

Referrals
9/16/19

**PLANNING AND
ECONOMIC
DEVELOPMENT
STANDING
COMMITTEE**

City of Detroit

CITY PLANNING COMMISSION

208 Coleman A. Young Municipal Center
Detroit, Michigan 48226

Phone: (313) 224-6225 Fax: (313) 224-4336

e-mail: cpc@detroitmi.gov

Alton James
Chairperson

Vice Chair/Secretary

Marcell R. Todd, Jr.
Director

Brenda Goss Andrews
Damion W. Ellis
David Esparza, AIA, LEED
Gregory Pawlowski
Frederick E. Russe, Jr.
Angy V. [unclear]



July 5, 2019

HONORABLE PLANNING AND ECONOMIC DEVELOPMENT STANDING COMMITTEE

RE: Request of the Downtown Development Authority in conjunction with Olympia Development of Michigan to amend Article XVII, District Map No. 3 of Chapter 61 of the 1984 Detroit City Code, Zoning and the provisions of the existing PD (Planning Development) zoning district established by Ordinance 10-15 on land bounded by Woodward Ave. on the east, the south side of Henry St. on the south, Clifford Ave. and Cass Ave. on the west and Sproat St. on the North; and to rezone a portion of the remaining B4 (General Commercial) zoned land along the east side of Cass Ave. between Sproat St. and Henry St., and, as well as the to-be-vacated Henry Street right-of-way, to PD. **(REQUESTING 7th EXTENSION OF REVIEW PERIOD)**

On June 13, 2017 the Detroit City Council received and referred to the Planning and Economic Development Standing Committee the report and recommendation of the City Planning Commission (CPC) for the above captioned map amendment request for the Detroit Zoning Ordinance.

The Zoning Ordinance specifies in Sec. 61-3-17, "Where a petition for a proposed Zoning Ordinance text or map amendment is not voted upon by the City Council within one hundred twenty (120) days of the time of receipt of the City Planning Commission's report, it shall be deemed to have been denied, unless extended by the City Council."

The original 120-day review period for this matter was to expire in October of 2017. Subsequently, however, six extensions have been authorized with the most recent, of 120 days, being granted on March 26, 2019. On Friday, July 26, 2019 that extension will expire at day's end.

CPC is pleased to report that the revised petition #1388 requesting the right-of-way adjustments on and around the arena site has been processed and is awaiting the preparation of corresponding legal descriptions in order to be completed by City Engineering. This is movement allows the necessary sequence of events to proceed in order to facilitate the long-held PD rezoning and modification. Consequently, the CPC requests another 120-day extension of the review period to avoid having to re-start the ordinance revision process over again at the Planning Commission. A resolution effectuating the requested extension is attached for Your consideration. The requested extension, if granted, will expire by the close of the day Saturday, November 23, 2019. That being on a weekend, the effective date of the expiration would be, Monday, November 25, 2019.

Respectfully submitted,

Marcell R. Todd, Jr., Director

Attachment

cc: Maurice Cox, Director, PDD
Lawrence Garcia, Corporation Counsel
Kim James, Law
Bruce Goldman, Law
David Bell, Director, BSEED
Arthur Jemison, Chief of Services and Infrastructure

A RESOLUTION BY COUNCIL MEMBER _____ :

WHEREAS, the Detroit City Planning Commission has prepared a report and recommendation dated June 12, 2017 regarding the request of the Downtown Development Authority in conjunction with Olympia Development of Michigan to amend Article XVII, District Map No. 3 of Chapter 61 of the 1984 Detroit City Code, Zoning and the provisions of the existing PD (Planning Development) zoning district established by Ordinance 10-15 on land bounded by Woodward Ave. on the east, the south side of Henry St. on the south, Clifford Ave. and Cass Ave. on the west and Sproat St. on the North; and to rezone a portion of the remaining B4 (General Commercial) zoned land along the east side of Cass Ave. between Sproat St. and Henry St., and, as well as the to-be-vacated Henry Street right-of-way, to PD; and

WHEREAS, that report and recommendation were received by the Detroit City Council on June 13, 2017 and referred to the Planning and Economic Development Standing Committee; and

