

New Business Agenda

2-4-20

Referrals

**PLANNING AND
ECONOMIC
DEVELOPMENT
STANDING
COMMITTEE**



CITY OF DETROIT
HOUSING AND REVITALIZATION DEPARTMENT

44

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

January 27, 2020

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

RE: Public Hearing on the Establishment of a Neighborhood Enterprise Zone as requested by **Life is a Dreamtroit, LLC** in the area of 1331 Holden and 5924-6138 Lincoln, Detroit, MI in accordance with Public Act 147 of 1992

Honorable City Council:

The Housing and Revitalization Department, Planning and Development Department and the Finance Department have reviewed the Master Plan and the neighborhood preservation and development goals of the City, and find that establishment of the **Life is a Dreamtroit** Neighborhood Enterprise Zone would be consistent with all of the aforementioned.

Public Act 147 of 1992, commonly referred to as the Neighborhood Enterprise Zone (NEZ) Act, in Section 3(1) states "the governing body of a local governmental unit by resolution may designate one (1) or more neighborhood enterprise zones". Prior to acting upon the resolution establishing an NEZ, 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 proposed NEZ, said notice to be made not later than 45 days prior to your Honorable Body's passage of a resolution designating an NEZ.

The boundaries of the proposed NEZ are described in Exhibit A (legal description) and illustrated in the map also attached.

We request that a Public Hearing be scheduled on the issue of establishing this NEZ, as required by the NEZ Act.

Respectfully submitted,

Donald Rencher
Director

DR/ml

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



BY COUNCIL MEMBER _____

WHEREAS, pursuant to Public Act No. 147 of the Public Acts of 1992 (“the Act”), this City Council has the authority to establish “Neighborhood Enterprise Zones (NEZs)” within the boundaries of the City of Detroit,

WHEREAS, **Life is a Dreamtroit, LLC** has requested establishment of “**Life is a Dreamtroit**” NEZ whose boundaries are particularly described in Exhibit A (legal description) and illustrated in the map attached hereto; and

WHEREAS, The Act 147 requires that, prior to establishing an NEZ, the City Council shall provide an opportunity for a Public Hearing on such establishment, at which Public Hearing, any representative of a taxing authority levying *ad valorem* taxes within the City, or any resident or taxpayer of the City of Detroit may appear and be heard on the matter;

NOW THEREFORE BE IT

RESOLVED, that on the ____ day of _____, 2020, at ____ a.m., in the City Council Committee Room, 13th floor, Coleman A. Young Municipal Center, a Public Hearing be held on the above described application for establishment of an NEZ within the boundaries described in Exhibit A (legal description) as illustrated in the map attached hereto; and be it finally,

RESOLVED, that the City Clerk will provide notice of the Public Hearing to the general public by publication, and shall give written notice by certified mail to the taxing authorities and to the owners of all real property within the NEZ.

Janice M. Winfrey
City Clerk

City of Detroit
OFFICE OF THE CITY CLERK

Andre P. Gilbert II
Deputy City Clerk

DEPARTMENTAL REFERENCE COMMUNICATION

Friday, December 13, 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.

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

1160 *Life is a Dreamtroit, LLC, request for the establishment of a Neighborhood Enterprise Zone at 1331 Holden Street, 5924-6138 Lincoln Street, Detroit, MI 48202*



November 27, 2019

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

RE: Request for the Establishment of a Neighborhood Enterprise Zone at 1331 Holden Street, 5924-6138 Lincoln Street, Detroit, MI 48202

Honorable City Council:

Please accept this letter as a request to establish Neighborhood Enterprise Zone District for the 11 parcels located at 1331 Holden Street and 5924-6138 Lincoln Street and described in Attachment A.

Project Synopsis

Life is a Dreamtroit was established in 2017 by Oren Goldenberg and Matt Naimi. Mr. Goldenberg is a filmmaker and owns Cass Corridor Films. His resume includes impressive filmmaking awards which include films about Detroit Public Schools and America's first low-income housing project, Brewster Douglas. Goldenberg is also Vice President of the Downtown Synagogue, Detroit' only free-standing synagogue - and has worked to revitalize its building and community since 2008. Matt Naimi is the founder of the onsite recycling facility, Recycle Here!, Green Living Science, and the Lincoln Street Art Park. Naimi has lived and worked in Detroit for the past twenty years, dedicating himself to building a community within the original Lincoln Motor Factory. In 2016, Matt was

selected to work alongside the University of Chicago on a year-long project designing the 9 Principles of Ethical Development.

With a background in sustainability, art, and ethical development, the lead developers understand the importance of creating a multi-generational, walkable community which provides affordable living space. Naimi's youth oriented Green Living Space educational center highlights his dedication to improving Detroit's quality of life for future generations. It will prove to be no surprise the high demand for commercial and residential space as socially conscious and artistic individuals flock to this unique community.

The overall project entails a mixed-use development consisting of approximately 36,000 square feet of commercial/retail space, a commissary kitchen, and approximately 100,000 square feet of programmed public space.

The NEZ request is associated specifically with the rental units. There are an anticipated 77 residential units. These units will be located within the existing building located at 1331 Holden Street, which is currently undergoing consideration for a federal historic resource nomination. The units are located on the first and second floor of the building and total approximately 37,140 square feet and range from 315 to 964 square feet.

This equitable living project will help alleviate the rent burden on low income individuals, while simultaneously removing blight and improving economic conditions for the Neighborhood as a whole. Additionally, Life is a Dreamtroit will seek to preserve the historical integrity of the building. It is proposed that 52 of the units (67%) of the units are affordable. All of the units will be below 120% the Area Mean Income (AMI), 50% of the units below 80% AMI, and 20% of the units below 50% AMI.

Project Eligibility

The property is eligible under Public Act 147 for a Neighborhood Enterprise Zone in accordance with MCL 207.773 based on the following:

- The requested zone contains more than 10 platted parcels of land
- All of the land included is contiguous

The proposed project is eligible for NEZ Rehabilitation Certificates under Public Act 147 in accordance with the definition of a "Rehabilitated Facility" based on the following:

- Rehabilitation is proposed within a portion of an existing structure
- Each unit will have a true cash value of \$80,000 or less and proposes improvements of \$7,500 per non-owner unit or 50% the true cash value completed by a licensed contractor
- The structure will be in conformance with minimum local building code ordinances
- The property is a qualified historic building and will contain multiple rehabilitated facilities

The Necessity for Tax Relief

Given the deep commitment to providing affordable housing, the rehabilitation of the facilities would not be undertaken without the applicant's receipt of the exemption.

The project is anticipated to create 1 full-time equivalent (FTE) job associated with the residential portion of the project for property maintenance. The project will also retain the current 15 jobs. The total capital investment of the entire project is an estimated \$18.2 million including hard and soft costs.

NEZ Request

The request is for the establishment of a NEZ zone. It is anticipated that a 17-year abatement exemption will be requested for the certificates.

Statement of Economic Benefits

The project will increase day-time density, investment, and foot traffic to the New Center Neighborhood of Detroit. Life is a Dreamtroit's 1331 Holden project is focused on providing a multigenerational, art focused community gathering space north of Downtown Detroit. The planned 24-hour work/live space highlights the importance of a creative and sustainable investment strategy. The project will provide affordable housing for low income individuals, puts a facility back to productive use, and promotes the redevelopment efforts underway in the New Center and Northwest Goldberg Neighborhoods. Life is a Dreamtroit is looking forward to pursuing this redevelopment.

The granting of the District will not result in any fewer taxes to the City in the short-term or long-term. Upon successful redevelopment, the project will generate a significant increase in income taxes, aid in the retention of skilled, local talent and fill a need for affordable housing and public art space. The proposed redevelopment will encourage continued redevelopment and improvements in the surrounding area.

Utilization of Detroit based contractors will be prioritized. On a long term basis the residential aspect of the project is anticipated to create 1 FTE job. Approximately 46 construction jobs are anticipated to be created. Life is a Dreamtroit will utilize available programs such as the Skilled Trades Task Force to ensure Detroit-based contractors and workers benefit from the redevelopment.

On a long-term basis, following expiration of the 17-year abatement the renovated and rehabilitated building will deliver a significant increase in tax revenue. Over time, the successful redevelopment and cultural growth in this respective neighborhood.

Taxes on the developer owned parcels are current.

The developer is also pursuing a PA210 tax abatement for the commercial portions of the project, Brownfield Tax Increment Financing (TIF), and MEDC assistance through the Michigan Community Revitalization Program (MCRP)

Closing Statement

Thank you for your consideration of the creation of this Neighborhood Enterprise Zone. If you have any questions regarding this request, please contact me at ogoldenberg@gmail.com or at (313) 473-7163.

Respectfully submitted,



Oren Goldenberg
Principal

- Attachment A: Detailed Project Description
- Attachment B: Parcel Map that includes the parcel(s) of property
- Attachment C: Incentive Chart
- Attachment D: Support Letters

Attachment A

Detailed Project Description

General Description



The proposed Development is located at the southeastern corner of Lincoln Street and Holden Street in the New Center and Northwest Goldenberg Neighborhoods of Detroit. The property consists of 11 parcels, which is outlined in the map below. The Property contains a partially vacant two-story warehouse, totaling approximately 160,000 square feet. The proposed district is approximately 4.3 acres in a prime location for successful reuse. The development is a block from the Henry Ford Hospital, a short drive to the Wayne State University, and walking distance to the Motown Museum and College for Creative Studies. The building originally housed the Lincoln Motor headquarters, an addition of which was constructed by the renowned architect Albert Kahn. Today, the warehouse houses a

recycling facility, an environmental education program, and art studios, but is in general disrepair after years of deferred maintenance. The Lincoln Street Art Park is also located on the property.

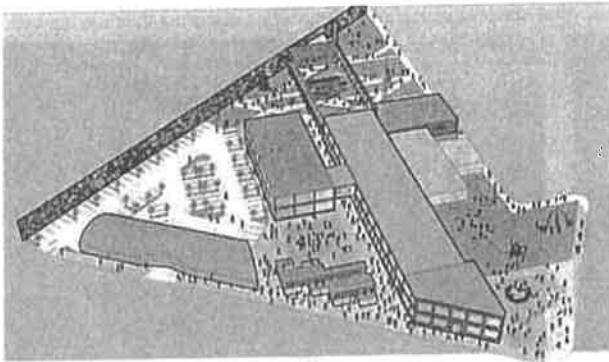
Located a quick five-minute drive from Downtown Detroit, the Property is in a prime location for a multi-purpose building such as itself. The Property is situated between New Center and Northwest Goldberg Neighborhoods which have seen a remarkable recovery in the past five years. The creative Property is complemented to the southeast by Wayne State University, the Art Center and Medical Center Districts. Collectively, the area makes for a perfect live/work space for young and creatively inclined population.

The main building, 1331 Holden Street is functionally obsolete and all adjoining parcels associated with the property are adjacent and contiguous. The proposed project consists of a complete rehabilitation to create a multi-purpose live/work space and house future office/commercial space for a co-working market. New construction will include a space along Holden Street for Art Industry. 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.



General Description of Proposed Use

The proposed redevelopment will renovate current building to create needed office, retail space, and housing. All current operations, which include Recycle Here! Green Living Science, and art studios will remain on the Property. A total of approximately 77 apartments are proposed to be located in the main building, as well as three office spaces, a coffee shop, and Green Living Science. A smaller, adjoining building will house an urban market/co working space. A new building will also be constructed on the property to house Art Industry, an active space used for the creation and storage of large-scale interactive art pieces.



This equitable living project will help alleviate the rent burden on low income individuals, while simultaneously removing blight and improving economic conditions for the Neighborhood as a whole. Additionally, Life is a Dreamtroit will seek to preserve the historical integrity of the building. It is proposed that 52 of the units (67%) of the units are affordable. All of the units will be below 120% the Area Mean Income (AMI), 50% of the units below 80% AMI, and 20% of the units below 50% AMI.

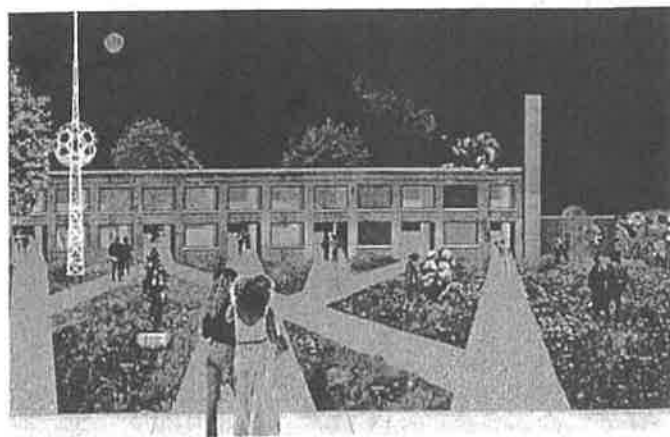
Located within walking distance of Wayne State University, this development will create a placemaking opportunity at an important intersection of the City. The property will include an art park, shipping container retail stores, an entertainment venue, and public spaces to encourage an active and engaged community.

The proposed redevelopment will gut, renovate and modernize the existing structure while maintaining the historical Albert Kahn architectural elements.

Redevelopment will provide an opportunity to extend the revitalization occurring throughout Downtown by providing additional 24-hour foot traffic.

Nature and Extent of the Rehabilitation

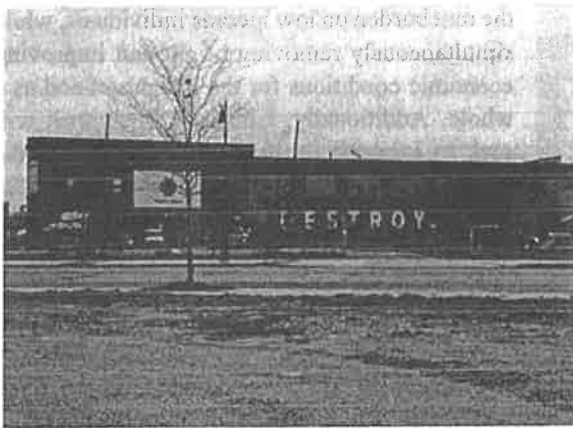
The building has sustained significant deferred maintenance and has a lack in functional use due to underutilized spaces, particularly with in the northeastern addition. Redevelopment will require extensive repairs, major renovations and improvements.



*Attachment A
Proposed Life is a Dreamtroit Redevelopment
1331 Holden Street, 5924-6138 Lincoln Street, Detroit*

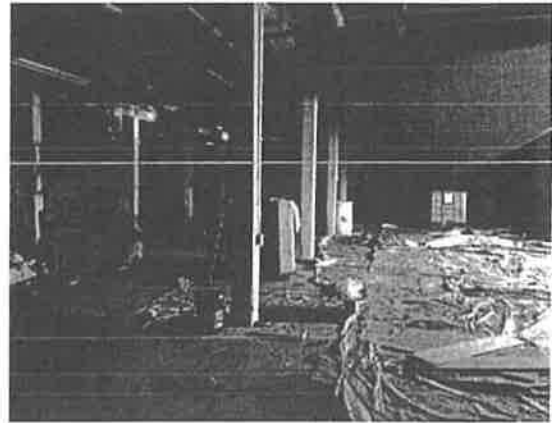
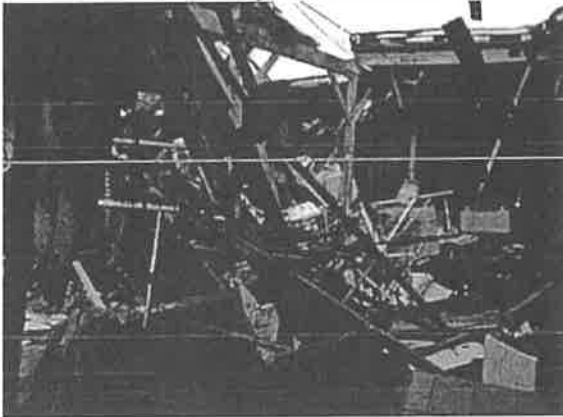
Demolition of the outdated interior layout will occur along with electrical, plumbing and mechanical/HVAC upgrades and replacement to improve the current conditions and meet modern demands while providing increased efficiency. Replacement of the windows to a modern energy efficient system will also take place. The Albert Kahn construction features will be preserved and incorporated into future designs.

