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ГО:	COUNCIL MEMBERS

FROM: David Whitaker, Director Legislative Policy Division Staff

DATE: July 22, 2020

RE: 2119 Field Street Apartments Brownfield Redevelopment Plan <u>**REPORT #2**</u>¹ PA 381 of 1996 **PUBLIC HEARING**

Update Related to the 2119 Field Street Apartments Brownfield Redevelopment Plan

This is essentially the same project that LPD reported on January 14, 2020, when its initial public hearing was held. Subsequently, however, after being voted out of committee, the 2119 Field Brownfield was pulled from the formal agenda by the Administration/DBRA, due primarily to issues that were raised related to one of the project's partners being tied to blight tickets in the area for several unrelated properties that they owned.

The project developer is K8 Partners, LLC on behalf of its parent company, Astral Weeks Development². The property consists of one .34 acre parcel located in the Islandview Neighborhood (Belle Isle area) on the east side of Detroit, at the corner of Kercheval and Field Street. The property is bounded by the property line to the north, Field Street to the east, Kercheval Avenue to the south, and the property line to the west. The plan entails the complete rehabilitation of the existing building into eight 3-bedroom residential townhomes, with a new 8-

¹ The issues related to the outstanding blight tickets for unaffiliated projects for which the Developer was a passive investor are now addressed. In addition, the affordable units in the project have been changed from 2 units at 80% AMI to 1 unit at 50% AMI.

² K8 Partners, LLC was created in 2018. Astral Weeks Development, is a privately held real estate development and management company, working primarily in the New York City region and Detroit. They've been active in Detroit since 2014, rehabbing approximately 60 single family duplexes, 15 of which have been completed and leased or sold. Astral Weeks' website stated, other projects in Detroit include: North Village Detroit, Bagley & 16th, Islandview, and Brush Park.

space private parking lot³. It is anticipated that the building will consist of approximately 11,761 square feet of living space and 5,951 square feet of basement space.

New Information

On February 11, 2020 the DBRA withdrew the Plan from Council's consideration in order to complete further community outreach and review concerns related to outstanding blight tickets for unaffiliated projects for which the Developer was a passive investor. Since then, the following milestones have occurred:

- A Consent Agreement was signed on February 28, 2020 between the developer of the unaffiliated projects and the City and said developer is in compliance with the agreement.
- COVID-19 has hindered the Developer's and the City's ability to complete community outreach leading to an extended timeline for engagement.
- The Planning and Development Department, the Housing Revitalization Department, and the Departments of Neighborhoods organized a community meeting held on June 25, 2020. P&DD and HRD staff indicated that the majority of attendees at the meeting indicated their support for the slate of projects presented which included the 2119 Field Street project.

Questions

In order to provide the Council some additional clarity, LPD asked DBRA the following questions. The questions and answers are below:

1. LPD: Has the blight ticket issue been resolved? If so, how? If not, why?

DBRA: As stated in the cover letter, the blight tickets have been resolved. The developer of those properties entered into a consent agreement on 2/28/20 and remains in full compliance. A staff member from BSEED will be available at the Council meetings to answer any questions they may have.

2. **LPD:** Why is this being noticed and brought back to the PED committee as a Public Hearing and not a line item?

DBRA: The DBRA withdrew this item from City Council at the final COW vote. It is our understanding that withdrawing an item from City Council requires restarting the Council process.

3. **LPD:** Are there any material changes to the project proposal, such as any modifications to its affordability allocations?

³ Each unit has two stories with a basement and a private entrance. Front porches face the street and back porches will face a private parking lot (1 parking space per unit) in the rear of the building.

DBRA: Per the request of several community members, the affordable units in the project have been changed from 2 units at 80% AMI to 1 unit at 50% AMI. The abatement agreement will be modified to reflect this change.

In the interim time, the developer, HRD and DON have also undertaken a significant community input process for this project as well as other upcoming projects in the neighborhood. The results of those meetings are found in the letters of support.⁴

cc: Auditor General's Office Arthur Jemison, Chief of Services and Infrastructure Katy Trudeau, Planning and Development Department Donald Rencher, HRD Veronica Farley, HRD Stephanie Grimes Washington, Mayor's Office Malinda Jensen, DEGC Kenyetta Bridges, DEGC Jennifer Kanalos, DEGC Brian Vosburg, DEGC



Satellite View

⁴ There are 16 new letters of support, dated on and after June 25, 2020, which was subsequent to the withdrawal of the project.



2119 Field



Rendering