

REFERRAL

9-24-19.

**PLANNING AND
ECONOMIC
DEVELOPMENT
STANDING
COMMITTEE**

F

**OFFICE OF CONTRACTING
AND PROCUREMENT**

September 18, 2019

HONORABLE CITY COUNCIL:

The Purchasing Division of the Finance Department recommends a Contract with the following firm(s) or person(s):

6002307 100% City Funding – To Provide a Neighborhood Framework Feasibility Study and Implementation Plan for the Delray Community Project. – Contractor: Rossetti – Location: 160 West Fort Street Suite 400, Detroit, MI 48226 – Contract Period: Upon City Council Approval through October 8, 2020 – Total Contract Amount: \$550,000.00. **PLANNING AND DEVELOPMENT**

Respectfully submitted,

Boysie Jackson, Chief Procurement Officer
Office of Contracting and Procurement

BY COUNCIL MEMBER **TATE**

RESOLVED, that Contract No. 6002307 referred to in the foregoing communication dated September 18, 2019, be hereby and is approved.



Housing and Revitalization
Department

Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 908
Detroit, Michigan 48226

Phone: 313.224.6380
Fax: 313.224.1629
www.detroitmi.gov

9

September 18th, 2019

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

RE: Request for Public Hearing for Petition #1005 to Establish a Commercial Rehabilitation District for S&S DEVELOPMENT LLC, in the area of 1301,1312,1313,1323 SEWARD ST, Detroit, Michigan, in accordance with Public Act 210 of 2005.

Honorable City Council:

The Housing and Revitalization Department has reviewed the request of **S&S DEVELOPMENT LLC** to establish a Commercial Rehabilitation District, and find that it satisfies the criteria set forth by Public Act 210 of 2005 and that it would be consistent with the development and economic goals of the Master Plan.

Per Public Act 210 of 2005, prior to acting upon the resolution to approve a district, 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 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 adopting a resolution to establish a new commercial 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/AM

cc: S. Washington, Mayor's Office
K. Trudeau, PDD
D. Rencher, HRD
A. McLeod, HRD

BY COUNCIL MEMBER _____

WHEREAS, pursuant to Public Act No. 210 of 2005 (“the Act”) this City Council may adopt resolution which approves the request to establish a Commercial Rehabilitation District within the boundaries of the City of Detroit; and

WHEREAS, S&S DEVELOPMENT LLC, has requested that a Commercial Rehabilitation District be established as particularly described in the legal description and illustrated in the map 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 _____, 2019 in the City Council Committee Room, 13th 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, **such notices to be provided not less than 10 days or more than 30 days** before the date of the hearing.

City of Detroit
OFFICE OF THE CITY CLERK

Janice M. Winfrey
City Clerk

Andre P. Gilbert II
Deputy City Clerk

DEPARTMENTAL REFERENCE COMMUNICATION

Monday, August 26, 2019

To: The Department or Commission Listed Below

From: Janice M. Winfrey, Detroit City Clerk

AMENDMENT

Herewith, the following referral is a copy of Petition **1055**

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

1055 *S & S Development LLC, request to Establish a Commercial Rehabilitation District for the Merrill Place Phase II Project generally known as 1301,1312,1313 and 1323 Seward Street Detroit, MI 48202*

NOTE: Attached please find additional documentation for the above mentioned petition.

PETITIONER IS AMENDING PETITION DUE TO:

Amended Legal Description and Petition No. (Previously 885). See attach

Please provide the City Council with a report relative to this petition within four (4) weeks. Thanking you in advance.



May 1, 2019

Detroit City Council
c/o Detroit City Clerk's Office
2 Woodward Ave
Coleman A. Young Municipal Building, Room 200
Detroit, MI 48226

RE: Merrill Development LLC (an entity of S&S Development LLC) - Petition to Establish a Commercial Rehabilitation District for the Merrill Place Phase II Project generally known as 1301, 1312 and 1313 Seward Street Detroit, MI 48202 – Updated July 20, 2019

Dear Honorable City Council Members:

This letter serves as a petition to establish a Commercial Rehabilitation District for the vacant parking lots 1301, 1312 1313 Seward Street Detroit, MI 48202, which are generally bounded by Virginia Park St. to the north, John C. Lodge Freeway to the east, Pallister to the south, and Poe St. to the west (Please see Attachment A. map and parcel information related to the proposed district).

