

Formal Jessica Agenda

3-17-20

Referrals

**BUDGET,
FINANCE, AND
AUDIT STANDING
COMMITTEE**



LAW DEPARTMENT

Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 500
Detroit, Michigan 48226-3437

Phone 313•224•4550
Fax 313•224•5505
www.detroitmi.gov

March 8, 2020

Members of Detroit City Council
Coleman A. Young Municipal Center
2 Woodward Avenue – 13th Floor
Detroit MI 48226

RE: Memoranda to Council re: Resolutions

Dear Members of City Council:

Council Member Spivey has asked me to examine memoranda dated February 5 and February 28, 2020, through which Council President Pro Tempore requested the Legislative Policy Division prepare resolutions “in support of” both “the People’s Slate Overtaxed Homeowners Resolution” and “the demands from the Coalition for Property Tax Justice Demands.” Pro Tem Sheffield has also written a memo requesting the Office of the Auditor General perform “an evaluation” of a report prepared by the Center for Municipal Finance at the University of Chicago Harris School of Public Policy. I write this to say that **if passed, the resolutions at issue would violate the law, and you should not pass these measures as currently worded.**

Council’s Power to Make Resolutions

Article 4 of the 2012 Detroit City Charter provides for “The Legislative Branch,” and Chapter 1 of the Article provides for “City Council.” Section 4-114 states in pertinent part:

In accordance with state law, an ordinance shall be enacted to provide a permanent rule for the conduct of government, while **a resolution shall be adopted to express a determination, to direct a particular action, or to approve a singular event.**

Council has the power to adopt resolutions for matters less than permanent rules. However, for the reasons explained below, the resolutions in question are improper and largely illegal as currently worded.

Form of Resolutions

In several places and in several ways, the City's Charter directs that Corporation Counsel is responsible for the form of all "written instruments in which the city is concerned." Sec. 7.5-206; see also 7.5-207. A similar sentiment is expressed in City Council's procedural rules. Rule 15.1. Moreover, the Charter expressly provides that Corporation Counsel is "responsible for enforcing compliance with the Charter" and that Corporation Counsel is the sole source of legal services for all branches and units of City government – either directly or through the engagement of outside counsel. Sec. 7.5-209 and 7.5-201.

As of the date of this writing, I have not been involved in creating, reviewing or refining the resolutions Pro Tem Sheffield has requested. Given the seriousness of the subject and the requirements of the Charter reviewed just above, that is problematic. There are several ways in which the proposed resolutions invite Council to break the law or violate the Charter.

February 5 Memo re: People's Slate Resolution

Attached to Pro Tem Sheffield's February 5, 2020 memorandum is a writing entitled "The Peoples Slate Overtaxed Homeowners Resolution." This writing cannot be adopted as a resolution without running afoul of several authorities that bind the actions of Council.

First, as stated above, the Charter provides that a resolution should only address a singular concern. The People's Slate document deals with more than a dozen concerns. It also expresses several policy positions as opposed to a discrete determination or a single expression of will. The document is too compound and too broad to serve as an appropriate resolution.

Second, the document makes weighty conclusions without foundation or authority. For example, the preamble announces that the City unconstitutionally "assessed taxes" and that the over assessment "amounted to more than 600 Million dollars" which caused thousands of people to lose their homes through foreclosure. These assertions are unsubstantiated expressions of opinion. To say that they oversimplify complicated concerns would be an understatement. Matters of law and fact such as these are properly decided by the judicial branch of government, not the legislature.

Third, statements concerning Detroit's alleged unconstitutional actions are party admissions that could be used against the City in litigation. They would expose the City to tremendous liability if endorsed, and Council Members cannot adopt these positions without violating their duties of loyalty to the City generally. Similar to the relationship between an agent of a private corporation and his principal, a local official must make governmental decisions that are in the best interest of the whole public. *Burton Tp. of Genesee County v Speck*, 378 Mich 213 (1966); *U.S. v Nelson*, 712

F3d 498 (11th Cir. 2013). Council Members must consider the interests of the City generally and avoid compromising the City's defense of claims involving assessment.¹

In addition, almost all of the numbered parts of the proposed resolution are illegal.

Paragraphs 1A and 1B: Charter Section 4-113 prohibits Council from interfering with the Administration, and it states explicitly that Council Members may not "give orders to" City officers and employees like the Assessor and his staff. Council make not command the City Assessor to perform an analysis.

Paragraph 2: This portion of the resolution directs the Auditor General to perform an independent analysis of the Assessor's findings. Charter Section 7.5-105 provides that the Auditor General "shall make audits of the financial transactions, performance and operations of City agencies... as otherwise directed by the City Council." So, this part of the resolution is proper. If the Auditor General performed an audit of this kind in a prior year (e.g. in 2012), he should not be asked to repeat the audit. Contrary conclusions in audits that examine the same thing would undermine faith in the auditing process, and repeating the same conclusions serves no purpose.

Paragraph 3: The proposed resolution instructs that "the City will contact each owner that was over assessed... and notify the owner(s) of how much they were overtaxed." As stated above, the Charter prohibits Council from interfering with the Administration, and Council Members may not command City employees to perform tasks such as contacting and notifying homeowners of information².

Paragraphs 4A and 4B: Both parts of this section are based upon false information. The City of Detroit does not control or administer foreclosures. Under Michigan's General Property Tax Act, the office of the Wayne County Treasurer is the foreclosing governmental unit, and the City does not have any authority to bind the actions or decisions of County Treasurer Eric Sabree.

Paragraph 5: The resolution proposes that all "homeowners [who were] overtaxed" be given a tax credit. As in explained in previous communications to Council, Michigan's Tax Tribunal Act provides the sole remedy available to people whose taxes are increased by unfair assessment. The City does not have the legal authority to give compensation for unfair assessments, except under the Tax Tribunal Act. The tax years in question are too far gone to be appealed now.

¹ The Legislative Policy Division has recently provided advice to Council that is consistent with this view.

² It should be noted that there may be no way to determine how much each Detroit homeowner was "overtaxed" with particularity, and even if this provision were not improper, it is probably infeasible.

The City cannot give away its property without receiving value for value. As the Michigan Supreme Court stated in 1972, “It is clear the state or its subdivision... cannot give anything away without consideration.” *Alan v Wayne County*, 388 Mich 210, 325 (1972), citing *Detroit Museum of Art v Engel*, 187 Mich 432 (1915).

This conclusion was recognized by former Corporation Counsel, Phyllis James, in 1995, and controlling law on this point has not changed significantly in over 100 years.

Paragraph 6: Taking property from good faith purchasers who have improved, maintained and resided in homes purchased after foreclosure would be problematic to say the least. Public corporations like the City of Detroit no longer have the power of condemnation as they did before the landmark decision of *County of Wayne v Hathcock*, 471 Mich 445 (2004). The constitutional requirement of “public use” would not be found where the City removes one resident to replace him/her with another. The proposal contained in this paragraph is almost certainly unconstitutional as presently worded.

Paragraph 7: City Council approves the budget and approves all tax abatements. I am not aware of a rule that would prevent Council from creating a blanket policy that makes tax abatements unavailable until further notice. However, it seems unwise to decide in advance not to consider opportunities before knowing what they are.

Paragraph 8: Council may not command officials and employees in the executive branch, as doing so would interfere with the Administration. Charter Section 4-113. If the idea is simply to announce that Council wishes to educate itself about “tax captures” and “tax giveaways,” there is no legal barrier. (However, it seems unnecessary for Council to have to announce its curiosity.)

Paragraph 9A and 9B: This portion of the resolution contains several operative provisions: (1) to give overtaxed homeowners 30 days to opt out of a tax credit; (2) to give those who do opt out the ability to purchase a Detroit Land Bank Authority property for one dollar; and (3) to make the same homeowners eligible for a “ZERO interest loan to rehab the property.” As explained above, relative to paragraph 5, the City cannot give tax credits as a means of compensating homeowners who were unfairly taxed in the years between 2010 and 2015. Similarly, City Council may not obligate the Detroit Land Bank Authority to sell property – and certainly cannot force DLBA to sell property for less than fair market value. City Council cannot promise zero percent loans to residents without knowing that those residents qualify for the program. Doing so, could prejudice the rights of individuals who have already sought to obtain the same benefits.

For a host of reasons, City Council may not adopt the People’s Slate Resolution as currently worded. There are ideas expressed in the proposed resolution that may be permissible; however, those ideas should be expressed in a better form and in a different writing.

**February 28 Memo re: Resolution in Support of the
Coalition for Property Tax Justice Demands**

The document attached to Pro Tem Sheffield’s February 28, 2020 memo regarding the Coalition for Property Tax Justice Demands looks like a flyer and is entitled “Our Demands.” The writing states three “Goals” and concludes with a call to action that urges readers to “Contact the Decision Makers Today!” The document is not a valid resolution.

As explained above, Council may not interfere with the Administration and give orders to Executive Branch officials and employees. Consequently, several notions announced in the flyer are prohibited, like: (1) requiring “an across the board cut of assessments;” (2) abolishing the Assessor’s review; (3) converting the “Mayor’s proposed Blight Bond into a Compensation Fund Bond;” etc. It is not within Council’s power to dictate these outcomes.

Similarly, Council has no authority to direct the actions of the foreclosing governmental unit (Wayne County Treasurer). Therefore, the proposal to “Stop the foreclosure auctions” is not something Council can achieve by resolution or by ordinance. The County’s foreclosure process is in the County’s control, not the City’s.

As stated more fully above, the City cannot give away its property without receiving value in exchange. Because the claims of overassessment are many years old, they are not legally viable and cannot serve as consideration for gifts of money or tax credits given by the City. Paying cash compensation to Detroit residents who were overtaxed in years prior to 2017 is not allowed.

Request for AG to evaluate Center for Municipal Finance Report

Finally, there is the issue of Pro Tem Sheffield’s third memo which requests the Office of the Auditor General perform “an evaluation” of a report prepared by the Center for Municipal Finance at the University of Chicago Harris School of Public Policy. As reviewed above, Charter Section 7.5-105 states the duties and powers of the Auditor General. These include auditing financial transactions, reporting on the City’s finances, investigating City operations, and providing budget information. *Id.* However, the Charter does not provide for evaluations of reports generated by out-of-state universities, and the Auditor General would be acting outside the scope of his office as established by Charter if he were to comply with the request.

Revised Resolutions Supporting the Sentiment

On Friday, March 6, 2020, I was made aware of two, proposed, revised resolutions: *Resolution in Support of the Coalition for Property Tax Justice Demands* and *Resolution in Support of the People's Slate Overtaxed Homeowners Resolution*. I am not aware of any rule that limits Council's ability to "support the sentiment" of demands stated by community groups, and these revised resolutions may be permissible notwithstanding the mixed message they hold.

Nevertheless, it is my humble opinion that the revised resolutions are too vague to be helpful. City Council has extensive power to make policy and approve budgets, thereby directing the City's course in good times and in bad. Council should hear the concerns of residents, and it should speak with a clear voice when it addresses particular concerns in order to maintain public confidence in Council's power and its will. The revised resolutions may create more confusion than reassurance, and I would recommend against them.

CONCLUSION

City Council should not adopt the originally proposed resolutions or measures as currently worded. Impermissible portions of the resolutions: would violate the Charter by interfering with the Administration; would violate the state constitution's prohibitions on lending of credit and on non-public use condemnation; and would violate City Council's duty to protect the interest of all Detroiters by irresponsibly exposing the City to liability in litigation. Even when the need for solutions is great, only legal solutions may be appropriately considered.

If any Council Member would like to have my office's assistance with any ordinance or resolution, it will be our pleasure to serve.

Sincerely,



Lawrence T. García
Corporation Counsel

cc: David Whitaker, LPD



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March 10, 2020

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

RE: DBRA Industrial Land Assembly Monthly Report: February 2020

Honorable Council Members:

Pursuant to Section 8 of the Funding Agreement between the Detroit Brownfield Redevelopment Authority ("DBRA") and the City of Detroit for Economic Development Projects, the DBRA hereby informs your Honorable Body that there were no expenditures from the Additional Funds made in the month of February 2020. Please see the attached Additional Funds Report.

Sincerely,

Jennifer Kanalos
Authorized Agent

C: Kenyetta Bridges
Irvin Corley, Jr.
Katherine Hammer
Derrick Headd
Malinda Jensen
Kevin Johnson
Nick Khouri
Glen Long
Brian Vosburg
Stephanie Washington
David Whitaker

**Detroit Brownfield Redevelopment Authority
Industrial Land Assembly Project
Addtional Funds Report - February 2020**

EXPENDITURES	AMOUNT EXPENDED	
Land Assembly	\$	-
Brokerage Fees	\$	-
Site Preparation	\$	-
Environmental & Geotechnical Assessments	\$	-
Legal fees	\$	-
Public Notices	\$	-
MONTH TOTAL	\$	-
Previous Month Expenditures	\$	948,811
Total Funds Expended		948,811

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MEMORANDUM

TO: Mike Duggan, Mayor
City of Detroit

FROM: Roy McCalister, Jr., City Council District 2



DATE: March 12, 2020

RE: FY 2020-2021 Budget Hearings Non- Departmental (35)

- 1- Using *Eastern Market* as the example, I would like to see at least one area in each Council District identified for its significance to the growth of the City of Detroit. Using the same template we can capitalize on each area by highlighting the historical contributions while we expand on the future growth.
- 2- District 2, for example has the rich and historically significant “*Avenue of Fashion*” on Livernois. The Historical Designation Advisory Board can assist each Council Member by providing the historical data for each District Council. After receiving the Historical Staff assessments, we can begin investing in ourselves. Allowing for vested funds annually, like in Eastern market to continue to develop each selected neighborhood. Annual budget allocations would provide continued support while assisting in the maintenance of our historical richness, diversity and community development. This is a splendid investment in the future authenticity of each expansion.
- 3- The investment into our rebirth is unprecedented on a scale this large. Yet, the expansion of each identified historically significant community is money well spent for our future generations as we preserve our rich and significant history. This shared template will only enhance and strengthen the City of Detroit and its future global identity. The growth and expansion continues our story of our unique and diverse urban experience(s) as we share ourselves with the world.

