundation's grant making is reserved for 501(c)3 nonprofit organizations.

Relevant Grants Made: The Community Foundation has funded the development of six recreation sites in southeast Michigan that are accessible to people of all ages and abilities. The latest of these projects currently underway is at Mt. Elliott Park on the Detroit's riverfront. In 2012, the Community Foundation provided funding to the Jefferson East Business Association to develop

a coordinated branding and marketing campaign to attract new residents to Detroit's East Jefferson corridor.

DTE Energy Foundation

Type: Corporate foundation

Geographic Focus: SE Michigan region

Relevant Grantmaking Focus Area(s): Multiple

In addition to signature programs focused on youth employment, fire safety, and holiday meals-on-wheels programs, the Foundation provides operating and program support to core, long-term partners. While unclear to the extent funded, DTE Energy Foundation also supports environmental efforts that protect and restore the environment and enhance the quality of life in communities as well as education programs that build understanding of the environment and promote an understanding of the links between environmental stewardship and sustainable development. There also is an interest in transformational projects in urban core cities that can demonstrate significant economic impact. While it is not stated on its web site, DTE Energy has, on occasion, provided in-kind support to move underground utilities as part of its contribution to large-scale projects with public benefits.

Assessment of Funding Prospects: Unclear. The recommended project generally falls outside of the Foundation's core areas of interest and the extent of its work with respect to the environment or urban areas is unknown. The Foundation supports only 501(c)3 nonprofit organizations.

Relevant Grants Made: Information not available.

Fred A. and Barbara M. Erb Family Foundation

38710 Woodward, Suite 210, Bloomfield Hills, MI 48304 / <http://www.erbff.org>

Type: Private foundation

Geographic Focus: Great Lakes Basin region

Relevant Grantmaking Focus Area(s): 1.) Arts and culture, and 2.) Environment

Focusing on three defined programs areas:

- **Community Arts:** Revitalize individual neighborhoods and ultimately the City of Detroit and metropolitan Detroit region through cultural activities and public art. The Foundation will consider support for neighborhood-based culture and arts projects that engage the community in planning, creating and maintaining the project, especially projects that explore the intersection of arts and the environment.
- **Great Lakes:** Improve water quality in the Great Lakes basin, especially the watersheds impacting metro Detroit and Bayfield, Ontario. The Foundation will consider support for efforts to restore ecological integrity in these watersheds, with an emphasis on local implementation of regional Great Lakes strategies for reducing non-point source pollution and promoting water conservation and efficiency by changing individual and institutional behaviors and public policy.
- **Environmental Health & Justice:** Promote social equity in developing environmentally sustainable communities and reduce negative environmental impacts on human health. The Foundation will consider support for collaborative efforts to develop environmental citizenship, advocacy and leadership, and efforts to change individu-

al and institutional behaviors and public policy regarding environmental toxins and pollutants.

Assessment of Funding Prospects: Reasonable to consider in near-term. Within its arts and cultural work focus area, the Foundation's grantmaking has largely focused on organizations based in Detroit, but its environmental funding has been more regionally based. The Foundation also has a "Special Opportunities" category for grantmaking that falls outside the general frame of its focus areas. Based on past grants, the Foundation is more likely to be a potential funder for community engagement, pilot projects, and/or public art activities around as opposed to capital support for planning, development and construction.

Relevant Grants Made:

- Detroit Riverfront Conservancy, Inc. (Detroit, MI). \$1 million for general operating support with emphasis on environmental education and public art. 2010 grant.
- Huron River Watershed Council (Ann Arbor, MI). \$240,000 to support Huron River corridor improvement impacting local economies and residents, etc. 2013 grant.
- Southwest Housing Solutions (Detroit, MI). \$75,000 for a storm water mitigation demonstration project as part of a new creative arts center in southwest Detroit. 2010 grant.

The Ford Foundation

320 East 43rd St., New York, NY 10017 / <http://www.fordfoundation.org>

Type: National foundation

Geographic Focus: International

Relevant Grantmaking Focus Area(s): 1.) Democracy, Rights and Justice, 2.) Economic Opportunity and Assets, and 3.) Education, Creativity, and Free Expression

A fairly complex foundation with cross-cutting national and international grant programs, two initiatives are in greater alignment with the recommended project:

- **Democratic and Accountable Government:** This initiative seeks to foster an active, engaged citizenry able to participate in and strengthen the democratic process and securing social justice.

