

New BUSINESS

9-24-19.

**PLANNING AND  
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**CITY PLANNING COMMISSION**  
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September 20, 2019

**RE: HONORABLE CITY COUNCIL**

**RE:** The request to repeal Ordinance No. 26-18 and replace with a corrective ordinance for the project that was approved in 2018 for American Community Developers, Inc. to modify the provisions of an existing PD-H (Planned Development-Historic) zoning classification on Article XVII District Map 4 of the 1984 Detroit City Code, Chapter 61, Zoning, on land bounded by Brush Street on the west, Watson Street on the north, Beaubien Street on the east and Wilkins Street on the south in order to allow for a three-building mixed-use development with below-grade parking. **(RECOMMEND APPROVAL)**

**REQUEST**

This request is to repeal Ordinance No. 26-18 and replace with a corrective ordinance that is now before Your Honorable Body. The original ordinance that was laid on the table on October 30, 2018, was for the request to modify the provisions of an existing PD-H (Planned Development-Historic) zoning classification on Article XVII District Map 4 of the 1984 Detroit City Code, Chapter 61, Zoning, on land bounded by Brush Street on the west, Watson Street on the north, Beaubien Street on the east and Wilkins Street on the south in order to allow for a three-building mixed-use development with below-grade parking.

Ordinance No. 26-18 that was approved in 2018, omitted two private parcels that were a part of the development project site along with nine additional public parcels that were included in the ordinance.

The two parcels that were omitted are within the same city block adjacent to the public parcels that are included in the original ordinance. The two private parcels, although omitted from the original ordinance, were described in the public hearing notice and presentations that were considered by Your Honorable Body.

City Planning Commission staff has worked with the Law Department to correct the deficient ordinance (Attached). No other details of the originally approved project would change as a result of this correction. For details of the project, please see below.

**BACKGROUND**

In October 2018, American Community Developers, Inc. (ACD) requested to modify the provisions of an existing PD-H zoning classification on land bounded by Brush Street on the west, Watson Street on the north, Beaubien Street on the east and Wilkins Street on the south in order to allow for a three-building mixed-use development with below-grade parking.



ACD

OOMBRA  
ARCHITECTS

The subject site is an entire city block that exists as a grassy open space, void of any structures and is approximately 1.42 acres in area, consisting of 11 parcels. Of those 11 parcels, two are currently owned by the developer and the remainder are under control of the City and are to be subject of a development agreement with ACD, which was awarded the site after responding to the City's Request for Proposals (RFP). The subject site is located within the Brush Park Historic District.

**PROPOSAL**

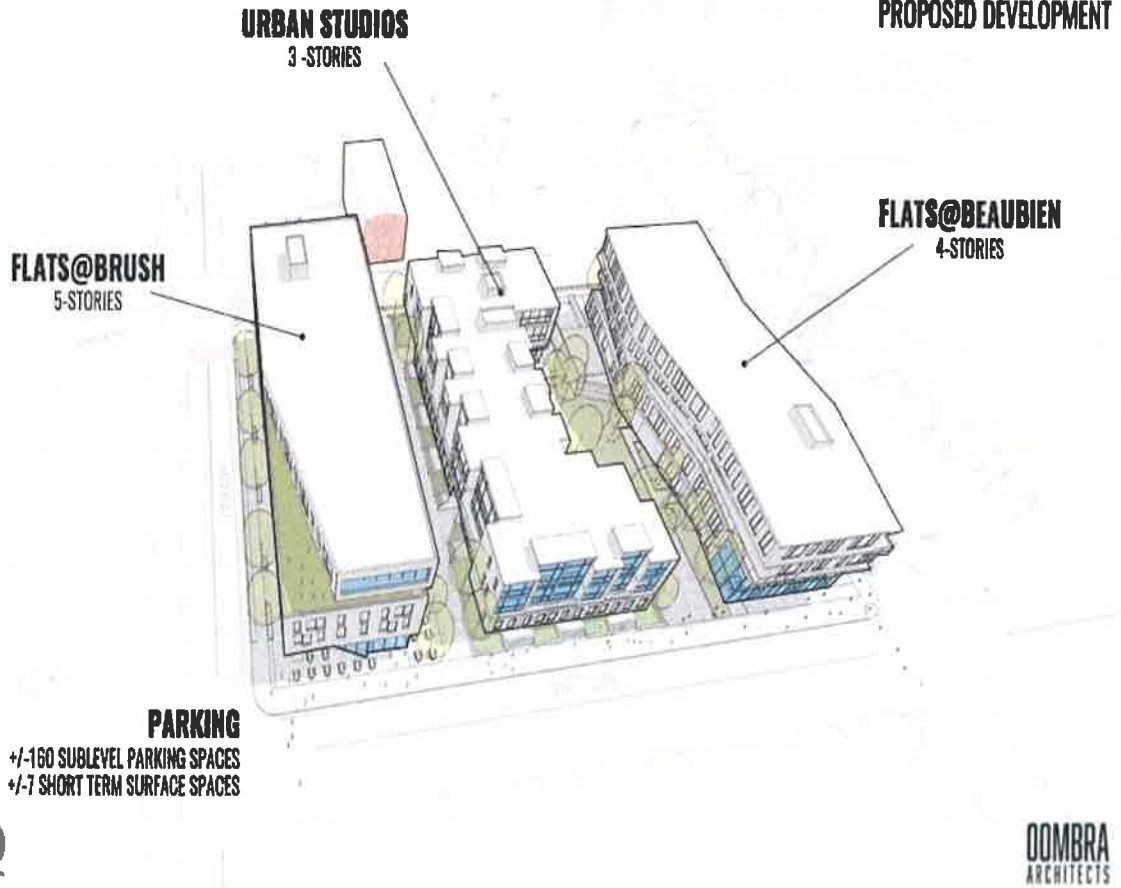
The proposed development calls for the construction of three multi-story buildings with one level of below grade parking providing approximately 160 spaces with an additional seven spaces above grade level. The Brush Street building (five-stories totaling 65 feet in height) will be roughly 56,000 sf and the Beaubien Street building (four-stories totaling, 45 feet in height) will be roughly 45,000 sf while the mid-block building (three-stories- 35 feet in height) is roughly 35,000 sf. The underground parking is planned to be 62,000 sf.

The structures would include retail/commercial space in the Brush and Beaubien buildings. A promenade is planned to run through the middle of the site for short term parking for retail and also for other brief trips. ACD will be marketing the commercial space as a neighborhood market with a café (8,000-10,000 sf), but if a suitable market can't be found, the space will be marketed as neighborhood commercial/retail and/or restaurant use. There would be seven surface short term parking spaces at rear along the promenade for retail. Signage would be in place to limit these spaces to 30 minutes to encourage turn-over. The southwest corner of Brush and Wilkins would possibly be a cafe and include outdoor seating.

Below-grade parking would be accessed by a ramp at the mid-block. The underground parking is planned to be shared among the residential and retail users through a managed parking system. Residents would have keycard access. Retail users will have to take a ticket to be validated at the retail establishments. Amenities will include a dog park, fitness room, conference room,

concierge system, indoor lounge and a rooftop patio.

22



The project will contain approximately 180 apartment units ranging from 63 efficiency units, 81 1-bedroom units and 36 2-bedroom units. Of the 180 units that are designated as affordable, 45 units are planned to reach the 30% -60% area median income (AMI); 45 units are planned to reach the 80% AMI, leaving 90 units at market rate value.

The lighting and security plan for the site includes pole mounted fixtures, lighting at bollards and along each building. Buildings will be secured with card reader access for residents and security cameras will be placed around the buildings for full site coverage.

**RECOMMENDATION**

CPC staff is requesting **approval** of the subject corrective ordinance.

Respectfully submitted,

*Marcell R. Todd, Jr.*

Marcell R. Todd, Jr., Director  
Kimani Jeffrey, City Planner

Attachment:  
Ordinance  
Plans

Cc: Katy Trudeau, Deputy Director, PDD  
Karen Gage, Director of Zoning Innovation, PDD  
David Bell, Director, BSEED  
Lawrence T. Garcia, Corp. Counsel  
Arthur Jemison, Chief of Infrastructure and Services  
DRFC

## SUMMARY

An ordinance to amend Chapter 50 of the 2019 Detroit City Code, '*Zoning*,' by amending Article XVII, District Map No. 4 to modify an existing PD-H (Planned Development District-Historic) zoning classification, established by Ordinance No. 25-96 and amended by Ordinance No. 26-18, shown for property located at 2994 and 2968 Brush Street, 418 and 432 Watson Street, 3001, 3009, 3019, 3027, and 3035 Beaubien Street, and 429 and 437 Wilkins Street, all bounded by Watson Street on the north, Beaubien Street on the east, Wilkins Street on the South and Brush Street on the west to allow for a three-building mixed-use development with below-grade parking.

1 **BY COUNCIL MEMBER \_\_\_\_\_:**

2 **AN ORDINANCE** to amend Chapter 50 of the 2019 Detroit City Code, ‘Zoning,’ by  
3 amending Article XVII, District Map No. 4 to modify an existing PD-H (Planned Development  
4 District-Historic) zoning classification, established by Ordinance No. 25-96 and amended by  
5 Ordinance No. 26-18, shown for property located at 2994 and 2968 Brush Street, 418 and 432  
6 Watson Street, 3001, 3009, 3019, 3027, and 3035 Beaubien Street, and 429 and 437 Wilkins Street,  
7 all bounded by Watson Street on the north, Beaubien Street on the east, Wilkins Street on the South  
8 and Brush Street on the west to allow for a three-building mixed-use development with below-  
9 grade parking.

10 **IT IS HEREBY ORDAINED BY THE PEOPLE OF THE CITY OF DETROIT THAT:**

11 **Section 1.** ~~District Map 4 and Ordinance 25-96 of Chapter 61, Article XVII 50 of the~~  
12 ~~1984 2019~~ Detroit City Code, ‘Zoning,’ ~~commonly known as the Detroit Zoning Ordinance,~~ is  
13 amended as follows:

14 Article XVII, District Map No. 4 and Ordinance 25-96 is amended to modify the  
15 approved plans for the PD-H (Planned Development District-Historic) zoning classification  
16 currently shown ~~on~~ for property located at 2994 and 2968 Brush Street, 418 and 432 Watson Street,  
17 3001, 3009, 3019, 3027, and 3035 Beaubien Street, and 429 and 437 Wilkins Street, all generally  
18 bounded by Watson Street on the north, Beaubien Street on the east, Wilkins Street on the South  
19 and Brush Street on the west and more specifically described as:

20 **Parcel 1**

21 E BRUSH LOT 2 BLK H BRUSH SUB L2 P25 PLATS, WCR 1/43 90 X 90

22 a/k/a 2994 Brush

23 Tax Parcel ID 01003824.

1           **Parcel 2**  
2           E BRUSH LOT 1 BLK H BRUSH SUB L2 P25 PLATS, WCR 1/43 AND LOT 7 MILLER  
3           & WILLCOX SUB L1 P86 PLATS, WCR 1/44 90 X 125  
4           a/k/a 2968 Brush  
5           Tax Parcel ID 01003823.

6           **Parcel 3**  
7           S WATSON LOT 17 MILLER & WILLCOX SUB L1 P86 PLATS, WCR 1/44 35 X 90  
8           a/k/a 418 Watson  
9           Tax Parcel ID 01000734.

10          **Parcel 4**  
11          S WATSON LOTS 15 & 16 MILLER & WILLCOX SUB L1 P86 PLATS, WCR 1/44 70  
12          X 90  
13          a/k/a 432 Watson  
14          Tax Parcel ID 01000733.

15          **Parcel 5**  
16          W BEAUBIEN LOT 14 MILLER & WILLCOX L1 P86 PLATS, WCR 1/44 40 X 96  
17          a/k/a 3035 Beaubien  
18          Tax Parcel ID 01003742.

19          **Parcel 6**  
20          W BEAUBIEN LOT 13 MILLER & WILLCOX L1 P86 PLATS, WCR 1/44 40 X 96  
21          a/k/a 3027 Beaubien  
22          Tax Parcel ID 01003743.

23          **Parcel 7**



1 W BEAUBIEN LOT 12 MILLER & WILLCOX L1 P86 PLATS, WCR 1/44 40 X 96

2 a/k/a 3019 Beaubien

3 Tax Parcel ID 01003744.

4 **Parcel 8**

5 W BEAUBIEN LOT 11 MILLER & WILLCOX L1 P86 PLATS, WCR 1/44 40 X 96

6 a/k/a 3009 Beaubien

7 Tax Parcel ID 01003745.

8 **Parcel 9**

9 W BEAUBIEN LOT 10 MILLER & WILLCOX SUB L1 P86 PLATS, WCR 1/44 40 X 96

10 a/k/a 3001 Beaubien

11 Tax Parcel ID 01003746.

12 **Parcel 10**

13 LOT 8, MILLER AND WILLCOX SUBDIVISION OF OUTLOT 180, 182 AND 184

14 SUBDIVISION OF THE LAMBERT BEAUBIEN FARM, AS RECORDED IN LIBER

15 1, PAGE 86 OF PLATS, WAYNE COUNTY RECORDS.

16 a/k/a 429 Wilkins

17 Tax Parcel Number: 01000731

18 **Parcel 11**

19 LOT 9, MILLER AND WILLCOX SUBDIVISION OF OUTLOT 180, 182 AND 184

20 SUBDIVISION OF THE LAMBERT BEAUBIEN FARM, AS RECORDED IN LIBER 1

21 PAGE 86 OF PLATS, WAYNE COUNTY RECORDS.

22 a/k/a 437 Wilkins

23 Tax Parcel Number: 01000732

1 All development within the ~~PD-H~~ (Planned Development District) zoning classification for the  
2 land described herein shall be in accordance with the site plans, elevations, lighting, signage,  
3 landscaping plans, and other components of the development proposal for American Community  
4 Developers in the drawings prepared by Oombra Architects, dated September 6, 2018, subject to  
5 the following conditions:

6 ~~(1) That the developer must continue to revise the design of the project, to the~~  
7 ~~reasonable satisfaction of the City Planning Commission; and~~

8 (1) That the developer must mitigate construction-related impacts on neighboring  
9 properties; and

10 ~~(3) That the Developer receive a letter of recommendation from the Brush Park~~  
11 ~~Community Development Corporation prior to application for building permits,~~  
12 ~~and~~

13 (2) That final ~~site plans, lighting, signage, and elevations~~ site plans, elevations,  
14 lighting, signage, landscaping plans, and other components must be approved by  
15 the City Planning Commission staff prior to application for building permits.

16 **Section 2.** All ordinances or parts of ordinances in conflict with this ordinance are repealed.

17 **Section 3.** This ordinance is declared necessary for the preservation of the public peace,  
18 health, safety and welfare of the people of the City of Detroit.

19

20

21

1           **Section 4.** This ordinance shall become effective on the eighth (8<sup>th</sup>) day after publication  
2 in accordance with Section 401(6) of Public Act 110 of 2006, as amended, M.C.L. 125.3401(6),  
3 and Section 4-118, paragraph 3 of the 2012 Detroit City Charter.

4

5 Approved as to form:

6 *Lawrence T. Garcia*  
7 \_\_\_\_\_

8 Lawrence T. Garcia,  
9 Corporation Counsel



September 19, 2019

Honorable City Council  
City of Detroit  
1340 Coleman A. Young Municipal Center  
Detroit, Michigan 48226

Re: **Petit Bateau Brownfield Redevelopment Plan**

Dear Honorable Council Members:

The enclosed Brownfield Plan for the Petit Bateau Redevelopment Project (the "Plan") (Exhibit A), was submitted by the Detroit Brownfield Redevelopment Authority Board (the "DBRA") and to the Community Advisory Committee (the "CAC"). The Plan was considered and reviewed by the CAC at its July 24, 2019 meeting and a public hearing was held by the DBRA on August 1, 2019 to solicit public comments. The Committee's communication to the City Council and the DBRA, dated July 24, 2019 (Exhibit B), recommending approval of the Plan, including the minutes of the public hearing held by the DBRA, are enclosed for the City Council's consideration.

On August 14, 2019, the DBRA adopted a resolution (Exhibit C) approving the Plan and authorizing the submission of a copy of its resolution and the Plan to the City Clerk, together with a request that the Detroit City Council call a public hearing concerning the Plan and to take all other actions to approve the Plan in accordance with Act 381.

The Plan is now presented to the City Council for approval. The Detroit City Council will, after publication of the notices, hold a public hearing on the Plan. After the public hearing, the City Council shall determine whether the Plan constitutes a public purpose and, if so, may approve or reject the Plan or approve it with modifications.

#### Project Introduction

Petit Bateau LLC is the project developer (the "Developer") for the Plan which entails the construction of a five-story mixed-use building, a four-story mixed-use building, and approximately twenty residential townhomes, with 3,200 square feet of commercial space along with associated site improvements. The project will develop one of the last development sites in Midtown and the Historic Art Center neighborhood. The Property (defined below) was historically occupied by residential, multi-family apartments, a church and an auto repair shop. The Property is currently vacant.

The total investment is estimated to be \$23 million. The Developer is requesting \$2,279,193.00 in TIF reimbursement.

There will be 100 temporary construction jobs and 2 FTE job. The 2 FTE jobs will be related to property management.

Property Subject to the Plan

The eligible property (the "Property") will consist of seven (7) parcels bounded by Beaubien Street, Frederick Street, St. Antoine Street and the alleyway, in Detroit's Historic Art Center neighborhood near Midtown.

Basis of Eligibility

The Property is considered "eligible property" as defined by Act 381, Section 2 because (a) the Property was utilized for a commercial, industrial, public, or residential purpose; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) the Property was determined to be a "facility" as defined by Act 381. 511 Frederick is adjacent and contiguous to parcels that are considered "eligible property".

Eligible Activities and Projected Costs

The "eligible activities" that are intended to be carried out at the Property are considered "eligible activities" as defined by Sec 2 of Act 381, because they include baseline environmental assessment activities, demolition, lead and asbestos abatement, department specific activities, site preparation, infrastructure improvements, and preparation and implementation of a brownfield plan and 381 work plan. The eligible activities and budgeted costs are intended as part of the development of the Property and will be financed solely by the Developer. The Authority is not responsible for any costs of eligible activities and will incur no debt. The eligible activities are estimated to commence within 18 months of approval of the Plan and be completed within 3 years.

Tax Increment Financing (TIF) Capture

The Developer desires to be reimbursed for the costs of eligible activities. Tax increment revenue generated by the Property will be captured by the DBRA and used to reimburse the cost of the eligible activities completed on the Property after approval of this Plan pursuant to the terms of a Reimbursement Agreement with the DBRA.

**COSTS TO BE REIMBURSED WITH TIF**

1. Baseline Environmental Assessment Activities	\$10,000.00
2. Due Care Activities	\$200,000.00
3. Demolition	\$2,620.00
4. Lead and Asbestos Abatement	\$2,500.00
5. Infrastructure Improvements	\$1,680,700.00
6. Site Preparation	\$60,000.00
7. Brownfield Plan & Work Plan Preparation	\$30,000.00
8. Contingency (15%)	\$293,373.00
<b>Total Reimbursement to Developer</b>	<b>\$2,279,193.00</b>
9. Authority Administrative Costs	\$474,063.00
10. State Brownfield Redevelopment Fund	\$163,677.00
11. Local Brownfield Revolving Fund	\$773,795.00
<b>TOTAL Estimated Costs</b>	<b>\$3,690,728.00</b>

The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from tax increment revenues of the DBRA from the Property shall be governed by the terms of the Reimbursement Agreement.

Other Incentives

The Developer is seeking additional incentives, which will include local and/or state approval of a Neighborhood Enterprise Zone PA 147 Tax Abatement.

DBRA's Request

The DBRA is respectfully requesting the following actions from the City Council:

- a.) October 1, 2019  
City Council adoption of the Resolution (Exhibit D), setting the Petit Bateau Brownfield Redevelopment Plan public hearing, as approved by the Planning and Economic Development Standing Committee Chair and the City of Detroit Clerk, for October 10, 2019 at 10:25 AM in the Council Chambers, 13<sup>th</sup> Floor of the Coleman A. Young Municipal Center, located at 2 Woodward Avenue, Detroit, Michigan.
- b.) October 10, 2019, 10:20 AM  
Discussion with taxing jurisdictions regarding the fiscal impact of the Plan.
- c.) October 10, 2019, 10:25 AM  
Public Hearing at City Council's Planning and Economic Development Standing Committee concerning the Petit Bateau Brownfield Redevelopment Plan.
- d.) October 15, 2019  
City Council adoption of the Resolution approving the Petit Bateau Brownfield Redevelopment Plan (Exhibit E).

Sincerely,



Jennifer Kanalos  
Authorized Agent

- C City Clerk  
Marcel Todd  
Irvin Corley, Jr.  
David Whitaker  
Derrick Headd  
Marcel Hurt  
DeAndree Watson  
Kevin Johnson  
Malinda Jensen  
Matthew Walters  
Allen Rawls  
Brian Vosburg  
Stephanie Washington

CITY OF DETROIT  
BROWNFIELD REDEVELOPMENT AUTHORITY

BROWNFIELD PLAN FOR THE  
PETIT BATEAU LLC  
DEVELOPMENT PROJECT

July 17, 2019

Prepared by:

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**CITY OF DETROIT  
BROWNFIELD REDEVELOPMENT AUTHORITY  
BROWNFIELD PLAN**

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## **I. INTRODUCTION**

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In order to promote the revitalization of environmentally distressed and blighted areas within the boundaries of the City of Detroit, Michigan (the “City”), the City has established the City of Detroit Brownfield Redevelopment Authority (the “DBRA”) pursuant to Michigan Public Act 381 of 1996, as amended (“Act 381”).

The primary purpose of this Brownfield Plan (“Plan”) is to promote the redevelopment of and private investment in certain “brownfield” properties within the City. Inclusion of property within this Plan will facilitate financing of environmental response and other eligible activities at eligible properties, and will also provide tax incentives to eligible taxpayers willing to invest in revitalization of eligible sites, commonly referred to as “brownfields.” By facilitating redevelopment of brownfield properties, this Plan is intended to promote economic growth for the benefit of the residents of the City and all taxing units located within and benefited by the DBRA.

This Plan is intended to apply to the eligible property identified in this Plan and, if tax increment revenues are proposed to be captured from that eligible property, to identify and authorize the eligible activities to be funded by such tax increment revenues.

This Plan is intended to be a living document, which may be modified or amended in accordance with the requirements of Act 381, as necessary to achieve the purposes of Act 381. The identification or designation of a developer or proposed use of the eligible property shall not necessitate an amendment to this Plan, affect the application of this Plan to the eligible property or impair the rights available to the DBRA under this Plan. The applicable sections of Act 381 are noted throughout the Plan for reference purposes.

This Plan describes the project to be completed (see Attachment C) and contains all the information required by Section 13(2) of Act 381.

## II. GENERAL PROVISIONS

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### A. Description of the Eligible Property (Section 13 (2)(h)) and the Project

The eligible property consists of the entire City of Detroit block bounded by Beaubien Street, Frederick Street, St. Antoine Street and the alleyway and is comprised of seven (7) parcels of land (503, 511, 525, 541, 555, 561, and 565 Frederick Street), Detroit, Wayne County containing approximately 1.51 acres of vacant land. The parcels described herein and all new taxable tangible personal property located thereon will comprise the eligible property under this Plan and is referred to herein as the "Property." With the exception of the 511 Frederick parcel which is adjacent and contiguous, the balance of the Property is considered a "facility" due to the presence of ethylbenzene, arsenic, chromium and selenium in the soil at levels exceeding acceptable screening levels. The Property has been vacant for years and was historically occupied by residential, multi-family apartments, a church and an auto repair shop.

Attachment A includes a site map of the Property. Parcel information for the Property is outlined below. Attachment B provides the individual legal descriptions for the Property.

<b>Owner</b>	Petit Bateau LLC
<b>Address</b>	503 Frederick
<b>Parcel ID</b>	003001481
<b>Owner</b>	Bernard Friedman (Under contract with Petit Bateau LLC)
<b>Address</b>	511 Frederick
<b>Parcel ID</b>	03001482
<b>Owner</b>	Petit Bateau LLC
<b>Address</b>	525 Frederick
<b>Parcel ID</b>	03001483
<b>Owner</b>	Petit Bateau LLC
<b>Address</b>	541 Frederick
<b>Parcel ID</b>	03001484-6
<b>Owner</b>	Petit Bateau LLC
<b>Address</b>	555 Frederick
<b>Parcel ID</b>	03001487-8
<b>Owner</b>	Petit Bateau LLC
<b>Address</b>	561 Frederick
<b>Parcel ID</b>	03001489.001
<b>Owner</b>	City of Detroit P&DD (Subject to Development Agreement with Petit Bateau LLC)

Address	565 Frederick
Parcel ID	03001489.002L

Petit Bateau LLC (“Developer”) is the project developer. Developer intends to prepare the Property for the construction of a five (5) story mixed-use building (“East Building”), a four (4) story mixed-use building (“West Building”) and approximately twenty (20) residential townhomes, along with associated site improvements (the “Project”). The Project will include a total of approximately eighty-five (85) units with the East Building containing approximately thirty-nine (39) units with approximately 3,200 SF of commercial space, the West Building containing approximately twenty-six (26) units, and approximately twenty (20) townhome units.

It is currently anticipated construction will begin in the fall of 2019 and eligible activities will be completed within 3-6 months from the commencement of construction. The project description provided herein is a summary of the proposed development at the time of the adoption of the Plan. The actual development may vary from the project description provided herein, without necessitating an amendment to this Plan, so long as such variations are not material and arise as a result of changes in market and/or financing conditions affecting the Project and/or are related to the addition or immaterial removal of amenities to the Project. Notwithstanding anything to the contrary contained herein, all material changes, as determined by DBRA in its sole discretion, to the project description are subject to the approval of the DBRA staff and shall be consistent with the overall nature of the proposed development, its proposed public purpose, and the purposes of Act 381.

Attachment C provides a description of the Project to be completed at the Property and Attachment D includes letters of support for the Project.

**B. Basis of Eligibility (Section 13 (2)(h) and Section 2 (o))**

Except for the 511 Frederick parcel, the balance of the Property is considered “eligible property” as defined by Act 381, Section 2 because (a) the Property was previously utilized for a commercial, industrial, public, or residential purpose; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) the Property was determined to be a “facility” as defined by Act 381. The 511 Frederick parcel is adjacent and contiguous to the balance of the Property and is also considered “eligible property.”

The Property is considered “eligible property” as defined by Act 381, Section 2 due to the presence of ethylbenzene, arsenic, chromium and selenium in the soil above the EGLE Part 201 Generic Cleanup Criteria (GCC), as well as the 511 Frederick parcel being adjacent and contiguous. Therefore, based on the results of the analytical sampling, the Property is classified as a “facility” under Part 201 of the Natural Resources and Environmental Protection Act, 451 P.A. 1994, as amended (“Act 451”). The individual parcels may be combined at a later date during the development process. Attachment G includes a confirmation of the “facility” status.

**C. Summary of Eligible Activities and Description of Costs (Section 13 (2)(a),(b))**

The “eligible activities” that are intended to be carried out at the Property are considered “eligible activities” as defined by Section 2 of Act 381, because they include baseline

environmental assessment activities, demolition, lead and asbestos abatement, department specific activities, site preparation, infrastructure improvements, and the development and preparation of brownfield plan and work plan.

A summary of the eligible activities and the estimated cost of each eligible activity intended to be paid for with tax increment revenues from the Property are shown in the table attached hereto as Attachment E. The eligible activities described in Attachment E are not exhaustive. Subject to the approval of DBRA staff in writing, additional eligible activities may be carried out at the Property, without requiring an amendment to this Plan, so long as such eligible activities are permitted by Act 381 and the cost of such eligible activities does not exceed the total costs stated in Attachment E.

Unless otherwise agreed to in writing by the DBRA, all eligible activities shall commence within eighteen (18) months after the date the governing body approves this Plan and will be completed within three (3) years after approval of the Michigan Strategic Fund (“MSF”) work plan, if applicable, or three (3) years after execution of the Reimbursement Agreement (as that term is defined below), whichever is later. Any long-term monitoring or operation and maintenance activities or obligations that may be required will be performed in compliance with the terms of this Plan and any documents prepared pursuant to this Plan.

The Developer desires to be reimbursed for the costs of eligible activities incurred by it as described below. Some eligible activities may commence prior to the adoption of this Plan and to the extent permitted by Act 381 shall be reimbursable pursuant to the Reimbursement Agreement. Tax increment revenue generated by the Property will be captured by the DBRA and used to reimburse the cost of the eligible activities completed on the Property pursuant to the terms of a Reimbursement Agreement to be executed by the DBRA and the Developer after approval of this Plan (the “Reimbursement Agreement”), to the extent permitted by Act 381.