Life is a Dreamtroit, LLC intends to apply for a 17-year real property tax abatement under the provisions of a PA 147 Neighborhood Enterprise Zone (NEZ) tax abatement for the residential component. The remaining sources of funds for the project are through Owner Equity and Permanent Financing. Hard-cost investment is estimated at \$11 million, with total project investment estimated at \$18.2 million.



Existing building located 1331 Holden Street

Current interior conditions of 1331 Holden Street



Descriptive List of the Fixed Building Equipment/Renovations

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

- Interior Demolition
- Mechanical; plumbing and HVAC
- Electrical; electrical work and communications
- Window Replacement
- Rough carpentry
- Interior build-outs
- Masonry; restoration activities and interior walls
- Finishes; drywall and steel studs/insulation, hard tile, flooring, painting
- Specialties; fire extinguishers, toilet accessories, appliances
- Fire protection systems
- Doors and Windows; curtain wall and exterior doors, interior doors/frames/hardware

Total construction hard cost investment is estimated at \$11 million dollars.

Time Schedule

Construction and renovation activities are anticipated to commence in the early spring of 2020 and eligible activities will be completed by the end of 2022.

Statement of Economic Advantages

The proposed development will create a sense of place, encourage increased spending, and create new jobs and affordable living units in an area characterized by vacant buildings and disinvestment.

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. All City of Detroit taxes are now current. Upon successful redevelopment, the development will generate increased property and income taxes. Furthermore, the neighborhood will retain and curate local talent, create new jobs, increase day and nighttime density, and strengthen security.

On a short-term basis approximately 46 construction jobs will be created during renovation activities. On a long-term basis the proposed redevelopment associated with the project will create approximately 1 full-time jobs directly by the developer associated with property maintenance. It is estimated that future tenants will create additional indirect jobs associated with the retail, commercial, and office uses. The development team will present at skilled trades task force meetings as needed to garner opportunities to employ Detroit residents.

Jobs within the building will increase City collected income tax at a 1.2% rate for non-residents and 2.4% rate for Detroiters. On a long-term basis, following expiration of the 17-year abatement the building will deliver a significant increase in tax revenue.

Attachment A
Proposed Life is a Dreamtroit Redevelopment
1331 Holden Street, 5924-6138 Lincoln Street, Detroit

Additionally, there will be other indirect benefits such as spin off spending in the neighborhood that will contribute to the economic benefits produced by this investment. It will further help meet the demand for affordable housing. This investment will secure the fabric of the neighborhood by grounding a public space within it and will have long-term effects and provide sustainable principals. The project will also retain and foster local talent that is vital to securing the City's economic future.

Following expiration of the 17-year abatement the building will deliver a significant increase in tax revenue. Over time, the successful redevelopment and cultural growth will have a catalyst effect within the New Center and Northwest Goldberg Neighborhoods.

Legal Descriptions

1331 Holden Street: Parcel: 06001546.002L

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5924 Lincoln Street: Parcel: 0600557-83

E LINCOLN 47 THRU 39 SCRIPPS SUB L12 P10 PLATS, W C R 6/97 23,072 SQ FT

5960 Lincoln Street: Parcel: 06005584-5

E LINCOLN 38&37 SCRIPPS SUB L12 P10 PLATS, W C R 6/97 60 X 88.53A

5984 Lincoln Street: Parcel: 06005586-90

E LINCOLN 36&35SCRIPPS SUB L12 P10 PLATS, W C R 6/97 S 90 FT OF W 87.68 FT OF P C 248 LYG E OF LINCOLN & N OF LOT 35 OF SD SCRIPPS SUB 6/--- 150 X 87.86A

6102 Lincoln Street: Parcel: 06005591.

E LINCOLN N 30 FT OF W 87.64 FT OF PC 248LYG E OF & ADJ LINCOLN AVE S & ADJ LOT 34 OF SCRIPPS SUB L12 P10 PLATS, WCR 6/--- 30 X 86.98 AV

6108 Lincoln Street: Parcel: 06005592

E LINCOLN 34 SCRIPPS SUB L12 P10 PLATS, W C R 6/97 30 X 86.74

6112 Lincoln Street: Parcel: 06005593

E LINCOLN 33 SCRIPPS SUB L12 P10 PLATS, W C R 6/97 30 X 86.50A

Attachment A
Proposed Life is a Dreamtroit Redevelopment
1331 Holden Street, 5924-6138 Lincoln Street, Detroit

6120 Lincoln Street: Parcel: 06005594

E LINCOLN 32 SCRIPPS SUB L12 P10 PLATS, W C R 6/97 30 X 86.26A

6126 Lincoln Street: Parcel: 06005595

E LINCOLN 31 SCRIPPS SUB L12 P10 PLATS, W C R 6/97 30 X 86.02A

6132 Lincoln Street: Parcel: 06005596

E LINCOLN 30 EXC TRIANG PT BG N 19.90 FT ON W LINE & W 12.54 FT ON N LINE SCRIPPS
SUB OF PT OF WOODBRIDGE FARM L12 P10 PLATS, W C R 6/97 2,447 SQ FT

6138 Lincoln Street: Parcel: 06005597

E LINCOLN ALL THAT PT OF 29DESC AS BEG AT A PTE IN S LINE OFSD LOT DIST 12.54 FT
ALG SD S LINE FROM SW COR OF SD LOT TH N 09D 40M 42S E 28.91 FT TH N 55DE 12.08 FT
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69.89 FT TO POB SCRIPPS SUB L12 P10 PLATS, WCR 6/97 1,072 SQ FT

Attachment B

Parcel Map

Wayne County Parcel Viewer



April 4 2019



Attachment C

Incentive Information Chart

INCENTIVE INFORMATION CHART:

Project Type	Incentive Type	Investment Amount	District
Commercial/Residential	PA 210, NEZ, Brownfield TIF	\$11 Million (hard cost) \$15.4 Million (total investment)	New Center Neighborhood

Jobs Available						
Construction			Post Construction			
Professional	Non-Professional	Skilled Labor	Non-Skilled Labor	Professional	Non-Professional	Non-Skilled Labor
3	1	34	8	1	0	0

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 city of Detroit. The GC, MIG Construction, has a deep history with completing projects in Detroit as well as with managing residency requirements for Detroit-based projects. The development 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, the anticipated tenants of the site desire to hire locally, especially within the 48202 zip code, in which the site is situated. The master tenant of the venue Life Is A Dreamtroit, LLC, anticipates having events at nearby locations prior to the completion of construction not only to continue to receive community feedback but also to inform neighbors about employment opportunities at the various businesses that will occupy the site. Additionally, as during the construction phase of the project, the tenants will work closely with community stakeholders to ensure that information about employment opportunities are disseminated as widely as possible in neighborhoods close to the site. This project also results in the continued operation and retention of the Recycle Here Community Recycling Program, the Green Living Science Environmental Education Program and Detroitus, an art facility. These remaining core tenants currently employ 15 Detroit residents.

It is anticipated the future commercial/retail tenants will create indirect jobs and the developer will be responsible for the creation of 1 full-time equivalent job associated with property maintenance. The developer is committed to ensuring this job is given to a Detroit resident.

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
- 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?

There are no current residents at the subject property that will need to be relocated as a result of this development. The current commercial operations will remain at the property following redevelopment.

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

The developer, Life is a Dreamtroit, LLC has received and garnered strong support from local organizations, including Henry Ford Hospital, Grasso Development, The Marble Bar, Rebel Nell, York Project, The Holden Street Business Association, and the Northwest Goldberg Creative Corridor. Life is a Dreamtroit, LLC has also worked with District 5 Manager, Mella Howard, to hold both a stakeholder and community member information meeting. These meetings took place at Divinity of God Missionary Baptist Church International located at 2261 Marquette Street, Detroit, MI, 48208. The Stakeholders meeting took place on May 8th at 6:30pm and the Community meeting took place on May 18th at 6:30pm.

5. When is construction slated to begin?

Construction is slated to commence in Spring 2020

6. What is the expected completion date of construction?

Construction completion is anticipated to be completed by the end of 2021

Attachment D

Support Letters



November 26, 2019

Matthew Naimi
Life is a Dreamtroit, LLC
1331 Holden St.
Detroit, MI 48202

Dear Mr. Naimi:

Henry Ford Health System (HFHS) is pleased to provide this letter of support for the Dreamtroit Development project. We anticipate that other partners will similarly view it as important development within the City of Detroit and for the greater community.

The project has many characteristics that will align it well with, and contribute to, the neighborhood development work of HFHS in the Northwest Goldberg neighborhood. In recent years, HFHS has initiated major development projects in the neighborhood such as the Cardinal Health distribution center, the Brigitte Harris Cancer Pavilion (opening 2020), and the Metropolitan Detroit Area Hospital Services laundry facility (opening 2020). These are bringing over \$400 million of investment and 500 jobs to a previously very distressed area. Additionally, we have invested in major public infrastructure and arts, and are partnering with community and developers to redevelop vacant residential and commercial properties in the nearby area.

We understand that the Dreamtroit Development project will create new "Make/Live" units for artists and middle income workers, and bring major re-investment to the historically significant buildings on their property.

We are looking forward to continuing a productive working relationship with your team as neighbors, as we have a long history of collaboration. There is major complementarity with our respective plans, especially around community events and visioning for streetscape improvements.

Should you require any additional description of the nature of HFHS' support, do not hesitate to ask.

Sincerely,

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

Thomas Habitz, Jr
Urban Planning Specialist

Tuesday, November 26, 2019

Melia Howard
7737 Kercheval Ave.
Detroit, Mi. 48214
District Manager, District Five
City of Detroit, Department of Neighborhoods
howardm@detroitmi.gov
(313) 236-3528

To whom it may concern,

I am writing to offer my support for the Dreamtroit Project, which is a redevelopment project taking place at 1331 Holden St. by Life is a Dreamtroit, LLC.

In April of 2019, I canvassed the entire Northwest Goldberg neighborhood surrounding 1331 Holden Street. Inviting community stakeholders, residents, and local businesses to participate in discussions around the new Dreamtroit Housing project and the impacts to the area.

We hosted a Stakeholders meeting on April 8th and a Residents/Businesses meeting on April 18th, both of which were well attended and the developers of the Dreamtroit Project were able to showcase the project, provide relevant data around housing affordability and the live/work spaces, as well as answer all pointed questions from all in attendance.

The communities' response to the project has been overwhelmingly positive and I look forward to continue working with Dreamtroit, LLC and the residents to see this project come to fruition.

If you have any additional question, please feel free to reach out, my contact information is below.

In Solidarity,

Melia Howard
District Manager, District Five
City of Detroit, Department of Neighborhoods
howardm@detroitmi.gov
(313) 236-3528

DETROIT ECONOMIC GROWTH CORPORATION

500 GRISWOLD STREET SUITE 2200 • DETROIT MI 48226 • 313.963.2940 FAX 313.963.8839

November 26, 2019

To whom it may concern:

My name is Lynn Roosevelt Wiggins and I'm the District 5 Business Liaison with the Detroit Economic Growth Corporation (DEGC).

I'm writing this communication on behalf of Dreamtroit in support of their efforts to redevelop their property at 1331 Holden St. Detroit, MI 48202.


This project will serve to:

- Preserve the cultural & historical significance of Holden St. & the Northwest Goldberg neighborhoods by anchoring the Holden Creative Corridor (just east of Motown Museum)
- Provide recycling & environmental participation and education for the city of Detroit
- Allocate much needed Live/Maker spaces for artists via the provision of below market rate affordable housing
- Support the 24-hour economy initiative in the area spearheaded by Adrian Tonon

Should you have any additional questions please don't hesitate to contact me directly when time permits.

Thanks again for your time and consideration!

Respectfully,


Mr. Lynn Roosevelt Wiggins
District 5 Business Liaison
Detroit Economic Growth Corporation
500 Griswold St. Ste. 2200
Detroit, MI 48226
Website: www.degc.org
Email: lwiggins@degc.org
Cell: (313) 452-1926
Office: (313) 963-2940





February 19, 2019

Mr. Kevin Johnson
President and CEO
Detroit Economic Growth Corporation
500 Griswold, Suite 2200
Detroit, MI 48226

RE: Dreamtroit
Redevelopment of 1331 Holden Street, Detroit, Michigan

I am writing to express support for Dreamtroit's redevelopment of 1331 Holden Street as they pursue economic incentive opportunities with the DEGC.

The City of Detroit Planning and Development Department has been working with the owner/developer through the conceptual phase of the development. The proposed design and overall redevelopment plan is consistent with the city's vision for the site. It will serve as an anchor of the Holden Creative Corridor along with Motown Museum, and is leading the way in a shared vision for a 24hr economy in that area of the Northwest Goldberg Neighborhood. More specifically, I feel the development brings value to the City in the following areas:

Affordable Housing: The development will create 73 housing units in the Original Lincoln Motor Factory, with more than 20% being affordable, along with a communal living offering. This will provide much needed student housing, as the property is within walking distance to Wayne State University and College for Creative Studies, as we well as enable those with limited incomes to live in a well-located emerging neighborhood. Most of the units will function as make/live residencies addressing the need for affordable spaces for art and culture creators in the City.

Arts & Culture as an Economic Development Tool: As noted above, in addition to housing designed specifically for the arts community, there will be over 30,000 square feet of commercial spaces dedicated to art industries and live theatrical arts.

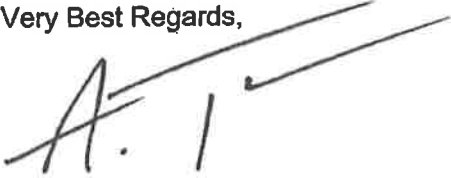
Historic Preservation: Built in 1917, the Lincoln Motor Factory presents a unique opportunity to preserve an architecturally significant part of Detroit's historic fabric. Major portions of the development were designed by Albert Kahn and the Dreamtroit development plan will unearth these architectural gems, preserving an important history in Detroit for visitors and residents.

Sustainability: The design for this project includes the sustainability and walkability standards set forth from our department. The property will continue to house the City's only municipal recycling program, Recycle Here! and Green Living Science an environmental education program, which will utilize the environmental design of this project to teach students and community members about building and living sustainably.

Public/Private/Philanthropic Partnership: Dreamtroit will include capital investment from both the private and foundation investment communities interested in mission driven development of this nature. The owner/developer is interested in exploring with the DEGC how it can fill financing gaps in search of the lowest average cost of capital which will enable the project to maximize affordability of both its residential and commercial offerings.

I sincerely thank you for your consideration of this project. Our office is available to assist in answering any questions you may have.

Very Best Regards,

A handwritten signature in black ink, appearing to read 'A. T.', with a long horizontal stroke extending to the right.