Metropolitan Opportunity: This initiative seeks to support smarter public policy and planning, link regional efforts to build economic growth and competitiveness over the long term. It also seeks to coordinate funding streams among cabinet agencies for such projects. The initiative focuses on urban centers and was particularly instrumental in shaping the community engagement components of the Detroit Works Long-Term Planning Project, an effort that generated input from 160,000 residents. Other areas of focus include expanding access to affordable housing and promoting metropolitan land-use innovation.

Assessment of Funding Prospects: Reasonable to explore further. The Ford Foundation was in a rather contentious battle with then-Michigan Attorney General Mike Cox a few years back and, as an outcome, the Ford Foundation directs a significant portion of resources into Michigan annually, around \$10-\$15 million. While the Foundation is deeply involved in Detroit-based efforts, including those associated with the Detroit Works Project, the Founda-

tion's efforts largely arc to the national level to leverage greater change in urban areas. For their work outside of the Detroit, they tend to work through the Community Foundation for Southeastern Michigan, providing substantial funding for efforts around economic opportunity.

Relevant Grants Made:

University of Detroit Mercy. (Detroit, MI). \$1.5 million. For the Detroit Collaborative Design Center to design, organize, and implement a collaborative civic engagement process to develop a long-term vision for the city's revitalization and growth.

GM Foundation

300 Renaissance Center, MC 482-C27-D76 / <http://www.gm.com/foundation>

Type: Corporate foundation

Geographic Focus: National, with a focus on communities where General Motors has facilities

Relevant Grantmaking Focus Area(s): 1.) Community development, and 2.) Environment and energy

Two relevant grantmaking programs:

- **Plant City Grants:** An initiative of its Community Development focus, GM Foundation helps fund the efforts of nonprofits (i.e., 501c3's) located near GM facilities for a number of initiatives, including food banks and local environmental projects.

Environment & Energy: The initiative supports nonprofits that invest in education that promotes environmental sustainability, conservation and protection as good citizenship.

Assessment of Funding Prospects: Reasonable to explore further. Though capable of providing catalytic supports to organizations - the Detroit RiverFront Conservancy and Habitat for Humanity as recent Detroit-area examples - the GM Foundation does have a preference for high-visibility projects where their contribution to the community can be recognized.

Relevant Grants Made: As part of General Motors' renovation of the Renaissance Center in Downtown Detroit for its world headquarters, GM created the GM Plaza and Promenade on the riverfront and donated the first 1/2 mile of what is now the Detroit RiverWalk to the Detroit RiverFront Conservancy, the public-private partnership established to develop and maintain the RiverWalk and related assets.

JPMorgan Chase

Type: Corporate foundation

Geographic Focus: International, with a focus on communities where JPMorgan Chase has major operations

Relevant Grantmaking Focus Area(s): 1.) Community development, and 2.) Arts & Culture

JPMorgan Chase focuses on a broad range of activities within its community development focus, including community-focused programming that address economic development and affordable housing. Particularly relevant intersections include: Economic Planning and Affordable Housing Development & Preservation. Within its arts and culture area, JPMorgan Chase focuses its efforts on positioning arts organizations and artists as key drivers of local economic renewal and initiatives that stimulate the creation and growth of local cultural economies.

Assessment of Funding Prospects: Unclear. Limited information is available on the foundation's website as to where they spe-

cifically work, though they make it clear they fund only 501(c)3 nonprofit organizations. An effort to understand JPMorgan Chase priorities may require some upfront communication with its regional offices.

Relevant Grants Made: Information not available.

The Kresge Foundation

3215 W. Big Beaver Rd, Troy, MI 48084 / <http://www.kresge.org>

Type: National foundation

Geographic Focus: National

Relevant Grantmaking Focus Area(s): 1.) Arts & Culture, 2.) Community Development, and 3.) Detroit

The Kresge Foundation's national Arts & Culture program currently focuses on creative placemaking, advancing projects that place the arts central to discussions of rebuilding and reinvigorating metropolitan areas as land use, housing, transportation, economic development and other disciplines. The program requires that all community members benefit from revitalization activity and the integration of arts and culture into such efforts. It's nationally-oriented Community Development program focuses on supporting replicable, innovative models in national community development best practices and exemplary financial vehicles for equitable reinvestment. The Community Development program's primary community development effort is the Foundation's Detroit Program. The Detroit program is a nine-part community development strategic framework focused on improving the trajectory of Detroit. The program focuses on arts and culture, education reform, entrepreneurial development, advancing the green economy, healthcare innovation, mass transit development, city land use, complete neighborhoods, and the Woodward corridor.