In the event this Plan contemplates the capture of tax increment revenue derived from “taxes levied for school operating purposes” (as defined by Section 2(uu) of Act 381 and hereinafter referred to as “School Taxes”), the Developer acknowledges and agrees that DBRA’s obligation to reimburse the Developer for the cost of eligible activities with tax increment revenue derived from Local Taxes, or Specific Taxes that are considered Local Taxes, (as these capitalized terms are defined by Act 381) is contingent upon: (i) the Developer receiving at least the initial applicable work plan approvals by the MSF and the Michigan Department of Environment, Great Lakes and Energy (“EGLE”), as may be required pursuant to Act 381, within 180 days after the date this Plan is approved by the governing body, or such other date as the DBRA may agree to in writing or (ii) the Developer providing the DBRA with evidence, satisfactory to DBRA, that the Developer has the financial means to complete the project without the capture of, and subsequent reimbursement with, the contemplated School Taxes.

The costs listed in Attachment E are estimated costs and may increase or decrease depending on the nature and extent of any environmental contamination and other unknown conditions encountered on the Property. The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from tax increment

revenues of the DBRA from the Property shall be governed by the terms of the Reimbursement Agreement. No costs of eligible activities will be qualified for reimbursement except to the extent permitted in accordance with the terms and conditions of the Reimbursement Agreement and Act 381. The Reimbursement Agreement and this Plan will dictate the total cost of eligible activities subject to payment, provided that the total cost of eligible activities subject to payment or reimbursement under the Reimbursement Agreement shall not exceed the estimated costs set forth in Attachment E. As long as the total costs are not exceeded, line item costs of eligible activities may be adjusted after the date this Plan is approved by the governing body, to the extent the adjustments do not violate the terms of the approved EGLE or the MSF work plans.

**D. Estimate of Captured Taxable Value and Tax Increment Revenues (Section 13(2)(c)); Beginning Date of Capture of Tax Increment Revenues (Section (13)(2)(f); Impact of Tax Increment Financing on Taxing Jurisdictions (Section 13(2)(g))**

This Plan anticipates the capture of tax increment revenues to reimburse the Developer for the costs of eligible activities under this Plan in accordance with the Reimbursement Agreement. Subject to Section 13(b)(16) of Act 381, a table of estimated tax increment revenues to be captured is attached to this Plan as Attachment F. The figures included in Attachment F are estimates and are subject to change depending on actual assessed values and changes to annual millage rates.

Tax increments are projected to be captured and applied to the (i) reimbursement of eligible activity costs and payment of DBRA administrative and operating expenses, (ii) make deposits in the State Brownfield Redevelopment Fund and (iii) to make deposits into the DBRA's Local Brownfield Revolving Fund, as follows:

<b>Taxing Jurisdictions</b>	<b><u>Reimbursement Costs</u></b>	<b><u>DBRA Admin Costs</u></b>	<b><u>SBRF Capture</u></b>	<b><u>LBRF Capture</u></b>
School Operating Tax	\$683,922	\$0	\$0	\$76,969
State Education Tax	\$113,987	\$0	\$163,677	\$12,828
City General Operating	\$715,195	\$228,888	\$0	\$330,249
HCMA	\$7,671	\$2,455	\$0	\$3,542
Wayne County Op	\$202,468	\$64,797	\$0	\$93,492
WCCC	\$116,169	\$37,178	\$0	\$53,642
Library	\$165,991	\$53,123	\$0	\$76,648
Wayne County Other	\$77,918	\$24,936	\$0	\$35,979
Wayne County ISD	\$195,872	\$62,686	\$0	\$90,446
Total	\$2,279,193	\$474,063	\$163,677	\$773,795

In addition, the following taxes are projected to be generated but shall not be captured during the life of this Plan:

City Debt	\$471,582
School Debt	\$875,795
DIA	\$13,473

Zoo	\$6,737
Total	\$1,367,587

Nothing shall prohibit the Developer from submitting reimbursement requests up to the maximum amount of eligible costs approved for eligible activities under this Plan. In the event the actual tax increment revenue capture is greater than projected, the Developer will be reimbursed up to the maximum amount of eligible costs approved for eligible activities under this Plan.

In no event shall the duration of this Plan exceed thirty-five (35) years following the date of the governing body's resolution approving this Plan, nor shall the duration of the tax capture exceed the lesser of the period authorized under subsection (3) and (5) of Section 13 of Act 381 or 30 years. Further, in no event shall the beginning date of the capture of tax increment revenues be later than five (5) years after the date of the governing body's resolution approving this Plan. The first year of capture is anticipated to be 2020.

**E. Plan of Financing (Section 13(2)(d)); Maximum Amount of Indebtedness (Section 13(2)(e))**

The eligible activities are to be financed solely by the Developer. The DBRA will reimburse the Developer for the cost of approved eligible activities, but only from tax increment revenues generated from the Property. No advances have been or shall be made by the City or the DBRA for the costs of eligible activities under this Plan.

All reimbursements authorized under this Plan shall be governed by the Reimbursement Agreement. The inclusion of eligible activities and estimates of costs to be reimbursed in this Plan are intended to authorize the DBRA to fund such reimbursements and does not obligate the DBRA or the City to fund any reimbursement or to enter into the Reimbursement Agreement providing for the reimbursement of any costs for which tax increment revenues may be captured under this Plan, or which are permitted to be reimbursed under this Plan. The amount and source of any tax increment revenues that will be used for purposes authorized by this Plan, and the terms and conditions for such use and upon any reimbursement of the expenses permitted by this Plan, will be provided solely under the Reimbursement Agreement contemplated by this Plan.

Unless otherwise agreed upon by the Developer, the DBRA, and the State of Michigan, the DBRA shall not incur any note or bonded indebtedness to finance the purposes of this Plan.

Reimbursements under the Reimbursement Agreement shall not exceed the cost of eligible activities permitted under this Plan.

**F. Duration of Plan (Section 13(2)(f))**

Subject to Section 13b(16) of Act 381, the beginning date of capture of tax increment revenues from the Property shall occur in accordance with the tax increment financing (TIF) Table included as Attachment F. In no event, however, shall this Plan extend beyond the maximum term allowed by Section 13(2)(f) of Act 381 for the duration of this Plan.

Furthermore, this Plan, or any subsequent amendment thereto, may be abolished or terminated in accordance with Section 14(8) of Act 381 in the event of any of the following:

- a. The governing body may abolish this Plan (or any subsequent amendment thereto) when it finds that the purposes for which this Plan was established have been accomplished.
- b. The governing body may terminate this Plan (or any subsequent amendment thereto) if the project for which eligible activities were identified in this Plan (or any subsequent amendment thereto) fails to occur with respect to the eligible property for at least two (2) years following the date of the governing body resolution approving this Plan (or any subsequent amendment thereto), provided that the governing body first does both of the following: (i) gives 30 days' written notice to the Developer at its last known address by certified mail or other method that documents proof of delivery attempted; and (ii) provides the Developer with an opportunity to be heard at a public meeting.

Notwithstanding anything in this subsection to the contrary, this Plan (or any subsequent amendment thereto) shall not be abolished or terminated until the principal and interest on bonds, if any, issued under Section 17 of Act 381 and all other obligations to which the tax increment revenues are pledged have been paid or funds sufficient to make the payment have been identified or segregated.

**G. Effective Date of Inclusion in Brownfield Plan**

The Property will become a part of this Plan on the date this Plan is approved by the governing body.

**H. Displacement/Relocation of Individuals on Eligible Property (Section 13(2)(i-l))**

There are no persons or businesses residing on the eligible property and no occupied residences will be acquired or cleared, therefore there will be no displacement or relocation of persons or businesses under this Plan.

**I. Local Brownfield Revolving Fund ("LBRF") (Section 8); Section 13(2)(m))**

The DBRA has established a Local Brownfield Revolving Fund ("LBRF"). The LBRF will consist of all tax increment revenues authorized to be captured and deposited in the LBRF, as specified in Section 13(5) of Act 381, under this Plan and any other plan of the DBRA. It may also include funds appropriated or otherwise made available from public or private sources.

The amount of tax increment revenue authorized for capture and deposit in the LBRF is estimated at \$773,795. All funds, if any, deposited into the LBRF shall be used in accordance with Section 8 of Act 381.

**J. Brownfield Redevelopment Fund (Section 8a); Section 13(2)(m))**

The DBRA shall pay to the Department of Treasury at least once annually an amount equal to 50% of the taxes levied under the state education tax, 1993 PA 331, MCL 211.901 to 211.906, that are captured under this Plan for up to the first twenty-five (25) years of the duration of capture of tax increment revenues for each eligible property included in this



Plan. If the DBRA pays an amount equal to 50% of the taxes levied under the state education tax, 1993 PA 331, MCL 211.901 to 211.906, on a parcel of eligible property to the Department of Treasury under Section 13b(14) of Act 381, the percentage of local taxes levied on that parcel and used to reimburse eligible activities for the Project under this Plan shall not exceed the percentage of local taxes levied on that parcel that would have been used to reimburse eligible activities for the Project under this Plan if the 50% of the taxes levied under the state education tax, 1993 PA 331, MCL 211.901 to 211.906, on that parcel were not paid to the Department of Treasury under Section 13b(14) of Act 381.

**K. Developer's Obligations, Representations and Warrants**

The Developer and its affiliates shall comply with all applicable laws, ordinances, executive orders, and/or other regulations imposed by the City or any other properly constituted governmental authority with respect to the Property and shall use the Property in accordance with this Plan

The Developer, at its sole cost and expense, shall be solely responsible for and shall fully comply with all applicable federal, state, and local relocation requirements in implementing this Plan.

The Developer represents and warrants that a Phase I Environmental Site Assessment ("ESA") and a Phase II ESA have been performed on the Property ("Environmental Documents"). Attached hereto as Attachment G is the City of Detroit's Department of Buildings, Safety Engineering and Environmental acknowledgement of its receipt of the Environmental Documents.

The Developer further represents and warrants that the Project does not and will not include a City of Detroit Land Bank Authority, Wayne County Land Bank Authority, or State of Michigan Land Bank Authority financing component.

Except as otherwise agreed to by the DBRA, any breach of a representation or warranty contained in this Plan shall render the Plan invalid, subject to the Developer's reasonable opportunity to cure as described in the Reimbursement Agreement.

### **III. ATTACHMENTS**

**ATTACHMENT A**

**Site Map**







George J. Hartman  
Architects, P.C.

6955 Telegraph Road  
Suite 101  
Bloomfield Hills, MI 48301  
248-256-5811 PH  
hartmanarchitects@gmail.com

DATE:  
May 17, 2019  
Revised: May 20, 2019  
Revised: May 28, 2019  
Revised: June 3, 2019  
Revised: June 10, 2019  
Revised: July 10, 2019

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Project:

Peifit Bateau  
Development

Developer:

Naitah, LLC.

40 East Ferry  
Detroit, Michigan 48202  
313.874.2545

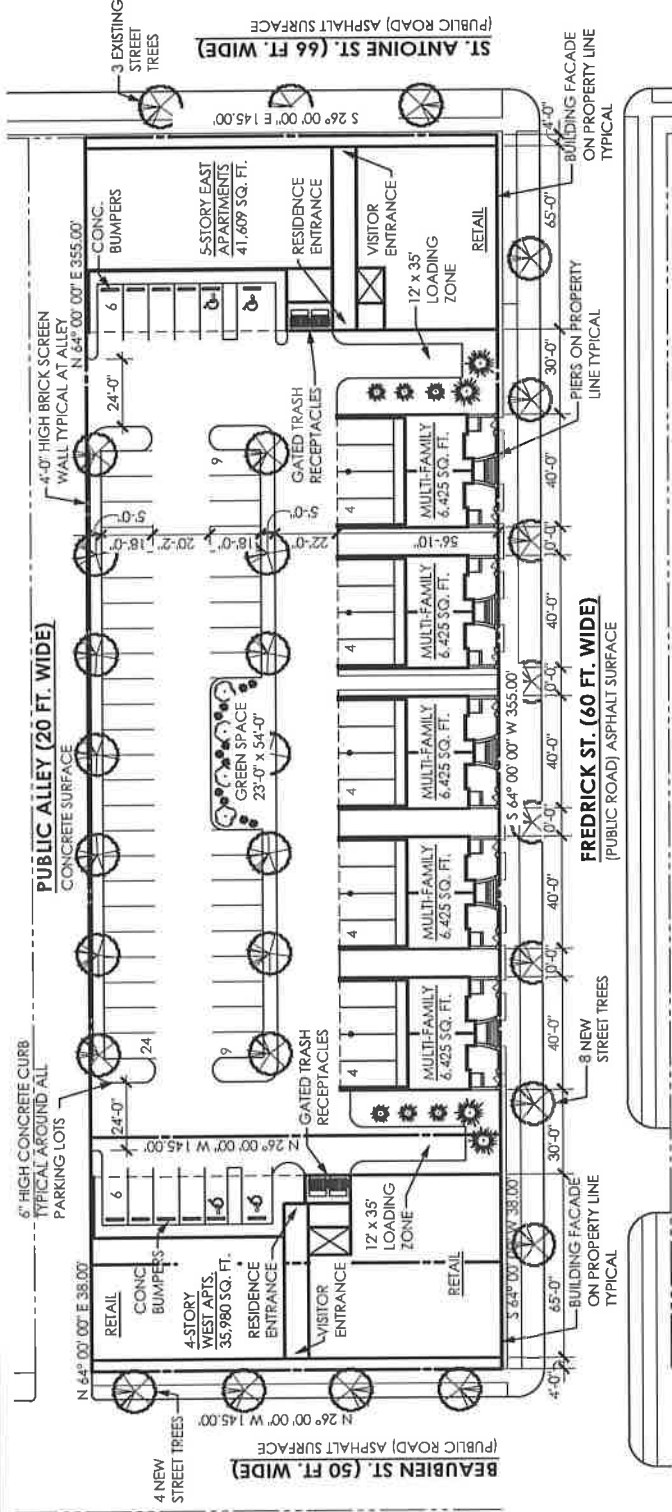
GHA Project #1911

A-0.1

Site Design

**LEGAL DESCRIPTION:**  
LAND IN THE CITY OF DETROIT, COUNTY OF WAYNE AND STATE OF MICHIGAN, BEING THE WEST 38 FEET OF THE EAST 218 FEET OF THE SOUTH 145.09 FEET OF LOT 19S, THE WEST 45 FEET OF THE EAST 135 FEET OF THE SOUTH 145.09 FEET OF LOT 19S, AND THE EAST 90 FEET OF THE SOUTH 145.09 FEET OF LOT 19S, ALL LYING NORTH OF AND ADJACENT TO FREDRICK AVENUE, 60 FEET WIDE; "PLAT OF PART OF BEAUBIEN FARM IN THE CITY OF DETROIT AS SURVEYED INTO TOWN LOTS FOR PROPRIETORS BY JOHN MULLETT SURVEYOR"; JULY 1831, AS RECORDED IN LIBER 6, PAGE 475-478, CITY RECORDS, ALSO, LOT 10 AND THE WEST 16 FEET OF LOT 9; BLOCK 36; "FERRY & LYSTER'S SUBDIVISION OF BLOCKS 32, 34, 35, 36, 37, AND 38, ANTOINE BEAUBIEN FARM" BETWEEN FERRY AVE., AND THEODORE ST., CITY OF DETROIT, WAYNE COUNTY, MICHIGAN. (AS RECORDED IN LIBER 12, OF PLATS, PAGE 42) ALSO THE EAST 32 FEET OF LOT 9, ALL OF LOTS 8 AND 7, AND THE WEST 28 FEET OF LOT 6, BLOCK 36, OF SAID FERRY AND LYSTER'S SUBDIVISION.

**PARKING REQUIREMENTS:**  
SURFACE PARKING PROVIDED = 54 SPACES  
MULTI-FAMILY PARKING PROVIDED = 20 SPACES (1 PER UNIT)  
TOTAL PARKING PROVIDED = 74 SPACES  
PARKING REQUIRED = 75 SPACES X .65 UNITS = 48.75 (49) SPACES  
SURPLUS = 5 SPACES  
LANDSCAPE REQUIREMENTS  
LANDSCAPE AREA REQUIRED = 54 SPACES X 18 SQ. FT. PER SPACE = 972 SQ. FT.  
LANDSCAPE AREA PROVIDED = 9,785 SQ. FT.  
SHADE TREES REQUIRED = 1 PER 250 SQ. FT. = 954 SQ. FT. REQUIRED / 250 = 4 TREES  
14 TREES PROVIDED



**SITE PLAN DESIGN**  
SCALE: 1" = 40'-0"



**ATTACHMENT B  
Legal Descriptions**

<b>Owner</b>	Petit Bateau LLC
<b>Address</b>	503 Frederick
<b>Parcel ID</b>	003001481
<b>Legal Description</b>	N FREDERICK W 38 FT OF E 218 FT OF S 145.09 FT OF 195 LYG N & ADJ FREDERICK AVE 60'WDPLAT OF COMMISSIONERS SUB OF L BEAUBIEN FARM L6 P475-8 CITY RECORDS, W C R 3/3 38 X 145.09
<b>Owner</b>	Bernard Friedman (Under contract with Petit Bateau LLC)
<b>Address</b>	511 Frederick
<b>Parcel ID</b>	03001482
<b>Legal Description</b>	N FREDERICK W 45 FT OF E 180 FT OF S 145.09 FT OF 195 LYG N & ADJ FREDERICK AVE 60'WDPLAT OF COMMISSIONERS SUB OF L BEAUBIEN FARM L6 P475-8 CITY RECORDS, W C R 3/3 45 X 145.09
<b>Owner</b>	Petit Bateau LLC
<b>Address</b>	525 Frederick
<b>Parcel ID</b>	03001483
<b>Legal Description</b>	N FREDERICK W 45 FT OF E 135 FT OF S 145.09 FT OF 195 LYG N & ADJ FREDERICK AVE 60'WDPLAT OF COMMISSIONERS SUB OF L BEAUBIEN FARM L6 P475-8 CITY RECORDS, W C R 3/3 45 X 145.09
<b>Owner</b>	Petit Bateau LLC
<b>Address</b>	541 Frederick
<b>Parcel ID</b>	03001484-6
<b>Legal Description</b>	N FREDERICK E 90 FT OF S 145.09 FT OF 195 LYG N & ADJ FREDERICK AVE 60'WDPLAT OF COMMISSIONERS SUB OF L BEAUBIEN FARM L6 P475-8 CITY RECORDS, W C R 3/3 W 32 FT OF 10BLK 36 FERRY & LYSTERS SUB L12 P42 PLATS, W C R 3/64 122 X 145.09
<b>Owner</b>	Petit Bateau LLC
<b>Address</b>	555 Frederick
<b>Parcel ID</b>	03001487-8
<b>Legal Description</b>	N FREDERICK E 16 FT OF 10 W 16 FT OF 9 BLK 36 FERRY & LYSTERS SUB OF BLKS 32, 34 THRU 38 L12 P42 PLATS, W C R 3/64 32 X 145.09
<b>Owner</b>	Petit Bateau LLC

<b>Address</b>	561 Frederick
<b>Parcel ID</b>	03001489.001
<b>Legal Description</b>	N FREDERICK E 32 FT 9 8 THRU 7 W 28 FT 6BLK 36--- FERRY & LEYSTERS L12 P42 PLATS W C R 3/64 156 X 145.09
<b>Owner</b>	City of Detroit P&DD (Subject to Development Agreement with Petit Bateau LLC)
<b>Address</b>	565 Frederick
<b>Parcel ID</b>	03001489.002L
<b>Legal Description</b>	N FREDERICK E 16 FT 6BLK 36---FERRY & LEYSTERS L12 P42 PLATS W C R 3/64 16 X 145.09



## ATTACHMENT C

### Project Description

#### PROJECT SUMMARY

- Project Name:** Petit Bateau Development
- Project Location:** 503, 511, 525, 541, 555, 561, and 565 Frederick Street, Detroit, Wayne County, MI
- Type of Eligible Property:** Facility and Adjacent and Contiguous
- Total Project Investment:** Approximately \$23,400,000
- Eligible Activities:** Baseline environmental assessment activities, demolition, lead and asbestos abatement, department specific activities, site preparation, infrastructure improvements (including green storm water management system), and development, preparation and implementation of brownfield plan and work plan.
- Reimbursable Costs:** \$2,279,193 – Nothing shall prohibit the Developer from submitting reimbursement requests up to the maximum amount of eligible costs approved for eligible activities under this Plan. In the event the actual tax increment revenue capture is greater than projected, the Developer will be reimbursed up to the maximum amount of eligible costs approved for eligible activities under this Plan.
- Years to Complete Payback:** 23 years
- Base TV/New TV Estimate:** Base \$13,215/New \$3,600,000
- Project Overview:** Petit Bateau LLC is proposing to he proposed project will include construction of a five (5) story mixed use building (“East Building”) with ground floor retail and thirty-nine (39) residential units above, a four (4) story mixed use building (“West Building”) with ground floor retail and twenty-six (26) residential units above, and twenty (20) residential townhomes (the “Project”). The Project will include a total of eighty-five (85) units.
- The Project will redevelop one of the last development sites in Midtown and the Historic Art Center neighborhood. The Property was historically occupied by residential, multi-family apartments, a church and an auto repair shop.

The site is currently vacant and owned/under the control by the Developer and consists of seven (7) parcels comprising approximately 1.51 acres. Total investment in the Project is estimated to be approximately \$23 million with approximately 100 temporary construction jobs and 2 new positions associated with the residential units. The Project will significantly improve the site and surrounding area through the delivery of quality infill and affordable mixed-use housing in the City.

The Project was a recipient of EPA grant funding from the DBRA/City of Detroit to pay for initial site assessments. Grant funded costs are not included as part of the Reimbursable Costs.

**ATTACHMENT D**

**Support Letters**



September 16, 2019

Ms. Jennifer Kanalos  
Authorized Agent  
Detroit Brownfield Redevelopment Authority  
500 Griswold, Suite 2200  
Detroit, Michigan 48226

**RE: Petit Bateau LLC Brownfield Redevelopment Plan**

Dear Ms. Kanalos,

The Detroit Brownfield Redevelopment Authority (DBRA) has asked that the Planning and Development Department to review and comment on the Petit Bateau LLC Brownfield Redevelopment Plan (the "Plan").

Petit Bateau LLC is the project developer ("Developer"). The property in the Plan is located on approximately five (5) parcels of land on the north side of Frederick Street in the Art Center neighborhood of Detroit's Midtown and is bounded by Beaubien Street to the west, Frederick Street to the south, St. Antoine Street to the east, and the alleyway to the north.

The Plan consists of the construction of a five-story mixed-use building, a three-story mixed-use building and twenty townhomes, onsite structured parking, and green stormwater infrastructure features. The Plan will include approximately 71 residential units. The project will develop one of the last development sites in Midtown and the Historic Art Center neighborhood. Total investment is estimated at \$14.4 million.

The review for this brownfield plan is complete and all comments have been forwarded to the developer. No adverse comments were received. The Planning and Development Department recommends approval of the brownfield plan as submitted.

Sincerely,

Russell Baltimore  
Assistant Director Design Review  
Planning and Development Department

c: B. Vosburg



October 12, 2018

Mr. Julio Bateau  
Nailah LLC  
421 E. Ferry  
Detroit, MI 48202

Re: Petit Bateau Development

Dear Mr. Bateau:

Thank you for your interest in Local Initiatives Support Corporation (LISC) for financing your proposed mixed use project in the Midtown Detroit neighborhood. LISC understands the project will be approximately 110 units of housing which include affordable residential units and 22,000 sq. ft. of commercial space. Project development costs are approximately \$15 million with prospective financing sources including senior mortgage loan, Brownfields, PACE, CRP and owner's equity.

LISC supports the development of the proposed project which will help address the need for decent affordable housing and business support in neighborhood developments. LISC can provide a construction, bridge and mini-perm loans to help bring the project to fruition.

Please feel free to contact me at 313.265.2892 if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Anthony Batiste".

Anthony Batiste  
Director, Lending and Portfolio Management

October 17, 2018

Richard Hosey, Owner  
Kirby Center Lofts  
609 E Kirby Detroit, MI 48202

Mr. Julio Bateau  
East Ferry Development  
421 E. Ferry  
Detroit, MI 48202

Dear Mr. Bateau,

I am pleased to write this letter of support for the Petit Bateau housing development on Frederick street in the Art Center district of Midtown Detroit. Your track record in providing quality housing in this neighborhood is extremely strong and your efforts have in large part been responsible for much of the investment that is continuing today in this historic section of Detroit.

I am very supportive of this project as it will bring additional need density to a neighborhood that is extremely desirable given its unique set of assets including museums, schools and day care facilities. This project represents a fulfillment of the hopes previous developments as well as state and local governments, that prior work would be a catalyst for this infill development to complete the block. Although some of the housing built recently in the neighborhood have incorporated an affordable component, more moderate income developments are needed to maintain the diversity of the Art Center area.

I wish you the best of luck with this project.



Richard Hosey  
Owner, Kirby Center Lofts



Warren C. Evans  
Wayne County Executive

Brian Vosburg  
Director of Brownfield Redevelopment  
DEGC  
Detroit, MI

RE: Wayne County Support for Petit Bateau Development Project

Dear Mr. Vosburg,

On behalf of the Wayne County Economic Development Corporation (WCEDC) and the Wayne County Brownfield Redevelopment Authority (WCBRA), I am writing to offer our support of this project. We are excited by the opportunity to support the Petit Bateau as it works to redevelop this brownfield property in the City of Detroit, creating improved environmental conditions as well as jobs and affordable homes. In addition, the WCBRA has continuing discussions to possibly provide low-interest loans to help support this project financially through its Revolving Loan Fund. We have worked with Julio Bateau in the past and find him to be a positive actor in the community and a capable developer for projects such as this one.

We look forward to working with you and with Petit Bateau LLC to see this project completed. If you have any questions, please do not hesitate to contact me.