Sincerely,

Roy McCalister, Jr.
Detroit City Council
CC:

Esteemed Colleagues
City Clerk

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MEMORANDUM

TO: Arthur Jemison, Group Executive
Housing, Planning, and Development

FROM: Roy McCalister, Jr., Councilman
City of Detroit - District 2

DATE: March 9, 2020

RE: Planning and Development Department Budget Questions

On page B43-5, what accounts for the significant decline in equipment acquisition costs this fiscal year and the elimination of all such costs in the next three fiscal years?

According to pages B43-11 and B43-12, three new positions are to be created as part of the new Arts, Culture & Entrepreneurship Office, how will this office fit into the broader mission of the Planning Department?

What are the financial resources the Department currently has at its disposal to ensure proper community engagement when a neighborhood planning framework is being developed?

Are these resources sufficient?

What are the planning efforts currently underway regarding the State Fair Grounds?

What is the status of the search for a permanent Director for the Planning Department?

What kind of planning priorities will the new Director need to emphasize once that individual is in place?

Given the disruption caused to businesses on Livernois in 2019 during the Streetscape construction, what kind of planning efforts can be made in the future to mitigate such problems for other businesses in or near SNF projects?

What is the process in the past, and going forward, to determine whether bike lanes are installed in neighborhoods, business corridors, and other areas throughout the City?

CITY CLERK 2020 MAR 10 PM 1:44

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MEMORANDUM

TO: Donald Rencher, Director
Housing and Revitalization Department

FROM: Roy McCalister, Jr., Councilman
City of Detroit - District 2

DATE: March 11, 2020

RE: Housing and Revitalization Department Budget Questions

What activities will the Department be pursuing in FY 21 to support affordable housing throughout the City of Detroit?

What are the current balances of the Affordable Housing Trust fund and the Affordable Housing Leverage fund?

On page B36-4, the Department's total budget goes from \$113,079,459 last year to \$67,930,306 this year. Is this significant decrease in the HRD budget from FY 20 to FY 21 entirely due to the shifting of blight remediation funds from HRD to the new Demolition Department?

On page B36-12, there is a \$1,000,000 expenditure for "Public Facility Rehabilitation" proposed for FY 21-24. Please explain what this ongoing expenditure will be used for.

The proposed HRD budget for FY 21 includes 11 new positions in the Department, please explain what these positions entail and how they will improve the Department's operations.

CITY CLERK 2020 MAR 11 PM 1:44

Formal Session Agenda

3-17-20

Referrals

**INTERNAL
OPERATIONS
STANDING
COMMITTEE**



Mayor's Office

6

Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 1126
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Phone 313•224•3400
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March 10, 2020

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

Re: Executive Organization Plan (EOP) Amendments

Honorable City Council:

I am pleased to present to you the attached amendments to the Executive Organization Plan (EOP). Pursuant to Section 7-102 of the 2012 Detroit City Charter, any amendments to the EOP are to be submitted to your Honorable Body and made public. After a public hearing, your Honorable Body is required to approve, recommend modification, or reject the plan within sixty (60) business days. Lacking such action, the amendments become effective.

The proposed amendments to the Executive Organization Plan would:

1. Create a Demolition Department for residential and commercial demolition activities of the City of Detroit. The purpose for establishing a new department is to centralize operations to maximize coordination and process efficiencies. This will provide more streamlined and efficient operation of demolition functions with additional oversight; and
2. Transfer the Health Department roles and responsibilities for enforcement of Chapter 6, *Animal Care, Control and Regulation*, to the General Services Department, Planning and Operations Division. The purpose for transferring the enforcement function is to bifurcate the enforcement and shelter operation functions of the Animal Care and Control. This will provide more streamlined and efficient operation of both functions.

In addition to the proposed amendments, please find attached the Resolution Distributing the EOP Amendments and Notice Thereof as well as the Resolution to Set and Provide Notice of the Public Hearing. We are available to respond to any questions or concerns and look forward to continued collaboration on this important issue.

Respectfully submitted,

Mike Duggan
Mayor

Enclosures

**NOTICE OF FILING OF PROPOSED
EXECUTIVE ORGANIZATION PLAN**

TO ALL INTERESTED PERSONS:

PLEASE TAKE NOTICE that pursuant to Section 7-102 of the 2012 Detroit City Charter, Mayor Mike Duggan has proposed amendments to the Executive Organization Plan, which were filed with the City Clerk and submitted to City Council on March 11, 2020, that:

- (1) Creates a Demolition Department to centralize and consolidate the residential and commercial demolition activities of the City of Detroit; and
- (2) Transfers the Health Department roles and responsibilities for enforcement of Chapter 6, *Animal Care, Control and Regulation*, to the General Services Department, Planning and Operations Division.

Section 7-102 of the Charter requires that any amendments to the EOP be made public and permits the City Council to study, conduct hearings, and request modifications. The proposed EOP amendments are published herewith.

The City Council may request that the Mayor make modifications to the proposed EOP amendments within sixty (60) business days after the filing of the EOP amendments, which is May 10th, 2020. The EOP amendments shall become effective with such modifications as are accepted by the Mayor, unless it is disapproved by a resolution adopted by a two-thirds majority of City Council members serving.

Copies of the proposed EOP amendments are on file in the Office of the Detroit City Clerk, Coleman A. Young Municipal Center, 2 Woodward Avenue, Suite 200 Detroit, MI 48226, and available on the City's website.

THIS NOTICE is given by Order of the Detroit City Council. Further information concerning the proposed EOP amendments may be obtained through the Office of the City Clerk.

**JANICE M. WINFREY
DETROIT CITY CLERK**

**RESOLUTION DISTRIBUTING THE
EXECUTIVE ORGANIZATION PLAN AND NOTICE THEREOF**

BY COUNCIL MEMBER _____

WHEREAS In accordance with Section 7-102 of the 2012 Detroit City Charter, the Mayor submitted amendments to the Executive Organization Plan (EOP) on March 11, 2020 which were filed with the City Clerk and distributed to City Council; and

WHEREAS Section 7-102 of the Charter requires that amendments to the EOP be made public and permits City Council to study and conduct hearings. City Council may also request that the Mayor make modifications; and

WHEREAS Pursuant to Section 7-102 of the Charter, sixty (60) business days after the filing of amendments to the EOP, which is May 10th, 2020, the EOP amendments shall become effective unless disapproved by a resolution adopted by a two-thirds majority of City Council members serving.

NOW, THEREFORE BE IT RESOLVED, THAT:

- (1) The EOP amendments submitted to City Council on March 11, 2020, shall be made available by the City Clerk for reference by all interested persons and posted on the City's website; and
- (2) The City Clerk is hereby authorized and directed to publish notice of the filing of the EOP amendments along with the summary of the EOP in a daily newspaper of general circulation in the City of Detroit and be posted on the City's website; and
- (3) The notice of the filing of the EOP amendments shall be substantially in the following form:

SEC. 110. GENERAL SERVICES DEPARTMENT

ORIGIN: THIS DEPARTMENT WAS CREATED IN ACCORDANCE WITH SECTION 7-102 OF THE CHARTER.

Summary of Departmental Purpose:

To improve and maintain City services and maximize operational efficiencies by providing consolidated support functions to City departments and agencies.

The General Services Department is comprised of the following Divisions:

- 1) Planning and Operations Division
- 2) Parks and Recreation Division

Administration:

The Mayor appoints the Director of the General Services Department who is the Chief Executive Officer of the Department. The Director appoints a Deputy Director for the management of the Parks and Recreation Division, as well as a Deputy Director of Operations and a Deputy Director of Planning and Projects with the Mayor's consent.

The Mayor shall establish an advisory commission for recreation, comprised of not fewer than eight (8) members, with seven (7) of its members representing each of the non at-large council districts.

Major Functional Areas:

1. Administrative Services
2. Grounds Maintenance and Forestry Services
3. Recreation Centers and Programs
4. Park Site Amenity Planning and Maintenance
5. Cemetery Management
6. Belle Isle Floriculture
7. Nature Interpretive Center
8. Detroit Recreation Camp
9. Nursery After-School Programs
10. Golf Courses
11. Vehicle/Equipment Maintenance and Management
12. Facilities Maintenance
13. Building Operations
14. Marina Operations
15. Inventory and Stores Management
16. Security and Janitorial Services
17. Graffiti Removal
18. Enforcement of Animal Control

Administrative Offices:

18100 Meyers
Detroit, Michigan 48235

Parks and Recreation Division
Northwest Activities Center
18100 Meyers
Detroit, Michigan 48235

Planning and Operations Division
18100 Meyers
Detroit, Michigan 48235

SEC. 120. HEALTH DEPARTMENT

ORIGIN: THIS DEPARTMENT IS MANDATED BY THE MICHIGAN PUBLIC HEALTH CODE.

Summary of Departmental Purposes:

The mission of the Detroit Health Department is to build, support, and administer programs, policies, and partnerships to prevent disease, disability, and death and to promote wellbeing in the City of Detroit.

Administration:

The Mayor appoints the Executive Director of Public Health/Health Officer who is the Chief Executive Officer of the department. The Executive Director/Health officer appoints the Deputy and Associate Director with the Mayor's consent.

Administrative Offices:

3245 E. Jefferson Ave, Suite 100
Detroit, Michigan 48207

Major Functional Areas:

1. Administrative Services
 - a. Personnel
 - b. Health and Medical Officers
 - c. Finance, Accounting and Billing
 - d. Health communications
 - e. Health community outreach
2. Environmental Health Services
3. Community and Industrial Hygiene
4. Food Sanitation
5. Disease Prevention and Control
 - a. Tuberculosis Control
 - b. Sexually-Transmitted Disease Control
 - c. Foodborne illness outbreak control
 - d. HIV/AIDS
 - e. Immunization
 - f. Public health preparedness
6. Public Health Programs
 - a. Maternal and Child Health
 - b. Women, Infants, and Children Program
 - c. Lead poisoning prevention and abatement
 - d. Nutrition
 - e. Childhood vision and hearing screening and support

- f. Chronic disease prevention
 - g. Community support services and violence prevention
 - h. Family planning and contraception
 - i. Healthcare facilitation and support services
 - j. Substance abuse prevention
7. Health Policy and Planning
- a. Special public health projects
 - b. Epidemiology
 - c. Health policy analysis
8. Animal ~~control~~ care

SEC. 85. DEMOLITION DEPARTMENT

Summary of Departmental Purpose:

The primary purpose for the Demolition Department is the removal of blight through safe, strategic and efficient demolition activities. This department will consolidate and maximize operational efficiencies for residential and commercial demolition activities in the City of Detroit. The department shall identify and prioritize demolition projects, manage contractors, and monitor compliance with Federal, State and City regulations. The Demolition Department will be responsible for the administration of compliance, data management, environmental and field support activities as well as the coordination of activities with other City departments and agencies when necessary.

Administration:

The Mayor appoints the Director of the Demolition Department who is the Chief Executive Officer of the department. The Director appoints the Deputy Director with the Mayor's consent.

Major Functional Areas:

1. Administration
2. Planning and Strategy
3. Field Operations
4. Compliance
5. Data Management/GIS
6. Community Outreach

Administrative Offices:

Demolition Department

Department of Public Safety Headquarters

1301 E. Third St.

Detroit, MI 48226



LAW DEPARTMENT

Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 500
Detroit, Michigan 48226-3437

Phone 313-224-4550
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March 10, 2020

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

RE: Proposed ordinance to amend Chapter 35 of the 2019 Detroit City Code, *Personnel*

Honorable City Council:

Council Member Ayers has requested that the Law Department prepare an ordinance to amend Chapter 35 of the 2019 Detroit City Code, *Personnel*, Article III, *Benefits*, Division 2, *Vacation, Sick, Departmental, Funeral and Jury Leave*, by amending Section 35-3-73, *Vacation leave*, to remove the second tier of vacation leave eligibility for employees hired after June 15, 2013.

A copy of the ordinance which has been approved as to form is attached for your consideration.

Respectfully submitted,

Tonja R. Long
Supervising Assistant Corporation Counsel
Municipal Section

Enclosure

cc: Avery Peeples, Mayor's Liaison

SUMMARY

This proposed ordinance amends Chapter 35 of the 2019 Detroit City Code, *Personnel*, Article III, *Benefits*, Division 2, *Vacation, Sick, Departmental, Funeral and Jury Leave*, by amending Section 35-3-73, *Vacation leave*, to remove the second tier of vacation leave eligibility for employees hired after June 15, 2013, and to allow all City employees, as defined in Section 35-3-71 of this Code, to be eligible for the same vacation schedule.

1 **BY COUNCILMEMBER _____** :

2 **AN ORDINANCE** to amend Chapter 35 of the 2019 Detroit City Code, *Personnel*, Article
3 III, *Benefits*, Division 2, *Vacation, Sick, Departmental, Funeral and Jury Leave*, by amending
4 Section 35-3-73, *Vacation leave*, to remove the second tier of vacation leave eligibility for
5 employees hired after June 15, 2013, and to allow all City employees, as defined in Section 35-3-
6 71 of this Code, to be eligible for the same vacation schedule.