Project Description

Merrill Development, under the umbrella of S&S Development, LLC has, since 2010, developed built and operated Merrill Place Phase I – a six unit complex in the New Center area that is fully occupied with no available units. Merrill Place Phase II will be a 54-Unit, two-building approximately 50,000 square foot multi-family development designed specifically for residents seeking proximity to the expanding medical center campus, New Center and Midtown areas. The current unit mix involves (36) 2-bedroom units and (18) 1-bedrooms split between two sites, and in two stages respectively.

Both new buildings will make a crucial contribution to the neighborhood's aesthetic cohesiveness, economic vitality, and community identity. As this will be the immediate hospital system area's first new construction multi-family development in over a decade, Merrill Place II will contribute to the overall massing of the area, bridging the gap between the neighborhood to the North and the activity of West Grand Boulevard. It will help define and complete the planning efforts of the area with the introduction of an accessible multi-family development.

This residential project will play an indispensable role in adding to the diversity, stability, and safety of the New Center and hospital system area. The uses of the buildings will create an influx of students, residents and families that will translate to a higher quality of life and continued economic development in the neighborhood for decades to come.



Eligibility

Under the Commercial Rehabilitation Act, Act 210 of 2005, the identified parking lot parcels on Seward St. are "Qualified Facilities" and in a qualified business area according to **207.842 Definitions, Sections 2(h) and Section 2(b)** respectively:

- **Section 2(h)** - "Qualified facility" means a qualified retail food establishment or a building or group of contiguous buildings of commercial property that is 15 years old or older or has been allocated for a new markets tax credit under section 45D of the internal revenue code, 26 USC 45D. Qualified facility also includes 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 commercial property as defined in subdivision (a).
- **Section 2(b)** - "Commercial rehabilitation district" or "district" means an area not less than 3 acres in size of a qualified local governmental unit established as provided in section 3. However, if the commercial rehabilitation district is located in a downtown or business area or contains a qualified retail food establishment, as determined by the legislative body of the qualified local governmental unit, the district may be less than 3 acres in size
- **Subdivision (a)** - (a) "Commercial property" means land improvements classified by law for general ad valorem tax purposes as real property including real property assessable as personal property pursuant to sections 8(d) and 14(6) of the general property tax act, 1893 PA 206, MCL 211.8 and 211.14, the primary purpose and use of which is the operation of a commercial business enterprise or multifamily residential use. Commercial property shall also include facilities related to a commercial business enterprise under the same ownership at that location, including, but not limited to, office, engineering, research and development, warehousing, parts distribution, retail sales, and other commercial activities.

Purpose for Establishment of the District | Exemption Length

The project site is located in a qualified low-income census tract, 5326. Census data shows that 42.4% of its residents live below poverty level. Due to the economic condition of the surrounding area, project revenues are limited to what the market will support. With the combination of development costs and market-based revenue potential, the operating expenses must be decreased through property tax abatement in order to create financial feasibility for the project. **Accordingly, the project could not be undertaken without the receipt of the Public Act 210 Commercial Exemption Certificate for a period of ten (10) years.** The project site was chosen due to its transformational and catalytic nature. The entire project was based upon the principle of increased community development in a distressed area that neighbors a robust area, and the plan was created around this concept, as such, the developer shall designate 20 percent of its developed units to low and moderate-income residential units to create a mixed-income neighborhood.



Capital Investment

Merrill Place Phase II is a \$12.2 Million new construction project sourced as follows:

	CAPITAL SOURCES		
	Site A & B	Site A & B	Site A & B
	Predevelopment	Construction	Permanent
Capital Impact Partners, 90%	\$ 175,000	\$ 9,530,000	\$ 11,000,000
LISC	\$ 25,000		
Invest Detroit, 5%		\$ 530,000	\$ 600,000
Sponsor Equity, 1.25%		\$ 123,000	\$ 123,000
Preferred Equity, TS, 1.5%		\$ 132,000	\$ 132,000
Preferred Equity, TBD, 2.5%		\$ 273,276	\$ 364,530
TOTAL SOURCES	\$ 200,000	\$ 10,588,276	\$ 12,219,530

Project Benefits to the City of Detroit

Throughout the downtown and midtown areas, major anchors like The Detroit Medical Center, Wayne State University and Henry Ford Health System have all outstripped available space for permanent residents, University students and medical residents. Merrill Place Phase II will make a significant contribution to increasing the amount of housing currently in the Western sector of the New Center area. The Merrill Place Phase II project will counter the existing blighting influences of vacant lots and dilapidated housing stock found at the project site through demolition and new construction, and essentially reverse the decline of this block through the introduction of new residential space.

