



CM Johnson's Eastern Market Questions

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1. The Detroit City Council passed a zoning update on September 13, 2022, which became effective September 27, 2022. The zoning update establishes a new zone, MKT (Market and Distribution), which is a combination of existing zones B6 (general business) and M3 (manufacturing), without the intensive uses allowed in M3. The MKT zones focus on food production and distribution-centered district, establishing an area for the expansion of the food industry north and east of the Core Market area, and instituting setback and screening requirements to separate the food industry from residentially zoned areas.

How has the zoning update been received by the Eastern Market business community and what do you anticipate the impact being in FY2024?

The establishment of the MKT district and its adoption for the expansion area has been highly welcomed by the Eastern Market business community except for City Recycling (located at Mack & Dequindre).

City Recycling did not want to change from their previous industrial zoning that allows for heavier industrial uses than allowed in the MKT zone. Given their location close to residential development, city staff and the City Planning Commission both recommended and City Council approved the change to MKT for their site.

In the expansion area that has been rezoned into both MKT and some SD2 classifications the following projects are now moving forward:

- **EW Grobbel**
A two-phase 140,000 sq. ft. expansion that will increase processing and cold storage for one of the nation's oldest corned beef specialists is expected to break ground in 2023 at the north end of the expansion area on a site bounded by Dequindre, Superior, St. Aubin, and Illinois).
- **Site Assembly**
Other than the EW Grobbel site, completion of site assembly is needed to have development ready sites in the expansion area. Eastern Market Partnership (EMP) has acquired around 110 properties in the expansion area and has an agreement with the City of Detroit to make those parcels available to complete building sites. Nineteen properties still need to be acquired to make the first round of sites available at the south end of the expansion area.

- **Regional Farmers Distribution and Processing Center**
A two-phase 100,000 sq. ft. project is looking to complete site assembly in the south end of the expansion area bounded by the alley east of St. Aubin, Erskine, Chene, and Wilkins). Phase one, estimated to cost \$16,000,000 is expected to begin construction in early 2024. Funding of \$12,000,000 from the State of Michigan has been secured.
- **Workforce Housing**
EMP in partnership with Pivotal is pursuing 9% Low Income Housing Tax Credits from the Michigan State Housing Development Authority (MSHDA) for the construction of 48-53 units of workforce housing for families making between 30 and 60% area median income. As per the Eastern Market Framework Plan, these units would be built along the east side of St. Aubin just north of Wilkins on land rezoned to SD2.

The establishment of the MKT district and its adoption in the historic core met with more resistance prior to approval by the City Council. Height limits around the public market were the largest objection. While there was not complete agreement on aspects in rezoning of the historic area of the market district, property owners do appreciate having a clear road map and can now move forward to implement projects.

Projects that were impacted by the rezoning that are moving forward include:

- **Marrow Eastern Market**
Revitalization of the former Capital Poultry location for a production charcuterie and two restaurants is expected to begin construction mid-year.
- **Atlas Lofts**
Construction of 24 lofts and 8,000 sq. ft. of commercial space at this location at 1440 Gratiot is expected to begin in 2023.
- **EW Grobbel Market & Deli**
Revitalization of the property at 2454 Market Street by EW Grobbel to create a market and deli featuring Grobbel's deli products is expected to begin construction in 2023.
- **Ernst Hotel Supply**
Expansion of this food wholesaler at its location on the east side of Riopelle between Alfred and Wilkins is expected to begin in 2023.