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

9 **Section 1.** Chapter 35 of the 2019 Detroit City Code, *Personnel*, Article III, Division 2,
10 Section 35-3-73, be amended to read as follows:

11 **ARTICLE III. BENEFITS**

12 **DIVISION 2. VACATION, SICK, DEPARTMENTAL, FUNERAL AND JURY LEAVE**

13 **Sec. 35-3-73. Vacation leave.**

14 (a) *Appointees.* Appointees, as defined in Section 35-3-71 of this Code, are entitled
15 to vacation leave with pay on the basis of one day for every ten days of service, provided, that
16 total vacation leave earned may not exceed 20 days per fiscal year. The 20 days of vacation leave
17 shall include any vacation leave previously earned in the fiscal year in which the employee
18 became an administrator or was placed on the administrative roster.

19 (b) ~~*City Employees hired on or before June 14, 2013.*~~ Subject to the conditions and
20 limitations contained in this section, all City employees, as defined in Section 35-3-71 of this
21 Code, ~~hired on or before June 14, 2013,~~ except those specifically excluded by this section and
22 those provided for in Section 35-3-79 of this Code, shall be eligible for vacation leave as follows:

Term of Service	Vacation Leave Earned
Less than 6 months	None
After 6 months	5 days
After 1 year	An additional 5 days
2 through 5 years	10 days
6 years	11 days
7 years	12 days
8 years	13 days
9 years	14 days
10 through 12 years	17 days
13 years	18 days
14 years	19 days
15 years or more	20 days

1
2 ~~(e) City employees hired on or after June 15, 2013. Subject to the conditions and~~
3 ~~limitations contained in this section, all City employees, as defined in Section 35-3-71 of this~~
4 ~~Code, hired on or after June 15, 2013, except those specifically excluded by this section and~~
5 ~~those provided for in Section 35-3-79 of this Code, shall be eligible for vacation leave as~~
6 ~~follows:~~

Term of Service	Vacation Leave Earned
Less than 6 months	None
After 6 months	5 days
After 1 year	An additional 5 days
2 through 6 years	10 days
6 - 7 years	11 days
8 - 9 years	12 days
10 - 12 years	13 days
13 - 14 years	14 days
15 years or more	15 days

7
8 (c) *Eligibility.* Except for appointees, as defined in Section 35-3-71 of this Code,
9 City employees, as defined in Section 35-3-71 of this Code, hired during the course of the fiscal
10 year shall not be eligible for vacation leave without deduction of pay until they have earned at
11 least 1,000 hours of paid time, exclusive of overtime or premium time, and until they have

1 attained status as City employees for at least six months. When eligible, City employees shall
2 be entitled to five days of vacation leave. Once City employees have earned at least 1,600
3 hours of paid time, exclusive of overtime or premium time, and have attained status as City
4 employees for at least 12 months, they are entitled to five additional vacation leave days. In
5 order that a City employee's time may be computed on a fiscal year basis, on July 1st following
6 the employee's first year anniversary date of employment, the employee shall be entitled to a
7 prorated vacation leave, computed by multiplying the number of months remaining from the
8 anniversary date, for which the employee was paid for not less than 18 normal service days, to
9 the end of the fiscal year by 8.3 percent of ten days and rounding the product to the nearest
10 whole number. Thereafter, the employee's vacation leave shall be computed on a fiscal year
11 basis.

12 (d) *Vacation leave proration.* During a fiscal year, City employees, as defined in
13 Section 35-3-71 of this Code, who: 1) fail to accumulate the required 1,600 hours; 2) die; or 3)
14 separate from service, either temporarily or permanently, at a time when it is apparent that the
15 employee will not accumulate 1600 hours of paid time, shall be entitled to vacation leave before
16 such separation computed as follows: 8.3 percent of the vacation leave credit of the previous
17 July 1st multiplied by the number of calendar months in which City employees have been paid
18 for, not less than 18 normal service days, excluding overtime, and rounded to the nearest whole
19 number. After 1,600 hours are worked in the current fiscal year, City employees shall be entitled
20 to 100 percent of their vacation leave for the next fiscal year beginning July 1st. In the special
21 situation where a City employee has attained status for at least 12 months but has not yet been
22 placed on a fiscal year basis, and such employee is separated from service, said employee shall
23 be entitled to prorated vacation leave, computed by multiplying the number of months worked

1 from the one-year anniversary date to the date of separation by 8.3 percent of ten days and
2 rounding the product to the nearest whole day.

3 (e) *Time of taking vacation leave.* The time for taking vacation leaves shall lie in
4 the discretion of the department director or agency head, who shall be guided by the interests
5 of public service, provided, that no City appointee or employee may liquidate consecutively
6 more than 25 days of vacation leave, except by approval of the Chief Financial Officer. Where
7 a City appointee or employee becomes ill during or prior to the appointee or employee's
8 vacation leave, the City appointee or employee shall be entitled to reschedule the appointee or
9 employee's vacation leave after proof of such illness. A City appointee or employee who is on
10 extended sick leave of one month or more on October 1st of any year shall be entitled, upon
11 prior written application to the appointee or employee's department director or agency head
12 and to the Chief Financial Officer, to a lump sum payment in lieu of time off for all vacation
13 leave earned but not liquidated during the preceding fiscal year.

14 (f) *Charges to vacation leave bank.* Vacation leave shall be charged against a City
15 appointee's or employee's vacation leave bank only in four- or in eight-hour increments.

16 (g) *Holidays and excused time holidays not considered vacation time.* Holidays and
17 excused-time holidays that fall within a City appointee's or employee's vacation leave shall not
18 be considered as vacation leave time, provided, that such holidays and excused-time holidays
19 are recognized by this division as official holidays or excused-time holidays for compensation
20 purposes.

21 (h) *Maximum vacation leave.* Any City appointee or employee who is governed by
22 this division shall not be allowed to carry over:

1 ~~(1) — More than 40 vacation leave days on October 1, 2012, exclusive of any vacation~~
2 ~~leave time that is earned by any City appointee between July 1, 2012 and September~~
3 ~~30, 2012, or by any City employee between April 15, 2012 and September 30, 2012;~~

4 ~~(2) — More than 30 vacation leave days on February 1, 2014, exclusive of any vacation~~
5 ~~leave time that is earned by any City appointee between July 1, 2013 and January~~
6 ~~31, 2014, or by any City employee between April 15, 2013 and January 31, 2014;~~

7 ~~(3) — Commencing Calendar 2014, more than 20 160 vacation leave days hours on~~
8 ~~October 1st of any year, exclusive of any vacation leave time that is earned by any~~
9 ~~City appointee between July 1st and September 30th of the same year, or by any~~
10 ~~City employee between April 15th and September 30th of the same year.~~

11 (i) *City appointees and employees discharged for cause or separated from service for*
12 *other reasons.* City appointees and employees who are discharged for cause, who are absent
13 without leave for five consecutive days and are not approved for personal, medical, or other leave
14 that is made available by the City, or who resign their City employment in lieu of termination or
15 discipline, shall be ineligible to receive any accrued vacation leave, provided, that, upon their
16 written request, such appointees and employees may be paid their accrued vacation leave where
17 their department director or agency head determines that the circumstances warrant such action
18 and approves the request and the Chief Financial Officer concurs in the approval.

19 (i) *Deceased City appointees and employees.* Upon the death of any City appointee or
20 employee, payment for any unused vacation leave shall be made to the estate of the City appointee
21 or employee.

1 (k) *Rehired City appointees and employees.* Insofar as vacation leave privileges are
2 concerned, any City appointee or employee who is rehired after resignation, discharge for cause,
3 or retirement shall reenter City service, as the case may be, as a new City appointee or employee.

Section 2. This ordinance is hereby declared necessary to preserve the public peace, health, safety, and welfare of the People of the City of Detroit.

Section 3. All ordinances, or parts of ordinances, that conflict with this ordinance are repealed.

Section 4. In the event this ordinance is passed by two-thirds (2/3) majority of City Council Members serving, it shall be given immediate effect and become effective upon publication in accordance with Section 4-118 of the 2012 Detroit City Charter. Where this ordinance is passed by less than a two-thirds (2/3) majority of City Council Members serving, it shall become effective on the thirtieth (30) day after enactment, or on the first business day thereafter, in accordance with Section 4-118 of the 2012 Detroit City Charter.

Approved as to form:



Lawrence T. García
Corporation Counsel

**NEIGHBORHOOD
AND COMMUNITY
SERVICES
STANDING
COMMITTEE**

9

OFFICE OF CONTRACTING
AND PROCUREMENT

March 11, 2020

HONORABLE CITY COUNCIL:

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

3041476 100% City Funding – To Provide a One Time Purchase of Twenty Two (22) Automated External Defibrillators and Accessories. – Contractor: Aventric Technologies, LLC – Location: 25916 Dequindre Road Suite B, Warren, MI 48091 – Contract Period: Upon City Council Approval through April 1, 2021 – Total Contract Amount: \$25,327.00.
RECREATION

Respectfully submitted,

Boysie Jackson, Chief Procurement Officer
Office of Contracting and Procurement

BY COUNCIL MEMBER **SHEFFIELD**

RESOLVED, that Contract No. 3041476 referred to in the foregoing communication dated March 11, 2020, be hereby and is approved.

Journal Session Agenda

3-17-20

Referrals

**PLANNING AND
ECONOMIC
DEVELOPMENT
STANDING
COMMITTEE**

10

OFFICE OF CONTRACTING
AND PROCUREMENT

March 11, 2020

HONORABLE CITY COUNCIL:

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

6002680 100% City Funding – To Provide Residential Rehab at 1947 Scotten for the Bridging Neighborhood Program. – Contractor: Jozef Contractor, Inc. – Location: 11691 Klinger, Hamtramck, MI 48212 – Contract Period: Upon City Council Approval through January 25, 2021 – Total Contract Amount: \$77,000.00. **BRIDGING NEIGHBORHOODS/REHAB**

Respectfully submitted,

Boysie Jackson, Chief Procurement Officer
Office of Contracting and Procurement

BY COUNCIL MEMBER **TATE**

RESOLVED, that Contract No. 6002680 referred to in the foregoing communication dated March 11, 2020, be hereby and is approved.



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

12

March 9, 2020

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

Re: Request for a Public Hearing to Establish an Obsolete Property Rehabilitation District on behalf of LA John Gray LLC in the area of 1117 Field, Detroit, Michigan, in accordance with Public Act 146 of 2000 (Petition # 1213).

Honorable City Council:

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

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

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

Respectfully submitted,

Donald Rencher
Director

DR/ml

cc: A. Peeples, 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 a resolution which approves the application of an Obsolete Property Rehabilitation District within the boundaries of the City of Detroit; and

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

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

NOW THEREFORE BE IT

RESOLVED, that on the _____, 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

DEPARTMENTAL REFERENCE COMMUNICATION

Wednesday, February 19, 2020

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.

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

1213 *LA John Gray LLC, request to establish an Obsolete Property Rehabilitation District at 1117 Field Street.*

2 Woodward Ave. Coleman A. Young Municipal Center Rm. 200, Detroit, MI 48226

(313) 224 - 3260 | Fax: (313) 224 - 1466

1213

LA John Gray LLC
2990 East Grand Blvd
Detroit, MI 48220

February 14th, 2020

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

**RE: Request for the Establishment of an Obsolete Property Rehabilitation
District at 1117 Field Street Adaptive Re**

Honorable City Council:

Please accept this letter as a request to establish an Obsolete Property Rehabilitation Development District for the property located at 1117 Field Street, Detroit and described in further detail in Attachment A.

LA John Gray LLC is a special purpose entity established to acquire and redevelop the subject property at 1117 Field Street, a vacant former branch of the city of Detroit public library, into twelve dwelling units. Three of these lofts will be priced affordable, with one of the three of those lofts made available to households at 80% of the Area Median Income (8.3% of total loft units), one loft available to households at 60% of the Area Median Income (8.3% of the total loft units), and one loft available to households (8.3% of the total lofts) at 50% of the Area Median Income (8.3% of the total loft units), for a total affordable percentage of 25%.

It is requested that pursuant to Michigan Compiled Laws 125.2783, Public Act 46 of 2000, the city of Detroit establish an Obsolete Property Rehabilitation Development District at 1117 Field Street, Detroit, MI 48214.

The facility would not be rehabilitated without the receipt of the exemption certificate due to the cost of the full adaptive reuse, the lower income targeting, and market rents achievable in the subject area outside of downtown Detroit.

The property currently has no employees, but it will create one full time equivalent employee through a management company that manages the operations of the building. An estimated eight full time equivalent construction jobs will be created through the construction of the building.

Significant capital investment is required due to dilapidated nature of the subject property. It will require the following, in order to bring the property up to code compliant lofts: roof replacement, structural repairs, interior partitions, bathrooms, kitchens, living areas, new electrical throughout, new plumbing throughout, new mechanical systems throughout, sprinkler system, new flooring, new site utilities, new entrances, new landscaping, and a new parking area.

Please see Attachment C for a commitment letter.

Due to the total cost of the project, low-income percentage and location of the project, we are requesting an OPRA term of twelve (12) years.

The economic advantages expected from this project are abundant. From the numerous construction jobs and opportunities for smaller contractors as it is a small project, to the fact that a heritage neighborhood asset and significant part of the history of the city of Detroit is being revitalized. The significant investment in the Islandview neighborhood, with a mix of market rate and affordable units, will increase the mixed income density in the neighborhood, ideally spurring more business investment in the area's corridors.

There is no other public assistance requested for this property.

This company was set up for the exclusive purpose of renovating this property to its highest and best use given the site zoning. It was also done so in part to prove that renovations of existing structures can be done outside of the 7.2 mile area of Midtown and downtown. We are excited about the opportunity to add a vibrant new renovation to the Islandview area.