WHEREAS, the Detroit Zoning Ordinance specifies in Sec. 61-3-17 that “Where a petition for a proposed Zoning Ordinance text or map amendment is not voted upon by the City Council within one hundred twenty (120) days of the time of receipt of the City Planning Commission’s report, it shall be deemed to have been denied, unless extended by resolution of the City Council;” and

WHEREAS, five 120 day extensions and one 54 day extensions have been granted subsequently; and

WHEREAS, the most recent 120 day extension of the review period for this Zoning Ordinance amendment request will expire on July 26, 2019; **NOW THEREFORE BE IT**

RESOLVED, the Detroit City Council hereby extends the period of review for the City Planning Commission report and recommendation regarding the requested Zoning Ordinance amendment for an additional 120 days, to expire at the close of the day on November 25, 2019.

788

CITY CLERK 2019 JUL 10 10:41 AM

City of Detroit
CITY COUNCIL

HISTORIC DESIGNATION ADVISORY BOARD

218 Coleman A. Young Municipal Center, Detroit, Michigan 48226
Phone: 313.224.3487 Fax: 313.224.4336
Email: historic@detroitmi.gov

July 10, 2019

HONORABLE CITY COUNCIL:

RE: Council Member James Tate and Council President Pro Tem Mary Sheffield; requesting interim designation of the Eastern Market.

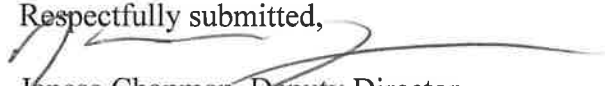
This request for historic designation is on our list of proposal for local designation. The proposed Historic Eastern Market District. A resolution directing the Historic Designation Advisory Board to conduct a study is attached.

A provision in the local designation ordinance, Sec.25-2-4c, states, "Upon receipt of substantial evidence demonstrating definite...significance in a proposed historic district, the city council may, as its discretion, adopt a resolution of interim historic designation, requiring that all applications for permits for work within the proposed historic district be referred to [Historic District] commission as provided for in section 25-2-18 et seq." Interim designation would require that, for a period of up one year, the Historic District Commission would have the same power as it would if the Eastern Market District were a designated local historic district.

Should Your Honorable Body adopt that resolution, you must appoint two persons to serve as *ad hoc* members of the Advisory Board in connection with the matter. The Advisory Board staff is happy to provide two names for your consideration:

Reasonable grounds for the study has been provided. A resolution of appointment is attached for your consideration. Staff is available to answer any questions you may have.

Respectfully submitted,


Janese Chapman, Deputy Director
Historic Designation Advisory Board

Attachment

cc: Maurice Cox, Director, PDD
David Bell, Director, BSEED

BY COUNCIL MEMBER _____:

WHEREAS, The City Council has received a request to designate the Eastern Market, as a historic district; and

WHEREAS, the boundaries for the proposed district are as follows: Gratiot Avenue to the North; Mack Avenue to the South; Chrysler Service Drive to the West; and St. Aubin Street to the East, and

WHEREAS, The City Council finds that there are reasonable grounds for such a request,

NOW, THEREFORE, BE IT RESOLVED, That the City Council hereby directs the Historic Designation Advisory Board, a study committee, to conduct studies to determine whether the Eastern Market meets the criteria for historic designation and to issue appropriate reports in accordance with the Michigan Local Historic Districts Act and Chapter 25, Article II of the 1984 Detroit City Code.

BY COUNCIL MEMBER _____ :

WHEREAS, The City Council has adopted a resolution directing study of the proposed historic designation of the Eastern Market, and

WHEREAS, The Historic District Ordinance of (Chapter 25, Article II) requires the appointment of two (2) *ad hoc* members to the Historic Designation Advisory Board to represent the interests of the property owner(s) and those interested in the preservation of this historic resource,

NOW, THEREFORE, BE IT RESOLVED, That the City Council appoints Dan Carmondy, Eastern Market Partnership, 2934 Russell, Detroit, MI 48207 as *ad hoc* members; and a resident of the city to serve as *ad hoc* members of the Historic Designation Advisory Board in connection with the study for the proposed Eastern Market Historic District.