Sincerely,

Dakota Korth  
Department Executive  
Wayne County Economic Development Authority

**WAYNE COUNTY**  
**ECONOMIC DEVELOPMENT CORPORATION**  
500 Griswold Street, 28<sup>th</sup> Floor  
Detroit, Michigan 48226  
[www.waynecounty.com](http://www.waynecounty.com)

## ATTACHMENT E

### Estimated Cost of Eligible Activities Table

#### ESTIMATED COST OF ELIGIBLE ACTIVITIES

Description of Eligible Activities	Estimated Cost
<b>Environmental Activities</b>	
1. Baseline Environmental Assessment Activities	\$ 10,000
2. Due Care Activities – soil excavation, transportation and disposal	\$ 200,000
<b>Subtotal – Environmental Activities</b>	<b>\$ 210,000</b>
3. Contingency (15%)	\$ 31,500
4. Brownfield Plan and Work Plan development and preparation	\$ 15,000
<b>Total Environmental Activities</b>	<b>\$ 256,500</b>
<b>Non-Environmental Activities</b>	
5. Demolition	\$ 2,620
6. Lead and Asbestos Abatement	\$ 2,500
7. Site Preparation	\$60,000
8. Infrastructure Improvements (including green storm water management system)	\$ 1,680,700
<b>Subtotal – Non-Environmental Activities</b>	<b>\$ 1,745,820</b>
9. Contingencies (15%)	\$ 261,873
10. Brownfield Plan and Work Plan development and preparation	\$ 15,000
<b>Total Non-Environmental Activities</b>	<b>\$ 2,022,693</b>
<b>Total Estimated Cost to Developer to be Funded Through TIF</b>	<b>\$ 2,279,193</b>
11. State Brownfield Revolving Fund	\$ 163,677
12. DBRA Administrative Fees	\$ 474,063
13. Local Brownfield Revolving Fund	\$ 773,795
<b>Total Potential Capture</b>	<b>\$ 3,690,728</b>



**ATTACHMENT F**

**TIF Tables**

**Tax Increment Revenue Capture Estimates for Homestead Units**  
 Pratt Besau, LLC  
 503, 511, 525, 541, 555, 561 and 565 Frederick Street  
 Detroit, Michigan  
 July 17, 2019

Calendar Year	NEZ - Homestead Units												
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Base Land Taxable Value	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200
Estimated New Land TV	\$ 3,200	\$ 3,200	\$ 3,224	\$ 3,248	\$ 3,273	\$ 3,297	\$ 3,322	\$ 3,347	\$ 3,372	\$ 3,397	\$ 3,423	\$ 3,448	\$ 3,474
Estimated New Improvements TV	\$ -	\$ -	\$ 872,331	\$ 878,874	\$ 885,465	\$ 892,106	\$ 898,797	\$ 905,538	\$ 912,330	\$ 919,172	\$ 926,066	\$ 933,011	\$ 940,009
Incremental Land Difference (New TV - Base TV)	\$ -	\$ -	\$ 24	\$ 48	\$ 73	\$ 97	\$ 122	\$ 147	\$ 172	\$ 197	\$ 223	\$ 248	\$ 274
Incremental Improvements Difference (New TV - Base TV)	\$ -	\$ -	\$ 872,331	\$ 878,874	\$ 885,465	\$ 892,106	\$ 898,797	\$ 905,538	\$ 912,330	\$ 919,172	\$ 926,066	\$ 933,011	\$ 940,009
<b>Millage Rate</b>													
School Operating Tax	\$ -	\$ -	\$ 1,393	\$ 1,363	\$ 1,334	\$ 1,304	\$ 1,274	\$ 1,244	\$ 1,214	\$ 1,184	\$ 1,154	\$ 1,124	\$ 1,094
NEZ Taxes	\$ -	\$ -	\$ 15,248	\$ 15,163	\$ 15,078	\$ 14,994	\$ 14,910	\$ 14,826	\$ 14,742	\$ 14,658	\$ 14,574	\$ 14,490	\$ 14,406
School Total	\$ -	\$ -	\$ 1,393	\$ 1,363	\$ 1,334	\$ 1,304	\$ 1,274	\$ 1,244	\$ 1,214	\$ 1,184	\$ 1,154	\$ 1,124	\$ 1,094
<b>Local Entities</b>													
City General Op	\$ -	\$ -	\$ 4,099	\$ 4,534	\$ 4,568	\$ 4,603	\$ 4,638	\$ 4,673	\$ 4,709	\$ 4,744	\$ 4,781	\$ 4,817	\$ 4,853
Wayne County Op	\$ -	\$ -	\$ 1,774	\$ 1,783	\$ 1,793	\$ 1,803	\$ 1,813	\$ 1,823	\$ 1,833	\$ 1,843	\$ 1,853	\$ 1,864	\$ 1,874
Huron Clinton MA	\$ -	\$ -	\$ 48	\$ 49	\$ 49	\$ 49	\$ 50	\$ 50	\$ 51	\$ 51	\$ 51	\$ 52	\$ 52
Wayne County Safety	\$ -	\$ -	\$ 212	\$ 213	\$ 215	\$ 216	\$ 218	\$ 220	\$ 221	\$ 223	\$ 225	\$ 226	\$ 228
Library	\$ -	\$ -	\$ 1,044	\$ 1,052	\$ 1,060	\$ 1,068	\$ 1,076	\$ 1,085	\$ 1,093	\$ 1,101	\$ 1,110	\$ 1,118	\$ 1,126
Wayne County Parks	\$ -	\$ -	\$ 55	\$ 56	\$ 56	\$ 57	\$ 57	\$ 58	\$ 58	\$ 58	\$ 59	\$ 59	\$ 60
Wayne County Community College	\$ -	\$ -	\$ 731	\$ 736	\$ 742	\$ 748	\$ 753	\$ 759	\$ 765	\$ 771	\$ 776	\$ 782	\$ 788
Wayne County	\$ -	\$ -	\$ 223	\$ 225	\$ 227	\$ 228	\$ 230	\$ 232	\$ 234	\$ 235	\$ 237	\$ 239	\$ 241
County ISD Spec Ed	\$ -	\$ -	\$ 759	\$ 765	\$ 771	\$ 777	\$ 783	\$ 789	\$ 795	\$ 801	\$ 807	\$ 813	\$ 819
County ISD Enhancement	\$ -	\$ -	\$ 451	\$ 454	\$ 458	\$ 461	\$ 465	\$ 468	\$ 472	\$ 476	\$ 479	\$ 483	\$ 487
County ISD Oper	\$ -	\$ -	\$ 22	\$ 22	\$ 22	\$ 22	\$ 22	\$ 23	\$ 23	\$ 23	\$ 23	\$ 23	\$ 23
Local Total	\$ -	\$ -	\$ 9,319	\$ 9,390	\$ 9,461	\$ 9,533	\$ 9,606	\$ 9,679	\$ 9,752	\$ 9,827	\$ 9,901	\$ 9,976	\$ 10,052
<b>Non-Captureable Taxes</b>													
Zoo Authority	\$ -	\$ -	\$ 23	\$ 23	\$ 23	\$ 23	\$ 23	\$ 23	\$ 24	\$ 24	\$ 24	\$ 24	\$ 24
Art Institute	\$ -	\$ -	\$ 45	\$ 45	\$ 46	\$ 46	\$ 46	\$ 47	\$ 47	\$ 48	\$ 48	\$ 48	\$ 49
School Debt	\$ -	\$ -	\$ 2,932	\$ 2,954	\$ 2,976	\$ 2,999	\$ 3,022	\$ 3,045	\$ 3,068	\$ 3,091	\$ 3,115	\$ 3,138	\$ 3,162
CRV Debt	\$ -	\$ -	\$ 1,579	\$ 1,591	\$ 1,603	\$ 1,615	\$ 1,627	\$ 1,640	\$ 1,652	\$ 1,665	\$ 1,677	\$ 1,690	\$ 1,703
Total Non-Captureable Taxes	\$ -	\$ -	\$ 4,579	\$ 4,613	\$ 4,644	\$ 4,683	\$ 4,719	\$ 4,755	\$ 4,791	\$ 4,827	\$ 4,864	\$ 4,901	\$ 4,938
<b>Total Tax Increment Revenue (TIR) Available for Capture</b>													
	\$ -	\$ -	\$ 10,672	\$ 10,753	\$ 10,835	\$ 10,917	\$ 11,000	\$ 11,084	\$ 11,168	\$ 11,253	\$ 11,339	\$ 11,425	\$ 11,512

**Footnotes:**  
 Local entities will be captured but TIF projections only show incremental revenue for ease of reference.  
 Assume new taxable value based on proposed build out, plus 0.75% annual inflation increases thereafter.  
 Assume millage rate remains the same.  
 Assumes 15yr NEZ.  
 2020 is the first year of TIF Capture.

Tax Increment Revenue Capture Estimates for Homestead Units  
 Park Township, LLC  
 503, 511, 525, 541, 555, 565, 565 and 565 Frederick Street  
 Detroit, Michigan  
 July 17, 2019

	14	15	16	17	18	19	20	21	22	23	24	25	26	27	TOTAL
	Phase Out														
	Phase Out	Phase Out	Phase Out	Phase Out	Phase Out	Phase Out	Phase Out	Phase Out	Phase Out	Phase Out	Phase Out	Phase Out	Phase Out	Phase Out	
Plan Year	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	
Calendar Year															
Estimated Taxable Value (TV) Increase Base:															
Base Land Taxable Value	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200
Estimated New Land TV	\$ 3,500	\$ 3,526	\$ 3,553	\$ 3,580	\$ 3,606	\$ 3,633	\$ 3,661	\$ 3,688	\$ 3,716	\$ 3,744	\$ 3,772	\$ 3,800	\$ 3,829	\$ 3,857	\$ 3,887
Estimated New Improvements TV	\$ 947,059	\$ 954,162	\$ 961,318	\$ 968,528	\$ 975,792	\$ 983,110	\$ 990,484	\$ 997,912	\$ 1,005,397	\$ 1,012,937	\$ 1,020,534	\$ 1,028,188	\$ 1,035,900	\$ 1,043,669	\$ 1,043,669
Incremental Land Difference (New TV - Base TV)	\$ 360	\$ 326	\$ 353	\$ 380	\$ 406	\$ 433	\$ 461	\$ 488	\$ 516	\$ 544	\$ 572	\$ 600	\$ 629	\$ 657	\$ 657
Incremental Improvements Difference (New TV - Base TV)	\$ 947,059	\$ 954,162	\$ 961,318	\$ 968,528	\$ 975,792	\$ 983,110	\$ 990,484	\$ 997,912	\$ 1,005,397	\$ 1,012,937	\$ 1,020,534	\$ 1,028,188	\$ 1,035,900	\$ 1,043,669	\$ 1,043,669
<b>School Capture</b>															
State Education Tax (SET)	\$ 1,471	\$ 5,727	\$ 5,770	\$ 5,813	\$ 5,857	\$ 5,901	\$ 5,946	\$ 5,990	\$ 6,035	\$ 6,081	\$ 6,127	\$ 6,173	\$ 6,220	\$ 6,267	\$ 6,314
School Operating Tax	\$ 1,471	\$ 5,727	\$ 5,770	\$ 5,813	\$ 5,857	\$ 5,901	\$ 5,946	\$ 5,990	\$ 6,035	\$ 6,081	\$ 6,127	\$ 6,173	\$ 6,220	\$ 6,267	\$ 6,314
<b>School Total</b>	\$ 1,471	\$ 5,727	\$ 5,770	\$ 5,813	\$ 5,857	\$ 5,901	\$ 5,946	\$ 5,990	\$ 6,035	\$ 6,081	\$ 6,127	\$ 6,173	\$ 6,220	\$ 6,267	\$ 6,314
<b>Local Capture</b>															
City General Op	\$ 4,890	\$ 11,905	\$ 14,392	\$ 16,916	\$ 19,477	\$ 22,074	\$ 24,704	\$ 27,374	\$ 30,081	\$ 32,824	\$ 35,601	\$ 38,412	\$ 41,258	\$ 44,148	\$ 47,076
Wayne County Op	\$ 1,364	\$ 3,370	\$ 4,074	\$ 4,780	\$ 5,514	\$ 6,284	\$ 7,098	\$ 7,954	\$ 8,850	\$ 9,787	\$ 10,764	\$ 11,781	\$ 12,838	\$ 13,934	\$ 15,070
Huron Clinton MA	\$ 52	\$ 204	\$ 306	\$ 407	\$ 509	\$ 610	\$ 710	\$ 810	\$ 909	\$ 1,008	\$ 1,106	\$ 1,204	\$ 1,301	\$ 1,400	\$ 1,497
Wayne County Safety	\$ 230	\$ 895	\$ 902	\$ 909	\$ 916	\$ 923	\$ 930	\$ 937	\$ 944	\$ 951	\$ 958	\$ 965	\$ 972	\$ 979	\$ 986
Wayne County Public Works	\$ 1,125	\$ 4,470	\$ 4,433	\$ 4,433	\$ 4,539	\$ 4,623	\$ 4,698	\$ 4,773	\$ 4,848	\$ 4,923	\$ 4,998	\$ 5,073	\$ 5,148	\$ 5,223	\$ 5,298
Wayne County Community College	\$ 794	\$ 3,093	\$ 3,117	\$ 3,140	\$ 3,164	\$ 3,187	\$ 3,211	\$ 3,235	\$ 3,259	\$ 3,284	\$ 3,308	\$ 3,332	\$ 3,356	\$ 3,380	\$ 3,404
Wayne County Spec Ed	\$ 243	\$ 945	\$ 952	\$ 959	\$ 966	\$ 973	\$ 981	\$ 988	\$ 995	\$ 1,003	\$ 1,011	\$ 1,019	\$ 1,026	\$ 1,034	\$ 1,041
County ISD Enhancement	\$ 490	\$ 1,009	\$ 1,032	\$ 1,055	\$ 1,078	\$ 1,101	\$ 1,124	\$ 1,147	\$ 1,170	\$ 1,193	\$ 1,216	\$ 1,239	\$ 1,262	\$ 1,285	\$ 1,308
County ISD Oper	\$ 24	\$ 92	\$ 93	\$ 93	\$ 94	\$ 95	\$ 96	\$ 96	\$ 97	\$ 98	\$ 99	\$ 99	\$ 100	\$ 101	\$ 102
<b>Local Total</b>	\$ 10,129	\$ 30,213	\$ 33,287	\$ 36,360	\$ 40,340	\$ 44,324	\$ 48,310	\$ 52,296	\$ 56,282	\$ 60,268	\$ 64,254	\$ 68,240	\$ 72,226	\$ 76,212	\$ 80,198
<b>Non-Capturable Millage</b>															
Zoo Authority	\$ 25	\$ 95	\$ 96	\$ 96	\$ 98	\$ 99	\$ 99	\$ 100	\$ 101	\$ 101	\$ 102	\$ 103	\$ 104	\$ 104	\$ 104
Art Institute	\$ 49	\$ 191	\$ 192	\$ 194	\$ 195	\$ 197	\$ 198	\$ 200	\$ 201	\$ 203	\$ 204	\$ 206	\$ 207	\$ 209	\$ 210
School Debt	\$ 3,186	\$ 12,408	\$ 12,596	\$ 12,801	\$ 13,021	\$ 13,256	\$ 13,505	\$ 13,768	\$ 14,045	\$ 14,337	\$ 14,634	\$ 14,937	\$ 15,245	\$ 15,557	\$ 15,874
City Debt	\$ 1,716	\$ 6,681	\$ 6,732	\$ 6,782	\$ 6,833	\$ 6,884	\$ 6,935	\$ 6,986	\$ 7,037	\$ 7,088	\$ 7,139	\$ 7,190	\$ 7,241	\$ 7,292	\$ 7,343
<b>Total Non-Capturable Taxes</b>	\$ 4,976	\$ 19,376	\$ 19,522	\$ 19,669	\$ 19,817	\$ 19,966	\$ 20,116	\$ 20,268	\$ 20,420	\$ 20,574	\$ 20,728	\$ 20,884	\$ 21,042	\$ 21,202	\$ 21,362
<b>Total Tax Increment Revenue (TIR) Available for Capture</b>	\$ 11,599	\$ 36,010	\$ 39,357	\$ 42,753	\$ 46,197	\$ 49,645	\$ 53,094	\$ 56,544	\$ 60,000	\$ 63,454	\$ 66,909	\$ 70,366	\$ 73,824	\$ 77,283	\$ 80,742

**DISCLAIMER:**  
 Land Increment will be captured but TIF projections only show improvements capture for ease of reference. Actuals may include value based on proposed build out. Plus 0.75% Annual Inflation Increases Overlifer Assume 15% NEZ 2020 as the first year of TIF Capture

Tax Increment Revenue Capture Estimates for Non-Homestead Units  
 Pratt Bureau, LLC  
 503, 511, 525, 541, 555, 561 and 565 Frederick Street  
 Detroit, Michigan  
 July 17, 2019

Calendar Year	NEZ - Non-Homestead Units													
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	
Estimated Taxable Value (TV) Increase Rate: 0.75%														
Base Land Taxable Value	\$ 10,015	\$ 10,015	\$ 10,015	\$ 10,015	\$ 10,015	\$ 10,015	\$ 10,015	\$ 10,015	\$ 10,015	\$ 10,015	\$ 10,015	\$ 10,015	\$ 10,015	\$ 10,015
Estimated New Land & Commercial TV	\$ 10,015	\$ 10,015	\$ 65,488	\$ 65,488	\$ 65,488	\$ 67,474	\$ 66,972	\$ 67,474	\$ 67,970	\$ 68,468	\$ 68,966	\$ 69,464	\$ 69,962	\$ 70,460
Estimated New Improvements TV	\$ -	\$ -	\$ 2,666,260	\$ 2,686,257	\$ 2,706,254	\$ 2,726,251	\$ 2,746,248	\$ 2,766,245	\$ 2,786,242	\$ 2,806,239	\$ 2,826,236	\$ 2,846,233	\$ 2,866,230	\$ 2,886,227
Incremental Land & Commercial Difference (New TV - Base TV)	\$ -	\$ -	\$ 54,985	\$ 55,473	\$ 55,964	\$ 56,454	\$ 56,945	\$ 57,436	\$ 57,927	\$ 58,418	\$ 58,909	\$ 59,400	\$ 59,891	\$ 60,382
Incremental Improvements Difference (New TV - Base TV)	\$ -	\$ -	\$ 2,666,260	\$ 2,686,257	\$ 2,706,254	\$ 2,726,251	\$ 2,746,248	\$ 2,766,245	\$ 2,786,242	\$ 2,806,239	\$ 2,826,236	\$ 2,846,233	\$ 2,866,230	\$ 2,886,227
<b>Millage Rate</b>														
School Operating Tax	\$ -	\$ -	\$ 5,303	\$ 5,303	\$ 5,303	\$ 5,424	\$ 5,465	\$ 5,506	\$ 5,547	\$ 5,588	\$ 5,629	\$ 5,670	\$ 5,711	\$ 5,752
School Total	\$ -	\$ -	\$ 21,210	\$ 21,371	\$ 21,533	\$ 21,696	\$ 21,861	\$ 22,027	\$ 22,194	\$ 22,362	\$ 22,531	\$ 22,702	\$ 22,874	
<b>Local Credits</b>														
City General Op	\$ -	\$ -	\$ 17,633	\$ 17,786	\$ 17,941	\$ 18,097	\$ 18,254	\$ 18,412	\$ 18,571	\$ 18,731	\$ 18,891	\$ 19,051	\$ 19,211	\$ 19,371
Wayne County Op	\$ -	\$ -	\$ 4,992	\$ 5,030	\$ 5,068	\$ 5,106	\$ 5,145	\$ 5,184	\$ 5,223	\$ 5,263	\$ 5,303	\$ 5,343	\$ 5,383	
Huron Clinton WA	\$ -	\$ -	\$ 389	\$ 389	\$ 389	\$ 393	\$ 395	\$ 398	\$ 401	\$ 404	\$ 407	\$ 410	\$ 413	
Wayne County Safety	\$ -	\$ -	\$ 879	\$ 879	\$ 879	\$ 884	\$ 888	\$ 893	\$ 897	\$ 902	\$ 907	\$ 911	\$ 916	
Library	\$ -	\$ -	\$ 4,092	\$ 4,129	\$ 4,165	\$ 4,199	\$ 4,233	\$ 4,267	\$ 4,301	\$ 4,335	\$ 4,369	\$ 4,403	\$ 4,437	
Wayne County Parks	\$ -	\$ -	\$ 217	\$ 219	\$ 221	\$ 222	\$ 224	\$ 226	\$ 228	\$ 229	\$ 231	\$ 233	\$ 234	
Wayne County Community College	\$ -	\$ -	\$ 2,864	\$ 2,886	\$ 2,908	\$ 2,930	\$ 2,952	\$ 2,974	\$ 2,997	\$ 3,020	\$ 3,042	\$ 3,064	\$ 3,086	
Wayne County	\$ -	\$ -	\$ 875	\$ 881	\$ 888	\$ 895	\$ 901	\$ 908	\$ 915	\$ 922	\$ 929	\$ 936	\$ 943	
County ISO Spec Ed	\$ -	\$ -	\$ 2,976	\$ 2,999	\$ 3,022	\$ 3,045	\$ 3,068	\$ 3,091	\$ 3,114	\$ 3,138	\$ 3,161	\$ 3,185	\$ 3,208	
County ISO Enhancement	\$ -	\$ -	\$ 1,768	\$ 1,781	\$ 1,794	\$ 1,808	\$ 1,822	\$ 1,836	\$ 1,849	\$ 1,863	\$ 1,878	\$ 1,892	\$ 1,906	
County ISO Oper	\$ -	\$ -	\$ 85	\$ 86	\$ 87	\$ 88	\$ 89	\$ 89	\$ 89	\$ 90	\$ 91	\$ 91	\$ 92	
<b>Local Total</b>	\$ -	\$ -	\$ 36,520	\$ 36,797	\$ 37,076	\$ 37,357	\$ 37,641	\$ 37,928	\$ 38,218	\$ 38,503	\$ 38,795	\$ 39,089	\$ 39,386	
<b>Non-Exemptable Millages</b>														
Zoo Authority	\$ -	\$ -	\$ 88	\$ 89	\$ 90	\$ 90	\$ 91	\$ 92	\$ 92	\$ 93	\$ 94	\$ 94	\$ 95	
Art Institute	\$ -	\$ -	\$ 177	\$ 178	\$ 179	\$ 181	\$ 182	\$ 184	\$ 185	\$ 186	\$ 188	\$ 189	\$ 191	
School Debt	\$ -	\$ -	\$ 11,489	\$ 11,576	\$ 11,664	\$ 11,752	\$ 11,841	\$ 11,931	\$ 12,022	\$ 12,113	\$ 12,205	\$ 12,297	\$ 12,390	
City Debt	\$ -	\$ -	\$ 6,186	\$ 6,233	\$ 6,280	\$ 6,328	\$ 6,376	\$ 6,424	\$ 6,473	\$ 6,522	\$ 6,571	\$ 6,621	\$ 6,672	
<b>Total Non-Exemptable Taxes</b>	\$ -	\$ -	\$ 17,940	\$ 18,076	\$ 18,213	\$ 18,352	\$ 18,491	\$ 18,631	\$ 18,772	\$ 18,914	\$ 19,058	\$ 19,202	\$ 19,348	
<b>Total Tax Increment Revenue (TIR) Available for Capture</b>	\$ -	\$ -	\$ 57,230	\$ 58,699	\$ 59,054	\$ 59,502	\$ 59,953	\$ 60,407	\$ 60,865	\$ 61,327	\$ 61,792	\$ 62,260		

**Footnotes:**  
 Land increment will be captured but TIF projections only show increments captured for ease of reference.  
 Assumes new taxable value based on proposed build out, plus 0.75% annual inflation increase thereafter.  
 Assumes millage rate remains the same.  
 Assumes 15yr NEZ.  
 2020 is the first year of TIF Capture.







**ATTACHMENT G**

**Facility Confirmation**



**Attachment B**

**TO:** THE DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY  
**FROM:** DETROIT, BUILDINGS, SAFETY ENGINEERING, AND ENVIRONMENTAL DEPARTMENT  
**PROJECT:** FREDERICK STREET DEVELOPMENT PROJECT, NAILAH, LLC  
**DATE:** November 20, 2018

The undersigned, from the City of Detroit, Buildings, Safety Engineering, and Environmental Department acknowledges the receipt of the environmental documents listed below, which have been submitted by The Platform, LLC, as developer, as part of its Brownfield Plan submittal to the Detroit Brownfield Redevelopment Authority (DBRA), for the Cass/York Fisher development Project.

- Phase I Environmental Site Assessment, pursuant to USEPA's. All Appropriate Inquiry using American Society of Testing Materials (ASTM) Standard E 1527-13
- Phase II Environmental Site Assessment, pursuant to ASTM Standard 1903 (if appropriate)
- 1   Baseline Environmental Assessment, pursuant to Part 201 of Michigan's Natural Resources and Environmental Protection Act, MCL 324.20101 *et seq.* (if appropriate).
- 1   Due Care Plan, pursuant to Part 201 of Michigan's Natural Resources and Environmental Protection Act, MCL 324.20101 *et seq.* (if appropriate).

Based upon its review of the above environmental documents and the representations of the developer, the City of Detroit, Buildings, Safety Engineering, and Environmental Department agrees with the environmental consultant that the site is a facility and has determined that the documents received for this project satisfy the DBRA Guidelines.

City of Detroit, Buildings, Safety  
Engineering, and Environmental  
Department

By: Paul J. Max

Its: General Manager

**ATTACHMENT H**

**Incentives Chart**

City of Detroit  
City Council  
Council President Brenda Jones

**INCENTIVE INFORMATION CHART:**

Project Type	Incentive Type	Investment Amount	District
New Construction	Brownfield TIF	\$23,400,000	5

Jobs Available							
Construction				Post Construction*			
Professional	Non-Professional	Skilled Labor	Non-Skilled Labor	Professional	Non-Professional	Skilled Labor	Non-Skilled Labor
2	1	77	20	1	1	0	0

1. What is the plan for hiring Detroiters?
  - The Developer and his contractors will work with local trades to meet the current Executive Orders.
  
2. Please give a detailed description of the jobs available as listed in the above chart.
  - Construction jobs will consist of various subcontractors and a general contractor, including various skilled trades such as carpenters, laborers, operators, roofers, plumbers, electricians, elevator technicians and landscapers. There is expected to be approximately 100 construction jobs involved with the Project.
  - Jobs post construction will consist of maintenance, operations and management positions to operate the Property. \*The majority of the new jobs will come from prospective commercial tenants.
  
3. Will this development cause any relocation that will create new Detroit residents?
  - Yes, the Project includes 85 new residential units that will bring new residents to the City of Detroit.
  
4. Has the developer reached out to any community groups to discuss the project and/or any potential jobs?
  - The Project has been discussed with area neighbors and letters of support were provided along with the Planning Commission rezoning request.
  
5. When is construction slated to begin?
  - Construction is slated to begin in fall 2019/winter 2020.

6. What is the expected completion date of construction?
  - Construction will be completed by the end of 2021 or early 2022.

\*Please contact Linda Wesley at (313) 628-2993 or [wesleyl@detroitmi.gov](mailto:wesleyl@detroitmi.gov) to schedule a date to attend the Skilled Trades Task Force.



July 24, 2019

The Honorable City Council  
City of Detroit  
Coleman A. Young Municipal Center  
2 Woodward Avenue, Suite 1340  
Detroit, Michigan 48226

City of Detroit Brownfield Redevelopment Authority  
Board of Directors  
500 Griswold Street, Suite 2200  
Detroit, Michigan 48226

Re: Recommendation for Approval of the Petit Bateau Brownfield Redevelopment Plan

Honorable Members of the Detroit City Council and the City of Detroit Brownfield Redevelopment Authority Board of Directors:

In accordance with the resolution of the Detroit City Council creating the City of Detroit Brownfield Redevelopment Authority (the "Authority"), the Community Advisory Committee, at its meeting of July 24, 2019, adopted a resolution approving the proposed Brownfield Plan for the Petit Bateau Redevelopment and recommending adoption of this Brownfield Plan by the Authority and City Council.

Please accept this letter of recommendation for approval from the Community Advisory Committee on the Brownfield Plan for the Petit Bateau Redevelopment.

Very truly yours,

By:   
Allen Rawls, Chairperson  
Community Advisory Committee to the City of Detroit  
Brownfield Redevelopment Authority



**MINUTES OF THE  
DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY  
PUBLIC HEARING FOR THE  
PETIT BATEAU  
BROWNFIELD REDEVELOPMENT PLAN**

**Thursday, August 1, 2019  
Charles H. Wright Museum of African American History  
315 E Warren Ave.  
Detroit, MI 48201  
5:30 PM**

In attendance were:

Brian Vosburg (DEGC/DBRA)  
Cora Capler (DEGC/DBRA)  
Julio Bateau (Petit Bateau)  
Courtney Bateau (Fulbright)  
Keisha Altman (Resident)  
RL Altman  
Ernest Wheeler

Mr. Vosburg called the meeting to order at 5:40 PM.

Mr. Vosburg informed the hearing of the tax increment financing request per the Brownfield Plan, provided an overview of the project.

Mr. Bateau provided details regarding the redevelopment plan for the project location and answered questions regarding the number of buildings, the design of the buildings, anticipated start of construction, length of the construction period, environmental cleanup, affordable housing, solar power, and planned amenities for the development.

Paper copies of the Brownfield Plan and renderings for the project were provided.

Mr. Wheeler spoke in favor of the project stating that the project will be a good addition to the neighborhood.

Ms. Bateau expressed support for the project and development in the area.

There were no comments received in opposition of the project.

Citing no further public comments, Mr. Vosburg closed the public hearing at 6:02 PM.



**CODE DBRA 19-06-272-02**

**PETIT BATEAU BROWNFIELD REDEVELOPMENT PLAN**

WHEREAS, pursuant to 381 PA 1996, as amended ("Act 381"), the City of Detroit Brownfield Redevelopment Authority (the "DBRA") has been established by resolution of the City Council of the City of Detroit (the "City Council") for the purpose of promoting the revitalization of environmentally distressed areas in the City of Detroit; and

WHEREAS, under Act 381 the DBRA is authorized to develop and propose for adoption by City Council a brownfield plan for one or more parcels of eligible property; and

WHEREAS, in accordance with the policies, procedures and bylaws governing the DBRA, the DBRA has submitted a proposed Brownfield Plan for the **Petit Bateau Redevelopment Project** (the "Plan") to the Community Advisory Committee for its consideration and comment and has solicited comments by the public by publication of notice stating that the proposed Plan has been submitted to the Community Advisory Committee and by conducting a public hearing in the area to which the proposed Plan applies; and

WHEREAS, the Community Advisory Committee has considered the proposed Plan and approved a resolution recommending the approval of the proposed Plan by the DBRA and the City Council as presented by the DBRA; and

WHEREAS, in accordance with the provisions of Act 381, the Board of Directors of the DBRA has considered the proposed Plan and desires to approve the proposed Plan and to request that City Council call a public hearing to consider and adopt a resolution approving the proposed Plan.

NOW, THEREFORE, BE IT RESOLVED:

1. The Board of Directors of the DBRA has determined that the adoption of the Brownfield Plan for the **Petit Bateau Redevelopment Project** is in keeping with the purposes of Act 381 and recommends submittal of the Plan to City Council for approval.