Respectfully submitted,

Edward Siegel
Managing Member
LA John Gray LLC
esiegel@jacobsst.com

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

Attachment B: Paid Receipt of Current Taxes

Attachment C: Financing Commitment Letters

cc: K. Bridges, DEGC
N. Marsh, DEGC
V. Farley, HRD

Attachment A



- (a) General description of the facility (year built, original use, most recent use, number of stories, square footage);

According to the archives at the Detroit Public Library, the building was completed in 1906 and commissioned as a library thereafter. It stayed in operation as full time library until 1971, when the John Gray Branch relocated to the Butzel Community Center. The library was then sold to the Episcopalian Diocese for use as a community center, which later sold it to the Church of the Messiah in 2005. From conversations with the Church of the Messiah, as well as online photos, the best guess is that the community center ceased operation some time in 2007.

The property is two stories, with one upper story and one semi-basement story. The total square footage is roughly 10,000 square feet.

- b) General description of the proposed use of the rehabilitated facility;

The rehabilitated facility will house twelve residential lofts.

(c) Description of the general nature and extent of the rehabilitation to be undertaken;

Given the state of the building and the change of use, this will be a full gut rehabilitation, including floor, structural improvements, all new and individual mechanical, electrical, plumbing as well as full kitchens and baths.

(d) A descriptive list of the fixed building equipment that will be a part of the rehabilitated facility; and

All building equipment will pertain to the use and occupancy of twelve residential units.

(e) A time schedule for undertaking and completing the rehabilitation of the facility.

Construction is expected to begin in the spring/summer of 2020. Expectations are that the building will be operational in calendar year 2021.

(f) The parcel ID(s) and Legal Description(s) of the property

Tax Id Number(s): Ward 15; Item No. 007477

Land situated in the City of Detroit in the County of Wayne in the State of MI

Lots 77 and 80, MOSES W. FIELD SUBDIVISION NO. 2, according to the recorded plat thereof as recorded in Liber 10 on Page 10 of Plats, Wayne County Records.

Attachment B

Property Address: 1117 FIELD

City Land Bank Sale



**2019 CITY OF DETROIT
WINTER TAX BILL**

PAYABLE TO:
CITY OF DETROIT - PROPERTY TAX
PO BOX 33193
DETROIT MI 48232-3193

Total Paid: \$3,456.70
 Change: \$0.00
 Cash: \$0.00
 ID 15007477
 CITY OF DETROIT TREASURER
 Amount Paid: 3,456.70
 Check #3,456.70
 LA JOHN GRAY LLC
 1117 FIELD
 REC:01/23/20 POST: 01/24/20 ACT: 01/23/20
 ST005 OPER:0004 BATCH:2944 SEQ:0001
 DETROIT MI 48214

TAXING UNITS	RATE	TAX AMOUNT	IMPORTANT INFORMATION - SEE REVERSE SIDE
WAYNE COUNTY	0.9897	34.14	PARCEL # 15007477 Bill No. 058830 School District SEV 34,500 Taxable Value: 34,500 PRE/MBT% .0000% Prop Class 201-COMMERCIAL TIF Dist PARTIAL PROPERTY DESCRIPTION FOR COMPLETE PROPERTY DESCRIPTION, SEE ASSESSMENT ROLL AT ASSESSOR'S OFFICE Property exempt from Ad Valorem taxes and assessed on the Special Act Roll pursuant to PA 261 of 2003 expiring 12/30/2023. W FIELD 80&77 MOSES W FIELDS 2ND SUB L10 P10 PLATS. W C R 15/100 80 X 180
W C JAILS	0.9381	32.36	
W C PARKS	0.2459	8.48	
W C HCMA	0.2117	7.30	
W C RESA	0.0965	3.32	
W C RESA SP ED	3.3678	116.18	
W C COMM COLLEGE	3.2408	111.80	
W C ZOO	0.1000	3.45	
W C DIA	0.2000	6.90	
Total Winter Rate	9.3905		
Winter Taxes		323.93	* WINTER TAXES PAYABLE IN FULL DECEMBER 1, 2019 - JANUARY 15, 2020 WITHOUT INTEREST AND PENALTY. * SUMMER 2ND PAYMENT IS DUE JANUARY 15, 2020 WITHOUT INTEREST AND PENALTY. IMPORTANT INFORMATION - SEE REVERSE SIDE Pay using the DIVDAT mobile app. Visit your app store to download for free.
Winter Special Fees			
Winter Admin Fee		3.23	
Interest		3.24	
Penalty		6.48	
Winter Total Balance		336.88	
Summer Tax Balance		2,825.93	
Summer Interest Balance		97.96	
Summer Penalty Balance		195.93	
Summer Total Balance		3,119.82	
TOTAL DUE		3,456.70	

2019 WINTER PROPERTY TAX - RETURN LOWER PORTION WITH YOUR REMITTANCE



ERIC R. SABREE
WAYNE COUNTY TREASURER
400 Monroe - 5th Floor
Detroit MI 48226-2942



Make checks payable to:
Wayne County Treasurer

Taxpayer Information:
(313) 224-5990

Office Hours:
8:00 a.m. - 4:30 p.m.
Monday through Friday

Web: treasurer.waynecounty.com
Email: taxinfo@waynecounty.com

Mailing La John Gray Llc
Address: 1117 FIELD
DETROIT MI 48214

Tax Statement

Number: 2020 - 25443

Date: 01/23/2020



01-15007477.



12040147

Detroit Real Property Description:

Parcel ID: 15007477.

SEV Amt: \$86,000 - 2019

Address: 1117 Field

PRE: 0%

Detroit, MI 48214

Legal

Description: W FIELD 80&77 MOSES W FIELDS 2ND SUB L10 P10 PLATS, W C R 15/100 80 X 180

There are taxes due - payable at the Local Community.

Created by:3250

Page 1 of 1

Attachment C



Date: January 22, 2020

LA John Gray LLC,

Thank you for the opportunity to present you with financial solutions tailored to help you assist you in the construction/rehabilitation and end financing of your 10 unit multifamily property in Detroit MI. **This document is only attended for discussions purposes only. Should you have interest in discussing the project in greater details and providing the bank with financials and other supporting information then Old National Bank would complete their analysis of the project and potentially issue you an official term sheet or proposal for financing.** Further any final terms and conditions will be subject to credit approval.

Old National Bank typical construction loan terms and structure are:

REQUEST 1:

Borrowers

LA John Gray LLC

	Facility 1	Facility 2
Purpose	Finance the construction/rehab of a 10 unit multifamily property located in Detroit, Michigan with a total project cost estimated at \$1,750,000.	Converting construction loan into amortizing term loan upon project completion.
Amount	Up to \$1,250,000	Up to \$1,250,000
Advance %	1) Total loan amount to be determined based on the lesser of 75% of the total project cost or 75% of "as complete and stabilized" appraised value. 2) Individual draw requests during the construction period will follow standard construction lending requirements	Up to 75% of the "as complete and stabilized" appraised value
Maturity	Earlier of 90% occupancy or 24 months to complete construction plus a five year term upon completion.	Five year term upon conversion.
Rate	Floating rate - based on 30 day Libor plus 3.00%.	Borrower will have option of a floating rate or fixed rate at conversion.
Repayment	Interest only payments during construction	Payments to be based on a 25 year amortization.

FOR DISCUSSION PURPOSES ONLY – SUBJECT TO CREDIT APPROVAL

Prepayment Penalty	Not applicable	If variable rate interest rate is selected, then there is no prepayment penalty. If fixed interest rate is selected, then a Make Whole Provision or Cost Indemnification will apply.
Collateral	<ol style="list-style-type: none"> 1) First mortgage lien based upon the real estate located at 1117 Fields St., Detroit MI. 2) Assignment of leases and rents 3) Assignment of all construction, architectural, engineering contracts, if applicable 4) The bank reserves the right, if deemed necessary, to request additional collateral support during the construction period 5) All loans for borrower and guarantors to be cross collateralized and cross defaulted 	Same as Facility 1
Guarantor	<ol style="list-style-type: none"> 1) Unlimited unsecured personal guarantees of any member with 20% or more ownership and related trusts. 2) Unlimited unsecured corporate guarantees (where applicable). 	Same as Facility 1
Fees	<ol style="list-style-type: none"> 1) Loan fee of 1% of the loan amount. Based on a loan amount of \$1,250,000, the fee would be \$12,500. 2) Reimbursement of all out of pocket expenses such as legal, appraisals, environmental, survey, title insurance, title draw fees, inspection fees, etc. 	No fee with loan closing of facility 2 however, if the loan were not to close with Old National Bank the fees would be as follows: An exit fee of 3% will apply if facility 2 does not close.

**Additional
Requirements**

- 1) Subject to an appraisal satisfactory to the Bank (ordered by the Bank) of the project. Total loan amount to be determined based on the lesser of 75% of the total project cost or 75% of "as complete and stabilized" appraised value. Appraisal may need to be recertified upon completion of the project prior to converting from Facility 1 to Facility 2.
- 2) Subject to a satisfactory Phase I/II/BEA environmental studies prepared by an environmental consultant satisfactory to the bank.
- 3) For the Borrowers, Old National Bank to be the primary bank of account.
- 4) Subject to a management agreement in place with a management company acceptable and satisfactory to the bank. The management agreement with legal entity (to be determined) to be for a duration consistent with the maturity date, or longer, of the banks loan.
- 5) Subject to a satisfactory survey and title insurance.
- 6) Subject to standard construction loan controls, including but not limited to:
 - a. Borrowers equity to be injected prior to bank funding – equity amount not to be less than 25% of project costs.
 - b. A general contractor acceptable to the Bank
 - c. A sworn statement with complete project costs for the project, plans and specifications in a form satisfactory to the bank (reviewed by Old National Construction group).
 - d. Draw schedule satisfactory to the bank
 - e. Inspections for each draw request
 - f. Title endorsements for each draw request
 - g. Receipt of sworn statements and waivers of lien for each draw
- 7) Maintain insurance in types and amounts satisfactory to the Bank
- 8) Financial information and satisfactory review of as required to fully underwrite the application and satisfy conditions of approval, including but not limited to the following:
 - a. Proof of equity required to complete project. It would be helpful, and may be required, that all equity funds are placed in the Old National Bank account in advance of loan closing.
 - b. Three years tax returns and financial statements both business, personal, and trusts where applicable.
 - c. Copies of all trust agreements for trust guarantors.
 - d. List of investors, amount/percentage, available liquidity and brief bio if applicable.
 - e. Feasibility study (market study) for the proposed project.
 - f. Any other information required by the bank.

Covenants

A business loan agreement with customary financial covenants satisfactory to the Bank, including but not limited to:

- 1) Maintain a minimum annual Debt Service Coverage Ratio of 1.20 times (pre-distributions) and 1.10 times (post-distributions). The Debt Service Coverage Ratio includes all available cash flow from the Borrower (as determined by the bank), less 5% management fee, \$300 per unit replacement reserve, and distributions, then divided by the debt payments of the Borrower.
- 2) Receipt of annual financial statements and tax returns on the borrowers and guarantors received within 120 days of year end.
- 3) Receipt of personal financial statement completed on Old National Bank form annually within 120 days of year end.
- 4) Receipt of any other information as required by the bank.

We look forward to having more discussions and learning more about LA John Gray LLC and it's management team. If you would like to schedule a meeting or should have any questions or comments, please feel free to call or email me.



Troy Briggs
Senior Vice President – Commercial Banking Group
Old National Bank
Phone number – 734.887.2632
Email – Troy.Briggs@oldnational.com

FOR DISCUSSION PURPOSES ONLY – SUBJECT TO CREDIT APPROVAL

2020-02-19

1213

1213 *Petition of LA John Gray LLC, request
to establish an Obsolete Property
Rehabilitation District at 1117 Field
Street.*

REFERRED TO THE FOLLOWING DEPARTMENT(S)

PLANNING AND DEVELOPMENT DEPARTMENT
HOUSING AND REVITALIZATION
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

February 26, 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 District – LA John Gray LLC**
Property Address: 1117 Field Street
Parcel Numbers: 15007477.

Dear Mr. Cox:

The Office of the Chief Financial Officer, Office of the Assessor, has reviewed the proposed Obsolete Property Rehabilitation District request for the property located at **1117 Field Street** in the **Islandview** area in the City of Detroit.

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

LA John Gray LLC is proposed to redevelop the former vacant Detroit public library branch with 5,589 square feet of total floor area built in 1900 on .331 acres of land into 12 dwelling units spanning one upper story and one semi-basement area, with three of the lofts priced affordably. The structure is in significant need of repair and redevelopment will include a full gut rehabilitation, roof replacement, structural repairs, interior partitions, all new mechanical, electrical, plumbing as well as full kitchens and baths.

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

A field investigation indicated that the proposed Obsolete Property Rehabilitation District located at **1117 Field** is eligible as it pertains to the Obsolete Property Rehabilitation Act under P.A. 146 of 2000, as amended.