Assessment of Funding Prospects: Reasonable to explore further. As a national foundation, Kresge supports projects from across the country. This increases the competition within the grant initiatives of the national program teams and opportunities to submit unsolicited applications are few. Typically, they present themselves as RFP's. The vast majority of projects funded are actively sourced by Foundation Program Staff. While the Foundation's Detroit program is more locally focused, very few grants are made to organizations operating outside of the City of Detroit. Additionally, the Foundation's President recently committed the next five years of the Detroit program budget to advance the goals of the Detroit Future City strategic framework, a document that focuses solely on the City of Detroit. Though the Detroit program provided funding for studies around the daylighting of Bloody Run Creek on the City's near east side, it is unlikely that similar funding will be made available for similar projects beyond Detroit. Because new grant initiatives are developed every few years (based on recent history), it is advisable to frequently check the priorities of the six national programs as well as those of the Detroit program.

Relevant Grants Made:

- University of Detroit Mercy. (Detroit, MI). \$250,000 to support research by the Detroit Collaborative Design Center at the University to model a future urban redevelopment on Detroit's east side, allowing for an analysis of options to use a daylighted Bloody Run Creek as an environmental model and green open space for the community. 2010 grant.
- University of Detroit Mercy. (Detroit, MI). \$200,000 to conduct Phase I feasibility study for the daylighting of Bloody Run Creek. 2010 grant.

- Heritage Works. (Detroit, MI). \$35,000 to support a collaborative pocket park project in the North Corktown neighborhood that infuses arts and culture into its design and programming. 2012 grant.

PNC Foundation

Type: Corporate foundation

Geographic Focus: Regional

Relevant Grantmaking Focus Area(s): Economic development

The PNC Foundation supports economic development organizations, including those that enhance the quality of life through neighborhood revitalization, cultural enrichment, and human. Priority is given to community development initiatives that strategically promote the growth of targeted low-and moderate-income communities and/or provide services to these communities. Within that broad frame, the Foundation's focus is on 501(c)3 nonprofit organizations that deliver affordable housing, small business supports and cultural enrichment programs that benefit the community.

Assessment of Funding Prospects: Unclear. Though more tightly focused in terms of its grantmaking than the other corporate foundations on this list, the Foundation's focus on the Revitalization and Stabilization of Low- and Moderate-Income Areas is perhaps the area of greatest alignment. This effort supports nonprofit organizations that help stabilize communities, eliminate blight and attract and retain businesses and residents to the community. As per grant program guidelines, 501(c)3 status is an eligibility requirement. PNC also has lending programs focused on community development. To stimulate community and economic revitalization, PNC Community Partners, Inc, PNC's own community development corporation, provides strategic investments and nontraditional capital to high-impact projects. See <http://pnccommunityinvolvement.com/communityDevelopment.htm>.

Relevant Grants Made: Information not available.

Surdna Foundation

330 Madison Ave., 30th Floor, New York, NY 10017 / <http://www.surdna.org>

Type: National foundation

Geographic Focus: National

Relevant Grantmaking Focus Area(s): 1.) Sustainable Environments, 2.) Strong Local Economies, and 3.) Thriving Cultures

Surdna's Sustainable Environments (SE) program focuses on the improving country's outdated and crumbling infrastructure to foster healthier, sustainable, and just communities through "next generation infrastructure." Focused on urban areas, the SE program connects and improve infrastructure systems in ways that maximize positive impacts and minimize negative environmental, economic, and social consequences. Through its Strong Local Economies program, Surdna seeks to create opportunities for upward economic mobility among communities that have experienced historical economic barriers, including low-income people, communities of color, women, and immigrants. There is a strong commitment to social justice and equity within the work. The underlying goal to its Thriving Cultures (TC) program, is that communities with robust arts and culture are more cohesive and prosperous, and benefit from the diversity of their residents. The TC program funds in community-engaged design, artists and economic development, and social change through artists.