Adrian Tonon

Night Time Economy Ambassador

City of Detroit

Mayor's Office

Michael E. Duggan

To Whom it May Concern,

We, the Northwest Goldberg Creative Coalition, is in full support of the Dreamtroit Redevelopment project. Dreamtroit led the creation of this neighborhood business association, and have acted as leaders and organizers in our neighborhood. We couldn't be happier to work with Dreamtroit as the exciting future unfolds in Northwest Goldberg.

A handwritten signature in black ink, appearing to read 'Kory Trinks', with a large, sweeping flourish extending to the right.

Kory Trinks,
President
NOWEGO Business Association

The Holden Block, LLC
30 South 15th St., Suite 1000
Philadelphia, Pa. 19102
215-989-3600

The development and ownership team of the Holden Block, located at 1314 Holden St. in Detroit MI., supports Dreamtroit's efforts to re-develop their property located at 1331 Holden St.

Mr. Naimi and Mr. Goldenberg have met with members of the Grasso Holdings Team as well as Mr. David Grasso, owner of Grasso Holdings, numerous times during the past three years. We have developed a cooperative and cordial relationship rooted in a shared interest in the success of the Holden Street Commercial Corridor and the surrounding neighborhood.

We believe the energy and creativity emanating from 1331 Holden Street adds much value to the neighborhood; both in direct economic activity and social capital that attracts attention of those looking to move to the neighborhood. It is important that projects as proposed by Mr. Naimi and Mr. Goldenberg get developed to provide a hub for creatives and makers in which to live, work and play.

Thank you,


Sam Sherman
Grasso Holdings



November 25, 2019

To Whom It May Concern,

As neighbors to the Dreamtroit Development project, we are very excited about their plans to redevelop 1331 Holden st. into Make/Live Units for artists and middle income workers. We appreciate Dreamtroit's involvement in the community, both in the past and currently, as we work diligently together towards collective neighborhood goals, streetscape planning and community events. We could not ask for better neighbors, and we appreciate their openness and how they have included and worked with us to make our neighborhood great.

Kory Trinks

The Marble Bar
General Manager
734-231-7272
Kory@themarblebar.com

2019-12-13

1160

1160 *Petition of Life is a Dreamtroit, LLC,
request for the establishment of a
Neighborhood Enterprise Zone at
1331 Holden Street, 5924-6138
Lincoln Street, Detroit, MI 48202*

REFERRED TO THE FOLLOWING DEPARTMENT(S)

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

January 2, 2020

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

RE: **Neighborhood Enterprise Zone – Life Is A Dreamtroit LLC**
Property Address: 1331 Holden and 5924-6138 Lincoln
Parcel Number: See Attached List

Dear Ms. Trudeau:

The Office of the Chief Financial Officer, Office of the Assessor, has reviewed the request from **Life Is A Dreamtroit LLC** proposed **Holden Street Neighborhood Enterprise Zone**, located at **1331 Holden and 5924-6138 Lincoln** in the **NW Goldberg** area in the City of Detroit. **Life Is A Dreamtroit LLC's** proposed plan is to rehabilitate the Albert Kahn constructed warehouse building at 1331 Holden which is currently undergoing consideration for a federal historic resource nomination into 77 apartment units.

The rationale for creating NEZ projects under PA 147 of 1992, as amended, must be based on the anticipation of market value added to the neighborhood upon completion of new construction and/or significant rehabilitation of existing housing stock.

The proposed rehabilitation project consists of the partially occupied warehouse building located at 1331 Holden containing 160,674 square feet of building area and was built in 1932 on 2.981 acres of land. The developer plans to rehabilitate units on the first and second floor of the building totaling approximately 37,140 square feet into 77 residential units ranging from 315 to 964 square feet including interior demolition, interior buildout, new mechanical, plumbing, electrical and HVAC, window replacement and fire protection systems. In addition, 67% of the apartments will be offered at rent rates considered affordable to those individual with certain income levels. The 2019 True Cash Value of the proposed project is \$638,000 and contains 2.981 acres of land. The True Cash Value of this area would be expected to increase due to the rehabilitation and construction.

MCL 207.772 Sec 2(k) "Qualified downtown revitalization district" means an area located within 1 or more of the following: (i) The boundaries of a downtown district as defined in section 1 of 1975 PA 197, MCL 125.1651. (ii) The boundaries of a principal shopping district or a business improvement district as defined in section 1 of 1961 PA 120, MCL 125.981. (iii) The boundaries of the local governmental unit in an area that is zoned and primarily used for business as determined by the local governmental unit.

MCL 207.772 Sec 2 (m) "Rehabilitated facility" means an existing structure or a portion of an existing structure with a current true cash value of \$80,000.00 or less per unit that has or will have as its primary purpose residential housing, consisting of 1 to 8 units, the owner of which proposes improvements that if done by a licensed contractor would cost in excess of \$5,000.00 per owner-occupied unit or 50% of the true cash value, whichever is less, or \$7,500.00 per nonowner-occupied unit or 50% of the true cash value, whichever is less, or the owner proposes improvements that would be done by the owner and not a licensed contractor and the cost of the materials would be in excess of \$3,000.00 per owner-occupied unit or \$4,500.00 per nonowner-occupied unit and



Neighborhood Enterprise Zone
Life Is A Dreamtroit LLC
Page 2

will bring the structure into conformance with minimum local building code standards for occupancy or improve the livability of the units while meeting minimum local building code standards. Rehabilitated facility also includes an individual condominium unit, in a structure with 1 or more condominium units that has as its primary purpose residential housing, the owner of which proposes the above described improvements. Rehabilitated facility also includes existing or proposed condominium units in a qualified historic building with 1 or more existing or proposed condominium units. Rehabilitated facility does not include a facility rehabilitated with the proceeds of an insurance policy for property or casualty loss. A qualified historic building may contain multiple rehabilitated facilities.

Upon review, it has been determined that this proposed **Holden Street Neighborhood Enterprise Zone** district located at **1331 Holden and 5924-6138 Lincoln** in the **NW Goldberg** area is eligible for designation as a Neighborhood Enterprise Zone per PA 147 of 1992, as amended.

Sincerely,

A handwritten signature in blue ink, appearing to read "Charles Ericson". The signature is fluid and cursive, written over a light blue horizontal line.

Charles Ericson, MMAO
Assessor, Board of Assessors

mmp



Parcel Number	Property Address	Owner Name	Current Use	2019 TCV	Taxable Value	Acres
06001546.002L	1331 Holden	Life Is A Dreamtroit LLC	Industrial Warehouse	\$638,000	\$256,819	2.981
06005573-83	5924 Lincoln	Life Is A Dreamtroit LLC	Vacant Land	\$8,800	\$4,400	.541
06005584-5	5960 Lincoln	Life Is A Dreamtroit LLC	Service Garage	\$45,400	\$2,404	.122
06005586-90	5984 Lincoln	Guest, Susan A	Industrial Storage	\$104,400	\$32,932	.302
06005591.	6102 Lincoln	Guest, Susan A	Vacant Land	\$4,200	\$1,567	.060
06005592.	6108 Lincoln	Guest, Susan A	Vacant Land	\$4,200	\$1,567	.060
06005593	6112 Lincoln	Guest, Susan A	Vacant Land	\$4,200	\$1,149	.059
06005594.	6120 Lincoln	Life Is A Dreamtroit LLC	Vacant Land	\$4,200	\$2,091	.059
06005595.	6126 Lincoln	Life Is A Dreamtroit LLC	Vacant Land	\$4,200	\$2,100	.059
06005596.	6132 Lincoln	Metro Grocery	Vacant Land	\$4,000	\$1,776	.056
06005597.	6138 Lincoln	Sha Realty Corporation	Vacant Land	\$2,000	\$1,000	.025
						4.324

LEGAL DESCRIPTION: S HOLDEN THAT PT OF O L 50 LYG N OF & ADJ R R & S OF HOLDEN 10 THRU 1 54-49 & VAC ALLEY LYG N OF & ADJ ALL THAT PT OF VAC BROOKLYN AVE LYG S OF HOLDEN AVE & N OF R R SUB OF PT BAKER FARM L365 P498 DEEDS, W C R 6/95 129,858 SQ FT (0600156.002L)

LEGAL DESCRIPTION: E LINCOLN 47 THRU 39 SCRIPPS SUB L12 P10 PLATS, W C R 6/97 23,072 SQ FT (06005573-83)

LEGAL DESCRIPTION: E LINCOLN 38&37 SCRIPPS SUB L12 P10 PLATS, W C R 6/97 60 X 88.53A (06005584-5)

LEGAL DESCRIPTION: E LINCOLN 36&35SCRIPPS SUB L12 P10 PLATS, W C R 6/97 S 90 FT OF W 87.68 FT OF P C 248 LYG E OF LINCOLN & N OF LOT 35 OF SD SCRIPPS SUB 6/--- 150 X 87.86A (06005586-90)



LEGAL DESCRIPTION: E LINCOLN N 30 FT OF W 87.64 FT OF PC 248LYG E OF & ADJ LINCOLN AVE S & ADJ LOT 34 OF SCRIPPS SUB L12 P10 PLATS, WCR 6/--- 30 X 86.98 AV (06005591.)

LEGAL DESCRIPTION: E LINCOLN 34 SCRIPPS SUB L12 P10 PLATS, W C R 6/97 30 X 86.74 (06005592.)

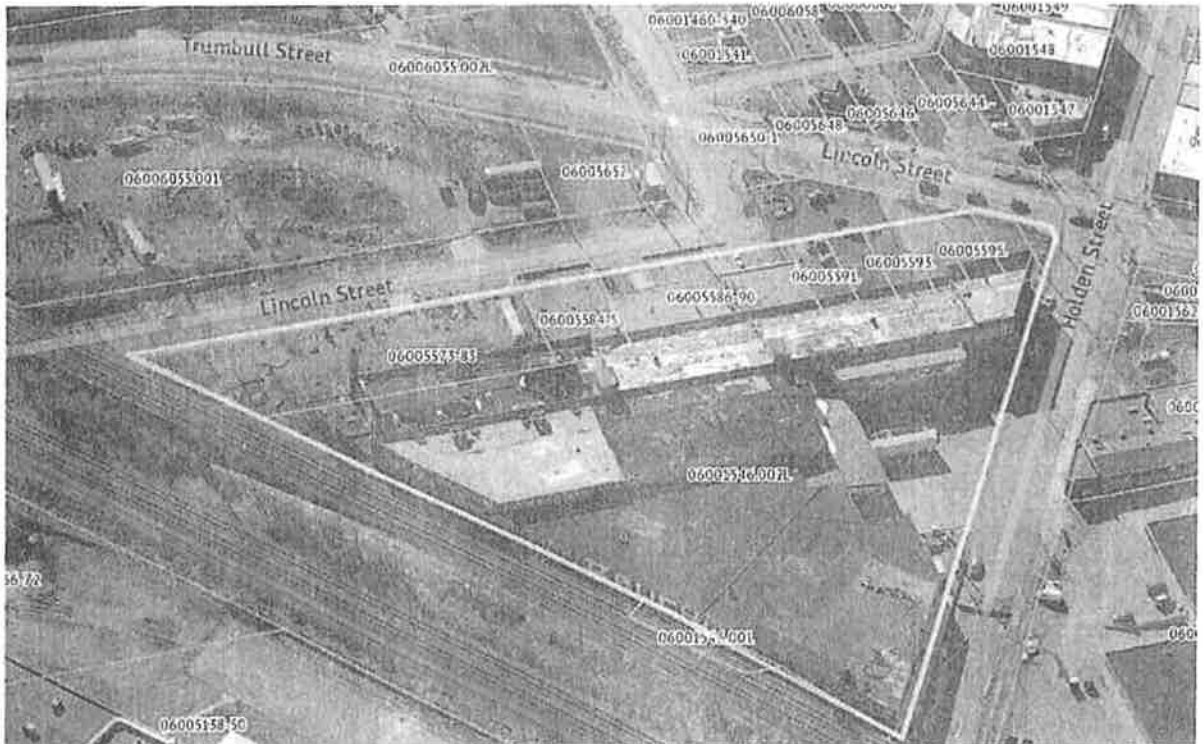
LEGAL DESCRIPTION: E LINCOLN 33 SCRIPPS SUB L12 P10 PLATS, W C R 6/97 30 X 86.50A (06005593.)

LEGAL DESCRIPTION: E LINCOLN 32 SCRIPPS SUB L12 P10 PLATS, W C R 6/97 30 X 86.26A (06005594.)

LEGAL DESCRIPTION: E LINCOLN 31 SCRIPPS SUB L12 P10 PLATS, W C R 6/97 30 X 86.02A (06005595.)

LEGAL DESCRIPTION: E LINCOLN 30 EXC TRIANG PT BG N 19.90 FT ON W LINE & W 12.54 FT ON N LINE SCRIPPS SUB OF PT OF WOODBRIDGE FARM L12 P10 PLATS, W C R 6/97 2,447 SQ FT (06005596.)

LEGAL DESCRIPTION: E LINCOLN ALL THAT PT OF 29DESC AS BEG AT A PTE IN S LINE OF SD LOT DIST 12.54 FT ALG SD S LINE FROM SW COR OF SD LOT TH N 09D 40M 42S E 28.91 FT TH N 55DE 12.08 FT TH SELY ALG NLY LINE OF SD LOT 50.61 FT TO ELY COR OF SD LOT TH WLY ALG S LINE 69.89 FT TO POB SCRIPPS SUB L12 P10 PLATS, WCR 6/97 1,072 SQ FT (06005597.)





TO: Matthew Langston, Housing and Revitalization
FROM: Esther Yang, Planning and Development
RE: Master Plan Interpretation for **Neighborhood Enterprise Zone (PA 147)** (Associated to Petition #1160)
DATE: January 16, 2020
CC: Katharine Trudeau, Deputy Director, Planning and Development
Kevin Schronce, PDD Central, Planning and Development
Karen Gage, PDD Zoning, Planning and Development

In order to ensure consistency with the City's Master Plan of Policies, pursuant to State of Michigan, Public Act 147 of 1992 (section 207.773), the Planning and Development Department's Planning Division submits the following interpretation for the proposed **establishment of Neighborhood Enterprise Zone (NEZ)**. The Petitioner is Life is a Dreamtroit, LLC.

Location and Project Proposal: 1331 Holden; 5924 – 6138 Lincoln; The project proposes a mixed-use development consisting of approximately 36,000 square feet of commercial/retail space, a commissary kitchen, and approximately 100,000 square feet of programmed public space.

