

City of Detroit

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HONORABLE CITY COUNCIL

RE: Neighborhood Enterprise Zone Certificate Applications for two (2) rehabilitated 24-unit multi-family residential apartment buildings located at 361 and 381 Covington Dr., respectively in the Covington Terrace Neighborhood Enterprise Zone area. (RECOMMEND APPROVAL)

The office of the City Planning Commission (CPC) has received two (2) applications requesting Neighborhood Enterprise Zone (NEZ) certificates forwarded from the office of the City Clerk for the rehabilitation of two (2) 24-unit multi-family residential apartment buildings located at 361 and 381 Covington Dr., respectively. These applications correspond to qualified sites which will facilitate the rehabilitation of both of the 24-unit multi-family residential apartment buildings. These projects will consist of extensive interior renovations for both 361 and 381 Covington Dr. Each of these projects is anticipated to offer affordable rents with a 20% set aside at 80% of the Area Median Income.

The subject properties have been confirmed as being within the boundaries of the Covington Terrace NEZ which was established by a vote of Council on November 20, 2018, and should be eligible for NEZ certificates under State Act 147 of 1992 as currently written. The estimated rehabilitation cost per unit for 361 Covington Drive is \$46,884.43. The estimated rehabilitation cost per unit for 381 Covington Drive is \$47,417.30 for a total estimated project cost of \$2,263,241.52. The applicants, UC 361 Covington, LP, and UC 381 Covington, LP, are seeking a 15-year tax abatement for each project. The NEZ certificate applications appears to have been submitted prior to the issuance of any applicable building permits.

Please contact our office should you have any questions.

Respectfully submitted,



Marcell R. Todd, Jr., Director CPC
George A. Etheridge, City Planner, LPD

cc: Janice Winfrey, City Clerk