Assessment of Funding Prospects: Reasonable to explore further. Surdna has been more active in supporting the develop-

ment of a strong, creative economy in Southeast Michigan, largely through the Detroit Creative Corridor Center. They have also provided supports the Detroit Collaborative Design Center at the University of Detroit Mercy to create a one-stop community design resource center to provide environmental, social and economic community-driven development services. They have not ventured outside of the City's boundaries for their work in Michigan. With respect to its SE work, efforts have been geared around climate change, transportation, and energy efficiency. The SE program supports a number of interesting initiatives, including urban water management pilot projects that demonstrate innovative storm-water management practices. They are particularly interested in those that engage community in design decisions.

APPENDIX B

Public Incentive Programs Available for the City of Pontiac

Federal Historic Rehabilitation Tax Credit (HTC)

The Federal Income Tax Code was amended in 1986 to provide incentives to stimulate capital investment in income-producing historic buildings and revitalize historic communities. According to the Tax Code, most any substantial rehabilitation work in an income-producing historic building is eligible for the tax credit, provided the cost of the rehabilitation exceeds the adjusted basis of the building. In a small-scale project, this could mean the replacement of a mechanical system, while the complete restoration of a building's exterior and interior may be necessary in a large-scale undertaking.

Rehabilitation work must meet the Secretary of the Interior's Standards for Rehabilitation to assure construction activities are appropriate for the building's character. "Qualified Expenditures" are defined in Treas. Reg. § 1.48-12 (c) and IRC § 47 (c) (2) (B) and can include a wide range of hard and soft costs associated with the building work. The total dollar value of the qualified expenditures is critical, because the total amount of tax credits is calculated as 20% of this value.

Qualified expenditures can include costs of construction, along with certain developer fees, consultant fees (including legal, architectural and engineering fees), if added to the basis of the property. A typical arrangement, then, is to bring a corporate tax credit investor entity into the development entity as a member and allocate the tax credits to that investor, in exchange for cash. The tax credit investors pay anywhere from 50 cents to 90 cents on the dollar for the tax credits, depending upon such variables as size of the deal, the local market, project parameters, etc.

Federal New Markets Tax Credits (NMTC)

The New Markets Tax Credit (NMTC) is a federal income tax program. Community development entities (CDE) receive allocations of federal income tax credits to invest in businesses. To be eligible for NMTCs, the project must be located in a qualified census tract and be a qualified business. Assuming the project meets all program criteria and it is appropriate for this program, an equity investment may be leveraged up to approximately 27% of eligible investment. Beyond meeting the program's requirements, receiving an allocation hinges on the project's ability to close on financing.

Federal Solar Energy Investment Tax Credits

The energy ITC program reduces federal income taxes by offering a 30 percent tax credit to owners or long-term lessees for qualified property that meets established performance and quality standards. Eligible investments include equipment that uses solar energy to generate electricity, to heat or cool (or provide hot water for use in) a structure, or to provide solar process heat (an exception is property used to generate energy to heat a swimming pool); equipment that uses solar energy to illuminate the inside of a structure using fiber-optic distributed sunlight. System owner must be a tax-paying entity; and equipment must be new, though used equipment can potentially be treated as new depending on the amount of upgrades after the purchase. System must be placed in service between December 31, 2005 and December 31, 2016. Investor owned utilities remain eligible. After 2016, the credit will

be stepped down to 10 percent.

Enterprise Zone Bonds

Enterprise Zone bonds can be a significant incentive and are most commonly used for retail, office and/or other commercial related uses to support investment in qualified zone property. The program was recently extended as part of the fiscal cliff negotiations. In the Detroit Empowerment Zone, the volume cap is \$230 million, however, it is unlikely that any one Enterprise Zone Business would be approved for the entire amount available, even if no other EZ Businesses apply.

State or local governments or other public authorities can issue Enterprise Zone Facility Bonds (a type of exempt facility tax-exempt bond) to make loans to an Enterprise Zone Business to finance construction or acquisition of Qualified Zone Property. At least 95 percent of the net proceeds from the bond issue must be used to finance Qualified Zone Property principally used by an Enterprise Zone Business, and certain land used for a related purpose (for example, land where the business and its customer and employee parking lot is located). Tax-exempt bonds generally have lower interest rates than conventional financing because the purchaser of the bonds does not have to pay Federal income tax on the interest income received from the bonds.

