MISSION STATEMENT: Invest Detroit is a financial catalyst for economic growth in underserved communities and markets in Detroit and the region.

PROGRAM AREAS
- Commercial and multi-family real estate
- Business lending and support (C&I, Retail, and Small Business)
- Venture Investment

GOALS
- FOCUS ON UNDERSERVED POPULATIONS
- REBUILDING DENSITY
  - Neighborhoods Strategy
- CREATING JOBS
  - Supporting Manufacturing, Wholesale, and Logistics Companies
  - Supporting and Investing in Entrepreneurs
Detroit’s Size and Density

- Detroit: 138.77 sq. miles, Population: 715,000
- San Francisco: 46.69 sq. miles
- Boston: 48.43 sq. miles
- Manhattan: 22.96 sq. miles

Population:
- Manhattan: 1,537,195
- San Francisco: 751,682
- Boston: 581,616
- Detroit: 933,043
7.2 Square Miles
Super Bowl XL
West District and Transit Oriented Development

• TOD - 15 Priority Projects

• West District
  • Capitol Park
  • Washington Boulevard
  • Grand Circus Park
### Phase I Development Summary

<table>
<thead>
<tr>
<th>Details</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Investment</td>
<td>$230.9M</td>
</tr>
<tr>
<td>Total State Support*</td>
<td>$24M</td>
</tr>
<tr>
<td>Total Residential</td>
<td>349 units</td>
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<tr>
<td>Total Retail</td>
<td>56,510 sf</td>
</tr>
<tr>
<td>Office</td>
<td>Other</td>
</tr>
</tbody>
</table>

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### Buildings and Details

**1 Park Avenue**
- ‘David Whitney’
- Total Investment: $94M
- State Investment: $11.25M
- Total Retail: 10,800sf
- Total Office | Other: 125,000

**1249 Griswold**
- ‘Farwell Building’
- Total Investment: $46.1M
- State Investment: $4.4M
- Total Retail: 19,000sf
- Total Office | Other: 0

**1145 Griswold**
- ‘Capitol Park Building’
- Total Investment: $23M
- State Investment: $3.16M
- Total Retail: 14,500sf
- Total Office | Other: 9,000sf

**1528 Woodward**
- ‘United Foundation’
- Total Investment: $10.2M
- State Investment: $375K
- Total Retail: 0
- Total Office | Other: 38,000sf

**1520 Woodward**
- ‘Lane Bryant’
- Total Investment: $10.2M
- State Investment: $375K
- Total Retail: 0
- Total Office | Other: 43,000sf

**1413 Woodward**
- ‘Valpey Building’
- Total Investment: $12M
- State Investment: $374K
- Total Retail: 10,460sf
- Total Office | Other: 0

**1212 Griswold**
- ‘Chamber of Commerce’
- Total Investment: $35.4M
- State Investment: $4.05M
- Total Retail: 1,750sf
- Total Office | Other: 46,000sf

**1528 Woodward**
- ‘United Foundation’
- Total Investment: $10.2M
- State Investment: $375K
- Total Retail: 0
- Total Office | Other: 38,000sf
Transit Oriented Development Strategy

Key development projects

1. 70 West Alexandrine
2. Ferry/Kirby Commons
3. 92 East Forest
4. 69 West Willis
5. Midtown Loop Phase 3 & 4
6. 3rd/4th Eco Home
7. Woodward-Willis
8. 110 East Ferry
9. The Farwell
10. 1212 Griswold
11. David Whitney
12. East Riverfront
13. Lafayette Towers
14. Creative Corridor Fund
Capitol Park District

1145 Griswold
‘Capitol Park Building’
Total Investment: $23M
State Investment: $3.16M
Total Retail: 14,500sf
Office | Other: 9,000sf
Key Development Projects

Broderick Tower and David Whitney
The Impact of Investment
MIThrive Impact

• Enhanced TIF - Signed by Governor in June
• Two Tiers
  – Large Scale Transformational Brownfield Projects ($500M to qualify)
  – Smaller Brownfield Projects that Meet Objectives
    • Transformational Neighborhood Projects
    • Transformational Historic Revitalization Projects
  – State can Approve 5 Projects in each Tier Each Year
  – Each City can have up to 5 Projects under each Tier over the next 5 Years
RESULTS: DEVELOPMENT GAP DECREASES IN GREATER DOWNTOWN
TRANSLATING SUCCESS TO THE NEIGHBORHOODS

Building for the Future Upon Areas of Strength
DATA-DRIVEN PROCESS LEADS TO...

Baseline: Traditional Neighborhoods of Strength
Focus investment in strongest neighborhoods as a first priority.

Alignment: Strategic Systems Renewal
Prioritize investment in areas with infrastructure targeted for upgrade and renewal.

Alignment: City Housing and Commercial Corridors
Prioritize investment in areas with access to commercial services and amenities.

Composite
Combine traditional neighborhoods of strength with employment hubs and mixed-use centers/districts to derive a favorable place-driven investment platform.