Sincerely,

Charles Ericson, MMAO
Assessor, Board of Assessors

mmp



Obsolete Property Rehabilitation District
LA John Gray LLC
Page 2

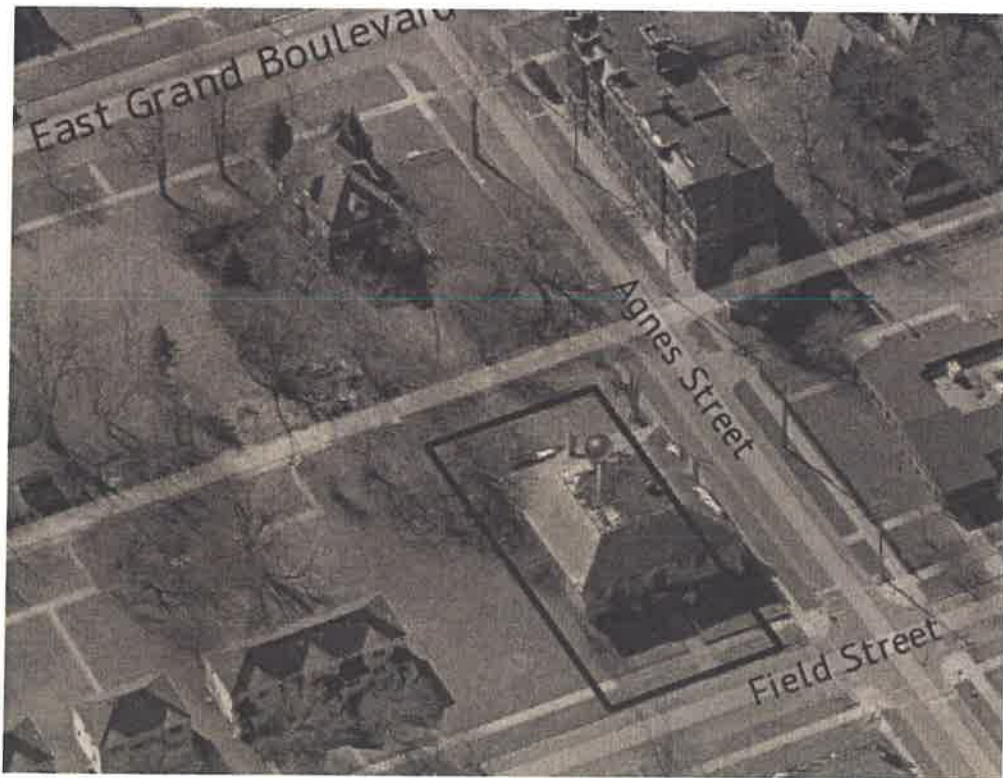
Property Address: 1117 FIELD

Parcel Number: 15007477.

Property Owner: LA JOHN GRAY LLC

Legal Description: PROPERTY EXEMPT FROM AD VALOREM TAXES AND ASSESSED ON THE SPECIAL ACT ROLL PURSUANT TO PA 261 OF 2003 EXPIRING 12/30/2023. W FIELD 80&77 MOSES W FIELDS 2ND SUB L10 P10 PLATS, W C R 15/100 80 X 180

The legal description matches the OPRA district request.





TO: Matthew Langston, Housing and Revitalization
FROM: Dan Rieden, Planning and Development
RE: Master Plan Interpretation for **Obsolete Property District** (PA 146) at 1117 Field Street, Detroit, MI 48214 (Associated to Petition #1213)
DATE: February 27, 2020
CC: Katharine Trudeau, Deputy Director, Planning and Development
Kevin Schronce, Central Director, PDD Central, Planning and Development
Karen Gage, PDD Zoning, Planning and Development

In order to ensure that the **creation of an Obsolete Property District** is in conformance 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 146 of 2000 (section 125.2788), the Planning and Development Department submits the following interpretation. **Petitioner:** The petitioner is LA John Gray LLC.

Location and Project Proposal: 1117 Field St. This is a petition to acquire and redevelop a vacant former branch of the city of Detroit public library into twelve dwelling units. The units will be priced at a variety of affordable rates.

Current Master Plan (MP) & Zoning: MP Classification – Low/Medium Density Residential (RLM);
Zoning – R5 Medium Density Residential

Master Plan Interpretation

The subject site area is designated **Low/Medium Density Residential (RLM)**. Low/Medium Density Residential areas should have an overall density of 8 to 16 dwelling units per net residential acre. The areas are often characterized by two or four family homes with small yards, on-street parking, or garages with alley access. The residential classifications allow for neighborhood-scale commercial development. For instance, in a Low/Medium Density Residential area, small scale commerce (e.g. convenience stores) should exist to serve residents' day-to-day needs.

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

- Policy 1.1: Demolish vacant and/or dangerous structures and implement rehabilitation programs and infill housing throughout the area.
- Policy 2.1: Redevelop the area northeast of the Mt. Elliott and Jefferson intersection as a mixture of high-density residential and commercial uses.

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

Attachments

Future General Land Use Map: Neighborhood Cluster 3, Butzel, Map 3-1B



Map 3-1B

City of Detroit
Master Plan of
Policies

Neighborhood Cluster 3 Butzel



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
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

13

March 9, 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 Queen Lillian II LLC in the area of 3439-3455 Woodward and 13 Stimson, 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 **Queen Lillian** 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: A. Peeples, Mayor's Office
K. Trudeau, 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, **Queen Lillian II LLC** has requested establishment of “**Queen Lillian**” 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.

By Hand Delivery

January 7, 2020

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

***Re: Request for Establishment of Neighborhood Enterprise Zone-Queen Lillian II LLC
(3439-3455 Woodward and 13 Stimson) (revised address)***

Ladies and Gentlemen:

On behalf of Queen Lillian II LLC, a Michigan limited liability company (the "Applicant"), please accept this letter as a request to establish a Neighborhood Enterprise Zone pursuant to MCL 207.771 for the parcels of property described on Attachment A and depicted on Attachment B.

The Applicant is in the process of purchasing the subject property from the City of Detroit. The Applicant proposes to construct a new mixed-use building with 201 apartments and ground floor retail/commercial on property located at 3439-3455 Woodward (also referred to as 3439 Woodward) and 13 Stimson in the Midtown area.

Upon completion of the construction and issuance of a Neighborhood Enterprise Zone certificate for the property, twenty percent (20%) of the apartments will be offered at rent rates considered affordable to those with income not greater than 80% of the Area Median Income for the Detroit-Warren-Livonia MSA.

Additional information about the investment will be included in a separate application for the Neighborhood Enterprise Zone certificate.

Each apartment in the proposed building is considered a "New Facility" pursuant to the Neighborhood Enterprise Zone Act, thereby satisfying the requirement of MCL 207.773(1) that the zone include ten or more "facilities" for the establishment of a neighborhood enterprise zone in a "qualified downtown revitalization district". The general area, including the many nearby businesses, is an area "zoned and primarily used for business" and therefore the proposed zone is located in a "qualified downtown revitalization district" (MCL 207.772(k)).

CITY CLERK 2020 JAN 7 PM12:42

HONIGMAN

Office of Detroit City Clerk
January 7, 20~~19~~20
Page Two

Thank you for your attention to this matter.

Very truly yours,

HONIGMAN LLP

A handwritten signature in cursive script, appearing to read "Richard A. Barr".

Richard A. Barr

Attachment A

<u>Parcel Tax ID Number</u>	<u>Address</u>	<u>Owner</u>
02-000717-8	13 Stimson	City of Detroit
02-001818-9	3439-3455 Woodward	City of Detroit

Legal Description

Land in the City of Detroit, Wayne County, MI, described as follows:

PARCEL 1:

The East 50 feet of West 311 feet of Lot 69, lying East of alley, PLAT OF PARK LOTS, according to the plat thereof as recorded in Liber 34 of Deeds, page 542, Wayne County Records.

PARCEL 2:

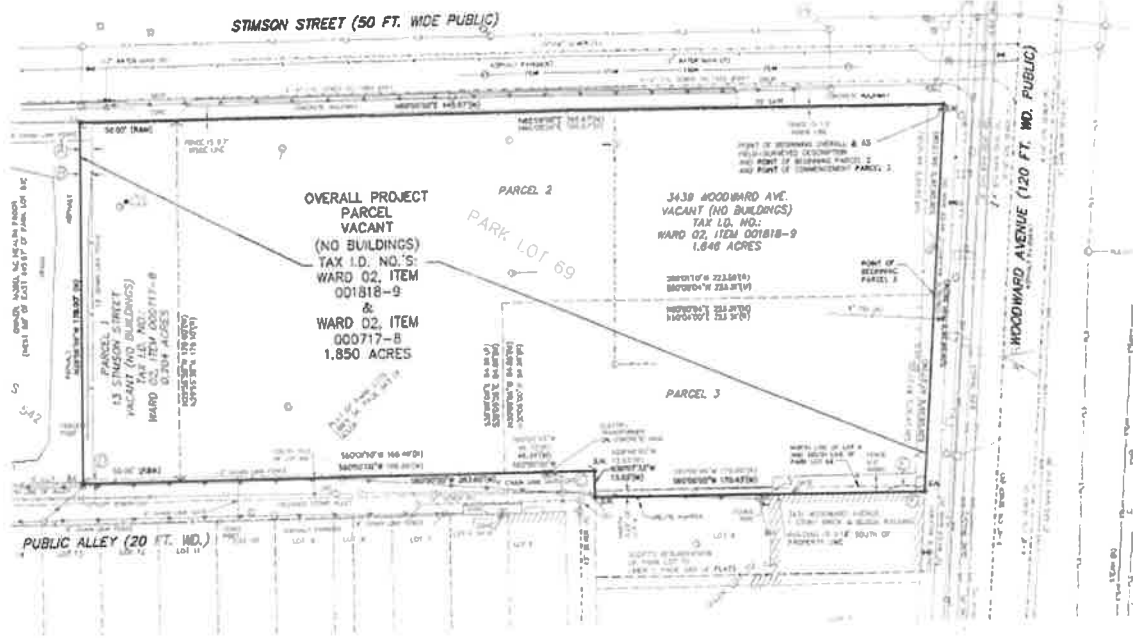
All that part of Park Lot 69, PLAT OF PARK LOTS, according to the plat thereof as recorded in Liber 34 of Deeds, page 542, Wayne County Records, described as: Beginning at the intersection of the Southerly line of Stimson Street (50 feet wide) and the Westerly line of Woodward Avenue (as now laid out and established, 120 feet wide); thence South 26 degrees 29 minutes 00 seconds East along the said Westerly line of Woodward Avenue, 94.10 feet; thence South 60 degrees 01 minute 10 seconds West 223.31 feet described - 223.59 feet measured; thence South 30 degrees 00 minutes 00 seconds East at right angles to the said Southerly line of Stimson Street, 84.26 feet described - 84.29 feet measured to a point on the Northerly line of a public alley (20 feet wide), said point being 14.28 feet Westerly of a brick building (as recited in Warranty Deed, Liber 845 on page 254); thence South 60 degrees 01 minute 10 seconds West along the said Northerly line of a public alley, 167.0 feet described - 166.49 feet measured; thence North 29 degrees 55 minutes 35 seconds West 178.10 feet; thence North 60 degrees 00 minutes East along the said Southerly line of Stimson Street, 395.67 feet to the Point of Beginning.

PARCEL 3:

All that part of Park Lot 69, PLAT OF PARK LOTS, according to the plat thereof as recorded in Liber 34 of Deeds, page 542, Wayne County Records AND the North 3.03 feet of Lot 4, SCOTT'S RESUBDIVISION OF PARK LOT 70, according to the plat thereof as recorded in Liber 1 of Plats, page 282, Wayne County Records, described as: Beginning at a point in the Westerly line of Woodward Avenue, as now laid out and established, 120 feet wide, which point is distant South 26 degrees 24 minutes 30 seconds East 94.10 feet from the intersection of said Westerly line with the Southerly line of Stimson Street, 50 feet wide; thence along said Westerly line of Woodward Avenue, South 26 degrees 24 minutes 30 seconds East 97.27 feet; thence along the South line of the North 3.03 feet of Lot 4 of said SCOTT'S RESUBDIVISION, South 60 degrees 00 minutes 45 seconds West 170.65 feet; thence along the Easterly line of the public alley, 15 feet wide, North 28 degrees 48 minutes 00 seconds West 13.03 feet; thence along the Northerly line of public alley, 20 feet wide, South 60 degrees 00 minutes 45 seconds West 46.70 feet; thence North 30 degrees 06 minutes 00 seconds West 84.26 feet; thence North 60 degrees 04 minutes 00 seconds East 223.31 feet to the Point of Beginning.

Attachment B

Survey of Parcel





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

February 18, 2020

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

RE: **Neighborhood Enterprise Zone – Queen Lillian II LLC**
Property Address: 3439-3455 Woodward and 13 Stimson
Parcel ID: 02001818-9 and 02000717-8

Dear Ms. Trudeau:

The Office of the Chief Financial Officer, Office of the Assessor, has reviewed the proposed request from **Queen Lillian II LLC** located at **3439-3455 Woodward and 13 Stimson** for the **Neighborhood Enterprise Zone** in the **Midtown** area of Detroit.

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 area consists of vacant land located in a qualified downtown revitalization district. The developer proposes new construction of a mixed-use building with 201 apartments and ground floor retail/commercial on the ground floor, including 20% of the apartments being offered at rent rates considered affordable to those individual with certain income levels. The 2020 True Cash Value of the proposed area is \$0 and contains approximately 1.853 acres of land. The True Cash Value of this area would be expected to increase due to the new construction of this project.

Per MCL 207.772 Sec 2 (g) "New facility" means 1 or both of the following: (i) A new structure or a portion of a new structure that has as its primary purpose residential housing consisting of 1 or 2 units, 1 of which is or will be occupied by an owner as his or her principal residence. New facility includes a model home or a model condominium unit. New facility includes a new individual condominium unit, in a structure with 1 or more condominium units, that has as its primary purpose residential housing and that is or will be occupied by an owner as his or her principal residence. Except as provided in subparagraph (ii), new facility does not include apartments. (ii) A new structure or a portion of a new structure that meets all of the following:

- (A) Is rented or leased or is available for rent or lease.
- (B) Is a mixed use building or located in a mixed use building that contains retail business space on the street level floor.
- (C) Is located in a qualified downtown revitalization district.