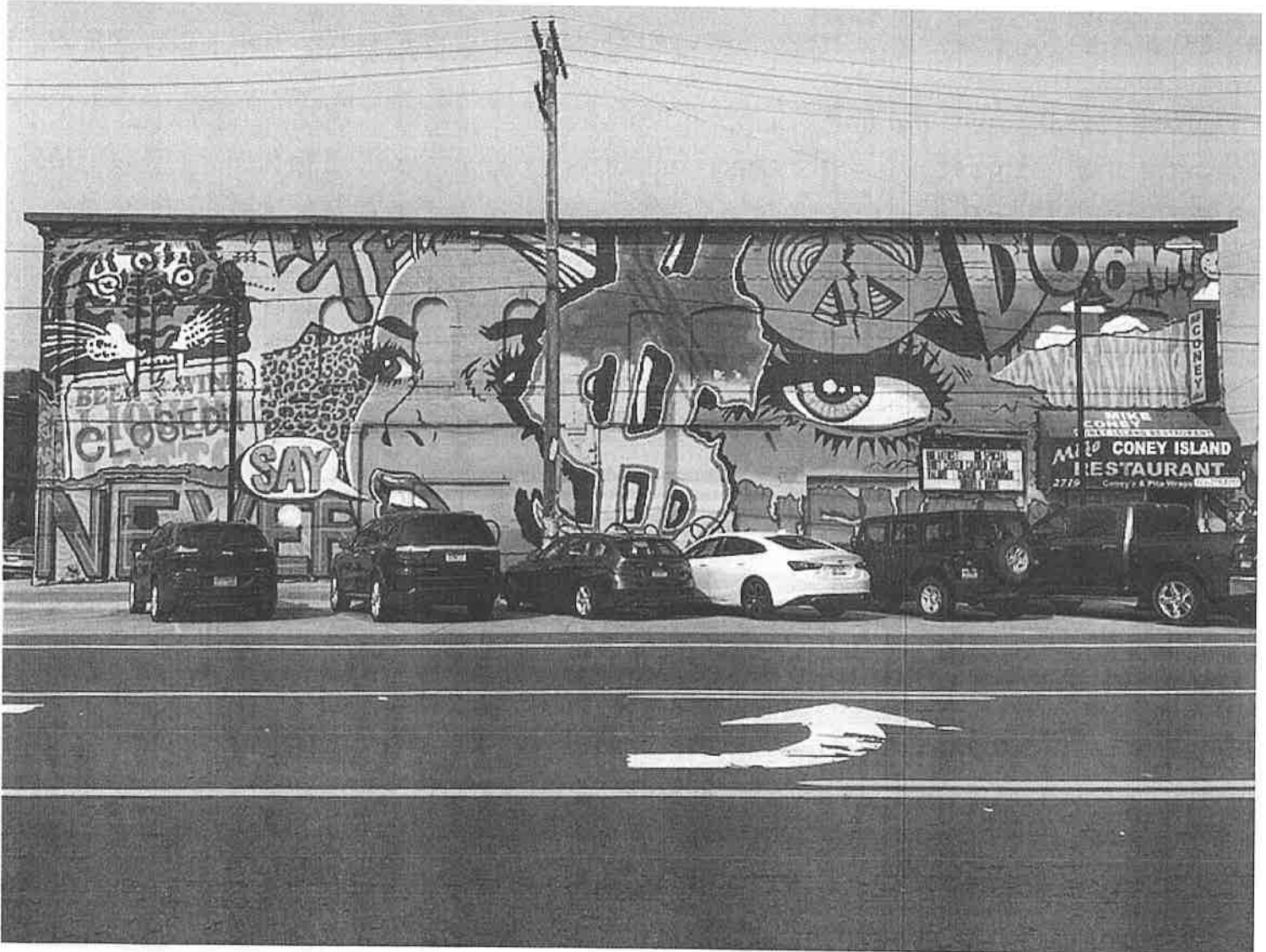
CRAIN'S DETROIT BUSINESS

July 09, 2019 12:52 PM | UPDATED 8 HOURS AGO

Real Estate Insider: Eastern Market building on Russell Street to be torn down, future plans TBD



KIRK PINHO
Real estate



Kirk Pinho/Crain's Detroit Business

Sanford Nelson plans to tear this Eastern Market building down although a timeframe for that and what will replace it have yet to be determined.