2. The Board of Directors of the DBRA approves the Plan substantially in the form attached hereto and on file with the Secretary of the DBRA.

3. Any Authorized Agent of the DBRA is authorized and directed to submit a certified copy of this Resolution and the Plan to the City Clerk, together with a request that the City Council call a public hearing concerning the Plan and to take all other actions required to approve the Plan in accordance with Act 381.

4. That any one of the officers and any one of the Authorized Agents of the DBRA or any two of the Authorized Agents of the DBRA shall hereafter have the authority to negotiate and execute all documents, contracts, or other papers, and take such other actions, necessary or appropriate to implement the provisions and intent of this Resolution on behalf of the DBRA.

5. That all of the acts and transactions of any officer or authorized agent of the DBRA, in the name and on behalf of the DBRA, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

6. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are rescinded.

August 14, 2019



**EXHIBIT D**

**RESOLUTION CALLING A PUBLIC HEARING REGARDING  
APPROVAL OF THE BROWNFIELD PLAN OF THE  
CITY OF DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY  
FOR THE PETIT BATEAU REDEVELOPMENT**

---

The following preamble and resolution were offered by Member \_\_\_\_\_ and supported by Member \_\_\_\_\_:

WHEREAS, the City of Detroit, County of Wayne, Michigan (the "City") is authorized by the provisions of Act 381, Public Acts of Michigan, 1996 ("Act 381"), to create a brownfield redevelopment authority; and

WHEREAS, pursuant to Act 381, the City Council of the City duly established the City of Detroit Brownfield Redevelopment Authority (the "Authority"); and

WHEREAS, in accordance with the provisions of Act 381, the Authority has prepared a Brownfield Plan for the Petit Bateau Redevelopment (the "Plan") and submitted the Plan to the Community Advisory Committee for review and comment; and

WHEREAS, after receipt of the recommendation of the Community Advisory Committee to approve the, the Authority has approved the Plan and forwarded it to City Council with a request for its approval; and

WHEREAS, prior to approval of the Plan, the City Council is required to hold a public hearing in connection with consideration of the Plan pursuant to Act 381.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Council hereby acknowledges receipt of the Plan from the Authority.

2. A public hearing is hereby called on Thursday, the 10<sup>th</sup> day of October, 2019 at 10:25 AM, prevailing Eastern Time, in the Council Chambers, 13<sup>th</sup> Floor of the Coleman A. Young Municipal Center in the City to consider adoption by the City Council of a resolution approving the Plan.

3. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are rescinded.

4. The City Clerk is requested to submit three (3) certified copies of this resolution to the DBRA, 500 Griswold Street, Suite 2200, Detroit, MI 48226.

AYES: Members \_\_\_\_\_  
\_\_\_\_\_

NAYS: Members \_\_\_\_\_

RESOLUTION DECLARED ADOPTED.

WAIVER OF RECONSIDERATION

\_\_\_\_\_  
Janice Winfrey, City Clerk  
City of Detroit  
County of Wayne, Michigan

**RESOLUTION APPROVING BROWNFIELD PLAN  
OF THE CITY OF DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY  
FOR THE PETIT BATEAU REDEVELOPMENT PROJECT**

City of Detroit  
County of Wayne, Michigan

---

**WHEREAS**, pursuant to 381 PA 1996, as amended (“Act 381”), the City of Detroit Brownfield Redevelopment Authority (“Authority”) has been established by resolution of the City Council of the City of Detroit (the “City”) for the purpose of promoting the revitalization of eligible properties in the City; and

**WHEREAS**, under Act 381 the Authority is authorized to develop and propose for adoption by City Council a brownfield plan for one (1) or more parcels of eligible property; and

**WHEREAS**, pursuant to the resolution establishing the Authority and the bylaws of the Authority, the Authority has submitted a proposed Brownfield Plan for the Petit Bateau Redevelopment Project (the “Plan”); and

**WHEREAS**, the Authority submitted the Plan to the Community Advisory Committee for consideration on July 24, 2019, per the provisions of the resolution establishing the Authority, and a public hearing was conducted by the Authority on August 1, 2019 to solicit comments on the proposed Plan; and

**WHEREAS**, the Community Advisory Committee recommended approval of the Plan on July 10, 2019; and

**WHEREAS**, the Authority approved the Plan on August 14, 2019 and forwarded it to the City Council with a request for its approval of the Plan; and

**WHEREAS**, the required notice of the public hearing on the Plan was given in accordance with Section 13 of Act 381; and

**WHEREAS**, the City Council held a public hearing on the proposed Plan on October 10, 2019.

**NOW, THEREFORE, BE IT RESOLVED, THAT:**

1. Definitions. Where used in this Resolution the terms set forth below shall have the following meaning unless the context clearly requires otherwise:

“Eligible Activities” or “eligible activity” shall have the meaning described in Act 381.

“Eligible Property” means the property designated in the Plan as the Eligible Property, as described in Act 381.

“Plan” means the Plan prepared by the Authority, as transmitted to the City Council by the Authority for approval, copies of which Plan are on file in the office of the City Clerk.

“Taxing Jurisdiction” shall mean each unit of government levying an ad valorem property tax on the Eligible Property.

2. Public Purpose. The City Council hereby determines that the Plan constitutes a public purpose.

3. Best Interest of the Public. The City Council hereby determines that it is in the best interests of the public to promote the revitalization of environmentally distressed areas in the City to proceed with the Plan.

4. Review Considerations. As required by Act 381, the City Council has in reviewing the Plan taken into account the following considerations:

(a) Portions of the property designated in the Plan meets the definition of Eligible Property, as described in Act 381, including consideration of the criteria of “facility” as defined in Act 381;

(b) The Plan meets the requirements set forth in section 13 of Act 381.

(c) The proposed method of financing the costs of eligible activities is feasible and the Authority has the ability to arrange the financing.

(d) The costs of eligible activities proposed are reasonable and necessary to carry out the purposes of Act 381.

(e) The amount of captured taxable value estimated to result from adoption of the Plan is reasonable.

5. Approval and Adoption of Plan. The Plan as submitted by the Authority is hereby approved and adopted. A copy of the Plan and all amendments thereto shall be maintained on file in the City Clerk’s office.

6. Preparation of Base Year Assessment Roll for the Eligible Property.

(a) Within 60 days of the adoption of this Resolution, the City Assessor shall prepare the initial Base Year Assessment Roll for the Eligible Property in the Plan. The initial Base Year Assessment Roll shall list each Taxing Jurisdiction levying taxes on the Eligible Property on the effective date of this Resolution and the amount of tax revenue

derived by each Taxing Jurisdiction from ad valorem taxes on the Eligible Property, excluding millage specifically levied for the payment of principal and interest of obligations approved by the electors or obligations pledging the unlimited taxing power of the local governmental unit.

(b) The City Assessor shall transmit copies of the initial Base Year Assessment Roll to the City Treasurer, County Treasurer, Authority and each Taxing Jurisdiction which will have Tax Increment Revenues captured by the Authority, together with a notice that the Base Year Assessment Roll has been prepared in accordance with this Resolution and the Plan approved by this Resolution.

7. Preparation of Annual Base Year Assessment Roll. Each year within 15 days following the final equalization of the Eligible Property, the City Assessor shall prepare an updated Base Year Assessment Roll. The updated Base Year Assessment Roll shall show the information required in the initial Base Year Assessment Roll and, in addition, the Tax Increment Revenues for each Eligible Property for that year. Copies of the annual Base Year Assessment Roll shall be transmitted by the Assessor to the same persons as the initial Base Year Assessment Roll, together with a notice that it has been prepared in accordance with the Plan.

8. Establishment of Project Fund; Approval of Depository. The Authority shall establish a separate fund for the Eligible Property subject to this Plan, which shall be kept in a depository bank account or accounts in a bank or banks approved by the Treasurer of the City. All moneys received by the Authority pursuant to the Plan shall be deposited in the Project Fund for the Eligible Property. All moneys in the Project Fund and earnings thereon shall be used only in accordance with the Plan and Act 381.

9. Use of Moneys in the Project Fund. The moneys credited to the Project Fund and on hand therein from time to time shall be used annually to first make those payments authorized by and in accordance with the Plan and any development agreement governing such payments and then to the Local Brownfield Revolving Fund, as authorized by Act 381:

10. Return of Surplus Funds to Taxing Jurisdictions. The Authority shall return all surplus funds not deposited in the Local Brownfield Revolving Fund proportionately to the Taxing Jurisdictions.

11. Payment of Tax Increment Revenues to Authority. The municipal and the county treasurers shall, as ad valorem and specific local taxes are collected on the Eligible Property, pay the Tax Increment Revenues to the Authority for deposit in the Project Fund. The payments shall be made not more than 30 days after the Tax Increment Revenues are collected.

12. Disclaimer. By adoption of this Resolution and approval of the Plan, the City assumes no obligation or liability to the owner, developer, lessee or lessor of the Eligible Property for any loss or damage that may result to such persons from the adoption

of this Resolution and Plan. The City makes no guarantees or representations as to the ability of the Authority to capture tax increment revenues from the State and local school district taxes for the Plan.

13. Repealer. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

14. The City Clerk is requested to submit four (4) certified copies of this Resolution to the DBRA, 500 Griswold Street, Suite 2200, Detroit, MI 48226

AYES:           Members

---

NAYS:           Members

---

RESOLUTION DECLARED ADOPTED.

---

Janice Winfrey, City Clerk  
City of Detroit  
County of Wayne, Michigan

WAIVER OF RECONSIDERATION IS REQUESTED

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Detroit, County of Wayne, State of Michigan, at a regular meeting held on \_\_\_\_\_, 2019, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

---

Janice Winfrey, City Clerk  
City of Detroit  
County of Wayne, Michigan

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CITY OF DETROIT  
HOUSING AND REVITALIZATION DEPARTMENT

COLEMAN A. YOUNG MUNICIPAL CENTER  
2 WOODWARD AVENUE, SUITE 908  
DETROIT, MICHIGAN 48226  
(313) 224-6380 • TTY:711  
(313) 224-1629  
WWW.DETROITMI.GOV

23

September 19, 2019

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

**RE: Annual HOME, CDBG, NSP Awards  
Modification of Scope and Funding Sources - LifeBuilders**

Honorable City Council:

The City of Detroit ("City"), through the Housing and Revitalization Department ("HRD"), makes annual funding available for "ready-to-proceed projects" from HOME, NSP and CDBG federal funds allocated to the City through the U.S. Department of Housing and Urban Development. HRD has continued to work closely with HUD to meet required commitment and disbursement deadlines for ongoing projects approved by the City.

In support of affordable housing opportunities, HRD is hereby requesting approval to modify the scope and funding source of a previously approved project as follows:

Previous Approved Loan Funding:

1. LifeBuilders (\$460,000) for six homes – \$350,000 of CDBG funds will be spent on this project from reprogrammed funding approved by this Honorable Body on October 16, 2018. Also, HRD will spend \$110,000 in NSP 1 funds on this project from an existing appropriation.

Revised Loan Funding:

1. LifeBuilders (\$460,000) for three homes – \$350,000 of CDBG funds will be spent on this project from reprogrammed funding approved by this Honorable Body on October 16, 2018. Also, HRD will spend an additional \$110,000 in CDBG funds on this project from its FY 2019-20 CDBG allocation.

We hereby request that your Honorable Body adopt the attached resolution that (1) amends the scope and funding source for the LifeBuilders project and (2) authorizes the Director of HRD to execute such loan documents as may be necessary or convenient to complete such modifications to the transaction.

Respectfully submitted,

Donald Rencher  
Director  
Attachments

cc: S. Washington, Mayor's Office  
K. Vickers, Associate Director of Housing Underwriting





## RESOLUTION

**BY COUNCIL MEMBER:** \_\_\_\_\_

**WHEREAS**, City of Detroit (“City”), through the Housing and Revitalization Department (“HRD”), makes annual funding available for "ready-to-proceed projects" from HOME, NSP and CDBG federal funds allocated to the City through the U.S. Department of Housing and Urban Development for the purpose of creating affordable housing opportunities; and

**WHEREAS**, on November 20, 2018, Detroit City Council adopted a resolution that included approval of \$460,000 in funding to the LifeBuilders project for rehab of six homes, with \$350,000 of the funding from CDBG funds and \$110,000 of the funding from NSP 1 funds (the “Previous Resolution”); and

**WHEREAS**, the City now desires to amend the Previous Resolution such that (1) the LifeBuilders project will include rehab of three homes and (2) the \$110,000 of funding from NSP 1 be revised to be funded from HRD’s 2019-20 CDBG allocation consistent with the attached Exhibit 1: Amended – Additions to 2018 HOME, CDBG and NSP Awards (“Exhibit 1”); now therefore be it

**RESOLVED**, that Detroit City Council hereby approves an amendment to the Previous Resolution that modifies the project description and funding allocations consistent with this resolution and the attached Exhibit 1; and be it further

**RESOLVED**, that the \$110,000 of funding from NSP 1 noted in the Previous Resolution shall now be funded from HRD’s 2019-20 CDBG allocation in Appropriation 20541; and

**RESOLVED**, that the HRD Director, or his designee, is authorized to process, prepare, and execute any and all loan and grant documents necessary or convenient to close on the LifeBuilders project loan consistent with this resolution and the attached Exhibit 1; and

**RESOLVED**, that the Budget and Finance Directors are hereby authorized to increase the necessary accounts and honor expenditures, vouchers and payrolls when presented in accordance with the foregoing communication and standard City procedures; and be it finally

**RESOLVED**, that except for the amendment of the Previous Resolution made by this resolution, all other aspects of the Previous Resolution shall remain in full force and effect.

**A Waiver of Reconsideration is requested.**

**Exhibit 1: Amended - Additions to 2018 HOME, CDBG and NSP Awards**

*Loan Modification (LifeBuilders)*

DEVELOPER OR BORROWER	PROJECT DESCRIPTION	PROJECT ACTION	TOTAL DEVELOPMENT COST	ORIGINAL ALLOCATION	New or Revised ALLOCATION	COMMENTS
<p><b>LifeBuilders</b> 20141 Kelly Road Detroit, MI 48225</p>	<p><b><i>LifeBuilders Project</i></b> 16612 Rosinni, 16516 Fairmount and 16601 Fairmount Rehab of Three Homes (100% Affordable)</p>	<p>Adjust project description to include Three Homes and adjust development budget to include \$110,000 in CDBG. CDBG is being used to cover a \$110,000 reduction in NSP I funds. Total City funds will remain at \$460,000.</p>	<p>\$1,005,079</p>	<p>\$350,000 (CDBG) \$110,000 (NSP I)</p>	<p>\$460,000 (CDBG)</p>	<p>Remove \$110,000 in NSP I funds and add \$110,000 in CDBG funds. City funds will be targeted to assist in the rehab and sale of 3 homes.</p>
<p>Total Investments:</p>			<p>\$1,005,079.00</p>	<p>\$460,000.00</p>	<p>\$460,000.00</p>	



CITY OF DETROIT  
HOUSING AND REVITALIZATION DEPARTMENT

COLEMAN A. YOUNG MUNICIPAL CENTER  
2 WOODWARD AVENUE, SUITE 908  
DETROIT, MICHIGAN 48226  
(313) 224-6380 • TTY:711  
(313) 224-1629  
WWW.DETROITMI.GOV

24

September 20, 2019

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

**Re: Request for a Public Hearing to Establish an Obsolete Property Rehabilitation District on behalf of Wayne County Lank Bank in the area of 511 Woodward, Detroit, Michigan, in accordance with Public Act 146 of 2000 (Petition # 1008).**

Honorable City Council:

The Housing and Revitalization Department has reviewed the application of **Wayne County Lank Bank** and find that it satisfies the criteria set forth by P.A. 146 of 2000 and would be consistent with development and economic goals of the Master Plan.

Prior to acting upon a resolution to recommend approval, a public hearing must be held, and the City Clerk must provide written notice of the public hearing to the assessor and to the governing body of each taxing unit that levies an ad valorem tax within the eligible district, said notice is to be made **not less than 10 days or more than 30 days prior** to your Honorable Body's adoption of said resolution.

We request that a Public Hearing be scheduled on the issue of establishing an Obsolete Property Rehabilitation District. Attached for your consideration, please find a resolution establishing a date and time for the public hearing.

Respectfully submitted,

Donald Rencher  
Director

DR/(vf)

cc: S. Washington, Mayor's Office  
M. Cox, P&DD  
D. Rencher, HRD  
V. Farley, HRD



**BY COUNCIL MEMBER** \_\_\_\_\_

**WHEREAS**, pursuant to Public Act No. 146 of 2000 (“the Act”) this City Council may adopt a resolution which approves the application of an Obsolete Property Rehabilitation District within the boundaries of the City of Detroit; and

**WHEREAS**, **Wayne County Land Bank** has filed an application for an Obsolete Property Rehabilitation District whose boundaries are particularly described in the map and legal description attached hereto; and

**WHEREAS**, prior to such approval, the City Council shall provide an opportunity for a Public Hearing, at which Public Hearing on such adoption of a resolution providing such tax exemption, at which Public Hearing representatives of any taxing authority levying *ad valorem* taxes within the City, or any other resident or taxpayer of the City of Detroit may appear and be heard on the matter.

**NOW THEREFORE BE IT**

**RESOLVED**, that on the \_\_\_\_\_, 2019 in the City Council Committee Room, 13<sup>th</sup> floor, Coleman A. Young Municipal Center, a Public Hearing be held on the above described application and be it finally

**RESOLVED**, that the City Clerk shall give notice of the Public Hearing to the general public and shall give written notice of the Public Hearing by certified mail to all taxing authorities levying an *ad valorem* tax within the City of Detroit.

Janice M. Winfrey  
City Clerk

City of Detroit  
OFFICE OF THE CITY CLERK

Caven West  
Deputy City Clerk/Chief of Staff

**DEPARTMENTAL REFERENCE COMMUNICATION**

*Thursday, August 1, 2019*

*To: The Department or Commission Listed Below*

*From: Janice M. Winfrey, Detroit City Clerk*

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The following petition is herewith referred to you for report and recommendation to the City Council.

In accordance with that body's directive, kindly return the same with your report in duplicate within four (4) weeks.

---

HOUSING AND REVITALIZATION    LEGISLATIVE POLICY DIVISION  
PLANNING AND DEVELOPMENT DEPARTMENT    LAW DEPARTMENT  
FINANCE DEPARTMENT/ASSESSOR

**1008**    *Wayne County Land Bank, request to establish an Obsolete Property  
Rehabilitato at 511 Woodward.*

July 31, 2019

Detroit City Council  
Coleman A. Young Municipal Center  
2 Woodward Ave Suite 1340  
Detroit, MI 48226

RE: **Request for the Establishment of an Obsolete Property Rehabilitation  
District at 511 Woodward**

Honorable City Council:

Please accept this letter as a request to establish an Obsolete Property Rehabilitation Development District for the property located at **511 Woodward** and described on Attachment A.

***District Description***

The "Dream 511" project involves the rehabilitation of the vacant and obsolete building located at 511 Woodward for commercial and retail uses.

**Parcel Information**

<b>Address</b>	<b>Parcel</b>	<b>Owner of Record</b>	<b>Acreage</b>
511 Woodward	02001900-9	Wayne County Land Bank	.186

The current 30,240 square foot building was constructed in 1972. The building is a four (4) story glass curtain wall building on three (3) sides with a brick and block center section over the building entry with a block and brick rear side. The building was originally occupied by various professional offices and a financial institution from 1973 until at least 2006, when the building was vacated. The building has been vacant and unutilized since 2006.

***Project Start and Completion Date***

Pursuant to a Purchase and Development Agreement executed on April 1, 2019 between Wayne County, the Wayne County Land Bank, and ICONIC-511, LLC, the property at 511 Woodward is being purchased from the Land Bank by ICONIC-511, LLC, an entity which has been established for the project. The purchase is slated to close in September, 2019. Construction will begin immediately and follow a fifteen-month schedule to completion.

### ***Purpose for Renovation of 511 Woodward***

The building is currently cleared out down to the building structural elements. Renovation of the building is essential for removal of functionally obsolescent existing building elements. Most of these elements revolve around building core and façade elements.

Current building code requires the building to have fire suppression, alarm and exit devices installed prior to occupancy. Electrical systems need to be updated to support 600amps/floor of service as well as ensuring the electrical service room provides adequate operational room. The existing electrical room will be reconfigured to meet the current code requirements.

The elevator needs to be certified and approved by the City prior to use. Updates to the elevator will be specified to enhance its appearance to match the Class A Lobby renovations that are proposed.

Existing exterior curtain wall systems need to be upgraded to meet current energy codes and provide a U value of .25 - .27 with shading coefficient of .70 on the upper floors. The new curtain wall and proposed screen wall will provide an energy efficient exterior wall system.

### ***Benefits to the Community***

Dream 511 represents the expansion of a partnership between The Elia Group and the Downtown Detroit Partnership (DDP), which includes a strong track record transforming under-utilized downtown parcels into vibrant community parks, restaurants and landmarks. The organizations collaborated to create Parc Restaurant, which has received local and national critical acclaim since opening in 2016, serving as a reputable anchor in arguably the most iconic location in Downtown Detroit: Campus Martius. Additionally, they created The Fountain Detroit, a 340-square-foot restaurant that brought one of the first adaptive reuses of old shipping containers in Detroit to Campus Martius.

The partnership is also a driving force in activating Campus Martius as an all-season community gathering space, operating the Rink Side Bar and Arctic Zone concession areas, which flank the ice rink during the winter months, and providing free live entertainment to visitors and families all year long.

The Elia Group-DDP team remains committed to providing opportunities for workforce training, growth and employment in Detroit. This is exemplified through their relationship with programs such as the city's Grow Detroit's Young Talent program, from which several graduates have been hired at The Fountain Detroit restaurant.

The Dream 511 project will produce a minimum of 75 construction jobs, one-third of which are anticipated to be specific to low-income Wayne County residents. The new space will allow for the hiring of approximately 100 new retail and office employees in Downtown Detroit. One Property Manager will be hired directly by the new Owner. The Purchase and Development Agreement contains community benefit requirements that will be monitored by Wayne County.

DDP's headquarters will anchor the space. DDP's support of workforce development and creative talent are central to its mission. For example, many of DDP's Downtown Detroit Business Improvement Zone (BIZ) Clean and Hospitality Ambassadors are referred through "second chance" programs such as Goodwill Industries of Detroit, and DDP provides wraparound services to facilitate the success of this initiative. DDP's landscape vendor utilizes the Greening of Detroit and its training programs. DDP served as the fiduciary for the launch of the Grow Detroit's Young Talent program at the request of Mayor Duggan and engages the region's creative talent to perform in Downtown public spaces.

The rehabilitation of the facility would not be undertaken without the applicant's receipt of the exemption certificate. This exemption will allow a reduced rental rate for DDP, a nonprofit organization. Without this exemption, DDP would not be able to create the Welcome Center and continue to provide their ongoing programming and services in the Downtown area. Therefore, the Obsolete Property Rehabilitation Certificate is requested for the full twelve years allowed by statute.

### ***Eligibility***

The current building, constructed in 1972, is "functionally obsolete" for the commercial uses it was originally intended for. Changes in technology and building code require a complete replacement of major heating, cooling and electrical systems in the building.

### ***Property Ownership***

The Wayne County Land Bank currently owns the property located at 511 Woodward. The sale to ICONIC-511, LLC is slated to close in September 2019.

### ***Total Capital Investment***

The Purchase and Development Agreement contains minimum investment requirements that will be monitored by Wayne County. Under these terms, ICONIC-511, LLC will invest at minimum \$4.5 million into the property, an amount that increases under certain circumstances to \$7 million.


### ***Legal Description***

W WOODWARD W 30 FT OF LOTS 58 THRU 62 PLAT OF SEC 2 GOVERNOR & JUDGES PLAN L34 P549 DEEDS, W C R 2/38 270 X 30



  
Zaid Elia  
ICONIC-511, LLC

Respectfully submitted,

  
Daniel Rosenbaum, Executive Director  
Wayne County Land Bank

**Attachment A: Site Map that includes the parcel(s) of property**

cc: K. Bridges, DEGC  
N. Marsh, DEGC  
D. Bolton, Planning

**Attachment A**  
**District Map**  
511 Woodward, Detroit MI



2019-08-01

**1008**

**1008** *Petition of Wayne County Land Bank,  
request to establish an Obsolete  
Property Rehabilitato at 511  
Woodward.*

---

REFERRED TO THE FOLLOWING DEPARTMENT(S)

HOUSING AND REVITALIZATION DIVISION LEGISLATIVE POLICY

PLANNING AND DEVELOPMENT DEPARTMENT LAW  
DEPARTMENT

FINANCE DEPARTMENT/ASSESSOR



CITY OF DETROIT  
OFFICE OF THE CHIEF FINANCIAL OFFICER  
OFFICE OF THE ASSESSOR

COLEMAN A. YOUNG MUNICIPAL CENTER  
2 WOODWARD AVENUE, SUITE 824  
DETROIT, MICHIGAN 48226  
(313) 224-3011 • TTY:711  
(313) 224-9400  
WWW.DETROITMI.GOV

August 26, 2019

Maurice Cox, Director  
Planning & Development Department  
Coleman A. Young Municipal Center  
2 Woodward Ave, Suite 808  
Detroit, MI 48226

Re: **Obsolete Property Rehabilitation District – Wayne County Land Bank**  
Property Address: 511 Woodward  
Parcel Number: 02001900-9

Dear Mr. Cox:

The Office of the Chief Financial Officer, Office of the Assessor, has reviewed the proposed Obsolete Property Rehabilitation District located at **511 Woodward** in the **Downtown** area in the City of Detroit.

The rationale for creating Obsolete Property Rehabilitation Districts under PA 146 of 2000, as amended, is based on the anticipation of increased market value upon completion of new construction and /or significant rehabilitation of existing commercial property and commercial housing property. Normal repair and maintenance are not assessed and do not necessarily generate additional market value.

**Pursuant to a purchase and development agreement with ICONIC-511 LLC, the developer** plans to rehabilitate the four-story, 30,240 square foot office building, built in 1972 on .186 acres of land. The building has been vacant and unutilized since 2006 and clear out down to the building structural elements. Rehabilitation will include a new fire suppression system, updating the electrical system, updating the elevators to code, and a new curtain wall and proposed screen wall to provide an energy efficient exterior wall system.

This property meets the criteria set forth under PA 146 of 2000, as amended. It applies to blighted, functionally obsolete and contaminated properties. "Rehabilitation," meaning that changes to qualified facilities that are required to restore or modify the property, together with all appurtenances, to an economically efficient condition. Rehabilitation also includes deficient or excessive height, new or improved fixed building equipment, including heating, ventilation, and lighting, reducing multistory facilities to 1 or 2 stories, adding additional stories to a facility or adding additional space on the same floor level not to exceed 100% of the existing floor space on that floor level, improved structural support including foundations, improved roof structure and cover, floor replacement, improved wall placement, improved exterior and interior appearance of buildings, and other physical changes required to restore or change the obsolete property to an economically efficient condition.

A field investigation indicated that the proposed Obsolete Property Rehabilitation District located at **511 Woodward** is eligible as it pertains to the Obsolete Property Rehabilitation Act under P.A. 146 of 2000, as amended.