Alignment: Residential Population Density
Prioritize investment in areas with higher residential density.

Alignment: Community Leadership
Understand the needs of local residents and businesses, identify key assets and lend guidance to the investment strategy.

Baseline: Mixed-Use Areas of Strength
Prioritize density, mixed-use and access to commercial and transit within a mile. Focus investment within city-wide “zones” of relative strength to stabilize and grow the market.

Alignment: Public Sector Investment Priorities
Prioritize investment in areas with public sector resources: City, State, Federal.

Alignment: Philanthropic Investment
Prioritize neighborhoods that align with current philanthropic targets to maximize partnership opportunities and collaboration.

Strategic Neighborhood Fund 2.0 & Affordable Housing Leverage Fund
STRATEGIC NEIGHBORHOOD FUND (SNF) CREATED FOR THE NEIGHBORHOODS

5+ YEAR COMMITMENT

3 INITIAL TARGET NEIGHBORHOODS
8-15 BLOCKS EACH
3-5 PROJECTS IN EACH

DAVE
LIVERNOIS MCNICHOLS
ISLANDVIEW / GREATER VILLAGES
SOUTHWEST / VERNOR
REAL ESTATE SUMMARY
1 – The Coe (mixed-use residential) – 8 townhomes, 4 apartments, 2 small retail; developing Detroit talent (Cliff Brown)
2 – Kercheval-Van Dyke - ~80 apartments, 10k SF retail
3 – DeCamp-Priester – mixed-use rehab of three homes, 3 retail, 3 residential
4 – St. Charles – 30 apts, 8 townhomes
5 – 1400 Van Dyke (real estate and Live Cycle Delight)

PUBLIC GOOD INFRASTRUCTURE SUMMARY
6 – Kercheval/Parker Park
7 – Detroit Bike Share station
8 – Project Greenlight (Agnes & Kercheval)
9 – Green Alley Improvements
INFRASTRUCTURE FOR THE PUBLIC GOOD

Build capacity of Detroit-based and minority architects, developers, and builders.

CULTIVATING DETROIT DEVELOPMENT TALENT
Detroit Neighborhood Capital Investment Strategy

MICROSTRATEGY: COE/VAN DYKE PROJECT SCENARIOS

Ownership:
Village Homes, LLC

Strategy & Action:
Land Acquisition & Assembly
Deal Structure with Partners
Capital Stack
Community Engagement
Design & Documentation
New Mixed Use Development
### Van Dyke + Coe SE Expanded Proforma

#### Salient Facts:
- **Gross Square Feet**: 10,800
- **# of Units**: 6
- **Average SF / Unit**: 1,800
- **Rent Per SF Gross**: $1.45
- **Vacancy**: 10%
- **Replacement Reserves per SF**: $0.33
- **Total Operating Expenses**: 30%
- **Acquisition per SF**: $23.15
- **Construction Cost per SF**: $170.00
- **Soft Cost per SF**: 15%

#### Sources:
- **Senior Debt**: $876,960 (37%)
- **Serviceable Junior Debt**: $619,192 (26%)
- **Non Serviceable Gap**: $638,108 (27%)
- **Equity**: $237,140 (10%)
- **Total Sources**: $2,371,400 (100%)

#### Operating Proforma:
- **Gross Rental Revenue**: $187,920
- **Vacancy**: $18,792 (10%)
- **Effective Rental Income**: $169,128 (90%)

#### Operating Expenses:
- **Security**: $32,553
- **Marketing/Advertising**: $2,500
- **Legal**: $3,500
- **Utilities**: $1,350
- **Maintenance/Janitor Salaries**: $13,000
- **Real Estate Tax**: $4,400
- **Insurance**: $7,500
- **Replacement Reserves**: $3,600
- **Management Fees**: $6,765
- **Total Operating Expenses**: $56,376 (30%)

#### Net Operating Income:
- **Net Operating Income**: $112,752 (60%)

#### Uses:
- **Acquisition**: $250,000 (11%)
- **Construction Cost**: $1,652,400 (70%)
- **Hard Cost Contingency**: $183,600 (8%)
- **Architectural & Engineering**: $88,128 (3%)
- **Appraisal**: $5,000 (0.2%)
- **Survey**: $5,000 (0.2%)
- **Operating Reserve**: $25,056 (0.8%)
- **Other Soft Cost**: $162,216 (8%)
- **Total Project Cost**: $2,371,400 (100%)

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**Original Concept:**

[Image of a building complex]
West Village:
SNF SUPPORTED DEVELOPMENT

Cliff Brown and The Coe

Kercheval/Van Dyke

Strategic Neighborhood Fund 2.0 & Affordable Housing Leverage Fund
Strategic Neighborhoods Fund – West Village
STRATEGIC NEIGHBORHOOD FUND 2.0
FROM 3 NEIGHBORHOODS TO 10 NEIGHBORHOODS

Formalized Template:
• Develop commercial corridors
• Strengthen neighborhood parks
• Streetscape improvements
• Vacant home interventions
• Connectivity through transportation and greenways