Per MCL 207.773 Sec. 3. (1) The governing body of a local governmental unit by resolution may designate 1 or more neighborhood enterprise zones within that local governmental unit. Except as otherwise provided in this subsection, a neighborhood enterprise zone shall contain not less than 10 platted parcels of land. A neighborhood enterprise zone located in a qualified downtown revitalization district may contain less than 10 platted parcels if



Neighborhood Enterprise Zone
Queen Lillian II LLC
Page 2

the platted parcels together contain 10 or more facilities. All the land within a neighborhood enterprise zone shall also be compact and contiguous. Contiguity is not broken by a road, right-of-way, or property purchased or taken under condemnation if the purchased or condemned property was a single parcel prior to the sale or condemnation.

Upon review, it has been determined that this proposed **Queen Lillian II Neighborhood Enterprise Zone** district located at **3439-3455 Woodward and 13 Stimson** in the **Midtown area** is eligible for designation as a Neighborhood Enterprise Zone per PA 147 of 1992, as amended.

Sincerely,

Charles Ericson, MMAO
Assessor, Board of Assessors

mmp

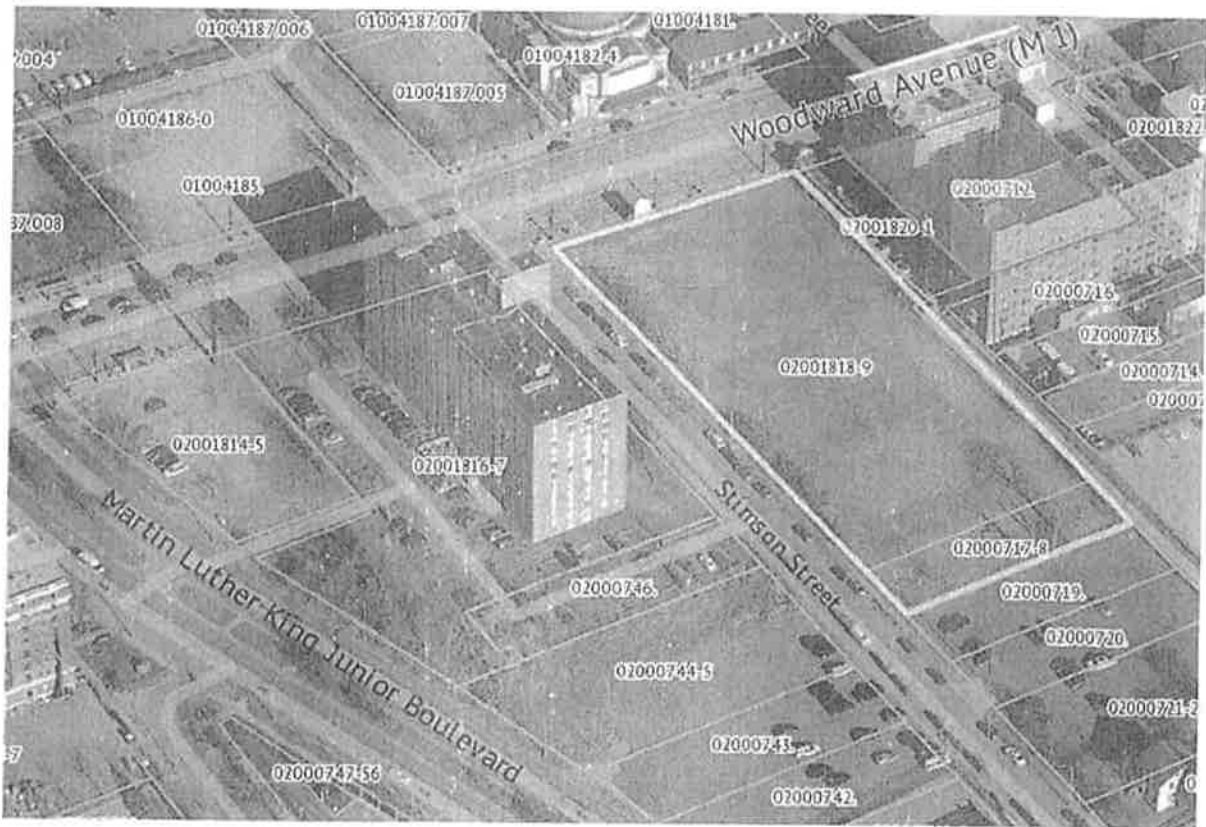


Parcel Number	Property Address	Owner Name	TCV	Acres
02001818-9	3439 Woodward Avenue	City of Detroit – P&DD	\$0	1.649
02000717-8	13 Stimson	City of Detroit – P&DD	\$0	0.204

LEGAL DESCRIPTION: W WOODWARD E 395.67 FT ON N LINE BG E 384.25 FT ON S LINE OF PARK LOT 69 LYG W OF WOODWARD EXC S 10 FT OF W 213.60 FT PLAT OF PK LOTS L34 P542 DEEDS, W C R 2/78 N 3.03 FT 4 SCOTTS RESUB L1 P282 PLATS, W C R 2/102 191.37 IRREG

LEGAL DESCRIPTION: S STIMSON W 50 FT OF E 445.67 FT OF PARK LOT 69 LYG S OF & ADJ STIMSON AVE W OF W LINE OF WOODWARD AVE PLAT OF PARK LOTS L34 P542 DEEDS, W C R 2/78 50 X 178.16

THE LEGAL DESCRIPTION MATCHES THE LEGAL DESCRIPTION LISTED ON THE PETITION





TO: Matthew Langston, Housing and Revitalization
FROM: Esther Yang, Planning and Development
RE: Master Plan Interpretation for **Neighborhood Enterprise Zone (PA 147)** at 3349-3355 Woodward and 13 Stimson (Associated to Petition #1159)
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 Queen Lillian LLC.

Location and Project Proposal: 3349-3355 Woodward and 13 Stimson; Project proposes to construct a new mixed-use building with 201 apartments and ground floor retail/commercial. Application states that 20% of the apartments will be offered at rent rates considered affordable to those with income not greater than 80% of the Area Median Income for the Detroit-Warren-Livonia MSA.

Current Master Plan (MP) & Zoning: MP Classification – Mixed Residential Commercial (MRC); Zoning – SD2 Special Development District, Mixed Use

Master Plan Interpretation

The subject site area is designated **Mixed Residential-Commercial (MRC)**. Mixed Residential-Commercial areas consist primarily of high density housing developed compatibly with commercial and/or institutional uses. This classification is well suited to areas proximal to existing centers of major commercial activity, major thoroughfares, transportation nodes, or gateways into the city.

The following policies of the Lower Woodward neighborhood describe the following recommendations:

- Policy 2.1: Develop Woodward and Cass as high-density mixed-used corridors with housing and ground-floor commercial
- Policy 3.1: Along Woodward encourage high-density mixed uses complimentary to the area's cultural anchors
- Policy 8.1: Recognized and protect distinctive urban vistas along Woodward to the Central Business District
- Policy 9.1: Develop design guidelines to promote linkages among and to the various cultural and entertainment districts

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

Attachments

Future General Land Use Map: Neighborhood Cluster 4, Lower Woodward; Map 4-5B



Subject Site
3349 - 3355 Woodward

Map 4-5B

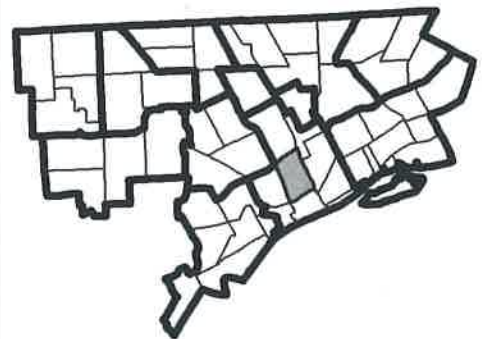
City of Detroit
 Master Plan of
 Policies

Neighborhood Cluster 4 Lower Woodward



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
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
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14

March 9, 2020

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

RE: Request for Public Hearing to Establish a Commercial Redevelopment District for Selden Innovation Center, LLC, in the areas of 950 Selden and 924, 940, 946, 960, 968, and 974 Frank, Detroit, Michigan, in accordance with Public Act 255 of 1978. (Petition #1215)

Honorable City Council:

The Housing and Revitalization Department has reviewed the request of **Selden Innovation Center, LLC** to establish a Commercial Redevelopment District, and find that it satisfies the criteria set forth by Public Act 255 of 1978 and that it would be consistent with the development and economic goals of the Master Plan.

Per Public Act 255 of 1978, prior to acting upon the resolution to approve a district, a public hearing must be held, and the City Clerk must provide written notice of the public hearing to the assessor and to the governing body of each taxing unit that levies an ad valorem tax within the eligible district, **said notice to be made not less than 10 days or more than 30 days** prior to your Honorable Body's adoption of said resolution.

We request that a public hearing be scheduled on the issue of adopting a resolution to establish a new commercial rehabilitation district. Attached for your consideration, please find a resolution establishing a date and time for the public hearing.

Respectfully submitted,

Donald Rencher
Director

DR/ml

cc: A. Peeples, Mayor's Office
K. Trudeau, PDD
D. Rencher, HRD
M. Langston, Esq., HRD



BY COUNCIL MEMBER _____

WHEREAS, pursuant to Public Act No. 255 of 1978 (“the Act”) this City Council may adopt resolution which approves the request to establish a Commercial Redevelopment District within the boundaries of the City of Detroit; and

WHEREAS, Selden Innovation Center, LLC, has requested that a Commercial Rehabilitation District be established as particularly described in the legal description and illustrated in the map attached hereto; and

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

NOW THEREFORE BE IT

RESOLVED, that on _____, 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.

Janice M. Winfrey
City Clerk

City of Detroit
OFFICE OF THE CITY CLERK

Andre P. Gilbert II
Deputy City Clerk

DEPARTMENTAL REFERENCE COMMUNICATION

Wednesday, February 19, 2020

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

1215 *Selden Innovation Center, LLC, request to establish a Comercial
Redevelopment District at 950 Selden, 924, 940, 946, 960, 968, and 974 Frank.*

2 Woodward Ave. Coleman A. Young Municipal Center Rm. 200, Detroit, MI 48226

(313) 224 - 3260 | Fax: (313) 224 - 1466

1215

HONIGMAN,

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

Hand Delivered

February 18, 2020

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

Re: *Petition to Establish Commercial Redevelopment District for Selden Innovation Center, LLC (P.A. 255 of 1978, as amended)*

Ladies and Gentlemen:

Enclosed please find a Petition to Establish Commercial Redevelopment District for Selden Innovation Center, LLC pursuant to P.A. 255 of 1978, as amended, for property located at 950 Selden and six adjacent parcels (924, 940, 946, 960, 968 and 974 Frank) and the adjacent Frank Street right of way in the City of Detroit.

Thank you for your assistance.

Very truly yours,

HONIGMAN LLP

By: 
Richard A. Barr

Enc.

cc (w/enc.): Kenyetta Hairston-Bridges, DEGC
Nevan Shokar, DEGC
Matthew Langston, HRD

CITY CLERK 2020 FEB 18 AM 11:29

Honigman LLP • 2290 First National Building • 660 Woodward Avenue • Detroit, Michigan 48226-3506

33851317.1

PETITION TO ESTABLISH COMMERCIAL REDEVELOPMENT DISTRICT

February 18, 2020

I. Introduction

Selden Innovation Center, LLC, a Michigan limited liability company ("Owner"), requests the establishment of a Commercial Redevelopment District pursuant to section 5 of the Commercial Redevelopment Act, PA 255 of 1978, MCL 207.655, to support the planned rehabilitation and restoration of the former Jefferson School building at 950 Selden and six adjacent parcels (924, 940, 946, 960, 968 and 974 Frank) in the City of Detroit to become the Selden Innovation Center. The proposed district consists of tax parcels 04000760-9, 04000788.001, 04000787, 04000786, 0400784-5, 04000780-3 and 04000779950 Selden and six adjacent parcels (924, 940, 946, 960, 968 and 974 Frank) and the contiguous Frank Street right of way in the City of Detroit to become the Selden Innovation Center. The proposed district consists of tax parcels 04000760-9, 04000788.001, 04000787, 04000786, 0400784-5, 04000780-3 and 04000779 and contiguous Frank Street right of way.

Please see Attachment A for the parcels' legal description and Attachment B for a depiction of the proposed district.

II. Eligibility of Property

The property is obsolete commercial property which is part of an existing, developed commercial zone which has been zoned commercial for three years before June 21, 1978, and the area is or was characterized by obsolete commercial property and a decline in commercial activity within the meaning of Act 255. The property has been used as a charter school and the general area is a characterized by a variety of other commercial uses.

The property is considered obsolete commercial property within the meaning of MCL 207.654(3) because it is commercial property the condition of which is impaired due to changes in design, construction and technology in recent years. To cure the commercial obsolescence, the Owner proposes to make substantial investments in improvements to the property's exterior and interior. The property is intended to be an authentic Class A, modern office space. The project, located at 950 Selden, is currently contemplated to be ~105,000 SF of office product across three separate floors including the adaptive reuse of the existing site facilities, like the gymnasium, cafetorium, and library. The building operating model puts a focus on generating diverse, curated common space that encourages tenants to work together. It is the developer's intent along with its mission partners to establish ~20,000 SF of space at below-market rents to be leased by selected companies that will serve the charitable mission the partnership is trying to solve.

The area surrounding the property is comprised of obsolete commercial property.