Sincerely,

Charles Ericson, MMAO  
Assessor, Board of Assessors

mmp



Obsolete Property Rehabilitation District  
Wayne County Land Bank  
Page 2

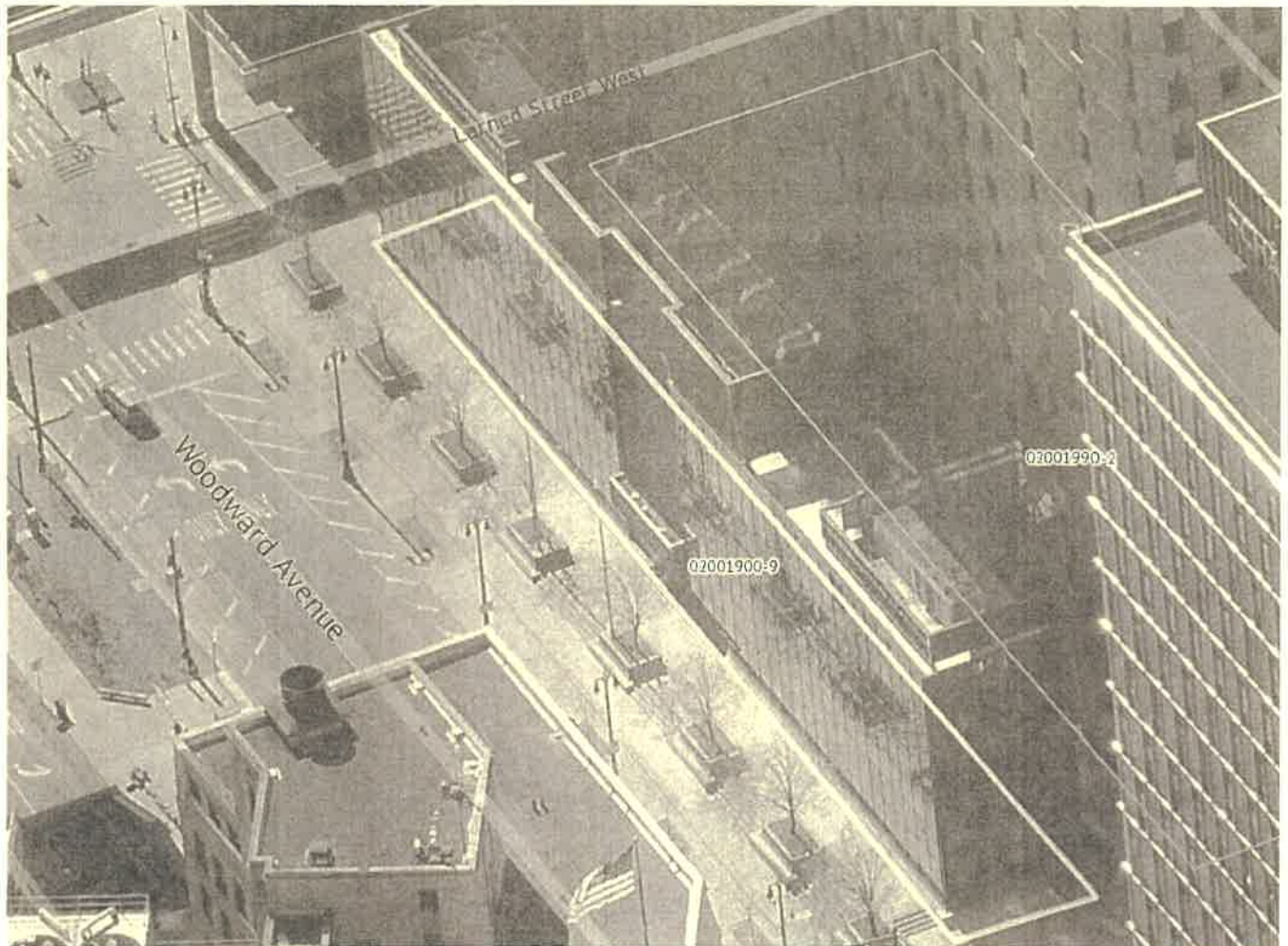
Property Address: 511 WOODWARD

Parcel Number: 02001900-9

Property Owner: WAYNE COUNTY LAND BANK

Legal Description: W WOODWARD W 30 FT OF LOTS 58 THRU 62 PLAT OF SEC 2 GOVERNOR & JUDGES PLAN L34 P549 DEEDS, W C R 2/38 270 X 30

The legal description matches the OPRA district request.





CITY OF DETROIT  
HOUSING AND REVITALIZATION DEPARTMENT

COLEMAN A. YOUNG MUNICIPAL CENTER  
2 WOODWARD AVENUE, SUITE 908  
DETROIT, MICHIGAN 48226  
(313) 224-6380 • TTY:711  
(313) 224-1629  
WWW.DETROITMI.GOV

25

September 20, 2019

Detroit City Council  
Coleman A. Young Municipal Center  
2 Woodward Ave., Suite 1340  
Detroit, MI 48226

**Re: Request for Public Hearing to Approve an Obsolete Property Rehabilitation Certificate on behalf of Elmwood Park Plaza Limited Partnership in the area of 750 Chene, Detroit, Michigan, in accordance with Public Act 146 of 2000 (Petition #877).**

Honorable City Council:

The Housing and Revitalization Department and Finance Departments have reviewed the application of **Elmwood Park Plaza Limited Partnership** and find that it satisfies the criteria set forth by P.A. 146 of 2000 and would be consistent with development and economic goals of the Master Plan.

Public Act 146 of 2000 states that the legislative body of the qualified local governmental unit, shall by resolution either approve or disapprove the application for an Obsolete Property Rehabilitation Exemption Certificate in accordance with Section 8 and other provisions of this act. Prior to acting upon a resolution to recommend approval, a public hearing must be held, and the City Clerk must provide written notice of the public hearing to the assessor and to the governing body of each taxing unit that levies an ad valorem tax within the eligible district.

We request that a Public Hearing be scheduled on the issue of approving the application for the Obsolete Property Rehabilitation Certificate. Attached for your consideration, please find a resolution establishing a date and time for the public hearing.

Respectfully submitted,

Donald Rencher  
Director

DR/vf

cc: S. Washington, Mayor's Office  
M. Cox, P&DD  
D. Rencher, HRD  
V. Farley, HRD



**BY COUNCIL MEMBER** \_\_\_\_\_

**WHEREAS**, pursuant to Public Act No. 146 of 2000 (“the Act”) this City Council may adopt resolution which approves the application of an Obsolete Property Rehabilitation Certificate within the boundaries of the City of Detroit; and

**WHEREAS**, **Elmwood Park Plaza Limited Partnership** has made application for an Obsolete Property Rehabilitation Certificate whose boundaries are particularly described in the map and legal description attached hereto; and

**WHEREAS**, prior to such approval, the City Council shall provide an opportunity for a Public Hearing, at which Public Hearing on such adoption of a resolution providing such tax exemption, at which Public Hearing representatives of any taxing authority levying *ad valorem* taxes within the City, or any other resident or taxpayer of the City of Detroit may appear and be heard on the matter.

**NOW THEREFORE BE IT**

**RESOLVED**, that on the \_\_\_\_\_, 2019 in the City Council Committee Room, 13<sup>th</sup> floor, Coleman A. Young Municipal Center, a Public Hearing be held on the above described application and be it finally

**RESOLVED**, that the City Clerk shall give notice of the Public Hearing to the general public and shall give written notice of the Public Hearing by certified mail to all taxing authorities levying an *ad valorem* tax within the City of Detroit.

# City of Detroit

Janice M. Winfrey  
City Clerk

OFFICE OF THE CITY CLERK

Andre P. Gilbert II  
Deputy City Clerk

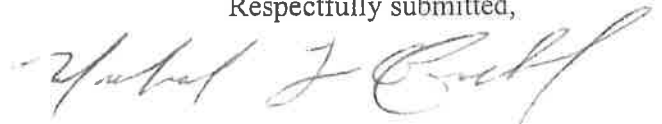
September 12, 2019

To: Maurice Cox, Director  
Planning and Development Department  
Coleman A. Young Municipal Center  
2 Woodward Ave. Suite 908  
Detroit, MI. 48226

Re: Elmwood Park Plaza Limited Partnership

Please find attached an application for Obsolete Property Rehabilitation Exemption Certificate for Property located at 750 Chene, Detroit, MI 48207. **(RELATED TO PETITION #877)**

Respectfully submitted,



Michael J. O'Connell,  
Jr. Asst. City Council Committee Clerk  
Office of the City Clerk



**HONIGMAN**

Richard A. Barr  
Office: 313.465.7308  
Mobile: 248.701.2025  
rbarr@honigman.com

April 25, 2019

Office of Detroit City Clerk  
2 Woodward Avenue  
Coleman A. Young Municipal Center  
Suite 200  
Detroit, MI 48226

**Re: *Application for Obsolete Property Rehabilitation Exemption Certificate –  
Elmwood Club Plaza***

Ladies and Gentlemen:

Enclosed please find an Application for Obsolete Property Rehabilitation Exemption Certificate from Elmwood Park Plaza Limited Partnership, the owner of the property known as the Elmwood Club Plaza, 750 Chene, pursuant to P.A. 146 of 2000. A separate request has been filed for the establishment of an Obsolete Property Rehabilitation District that would include the property which is the subject of this Application.

Thank you for your assistance.

Very truly yours,

HONIGMAN LLP



Richard A. Barr

Encs.

cc: Kenyetta Hairston-Bridges, DEGC  
Veronica Farley, HRD

CITY CLERK 25 APR 2019 4:10 PM

## Application for Obsolete Property Rehabilitation Exemption Certificate

This form is issued as provided by Public Act 146 of 2000, as amended. This application should be filed after the district is established. This project will not receive tax benefits until approved by the State Tax Commission. Applications received after October 31 may not be acted upon in the current year. This application is subject to audit by the State Tax Commission.

**INSTRUCTIONS:** File the original and two copies of this form and the required attachments with the clerk of the local government unit. (The State Tax Commission requires two copies of the Application and attachments. The original is retained by the clerk.) Please see State Tax Commission Bulletin 9 of 2000 for more information about the Obsolete Property Rehabilitation Exemption. The following must be provided to the local government unit as attachments to this application: (a) General description of the obsolete facility (year built, original use, most recent use, number of stories, square footage); (b) General description of the proposed use of the rehabilitated facility, (c) Description of the general nature and extent of the rehabilitation to be undertaken, (d) A descriptive list of the fixed building equipment that will be a part of the rehabilitated facility, (e) A time schedule for undertaking and completing the rehabilitation of the facility, (f) A statement of the economic advantages expected from the exemption. A statement from the assessor of the local unit of government, describing the required obsolescence has been met for this building, is required with each application. Rehabilitation may commence after establishment of district.


Applicant (Company) Name (applicant must be the OWNER of the facility)		
Elmwood Park Plaza Limited Partnership, a Michigan limited partnership		
Company Mailing address (No. and street, P.O. Box, City, State, ZIP Code)		
31700 Middlebelt Road, Suite 140, Farmington Hills, Michigan 48334		
Location of obsolete facility (No. and street, City, State, ZIP Code)		
750 Chene, Detroit, Michigan 48207		
City, Township, Village (indicate which)		County
City		Wayne
Date of Commencement of Rehabilitation (mm/dd/yyyy)	Planned date of Completion of Rehabilitation (mm/dd/yyyy)	School District where facility is located (include school code)
07/30/2019	08/31/2020	Detroit
Estimated Cost of Rehabilitation	Number of years exemption requested	Attach Legal description of Obsolete Property on separate sheet
\$10,119,671.00	12	
Expected project likelihood (check all that apply):		
<input checked="" type="checkbox"/> Increase Commercial activity	<input checked="" type="checkbox"/> Retain employment	<input checked="" type="checkbox"/> Revitalize urban areas
<input checked="" type="checkbox"/> Create employment	<input type="checkbox"/> Prevent a loss of employment	<input checked="" type="checkbox"/> Increase number of residents in the community in which the facility is situated
Indicate the number of jobs to be retained or created as a result of rehabilitating the facility, including expected construction employment <u>23</u>		
Each year, the State Treasurer may approve 25 additional reductions of half the school operating and state education taxes for a period not to exceed six years. Check the following box if you wish to be considered for this exclusion.		
<input checked="" type="checkbox"/>		

### APPLICANT'S CERTIFICATION

The undersigned, authorized officer of the company making this application certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way and that all of the information is truly descriptive of the property for which this application is being submitted. Further, the undersigned is aware that, if any statement or information provided is untrue, the exemption provided by Public Act 146 of 2000 may be in jeopardy.

The applicant certifies that this application relates to a rehabilitation program that, when completed, constitutes a rehabilitated facility, as defined by Public Act 146 of 2000, as amended, and that the rehabilitation of the facility would not be undertaken without the applicant's receipt of the exemption certificate.

It is further certified that the undersigned is familiar with the provisions of Public Act 146 of 2000, as amended, of the Michigan Compiled Laws; and to the best of his/her knowledge and belief, (s)he has complied or will be able to comply with all of the requirements thereof which are prerequisite to the approval of the application by the local unit of government and the issuance of an Obsolete Property Rehabilitation Exemption Certificate by the State Tax Commission.

Name of Company Officer (no authorized agents)	Telephone Number	Fax Number
Jonathan Holtzman	(312) 971-8545	
Mailing Address	Email Address	
31700 Middlebelt Road, Suite 140, Farmington Hills, Michigan 48334	jholtzman@cityclubapts.com	
Signature of Company Officer (no authorized agents)	Title	
	Manager of the Manager of the General Partner	

### LOCAL GOVERNMENT UNIT CLERK CERTIFICATION

The Clerk must also complete Parts 1, 2 and 4 on Page 2. Part 3 is to be completed by the Assessor.

Signature	Date application received
	

FOR STATE TAX COMMISSION USE		
Application Number	Date Received	LUCI Code



**LOCAL GOVERNMENT ACTION**

This section is to be completed by the clerk of the local governing unit before submitting the application to the State Tax Commission. Include a copy of the resolution which approves the application and instruction items (a) through (f) on page 1, and a separate statement of obsolescence from the assessor of record with the State Assessor's Board. All sections must be completed in order to process.

**PART 1: ACTION TAKEN**

Action Date: _____		
<input type="checkbox"/> Exemption Approved for _____ Years, ending December 30, _____ (not to exceed 12 years)		
<input type="checkbox"/> Denied		
Date District Established	LUCI Code	School Code

**PART 2: RESOLUTIONS (the following statements must be included in resolutions approving)**

<p>A statement that the local unit is a Qualified Local Governmental Unit.</p> <p>A statement that the Obsolete Property Rehabilitation District was legally established including the date established and the date of hearing as provided by section 3 of Public Act 146 of 2000.</p> <p>A statement indicating whether the taxable value of the property proposed to be exempt plus the aggregate taxable value of property already exempt under Public Act 146 of 2000 and under Public Act 198 of 1974 (IFT's) exceeds 5% of the total taxable value of the unit.</p> <p>A statement of the factors, criteria and objectives, if any, necessary for extending the exemption, when the certificate is for less than 12 years.</p> <p>A statement that a public hearing was held on the application as provided by section 4(2) of Public Act 146 of 2000 including the date of the hearing.</p> <p>A statement that the applicant is not delinquent in any taxes related to the facility.</p> <p>If it exceeds 5% (see above), a statement that exceeding 5% will not have the effect of substantially impeding the operation of the Qualified Local Governmental Unit or of impairing the financial soundness of an affected taxing unit.</p> <p>A statement that all of the items described under "Instructions" (a) through (f) of the Application for Obsolete Property Rehabilitation Exemption Certificate have been provided to the Qualified Local Governmental Unit by the applicant.</p>	<p>A statement that the application is for obsolete property as defined in section 2(h) of Public Act 146 of 2000.</p> <p>A statement that the commencement of the rehabilitation of the facility did not occur before the establishment of the Obsolete Property Rehabilitation District.</p> <p>A statement that the application relates to a rehabilitation program that when completed constitutes a rehabilitated facility within the meaning of Public Act 146 of 2000 and that is situated within an Obsolete Property Rehabilitation District established in a Qualified Local Governmental Unit eligible under Public Act 146 of 2000 to establish such a district.</p> <p>A statement that completion of the rehabilitated facility is calculated to, and will at the time of issuance of the certificate, have the reasonable likelihood to, increase commercial activity, create employment, retain employment, prevent a loss of employment, revitalize urban areas, or increase the number of residents in the community in which the facility is situated. The statement should indicate which of these the rehabilitation is likely to result in.</p> <p>A statement that the rehabilitation includes improvements aggregating 10% or more of the true cash value of the property at commencement of the rehabilitation as provided by section 2(f) of Public Act 146 of 2000.</p> <p>A statement of the period of time authorized by the Qualified Local Governmental Unit for completion of the rehabilitation.</p>
--	---

**PART 3: ASSESSOR RECOMMENDATIONS**

Provide the Taxable Value and State Equalized Value of the Obsolete Property, as provided in Public Act 146 of 2000, as amended, for the tax year immediately preceding the effective date of the certificate (December 31st of the year approved by the STC).

	Taxable Value	State Equalized Value (SEV)
Building(s)		
Name of Governmental Unit	Date of Action on application	Date of Statement of Obsolescence

**PART 4: CLERK CERTIFICATION**

The undersigned clerk certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way. Further, the undersigned is aware that if any information provided is untrue, the exemption provided by Public Act 146 of 2000 may be in jeopardy.

Name of Clerk	Clerk Signature	Date
Janice Winfrey		
Clerk's Mailing Address	City	State
	2 Woodward Avenue, Suite 200	Detroit
	Telephone Number	ZIP Code
	(313) 224-3262	48226
	Fax Number	Email Address

Mail completed application and attachments to: Michigan Department of Treasury  
 State Tax Commission  
 P.O. Box 30471  
 Lansing, Michigan 48909-7971

If you have any questions, call (517) 373-2408.

For guaranteed receipt by the State Tax Commission, it is recommended that applications and attachments are sent by certified mail.

**ATTACHMENT TO  
ACT 146 OBSOLETE PROPERTY REHABILITATION EXEMPTION  
CERTIFICATE APPLICATION**

Elmwood Club Plaza  
April 24, 2019

**I. General Description of Obsolete Facility and Description of the Obsolete Facility's Proposed Use**

The Elmwood Club Plaza is an approximately 111,100 leasable square foot apartment building, constructed in the 1970s, and contains 202 units within its 18 stories. The facility is obsolete because (i) its heating and cooling systems are inadequate for the highest and best use of the property; (ii) the electrical, plumbing, mechanical, and interior features are inefficient and inconsistent with the highest and best use of the property; and (iii) the interior and exterior components are deficient, requiring repairs, restoration, and modernization.

Upon completion of the rehabilitation, the Elmwood Club Plaza will retain all 202 units. It will also add brand new high-efficiency mechanical systems, air conditioning for all residents, exterior cladding, high efficiency windows, modernized elevators, an upgraded life safety and sprinkler system, a fully amenitized outdoor green area added at the base of the building, and an upgraded retail façade along Chene.

**II. Description of the General Nature and Extent of the Rehabilitation to be Undertaken**

The rehabilitation will include the following major aspects:

- Rehabilitation of the interior units.
- Removal and replacement of heating system with modern, efficient heating units.
- Removal and replacement of windows with high efficiency windows.
- Addition of air conditioning for all units.
- Upgraded life safety system, including sprinklers.
- Rehabilitation of the façade.
- Rehabilitation of the first floor lobby.
- Additional outdoor amenities and improved commercial façade.

**III. Descriptive List of the Fixed Building Equipment That Will Be Part of the Rehabilitated Facility**

HVAC, dishwashers, elevators and other customary equipment located in apartment buildings.

**IV. Time Schedule for Undertaking and Completing the Facility's Rehabilitation**

The rehabilitation of the Elmwood Club Plaza is expected to commence in July 2019 and be completed by August 2020.

**V. Statement of the Economic Advantages Expected from the Exemption**

The exemption will temporarily mitigate the very high real property tax rates in the City of Detroit (approx. 85.622 mills), contribute toward a more affordable rent structure for the Elmwood Club Plaza and allow for offering of apartments that are affordable to people with moderate income levels. This affordable rent structure will allow the achievement of higher occupancy and accelerate the influx of nearby workers who want to work and live in the City of Detroit, which will in turn increase the City of Detroit's income tax collections from both residents and construction workers. Approximately twenty (20) temporary construction jobs will be created. Three (3) permanent, full-time employee positions are also expected to be created.

**VI. Legal Description.**

Land situated in the City of Detroit in the County of Wayne in the state of Michigan.

Parts of Lots 18 and 19, of ELMWOOD PARK URBAN RENEWAL PLAT NO. 2, according to the plat thereof as recorded in Liber 92 of Plats, pages 77 through 82, both inclusive, Wayne County Records, described as: Beginning at the Southwesterly corner of said Lot 19, being also the intersection of the Northerly line of Larned Street, 120.00 feet wide, with the Easterly line of Chene Street, 120.00 feet wide; thence along the Westerly line of said Lot 19, North 26 degrees 07 minutes 10 seconds West, 264.88 feet; thence North 63 degrees 53 minutes 19 seconds East, 133.55 feet; thence North 26 degrees 07 minutes 10 seconds West, 180.49 feet; thence North 63 degrees 52 minutes 50 seconds East, 424.29 feet; thence along the Southerly line of said Lot 19, South 59 degrees 51 minutes 21 seconds West, 300.00 feet to the Point of Beginning.

Commonly known as: 750 Chene, Detroit, Michigan 48207.

Tax ID Number: Ward 11, Item No. 00125-34.



**SUPPLEMENTAL INFORMATION TO  
ACT 146 OBSOLETE PROPERTY REHABILITATION EXEMPTION  
CERTIFICATE APPLICATION**

Elmwood Park Plaza Limited Partnership  
April 24, 2019

Range of Rent Levels: The Elmwood Club Plaza will offer approximately 202 one-bedroom apartments. The following chart depicts the variety of apartments expected to be offered:

<b>Unit Type</b>	<b>Number of Units</b>	<b>Square Footage</b>	<b>Initial Monthly Rent</b>
1-bedroom	1	550	\$1,442.00
1-bedroom	162	550	\$1,239.00
1-bedroom	24	550	\$900.00*
1-bedroom	16	550	\$852.00*

\*Based upon 2018 AMI levels; subject to change.

Employment and Contracting Opportunities: The property owner will attempt to contract with as many Detroit based businesses and cause the hiring of as many Detroit residents for construction work as possible. The property owner will work with the DEGC and local community groups in furtherance of these goals.





CITY OF DETROIT  
 OFFICE OF THE CHIEF FINANCIAL OFFICER  
 OFFICE OF THE ASSESSOR

COLEMAN A. YOUNG MUNICIPAL CENTER  
 2 WOODWARD AVENUE, SUITE 824  
 DETROIT, MICHIGAN 48226  
 (313) 224-3011 • TTY:711  
 (313) 224-9400  
 WWW.DETROITMI.GOV

September 16, 2019

Katharine G. Trudeau, Deputy Director  
 Planning & Development Department  
 Coleman A. Young Municipal Center  
 2 Woodward Ave, Suite 808  
 Detroit, MI 48226

RE: **Obsolete Property Rehabilitation Certificate – Elmwood Park Plaza Limited Partnership**  
 Property Address: 750 Chene (aka 670 Chene)  
 Parcel Number: 11000125-34

Dear Ms. Trudeau:

The Office of the Chief Financial Officer, Office of the Assessor, has reviewed the proposed Obsolete Property Rehabilitation certificate application for the property located at **750 Chene (aka 670 Chene)** in the **Elmwood Park** area in the City of Detroit.

The rationale for granting Obsolete Property Rehabilitation certificates under PA 146 of 2000, as amended, is based on the anticipation of increased market value upon completion of new construction and /or significant rehabilitation of existing commercial property and commercial housing property. Normal repair and maintenance are not assessed and do not necessarily generate additional market value.

**Elmwood Park Plaza Limited Partnership** is proposing to rehabilitate the 18-story apartment building with 156,634 square feet of total floor area, built in 1974, on 2.424 acres of land and retain all 202 units. Rehabilitation will include all interior units, replacement of heating units, replacement of windows, air conditioning for all units, up-grade of the life safety system, rehabilitation of the façade and rehabilitation of the first floor lobby.

The 2019 values are:

Parcel #	Address	Building Assessed Value (SEV)	Building Taxable Value	Land Assessed Value (SEV)	Land Taxable Value
11000125-34	670 Chene	\$ 1,961,000	\$ 1,535,890	\$ 24,200	\$ 18,954

This property meets the criteria set forth under PA 146 of 2000, as amended. It applies to blighted, functionally obsolete and contaminated properties. "Rehabilitation," meaning that changes to qualified facilities that are required to restore or modify the property, together with all appurtenances, to an economically efficient condition.

The project is expect to increase commercial activity, create employment, retain employment, revitalize an urban area and increase the number of residents in the area.



---

Obsolete Property Rehabilitation Certificate  
Elmwood Park Plaza Limited Partnership  
Page 2

A field investigation indicated that the properties located at **750 Chene (aka 670 Chene)** is eligible as it pertains to the Obsolete Property Rehabilitation Act under P.A. 146 of 2000, as amended.

Sincerely,

A handwritten signature in black ink, appearing to read "CE", written in a cursive style.

Charles Ericson, MMAO  
Assessor, Board of Assessors

mmp



Obsolete Property Rehabilitation Certificate  
Elmwood Park Plaza Limited Partnership  
Page 3

Property Address: 670 CHENE

Parcel Number: 11000125-34

Property Owner: ELMWOOD PARK PLAZA

Legal Description: N LARNED PT OF 18 & 19ELMWOOD PARK URBAN REN PLAT NO 2 SUB L92 P77-82 PLATS, W C R DES AS FOLS  
BEG SWLY COR LOT 19 TH N 26D07M 10S W 264.88 FT TH N 63D 53M 19S E 133.55 FT TH N 26D 07M 10S W 180.49 FT TH N 63D  
52M 50S E 165.71 FT TH ALONG THE E LINE OF SD LOTS 18 & 19 S 26D 07M 10S E 424.29 FT TH ALONG THE S LINE OF SD LOT 19 S  
59D 51M 21S W 300 FT TO THE POB 11/112 104955 SQ FT





# City of Detroit

## CITY COUNCIL

COUNCIL PRESIDENT BRENDA JONES

### INCENTIVE INFORMATION CHART: Elmwood Club Apartments Rehabilitation

Project Type	Incentive Type	Investment Amount	District
Rental apartments rehabilitation	OPRA	\$10,119,671	5

Jobs Available							
Construction				Post Construction			
	Non-Professional	Skilled Labor	Non-Skilled Labor	Professional	Non-Professional	Skilled Labor	Non-Skilled Labor
0	0	20	0	2	2	2	2

1. What is the plan for hiring Detroiters?

During the construction phase, the general contractor (GC) has been advised by the development team that a management priority must be to hire residents of the 48207 area and the city of Detroit generally. The anticipated GC, MIG Construction, has a deep history with completing projects in Detroit as well as with managing residency requirements for Detroit-based projects. MIG Construction's team has strong relationships with local stakeholders, such as neighborhood-level organizations and block clubs, and will work closely with such groups to advertise open positions.

Following construction, it is anticipated employees of the management/maintenance staff will mostly consist of Detroit Residents, especially living on site or within the 48207 zip code, in which the site is situated. Additionally, as during the construction phase of the project, the owner will work closely with community stakeholders to ensure that information about any future employment opportunities are disseminated as widely as possible in neighborhoods close to the site.

2. Please give a detailed description of the jobs available as listed in the above chart, i.e: job type, job qualifications, etc.

During the construction phase, MIG Construction, will be looking to hire subcontractors, having employees of Detroit residency, for the following trades:

- DIV 1 - Testing
- DIV 2 - Building Demolition
- DIV 2 - Abatement
- DIV 3 - Concrete Coring/Sawcut/Infill
- DIV 4 - Masonry
- DIV 6 - Rough Carpentry
- DIV 6 - Finish Carpentry
- DIV 7 - Roofing
- DIV 7 - Metal Panel/Thermal Insulation/Waterproofing

Coleman A. Young Municipal Center • 2 Woodward Avenue • Suite 1340 • Detroit, Michigan 48226  
 (313) 224-1245 Fax (313) 224-4095



# City of Detroit

## CITY COUNCIL

COUNCIL PRESIDENT BRENDA JONES

DIV 8 - Glass and Glazing  
DIV 8 - Doors/Frames/Hardware  
DIV 9 - Gyp Board Assemblies  
DIV 9 - Resilient Flooring  
DIV 9 - Tile  
DIV 9 - Painting and Coatings  
DIV 10 - Specialties - Toilet and Bath Acc. / Partitions  
DIV 11 - Equipment  
DIV 12 - Millwork and Casework  
DIV 13 - Fire Protection  
DIV 15 - Plumbing  
DIV 15 - HVAC  
DIV 16 - Electrical

3. Will this development cause any relocation that will create new Detroit residents? No.

Additional Detroit residents are expected to be attracted to the rehabilitated building.

4. Has the developer reached out to any community groups to discuss the project and/or any potential jobs?

The owner is in the process of discussing the project with community members.

5. When is construction slated to begin? September, 2019.

6. What is the expected completion date of construction? September, 2020.

\*Please contact Linda Wesley at (313) 628-2993 or [wesleyl@detroitmi.gov](mailto:wesleyl@detroitmi.gov) to schedule a date to attend the Skilled Trades Task Force.





26

September 20, 2019

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

**Re: Request for a Public Hearing to Establish an Obsolete Property Rehabilitation District on behalf of K8 Partners LLC in the area of 2119 Field, Detroit, Michigan, in accordance with Public Act 146 of 2000 (Petition #881).**

Honorable City Council:

The Housing and Revitalization Department has reviewed the application of **K8 Partners LLC** and find that it satisfies the criteria set forth by P.A. 146 of 2000 and would be consistent with development and economic goals of the Master Plan.