A 15,000-square-foot property along Eastern Market's main drag is not long for this world.

However, just how long remains for what Sanford Nelson refers to as "Building No. 1" at 2701 Russell St. is not known. Nor is what will take its place.

But Nelson — who has sparked controversy and debate in the city's food district since **starting a real-estate buying spree** more than two years ago with the \$1.3 million purchase of the 2701 Russell property — and his investors say it's time to turn over a new leaf.

One part of that includes inviting public input on what should replace the Russell Street building.

Nelson, the son of serial entrepreneur Linden Nelson, says those interested can email hello@firmdet.com with the subject line "2701 Russell Street" and offer their suggestions.

"We haven't given the community the opportunity to engage and give input on how to preserve and renew Eastern Market, and that starts now and we want to kick it off with this property," Nelson said, sitting at a picnic table in a new park area with art installations, a mural and four topiary installations: a dragon, a horse, an elephant and a bear.



Kirk Pinho/Crain's Detroit Business

This topiary dragon is part of a new public park that was created in Eastern Market immediately north of Bert's Warehouse on Russell Street.

"We want your input and here is how you can give it. We plan to host meetings and we want to listen."

On Monday afternoon, I sat with Nelson and Marvin Beatty, who is among Nelson's investment partners, in the park just north of the building they own that houses Bert's Warehouse.

(Bert Dearing, the mainstay's owner, stopped by to say hello to his landlords in the park area. "Three months ago, this was an eyesore," he said of the property. Nelson and Beatty said it cost more than \$100,000 to convert it into the new space.)

It's the site that had been targeted for new mixed-use development with 79 units by Joey Jonna of Birmingham before Nelson bought it as part of his spending spree that has resulted in a roughly 20-building, 250,000-square-foot Eastern Market real estate portfolio.

The property that Nelson's Detroit-based Firm Real Estate wants to demolish is actually four buildings, including that one that houses Mike Coney Island. Mike wouldn't say much about his future plans when I talked with him briefly this morning as he cooked for a patron, but he said the space has been a restaurant, although not under his ownership, for decades.

"I plan to close the restaurant and start a new business somewhere else," he said in a text message this afternoon after this story published, noting that he "was busy and couldn't really talk."

"I want to be out of the restaurant business and do something different. This is my own decision and has nothing to do with being forced to close. I have had great communications with the Nelsons. They treat me fair."

There are three buildings that line Russell Street and one that has Division Street frontage and that spans north to an alley. Nelson says the four foundations are in poor condition, and a wall is buckling.

"Not all four buildings were built at the same time, but they are all very old. You have four different foundations that are all compromised. They have varying degrees of deterioration," he said. "It would be one thing if it was one foundation in one building. You could repair that. But here, you have basement in parts and not in the other."

Beatty said that whatever takes its place will be done deliberately and with input from the community.

"We would much prefer to structure whatever we do with a plan, not just throwing shit against a wall and trying to figure out how people are going to react to it," Beatty said. "For us, the best thing to do is to plan something, to structure something that we think will work for the entire community."

What ultimately ends up at that site will be the byproduct of lots of discussion and ideas, Beatty said.

"By that time (that community meetings start), we'll have some conceptual understanding or conceptual idea of what we want to put here. Like any development, it's like a horse that started out before the committee and ended up as a camel," Beatty said.

Indeed.

Nelson's tenure as a landlord in Detroit has been bumpy to date, almost a **year after I first wrote about him**.

Concerns about rising rents have prompted backlash over fear that the eclectic food district **will lose some of its identity** as a go-to spot for affordable space for artists and small businesses. Several have closed or are leaving under Nelson's ownership, including **Russell Street Deli** and **Mootown Ice Cream & Dessert Shoppe LLC**, but he is also bringing in new restaurants, like **Jose's Tacos**.

He said he is aware of the concerns, as well as some of the criticism and **name-calling** he has taken in the media and elsewhere, including a meme featuring Photoshopped chain restaurant logos onto the key Russell Street building that houses/housed Supino Pizza/Mootown/Russell Street (to close in September)/Zeff's Coney Island.