Current Master Plan (MP) & Zoning: MP Classification – Light Industrial; Zoning – M4 Intensive Industrial

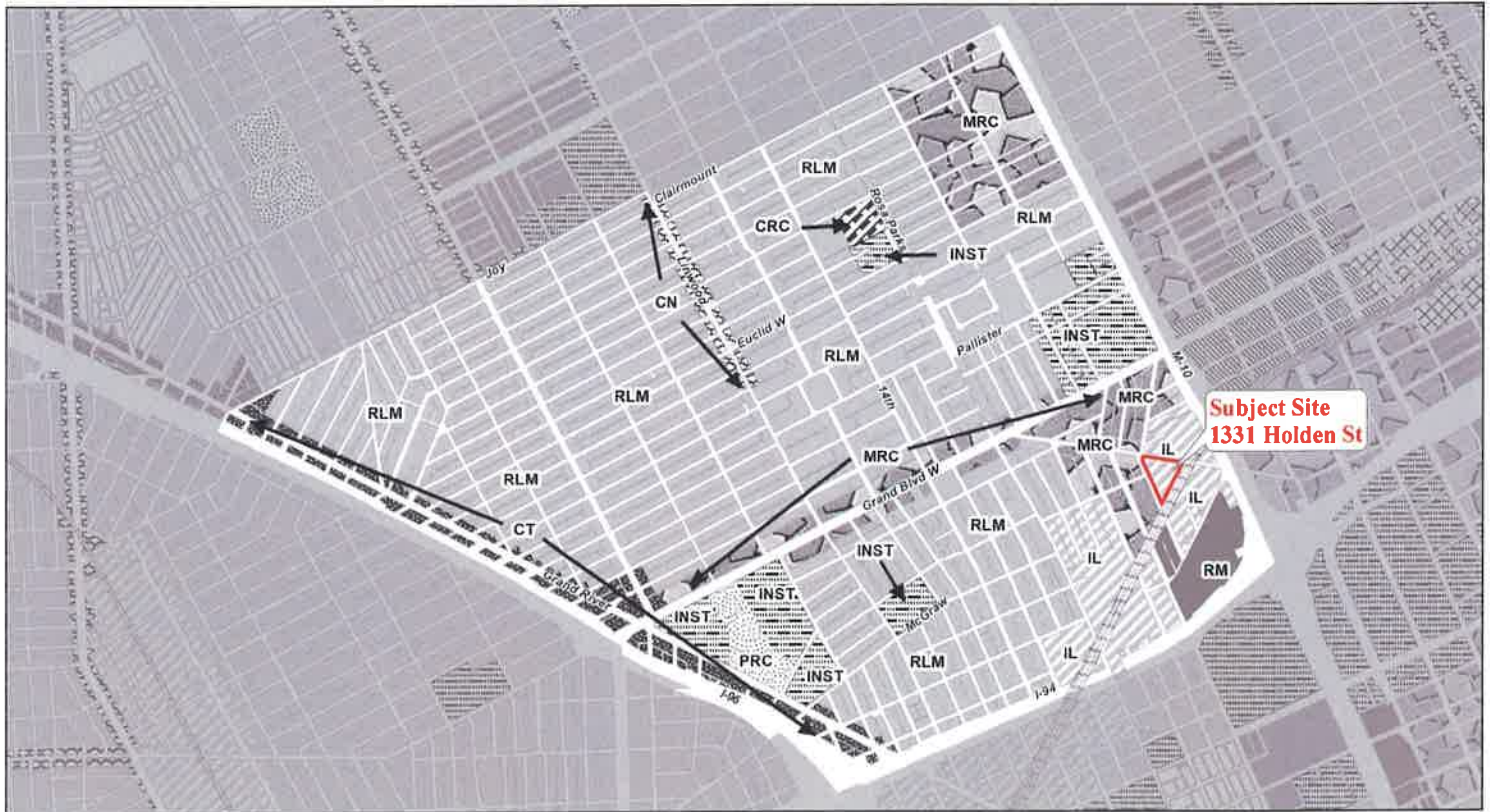
Master Plan Interpretation

The subject site area is designated **Light Industrial (IL)**. Light Industrial areas should generally consist of industrial uses of low intensity that have minimum undesirable effects on adjacent residential or commercial land uses. Small-scale industrial uses may include machine shops, small scale assembly or packaging, warehousing or technology parks.

The area adjacent to the project site is classified as Mixed Residential Commercial (MRC) – See Map Attachment (6-2B). 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 uses are generally consistent with what is permissible in Light Industrial. Additionally, some intermixture of uses within Light Industrial are often permitted. 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 does conform to the Future General Land Use characteristics of the area but the proposed use, particularly 100,000 square feet of the programmed public space, has the potential to change the character of the area. PDD may consider amending the Master Plan's Future General Land Use map in the near future to align with current development trends of the area and/or Master Plan Neighborhood.**

Attachments

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



Map 6-2B

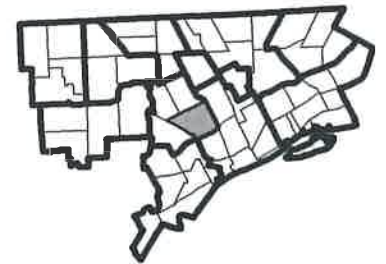
City of Detroit
Master Plan of
Policies

Neighborhood Cluster 6
Rosa Parks



Future Land Use

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





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

January 30, 2020

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 Selden AA Third Street Garage, LLC in the area of 3960 Third Ave., Detroit, Michigan 48201, in accordance with Public Act 146 of 2000 (Petition #617).

Honorable City Council:

The Housing and Revitalization Department and Finance Departments have reviewed the application of **Selden AA Third Street Garage, 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.

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,

D. Scott Brinkmann, Esq.
Director of Development & Special Projects

SB/ml

cc: S. Washington, Mayor's Office
K. Trudeau, P&DD
D. Rencher, HRD
M. Langston, Esq., 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, Selden AA Third Street Garage, LLC 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 _____, 2020 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.

Janice M. Winfrey
City Clerk

City of Detroit
OFFICE OF THE CITY CLERK

Andre P. Gilbert II
Deputy City Clerk

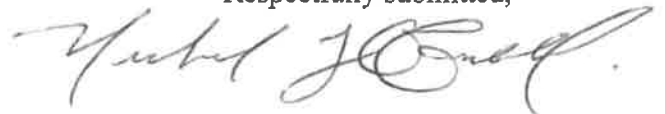
September 3, 2019

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

Re: Seldon AA Third Street Garage, LLC

Please find attached an application for Obsolete Property Rehabilitation Exemption Certificate for Property located at 3960 Third Ave, Detroit, MI 48201. **(RELATED TO PETITION #617)**

Respectfully submitted,



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

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.

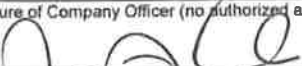
Applicant (Company) Name (applicant must be the OWNER of the facility) Seldon AA Third Street Garage, LLC		
Company Mailing address (No. and street, P.O. Box, City, State, ZIP Code) 3075 Charlevoix Drive SE, Suite 100, Grand Rapids, MI 49546		
Location of obsolete facility (No. and street, City, State, ZIP Code) 3960 Third Avenue, Detroit, Michigan 48201		
City, Township, Village (indicate which) City of Detroit		County Wayne
Date of Commencement of Rehabilitation (mm/dd/yyyy) 11/1/19	Planned date of Completion of Rehabilitation (mm/dd/yyyy) 12/31/2020	School District where facility is located (include school code) Detroit
Estimated Cost of Rehabilitation \$1,500,000.00	Number of years exemption requested 12	Attach Legal description of Obsolete Property on separate sheet
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>0</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 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) Jon Carlson	Telephone Number 7346070977	Fax Number
Mailing Address 3075 Charlevoix Drive SE, Suite 100, Grand Rapids, MI 49546		Email Address carlson@3missionpartners.com
Signature of Company Officer (no authorized agents) 		Title Managing 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(l) 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	
Clerk's Mailing Address	City	State	ZIP Code
	Telephone Number	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 517-335-7491.

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



COLLABORATION • COMMITMENT • COMMUNITY

July 12, 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) Certificate at 3960 Third Avenue, Detroit, Michigan 48201 for Selden AA Third Street Garage, LLC

Honorable City Council:

Please accept this letter as a request to establish an Obsolete Property Rehabilitation Certificate (OPRC) for the property located at 3960 Third Avenue, Detroit, Michigan 48201, which is referred to herein as the "Property" and described on Attachment A. The Property will be rehabilitated by the petitioner and current owner, Selden AA Third Street Garage, LLC.

Company and Project Synopsis

Selden AA Third Street Garage, LLC (the "Developer") is an entity of 3Mission Partners, an Ann Arbor-based real estate development company. The 3Mission team consists of Jon Carlson, Greg Lobdell, Robert Eisman and Liz Marek began in 1993. Principals, Jon and Greg, are both University of Michigan graduates and have developed craft brewer, Northern United Brewing Company, to its current sales level of over \$20 Million annually. Together, they have also developed over 200,000 square feet of mixed-use property in Michigan, many of which have met the strict requirements to utilize both state and federal Historic Tax Credits. With Rob and Liz as the latest additions to the team, 3Mission has gained leaders in managing finance and overall business strategy, while taking the reins on 3Mission's acquisition, property management, and tenant and community relations. The team is primarily focused in Michigan with projects located in Grand Rapids and Traverse City. An additional focus is brought to southeast Michigan with mixed-use and infill projects located in Ann Arbor, Dexter, Ypsilanti, Royal Oak, and especially Detroit.

The proposed project contains a single approximately 0.17 acre parcel at 3960 Third Avenue and is bounded by third Avenue to the west, the property line and Rainer Court Apartments to the north, an alley to the east, and a vacant lot and cell phone tower to the south. The project is located in the Midtown neighborhood of Detroit with the District Detroit and the Q-line located three-quarters mile south east and one half mile east, respectively. The property is occupied by a single-story former auto repair garage building with a partial basement totaling approximately 7,700 square feet. The building is currently being used for storage of residential building materials. However, the building's roof and wall structure are subject to extreme deterioration and water infiltration into the building. As such, the building currently remains uninhabitable.

**Request for Establishment of an Obsolete Property Rehabilitation Certificate at
3960 Third Avenue, Detroit MI 48201
for Selden AA Third Street Garage, LLC**

3960 Third Avenue will entail the rehabilitation of the current building into one retail/restaurant tenant space. As part of the rehabilitation, the building will be stabilized with a new roof membrane and flashing materials and replacement/repair of the exterior bricks. The brick will also be repainted at the primary façade facing Third Avenue. New windows and doors will be installed, including the existing clerestory windows at the roof, new aluminum storefront systems, insulated overhead aluminum and glass roll-up doors, and folding windows for an open, modern tenant space. On the interior, all existing walls will be removed. The interior masonry walls, roof trusses, and concrete floor will be cleaned. The floor will be polished and sealed while the roof trusses and walls will be painted or stained. The interior build-out also includes framing of mechanical and electrical rooms as well as ADA compliant men's and women's restrooms. The rehabilitation also includes upgrades to the existing mechanical, electrical, and plumbing systems and installation of fire protection systems.

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 damaged 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 Certificate, and therefore, the development would not be possible without it.

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 30 construction jobs and approximately 60 full-time and part-time jobs created associated with the proposed restaurant tenant.

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 commercial density in an area on the fringe of investment in the Midtown neighborhood, in particular those in close proximity to the John C Lodge Freeway. Activation of this property will spur further growth and act as a catalyst for future redevelopment of numerous vacant and blighted properties along the Third Avenue corridor and the surrounding neighborhoods and provide spinoff consumer spending in an area of Midtown that is currently lacking redevelopment planning and investment.

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 30 construction jobs will be created. The Developer has a working relationship with Midtown Detroit, Inc. and is familiar with the resources available in order to facilitate hiring of Detroit residents during construction activities. The chosen general contractor, Rock Construction, is also Detroit-based and 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. D2D and the Skilled Trades Taskforce meetings will also be utilized to assist in this effort. In addition,

*Request for Establishment of an Obsolete Property Rehabilitation Certificate at
3960 Third Avenue, Detroit MI 48201
for Selden AA Third Street Garage, LLC*

the Development team has a proven track record of hiring Detroit residents for other hospitality businesses throughout the City of Detroit.

Upon successful redevelopment, the proposed Development will create approximately 42 full-time and 8 part-time jobs associated with the proposed restaurant tenant. These new jobs may 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

Selden AA Third Street Garage, LLC is a partnership between seasoned real estate professionals with extensive experience in multi-family investments in Metro Detroit and throughout the country.

The Development team has had a long-term relationship Midtown Detroit Inc. and have garnered support for this project. In addition, members of the development team have reached out to the Midtown community and nearby property and business owners regarding the new ownership and anticipated improvements and garnered significantly positive feedback.

The team is looking forward to pursuing this redevelopment and creating a community space on the outskirts of Detroit's Midtown Neighborhood.

Respectfully Submitted,



Jon Carlson
734-607-0977
carlson@3missionpartners.com
Managing Partner
Selden AA Third Street Garage, LLC

Attachment A: Detailed Project Description
Attachment B: Project Data Sheet
Attachment C: Incentive Information Chart
Attachment D: Letters of Support

Attachment A

Detailed Project Description

General Description

The proposed Development is located along Third Avenue between Selden Street and Alexandrine Street in Midtown, northeast of the District Detroit. The property is loosely bounded by Third Avenue to the west, the property line and Rainer Court Apartments to the north, an alley to the east, and a vacant lot and cell phone tower to the south. The property consists of one parcel, which is outlined in the map below.



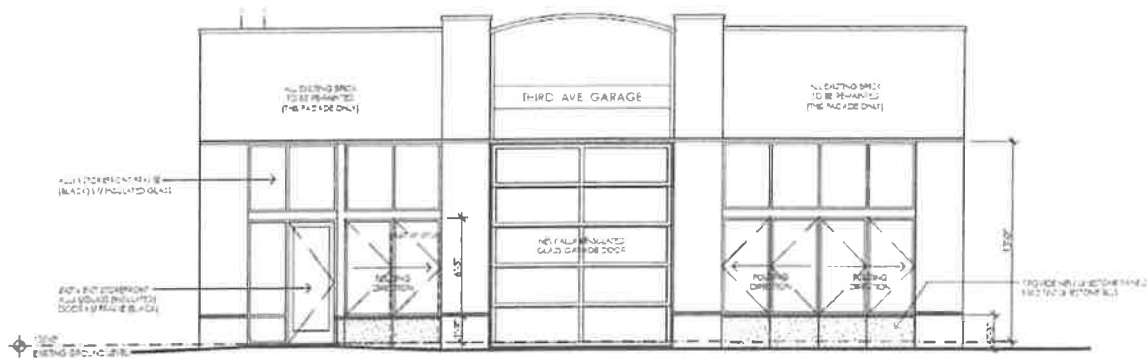
The property is occupied by a single-story former auto repair garage building with a partial basement totaling approximately 7,700 square feet. The building is currently being used for storage of residential building materials. However, the building's roof and wall structure are subject to extreme deterioration and water infiltration into the building. As such, the building currently remains uninhabitable. The proposed project currently consists of a complete building rehabilitation to create a new retail/restaurant space.

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.

Description of Proposed Use

The proposed redevelopment will create additional commercial density in an area of Midtown that has been behind the curve for investment and redevelopment. 3960 Third Avenue will entail the rehabilitation of the current building into a single commercial tenant suite. The proposed development will include 7,700 square feet of retail/restaurant space that includes a modern tenant space that meets the space demands of today's commercial needs. The tenant unit will include an open floor plan with condensed mechanical and electrical spaces at the perimeter of the tenant space. The space will also include new fixtures, finishes, and will be outfitted with new storefront systems and glass overhead doors.

Successful redevelopment of this property will expand the successful investments and districts of the Midtown area. This rehabilitation will create a placemaking opportunity west of the 2nd Avenue and Cass Corridors to bring vibrancy to a neighborhood that is currently characterized by blighted buildings and vacant lots. Redevelopment will provide an opportunity to extend the revitalization occurring throughout Midtown by providing additional foot traffic. The property will include new windows and glass overhead doors to create the feeling of bringing the outside in. The interior floor plans will be left open to accent the building's bow truss and to create a modern restaurant space that many Detroit tenants are craving.