The project will also provide the following benefits:

- The project will add to the income tax base of the City of Detroit.
- Spur other potential development projects in the area and increase the taxable value on surrounding properties.
- The creation of new residential units is expected to increase the number of people living in the area, thus, the project will potentially increase the demand for incremental retail, restaurant and other commercial amenities in the area.
- The project will generate approximately 50 temporary jobs and 20 indirect jobs as a result of the construction effort.
- The developer is current on all taxes from Merrill Place Phase I and all vacant parcels for Merrill Place Phase II

Projected Start and Completion Date

It is estimated that construction will begin in Fall 2019 and be completed by Spring 2020.



Merrill Development looks forward to your consideration, and to another successful housing development for the citizens and residents of the City of Detroit.

Respectfully Submitted,

b. Blake Watkins

Brian Watkins
Volte, LLC.

Attachment A: Site Map | Legal Description of Parcels
Attachment B: Proof of Payment of Taxes

Attachment A: Site Map | Legal Description of Parcels



Map Code	Address	Parcel ID	Legal Description
	1312 Seward	06001746	N SEWARD E 3 FT 3 2-1 BLK 13 BECKS SUB L4 P59 PLATS, W C R 6/109 96.50 X 175.22
	1301 Seward	06001721	S SEWARD W 6.8 FT OF VAC MERRILL ST LYG E OF & ADJ LOT 24 N 169 FT 24 BLK 12 BECKS SUB L4 P59 PLATS, W C R 6/109 50.30 X 169
	1313 Seward	06001722	S SEWARD N 169 FT 23 BLK 12 BECKS SUB L4 P59 PLATS, W C R 6/109 50 X 169

Attachment B: Proof of Payment of Taxes

City of Detroit

CITY COUNCIL

COUNCIL PRESIDENT BRENDA JONES

INCENTIVE INFORMATION CHART:

Project Type	Incentive Type	Investment Amount	District
Multi-Family Development	Public Act 210 - CRA	\$12,200,000	5

Jobs Available							
Construction				Post Construction			
Professional	Non-Professional	Skilled Labor	Non-Skilled Labor	Professional	Non-Professional	Skilled Labor	Non-Skilled Labor
	5	45		n/a	n/a	n/a	n/a

(development does not facilitate jobs post-construction)

1. What is the plan for hiring Detroiters?
2. Please give a detailed description of the jobs available as listed in the above chart, i.e: job type, job qualifications, etc.
3. Will this development cause any relocation 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?
5. When is construction slated to begin?
6. What is the expected completion date of construction?

1. **Merrill Development will engage a Detroit-based, minority General Contractor with broad experience in hiring Detroit contractors, skilled tradesmen and subcontractors. Our group intends to present the project to and participate in the Hon. Brenda Jones' Skilled Trades Task Force meetings, in addition to other workforce and opportunity events, in order to promote awareness of the project and the opportunities that exist for Detroiters.**
2. **Construction job types will be confirmed with appropriate construction documents and certified plans. At this juncture, typical construction roles to be filled include (but are not limited to): Project Engineer, Construction Superintendent, Construction Estimator, Electricians, Plumbers, Pipefitters, Carpenters, Iron Workers and HVAC technicians.**
3. **This development will create 54 new units of housing with the dual purpose of retaining existing residents of the City, as well as attracting others to become Detroiters.**
4. **Merrill Development commits to including local community development organizations, existing businesses and local residents in the opportunities and greater positive effects of the housing project by attending meetings, information sessions and other events that will provide breadth of knowledge regarding the project.**
5. **Construction on the Merrill Phase II project is slated to begin in August of 2019**
6. **Construction is expected to be complete by Spring 2020.**

Instructions for Completing Exhibit B as Part of Tax Abatement Application/Monitoring

Complete the following three reports as it pertains to employment at the proposed facility of abatement using the attached four forms (make copies before and after use).

1. Annual Employment Report
2. Job Description List
3. Detroit Residents Annual Hiring Report
4. Detroit Resident Verification Report

Recommended guidelines in completing reports.