For Firm Real Estate, he says, "renewal" in Eastern Market "is when you are building new construction and when you are attracting new businesses to make sure that it is within the character that makes Eastern Market unique. It's not chain restaurants."

I made a remark about the meme.

"Well, I wonder, 10 years from now, when those (chain) businesses are not in those buildings, what will the fans of those memes say? But I cannot predict the future. It's building buildings that fit within the scale and feel of the market," Nelson said.

He is just one of a **new corps of landlords** swooping into Eastern Market and buying property in the country's oldest food district, but he has by far attracted the most attention even though others have done nothing of note with their properties so far for a variety of reasons.

Others include Detroit developers and economic development professionals Roger Basmajian and George Jackson and New York City-based developer ASH NYC, replacing the street-level business operators in Eastern Market that traditionally owned their own properties (and sometimes others).

According to Dan Carmody, president of Eastern Market Partnership, some existing businesses have expressed concerns about rent increases as the new landlord crop pours money into improving the district's older buildings. Part of that concern arises because the space has been comparatively inexpensive for decades, Carmody said in October.

"The previous landlords came up in an age where having a warm body and somebody paying any kind of rent was an advantage over having vacant space," he said.

Nelson said Monday that eight of his buildings are currently under renovation, and that work on the Supino/Russell Street Deli/Mootown/Zeff's building should be done in about a month.

Nelson has said that rents in his properties will be "market rate" and has previously said that he plans on carving out affordable space for artists and food users as his overall vision for his portfolio progresses.

Cass/Canfield land value jumps

A 1.5-acre property that is being proposed to (some day) house a new mixed-use development has grown 3.47 percent in value since a March 2018 appraisal, according to Wayne State University, which owns the land.

University spokesman Matt Lockwood says a May 28 appraisal values the property at Cass Avenue and Canfield Street at \$5.658 million, up from \$5.468 million appraisal 16 months ago. I wrote about that appraisal [in this space in April](#).

I asked for a copy of the most recent appraisal but have not yet received it.

The Vernor, the proposed mixed-use development on the property by Detroit-based Broder & Sachse Real Estate Services Inc., has faced an uphill climb.

I reported in August that Wayne State was **considering scrapping** the project. However, a **board of governors document** for the body's June 21 meeting agenda says that the university and Broder & Sachse are "currently negotiating a purchase agreement and related documents" relative to the 1.5 acres.

The Vernor site had been planned for 248 apartments, a 120-room hotel, 19,000 square feet of retail and a 300-person conference center after awarding an April 2013 request for proposals to Broder & Sachse and entering into a memorandum of understanding for the \$60 million project with the developer in November 2013.

Instead of apartments, the plan has now shifted toward one with about 100 condos and a boutique hotel with 130 to 150 rooms.

The property would have originally been leased to Broder & Sachse, but would be sold to the company under the condo plan. That's because projects are completed using master deeds, and individual units are then sold to buyers; if Broder & Sachse leased the land, it would eventually return to the university at the end of that agreement.

Photos from around town



Christopher Chabock, AICP
 Derrick Headd
 Marcel Hurt, Esq.
 Kimani Jeffrey
 Anne Marie Langan
 Jamie Murphy
 Carolyn Nelson
 Kim Newby
 Analine Powers, Ph.D.
 Jennifer Reinhardt
 Sabrina Shockley
 Thomas Stephens, Esq.
 David Teeter
 Theresa Thomas
 Kathryn Lynch Underwood
 Ashley A. Wilson

CITY CLERK 2019 JUL 10 PM 1:10

City of Detroit

CITY COUNCIL

LEGISLATIVE POLICY DIVISION
 208 Coleman A. Young Municipal Center
 Detroit, Michigan 48226

Phone: (313) 224-4946 Fax: (313) 224-4336

David Whitaker, Esq.
Director
 Irvin Corley, Jr.
Executive Policy Manager
 Marcell R. Todd, Jr.
Senior City Planner
 Janese Chapman
Deputy Director

John Alexander
 LaKisha Barclift, Esq.
 M. Rory Bolger, Ph.D., AICP
 Elizabeth Cabot, Esq.
 Tasha Cowen
 Richard Drumb
 George Etheridge
 Deborah Goldstein

TO: Detroit City Council

FROM: David Whitaker, Director
 Legislative Policy Division 

DATE: July 10, 2019

RE: **Report on Demolition Management Agreement between the City of Detroit and the Detroit Building Authority**

The Legislative Policy Division (LPD) has reviewed the proposed Demolition Management Agreement (the Agreement) between the City of Detroit (City) and the Detroit Building Authority (DBA) dated August 18, 2019. The Agreement is a continuation of the current Demolition Management Agreement with the DBA containing many of the same terms and conditions. This report highlights pertinent provisions of the new Agreement.