Nature and Extent of the Rehabilitation

3960 Third Avenue will entail the rehabilitation of the current building into one retail/restaurant tenant space. As part of the rehabilitation, the building will be stabilized with a new roof membrane and flashing materials and replacement/repair of the exterior bricks. The brick will also be repainted at the primary façade facing Third Avenue. New windows and doors will be installed, including the existing clerestory windows at the roof, new aluminum storefront systems, insulated overhead aluminum and glass roll-up doors, and folding windows for an open, modern tenant space. On the interior, all existing walls will be removed. The interior masonry walls, roof trusses, and concrete floor will be cleaned. The floor will be polished and sealed while the roof trusses and walls will be painted or stained. The interior build-out also includes framing of mechanical

and electrical rooms as well as ADA compliant men's and women's restrooms. The rehabilitation also includes upgrades to the existing mechanical, electrical, and plumbing systems and installation of fire protection systems.



Photo 1: Looking southeast toward the subject building.



Photo 2: A view of the east side of the subject property.



Photo 3: Looking toward the south side of the subject property.



Photo 4: A view of the north side of the subject property.

The building has been utilized for only storage for over five years and has been without running heat at least as long. As a result, the building is in poor condition with neglected maintenance items including a leaking roof and exterior brick work that is rapidly deteriorating. Multiple areas of bricks require repair to prevent further falling and deterioration of the exterior wall system, in addition to the water infiltration seen at the roof.

The Development will create additional commercial 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 fringe area of Midtown.

Selden AA Third Street Garage, 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;

- Masonry; restoration activities associated with the existing building
- Carpentry; including framing, restroom cabinetry, vanities, trim work
- Thermal and Moisture Protection; roofing system, caulking and sealing, waterproofing
- Doors and Windows; exterior doors, interior doors/frames/hardware
- Mechanical; plumbing and HVAC
- Electrical; electrical work, security system, and communications
- Finishes; cleaning and polishing of concrete floor, cleaning and staining of the masonry walls, painting of the ceiling
- Specialties; fire alarm and suppression system, fire extinguishers, toilet and restroom accessories

Total construction hard cost investment is estimated at \$1,500,000.

Time Schedule

Construction activities are anticipated to commence in late fall 2019. Construction completion is anticipated for late 2020.

Statement of Economic Advantages

The proposed Development will bring needed investment to an area on the fringe of development in Midtown Detroit. The Development will increase commercial density in the blocks of Midtown that are characterized by vacancy while bringing additional foot traffic into the neighborhood. Activation of this property will spur further growth and infill development, and act as a catalyst for future redevelopment of numerous vacant and blighted properties along the Third Avenue corridor and the surrounding neighborhoods and provide spinoff consumer spending in Midtown.

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 that the project will create.

On a short term basis approximately 30 construction jobs will be created. The Developer has a working relationship with Midtown Detroit, Inc. and is familiar with the resources available in order to facilitate hiring of Detroit residents during construction activities. The chosen general contractor, Rock Construction, is also Detroit-based and 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. D2D and the Skilled Trades Taskforce meetings will also be utilized to assist in this effort. In addition, the development team has a proven track record of hiring Detroit residents for other hospitality businesses throughout the City of Detroit, including the nearby Jolly Pumpkin on Canfield Street that currently employs 70% Detroit residents.

On a long-term basis the proposed redevelopment will create approximately 60 full-time and part-time jobs created associated with the proposed restaurant tenant. Approximately 70%, or 42, of tenant-created jobs are anticipated to be full-time, with 18 part-time jobs, or 9 full-time equivalent jobs. The table below illustrates the resident tax impact the development will have following completion.

Employment Benefits	Annual Income Tax Amount
51 tenant-created FTE permanent jobs	
$\$45,000 \times 51 \times 2.4\%$	\$55,080

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. In January 2018, the Detroit Economic Growth Corp. published a retail opportunity study, where great shifts in neighborhood identity and character have been illustrated. In order to break the cycle of disinvestment, the report notes that vibrant and market-supported retail clusters can help to redefine the neighborhood with an activated street life. Investments in the community such as this that will have long-term effects and provide sustainable principals will retain and foster local talent that is vital to securing the neighborhood's and 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: 04003403
 Address: 3960 Third Avenue
 Acres: 0.17

Legal Description:
 E THIRD 6 BLK 94 CASS FARM SUB L1 P175-7 PLATS, W C R 4/34 50X150

Attachment B
Project Data Sheet



We're all business.

Economic & Fiscal Impact Project Data Sheet

The information requested on this form will be used by the Detroit Economic Growth Corporation to prepare an impact analysis of your firm or project. Enter data in the yellow cells below. Please fill out all required information that is applicable to your firm or project.

Please enter information in the yellow cells below and e-mail this completed survey form to:

Nicholas Marsh
Analyst
Detroit Economic Growth Corporation
500 Griswold Street, Suite 2200
Detroit, Michigan 48226

Phone: 313-879-3261

Email: nmarsh@degc.org

Please call if you have any questions.

A NOTE ABOUT ENTERING DATA



Light yellow cells are user inputs. Enter the appropriate information for the specific project in the light yellow cells.



Grey cells contain formulas which will automatically recalculate based on your other inputs.

GENERAL INFORMATION ABOUT THE COMPANY

Name of the Company	Selden AA Third Street Garage, LLC
Street Address	120 W Washington Street, Unit G
City, State Zip	Ann Arbor, Michigan 48104
Company Website	www.3missionpartners.com

Contact information for person completing this data sheet

Name	Ginny Dougherty
Title	Consultant, PM Environmental
Phone Number	248-414-1436
Email	dougherty@pmenv.com

DEGC Contact Info

Name of DEGC Contact	Nevan Shokar
Phone Number	313.294.5826
Email	nshokar@degc.org

Background and Requirements

Enter any information that you would like us to know about your requirements or intent for the economic analysis. Please describe any incentives that you would like us to model in the analysis including tax abatement being requested or considered.

This project is being considered for an Obsolete Property Rehabilitation Tax Abatement.

ABOUT THE PROJECT

Name of the Project	3960 Thlrd Avenue
Project Address(es)	3960 Thlrd Avenue
Zip Code	48201
Neighborhood	Mldtown
Asset Class	Commercial
Development Type	Rehablltation
Residential Type	
Residential Units	0
Affordable Units	0%
Hotel Units	0
Total SF	7,700
Retail SF	
Commercial SF	7,500
Industrial SF	0
Hotel SF	0
Residential SF	0
Other SF	0
Retail Rent/sf	\$0.00
Commercial Rent/sf	\$25.00
Hotel ADR	\$0.00
Residential Rent/sf	\$0.00
Hotel economic occupancy	0.00%
Hotel Rev PAR	\$0.00

Sources and Uses

Total Development Costs	
Acquisition	\$1,015,000
Hard Costs	\$1,531,104
Soft Costs	\$225,000

	Amount of Funding	Source of Funding
Total Development Sources	\$2,771,104	
Funding Source #1	\$1,801,218	Bank
Funding Source #2	\$969,886	Equity
Funding Source #3		
Funding Source #4		
Funding Source #5		

Percentage of Total Funding

Project Timeline

Land/Facility Purchase Year	2018
Construction Commencement Year	2019
When Does Hiring Begin for Business Operation?	2019

Identify the taxing jurisdictions Impacted by the project, if known.

City	City of Detroit
County	Wayne County
School District	Detroit Public Schools

State Education	State Education
Development Authority	N/A
Intermediate School	Wayne RESA
College	Wayne County Comm. College
Zoo	Wayne County Zoo
Museum	Detroit Institute of Arts

Will the Project be located in the city limits?

Description of the Project

Enter any narrative below to describe the Project, including plans to startup, expand, or locate in the community. This description will be included in the report.

The proposed OPRD contains a single approximately 0.17 acre parcel at 3960 Third Avenue and is bounded by third Avenue to the west, the property line and Rainer Court Apartments to the north, and the alley to the east, and a vacant lot and cell phone tower to the south. The OPRD is located in the Midtown neighborhood of Detroit with the District Detroit and the Q-line located three-quarters mile south east and one half mile east, respectively. The property is occupied by a single-story former auto repair garage building with a partial basement totalling approximately 7,700 square feet. The building is currently being used for storage of residential building materials. However, the building's roof and wall structure are subject to extreme deterioration and water infiltration into the building. As such, the building currently remains uninhabitable.

3960 Third Avenue will entail the rehabilitation of the current building into one retail/restaurant tenant space. As part of the rehabilitation, the building will be stabilized with a new roof membrane and flashing materials and replacement/repair of the exterior bricks. The brick will also be repainted at the primary façade facing Third Avenue. New windows and doors will be installed, including the existing clerestory windows at the roof, new aluminum storefront systems, insulated overhead aluminum and glass roll-up doors, and folding windows for an open, modern tenant space. On the interior, all existing walls will be removed. The

Identify the Project's primary North American Industry Classification System (NAICS) Code or describe the activity that will occur at the local facility

To help identify the correct industry code: <http://www.census.gov/cgi-bin/sssd/naics/naicsrch?chart=2012>

Restaurant use

Describe the Project's alternative locations if applicable

N/A

Describe the Project's constraints

Substantial investment is necessary to rehabilitate the area into a viable, long-term development. Additionally, the property currently contains a dilapidated and damaged 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 therefore, the development would

DEVELOPMENT DETAILS

Additionally please attach a proforma that includes all of the following:

- Total Development Costs
- Total Sources
- Owner Equity
- Total Uses
- Total Square Feet
- Average Development cost per sq ft
- Average rental rate per sq ft for new residential units
- Debt Coverage Ratio
- Owner Equity IRR
- Cash on Cash Return
- Capitalization Ratio
- List additional incentives being considered

CURRENT OPERATIONS

Please complete if applicable

The TAXABLE value of firm's taxable property currently on the tax rolls

Land	\$0
Buildings & Other Real Property Improvements	\$54,354
Commercial Personal Property	\$0
Industrial Personal Property	\$0

Number of existing employees working at the company's local facility

Average annual salaries paid to existing employees

TAXABLE ASSETS, EMPLOYEES, AND OPERATIONS

The Project's capital investment each year

Year	Land	Buildings and Other Real Property Improvements	Commercial Personal Property	Industrial Personal Property	Total
2019	\$0	\$1,015,000			\$1,015,000
2020		\$1,756,104			\$1,756,104
2021					\$0
2022					\$0
2023					\$0
2024					\$0
2025					\$0
2026					\$0
2027					\$0
2028					\$0
Total	\$0	\$2,771,104	\$0	\$0	\$2,771,104

Are the building and improvements costs entered above for construction?

Building permits and fees to be paid to the City during construction, if applicable

Year	Total City Building Permits and Fees
2019	\$65,000
2020	\$0
2021	
2022	
2023	
2024	
2025	
2026	
2027	
2028	
Total	\$65,000

Number of new full-time jobs to be added in the community each year
 Enter the jobs added in the community each year, including jobs relocated from outside of the community.

Year	Construction Employees To Be Hired Each Year
2019	30
2020	
2021	
2022	
2023	
2024	
2025	
2026	
2027	
2028	
Total	30

Year	New FTE Employees To Be Hired Each Year
2019	51
2020	
2021	
2022	
2023	
2024	
2025	
2026	
2027	
2028	
Total	51

Average annual salaries of new employees each year
 Enter an amount in Year 1 and the percent of annual increase, or enter appropriate amounts for each year.

Year	Average Annual FTE Salaries
2019	\$45,000
2020	\$45,900
2021	\$46,818
2022	\$47,754
2023	\$48,709
2024	\$49,684
2025	\$50,677
2026	\$51,691
2027	\$52,725
2028	\$53,779

Percent of annual increase:

Taxable income subject to the City of Detroit's Corporation Income Taxes
 Enter an amount in Year 1 and the percent of annual increase, or enter appropriate amounts for each year.

Year	Corporation Taxable Income
2019	\$55,080
2020	\$56,182
2021	\$57,305
2022	\$58,451
2023	\$59,620
2024	\$60,813
2025	\$62,029
2026	\$63,270
2027	\$64,535
2028	\$65,826

Percent of annual increase:

The Project's annual utilities

Enter an amount in Year 1 and the percent of annual increase, or enter appropriate amounts for each year.

Year	Water	Wastewater	Solid Waste	Electricity	Natural Gas	Cable	Telephone
2019				\$1,000		\$0	\$0
2020	\$0	\$0	\$0	\$1,030	\$0	\$0	\$0
2021	\$0	\$0	\$0	\$1,061	\$0	\$0	\$0
2022	\$0	\$0	\$0	\$1,093	\$0	\$0	\$0
2023	\$0	\$0	\$0	\$1,126	\$0	\$0	\$0
2024	\$0	\$0	\$0	\$1,159	\$0	\$0	\$0
2025	\$0	\$0	\$0	\$1,194	\$0	\$0	\$0
2026	\$0	\$0	\$0	\$1,230	\$0	\$0	\$0
2027	\$0	\$0	\$0	\$1,267	\$0	\$0	\$0
2028	\$0	\$0	\$0	\$1,305	\$0	\$0	\$0
% annual increase:	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

Attachment C

Incentive Information Chart

INCENTIVE INFORMATION CHART:

Project Type	Incentive Type	Investment Amount	District
Commercial	PA 146 - OPRA	\$2.8 Million	Neighborhood District 6

Jobs Available							
Construction				Post Construction			
Professional	Non-Professional	Skilled Labor	Non-Skilled Labor	Professional	Non-Professional	Skilled Labor	Non-Skilled Labor
		28	2	10	50		

1. What is the plan for hiring Detroiters?

The Developer has a working relationship with Midtown Detroit, Inc. and is familiar with the resources available in order to facilitate hiring of Detroit residents during construction activities. One of the chosen general contractor, Rok Construction, is also Detroit-based and 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. D2D and the Skilled Trades Taskforce meetings will also be utilized to assist in this effort. In addition, the development team has a proven track record of hiring Detroit residents for other hospitality businesses throughout the City of Detroit, including the nearby Jolly Pumpkin on Canfield Street that currently employees 70% Detroit residents.

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

On a long-term basis the proposed redevelopment will create approximately 60 full-time and part-time jobs created associated with the proposed restaurant tenant. Approximately 70%, or 42, of tenant-created jobs are anticipated to be full-time, with 18 part-time jobs, or 9 full-time equivalent jobs. Jobs will consist of managerial positions, bookkeepers, head chef, line cooks, wait and kitchen staff, bartenders, and hostess positions.

The Construction jobs will consist of general labor, brick masons, concrete finishers, general and finish carpentry, painters, electricians, plumbers, and HVAC trades.

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

There are no current residents or businesses at the subject property that will need to be relocated as a result of this development.

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

The developer intends to meet with the office of Ms. Raquel Castaneda-Lopez, their local Council Member for District 6, to determine the level of support for the developer's plan. The Development team has had a long-term relationship Midtown Detroit Inc. and have garnered support for this project. In addition, members of the development team have reached out to the Midtown community and nearby property and business owners regarding the new ownership and anticipated improvements and garnered significantly positive feedback.

5. When is construction slated to begin?

Construction is slated to commence in late fall 2019.

6. What is the expected completion date of construction?

Construction completion is anticipated to be complete by December 2020.

Attachment D

Support Letters

November 29, 2018

Brian Vosburg, AICP
Detroit Economic Growth Corporation
500 Griswold, Suite 2200
Detroit, MI 48226

RE: 3960 Third Avenue Redevelopment

Dear Mr. Vosburg,

On behalf of Midtown Detroit, Inc. (MDI), I would like to express our support for the redevelopment of the building located at 3960 Third Avenue. MDI understands that this project is seeking the establishment of an Obsolete Property Rehabilitation Act (OPRA) district. This OPRA will provide a valuable financial benefit to support the completion of a project that MDI believes will add to the overall revitalization efforts taking place in the surrounding neighborhood.