- Tax Exemptions are typically granted up to a twelve-year term.
- Above reports will be submitted initially before an exemption is granted and thereafter based on applicant's annual agreement anniversary date.
- The initial or first reports are most important because they establish specific commitments the applicant is making to the City of Detroit upon the granting of a tax exemption.
- Complete the Annual Employment Report first, using the enclosed Job Description List numbers. Do not leave any blank rows on this report.
- The Column D overall total on this report must match depending on the Public Act:
 - the minimum number of employees to be present within two years after the tax exemption begins and through duration per **PA 198** agreement,
 - the number of employees to be retained at the exempted facility throughout duration of abatement per **PA 328** agreement or
 - the number of employee jobs to be created or retained after facility rehabilitation per **PA 146** agreement/application
- Column E of this report is left blank initially but thereafter this report should be completed annually in its entirety.
- **Second**, initially only complete Column A of the Detroit Resident Hiring Report using the Job Description List. Do not leave any rows blank.
- Thereafter this report will be completed in its entirety annually by applicant and submitted to Human Rights around agreement's anniversary.
- **Third**, complete the Detroit Resident Annual Verification Report. The number of names appearing on this report (minus separations if not initial report) should equal total number in Column B of Annual Employment Report.
- **Finally** applicants but not recipients, after completing the above reports for submittal to Human Rights. Write a brief narrative as to how you will achieve the numerical goals as indicated in the reports. Submit narrative and reports together to Human Rights for approval or changes.

Organizations may create and use their own forms, as long as information provided is consistent with the above reports in the opinion of the Human Rights Department.

Organizations are encouraged to seek assistance in hiring qualified Detroit residents during the abatement's term from the City of Detroit-Workforce Development Department, 707 W. Milwaukee, Detroit, MI. 48202 (313) 876-0674.

(EXHIBIT B)

ANNUAL EMPLOYMENT REPORT

Current Daily Employment Before Abatement and Upon/After Abatement's Anniversary Reporting Date: _____

Applicant complete columns A thru D or E by job types for workers located only at facility/parcel under tax abatement. Detroit workers must have verifiable ID & addresses on file with employer for review. This report evidences your commitment or achievement to overall full time employment as stated in tax abatement agreement.

<u>Job # & Types</u>	<u>A</u> Total # All Employees Currently	<u>B</u> Total # Detroit Residents Employed	<u>C</u> Percent of DR Employed	<u>D</u> Total # Employees Employer Committed To	<u>E</u> Annual Deficit or Surplus
If a job below is not appropriate for abated location put NA in Column A					
1) Executives		SEE	NOTE	BELOW	GRID
2) Managers/Supervisors					
3) Professionals					
4) Technicians					
5) Sales Workers					
6) Office/Clerical					
7) Craft Workers/Skilled					
8) Operatives Semi Skilled					
9) Laborers Unskilled					
10) Service Workers					
11) Apprentices					
12) Trainees					
Overall	0				

[NOTE: permanent employment is not created in the development project as described in the request for tax abatement herein]

The Annual # of Voluntary + Involuntary Separations = _____

Company: Merrill Development, LLC.

Parcel/Facility Address 1301,1312,1313 Seward, Detroit, MI 48202

Authorized Representative Print: Sauda Ahmad Green

Title Project Developer Phone: 313.694.9264

Signature Sauda Ahmad Green, Date 05.05.19

HRD Below

Employer met or did not meet full time employee goals of agreement for the previous year.