ATTACHMENT A

Legal Description of Proposed Commercial Redevelopment District

Land situated in the City of Detroit, County of Wayne and State of Michigan, more particularly described as follows:

PARCEL 1:

The West 24 feet of Outlot 5, of PLAT OF THE REAR OF THE FORSYTH FARM AS SUBDIVIDED BY THE COMMISSIONERS OF THE ESTATE OF THE LATE JAMES CONNOR, EXCEPT for the portion taken for John C. Lodge Freeway, as now established, according to the plat thereof as attached to the Probate File #2643, Wayne County Records.

ALSO

Lots 1 through 14, both inclusive, including the vacated alleys adjacent thereto, of PLAT OF LEROY & GIBON'S SUBDIVISION OF LOT 5 THE CONNOR ESTATE OF THE FORSYTH FARM, according to the plat thereof recorded in Liber 6 of Plats, Page 87 of Wayne County Records.

ALSO

Lots 1 through 7 both inclusive, including the vacated alley adjacent thereto, of F.L.B. CRANE'S SUBDIVISION OF BLOCK 6, CRANE FARM, according to the plat thereof recorded in Liber 7 of Plats, Page 5 of Wayne County Records.

PARCEL 2:

The East 42.5 feet of the South 1/2 of Lot 6, lying North of the North line of Frank Street, PLAT OF THE REAR OF THE FORSYTH FARM AS SUBDIVIDED BY THE COMMISSIONERS OF THE ESTATE OF THE LATE JAMES CONNOR, according to the plat thereof as attached to the Probate File #2643, Wayne County Records.

PARCEL 3:

The East 1/2 of Lot 8, of SUBDIVISION OF OUTLOTS NO. 6 AND 7, FORSYTH FARM, NORTH OF GRAND RIVER ROAD, according to the plat thereof recorded in Liber 1 of Plats, Page 269 of Wayne County Records.

PARCEL 4:

The West 1/2 of Lot 8, of SUBDIVISION OF OUTLOTS NO. 6 AND 7, FORSYTH FARM, NORTH OF GRAND RIVER ROAD, according to the plat thereof recorded in Liber 1 of Plats, Page 269 of Wayne County Records.

PARCEL 5:

The East 15 feet of Lot 8 and all of Lot 7, of SUBDIVISION OF OUTLOTS NO. 6 AND 7, FORSYTH FARM, NORTH OF GRAND RIVER ROAD, according to the plat thereof recorded in Liber 1 of Plats, Page 269 of Wayne County Records.

PARCEL 6:

The West 25 feet of Lot 6, of SUBDIVISION OF OUTLOTS NO. 6 AND 7, FORSYTH FARM, NORTH OF GRAND RIVER ROAD, according to the plat thereof recorded in Liber 1 of Plats, Page 269 of Wayne County Records.

PARCEL 7:

Lots 4 and 5, EXCEPT that part taken for the John C. Lodge Freeway, of SUBDIVISION OF OUTLOTS NO. 6 AND 7, FORSYTH FARM, NORTH OF GRAND RIVER ROAD, according to the plat thereof recorded in Liber 1 of Plats, Page 269 of Wayne County Records.

2016-07-13

1215

1215 *Petition of Selden Innovation Center, LLC, request to establish a Commercial Redevelopment District at 950 Selden, 924, 940, 946, 960, 968, and 974 Frank.*

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
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WWW.DETROITMI.GOV

February 25, 2020

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

RE: Commercial Redevelopment District – Selden Innovation Center LLC
Property Address: 950 Selden and 924, 940, 946, 960, 968 and 974 Frank
Parcels Number: See attached list

Dear Ms. Trudeau:

The Office of the Chief Financial Officer, Office of the Assessor, has reviewed the proposed Commercial Redevelopment District for the property located at 950 Selden and 924, 940, 946, 960, 968 and 974 Frank in the **Midtown** area of the City of Detroit.

The rationale for creating Commercial Redevelopment Districts under PA 255 of 1978, as amended, is based on the anticipation of increased market value upon completion of new construction and/or significant restoration of commercial and former industrial property where the primary purpose and use of which is the operation of a commercial business enterprise and shall include office, engineering, research and development, warehousing parts distribution, retail sales, hotel or motel development, and other commercial facilities. Commercial business enterprise also includes a business that owns or operates a transit-oriented development or a transit-oriented facility. Normal repair and maintenance are not assessed and do not necessarily generate additional market value.

The district as proposed by **Selden Innovation Center LLC** consists of the former Jefferson School that has been used as a charter school. The building consists of a three-story commercial building with 90,148 square feet of total floor area built in 1925 on 1.435 acres of land and a parking lot sitting over 924 to 974 Frank Street totaling .734 acres of land. The building is impaired due to changes in design, construction and technology in recent years. To cure the obsolescence, the owner proposes to make substantial improvements to the interior and exterior to convert building to office space along with adaptive reuse of the existing gymnasium, cafeteria and library areas.

This area meets the criteria set forth under PA 255 of 1978, as amended. It applies to functionally obsolete properties requiring restoration meaning changes to obsolete commercial property other than replacement as may be required to restore the property, together with all appurtenances, to an economically efficient condition.

A field investigation and district request review indicated that the proposed Commercial Redevelopment District located at **950 Selden and 924, 940, 946, 960, 968 and 974 Frank** is eligible as it pertains to the Commercial Redevelopment Act under P.A. 255 of 1978, as amended.

Sincerely,

Charles Ericson, MMAO
Assessor, Board of Assessors

mmp



Commercial Redevelopment District Request
Selden Innovation Centre LLC
Page 2

Parcel Number: 04000760-9
Property Address: 950 SELDEN
Property Owner: SELDEN INNOVATION CENTER LLC
Legal Description: N SELDEN W 24 FT 5 FORSYTH FARM SUB PRO 2643, WCR 4/29 1 THRU 14 LE ROY & GIBSONS SUB L6 P87 PLATS, W C R 4/36 1 THRU 7 F J B CRANES SUB L7 P5 PLATS, W C R 4/116 355.45 IRREG

Parcel Number: 04000788.001
Property Address: 924 FRANK
Property Owner: SELDEN INNOVATION CENTER LLC
Legal Description: N FRANK E 42.5 FT OF S 1/2 6 FORSYTH FARM SUB PRO 2643, W C R 4/29 42.5 X 156

Parcel Number: 04000787.
Property Address: 940 FRANK
Property Owner: SELDEN INNOVATION CENTER LLC
Legal Description: N FRANK E 1/2 8 FORSYTH FARM SUB L1 P269 PLATS, W C R 4/37 24.98 IRREG

Parcel Number: 04000786.
Property Address: 946 FRANK
Property Owner: SELDEN INNOVATION CENTER LLC
Legal Description: N FRANK W 1/2 8 FORSYTH FARM SUB L1 P269 PLATS, W C R 4/37 24.98 X 146

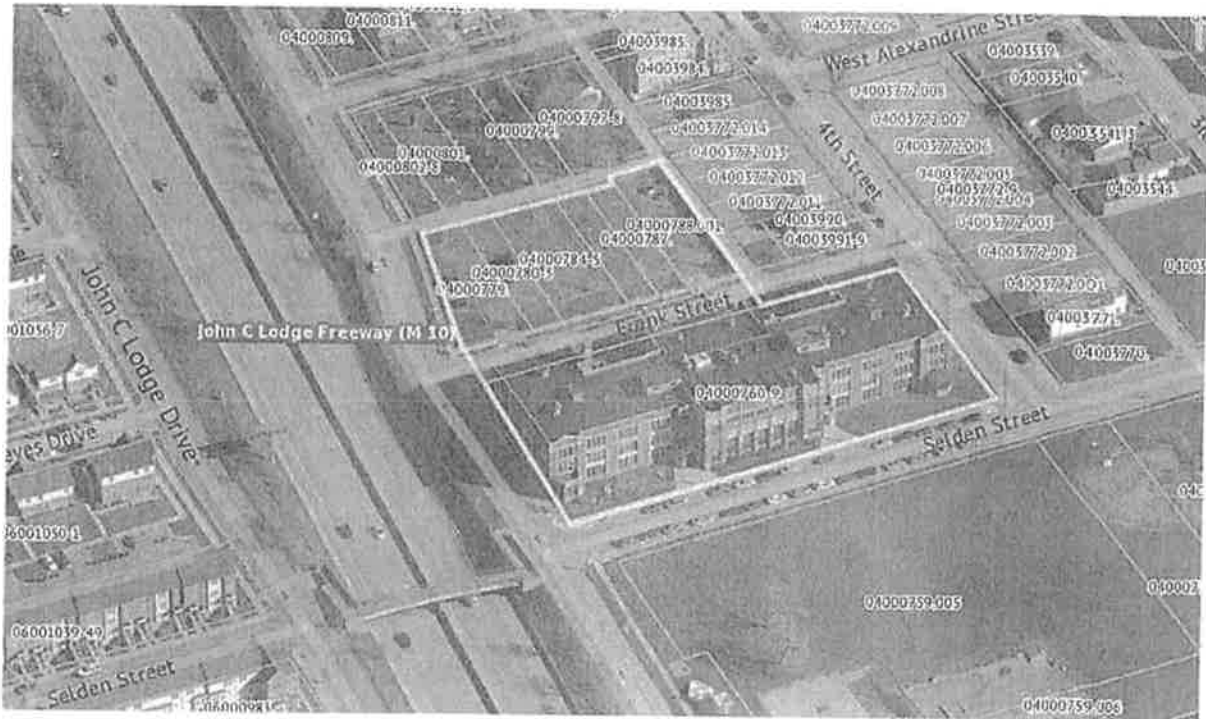
Parcel Number: 04000784-5.
Property Address: 960 FRANK
Property Owner: SELDEN INNOVATION CENTER LLC
Legal Description: N FRANK E 15 FT 6 7 FORSYTH FARM SUB L1 P269 PLATS, W C R 4/37 55 X 146

Parcel Number: 04000780-3.
Property Address: 968 FRANK
Property Owner: SELDEN INNOVATION CENTER LLC
Legal Description: N FRANK W 25 FT 6 FORSYTH FARM SUB L1 P269 PLATS, W C R 4/37 25 X 146

Parcel Number: 04000779.
Property Address: 974 FRANK
Property Owner: SELDEN INNOVATION CENTER LLC
Legal Description: N FRANK 4-5 EXC EXPRESSWAY AS OP FORSYTH FARM SUB L1 P269 PLATS, W C R 4/37 59 IRREG



Commercial Redevelopment District Request
Selden Innovation Centre LLC
Page 2





TO: Matthew Langston, Housing and Revitalization
FROM: Dan Rieden, Planning and Development
RE: Master Plan Interpretation for **Commercial Redevelopment District (PA 255)** (Associated to Petition #1215)
DATE: March 9, 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 255 of 1978 (section 207.655), the Planning and Development Department's Planning Division submits the following interpretation for the **proposed establishment of a Commercial Redevelopment District**.

Petitioner: Selden Innovation Center, LLC

Location and Project Proposal: 950 Selden, Detroit, MI 48201; 924, 940, 946, 960, 968 and 974 Frank, Detroit, MI 48201. Project proposes to rehabilitate and restore the former Jefferson School building at 950 Selden and six adjacent parcels to become an innovation center, an adaptive reuse of approximately 105,000 SF for primarily office space.

Current Master Plan (MP) & Zoning: MP Classification – Mixed Residential-Commercial (MRC); Zoning – SD1 Special Development District, Small-Scale Mixed-Use; R2 Two-Family Residential District

Master Plan Interpretation

The subject site area is designated **Mixed Residential-Commercial (MRC)**. Mixed Residential-Commercial areas consist primarily of high density housing developed compatibly with commercial and/or institutional uses. This classification is well suited to areas proximal to existing centers of major commercial activity, major thoroughfares, transportation nodes, or gateways into the city.

The following policies of the Lower Woodward neighborhood describe the following recommendations:

- Policy 5.1: Give high priority to the preservation of historic buildings, especially the restoration and rehabilitation of building facades
- Policy 5.2: Ensure aesthetic compatibility between new and existing structures and sites
- Policy 9.1: Develop design guidelines to promote linkages among and to the various cultural and entertainment districts

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

Attachments

Future General Land Use Map: Neighborhood Cluster 4, Lower Woodward; Map 4-5B



Map 4-5B

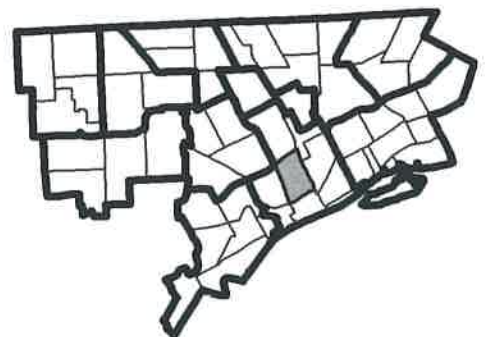
City of Detroit
Master Plan of
Policies

Neighborhood Cluster 4 Lower Woodward



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)





Housing and Revitalization
Department

15

1798 06 2020
#3038

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

Phone: 313.224.6380
Fax: 313.224.1629
www.detroitmi.gov

March 5, 2020

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

**RE: Approval to Appropriate & Expend Program Income
HUD Neighborhood Stabilization Program – NSP-1**

Honorable City Council:

The Housing and Revitalization Department (“HRD”) coordinates funds received by the City of Detroit (“City”) from the United States Department of Housing and Urban Development (“HUD”) under the HUD Neighborhood Stabilization Program established by Section 2301(b) of the Housing and Economic Recovery Act of 2008 (“NSP-1 Program”).

Under the NSP-1 Program, the City has received formula grants from HUD to fund eligible activities under the NSP-1 Program (“NSP-1 Funds”) that has primarily been used by the City to invest in the preservation and development of housing, blight removal and other eligible uses in the City (“City NSP-1 Activities”), including to provide loans to developers to complete certain qualified affordable housing development projects. Developer loan repayments and other revenue from the City NSP-1 Activities are considered program income by HUD and are subject to certain NSP-1 Program regulations with respect to the handling and use of such funds. The City primarily uses such program income to invest in the preservation and development of housing and to remove blight as approved by Detroit City Council.