This project aims to redevelop a former auto repair garage into 7,700 square feet of commercial space intended for a restaurant or retail user. The reactivation of this space will build upon the activity taking place in the area. It will increase foot traffic and interest in the neighborhood, which will in turn help support nearby businesses and developments.

This project will create new opportunities for both entrepreneurs seeking commercial space, as well as Detroiters seeking jobs. During the construction period this project will generate 30 construction jobs. Post construction it is estimated that 60 permanent jobs will be created, many of which will be reserved for Detroit residents.

MDI believes that the redevelopment of 3960 Third Avenue is important in moving the neighborhood forward, and we are pleased to offer our full support. If you have any questions, please feel free to contact me at 313.420.6000.

Sincerely,



Susan T. Mosey
Executive 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

January 28, 2020

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 – Selden AA Third Street Garage LLC**
 Property Address: 3960 Third Ave
 Parcel Number: 04003403.

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 **3960 Third** in the **Midtown** 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.

Selden AA Third Street Garage LLC plans to renovate the auto repair garage building that is currently being used for storage of building materials consisting of 7,701 square feet of building area, built in 1927, on .172 acres of land into one retail restaurant tenant space.

The 2020 values are as follows:

Parcel #	Address	Building Assessed Value (SEV)	Building Taxable Value	Land Assessed Value (SEV)	Land Taxable Value
04003403.	3960 Third	\$ 82,700	\$ 81,178	\$ 195,200	\$ 191,608

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 developer proposes to renovate the building with installing a new roof membrane, replacing/repairing the exterior bricks, adding new windows and doors, removing all existing interior walls, and upgrading the existing mechanical, electrical and plumbing system along with the installation of fire protection systems. The project is expected to increase commercial activity, create and retain employment, revitalize an urban area and increase the number of residents in the community.

A field investigation indicated that the property located **3960 Third** 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 Certificate
Selden AA Third Street Garage LLC
Page 2

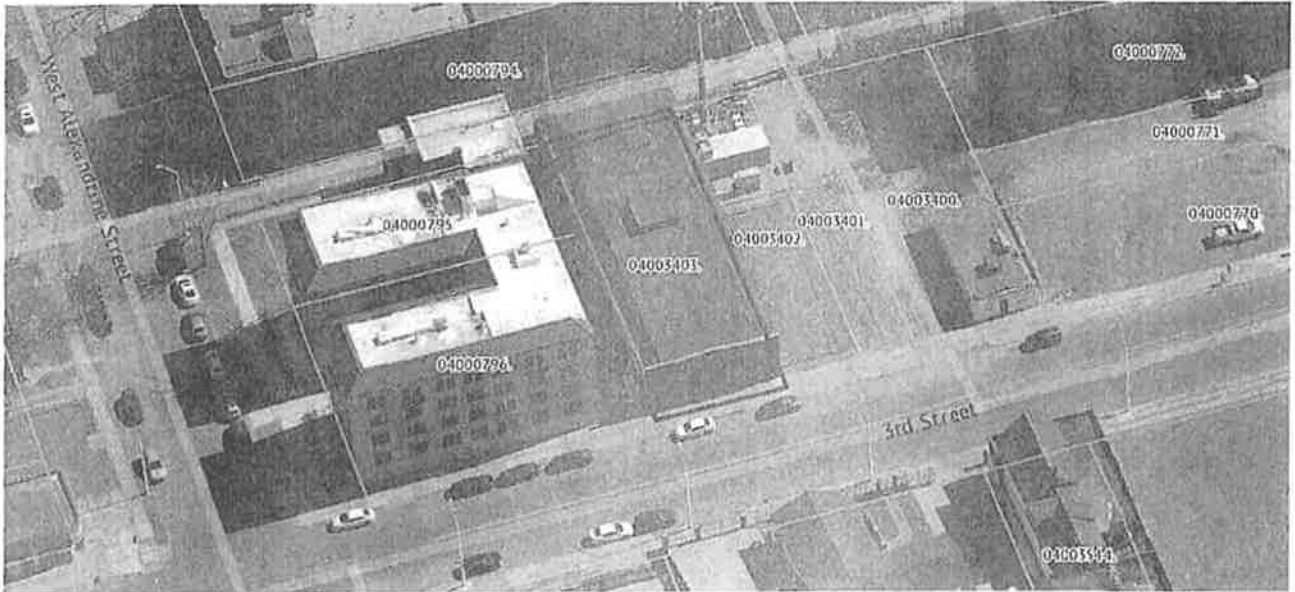
Address: 3960 THIRD

Parcel Number: 04003403.

Property Owner: SELDEN AA THIRD ST GARAGE LLC

Legal Description: E THIRD 6 BLK 94 CASS FARM SUB L1 P175-7 PLATS, W C R 4/34 50 X 150

The legal description matches the OPRA district request.





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



January 31, 2020

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

RE: Request for Public Hearing for Petition #961 to Establish a Commercial Rehabilitation District for R&J DEVELOPMENT COMPANY, LLC in the area of 19338 & 19344 LIVERNOIS AVE. Detroit, Michigan, in accordance with Public Act 210 of 2005.

Honorable City Council:

The Housing and Revitalization Department has reviewed the request of **R&J DEVELOPMENT COMPANY, 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,

D. Scott Brinkman, Esq.
Director of Development & Special Projects, HRD

SB/am

cc: S. Washington, Mayor's Office
K. Trudeau, PDD
S. Brinkman, 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, (APPLICANT), 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 _____, 2020 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

Vivian A. Hudson
Deputy City Clerk

DEPARTMENTAL REFERENCE COMMUNICATION

Friday, July 12, 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 DEPARTMENT/ASSESSOR HOUSING AND REVITALIZATION
LAW DEPARTMENT LEGISLATIVE POLICY DIVISION
PLANNING AND DEVELOPMENT DEPARTMENT

961 *R & J Development, request the establishment of a Commercial Rehabilitation District for property located at 19338 and 19344 Livernois Ave.*

#941



June 18, 2019

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

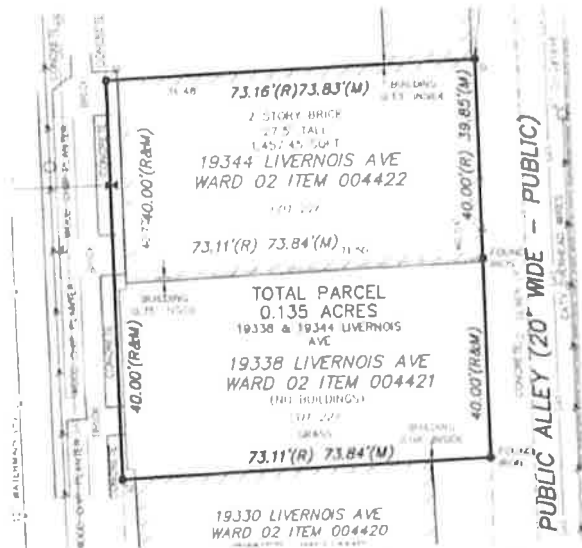
RE: **Request for the Establishment of a Commercial Rehabilitation District at 19338 & 19344 Livernois Ave in Detroit Michigan**

Honorable City Council:

Please accept this letter as a request to establish a Commercial Rehabilitation Development District for the property located at **19338 & 19344 Livernois Ave in Detroit Michigan** and described below.

General description of facility

The proposed Commercial Rehabilitation District is located at 19338 and 19344 Livernois in Detroit, Michigan. The property consists of a vacant lot at 19338 and a blighted structure on 19344, which was once the Hunter Supper Club. The two-story structure at 19344 is 8,041 square feet, including a 2,000 square foot basement.



The properties are located on the “Avenue of Fashion”, which is one of the City of Detroit’s targeted areas for development. Additionally, a major streetscape project has begun on the Livernois corridor, which will remove the center median and increase sidewalk width, establishing a more walkable area creating a catalyst for further residential and commercial development in the area.

Built in 1948, the property was once home to the famous Hunter Supper Club. Additionally, the vacant structure located to the north of 19344

is currently undergoing renovation and will be a microbrewery when completed.



General description of the proposed use of the rehabilitated facility



The proposed redevelopment will gut, renovate and white box the existing structure in two stories of commercial space with approximately 2,000 square feet of basement storage. The development team considered developing the basement into usable commercial space, however, the ceiling heights are not sufficient and the cost to lower the floor could not be supported by the achievable lease rates. The upper floor is planned to be used for a chef

inspired event space and a restaurant is planned for occupation of the lower floor and basement storage areas.

The construction of a new three-story building will take place on the vacant lot located at 19338 Livernois. The first floor will be white boxed and is planned to be occupied by a commercial bank. The second and third floors will be six loft style apartments with four one-bedroom units, one studio unit and one two-bedroom unit. Redevelopment will provide an additional catalyst to the revitalization of the Avenue of Fashion and help the City of Detroit realize its vision of a modern, walkable commercial corridor along Livernois.



Nature and Extent of the Rehabilitation



The building has sustained substantial deterioration through years of non-use & vacancy. Redevelopment will require extensive demolition, renovation and improvements. Demolition of the interior will include abatement of any environmental issues, including LBP and asbestos. A phase 1 ESA has been completed and there are no identified environmental concerns in relation to the site. New mechanical, HVAC, electrical and plumbing will be installed throughout the

building. New elevator shaft and a new elevator will be installed, servicing both the rehabilitated structure and the new construction on the adjoining lot. Once completed, the tenant space will be left white boxed with a \$20/sqft tenant improvement allowance.

Descriptive list of fixed building equipment

- Interior demolition including abatement
- New mechanical, HVAC, plumbing & electrical
- Elevator shaft & pit repair
- New elevator
- Fire protection systems
- Finishes; drywall, insulation, flooring & painting
- Window replacement
- Masonry
- Exterior metal siding, fiberboard & insulation
- Specialties; fire extinguishers, toilet accessories, appliances
- Roofing, patio pavers & terrace pavers
- Communications

Time Schedule

Renovation activities are anticipated to commence shortly after establishment of the district in either late September or early October. We have finalized design concepts and are moving toward construction docs. The anticipated timeline for the completion of construction is 12 months and the buildings are expected to be placed in service in the fall of 2020.

The Developer, Ron Bartell, formed Live@liv LLC as a special purpose entity for the proposed project. Its parent company, R&J Development has been in operation for nearly 10 years and has focused its attention on developing properties in and around the Livernois corridor. Ron Bartell has already seen a tremendous level of success with his landmark, "Kuzzos Chicken & Waffles" which opened in 2015.

The project under consideration includes the rehabilitation of the existing structure located at 19344 Livernois and new construction on the vacant lot located at 19338 Livernois. The existing structure is 8,041 square feet of gross commercial space with 7,042 of leasable space, 1,925 square feet of which is comprised of basement storage. The two-story building will be white boxed and leased to two separate tenants, each taking an entire floor. The new construction on 19338 Livernois will have a ground floor commercial tenant and the second and third floors will have three loft style apartments per floor for a total of six residential spaces. The unit mix is comprised of one studio, four one bedrooms and one two bedroom. Gross building square footage is 8,439 square feet with 6,259 of leasable space

MCL 207.842 Sec. 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). Qualified facility shall also include vacant property located within a city with a population of more than 500,000 according to the most recent federal decennial census and from which a previous structure has been demolished and on which commercial property is or will be newly constructed provided an application for a certificate has been filed with that city before July 1, 2010. A qualified facility also includes a hotel or motel that has additional meeting or convention space that is attached to a convention and trade center that is over 250,000 square feet in size and that is located within a county with a population of more than 1,100,000 and less than 1,600,000 as of the most recent decennial census. A qualified facility **does not** include property that is to be used as a casino or a professional sports stadium. As used in this subdivision, "casino" means a casino or a parking lot, hotel, motel, or retail store owned or operated by a casino, an affiliate, or an affiliated company, regulated by this state pursuant to the Michigan gaming control and revenue act, 1996 IL 1, MCL 432.201 to 432.226."

LARA Corporations
Online Filing System
Department of Licensing and Regulatory Affairs

ID Number: 800036599

[Request certificate](#)

[New search](#)

Summary for: **TERRY'S ENCHANTED GARDENS INC.**

The name of the **DOMESTIC PROFIT CORPORATION**: TERRY'S ENCHANTED GARDENS INC.

The name was changed from: THE ENCHANTED GARDENS, INC. on 03-23-1984

Entity type: DOMESTIC PROFIT CORPORATION

Identification Number: 800036599 Old ID Number: 035955

Date of Incorporation in Michigan: 10/21/1977

Purpose:

Date of Dissolved: 07/15/2013

Term: Perpetual

Most Recent Annual Report: 2010

Most Recent Annual Report with Officers & Directors: 2009

The name and address of the Resident Agent:

Resident Agent Name: MABLE TERRY
Street Address: 19338 LIVERNOIS
Apt/Suite/Other:
City: DETROIT

State: MI

Zip Code: 48221

Registered Office Mailing address:

P.O. Box or Street Address:
Apt/Suite/Other:
City:

State:

Zip Code:

Act Formed Under: 284-1972 Business Corporation Act

Total Authorized Shares: 50,000

Written Consent

The rehabilitation of this property would not take place without an abatement. With increases in construction costs and the current marketable commercial and residential lease rates along the Livernois Corridor, the project would not be feasible without incentives. The estimated ad valorem taxes upon completion are roughly \$50,000. With this tax liability, according to financial projections, the project will operate in the red for the first two years and will take approximately 10 years to reach a debt service coverage ratio acceptable to lenders and a return on investment acceptable to the developer. The inclusion of abated taxes into the financial modeling raises the cash flow in year one to allow a debt coverage ratio of 1.16 and an internal rate of return for the developer that is near the market return for similar projects.

The number of current full-time employees of Live@liv LLC is zero. This is a special purpose entity formed for the sole purpose of the Live@liv development. Post construction the entity will itself have no direct employees, however, the commercial tenants planned to occupy the space will create a substantial amount of employment. Initial estimations are in the vicinity of 25 to 40 Full time employees.

The development will provide for the complete rehabilitation of the dilapidated structure located at 19344 Livernois and create a new structure on the adjacent lot, 19338 Livernois. Listed below is the capital investment that will take place:

- Interior demolition including abatement
- New mechanical, HVAC, plumbing & electrical
- Elevator shaft & pit repair
- New elevator
- Fire protection systems
- Finishes; drywall, insulation, flooring & painting
- Window replacement
- Masonry
- Exterior metal siding, fiberboard & insulation
- Specialties; fire extinguishers, toilet accessories, appliances
- Roofing, patio pavers & terrace pavers
- Communications

The developer is requesting a 10-year abatement. Based on financial modeling at a standard 2% increase in revenue and 3% increase in project expenses, the full 10-year abatement will allow the project to create enough cashflow to create a sufficient debt service ratio and acceptable IRR to the developer. Additionally, an abatement for the duration of 10 years will allow for a sufficient level of cash flow to cover the full ad valorem taxes, plus a debt service coverage ratio acceptable to lenders.