Yes No

HRD Staff: _____

JOB DESCRIPTIONS WITH NUMBERS FOR COMPLETING EMPLOYMENT & HIRING REPORTS

<p>1. Executives, Owners, Officials, & Agents set and approve broad policies, exercise overall responsibility for policies or special phases of a firms operations and oversight.</p> <p>2. Managers – Occupations requiring administrative and managerial personnel who direct individual departments, operations, personnel Includes, middle management, plant managers, department managers, and superintendents, salaried supervisors who are members of management, purchasing agents and buyers, railroad conductors and yard masters, ship captains, mates and other officers, farm operators and managers, and kindred workers.</p> <p>3. Professionals – Occupations requiring either college graduation or experience of such kind and amount as to provide a comparable background. Includes: accountants and auditors, airplane pilots and navigators, architects, artists, chemists, designers, dietitians, editors, engineers, lawyers, librarians, mathematicians, natural scientists, registered professional nurses, personnel and labor relations specialists, physical scientists, physicians, social scientists, teachers, surveyors and kindred workers.</p> <p>4. Technicians – Occupations requiring a combination of basic scientific knowledge and manual skill, which can be obtained through 2 years of post high school education, such as, is offered in many technical institutes and junior colleges, or through equivalent on-the-job training. Includes: computer programmers, drafters, engineering aides, junior engineers, mathematical aides, licensed, practical or vocational nurses,</p>	<p>photographers, radio operators, scientific assistants, technical illustrators, technicians (medical, dental, electronic, physical, science,) and kindred workers.</p> <p>5. Sales – Occupations engaging wholly or primarily in direct selling. Includes; advertising agents ad sales workers, insurance agents and brokers, real estate agents and brokers, stock and bond sales workers, demonstrators, sales workers and sales clerks, grocery clerks, and cashiers checkers, and kindred workers.</p> <p>6. Office and Clerical - Includes all clerical type work regardless of level of difficulty, where the activities are predominantly non-manual though some manual work not directly involved with altering or transporting the products is included. Includes: bookkeepers, collectors (bills and accounts), messengers and office helpers, office machine operators (including computers), shipping and receiving clerks, stenographers, typists and secretaries, telegraph and telephone operators, legal assistants, and kindred workers.</p> <p>7. Craft Workers (Skilled) - Manual workers of relatively high skill level having a thorough and comprehensive knowledge of the processes involved in their work. Exercise considerable independent judgment and usually receive an extensive period of training. Includes: the building trades, hourly paid supervisors, and lead operators who are not members of management, mechanics and repairers, skilled machining occupations, compositors and typesetters, electricians, engravers, painters (construction and</p>	<p>maintenance), motion picture projectionists.</p> <p>8. Operatives (Semi Skilled) – Workers who operate machine or processing equipment or perform other factory type duties of intermediate skill level which can be mastered in a few weeks and require only limited training. Includes: apprentices (auto mechanics, plumbers, bricklayers, carpenters, electricians, machinists, mechanics, building trades, metalworking trades, printing trades, etc.), operatives, attendants (auto service and parking), blasters, chauffeurs, delivery workers, sewers and stitches, dryers, furnace workers, heaters, laundry and dry cleaning operatives, milliners, mine operatives and laborers, motor operators, boilers and greasers (except auto), painters (manufactured articles), photographic process workers, truck and tractor drivers, knitting, looping, taping and weaving machine operators, welders and flame cutters, electrical and electronic equipment assemblers, butchers and meat cutters, inspectors, testers and graders, hand packers and packagers, and kindred workers.</p> <p>9. Laborers (Unskilled) – Workers in manual occupations which generally require no special training who perform elementary duties that may be learned in a few days and require the application of little or no independent judgment. Includes; garage laborers, car washers and greasers, groundskeepers and gardeners, farm workers, stevedores, wood choppers, laborers performing lifting, digging, mixing, loading and pulling operations, and kindred workers.</p>	<p>10. Service Workers - Workers in both protective and non-protective service occupations. Include: attendants (hospitals and other institutions, professional and personal service, including nurses aides, and orderlies), barbers, caseworkers and cleaners, cooks, counter and fountain workers, elevators operators, firefighters, and the protection, guards, door-keepers, stewards, janitors, police officers and detectives, porters, waiters and waitresses, amusement and recreation facilities attendants, guides, ushers, public transportation attendants, and kindred workers.</p> <p>11. Apprentices</p> <p>12. Trainees</p>
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(EXHIBIT B)
DETROIT RESIDENT ANNUAL HIRING REPORT

This Report Is Prior to Abatement Approval Dated: _____ or
 Is for an Annual Anniversary Report Period From: _____ To: _____

Applicant complete columns A only or A thru D by job types for new hires located **only at facility/parcel under tax abatement**. **Detroit resident employees must have verifiable ID & addresses on file with employer for review**. This report evidences your commitment or achievement in new Detroit resident (DR) hiring.

<u>Job # & Types</u>	<u>A</u> # of DR's Employer Is Committed To Employing	<u>B</u> Total # New Employees Hired	<u>C</u> Total # New Detroit Residents Hired	<u>D</u> Actual New DR Hiring Percentage Achieved C/B	<u>HRD</u> Only
If job below is not appropriate for location put NA in Column A					
1) Executives					
2) Managers/Supervisors	0	SEE	NOTE	BELOW	GRID
3) Professionals					
4) Technicians					
5) Sales Workers					
6) Office/Clerical					
7) Craft Workers/Skilled					
8) Operatives Semi Skilled					
9) Laborers Unskilled					
10) Service Workers					
11) Apprentices					
12) Trainees					
Overall	0				

[NOTE: permanent employment is not created in the development project as described in the request for tax abatement herein]

Applicant agrees to use Good Faith Efforts to fulfill the initial New DR Hiring Goals (Column A) above throughout the term of tax abatement. Further it is agreed that any change in DR Hiring Goals must be agreed too and approved in advance by HRD to take effect.

