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Marcell R. Todd, Jr. Director

## City of Detroit

#### **CITY PLANNING COMMISSION**

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October 20, 2023

Kenneth R. Daniels David Esparza, AIA, LEED Ritchie Harrison Lauren Hood, MCD Gwen Lewis Frederick E. Russell, Jr. Rachel M. Udabe

#### HONORABLE CITY COUNCIL

# **RE:** Neighborhood Enterprise Zone Certificate Applications for the rehabilitation of a vacant apartment into a 42-unit unit building located at 100 Clairmont in the Herman Keifer Development LLC Neighborhood Enterprise Zone area (RECOMMEND APPROVAL)

The office of the City Planning Commission (CPC) has received six applications requesting Neighborhood Enterprise Zone (NEZ) certificates for the rehabilitation of a vacant apartment building into 42 units located at 100 Clairmont. The six certificates for 100 Clairmont are divided as follows:

- Units 1-8
- Units 9-16
- Units 17-24
- Units 25-32
- Units 33-40
- Units 41-42

The property is located on the north side of Clairmont west of Woodward Avenue. The building is located within Council District 5. Below is a map of the location and an image of the building. The site is presently a vacant apartment building with 4 stories.

The petitioner is Clairmont Apartments LLC. The developer is Century Partners which is run by David Alade and Andrew Colom. Century Partners is a Detroit based company that since 2014 has acquired and or rehabbed 200+ units of housing across the single family, mixed use and residential multifamily asset classes. The developer indicates the State previously approved NEZ certificates, but the company has amended the application to show a different petitioner and to provide some larger units.

The developer is proposing a full gut rehab and estimates spending \$143,976 per unit. The redeveloped building would include 3 three-bedroom units, 3 two-bedroom units, 31 one-bedroom units, and 5 studios. Unit size, number of bedrooms, and estimated rental prices are shown in the attached table. The developer indicates nearly 70% will be leased at 60% Area Median Income (AMI) levels, and the remaining at 80% AMI or below.

Regarding parking, the developer will be developing a new surface parking lot west of the building with 42 spaces at \$35 per month.

Regarding accessibility, the developer indicates the following:

- All new work is being designed to federal ADA and Michigan Building Code ANSI standards.
- Any existing areas of the building that are to remain or are deemed infeasible to modify, will remain as is and not brought up to current accessible standards (examples include, but are not limited to: reduced elevator size based on existing hoistway constraints and existing stairs).
- There will be a minimum of two handicap parking spaces.

It appears the NEZ certificate applications have been submitted prior to the issuance of applicable building permits – the NEZ Act (Act 147 of 1992) states the applications must be filed before a building permit is issued. The petitioner submitted the revised NEZ certificate applications dated October 5, 2023, to the City Clerk's office.

The subject property has been confirmed as being within the boundaries of the Herman Keifer Development LLC NEZ which was established by a vote of City Council in September 2019. CPC staff has reviewed the applications and recommends approval. Attached is a resolution for Your consideration. Please contact our office should you have any questions.

Respectfully submitted,

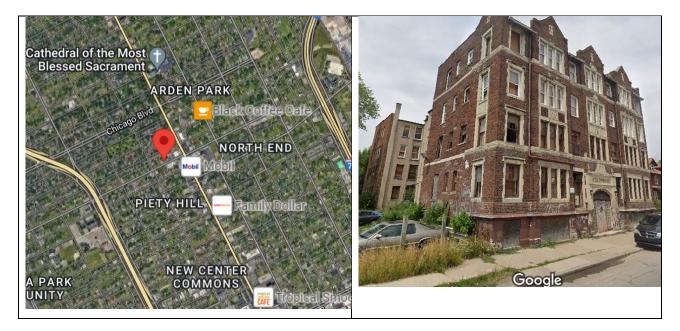
Marall R. J.M. J.

Marcell R. Todd, Jr., Director CPC Christopher J. Gulock, AICP, Planner

cc: Janice Winfrey, City Clerk Angela Jones, City Clerk

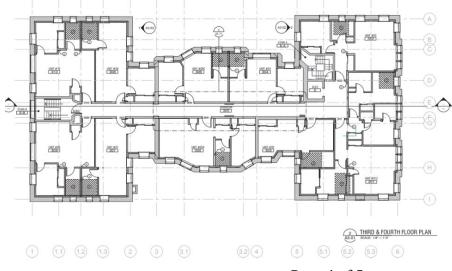
Unit	Square Footage	# Bedrooms	Estimated rental price/month
201	900	3	\$1,090
301	900	3	\$1,100
410	913	3	\$1,863
006	710	2	\$839
106	720	2	\$1,008
206	740	2	\$1,004
001	450	1	\$1,014
002	520	1	\$1,220
008	460	1	\$938
10	480	1	\$978
101	630	1	\$1,090
102	510	1	\$1,466
105	530	1	\$972
107	470	1	\$1,004
108	470	1	\$957
109	470	1	\$1,099
110	470	1	\$1,260
202	510	1	\$1,503
205	530	1	\$1,008
207	470	1	\$957
208	480	1	\$1,099
209	470	1	\$812
210	470	1	\$1,826
302	510	1	\$775
305	530	1	\$1,018
307	470	1	\$966
308	480	1	\$1,109
309	470	1	\$812
310	470	1	\$1,844
401	507	1	\$1,110
402	357	1	\$782
403	372	1	\$815
404	452	1	\$990
405	469	1	\$1,027
406	467	1	\$1,023
407	445	1	\$975
408	511	1	\$1,119
203	370	0	\$972
303	370	0	\$807
304	370	0	\$981

306	380	0	\$1,013
409	361	0	\$812









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### Resolution

By Council Member

**WHEREAS**, Michigan Public Act 147 of 1992 allows the local legislative body to establish Neighborhood Enterprise Zones for the purpose of providing exemption from ad valorem property taxes, and the imposition of specific tax in lieu of ad valorem taxes; and

**WHEREAS**, The Detroit City Council has established a Neighborhood Enterprise Zone for the following area, in the manner required by and pursuant to Public Act 147 of 1992.

**NOW, THEREFORE, BE IT RESOLVED,** That the Detroit City Council approves the submission of the applications to the State Tax Commission, and, if applicable, the City Council concurs with the issuance of the certificates if the application was filed not more than 6 months after the date of the issuance of a building permit for the facility.

**BE IT FINALLY RESOLVED**, That the Detroit City Council approve the following for receipt of Neighborhood Enterprise Zone Certificate for a fifteen-year period:

<u>Zone</u> Herman Keifer Development	Address 100 Clairmont (Units 1-8)	Application No. 07-0998
Herman Keifer Development	100 Clairmont (Units 9-16)	07-0999
Herman Keifer Development	100 Clairmont (Units 17-24)	07-1000
Herman Keifer Development	100 Clairmont (Units 25-32)	07-1001
Herman Keifer Development	100 Clairmont (Units 33-40)	07-1002
Herman Keifer Development	100 Clairmont (Units 41-42)	07-1003