All taxes on the applicable parcels in the Live@liv development are current. The economic advantages related to this development are broad. The Livernois corridor is currently one of the City of Detroit's targeted investment areas. The developer, Ron Bartell, is an invested member of this community and owns a multitude of properties on and around the corridor, including the landmark restaurant, Kuzzos Chicken and Waffles. The development will bring additional residential density and help create a more walkable corridor with the addition of almost 8,800 square feet of additional retail space. The development will also create 25 to 40 new employment opportunities for nearby residents, and students of the local universities. The development will help drive property values in the Avenue of Fashion corridor and spur additional development, which will lead to higher tax revenue for the City of Detroit.

Statement of Economic Activities

The proposed development will create a sense of place, encourage increased spending and create new jobs along the Avenue of Fashion. The newly renovated structure will help to establish the Livernois corridor as a destination place for entertainment, shopping and trendy living.

The granting of a tax abatement will not result in any fewer taxes to the City of Detroit. The current combined current taxable value on both parcels of land is roughly \$40,000, resulting an estimated annual tax payment of \$3,480.00. The estimated taxes to the City of Detroit upon completion and after abatement is estimated to be roughly \$16,000, a net increase to the City Treasury of \$12,500 per year. Ad valorem taxes beginning in the first year after the expiration of the abatement are estimated at \$70,000.

On a short-term basis, 20 to 25 temporary construction jobs will be created during renovation activities. Once completed, we are estimating that the development will create between 25 and 40 full-time positions between the restaurant, chef inspired event space and the commercial bank. The development team will present at D2D meetings and skilled trades task force meetings to garner opportunities to employ Detroit Residents. Additionally, members of the development team have a long-standing relationship with Central Detroit Christian, LifeBUILDERS and other local non-profit organizations who can be used as resources in identifying a Detroit based workforce.

The increase in tenant-based jobs within the building will increase City collected income tax at a rate of 1.2% rate for non-residents and 2.4% rate for Detroiters. We are estimating that 80% of the jobs created through the tenant space will be Detroit residents, with 20% being non-Detroit residents. Assuming an estimated annual salary of \$42,000 per employee, anticipated employment related taxes to the City of Detroit will be between \$45,000 and \$55,000.

In Addition to the establishment of the PA 210 District, the developer is seeking a CRP Grant from the MEDC in the amount of \$722,000 to fill a financing gap.

In closing, Live@live LLC, parented by R&J Development is striving to assist the City of Detroit in its efforts to revitalize the Livernois corridor into a thriving, walkable commercial corridor. Mr. Bartell is an invested member of the community and is committed to not only the success of this project, but all other planned endeavors for the area.

Respectfully submitted,



Live@liv LLC - Ron Bartell, Member

Attachment A: Site Map that includes the parcel(s) of property / Legal Description
Attachment B: Paid Receipt of Current Taxes

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

Attachment A:

Site Map that includes the parcel(s) of property / Legal Description

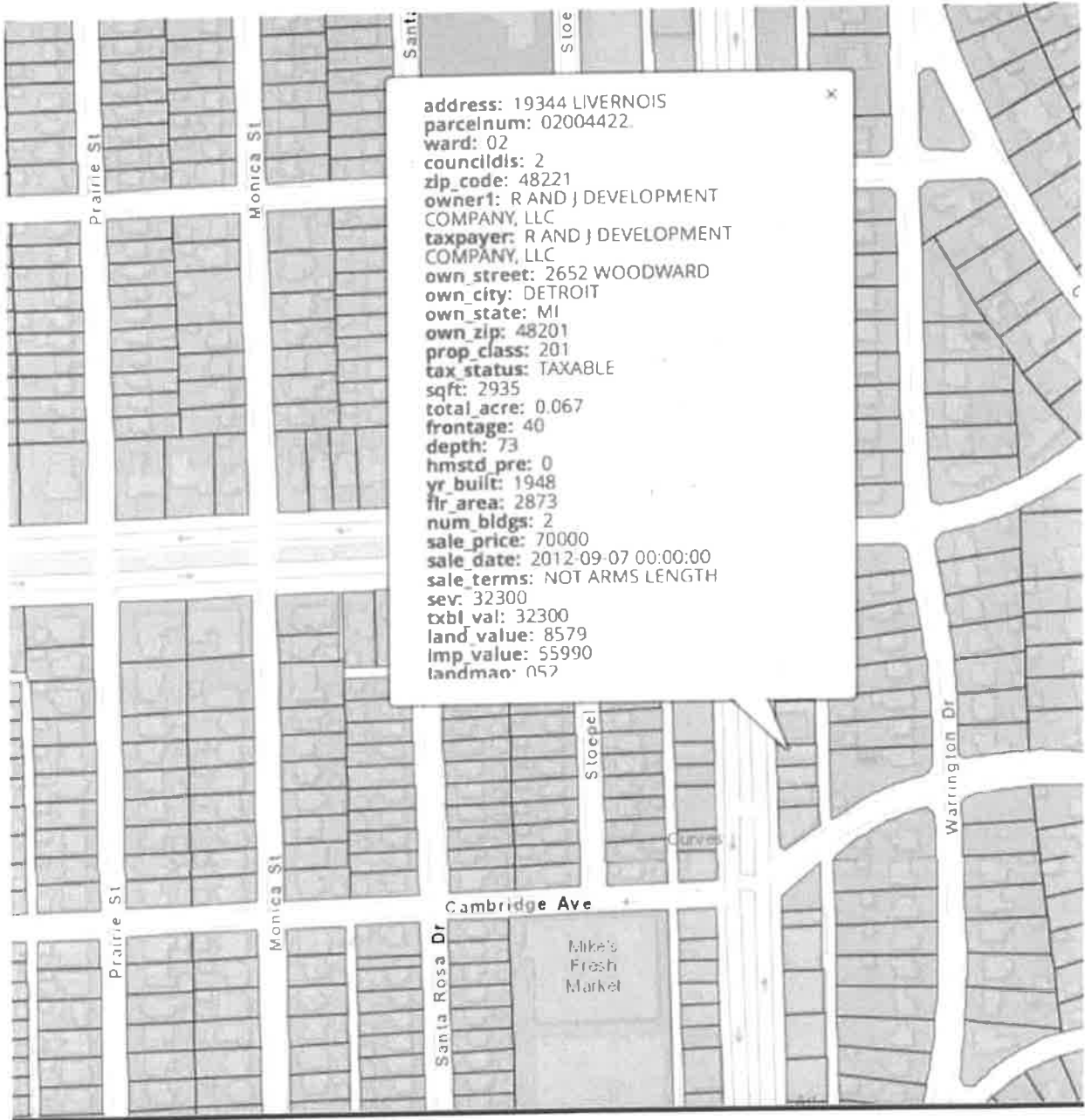
Legal Descriptions

Lot 226, except Livernois Avenue as widened of SHERWOOD FOREST SUB. according to the plat thereof recorded in Liber 39 of Plats, page 11 of Wayne County Records.

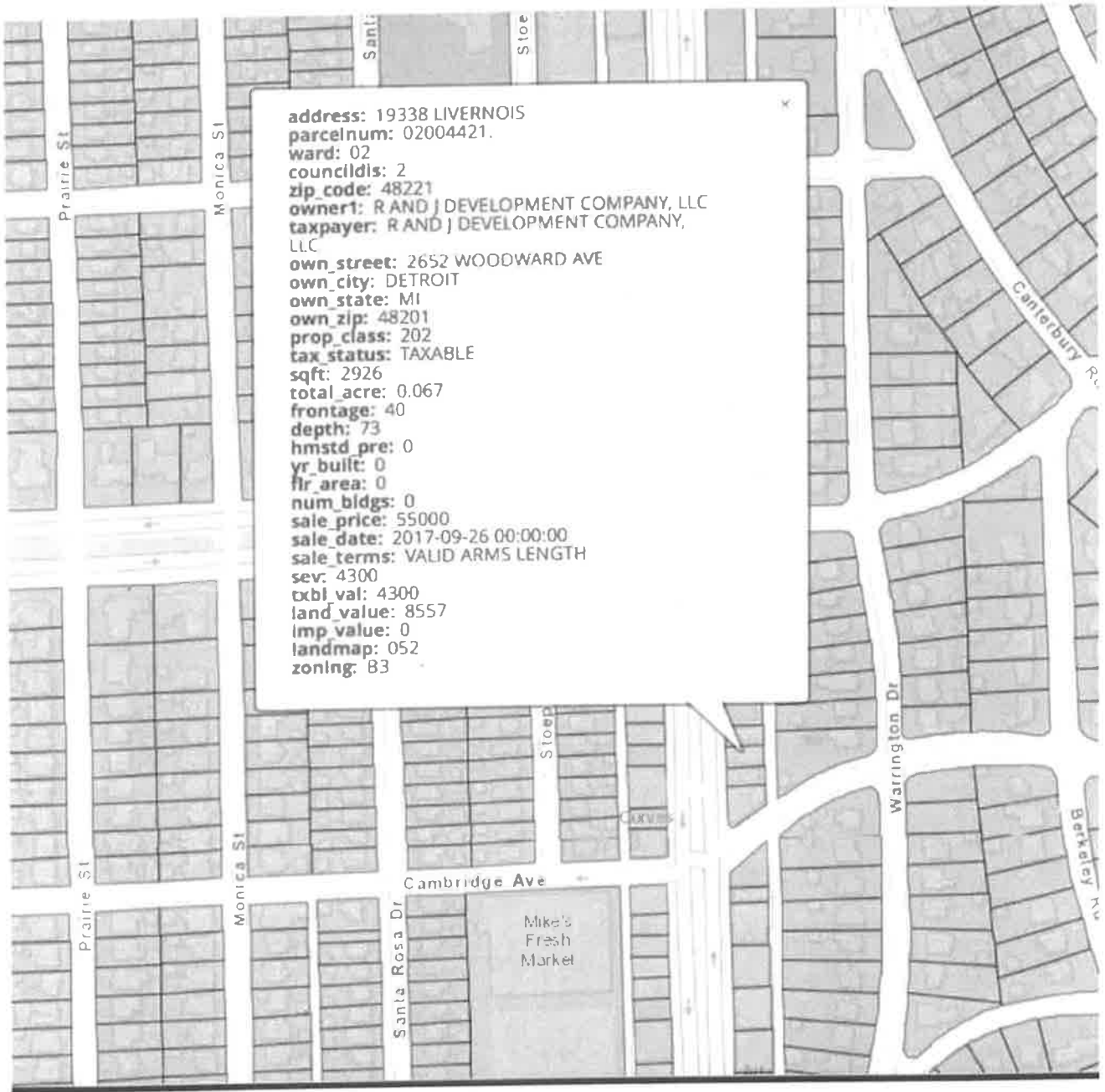
Lot 227, except the part taken for Livernois Avenue, as widened of SHERWOOD FOREST SUB. according to the plat thereof recorded in Liber 39 of Plats, page 11 of Wayne County Records.

19338 Livernois Parcel ID – 02004421.

19344 Livernois Parcel ID – 02004422.



address: 19344 LIVERNOIS
parcelnum: 02004422
ward: 02
councilids: 2
zip_code: 48221
owner1: R AND J DEVELOPMENT COMPANY, LLC
taxpayer: R AND J DEVELOPMENT COMPANY, LLC
own_street: 2652 WOODWARD
own_city: DETROIT
own_state: MI
own_zip: 48201
prop_class: 201
tax_status: TAXABLE
sqft: 2935
total_acre: 0.067
frontage: 40
depth: 73
hmstd_pre: 0
yr_built: 1948
flr_area: 2873
num_bldgs: 2
sale_price: 70000
sale_date: 2012-09-07 00:00:00
sale_terms: NOT ARMS LENGTH
sev: 32300
txbl_val: 32300
land_value: 8579
imp_value: 55990
landmao: 052



address: 19338 LIVERNOIS
parcelnum: 02004421.
ward: 02
councildis: 2
zip_code: 48221
owner1: R AND J DEVELOPMENT COMPANY, LLC
taxpayer: R AND J DEVELOPMENT COMPANY, LLC
own_street: 2652 WOODWARD AVE
own_city: DETROIT
own_state: MI
own_zip: 48201
prop_class: 202
tax_status: TAXABLE
sqft: 2926
total acre: 0.067
frontage: 40
depth: 73
hmstd pre: 0
yr_built: 0
flr_area: 0
num_bldgs: 0
sale_price: 55000
sale_date: 2017-09-26 00:00:00
sale_terms: VALID ARMS LENGTH
sev: 4300
txbl_val: 4300
land_value: 8557
imp_value: 0
landmap: 052
zoning: B3

Mike's
Fresh
Market

Attachment B: Paid Receipt of Current Taxes



Wayne County Treasurer's Office
Payment Plans are
Now Available
Treasurer

Home > Treasurer > Tax Payment Options

Pay Taxes Online

Share:

Property & Tax Information

Definitions

Municipality	Parcel ID	Property Type
01	02004421	REAL
Property Address	Taxpayer(s)	
19338 LIVERNOIS, Detroit MI 48221	RAND J DEVELOPMENT COMPANY.	

1 ADDITIONAL TAXES OR ADJUSTMENTS MAY BE DUE FOR THE CURRENT YEAR.
PROPERTY TAX INFORMATION IS VALID AS OF BUSINESS DAY 04/26/2019.

Per our records there are no outstanding delinquent taxes for this parcel. certified funds required for forfeiture years.

[Request Tax Receipt](#)

[← Back](#)

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Wayne County Treasurer's Office
Payment Plans are
Now Available
Treasurer

Home > Treasurer > Tax Payment Options

Share:

Pay Taxes Online

Property & Tax Information

Definitions

Municipality	Parcel ID	Property Type
01	02004422	REAL
Property Address	Taxpayer(s)	
19344 LIVERNOIS, DETROIT MI 48221	IM HERE LLC	

1 ADDITIONAL TAXES OR ADJUSTMENTS MAY BE DUE FOR THE CURRENT YEAR.
PROPERTY TAX INFORMATION IS VALID AS OF BUSINESS DAY 04/26/2019.

Per our records there are no outstanding delinquent taxes for this parcel. certified funds required for forfeiture years.

[Request Tax Receipt](#)

[← Back](#)

[New Search](#)

Adam Hofmann
Consultant

JGH Consulting LLC.

Complete Development Consulting

2 Sand Bar Ln. Detroit, MI 48212
Cell 586-843-7794
Fax 313-429-7302
adam@jghconsultingllc.com
www.jghconsultingllc.com

2019-07-12

961

961 *Petition of R & J Development,
request the establishment of a
Commercial Rehabilitation District for
property located at 19338 and 19344
Livernois Ave.*

REFERRED TO THE FOLLOWING DEPARTMENT(S)

FINANCE DEPARTMENT/ASSESSOR HOUSING AND
REVITALIZATION
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 19, 2019

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

Re: Industrial Development District Request – Triple R. Trucking Inc.
Property Address: 263 N. Forman St.
Parcel Number: 20005998.

Dear Mr. Cox

The Office of the Chief Financial Officer, Office of the Assessor, has reviewed the request for the creation of an Industrial Development District for the property located at 263 N. Forman Street in the Carbon Works Neighborhood.

The rationale for creating Industrial Facilities Exemptions under PA 198 of 1974, as amended, is based upon the anticipation that granting the exemption is a benefit to the city and that expansion, retention, or location of an eligible business will not occur without this exemption. PA 198 of 1974, as amended, also provides a tax incentive to manufacturers in order to enable renovation and expansion of aging facilities, building of new facilities, and to promote establishment of high tech facilities.

MCL 207.554 Sec. 4 (2) states "The legislative body of a local governmental unit may establish a plant rehabilitation district or an industrial development district on its own initiative or upon a written request filed by the owner or owners of 75% of the state equalized value of the industrial property located within a proposed plant rehabilitation district or industrial development district. This request shall be filed with the clerk of the local governmental unit."