Company: **Merrill Development, LLC.**
 Parcel/Facility Address **1301, 1312, 1313 Seward – Detroit, MI 48202**

Authorized Representative Print **Sauda Ahmad Green**

Title **Principal Developer** Phone: **313.694.9264**

Signature Sauda Ahmad Green, Date **05.05.19**

HRD Below

Approved **Further Explanation/Changes Needed Note Attached**

HRD Director _____



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 27, 2019

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

RE: Commercial Rehabilitation District – S&S Development LLC
Property Address: 1301, 1312 and 1313 Seward Street
Parcel Numbers: 06001721., 06001746. and 06001722.

Dear Mr. Cox:

The Office of the Chief Financial Officer, Assessors Office, has reviewed the proposed Commercial Rehabilitation District located at 1301, 1312 and 1313 Seward Street **near the Virginia Park area** in the City of Detroit.

The rationale for creating Commercial Rehabilitation Districts 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 commercial and former industrial property where the primary purpose and use is the operation of a commercial business enterprise or multifamily residential use. Commercial property also includes facilities related to a commercial business enterprise under the same ownership at that location, including, but not limited to, office, engineering, research and development, warehousing, parts distribution, retail sales, and other commercial activities. Commercial property also includes a building or group of contiguous buildings previously used for industrial purposes that will be converted to the operation of a commercial business enterprise.

The district, as proposed by the **S&S Development LLC**, consists of 3 vacant lots with on a total of .778 acres of land. The developer plans to construct a 54-unit, two building multi-family development with approximately 50,000 square feet split between two sites in two stages. The unit mix will consist of (36) 2-bedroom units and (18) 1-bedroom units.

This area meets the criteria set forth under PA 210 of 2005, as amended. It applies to blighted, functionally obsolete and contaminated properties. "Commercial rehabilitation district" or "district" means an area not less than 3 acres in size of a qualified local governmental unit established as provided in section 3. However, if the commercial rehabilitation district is located in a downtown or business area or contains a qualified retail food establishment as determined by the legislative body of the qualified local governmental unit, the district may be less than 3 acres in size. The local government unit may establish by resolution a district that contains 1 or more parcels or tracts of land if at the time the resolution is adopted the parcel or tract of land or portion of a parcel or tract of land within the district is a qualified facility.

A field investigation and application review indicated that the proposed Commercial Rehabilitation District located in the **Lafayette Park District** is eligible as it pertains to the Commercial Rehabilitation Act under P.A. 210 of 2005, as amended.

Sincerely,

Charles Ericson, MMAO
Assessor, Board of Assessors

mmp



Commercial Rehabilitation District
S&S Development LLC
Page 2

Property Owner: S&S Development LLC
Property Address: 1301 Seward
Parcel Number: 06001721.

Legal Description: PROPERTY EXEMPT FROM AD VALOREM TAXES AND ASSESSED ON THE SPECIAL ACT ROLL PURSUANT TO PA 261 OF 2003 EXPIRING 12/30/2024. S SEWARD W 6.8 FT OF VAC MERRILL ST LYG E OF & ADJ LOT 24 N 169 FT 24 BLK 12 BECKS SUB L4 P59 PLATS, W C R 6/109 50.30 X 169

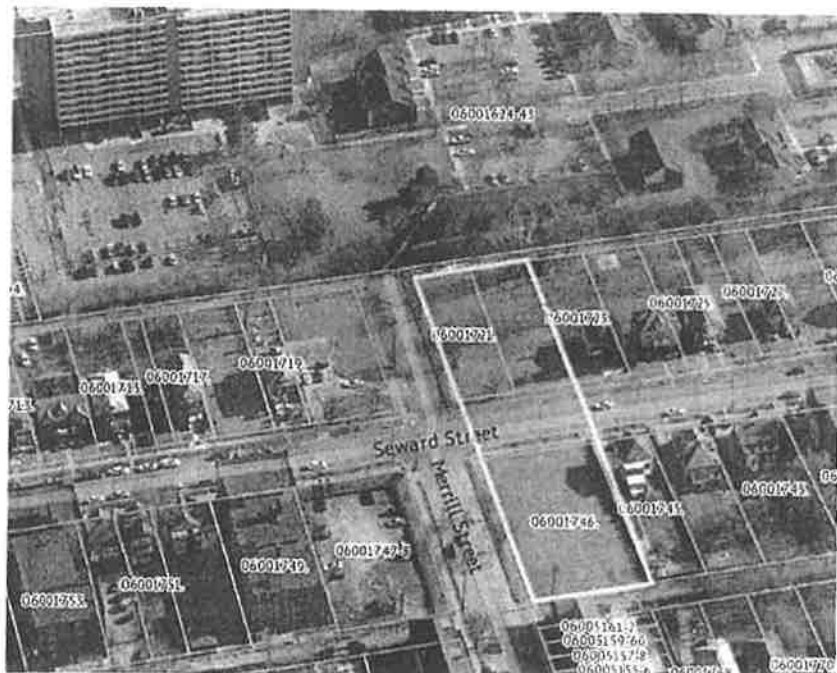
Property Owner: S&S Development LLC
Property Address: 1312 Seward
Parcel Number: 06001746.