LPD notes that the existing Demolition Management Agreement dated August 11, 2015, is set to expire on or around August 11, 2019. The current agreement has a term of three (3) years and will expire on or around August 18, 2022, unless terminated by the parties as set forth under Section 7.¹

The document provides that the recitals have been incorporated within the terms and conditions of the Agreement. The underlying purpose of both the prior and current Agreement is stated in the second "Whereas", which provides:

WHEREAS, the City desires to continue utilizing the professional services of the DBA to coordinate and implement the Demolition Program in accordance with the terms of this Agreement;

¹ Section 7 *Term*, provides that the Agreement can be terminated by both parties in whole or in part by agreeing in writing thirty (30) days before the effective termination date, or by either party terminating in whole or in part by giving written notice to the other party at least one (1) year before the termination date in the manner set forth in Subsection 7A and 7B.

The provision identifies that the DBA will coordinate and implement the Demolition Program. The first “Whereas” broadly defines the Demolition Program as the “City’s demolition program for the demolition of certain residential and commercial improvements situated on property in the City of Detroit”.² LPD notes the significance of this definition as it includes any residential or commercial property within the City of Detroit identified by the City to be in need of demolition. This would also include the thousands of residential properties owned by the Detroit Land Bank Authority or any other persons or entities.

Section 3D of the Agreement provides the method the City approved expenditures (including but not limited to administrative fees) in carrying out its Program Manager functions for the Demolition Program shall be paid by the City to the DBA. It provides in pertinent part:

The City is hereby authorized under this Agreement to pay such DBA Cost up to the amounts that are budgeted by the City in both Appropriation 20253, Non-Departmental Blight Remediation and Appropriation 00277, Non-Departmental Detroit Building Authority, or any other Appropriation established for this purpose (together the “Funds”), for each respective City of Detroit fiscal year of this Agreement.³

The Agreement under Section 3D authorizes the City to utilize general fund dollars or any other appropriation established for the purpose “funds” to cover the cost of managing the Demolition Program that are appropriated by City Council for each fiscal during the term of the Agreement.⁴

The Agreement provides that any contractor or subcontractor contracted by the City shall indemnify the City and the DBA; comply with the bonding requirements outlined in the Demolition Policies and Procedures manual⁵; and comply with the insurance requirements outlined in Subsection 3F. The contractors selected to participate in the Demolition Program will be procured by the City’s O-CFO, Office of Contracting and Procurement.

The Agreement provides that it is the duty of the Housing and Revitalization Department (HRD) to facilitate the payments to contractors; ensure all federal sources used for the Demolition Program are used for eligible purposes; coordinate the City’s compliance with Section 3 of the Housing and Community Development Act of 1968; pay BSEED from the “Funds” all initial

² The prior Demolition Management Agreement also defined the Demolition Program as “the City’s plan for the demolition of certain residential and commercial improvements situated on property in the City of Detroit.

³ The Fiscal Year 2019-2020, budget for Appropriation 20253, Non-Departmental Blight Remediation for demolition is approximately \$41,086,976 and for Appropriation 00277, Non-Departmental Detroit Building Authority for blight and DBA office is approximately \$3,749,532.

⁴ LPD notes the appropriated funds would include not only general fund dollars that are appropriated for Blight Remediation as well as appropriations specifically designated to the DBA, but also any appropriated Fire Escrow, or Community Development Block Grant dollars. LPD further notes that the use of these dollars under the Demolition Program as defined may include the use of general fund dollars for DLBA owned properties, particularly once Hardest Hit Fund dollars have been expended under the Federal and State program.