Prior to acting upon a resolution to recommend approval, a public hearing must be held, and the City Clerk must provide written notice of the public hearing to the assessor and to the governing body of each taxing unit that levies an ad valorem tax within the eligible district, said notice is to be made **not less than 10 days or more than 30 days** prior to your Honorable Body's adoption of said resolution.

We request that a Public Hearing be scheduled on the issue of establishing an Obsolete Property Rehabilitation District. Attached for your consideration, please find a resolution establishing a date and time for the public hearing.

Respectfully submitted,

Donald Rencher  
Director

DR/ml

cc: S. Washington, Mayor's Office  
M. Cox, P&DD  
D. Rencher, HRD  
M. Langston, HRD



**BY COUNCIL MEMBER** \_\_\_\_\_

**WHEREAS**, pursuant to Public Act No. 146 of 2000 (“the Act”) this City Council may adopt a resolution which approves the application of an Obsolete Property Rehabilitation District within the boundaries of the City of Detroit; and

**WHEREAS**, **K8 Partners LLC** has filed an application for an Obsolete Property Rehabilitation District whose boundaries are particularly described in the map and legal description attached hereto; and

**WHEREAS**, prior to such approval, the City Council shall provide an opportunity for a Public Hearing, at which Public Hearing on such adoption of a resolution providing such tax exemption, at which Public Hearing representatives of any taxing authority levying *ad valorem* taxes within the City, or any other resident or taxpayer of the City of Detroit may appear and be heard on the matter.

**NOW THEREFORE BE IT**

**RESOLVED**, that on the \_\_\_\_\_, 2019 in the City Council Committee Room, 13<sup>th</sup> floor, Coleman A. Young Municipal Center, a Public Hearing be held on the above described application and be it finally

**RESOLVED**, that the City Clerk shall give notice of the Public Hearing to the general public and shall give written notice of the Public Hearing by certified mail to all taxing authorities levying an *ad valorem* tax within the City of Detroit.



## DEPARTMENTAL REFERENCE COMMUNICATION

*Monday, May 20, 2019*

*To: The Department or Commission Listed Below*

*From: Janice M. Winfrey, Detroit City Clerk*

---

The following petition is herewith referred to you for report and recommendation to the City Council.

In accordance with that body's directive, kindly return the same with your report in duplicate within four (4) weeks.

---

FINANCE DEPT/ASSESSMENTS DIV.    LAW DEPARTMENT  
LEGISLATIVE POLICY DIVISION    PLANNING AND DEVELOPMENT DEPARTMENT

**881**    *K8 Partners LLC, request to establish an Obsolete Property Rehabilitation District at 2119 Field Street, Detroit, MI 48214.*



May 14, 2019

Detroit City Council  
Coleman A. Young Municipal Center  
2 Woodward Ave Suite 1340  
Detroit, MI 48226

**RE: Request for the Establishment of an Obsolete Property Rehabilitation Act (OPRA)  
District at 2119 Field Street, Detroit, Michigan 48214 for K8 Partners LLC**

Honorable City Council:

Please accept this letter as a request to establish an Obsolete Property Rehabilitation District (OPRD) for the property located at 2119 Field Street, Detroit, Michigan 48214, which is referred to herein as the "Property" and described on Attachment A. The Property will be rehabilitated by the petitioner and current owner, K8 Partners LLC.

**Company and Project Synopsis**

K8 Partners, LLC (the "Developer") was formed in 2018 and is affiliated with Astral Weeks Development ("Astral Weeks") Astral Weeks is a privately held real estate development and management company, working primarily in the New York City region and Detroit. With a focus on dynamic urban neighborhoods, Astral Weeks develops and invests in residential, commercial, and mixed use projects. Whether through ground-up new construction or adaptive reuse projects, the company contributes to the thriving neighborhoods in which its projects are located by helping meet local demands for quality housing, community facilities, creative workspaces, and retail. Because Astral Weeks owns, operates and manages its properties, the company's approach to development is distinguished by strategic purpose and professional execution.

Astral Weeks has been active in the City of Detroit since 2014, making several property acquisitions, as well as executing on a neighborhood development strategy in Islandview/Greater Villages, including the planned rehab of approximately 60 single family and duplex homes, 15 of which have been completed and leased out or sold to date.

The Roy Company, the construction manager (CM), is a contracting firm based in Detroit, and a dedicated partner for this development. With the experience of Astral Weeks and the dedication of The Roy Company, the Developer is poised to successfully rehabilitate this historic building, providing increased housing variety in an area of Detroit ripe for building rehabilitation and increased residential density.

The proposed OPRD contains one parcel totaling approximately 0.34 acres and is located at 2119 Field Street, Detroit, Michigan. The proposed OPRD 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 OPRD is located in the Islandview neighborhood of Detroit, named for its proximity to Detroit's famous island park, Belle Isle. Smart Bus routes are located within a block east or west on Kercheval Avenue to provide transportation alternatives. Additionally, planned bike lanes along Kercheval Avenue and the forthcoming Beltline Greenway will connect residents to local amenities, provided increased ease of access to reach the riverfront and RiverWalk. The property is occupied by a two-story multi-family residential building with basement currently

*Request for Establishment of an Obsolete Property Rehabilitation District at  
2119 Field Street, Detroit MI 48214  
for K8 Partners LLC*

containing approximately 11,980 square feet and constructed in 1910. The proposed redevelopment will contain approximately 11,761 square feet of living space, not including an additional 5,951 square feet of basement floor space. The building is currently uninhabitable, with roof leaks, no windows or interior partitions, and no operating utilities.

The proposed OPRD will entail the rehabilitation of the current building into eight residential townhome apartment units. Each unit will include modern three-bedroom floorplans and finishes with private entry and exit for each unit, including covered porches that face the streets, and rear porches that access private parking.

As part of the rehabilitation, the building will be gutted to receive new utilities including electrical, water, and natural gas, new energy efficient heating, cooling and ventilation systems, new energy efficient windows and doors, and insulation, repairs to building structure and masonry will be completed as needed, and the interior wall partitions will receive new framing and finish materials, including drywall, trim, new flooring, appliances, and fixtures. The structure will be brought up to current code as applicable.

### **The Necessity for Tax Relief**

Substantial investment is necessary to rehabilitate the area into a viable, long-term development. Additionally, the property currently contains a dilapidated and deteriorating building that will require repair and selective demolition with the property rehabilitation. The overall internal rate of return for the proposed development will be extremely low without the receipt of the Obsolete Property Rehabilitation District (and Certificate) and planned Brownfield TIF Reimbursement, and therefore, the development would not be possible without it.

The costs associated with the rehabilitation require multiple capital sources including equity contributed by K8 Partners LLC members, as well as an interim construction loan, and upon completion, a long-term loan product. In order to secure this financing and future tenants, the operating costs of the proposed renovations and redevelopment of the project need to be kept as low as possible (including property taxes).

The proposed Development included within the request will result in approximately 73 construction jobs and four full-time equivalent (FTE) jobs associated with the ongoing management and maintenance for the proposed residential development.

### **PA 146 Request**

A 12-year abatement is being requested.

### **Economic Advantages of the Rehabilitation**

Upon completion, the Development will return an obsolete property to productive use and will increase residential density in an area characterized by vacant land and disinvestment. Activation of this property will spur further growth and act as a catalyst for future redevelopment of numerous vacant and blighted properties along the Kercheval Avenue corridor and the surrounding neighborhoods and provide spinoff consumer spending in an area of Detroit that is currently left out of redevelopment planning.

**Request for Establishment of an Obsolete Property Rehabilitation District at  
2119 Field Street, Detroit MI 48214  
for K8 Partners LLC**

The granting of the OPRA tax abatement will not result in any fewer taxes to the City of Detroit in the short-term or long-term. On a short-term basis approximately 73 construction jobs will be created. The GC has several Detroit-based contractors that they have used in the past and that they have requested bids from to ensure Detroit-based contractors and workers benefit from the redevelopment. In addition, should additional contractors be needed for the project, the Developer will reach out to the Skilled Trades Taskforce and/or attend D2D meetings to ensure Detroit-based contractors benefit from the development.

Upon successful redevelopment, the proposed redevelopment will create approximately four full-time equivalent (FTE) jobs related to the management and maintenance of the property. These new jobs, along with the new residents living at the development, will generate increased income taxes for the City of Detroit.

Following expiration of the 12-year abatement the building will deliver a significant increase in tax revenue. Over time, the successful redevelopment and cultural growth will have a city-wide impact.

**Closing**

K8 Partners LLC are a group of experienced professionals driven to redevelop dynamic urban neighborhoods just like Islandview. Through diligent development planning, K8 Partners LLC are poised to succeed with this multi-family investment in the City of Detroit.

Members of the Development team are planning to reach out to local community groups, such as the Villages Community Development Corporation and the local Detroit City Council member regarding the new ownership and anticipated improvements to receive meaningful feedback on the anticipated project.

The team is looking forward to pursuing this redevelopment and creating a community in Detroit's Islandview Neighborhood.

Respectfully Submitted,



Joseph Roubeni  
Managing Partner  
K8 Partners LLC  
joseph@astralweeks.com  
(516) 466-8001

**Attachment A: Detailed Project Description**  
**Attachment B: Parcel Map**  
**Attachment C: Incentive Information Chart**

# **Attachment A**

## **Detailed Project Description**

## General Description

The proposed Development is located at the intersection of Kercheval Avenue and Field Street in the Islandview neighborhood of Detroit, named for Detroit's famous island park, Belle Isle. 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 property consists of one parcel totaling approximately 0.34 acres and is outlined in the map below.



The property has historically been occupied as a multi-tenant residential building, constructed in 1910. The proposed project currently consists of a complete building rehabilitation to create eight residential townhome apartment units.

The associated address and parcel identification number can be found below, and a copy of the corresponding legal description can be found at the end of this attachment.

Smart bus routes are located within a block east or west on Kercheval Avenue to provide alternative transportation methods. Additionally, planned bike lanes along Kercheval Avenue and the forthcoming Beltline Greenway will connect residents to local amenities, providing increased ease of access to reach the riverfront and RiverWalk.

## Description of Proposed Use

The proposed redevelopment will create additional housing and increased residential density in an area of Islandview that has been behind the curve for investment and redevelopment and is characterized by vacant lots and disinvestment. The project will entail the rehabilitation of the current building into eight residential townhome apartment units. The proposed development will include approximately 11,761 square feet of living space (not including an additional 5,951 square feet of basement floor space), divided into eight three-bedroom units with basements. Each unit will include modern floorplans and finishes with private entry and exit for each unit. A minimum of 20% of the units will be priced to meet affordable unit requirements for 80% of the Area Median Income (AMI).



*Existing building located at 2119 Field Street*

The rehabilitation will create approximately 11,761 square feet of living space, spread across the following anticipated proposed units, with an additional 5,951 square feet of basement floor space:

	<b>Unit A</b>	<b>Unit B</b>	<b>Unit C</b>	<b>Unit D</b>	<b>Unit E</b>	<b>Unit F</b>	<b>Unit G</b>	<b>Unit H</b>
1 <sup>st</sup> Floor	797	730	727	735	779	705	700	778
2 <sup>nd</sup> Floor	797	709	707	714	758	683	679	763
Basement	797	730	727	735	779	705	700	778
Total (SF)	2,391	2,169	2,161	2,184	2,316	2,093	2,079	2,319
	17,712							

The developer will create a new parking area at the rear of the property, including parking for each apartment unit. The parking area will include an automatic gate, a four foot fence, and a hedge row to screen green space from the parking lot. New concrete walkways will also be installed throughout the property.

## Nature and Extent of the Rehabilitation

As part of the rehabilitation, the building will be gutted to receive new utilities including electrical, water, and natural gas, new energy efficient heating, cooling and ventilation systems, new energy efficient windows and doors, and insulation. Repairs to building structure and masonry will be completed as needed, and the interior wall partitions will receive new framing and finish materials, including drywall, trim, new flooring, appliances, and fixtures. The structure will be brought up to current code as applicable.



*Existing building located at 2119 Field Street*



*Concept rendering of the proposed redevelopment*

The Development will create residential tenant space for and encourage Detroiters to populate these spaces. These developments are necessary components crucial to attracting resident and visitor interest along with investment in this blighted area of Detroit.

K8 Partners LLC intends to apply for a 12-year real property tax abatement under the provisions of an Obsolete Property Rehabilitation Act tax abatement.

### **Descriptive List of the Fixed Building Equipment/Renovations**

Renovations and new fixed building equipment and materials for the project include;

- Temporary Facilities; including dumpsters, construction fencing, and temporary lighting and power maintenance
- Sitework; including new water, gas, and electrical service, limited site demolition, and landscaping
- Site Utilities; including new water and gas service to the building
- Concrete; including repair or replacement of the current parking lot, sidewalks, porches, and step repairs
- Metals; including gutters, downspouts, and porch railings
- Masonry; including masonry restoration and patching, and repairs to the front porches
- Rough Carpentry; including framing, subfloor repair, installation of doors and windows
- Finish Carpentry; including stairs and wood flooring



- Thermal and Moisture Protection; including general roofing repairs; roof repairs at chimneys, front porches, gutters, and downspouts; and insulation for the exterior walls, attic, and above bay windows
- Doors and Windows; exterior doors, interior doors/frames/hardware, windows
- Equipment; including bathroom vanities; kitchen cabinets; and countertops
- Plumbing; including new sanitary main; bathtubs; toilets; sinks; and natural gas lines for range and furnace
- Mechanical; HVAC and ductwork
- Finishes; drywall, ceramic tile, and painting
- Specialties; electrical distribution, fire extinguishers and dwelling unit appliances



*Newel posts and bannisters like these ca. 1910 will be refurbished where applicable*

Total construction hard and soft cost investment is estimated at \$1.7 million, with a total project investment of \$2 million.

### **Time Schedule**

Construction activities are anticipated to commence in the fall of 2019. Construction completion is anticipated for summer of 2020.

### **Statement of Economic Advantages**

The proposed Development will bring needed investment to a residential area of Detroit's Islandview neighborhood characterized by vacancy and blight. Primary planning goals for Islandview include improving existing housing, increasing affordable housing options, increasing the variety of housing, and increasing overall resident density. The Development will address each of these goals by returning an obsolete property to the housing market and increasing density within the neighborhood. Further, the Development is located just one-quarter mile southwest of the Butzel Family Center where families can seek social services and self-help technologies designed to improve their quality of life. Offering amenities such as a computer lab, banquet hall, basketball court, baseball diamonds, tennis courts, and a playscape, Butzel Family Center has much to offer future tenants of the Development. Indeed, activation of this property along the Kercheval Avenue corridor will spur further growth and infill development, acting as a catalyst for future redevelopment of similar properties along Kercheval Avenue and throughout the Islandview neighborhood.

The granting of the tax abatement will not result in any fewer taxes to the City of Detroit in the short-term or long-term. Upon successful redevelopment, the Development will generate increased income taxes, through the new jobs and residents that the project will create.

On a short-term basis approximately 73 construction jobs will be created (12.64 full-time equivalent (FTE)). The Roy Group, the construction manager (CM), has experience and contacts to hire Detroit-based subcontractors and have reached out to the Skilled Trades Taskforce in order to ensure Detroit-based contractors benefit from the development.

On a long-term basis the proposed redevelopment associated with the District will create approximately four FTE jobs and house at least eight new Detroit residents. Therefore, it is anticipated the City of Detroit will collect approximately 2.4% income tax per resident per year. The table below illustrates the resident tax impact the development will have following completion.

<b>Residential Benefits</b>	<b>Annual Amount</b>
Minimum of 8 apartment units	
Median Household Income x Units x 2.4%	\$7,948.80
\$41,400 x 8 x 2.4%	
Four FTE permanent jobs	
\$70,000 x 2 x 2.4%	\$3,360.00
\$50,000 x 1 x 2.4%	\$1,200.00
\$41,600 x 1 x 2.4%	\$998.40
<b>Total</b>	<b>\$13,507.20</b>

Additionally, there will be other indirect benefits such as spin off spending in the City that will contribute to the economic benefits produced by this investment. It will further help meet the demand for housing in Detroit, with a reported 2.6% vacancy rate across metro Detroit (Crain's, 5/13/17). As one of ten neighborhoods targeted by Detroit's second Strategic Neighborhood Fund, several hundred residential units and thousands of square feet of retail space are planned for Islandview (Crain's, 11/16/2018). These investments into the community will have long-term effects and provide sustainable principals that will retain and foster local talent that is vital to securing the City's economic future.

Following expiration of the 12-year abatement the building will deliver a significant increase in tax revenue. Over time, the successful redevelopment and cultural growth will have a city-wide impact.

### **Legal Description**

Parcel Number: 15007454.002L  
 Address: 2119 Field Street  
 Acres: 0.344

Legal Description:  
 W FIELD 29&30 LINDEN LAWN SUB L21 P21 PLATS, W C R 15/98 100 X 150 SPLIT ON 10/11/2018 INTO 15007454.003, 15007454.004, 15007454.005, 15007454.006, 15007454.007, 15007454.008, 15007454.009, 15007454.010;

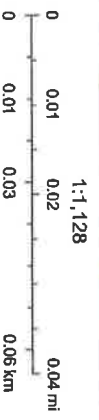
**Attachment B**

**Parcel Map**

# Wayne County Parcel Viewer



April 17, 2019



City of Windsor, SEWCOGS, Esri Canada, Esri, HERE, Garmin,  
INCREMENT P, USGS, EPA, USDA, AAFC, INRCan

## **Attachment C**

### **Incentive Information Chart**

# City of Detroit

CITY COUNCIL

COUNCIL PRESIDENT BRENDA JONES

## **INCENTIVE INFORMATION CHART:**

Project Type	Incentive Type	Investment Amount	District
Multi-family residential	PA 146 – OPRA	\$1.7 Million-\$2.0 Million	District 5

<b>Jobs Available</b>							
<b>Construction</b>				<b>Post Construction</b>			
Professional	Non-Professional	Skilled Labor	Non-Skilled Labor	Professional	Non-Professional	Skilled Labor	Non-Skilled Labor
2		70	1	1	3		

1. What is the plan for hiring Detroiters?

The Roy Company (the GC) has several Detroit-based contractors that they have used in the past and that they have requested bids from to ensure Detroit-based contractors and workers benefit from the redevelopment. In addition, should additional contractors be needed for the project, the Developer will reach out to the Skilled Trades Taskforce meetings to ensure Detroit-based contractors benefit from the development.

2. Please give a detailed description of the jobs available as listed in the above chart, i.e: job type, job qualifications, etc.

It is anticipated that 4 full-time equivalent (FTE) permanent jobs associated with the management and maintenance aspects of the proposed development.

The developer will be hiring skilled and non-skilled labor for all of the rehab and construction which would include roofers, framers, electricians, plumbers, heating, window installation, insulators, drywallers, painters, finish carpenters, cabinets installers, flooring, clean up, security.

3. Will this development cause any relocation that will create new Detroit residents?

There are no current residents at the subject property that will need to be relocated as a result of this development. Rather, the development will create eight new housing units that will create new Detroit residents

4. Has the developer reached out to any community groups to discuss the project and/or any potential jobs?

Members of the Development team are planning to reach out to local community groups, such as the Villages Community Development Corporation and the local Detroit City Council member regarding the new ownership and anticipated improvements to receive meaningful feedback on the anticipated project.

5. When is construction slated to begin?  
Spring of 2020.

6. What is the expected completion date of construction?  
Fall/Winter of 2020.

\*Please contact Linda Wesley at (313) 628-2993 or [wesleyl@detroitmi.gov](mailto:wesleyl@detroitmi.gov) to schedule a date to attend the Skilled Trades Task Force.

Coleman A. Young Municipal Center • 2 Woodward Avenue • Suite 1340 • Detroit, Michigan 48226  
(313) 224-1245 Fax (313) 224-4095

2019-05-20

**881**

**881** *Petition of K8 Partners LLC, request  
to establish an Obsolete Property  
Rehabilitation District at 2119 Field  
Street, Detroit, MI 48214.*

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REFERRED TO THE FOLLOWING DEPARTMENT(S)

FINANCE DEPT/ASSESSMENTS DIV. LAW  
DEPARTMENT  
LEGISLATIVE POLICY DIVISION PLANNING AND  
DEVELOPMENT DEPARTMENT





CITY OF DETROIT  
OFFICE OF THE CHIEF FINANCIAL OFFICER  
OFFICE OF THE ASSESSOR

COLEMAN A. YOUNG MUNICIPAL CENTER  
2 WOODWARD AVENUE, SUITE 824  
DETROIT, MICHIGAN 48226  
(313) 224-3011 • TTY:711  
(313) 224-9400  
WWW.DETROITMI.GOV

August 22, 2019

Maurice Cox, Director  
Planning & Development Department  
Coleman A. Young Municipal Center  
2 Woodward Ave, Suite 808  
Detroit, MI 48226

Re: **Obsolete Property Rehabilitation District – K8 Partners LLC**

Property Address: 2119 Field Street

Parcel Numbers: 15007454.003, 15007454.004, 15007454.005, 15007454.006, 15007454.007, 15007454.008, 15007454.009, 15007454.010. New Parcel Number 15007454.002L for 2020 Assessment Roll.

Dear Mr. Cox:

The Office of the Chief Financial Officer, Office of the Assessor, has reviewed the proposed Obsolete Property Rehabilitation District located at **2119 Field Street** in the **Islandview neighborhood** in the City of Detroit.

The rationale for creating Obsolete Property Rehabilitation Districts under PA 146 of 2000, as amended, is based on the anticipation of increased market value upon completion of new construction and /or significant rehabilitation of existing commercial property and commercial housing property. Normal repair and maintenance are not assessed and do not necessarily generate additional market value.

**K8 Partners** plans to rehabilitate the two-story, 11,890 square foot, apartment building with a 5,951 square foot basement built in 1910 on .344 acres of land into 8 residential townhome apartments with 3 bedroom. The units were formerly condominiums and the condominium plan was dissolved for the 2020 assessment roll. The building is currently uninhabitable with roof leaks, no windows, no interior partitions and no operating utilities. Rehabilitation will include gutting the building, repairs to building structure, new windows, new interior walls, repairing the roof, new mechanical, plumbing and electrical systems, and energy efficient heating, cooling and ventilation systems along with new apartment fixtures for 8 residential units.

This property meets the criteria set forth under PA 146 of 2000, as amended. It applies to blighted, functionally obsolete and contaminated properties. "Rehabilitation," meaning that changes to qualified facilities that are required to restore or modify the property, together with all appurtenances, to an economically efficient condition. Rehabilitation also includes deficient or excessive height, new or improved fixed building equipment, including heating, ventilation, and lighting, reducing multistory facilities to 1 or 2 stories, adding additional stories to a facility or adding additional space on the same floor level not to exceed 100% of the existing floor space on that floor level, improved structural support including foundations, improved roof structure and cover, floor replacement, improved wall placement, improved exterior and interior appearance of buildings, and other physical changes required to restore or change the obsolete property to an economically efficient condition.

A field investigation indicated that the proposed Obsolete Property Rehabilitation District located at **2119 Field Street** is eligible as it pertains to the Obsolete Property Rehabilitation Act under P.A. 146 of 2000, as amended.

Sincerely,

Charles Ericson, MMAO  
Assessor, Board of Assessor

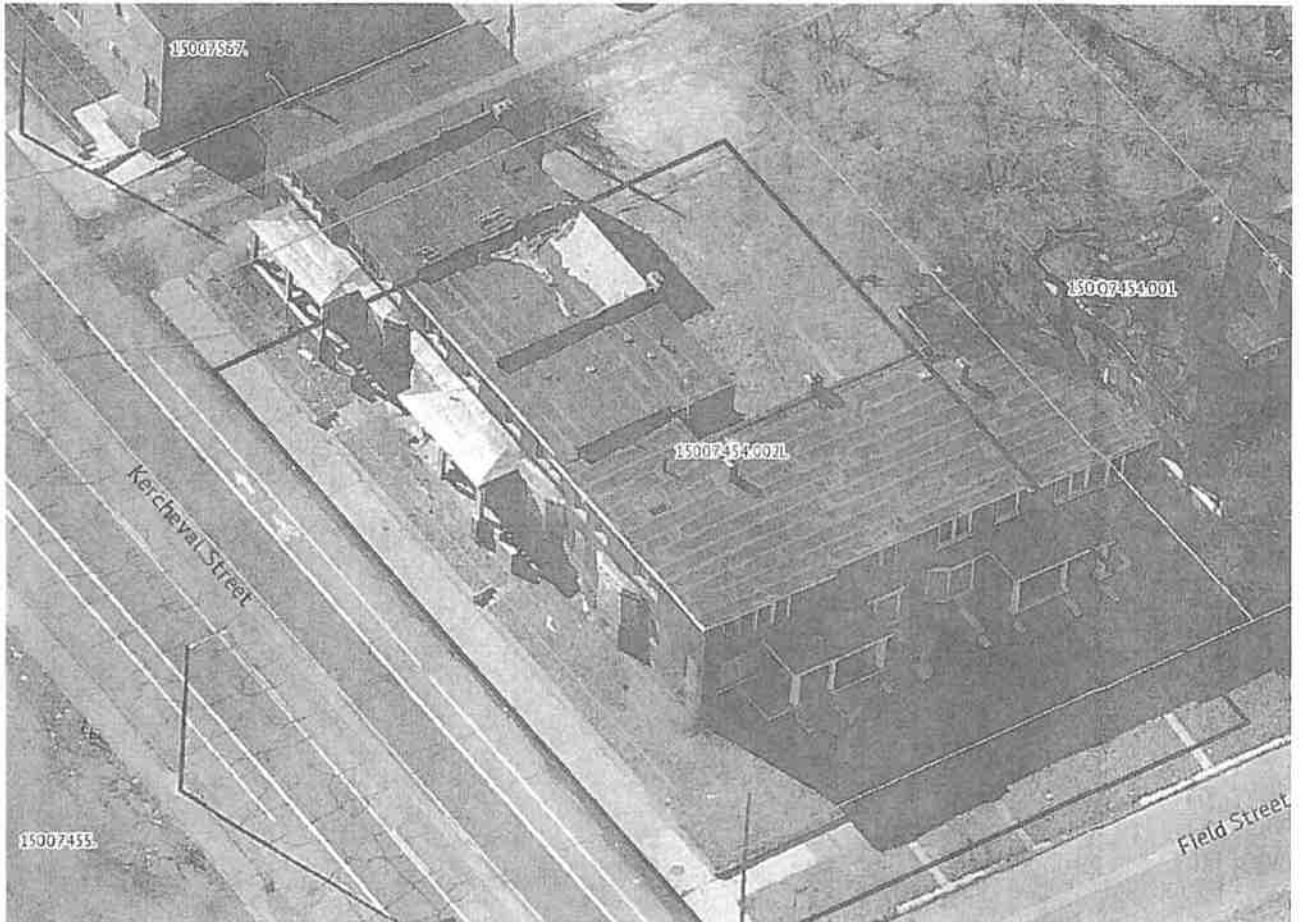


PARCEL NUMBER	PROPERTY ADDRESS	OWNER NAME	LEGAL DESCRIPTION
15007454.002L (2020 Parcel ID)	2119 FIELD	K8 PARTNERS LLC	W FIELD 29&30 LINDEN LAWN SUB L21 P21 PLATS, W C R 15/98 100 X 150 SPLIT ON 10/11/2018 INTO 15007454.003, 15007454.004, 15007454.005, 15007454.006, 15007454.007, 15007454.008, 15007454.009, 15007454.010;
15007454.003 (2019 Parcel ID)	2119 FIELD	K8 PARTNERS LLC	W FIELD UNIT NO 1 WAYNE COUNTY CONDO PLAN NO 1059 "2119 FIELD STREET CONDOMINIUM" RECORDED L53718 P1049 DEEDS WCR 15/98 12.5%; 2,391 SQ FT SPLIT/COMBINED ON 10/11/2018 FROM 15007454.002L;
15007454.004 (2019 Parcel ID)	2119 FIELD	K8 PARTNERS LLC	W FIELD UNIT NO 2 WAYNE COUNTY CONDO PLAN NO 1059 "2119 FIELD STREET CONDOMINIUM" RECORDED L53718 P1049 DEEDS WCR 15/98 12.5%; 2,169 SQ FT SPLIT/COMBINED ON 10/11/2018 FROM 15007454.002L;
15007454.005 (2019 Parcel ID)	2119 FIELD	K8 PARTNERS LLC	W FIELD UNIT NO 3 WAYNE COUNTY CONDO PLAN NO 1059 "2119 FIELD STREET CONDOMINIUM" RECORDED L53718 P1049 DEEDS WCR 15/98 12.5%; 2,161 SPLIT/COMBINED ON 10/11/2018 FROM 15007454.002L;
15007454.006 (2019 Parcel ID)	2119 FIELD	K8 PARTNERS LLC	W FIELD UNIT NO 4 WAYNE COUNTY CONDO PLAN NO 1059 "2119 FIELD STREET CONDOMINIUM" RECORDED L53718 P1049 DEEDS WCR 15/98 12.5%; 2,184 SPLIT/COMBINED ON 10/11/2018 FROM 15007454.002L;
15007454.007 (2019 Parcel ID)	2119 FIELD	K8 PARTNERS LLC	W FIELD UNIT NO 5 WAYNE COUNTY CONDO PLAN NO 1059 "2119 FIELD STREET CONDOMINIUM" RECORDED L53718 P1049 DEEDS WCR 15/98 12.5%; 2,316 SQ FT SPLIT/COMBINED ON 10/11/2018 FROM 15007454.002L;
15007454.008 (2019 Parcel ID)	2119 FIELD	K8 PARTNERS LLC	W FIELD UNIT NO 6 WAYNE COUNTY CONDO PLAN NO 1059 "2119 FIELD STREET CONDOMINIUM" RECORDED L53718 P1049 DEEDS WCR 15/98 12.5%; 2,093 SQ FT SPLIT/COMBINED ON 10/11/2018 FROM 15007454.002L;
15007454.009 (2019 Parcel ID)	2119 FIELD	K8 PARTNERS LLC	W FIELD UNIT NO 7 WAYNE COUNTY CONDO PLAN NO 1059 "2119 FIELD STREET CONDOMINIUM" RECORDED L53718 P1049 DEEDS WCR 15/98 12.5%; 2,079 SQ FT SPLIT/COMBINED ON 10/11/2018 FROM 15007454.002L;
15007454.010 (2019 Parcel ID)	2119 FIELD	K8 PARTNERS LLC	W FIELD UNIT NO 8 WAYNE COUNTY CONDO PLAN NO 1059 "2119 FIELD STREET CONDOMINIUM" RECORDED L53718 P1049 DEEDS WCR 15/98 12.5%; 2,319 SQ FT SPLIT/COMBINED ON 10/11/2018 FROM 15007454.002L;



Obsolete Property Rehabilitation District  
K8 Partners LLC  
Page 3

The legal description matches the OPRA district request.