Legal Description: N SEWARD E 3 FT 3 2-1 BLK 13 BECKS SUB L4 P59 PLATS, W C R 6/109 96.50 X 175.22

Property Owner: S&S Development LLC
Property Address: 1313 Seward
Parcel Number: 06001722.

Legal Description: S SEWARD N 169 FT 23 BLK 12 BECKS SUB L4 P59 PLATS, W C R 6/109 50 X 169

The legal descriptions on the petition matches above.





Commercial Rehabilitation District
S&S Development LLC
Page 3





TO: Ashley McLeod, Housing and Revitalization
FROM: Esther Yang, Planning and Development
DATE: September 18, 2019
RE: Master Plan Interpretation for **Commercial Rehabilitation District (PA 210)** for 1301, 1312, and 1313 Seward.
CC: Katy Trudeau, Deputy Director, Planning and Development
Kevin Schronce, PDD Central, Planning and Development

In order to ensure that **establishment** of 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 207.843), the Planning and Development Department's Planning Division submits the following interpretation. The Petition is Merrill Development LLC (an entity of S&S Development LLC)

Location and Project Proposal: Property is currently a vacant parking lot located at 1301, 1312, and 1313 Seward Street. Project seeks to develop approximately 50,000 square foot, multi-family structure to contain 54 units of housing. Project seeks to specifically target residents seeking proximity to the expanding medical center campus, New Center, and Midtown areas. The anticipated mix of housing involves (36) 2-bedroom units, and (18) 1-bedroom split between two site. Project will be constructed in two phases.