⁵ The City’s Demolition Policies and Procedures manual is incorporated in the Agreement as Exhibit A, dated June 2019. The manual provides all the rules and procedural requirements for demolition activity including but not limited to: bonding requirements for contractors; notification to residents regarding the removal of hazardous material such as asbestos; procedures for removal of hazardous materials; procedures to minimize fugitive dust (dual hose spraying during demolition; inspection procedures for demolition and backfill of structure, and requirements for backfill material.

permit cost associated with residential demolition as well as hydrant permit fees related to the demolition program.

The Agreement provides that BSEED duties shall include but is not limited to: identify properties for emergency demolition; conduct inspections; verify property conditions and ownership; co-ordinate dangerous building designations and demolitions orders; issue demolition permits and conduct inspections related to demolitions; release any available fire escrow funding available for any property to be demolished to offset the cost of abatement and demolition in accordance with state law.

The Agreement provides that the DBA shall serve as Program Manager to manage and coordinate the performance of Contractors engaged by the City to implement the Demolition Program; develop a demolition strategy and estimate the funding needed; obtain written approval from the City for any change orders recommended by the DBA prior to the start of any change order work being done; utilize the fee schedule provided in the City's Demolition Policies and Procedures manual when providing estimates to the City for any demolition related activity and/or change order request under the Demolition Program; prepare an Annual Demolition Report; and co-operate with the city's Inspector General in any investigation regarding the Agreement and/or the Demolition Program.

The Agreement provides under Section 5, that it shall become effective on the date it is filed with the Michigan Secretary of State. The DBA is responsible for filing the Agreement with the State.

The Agreement provides under Section 6, that to the greatest extent feasible, lower-income residents of the City shall be given opportunities for training and employment as well as eligible business located in or owned in substantial part by persons residing in the city shall be awarded contracts in connection with the Demolition Program. The Agreement further provides that the City and the DBA shall make positive efforts to utilize Detroit Certified businesses and small/minority/women- owned enterprises as sources of supplies and services needed for the Demolition Program.

Section 15H provides that the Agreement has no force or effect unless and until it has been fully executed by the City, including but not limited to approval by resolution of the Detroit City Council. Any amendments or modifications to the Agreement must be approved as set forth therein including approval by City Council.

If we can be of further assistance please call upon us.

City of Detroit
 FY 20 Funds Available Report
 All Funds

FY 2020

APPN	'N Descript	Cost Center	Desc3	Adopted Budget	Amended 20 Budget	Encumbrances FY 20 Actua	Funds Available
00277	Non Dept I	350310	Detroit Building Authority	3,749,532.00	11,199,023.36	7,456,616.86	3,743,203.17
	Grand Total			3,749,532.00	11,199,023.36	7,456,616.86	3,743,203.17
			Blight	2,000,000.00			
			DBA Office	1,749,532.00			
				<u>3,749,532.00</u>			

City of Detroit
 FY 20 Funds Available Report
 All Funds

July 5, 2019

FY 2020

APPN	APPN Description	Cost Center	Desc3	Adopted Budget	Amended Budget	Encumbrances	FY 20 Actual	Funds Available
20253	Reinvestment Project_Blight	257001	DHWP Health Lead Remediation	-	26,895.54	26,895.54	(1,520.38)	1,520.38
		350011	Blight Reinvest	10,000,000.00	10,005,155.16	3,107,728.51	(61,223.03)	6,958,649.68
		350014	Land Bank Operations	13,000,000.00	13,000,000.00	-	-	13,000,000.00
		367301	HRD Residential Demolition	30,000,000.00	43,290,880.53	31,006,596.12	(67,640.75)	12,351,925.16
		367302	HRD Commercial Demolition	10,589,776.00	14,832,000.57	8,136,919.77	85,069.22	6,610,011.58
		367303	HRD Emergency Demolition	10,000,000.00	11,125,757.31	3,068,780.31	25,458.00	8,031,519.00
		470405	Blight Remediation - Board Up Pr	3,864,017.00	5,047,757.81	1,183,740.81	-	3,864,017.00
		472140	Mural Program	200,000.00	200,000.00	-	-	200,000.00
		472150	Custodial Services	2,107,126.00	2,107,491.99	365.99	-	2,107,126.00
		472160	Corridor Clean Up	2,025,608.00	2,031,083.00	5,475.00	(5,475.00)	2,031,083.00
		472170	Graffiti Removal GF	1,356,054.00	1,656,072.31	450,018.31	(300,000.00)	1,506,054.00
				83,242,581.00	103,323,094.22	46,986,520.36	(325,331.94)	56,661,905.80
	Grand Total							