September 20, 2019

Detroit City Council  
Coleman A. Young Municipal Center  
2 Woodward Ave., Suite 1340  
Detroit, MI 48226

**Re: Request for Public Hearing to Approve an Obsolete Property Rehabilitation Certificate on behalf of Elmwood Park Plaza Limited Partnership in the area of 750 Chene, Detroit, Michigan, in accordance with Public Act 146 of 2000 (Petition #877).**

Honorable City Council:

The Housing and Revitalization Department and Finance Departments have reviewed the application of **Elmwood Park Plaza Limited Partnership** and find that it satisfies the criteria set forth by P.A. 146 of 2000 and would be consistent with development and economic goals of the Master Plan.

Public Act 146 of 2000 states that the legislative body of the qualified local governmental unit, shall by resolution either approve or disapprove the application for an Obsolete Property Rehabilitation Exemption Certificate in accordance with Section 8 and other provisions of this act. Prior to acting upon a resolution to recommend approval, a public hearing must be held, and the City Clerk must provide written notice of the public hearing to the assessor and to the governing body of each taxing unit that levies an ad valorem tax within the eligible district.

We request that a Public Hearing be scheduled on the issue of approving the application for the Obsolete Property Rehabilitation Certificate. Attached for your consideration, please find a resolution establishing a date and time for the public hearing.

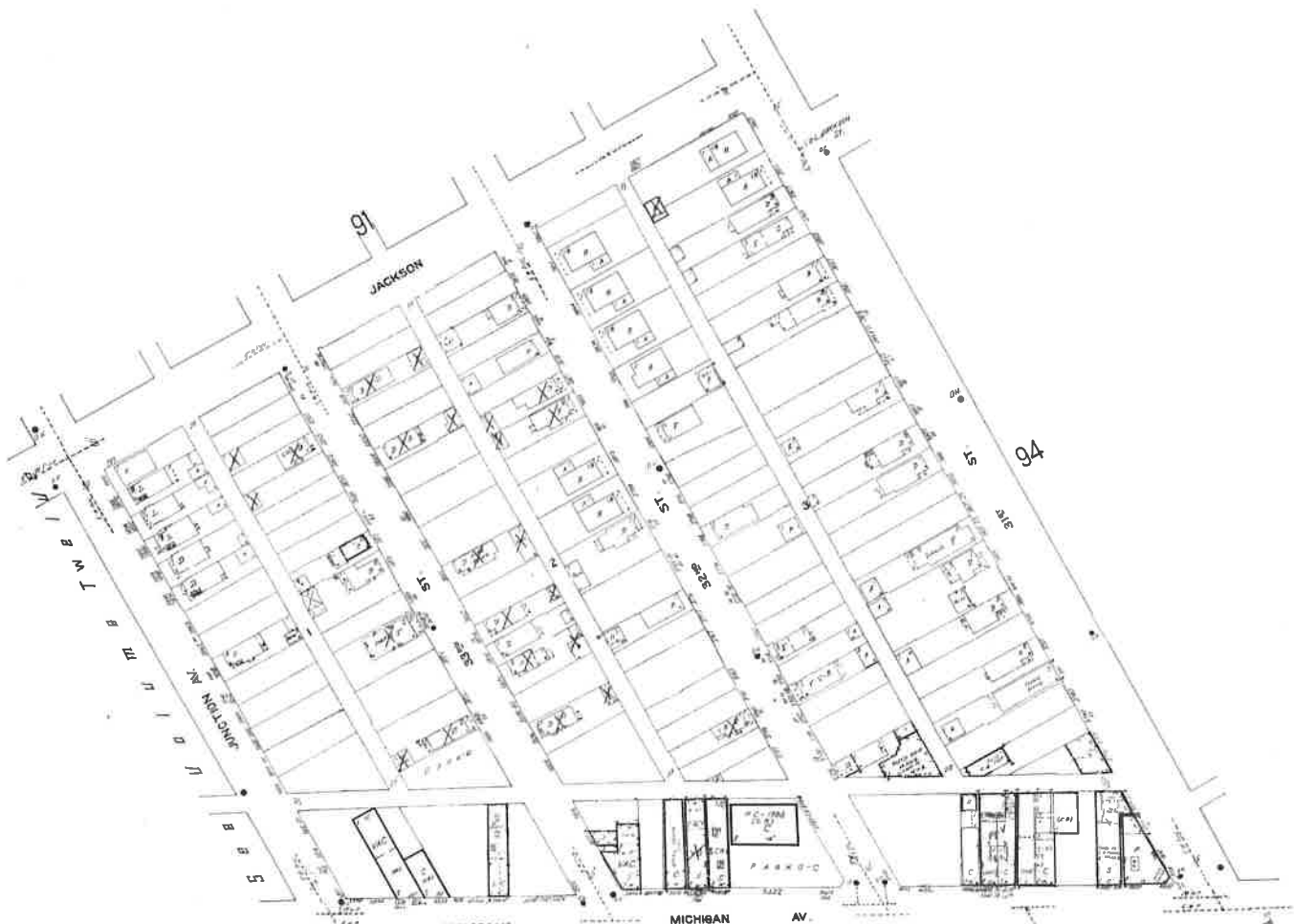
Respectfully submitted,

Donald Rencher  
Director

DR/vf

cc: S. Washington, Mayor's Office  
M. Cox, P&DD  
D. Rencher, HRD  
V. Farley, HRD

93



94

MICHIGAN AV

BUILDINGS MARKED WITH AN X  
HAVE BEEN DEMOLISHED

S E B U O I U M E O N E



CITY OF DETROIT  
PLANNING AND DEVELOPMENT DEPARTMENT

COLEMAN A. YOUNG MUNICIPAL CENTER  
2 WOODWARD AVENUE SUITE 808  
DETROIT, MICHIGAN 48226  
(313) 224-1339 • TTY:711  
(313) 224-1310  
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27

September 19, 2019

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

**RE: Property Transfer to the Detroit Land Bank Authority  
251 and 261 Chandler, Detroit, MI**

Honorable City Council:

The City of Detroit, Planning & Development Department (“P&DD”) is hereby requesting the authorization of your Honorable Body to transfer two (2) vacant and blighted single-family home sites at 251 and 261 Chandler (the “Properties”) to the Detroit Land Bank Authority (“DLBA”).

The Properties have each gone through tax foreclosure at least once since 2011 and were transferred from Wayne County to the City in 2015, where the Properties have been held as surplus and not otherwise reserved for City development purposes. At this time, the City wishes to transfer the Properties to the DLBA to be improved, maintained and placed back into productive use by a qualified third party. The Properties are within an R3 zoning district (Low Density Residential District). The proposed use of the Properties shall be consistent with the allowable uses for which the Properties are zoned.

We request that your Honorable Body adopt the attached resolution to authorize the Director of P&DD to execute a quit claim deed and such other documents as may be necessary or convenient to effect a transfer of the Properties by the City to the DLBA.

Respectfully submitted,

Katharine G. Trudeau  
Deputy Director

cc: Stephanie Washington (Mayor’s Office)

CITY CLERK 2019 SEP 19 PM 4:07

## RESOLUTION

**BY COUNCIL MEMBER:** \_\_\_\_\_

**NOW, THEREFORE, BE IT RESOLVED**, that Detroit City Council hereby approves the transfer of two (2) vacant single-family home sites at 251 and 261 Chandler, Detroit, MI (the "Properties"), as more particularly described in the attached Exhibit A, to the Detroit Land Bank Authority ("DLBA") for the sum of One and 00/100 Dollar (\$1.00); and be it further

**RESOLVED**, that the Director of the Planning and Development Department ("P&DD"), or his authorized designee, is authorized to execute a quit claim deed and such other documents as may be necessary or convenient to effect the transfer of the Properties to DLBA consistent with this resolution; and be it further

**RESOLVED**, that the P&DD Director, or his authorized designee, is authorized to execute any required instruments to make and incorporate technical amendments or changes to the quit claim deed (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 Properties, provided that the changes do not materially alter the substance or terms of the transfer and sale; and be it finally

**RESOLVED**, that the quit claim deed will be considered confirmed when executed by the P&DD Director, or his authorized designee, and approved by the Corporation Counsel as to form.

(See Attached Exhibit A)

**EXHIBIT A**

LEGAL DESCRIPTIONS

Properties situated in the City of Detroit, Wayne County, Michigan, described as follows:

**Parcel 1**

N CHANDLER 83 CHANDLER AVE SUB L13, P96, PLATS, W C R 1/106 50 X 125

a/k/a 251 Chandler  
Tax Parcel ID 01002279.

**Parcel 2**

N CHANDLER 82 CHANDLER AVE SUB L13, P96, PLATS, W C R 1/106 50 X 125

a/k/a 261 Chandler  
Tax Parcel ID 01002280.





CITY OF DETROIT  
PLANNING AND DEVELOPMENT DEPARTMENT

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(313) 224-1339 • TTY:711  
(313) 224-1310  
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September 17, 2019

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

**RE: Property Sale  
9132 W Fort, Detroit, MI 48209**

Honorable City Council:

The City of Detroit, Planning and Development Department (“P&DD”) has received an offer from Darnell Leonard (the “Purchaser”) to purchase certain City-owned real property at 9132 W Fort (the “Property”) for the purchase price of Twelve Thousand and 00/100 Dollars (\$12,000.00).

Darnell Leonard proposes to use the Property as additional parking for his adjacent car wash business. Currently, the property is within a B4 zoning district (General Business District). Darnell Leonard proposed use of the Property shall be consistent with the allowable uses for which the Property is zoned.

We request that your Honorable Body adopt the attached resolution to authorize the Director of P&DD, or his or her authorized designee to execute a quit claim deed and such other documents as may be necessary or convenient to effect a transfer of the Property by the City to Darnell Leonard.

Respectfully submitted,

Katharine G. Trudeau  
Deputy Director

cc: Stephanie Washington, Mayor's Office

CITY CLERK 2019 SEP 17 10:51:30

## RESOLUTION

BY COUNCIL MEMBER \_\_\_\_\_

**NOW, THEREFORE, BE IT RESOLVED**, that Detroit City Council hereby approves of the sale of certain real property at 9132 W Fort, Detroit, MI (the "Property"), as more particularly described in the attached Exhibit A incorporated herein, to Darnell Leonard (the "Purchaser") for the purchase price of Twelve Thousand and 00/100 Dollars (\$12,000.00).

**RESOLVED**, that the Director of the Planning and Development Department, or his or her authorized designee, is authorized to execute a quit claim deed and other such documents necessary or convenient to effect transfer of the Property to the Purchaser consistent with this resolution; and be it further

**RESOLVED**, that the following Property Sales Services Fees be paid from the sale proceeds pursuant to the City's Property Management Agreement with the Detroit Building Authority ("DBA"): 1) Two Thousand Five Hundred and 00/100 Dollars (\$2,500.00) shall be paid to the DBA from the sale proceeds, 2) Six Hundred and 00/100 Dollars (\$600.00) shall be paid to the DBA's real estate brokerage firm from the sale proceeds and 3) customary closing costs up to Two Hundred and 00/100 Dollars (\$200.00) shall be paid from the sale proceeds; and be it further

**RESOLVED**, that the P&DD Director, or his or her authorized designee, is authorized to execute any required instruments to make and incorporate technical amendments or changes to the quit claim deed (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 quit claim deed will be considered confirmed when executed by the P&DD Director, or his authorized designee, and approved by the Corporation Counsel as to form.

(See Attached Exhibit A)

**EXHIBIT A**

**LEGAL DESCRIPTION**

Property situated in the City of Detroit, Wayne County, Michigan, described as follows:

N FORT LOT 72 W 1/2 LOT 73 MURRERS SUB L18 P56 PLATS, W C R 20/132 45 X 100

a/k/a 9132 W FORT  
Tax Parcel ID 20001686.

Description Correct  
Engineer of Surveys

By: \_\_\_\_\_  
Basil Sarim, P.S.  
Professional Surveyor  
City of Detroit/DPW, CED



29

September 17, 2019

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

**RE: Property Sale  
10139 Lyndon, Detroit, MI 48238**

Honorable City Council:

The City of Detroit, Planning and Development Department (“P&DD”) has received an offer from New Man Industries LLC (the “Purchaser”), a Michigan Limited Liability Company to purchase certain City-owned real property at 10139 Lyndon (the “Property”) for the purchase price of Fifteen Thousand and 00/100 Dollars (\$15,000.00).

New Man Industries LLC owns the adjacent property and operates an audio and visual production company. They propose to use the property for storage of equipment. Currently, the property is within a M4 zoning district (Intensive Industrial District). New Man Industries LLC proposed use of the Property shall be consistent with the allowable uses for which the Property is zoned.

We request that your Honorable Body adopt the attached resolution to authorize the Director of P&DD, or his or her authorized designee, to execute a quit claim deed and such other documents as may be necessary or convenient to effect a transfer of the Property by the City to New Man Industries LLC.

Respectfully submitted,

Katharine G. Trudeau  
Deputy Director

cc: Stephanie Washington, Mayor’s Office

**RESOLUTION**

**BY COUNCIL MEMBER** \_\_\_\_\_

**NOW, THEREFORE, BE IT RESOLVED**, that Detroit City Council hereby approves of the sale of certain real property at 10139 Lyndon, Detroit, MI (the "Property"), as more particularly described in the attached Exhibit A incorporated herein, to New Man Industries LLC (the "Purchaser") for the purchase price of Fifteen Thousand and 00/100 Dollars (\$15,000.00).

**RESOLVED**, that the Director of the Planning and Development Department, or his or her authorized designee, is authorized to execute a quit claim deed and other such documents necessary or convenient to effect transfer of the Property to the Purchaser consistent with this resolution; and be it further

**RESOLVED**, that the following Property Sales Services Fees be paid from the sale proceeds pursuant to the City's Property Management Agreement with the Detroit Building Authority ("DBA"): 1) Two Thousand Five Hundred and 00/100 Dollars (\$2,500.00) shall be paid to the DBA from the sale proceeds, 2) Seven Hundred Fifty and 00/100 Dollars (\$750.00) shall be paid to the DBA's real estate brokerage firm from the sale proceeds and 3) customary closing costs up to Two Hundred and 00/100 Dollars (\$200.00) shall be paid from the sale proceeds; and be it further

**RESOLVED**, that the P&DD Director, or his or her authorized designee, is authorized to execute any required instruments to make and incorporate technical amendments or changes to the quit claim deed (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 quit claim deed will be considered confirmed when executed by the P&DD Director, or his authorized designee, and approved by the Corporation Counsel as to form.

(See Attached Exhibit A)

**EXHIBIT A**

**LEGAL DESCRIPTION**

Property situated in the City of Detroit, Wayne County, Michigan, described as follows:

S LYNDON LOT 296 ASSESSORS DETROIT PLAT NO 20 L74 P28 PLATS, W C R 16/469  
19820 SQ FT

a/k/a 10139 LYNDON  
Tax Parcel ID 16005903.051

Description Correct  
Engineer of Surveys

By: \_\_\_\_\_  
Basil Sarim, P.S.  
Professional Surveyor  
City of Detroit/DPW, CED



September 20, 2019

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

**Re: Request for Public Hearing to Approve a Commercial Rehabilitation Certificate on behalf of Epiphany Detroit, LLC, in the area of 10103 Kercheval, Detroit, Michigan, in accordance with Public Act 210 of 2005 (Petition #1820).**

Honorable City Council:

The Housing and Revitalization Department, Planning & Development Department and Finance Department have reviewed the application of **Epiphany Detroit, LLC** and find that it satisfies the criteria set forth by P.A. 210 of 2005 and would be consistent with development and economic goals of the Master Plan.

Public Act 210 of 2005 states that the legislative body of the qualified local governmental unit, shall by resolution either approve or disapprove the application for a Commercial Rehabilitation Exemption Certificate in accordance with Section 3 and other provisions of this act. Prior to acting upon a resolution to recommend approval, a public hearing must be held, and the City Clerk must provide written notice of the public hearing to the assessor and to the governing body of each taxing unit that levies an ad valorem tax within the eligible district.

We request that a Public Hearing be scheduled on the issue of approving the application for the Commercial Rehabilitation Certificate. Attached for your consideration, please find a resolution establishing a date and time for the public hearing.

Respectfully submitted,

Donald Rencher  
Director

DR/ml

Cc: S. Washington, Mayor's Office  
M. Cox, PDD  
D. Rencher, HRD  
M. Langston, HRD



**BY COUNCIL MEMBER \_\_\_\_\_**

**WHEREAS**, pursuant to Public Act 210 of 2005 (“the Act”) this City Council may adopt a resolution approving the application of a Commercial Rehabilitation Exemption Certificate within the boundaries of the City of Detroit; and

**WHEREAS**, **Epiphany Detroit, LLC** has made application for a Commercial Rehabilitation Exemption Certificate whose boundaries are particularly described in the map and legal description attached hereto; and

**WHEREAS**, prior to such approval, the City Council shall provide an opportunity for a Public Hearing, at which a Public Hearing on such adoption of a resolution providing such tax exemption, at which Public Hearing representatives of any taxing authority levying *ad valorem* taxes within the City, or any other resident or taxpayer of the City of Detroit may appear and be heard on the matter.

**NOW THEREFORE BE IT**

**RESOLVED**, that on the \_\_\_\_\_ 2019 in the City Council Committee Room, 13<sup>th</sup> floor, Coleman A. Young Municipal Center, a Public Hearing be held on the above described application and be it finally

**RESOLVED**, that the City Clerk shall give notice of the Public Hearing to the general public and shall give written notice of the Public Hearing by certified mail to all taxing authorities levying an *ad valorem* tax within the City of Detroit.



# City of Detroit

OFFICE OF THE CITY CLERK

Janice M. Winfrey  
City Clerk

Caven West  
Deputy City Clerk/Chief of Staff

March 04, 2019

To: Maurice Cox, Director  
Planning and Development Department  
Coleman A. Young Municipal Center  
2 Woodward Ave. Suite 908  
Detroit, MI. 48226

Re: Epiphany Detroit, LLC

Please find attached an application for Commercial Rehabilitation Exemption Certificate for property located at 10103 Kercheval. **(RELATED TO PETITION #1820)**

Respectfully submitted,



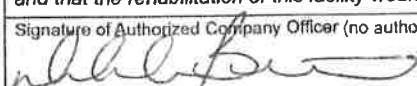
Michael J. O'Connell, Jr. Asst. City Council Clerk  
Office of the City Clerk

STATE USE ONLY		
Application Number	Date Received	LUCI Code

## Application for Commercial Rehabilitation Exemption Certificate

Issued under authority of Public Act 210 of 2005, as amended.

Read the instructions page before completing the form. **This application should be filed after the commercial rehabilitation district is established.** The applicant must complete Parts 1, 2 and 3 and file one original application form (with required attachments) and one additional copy with the clerk of the local governmental unit (LGU). Attach the legal description of property on a separate sheet. This project will not receive tax benefits until approved by the State Tax Commission (STC). Applications received after October 31 may not be acted upon in the current year. This application is subject to audit by the STC.

PART 1: OWNER / APPLICANT INFORMATION (applicant must complete all fields)			
Applicant (Company) Name (applicant must be the owner of the facility) <b>EPiPhany Detroit LLC</b>			NAICS or SIC Code
Facility's Street Address <b>10103 Kercheval</b>		City <b>Detroit</b>	State <b>MI</b> ZIP Code <b>48214</b>
Name of City, Township or Village (taxing authority) <b>Detroit</b>		County <b>Wayne</b>	School District Where Facility is Located <b>82010</b>
<input checked="" type="checkbox"/> City <input type="checkbox"/> Township <input type="checkbox"/> Village		Planned Date of Rehabilitation Completion (mm/dd/yyyy) <b>01 June 2020</b>	
Date of Rehabilitation Commencement (mm/dd/yyyy) <b>01 MAR 2019</b>		Number of Years Exemption Requested (1-10) <b>10</b>	
Estimated Cost of Rehabilitation <b>750,000.00 - 1,000,000.00</b>			
Expected Project Outcomes (check all that apply)			
<input checked="" type="checkbox"/> Increase Commercial Activity		<input checked="" type="checkbox"/> Retain Employment	
<input checked="" type="checkbox"/> Create Employment		<input checked="" type="checkbox"/> Revitalize Urban Areas	
<input checked="" type="checkbox"/> Prevent Loss of Employment		<input checked="" type="checkbox"/> Increase Number of Residents in Facility's Community	
No. of jobs to be created due to facility's rehabilitation <b>12</b>	No. of jobs to be retained due to facility's rehabilitation <b>3</b>	No. of construction jobs to be created during rehabilitation <b>15</b>	
PART 2: APPLICATION DOCUMENTS			
Prepare and attach the following items:			
<input checked="" type="checkbox"/> General description of the facility (year built, original use, most recent use, number of stories, square footage)		<input type="checkbox"/> Statement of the economic advantages expected from the exemption	
<input checked="" type="checkbox"/> Description of the qualified facility's proposed use		<input checked="" type="checkbox"/> Legal description	
<input checked="" type="checkbox"/> Description of the general nature and extent of the rehabilitation to be undertaken		<input type="checkbox"/> Description of the 'underserved area' (Qualified Retail Food Establishments only)	
<input checked="" type="checkbox"/> Descriptive list of the fixed building equipment that will be a part of the qualified facility		<input type="checkbox"/> Commercial Rehabilitation Exemption Certificate for Qualified Retail Food Establishments (Form 4753) (Qualified Retail Food Establishments only)	
<input checked="" type="checkbox"/> Time schedule for undertaking and completing the facility's rehabilitation			
PART 3: APPLICANT CERTIFICATION			
Name of Authorized Company Officer (no authorized agents) <b>DEANN BENETTI</b>		Telephone Number <b>586 822 9960</b>	
Fax Number		E-mail Address <b>bioproduction@sbeiglobal.net</b>	
Street Address <b>10103 Kercheval</b>		City <b>Detroit</b>	State <b>MI</b> ZIP Code <b>48214</b>
<p>I certify that, to the best of my knowledge, the information contained herein and in the attachments is truly descriptive of the property for which this application is being submitted. Further, I am familiar with the provisions of Public Act 210 of 2005, as amended, and to the best of my knowledge the company has complied or will be able to comply with all of the requirements thereof which are prerequisite to the approval of the application by the local governmental unit and the issuance of a Commercial Rehabilitation Exemption Certificate by the State Tax Commission.</p> <p>I further certify that this rehabilitation program, when completed, will constitute a rehabilitated facility, as defined by Public Act 210 of 2005, as amended, and that the rehabilitation of this facility would not have been undertaken without my receipt of the exemption certificate.</p>			
Signature of Authorized Company Officer (no authorized agents) 		Title <b>OWNER</b>	Date <b>2-28-19</b>

<b>PART 4: ASSESSOR RECOMMENDATIONS (assessor of LGU must complete Part 4)</b>			
Provide the Taxable Value and State Equalized Value of Commercial Property, as provided in Public Act 210 of 2005, as amended, for the tax year immediately preceding the effective date of the certificate (December 31 of the year approved by the STC).			
	<b>Taxable Value</b>	<b>State Equalized Value (SEV)</b>	
<b>Land</b>			
<b>Building(s)</b>			
The property to be covered by this exemption may not be included on any other specific tax roll while receiving the Commercial Rehabilitation Exemption. For example, property on the Eligible Tax Reverted Property (Land Bank) specific tax roll cannot be granted a Commercial Rehabilitation Exemption that would also put the same property on the Commercial Rehabilitation specific tax roll.			
<input type="checkbox"/> By checking this box I certify that, if approved, the property to be covered by this exemption will be on the Commercial Rehabilitation Exemption specific tax roll and not on any other specific tax roll.			
Name of Local Government Body			
Name of Assessor (first and last name)		Telephone Number	
Fax Number		E-mail Address	
<i>I certify that, to the best of my knowledge, the information contained in Part 4 of this application is complete and accurate.</i>			
Assessor's Signature			Date
<b>PART 5: LOCAL GOVERNMENT ACTION (clerk of LGU must complete Part 5)</b>			
Action Taken By LGU (attach a certified copy of the resolution):			
<input type="checkbox"/> Exemption approved for _____ years, ending December 30, _____ (not to exceed 10 years)			
<input type="checkbox"/> Exemption Denied			
Date District Established (attach resolution for district)	Local Unit Classification Identification (LUCI) Code	School Code	
<b>PART 6: LOCAL GOVERNMENT CLERK CERTIFICATION (clerk of LGU must complete Part 6)</b>			
Clerk's Name (first and last)		Telephone Number	
Fax Number		E-mail Address	
Mailing Address	City	State	ZIP Code
LGU Contact Person for Additional Information	LGU Contact Person Telephone Number	Fax Number	
<i>I certify that, to the best of my knowledge, the information contained in this application and attachments is complete and accurate and hereby request the State Tax Commission issue a Commercial Rehabilitation Exemption Certificate, as provided by Public Act 210 of 2005, as amended.</i>			
Clerk's Signature			Date

The clerk must retain the original application at the local unit and mail one copy of the completed application with attachments to:

State Tax Commission  
P.O. Box 30471  
Lansing, MI 48909

## Application Supplement

### General description of the facility:

Epiphany Detroit was a Community center built in 1925 by the Epiphany church. The building has been vacant for many years. The building will be a mixed use structure and there will be an outdoor activity area. It is 3 stories and is about 27,000 square feet.

### Description of the facility's proposed use:

The building will be a mixed use structure and there will be an outdoor activity area. There will be retail and commercial tenants.

### Description of the general nature and extent of the rehabilitation:

Clearing out, roof repairs, ceiling and floor substructure repairs, brick and limestone repairs and replacement, new electric, plumbing, and HVAC, elevator and fire system, new water main, new parking lot, etc.

### Time schedule for undertaking and completing the facility's rehabilitation:

Construction has started, expect to finish by June 2021.

### Statement of the economic advantages:

The Economic Advantages of this project would be to bring jobs to the outer city neighborhood area. Additionally it would bring new business to the city to increase the tax base. B&B Production is ready to move ASAP to The Epiphany. All the taxes on all 4 properties are paid in full and current. We would love to bring B&B Production, a 20 year old company to Detroit to relocate in the Epiphany.