Master Plan Interpretation

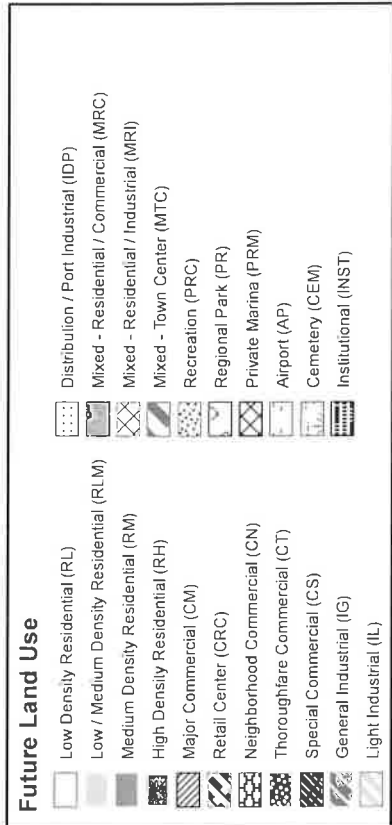
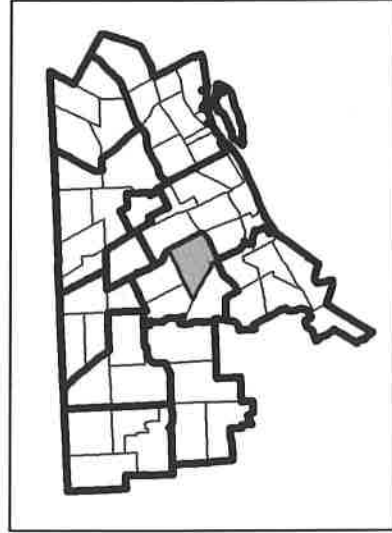
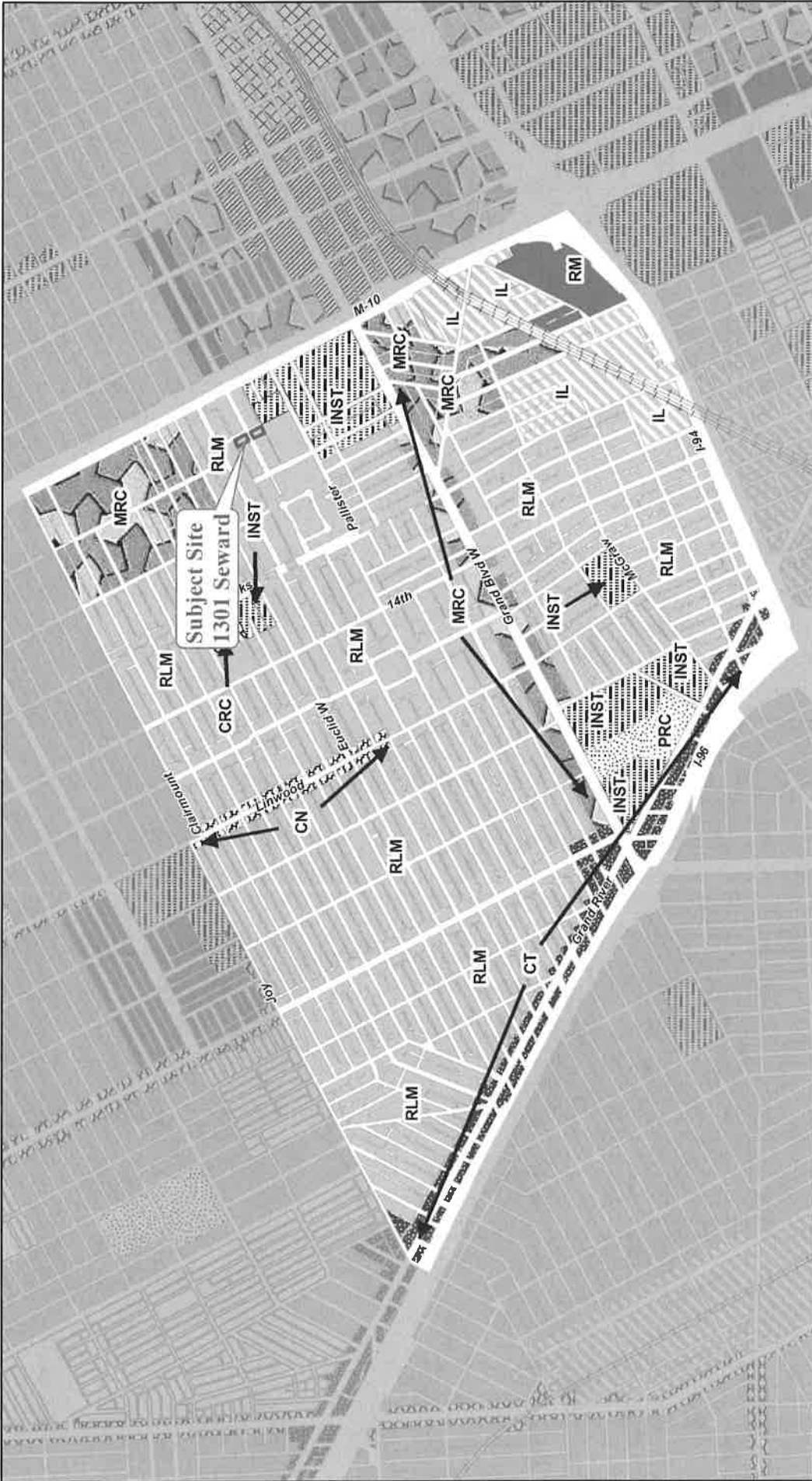
The subject site area is designated **Low/Medium Density Residential (RLM)**. Low/Medium Density Residential areas should have an overall density of 8 to 16 dwelling units per net residential acre. The areas are often characterized by two or four family homes with small yards, on-street parking, or garages 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' day-to-day needs.

The Master Plan Future General Land use categories used on all the maps are generalized. Boundaries are not meant to be precise as to blocks or property lines. Categories are descriptive of general development recognizing that some intermixtures are permissible or desirable.

The proposed development conforms to the Future General Land Use characteristics of the area.

Attachments

Future General Land Use Map: Neighborhood Cluster 6, Rosa Park; Map 6-2B



Map 6-2B

**City of Detroit
Master Plan of
Policies**

**Neighborhood Cluster 6
Rosa Parks**



City of Detroit

CITY COUNCIL

CITY CLERK 2019 SEP 16 PM 4:17

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MARY SHEFFIELD
COUNCIL PRESIDENT PRO TEMPORE
DISTRICT 5

MEMORANDUM

TO: Donald Rencher, Director, Housing and Revitalization Department
FROM: Council President Pro Tempore Mary Sheffield, Chair, Neighborhoods and Community Services Committee (MS)
THRU: James Tate, Chair, Planning and Economic Development Committee
DATE: September 16, 2019
RE: 112 East Philadelphia Street

What is the current status of 112 E. Philadelphia Street? Is the City of Detroit currently in possession of this parcel? If so, what are the department's plans? What options exist for the previous owner to retake possession of the home?

Thank you for your prompt response.