July 3, 2019

Detroit City Council
1340 Coleman A. Young Municipal Center
Detroit, MI 48226

**RE: Sale of Real Property
1442 Calvert Detroit, MI 48206**

Honorable City Council:

The City of Detroit Planning and Development Department (“P&DD”) is in receipt of an offer from Adam Noel to purchase the above captioned property, 1442 Calvert, (the “Property”), for the amount of Twenty Four Thousand and 00/100 Dollars (\$24,000.00) (the “Purchase Price”).

The Property consists of a four story brick clad apartment building in need of significant repair, situated on an area of land measuring approximately 8900 square feet and zoned R5 (Medium Density Residential District). Mr. Noel proposes to renovate the structure and continue its use as multi-family housing.

The property shall be transferred subject to a reverter interest, requiring the purchaser to clean and secure the Property within six (6) months of closing and to obtain a Certificate of Occupancy for the Property within twenty-four (24) months of closing. Purchaser’s use of the Property shall be consistent with the allowable uses for which the property is zoned.

We, therefore, request that your Honorable Body approve the sale and authorize the Director of the Planning and Development Department, or his authorized designee, to issue a quit claim deed to the Property and such other documents as may be necessary to effectuate the sale, with Adam Noel for the amount of \$24,000.00

Respectfully Submitted,


Maurice Cox
Director
Planning & Development Department

MC/ajm

cc: Stephanie Washington, Mayor’s Office

By Council Member _____

NOW. THEREFORE, BE IT RESOLVED, that Detroit City Council approves of the sale of certain real property (the "Property") at 1442 Calvert, more particularly described in the attached Exhibit A, to Adam Noel for the purchase price of Twenty Four Thousand and 00/100 Dollars (\$24,000.00); and be it further

RESOLVED, that the Director of the Planning and Development Department or his authorized designee, be and is hereby authorized to issue a quit claim deed to the Property and such other documents as may be necessary to effectuate the sale with Adam Noel consistent with this resolution; and be it further

RESOLVED, that the Property shall be transferred subject to a reverter interest, requiring the Purchaser to clean and secure the Property within six (6) months of closing and within twenty-four (24) of closing to obtain a Certificate of Occupancy for the Property; and be it further

RESOLVED, that customary closing costs up to Two Hundred and 00/100 Dollars (\$200.00) and broker commissions of One Thousand Two Hundred and 00/100 Dollars (\$1,200.00) be paid from the sales proceeds under the City's contract with the Detroit Building Authority; and be it further

RESOLVED, that a transaction fee of Two Thousand Five Hundred and 00/100 Dollars (\$2,500.00) be paid to the Detroit Building Authority pursuant to its contract with the City; and be it further

RESOLVED, that the Director of the Planning and Development Department, or his authorized designee, be and is hereby authorized to execute any required instruments to make or incorporate technical amendments or changes to the deed and such other documents as may be necessary to effectuate the sale (including but not limited to corrections to or confirmations of legal descriptions, or timing of tender of possession of particular parcels) in the event that changes are required to correct minor inaccuracies or are required due to unforeseen circumstances or technical matters that may arise prior to the conveyance of the Property, provided that the changes do not materially alter the substance or terms of the transfer and sale; and be it finally;

RESOLVED, that the deed and such other documents necessary to effectuate the sale, will be considered confirmed when signed and executed by the Director of the Planning and Development Department, or his authorized designee, and approved by Corporation Counsel as to form.

EXHIBIT A

LEGAL DESCRIPTION

N CALVERT 17-18 AND S 23 FT OF VAC CANIFF AVE IN REAR WILLIAMS SUB L26 P81
PLATS, W C R 6/178 66 X 135

Street Address[es]: 1442 Calvert

Property Tax Parcel number(s): 06002790.