The project involves constructing a new dry bulk transportation trucking terminal on 5 acres of land with concrete and no building on the site. The expected total investment for the site will be approximately \$2,000,000. The proposed project is expected to create a minimum of 5 jobs, in addition to the 10 current full-time employees at their leased facility, over the next 3 years.

A field investigation indicated that the proposed Forman Area Industrial Development District located in the Carbon Works neighborhood as described above is eligible as outlined under PA 198 of 1974, as amended.

Sincerely,

Charles Ericson, MMAO
Assessor, Board of Assessors

mmp



Property Address: 263 N FORMAN

Parcel Number: 20005998.

Property Owner: WILLET, RUSSELL

Legal Description: W FORMAN ALL THAT PT OF PC 340 DESC AS FOLS BEG AT PTE IN S LINE FLORA ST 50 FT WD & W LINE FORMAN AVE 60 FT WD TH S 28D 57M 30S E 353.56 FT ALG SD W LINE TH S 61D 25M W 615 FT TH NWLY 354.49 FT TH N 61D 30M 30S E 614.88 FT TO PTE OF BEG 20/-- 217,797 SQ FT

The legal description matches the OPRA district request.





TO: Ashley McLeod, Housing and Revitalization
FROM: Esther Yang, Planning and Development
RE: Master Plan Interpretation for **Commercial Rehabilitation District (PA 210) for 19338-19344 Livernois** (Associated to Petition #961)
DATE: January 30, 2020
CC: Katharine Trudeau, Deputy Director, Planning and Development
Dave Walker, PDD West, Planning and Development
Karen Gage, PDD Zoning, 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 Petitioner is R & J Development.

Location and Project Proposal: 19338 and 19344 Livernois. The property consists of a vacant lot at 19338 and a blighted structure on 19344, which was once the Hunter Supper Club. The project seeks to gut, renovate, and white box the existing structure with approximately 2,000 square feet of basement storage. The project is exploring commercial space in the basement, restaurant on the street level, and event space on the upper floor. Project also seeks to construct a new three-story building on the adjacent vacant lot located at 19338 Livernois. The first floor will be white boxed and is planned to be occupied by a commercial bank. The second and third floors will be six loft-style apartments with four 1-bedroom units, 1 studio unit, and one 2-bedroom unit.

Current Master Plan (MP) & Zoning: MP Classification – Neighborhood Commercial (CM); Zoning – B3 Shopping District)

Master Plan Interpretation:

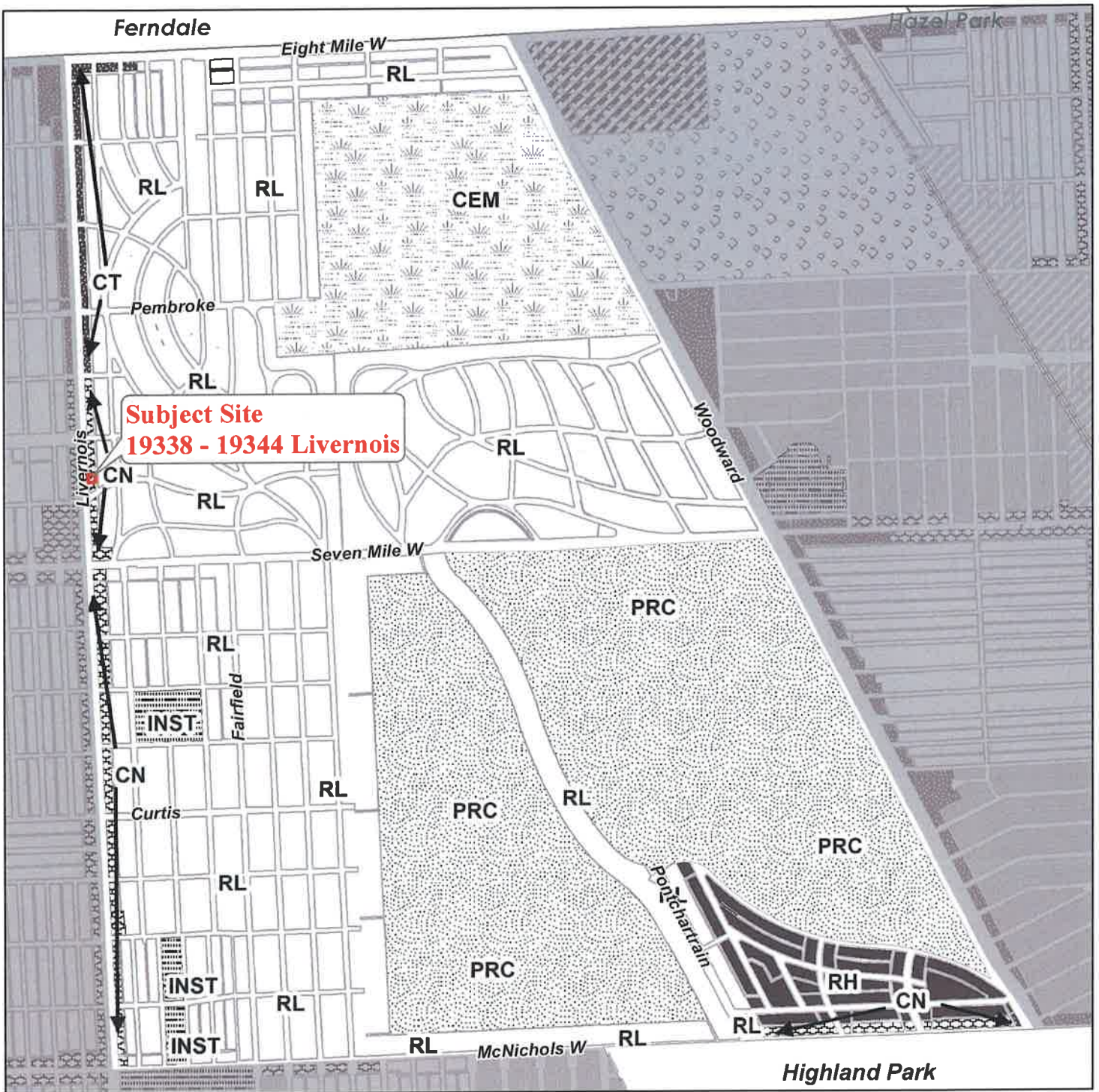
The subject site area is designated **Neighborhood Commercial (CN)**. Neighborhood Commercial Districts generally consist of a large collection of contiguous storefronts along a street or streets. This commercial type is pedestrian oriented with wide sidewalks and landscaping. Parking should be on the street, in structures (with ground floor retail), at the rear of commercial establishments or in concentrated nodes at the periphery of the area. In addition to commercial uses, Neighborhood Commercial areas may also include institutional uses such as libraries and post offices. The following policies of the Palmer Park neighborhood describes the following recommendations:

- Goal 3: Increase the vitality of neighborhood commercial areas
- Policy 4.1: Promote design guidelines for façade, streetscape, and landscape improvement along Livernois and McNichols

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

Attachments

Future General Land Use Map: Neighborhood Cluster 10, Palmer Park; Map 10-3B



Map 10-3B

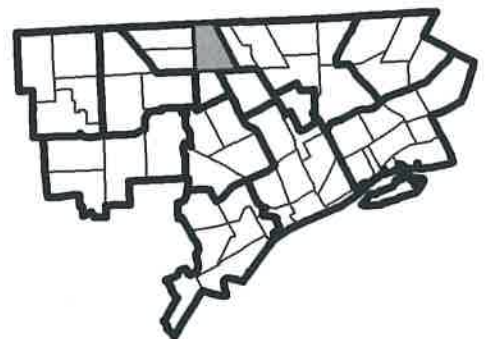
City of Detroit
Master Plan of
Policies

**Neighborhood Cluster 10
Palmer Park**



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
PLANNING AND DEVELOPMENT DEPARTMENT

47

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

January 29, 2020

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

**RE: Property Sale
1740 Collingwood, Detroit, MI 48206**

Honorable City Council:

The City of Detroit, Planning and Development Department has received an offer from Brittani Wright (the "Purchaser"), whose address is P.O. Box 721391, Berkley, MI 48072 to purchase certain City-owned real property at 1740 Collingwood, Detroit, MI (the "Property"). The P&DD entered into a purchase agreement, dated June 14, 2019, with the Purchaser. Under the terms of the proposed Purchase Agreement, the property will be conveyed to the purchaser for the purchase price of Eleven Thousand Two Hundred Fifty and 00/100 Dollars (\$11,250.00).

The Purchaser owns an adjacent property at 1751 Lawrence. They have leased that property to Truth and Love Ministries and intend to purchase the city owned parcel to be utilized as a parking lot in support of the church. Currently, 1751 Lawrence is located within a B4 zoning district (General Business District). Purchaser's 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 to execute a deed and such other documents as may be necessary or convenient to effect a transfer of the property by the City to Brittani Wright.

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 1740 Collingwood, Detroit, MI (the "Property"), as more particularly described in the attached Exhibit A incorporated herein, to Brittani Wright (the "Purchaser) for the purchase price of Eleven Thousand Two Hundred Fifty and 00/100 Dollars (\$11,250.00); and be it further

RESOLVED, that the Director of the Planning and Development Department, or his authorized designee, is authorized to execute a quit claim deed and such other 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) Five Hundred Sixty Two and 50/100 Dollars (\$562.50) 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 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:

E TWELFTH LOTS 88 THRU 85 W 10 FT LOT 84 RANNEYS BLVD SUB L28 P72 PLATS,
W C R 6/150 120 X 130

a/k/a 1740 Collingwood
Tax Parcel ID 06006365.003

Description Correct
Engineer of Surveys

By: 

Basil Sarim, P.S.
Professional Surveyor
City of Detroit/DPW, CED

33 D



PEJ

MEMORANDUM

TO: Jennifer Kanalos, Director
Detroit Brownfield Redevelopment Authority

CC: Honorable Colleagues
Janice Winfrey, City Clerk
Stephanie Washington, Legislative Liaison

FROM: Council President Brenda Jones *BJ*

DATE: January 31, 2020

RE: DBRA/DESC FCA Hiring Quarterly Report Follow Up

Please provide a report on the following questions and concerns in regards to DBRA/DESC FCA Hiring Quarterly Report: June – December 2019 that was submitted on January 31, 2020:

1. How many residents are in each of the following categories:
 - a. The candidate did not complete the online application.
 - b. The candidate incorrectly answered one or more of the application pre-screen questions.
 - c. The candidate did not perform sufficiently well on the application assessment.
2. What was the follow-up strategy for the residents in the aforementioned categories?
3. What steps are being taken to improve resident assessment completion and application pre-screen skills?
4. How many positions have been filled by FCA currently?



49

CITY CLERK 2020 JAN 30 PM2:05

City of Detroit

CITY COUNCIL

JAMES E. TATE, Jr.
COUNCIL MEMBER

TO: David Whitaker, Director
Detroit City Council Legislative Policy Division

FROM: Hon. James E. Tate, Jr. *J.T.*
Detroit City Council – District 1

DATE: January 29, 2020

RE: *Resolution in Support of Senate Bills 756-757*

The passage of Ballot Proposal 3 of 2018 (more commonly known as Proposal 3) by Michigan voters would allow voters to obtain an absentee ballot without reason during the 40 days prior to an election. In addition, it requires that election officials would have to be available to issue and receive absentee ballots during regular business hours and for at least eight hours the weekend prior to an election. As a result of the changes related to voting, municipalities throughout the state could see a surge in early voting. However, under current law, clerks are not allowed to start counting absentee ballots until Election Day and are required to remain in attendance once the tallying has begun. To address the undue burden that this would place on municipal clerks, several members of the Michigan Senate have introduced a two-bill package to allow clerks with a population over 40,000 to allow election inspectors appointed to an absentee voter board to work in shifts, begin preprocessing the day prior to an election and other amendments aimed at addressing this issue. Due to the fact that the passage of such legislation would greatly assist election clerks statewide, I'm requesting that the Legislative Policy Division draft a resolution in support of Senate Bills 756 and 757. Due to the urgent nature of this request, a ***response is requested by February 11 2020.***

If you have any questions, please contact my Policy Analyst, Edwina King, at 313.224.9530.

Thank you for your cooperation.

Cc: Honorable Colleagues
Hon. Janice Winfrey, City Clerk's Office
Stephanie Grimes-Washington, Mayor's Office



City of Detroit

CITY COUNCIL

JAMES E. TATE, Jr.
COUNCIL MEMBER

MEMORANDUM

TO: Lawrence Garcia, Corporation Counsel
Law Department

FROM: Councilman James E. Tate, Jr. *J.E.T.*

DATE: January 30, 2020

RE: Michael Kelly Transaction and Blight Enforcement

My office has been advised that there is pending litigation against the City related to the Michael Kelly property transaction and corresponding blight enforcement. Please provide an opinion detailing the claims filed against the City and our options to address the blight issues that continue to exist on several properties within his portfolio.

If you have any questions or concerns, please feel free to contact DeAndree Watson of my office at (313) 224-0278. Thank you in advance for your prompt attention to this matter.

CC: Honorable Colleagues
Louise Jones, City Clerk's Office
Stephanie Washington, Mayor's Office

CITY CLERK 2020 JAN 30 PM 3:30



51

City of Detroit

CITY COUNCIL

JAMES E. TATE, Jr.
COUNCIL MEMBER

MEMORANDUM

TO: David Whitaker, Director
Legislative Policy Division

FROM: Councilman James E. Tate, Jr. *S.T.*

DATE: January 28, 2020

RE: Regulations for Commercial Donation Containers

My office has received multiple complaints regarding the unkempt presence and condition of commercial donation containers located in various private parking lots throughout the City.

Please provide a report analyzing whether there are any existing regulations in the Detroit City Code to address this issue and to what extent the City has the authority to restrict or prohibit their placement.

If you have any questions or concerns, please feel free to contact DeAndree Watson of my office at (313) 224-0278. Thank you in advance for your prompt attention to this matter.

CC: Honorable Colleagues
Louise Jones, City Clerk's Office
Stephanie Washington, Mayor's Office

CITY CLERK 2020 JAN 29 PM 2:32



62

City of Detroit

CITY COUNCIL

JAMES E. TATE, Jr.
COUNCIL MEMBER

MEMORANDUM

TO: David Whitaker, Director
Legislative Policy Division

FROM: Councilman James E. Tate, Jr. S.T.

DATE: January 28, 2020

RE: Residential Rental Occupancy Rates

As the City continues to receive requests for tax incentives to support the rehabilitation or construction of mixed-use and residential development projects, it is important that we have a comprehensive understanding of the current demand for additional residential rental units in the most active economic development areas of the City, as well as how completed projects are performing.

Please provide a report analyzing the residential rental occupancy rates in the greater downtown area including the Central Business District, Midtown, Brush Park, Corktown, and Villages neighborhoods. In addition, please also include an analysis of the residential rental occupancy rates for all projects which have received tax incentives from the City of Detroit since January 2015. Lastly, for comparative purposes, please also include a general analysis of the residential rental occupancy rates for properties outside of the aforementioned areas.

If you have any questions or concerns, please feel free to contact DeAndree Watson of my office at (313) 224-0278. Thank you in advance for your prompt attention to this matter.

CC: Honorable Colleagues
Louise Jones, City Clerk's Office
Stephanie Washington, Mayor's Office

CITY CLERK 2020 JAN 29 PM 2:18Z