### Legal description:

N KERCHEVAL N 11.65 FT OF 23 24 S 8.35 FT OF 25 WATERWORKS SUB L9 P91 PLATS, W C R 19/33 125 X 70 8,750 SQ FT



TO: Veronica Farley, Housing and Revitalization  
FROM: Esther Yang, Planning and Development  
RE: Master Plan Interpretation for **Commercial Rehabilitation District (PA 210)** for 10103 Kercheval Avenue  
DATE: May 6, 2019  
CC: Maurice Cox, Director, Planning and Development

In order to ensure that the **issuance and transfer of a certificate** for a **Commercial Rehabilitation District** is consistent with the City's Master Plan of Policies and will have the reasonable likelihood to increase commercial activity; create, retain or prevent a loss of employment; revitalize an urban area; or increase the number of residents in a community, pursuant to State of Michigan, Public Act 210 of 2005 (section 207.853), the Planning and Development Department's Planning Division submits the following interpretation. The Petitioner is Epiphany Detroit LLC

**Location and Project Proposal:** 10103 Kercheval Avenue; The project proposes to adaptively reuse this structure and redevelop it into mixed-use activities such as retail and commercial with some outdoor programming.

**Existing Site Information:** The 3-story structure was built in 1925 by Epiphany Church to serve as their community center. The structure has been unoccupied for many years. The subject site is zoned B4 (General Business District).

#### **Surrounding Site Information**

The immediate surrounding zoning along Kercheval is B4. To the immediate north is zoned R5 (Medium Density Residential District). To the east, along Kercheval is a 2-story vacant commercial building. There are vacant residential buildings to the north and west. Across Kercheval is a vacant lot, formerly a parking lot. The Master Plan Future General Land Use designation for the surrounding area is also RLM.

#### **Interpretation**

##### Impact on Surrounding Land Use

The proposed development will contribute to the development of Kercheval as a corridor serving the adjacent residential area.

##### Impact on Transportation

There are DDOT routes one block to the west along Kercheval and Pennsylvania.

#### **Master Plan Interpretation**

The subject site area is designated **Low/Medium Density Residential (RLM)**. Low/Medium Density Residential areas should have an overall density of 8 to 16 dwelling units per net residential acre. The areas are often characterized by two or four family homes with small yards, on-street parking, or garages with alley access. The residential classifications allow for neighborhood-scale commercial development. For instance, in a Low/Medium Density Residential area, small scale commerce (e.g. convenience stores) should exist to serve residents's day-to-day needs. The Master Plan Future General Land Use categories are generalized. Boundaries are not meant to be precise as to block or



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Property lines. Categories are descriptive of general development recognizing that some intermixtures are permissible or desirable. Most residential classifications allow for neighborhood-scale commercial development.

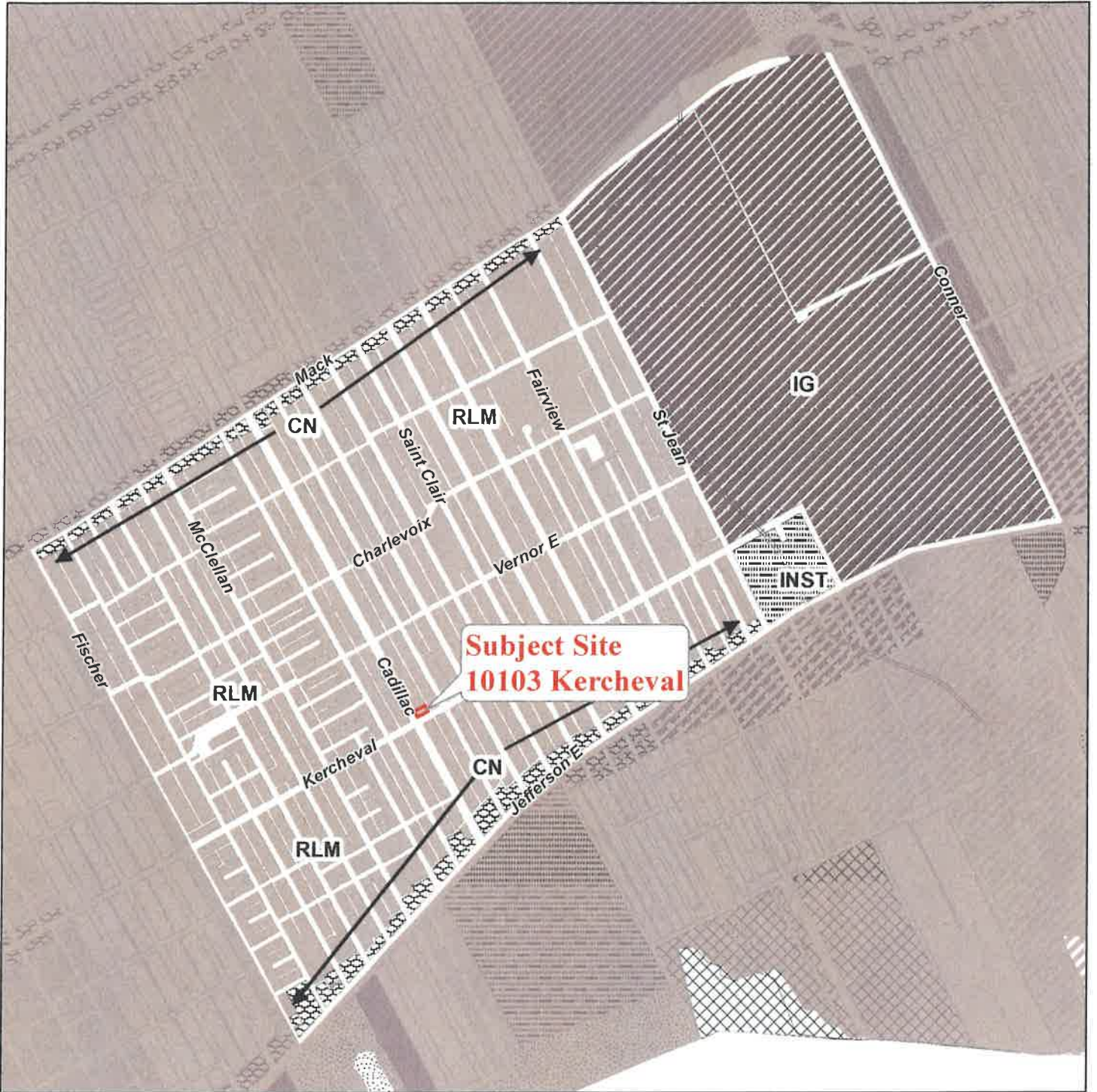
The following policies of the Foch neighborhood describe the following recommendations:

- Policy 3.1: Develop neighborhood commercial nodes along Mack and Jefferson with a compatible mix of locally serving, small-scale businesses and medium density residential along the less viable sections
- Policy 4.1: Strategically acquire property to be utilized for the development of neighborhood parks and play lots

**The proposed development does not change the Future General Land Use characteristics of the area and conforms to various Master Plan policies.**

#### **Attachments**

Future General Land Use Map: Neighborhood Cluster 3; Foch; Map 3-5B



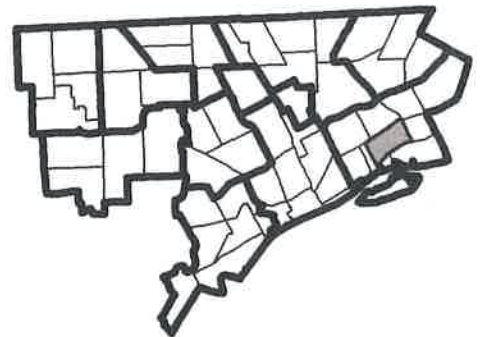
**Map 3-5B**  
**City of Detroit**  
**Master Plan of**  
**Policies**

**Neighborhood Cluster 3**  
**Foch**



**Future Land Use**

Low Density Residential (RL)	Thoroughfare Commercial (CT)	Mixed - Town Center (MTC)
Low / Medium Density Residential (RLM)	Special Commercial (CS)	Recreation (PRC)
Medium Density Residential (RM)	General Industrial (IG)	Regional Park (PR)
High Density Residential (RH)	Light Industrial (IL)	Private Marina (PRM)
Major Commercial (CM)	Distribution / Port Industrial (IDP)	Airport (AP)
Retail Center (CRC)	Mixed - Residential / Commercial (MRC)	Cemetery (CEM)
Neighborhood Commercial (CN)	Mixed - Residential / Industrial (MRI)	Institutional (INST)









CITY OF DETROIT  
 OFFICE OF THE CHIEF FINANCIAL OFFICER  
 OFFICE OF THE ASSESSOR

COLEMAN A. YOUNG MUNICIPAL CENTER  
 2 WOODWARD AVENUE, SUITE 824  
 DETROIT, MICHIGAN 48226  
 (313) 224-3011 • TTY: 711  
 (313) 224-9400  
 WWW.DETROITMI.GOV

April 17, 2019

Maurice Cox, Director  
 City of Detroit -Planning & Development  
 2 Woodward Ave, Suite 808  
 Detroit, MI 48226

RE: Commercial Rehabilitation Certificate – **Epiphany Detroit LLC**  
 Property Address: 10103 Kercheval  
 Parcels Number: 19000285.001

Dear Mr. Cox:

The Office of the Chief Financial Officer, Office of the Assessor, has reviewed the Commercial Rehabilitation certificate application for the property located at **10103 Kercheval** in the **East Village** area in the City of Detroit.

The rationale for issuing Commercial Rehabilitation certificates under PA 210 of 2005, as amended, is based on the anticipation of increased market value upon completion of new construction and /or significant rehabilitation of existing commercial property and commercial housing property. Normal repair and maintenance are not assessed and do not necessarily generate additional market value.

The proposed project by **Epiphany Detroit LLC** consists of the rehabilitation of a 3-story vacant community center with 27,084 square feet built in 1925 on .201 acres of land into a mixed use structure with retail and commercial tenants. Rehabilitation activities included roof repairs, ceiling and floor substructure repairs, brick and limestone repairs and replacement, new electric, plumbing, HVAC, elevator and fire system and a new water main.

The 2019 values are as follows:

Parcel #	Address	Building Assessed Value (SEV)	Building Taxable Value	Land Assessed Value (SEV)	Land Taxable Value
19000285.001	10103 Kercheval	\$ 383,200	\$ 4,891	\$ 1,900	\$ 24

This property meets the criteria set forth under PA 210 of 2005, as amended. It applies to a building or a group of contiguous buildings, a portion of a building or group of contiguous buildings previously used for commercial or industrial purposes, obsolete industrial property, and vacant property which, within the immediately preceding 15 years, was operating as a commercial business enterprise.

A review of the general plans, along with the criteria set forth under the Commercial Rehabilitation Act, indicated that the proposed project located at **10103 Kercheval** is eligible as it pertains to the Commercial Rehabilitation certificate criteria under P.A. 210 of 2005, as amended.

Sincerely,

Charles Ericson, MMAO  
 Assessor, Board of Assessors

mmp



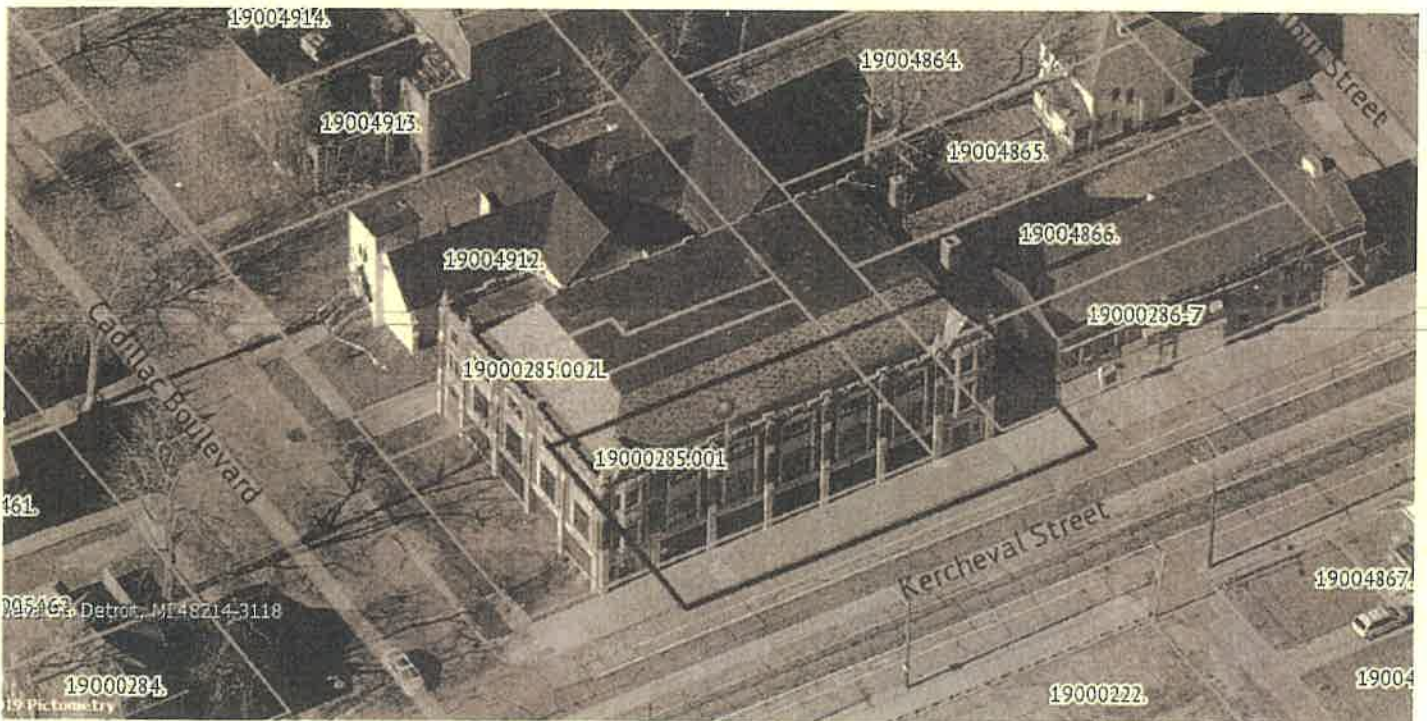
Commercial Rehabilitation Certificate  
Epiphany Detroit LLC  
Page 2

Property Owner: Epiphany Detroit LLC

Property Address: 10103 Kercheval

Parcel Number: 19000285.001

Legal Description: N KERCHEVAL N 11.65 FT OF 23 24 S 8.35 FT OF 25 WATERWORKS SUB L9 P91 PLATS, W C R 19/33 125 X 70 8,750 SQ FT.



September 19, 2019

## ***Background: The Ilitch Family and Detroit Development***

The Ilitch Family has been a fixture in Downtown Detroit since they purchased the Detroit Red Wings in 1982. A few years later, they acquired the Fox Theatre, restoring it and reopening it as a successful entertainment venue, while moving their Little Caesars pizza headquarters from Farmington to the Fox's adjoining office building. Over the next decade, the family would spend hundreds of millions more, acquiring the Detroit Tigers, securing a majority ownership in Motor City Casino, and building a real estate empire, snapping up hundreds of properties, culminating in the opening of Comerica Park, in the leadup to the 2000 Tigers season. All of these corporate interests are owned and controlled by Ilitch Holdings, valued at about \$6 billion, and currently headed by Chris Ilitch, the son of Little Caesars founders Mike and Marian Ilitch.



*Left: Mike and Marian Ilitch at the Fox Theatre, in 2006. Mike died in 2017.*

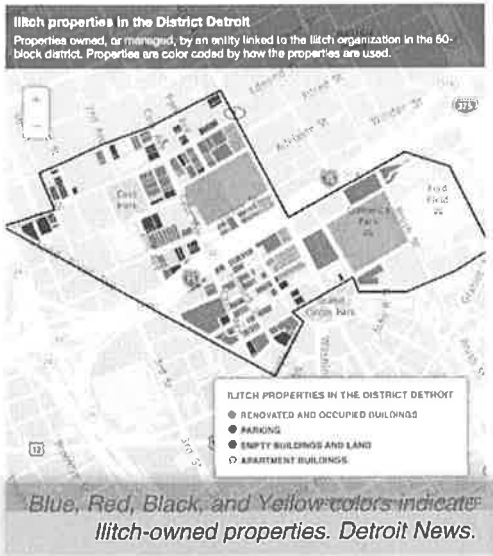
*Below: In the mid 2000s, daughter, Denise Ilitch (left), and son, Chris Ilitch (right), vied for control of the Ilitch empire, with Chris winning out.*



## ***Pre-2014: Clearing the Way for the Detroit Events Center***

For many years, Detroiters speculated that owner Mike Ilitch wanted to build a new hockey arena for the Detroit Red Wings. In 2012 rumors began to swirl when Red Wings officials confirmed that architects HKS and Chan Krieger were hired to design an 18,000 seat "events center." Initial statements placed the facility behind the Fox Theatre, on land largely made up of surface parking lots. Meanwhile, behind the scenes, Red Wings and the Ilitch's real estate development arm, Olympia Development of Michigan (ODM), were meeting with representatives from the Detroit Economic Growth Corporation (DEGC) and Michigan State Legislature to put together a financing package to construct the facility north of I-75, in the Lower Cass Corridor. By the time state and local officials agreed to extend the boundaries of Detroit's Downtown Development Authority so Detroit taxes could be captured in a new "Catalyst Area", ODM was able to secure nearly \$300 million in public money. Despite the objection of Detroit legislators, there was little by way of public disclosure or discussion on the matter in Lansing. Moreover, the timing of negotiations and approvals at the local level for the land and a concessionaire agreement coincided with Detroit's bankruptcy the next year in 2013, effectively putting the State of Michigan in control of the entire process. The 50-block area is now known as "District Detroit."

# The Ilitches Owns at Least 60% of the Properties in District Detroit



What was less known at the time of the public announcement of the Events Center location, was the extent of the Ilitch family land holdings. Besides investing in the Fox, Comerica Park, and the Events Center (renamed Little Caesars Arena in 2016), the Ilitches planned major investment in parking infrastructure, accounting for over half of the Ilitch-owned land. The Ilitches also own vacant land and buildings, of which over 20 are in historic districts, many languishing for decades. In May 2019, the *Detroit News* published an overview of Ilitch-owned land in District Detroit, noting the variety of LLCs the Ilitches use, making ownership hard to track. But what is clearer today is the Ilitch Family singularly controls the future of District Detroit.

## Q: What is the Neighborhood Advisory Committee?

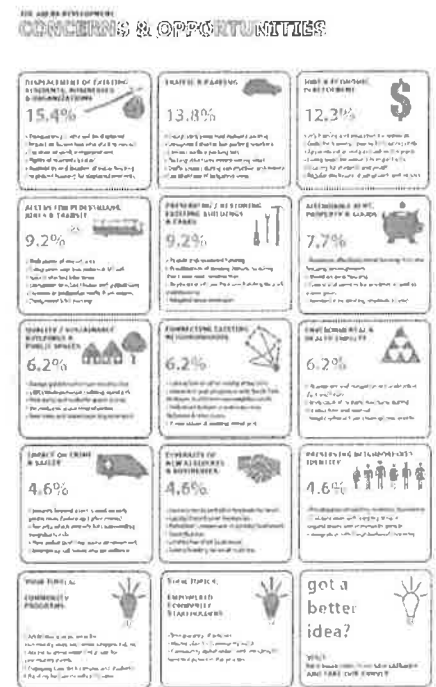
A: As a condition of Detroit City Council’s resolution to dispose of city-owned land for the Events Center, a Neighborhood Advisory Committee (NAC) was formed in 2014, to exist for a term of 5 years, and made up of a mix of 16 elected and council-appointed members. While the NAC was advisory, ODM had to listen to its concerns and meet with the NAC, as needed. Since its start, the NAC has met monthly, and held annual public meetings. The Arena NAC is a precursor to the current process followed by the Community Benefits Ordinance (CBO), adopted in 2016.

## Q: What were Community Concerns and Requests to ODM?

A: Prior to the formation of the NAC, the grassroots-led effort, Corridors Alliance, had done some initial organizing in anticipation of the Events Center, and completed surveys of the Lower Cass Corridor community, including outreach to small businesses and residents. At the top of the list of concerns was preventing the displacement of residents and businesses, followed by traffic and parking, access to jobs and transit, preserving historic structures, and affordable housing. These issues, among others, were packaged in a formal request to Detroit City Council.

The NAC updated those requests in a “District Vision” document delivered to ODM in July 2014. It spelled out desires for a range of outcomes, from affordable housing, to construction impacts mitigation, to jobs, entrepreneurship, green space, environment, and minimizing parking lots.

The NAC has tracked its requests and outcomes to date in a separate document, which also includes some of the subsequent issues and concerns that have arisen over the course of the NACs life. Another useful document is the *Lower Cass Corridor Community Needs Assessment*, which was also required by the original City Council resolution. It was finally released by the DDA in 2017, and offered a range of demographic, quantitative, and survey analysis of the area, identifying, among other things, a need to develop an in-district workforce.



# NAC Issues Advocacy: 2017-2019



**Issue 1:  
Affordable Housing**



**Issue 2:  
Historic Preservation**



**Issue 3:  
Traffic/Parking**



After Little Caesars Arena (LCA) officially opened in September 2017, NAC members agreed to focus energy on three issues—Protecting Affordable Housing, Preserving Historic Structures, and Traffic/Parking Mitigation. The NACs shifted from advice to public advocacy because it believed these issues were being neglected by ODM and its recommendations had largely fallen on deaf ears.

## **District Detroit: By the Numbers**

**\$860+ million**  
Cost to construct  
Little Caesars Arena

**\$285 million**  
Public financing,  
including money  
from Detroit Public  
Schools

**\$34.5 million**  
Cost to taxpayers for  
Pistons to move to  
Little Caesars Arena

**7,800**  
Parking spaces in  
District Detroit

**300+**  
Number of events in  
LCAs first year

**30**  
Ilitch-owned vacant  
buildings in District  
Detroit

## **Issue 1: Affordable Housing**

In the years since ODM became a major property owner in District Detroit, there are fewer residential units, even though ODM says housing is vital to District Detroit's redevelopment vision. Moreover, ODM promised that the District maintain 20% affordability, but has done little to protect, invest in, or expand affordable housing that it already controls, without any accountability.

This issue is most visible on Henry Street. Here, about 65 affordable units in two apartment buildings on one of the last intact blocks of residential structures in District Detroit were threatened when ODM pulled demo permits and fought a subsequent proposed historic designation, telling officials they wanted the block cleared for development.

**Community Outcome:** *Cass-Henry Historic District approved by City Council protects affordable housing.*

## **Issue 2: Historic Preservation**

The Ilitch family touts investing in the Fox Theatre as its commitment to historic preservation. The truth is that historically designated properties the Ilitches own are more likely to end up vacant or demolished. Less than 5% of Ilitch owned properties have been renovated.

After a controversial decision to demolish the Hotel Park Avenue in 2015, ODM announced it would create 700+ residential units in several historic properties, including the Alhambra and American Hotel. These were to join the Eddystone, which ODM agreed to restore in a deal with the City of Detroit. None of these projects are complete.

**Community Outcome:** *City Council approved Cass Park and Cass-Henry local historic districts protecting 27 structures; ODM agreed to \$33 million bond with the City of Detroit to ensure completion of the Eddystone Hotel.*



*Henry Street Apartments*



*Alhambra, current state*



*Alhambra, ODM rendering*

### Issue 3: Traffic/Parking

In contrast to selling low price pizza, the Ilitch business model for Downtown Detroit is large scale, event-based entertainment, meaning that management of vehicle traffic and parking is paramount to its success. For LCA, the Ilitch empire relies on measures that ensure patrons can get to and from LCA easily, and maximizes its returns on parking availability in the surrounding blocks.

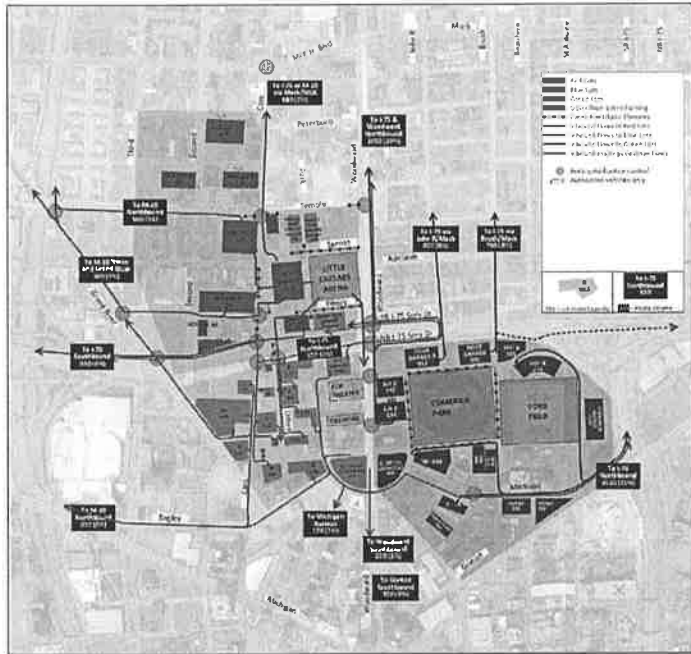


Figure 8: Count - Outbound Traffic Distribution

Traffic Management Plan

A Traffic Management Plan was completed in the lead up to LCAs opening. Throughout District Detroit, it focused traffic routes on funneling ingress and egress to freeways. In practice, this has caused disruption, including blockage of bike lanes, the QLine, busses, and has prevented patrons from accessing local businesses.

LCA is also the catalyst for the creation of thousands of parking spaces, largely in unsightly surface lots. These sit unused during much of the day, but can cost over \$40/space on events nights, with no fees going to the City of Detroit. When asked, the Ilitches refused to provide spaces to impacted residents.

**Community Outcome:** NAC convened ongoing local business roundtable to discuss traffic issues with ODM, Detroit Police, and Midtown Detroit Inc. (MDI); ODM agreed to support prospective residential street parking permit application with City of Detroit.

### NAC Recommendations:

After five years, the NAC sees its work as incomplete. There are so many opportunities to improve the quality of life for Detroiters in District Detroit, and we are sad that ODM and the Ilitch Family chose not to be better community partners.

Fundamentally, the **City of Detroit and local community need continued advocacy and accountability for neighborhood issues** outlined here and in the tracking doc, located on the NAC's google site: DistrictDetroitNAC. Here are some additional recommendations we see as being relevant to success in District Detroit:

1. Accountability for existing affordable housing.
2. Enforcement of blight ordinance and post ODM ownership information on vacant Ilitch-owned properties.
3. Divest ODM's portfolio to qualified affordable housing developer(s), such as Cass Corridor Neighborhood Development Corp.
4. Increase investment in Cass Park.
5. Provide free day parking/QLine passes.
6. Support City of Detroit Historic Designation Advisory Board communitywide survey.
7. Support MDI's continuing discussion on impacts of traffic on local business.
8. Support Service Employee International Union's (SEIU) campaign for LCA service staff.

#### NAC Members (2014)

**Elected Members:** Michael Boettcher, Richard Etue, Jason Gapa, Steve Genter, Francis Grunow, Paul Hughes, Ray Litt, Warner McBryde, Karen McLeod, Delphia Simmons, Melissa Thomas, Anthony Zander

**Appointed Members:** Karissa Holmes, Freddie Lindsey-Payne (deceased), Toney Stewart, Eric Williams

\*\*\*

Executive Summary of the Arena District NAC is made possible by:



#### Sources:

- <https://www.crainsdetroit.com/sports/little-caesars-arena-likely-will-near-top-worlds-most-attended-arenas-year>
- <https://www.dbusiness.com/business-features/flour-power/>
- <http://www.deadlinedetroit.com/articles/22743/apointe-where-was-chris-ilitch-the-condescending-monarch-of-detroit-s-royal-sports-family>
- <https://www.detroitnews.com/story/news/local/detroit-city/2018/08/24/ilitch-apartments-little-caesars-arena/872177002/>
- <https://www.detroitnews.com/story/news/local/detroit-city/2019/05/22/ilitch-companies-control-district-detroit-area-land-larger-than-downtown/2636965002/>
- <https://www.freep.com/story/news/local/michigan/detroit/2018/01/11/ilitch-parking-lca/948374001/>
- <http://www.districtdetroit.com/news/secure-well-lit-parking-options-in-the-district-detroit>
- [https://en.wikipedia.org/wiki/Little\\_Caesars\\_Arena](https://en.wikipedia.org/wiki/Little_Caesars_Arena)



32

## City of Detroit

CITY COUNCIL

**MARY SHEFFIELD**  
COUNCIL PRESIDENT PRO TEMPORE  
DISTRICT 5

### MEMORANDUM

**TO:** Alvin Horhn, Detroit Assessor  
**FROM:** Council President Pro Tempore Mary Sheffield, Chair, Neighborhoods and Community Services Committee  
**THRU:** James Tate, Chair, Planning and Economic Development Committee  
**DATE:** September 23, 2019  
**RE:** NEZ Request

---

Please create a Neighborhood Enterprise Zone bounded by Rosa Parks Boulevard, Linwood Avenue, Clairmount Avenue and Virginia Park Street. Please contact my office at 313-224-4505 if you have any questions.

Thank you for your prompt response.