Target Audience:

- Zone businesses with a capital project of sufficient cost for going to the public bond market (generally \$2 million or more) with a good credit rating or a letter-of-credit bank.
- Large national businesses setting up branch stores or operations in a Zone.
- Local banks that may be interested in lower cost capital to lend to qualifying businesses (and may need to meet their Community Reinvestment Act requirements).

There are several compliance requirements however the greatest of issue would be a 35% employee compliance requirement meaning 35% of the corporation's employees must be living in the enterprise zone where issued. This requirement will be certified on the initial placement date and recertified each fiscal year after for up to five (5) years after the issue date. The dates change depending on the type of property being financed through the issuance. In Detroit, the boundaries of the Empowerment Zone were extended in the early 2000s with the redevelopment of the Book Cadillac hotel. Thus, the Zone does include a census tract within the Central Business District, which may be helpful in meeting this requirement.

EZ bonds have some capacity limitations and depending on the amount available and/or committed, smaller values may not make sense because the costs of placement may exceed the tax exempt benefit.

Michigan Economic Development Corporation: Michigan Community Revitalization, Michigan Strategic Fund (MSF)

The MSF's support can come in the form of grants or loans but will not exceed 25% of the total eligible investment for a single project, and in no event exceed a total of \$10,000,000 for loan agreements or \$1,000,000 for grant agreements, or \$10,000,000 for a combination of support. Any grant or loan under the program will be performance based. Grants and loans will include flexible terms and conditions and may be assignable upon approval of the MSF. Loan terms and conditions may include below market interest rates, extended grace and repayment provisions, forgivable terms and no security or some security (which may be subordinated).

Applicants must include documentation establishing that the project is located on eligible property, meaning property meeting one or more of the following conditions (MCL 125.2090a(e)): Facility; Historic resource; Blighted; Functionally obsolete; or Adjacent or contiguous to a property described above, if the development of the adjacent or contiguous property is estimated to increase the taxable value of the property described above.

Michigan Economic Development Corporation: Brownfield Redevelopment, Michigan Strategic Fund (MSF)

Under the Brownfield Redevelopment Act PA 381 of 1996, as amended, a municipality may create a Brownfield Redevelopment Authority to develop and implement Brownfield projects. A Brownfield Redevelopment Authority is a resource that may use Tax Increment Financing (TIF) as a tool for property redevelopment. TIF allows a local governmental unit to use the increased tax revenue resulting from the Brownfield project and share it with the developer to help offset the costs of the environmental and possibly non-environmental eligible activities. In Michigan, Brownfields are considered properties that are contaminated, blighted or functionally obsolete.

Obsolete Property Rehabilitation Abatement (OPRA)

Obsolete property rehabilitation tax abatement allows for an exemption on certain taxes for functionally obsolete property undergoing rehabilitation. The award of the Exemption Certificate provides property tax abatement for up to 12 years. The abatement freezes the taxable value of the rehabilitated building. All mills (minus school mills) are then applied to the frozen taxable value. School taxes may be lessened (half) for the first 6 years and then the full mills are in place for the remaining 6 years. The exemption does not include the land or personal property taxes. Applications for obsolete property rehabilitation exemption certificates (ECs) are approved by the Detroit City Council. The State Tax Commission (STC) must also approve the application.

Develop Michigan Initiative (DMI): Bond Financing and Guarantee Program, Great Lakes Capital Fund

Develop Michigan will play a dynamic role in financing and facilitating projects that augment current efforts to transform and rehabilitate the Michigan economy. The core financing activities of DMI include bond financing, a loan guarantee fund, and the DMI Real Estate Fund – a subordinated debt fund matched by at least \$60 million of private capital and gap financing assistance including local, state and federal subsidies and foundation funding which will be launched at a future date. In addition, the Michigan Strategic Fund, through its \$20 million commitment, has enabled DMI to create the Loan Guarantee Fund, a credit enhancement facility to strengthen bond ratings and facilitate favorable borrowing terms compared to current market rates for projects that need this type of enhancement. These projects should provide substantial economic impact to their surrounding communities, through jobs, revitalization and services provided—all of which will be tracked by DMI. Develop Michigan will underwrite, structure and issue debt in addition to its other functions and, in so doing, provide a single source of development finance support for sound, effective projects in Michigan.