The revenue received by the City from the City NSP-1 Activities is not typically projected in HRD’s annual City Budget given the inconsistent and unpredictable loan payment history from developers. To date, the City has received approximately \$100,422.33, more or less, in revenue from developer loan repayments on City NSP-1 Activities that has yet to be appropriated.

Therefore, HRD is hereby requesting that your Honorable Body adopt the attached resolution granting approval to HRD to appropriate and expend any and all payments that have been and/or will be received by the City under any City NSP-1 Activities, with expenditures from funds received on the City NSP-1 Activities limited to new or amended loan allocations to developers and other eligible uses that receive separate approval from Detroit City Council. HRD will provide the O-CFO with a report each year that includes all payments and repayments received, as well as the specific uses for which the funds were used. This will allow such funds to be appropriated and expended, thus providing for additional funding to be used for affordable housing development projects and other eligible uses and initiatives as approved by this Honorable Body.

Respectfully submitted:

Donald Rencher
Director

cc: Stephanie Washington, Mayor’s Office

APPROVED

BUDGET DIRECTOR
3/11/20

CITY CLERK: 2020 MAR 11 PM 2:50

RESOLUTION

BY COUNCIL MEMBER: _____

WHEREAS, under the Neighborhood Stabilization Program established by Section 2301(b) of the Housing and Economic Recovery Act of 2008 ("NSP-1 Program"), the City of Detroit ("City"), through the Housing & Revitalization Department ("HRD"), has received formula grants from the United States Department of Housing and Urban Development ("HUD") to fund a wide range of activities including the preservation and development of housing and removal of blight ("NSP-1 Funds"); and

WHEREAS, the City has used the NSP-1 Funds to invest in the preservation and development of housing, blight removal and other eligible uses in the City ("City NSP-1 Activities") that include City loans to developers to complete certain qualified affordable housing development projects as approved by Detroit City Council; and

WHEREAS, the City has received approximately \$100,422.33, more or less, in revenue from developer loan repayments on City NSP-1 Activities that has yet to be appropriated; and

WHEREAS, revenue that is received by the City from City NSP-1 Activities is considered program income by HUD and is subject to NSP-1 Program and HUD regulations regarding its handling and use; and now therefore be it

RESOLVED, that any and all payments and revenue that have been and/or will be received by the City under the City NSP-1 Activities are hereby appropriated as revenue in HRD's Budget in Appropriation No. 14098 NSP1 Closeout; and be it further

RESOLVED, that HRD is hereby authorized to expend the revenue received in Appropriation No. 14098 on eligible NSP-1 Program activities that receive separate approval from Detroit City Council; and be it further

RESOLVED, that the City's Chief Financial Officer, or his authorized designee, is hereby authorized to increase Appropriation No. 14098 NSP-1 Closeout by the amounts of loan repayments, loan settlement payments and other income that have been and/or will be received by HRD from time to time under the City NSP-1 Activities; and be it further

RESOLVED, that the City's Chief Financial Officer, or his authorized designee, is hereby authorized to accept and process all documents consistent with the authorizations and approvals grant herein; and be it finally

RESOLVED, that HRD will provide an annual report to the City's Chief Financial Officer, or his authorized designee, which will include the total payments and repayments received for the respective year and the specific uses for which such funds were used.

16

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

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

City of Detroit

CITY COUNCIL

LEGISLATIVE POLICY DIVISION

208 Coleman A. Young Municipal Center
Detroit, Michigan 48226
Phone: (313) 224-4946 Fax: (313) 224-4336

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Kathryn Lynch Underwood
Ashley A. Wilson

TO: COUNCIL MEMBERS
FROM: David Whitaker, Director
Legislative Policy Division Staff
DATE: March 11, 2020
RE: Residential Rental Occupancy Rates

Council member James Tate, requested in a January 28, 2020 memo for the Legislative Policy Division (LPD) to provide a report analyzing in depth the occupancy rates of residential developments that received tax incentives in the Greater Downtown Detroit area including Corktown, Midtown, Central Business District, Brush Park, and the Villages from 2015 to the present, as well as, provide general analysis of rental occupancy rates for the rest of Detroit.

The primary sources of data used for this analysis included:¹

- *Broder & Sasche Market Study (2019)²*
- *Downtown Detroit Partnership Market Study (2017)*
- *Downtown Detroit Partnership Development Update (2019)*
- *Apartments.com*

Demand for Addition Residential Units

A Downtown Detroit Partnership (DDP) study was published in 2017 in collaboration with Invest Detroit and Zimmerman/Volk Associates, Inc., which included the most recent collected downtown residential market data in 2015. The study investigated the demand for new market-rate and affordable housing

¹ We are relying on the data which was collected by several entities outside of the Legislative Policy Division. LPD is not equipped with the capacity or the expertise to make residential market surveys or studies. We are simply collecting the available data and redistributing it in a manageable form. Therefore, we are not in any way certifying the accuracy of the conclusions of the data collectors.

² Downtown Detroit Apartment Rentals. 4th quarter, Broder & Sasche Real Estate, 2019, p. 1-78, Downtown Detroit Apartment Rentals https://gallery.mailchimp.com/a32326d4ec64c1b3a492f4e14/files/fl1db0e8f-3e5f-489b-af99-b15184b3090a/MarketStudyBook_Q4_2019_Reduced.pdf

within the Greater Downtown Detroit area, including: Downtown, Corktown, Rivertown, Lafayette Park, Eastern Market, Woodbridge, TechTown, and New Center.

According to this report, there has been "... a measurable shift in market preferences from home ownership to rental dwelling units³". The study also stated that over the next 5 years (2015-2020), it was estimated that there would be a 5.25% increase in the size of the annual potential market for the Greater Downtown Detroit area⁴. Concluding, during the 5 years following the date of publication, the demand for new market-rate and affordable units was an estimated 10,000 units in the downtown⁵.

At the time of the study, there were about 7,400 new units proposed throughout the downtown area. Since the publication of the study the City of Detroit has approved incentives for 6,914 units in the greater downtown Detroit area⁶. At that time it was estimated that "approximately 74% will be market-rate and 26% will be likely be affordable or income-restricted units⁷." This study also stated that the target market for the demand for new residential units are 65.8 % young professionals and students, 24.5% empty nesters and retirees, and 9.7% families. This suggests, there is a need for smaller, less expensive units for young people and sizable, affordable units for retirees and families.

Completed Projects Occupancy Rates & Performance

The City of Detroit has approved tax incentives for 75 residential projects in the target area from 2015-2020 (6,914 units). There isn't sufficient data available regarding the occupancy rates of all the tax incentivized residential projects. Therefore, LPD examined whether the project had been completed and relied on *apartments.com* to determine if any of the properties were currently soliciting for new renters on its website. LPD was able to determine 54 of the properties that received tax incentives from 2015 to 2020 have not been completed. The remaining 41 properties have been completed. Using *apartments.com* as a guide, it was determined that 21 of those properties have apartments listed for rent on *apartments.com*. This means, it is reasonable to infer that the other 20 completed projects that have received tax incentives from 2015 to 2020 are likely at or close to full capacity.

As mentioned before, LPD was unable to obtain occupancy rates for all tax-incentivized properties. For that reason, LPD analyzed the occupancy rate data provided by the Broder & Saschse Real Estate (BRSE) market study released in the 4th quarter of 2019 and market research data published by Downtown Detroit Partnership. Its important to note, there is no way for LPD to verify the method BSRE used to determine occupancy rates.

The BRSE report detailed the occupancy rates of 64 completed properties located in the downtown area, totaling 7,867 units⁸. Based on the occupancy rates provided by the BSRE report, about 7,021 of those

³ An Update of Residential Market Potential, Greater Downtown Detroit and Central Business District by Downtown Detroit Partnership, May 2017. Page 6; https://downtowndetroit.org/wp-content/uploads/2019/04/DDP_GtrDTTDetroit-Update-2017_RevisedReformatted.pdf

⁴ An Update of Residential Market Potential, Greater Downtown Detroit and Central Business District by Downtown Detroit Partnership, May 2017. Page 5; https://downtowndetroit.org/wp-content/uploads/2019/04/DDP_GtrDTTDetroit-Update-2017_RevisedReformatted.pdf

⁵ Greater Downtown Residential Market Study, Executive Summary, 2017. Downtown Detroit Partnership; https://downtowndetroit.org/wp-content/uploads/2019/04/DDP_ResMrktStudy_v2.pdf

⁶ Attachment F includes residential properties that have received an Obsolete Property Rehabilitation (PA 146), Neighborhood Enterprise Zone exemption (PA 147), Commercial Rehabilitation exemption (PA 210), and/or Brownfield Redevelopment Financing (PA 381).

⁷ An Update of Residential Market Potential, Greater Downtown Detroit and Central Business District by Downtown Detroit Partnership, May 2017. Page 24; https://downtowndetroit.org/wp-content/uploads/2019/04/DDP_GtrDTTDetroit-Update-2017_RevisedReformatted.pdf

⁸ See: Attachment D

units are occupied, which means there are about 846 unoccupied units within all 64 properties. Of those 64 properties included in the BSRE report, 16 were approved between 2015 and 2020 and have currently have active tax incentive with the City of Detroit.

With the assistance of the DEGC, we were able to match those 16 properties that have active residential tax abatement projects in the Greater Downtown Detroit area, with the data that was collected in the Broder & Sasche Market Study (BSRE).⁹ The 16 properties that received tax incentives during 2015-2020 account for 2,060 units. Based on the available data, about 1,950 (95%) are occupied and 110 (5%) vacant. The average percentage of occupancy for all 16 developments are 91%.¹⁰ Please see the complete chart of those areas below:

Project	Address	Key	Units	Active Incentive	Incentive Status	Occupancy rate
Elton Park	2130 Trumbull Ave.	Corktown	151	NEZ	Certificate	93%
Malcomson Building	1215 Griswold St.	Central Business District	25	NEZ	Certificate	96%
Town Residences	1511 First St.	Central Business District	312	NEZ	Certificate	98%
The Griswold Building	150 Michigan Ave.	Central Business District	80	NEZ	Certificate	97%
28 Grand	128 E. Grand River Ave.	Central Business District	218	NEZ	Certificate	100%
The Vinton	600 Woodward Ave.	Central Business District	22	NEZ	Certificate	60%
The Stott	1150 Griswold St.	Central Business District	107	NEZ	Certificate	66%
Finn Apartments	678 Selden	Midtown	28	OPRA	Certificate	100%
The Plaza	3800 Woodward	Midtown	72	OPRA	Certificate	100%
The Hamilton Midtown Detroit	40 Davenport	Midtown	97	OPRA	Certificate	89%
Philip Houze	415 Clifford St.	Grand Circus Park	89	OPRA	Certificate	99%
Fort Shelby Tower Apartments	527 West Lafayette Blvd.	Central Business District	57	OPRA	Certificate	98%
Molcolmson Building	1215 Griswold St.	Central Business District	25	NEZ	Certificate	96%
The Farwell Building	1249 Griswold St.	Central Business District	82	OPRA	Certificate	77%
The Corner	1620 Michigan Ave.	Corktown	111	PA 210	Certificate	93%
Lafayette Towers	1301 Orleans St.	Lafayette Park & Elmwood Park	584	PA 210	Certificate	99%
TOTAL # OF UNITS CREATED			2,060			
ESTIMATED # UNITS OCCUPIED			1,950	95%	AVERAGE %	91%
ESTIMATED # UNITS AVAILABLE			110	5%		

*Lafayette Towers was also approved for a Brownfield in 2015.

The Downtown Detroit Partnership with support from the Downtown Detroit Business Improvement Zone published a 2019 Downtown Detroit Development Update that detailed recently completed projects in the Greater Downtown Area¹¹. There were 3 residential projects recently completed. All of which, were approved for a tax incentive between 2015 and 2020, including the David Stott Building completed in September 2018 (66% occupancy); the Farwell Building completed August 2019 (77% occupancy rate); and Philip Houze Apartments completed in September 2018 (99% occupancy rate).

At the time of the publication of the 2017 DDP Market Study, “construction of new units has still lagged behind absorption forecasts¹².” As stated before, the data used in the 2017 DDP Market Study was based

⁹ BSRE does not intend for any person or entity to rely on any such information, opinions, or ideas, and cannot guarantee the accuracy or completeness of this report.

¹⁰ These estimates are based on the percentages of occupancy cited in the Broder & Sasche Market Study, we do not certify the results of these estimates.

¹¹ 2019 Downtown Detroit, Development Update. Downtown Detroit Partnership; <https://downtowndetroit.org/wp-content/uploads/2019/09/2019-Development-Report-Web-1.pdf>

¹² An Update of Residential Market Potential, Greater Downtown Detroit and Central Business District by Downtown Detroit Partnership, May 2017. Page 23; https://downtowndetroit.org/wpcontent/uploads/2019/04/DDP_GtrDTEetroit-Update-2017_RevisedReformatted.pdf

upon data collected in 2015. A new market study measuring the demand for additional residential units needs to be conducted, in order to conclude whether demand has remained the same or has decreased/increased since 2015. However, if every proposed and currently in construction residential development detailed in the DDP's report and BSRE's report are completed, the City would still fall about 1,000 residential units short of the projected 10,000 units stated in the 2017 Downtown Detroit Partnership report.

City Wide Analysis

There is little accessible data regarding the occupancy rates for rental units outside the Greater Downtown Detroit area. LPD used *apartments.com* to determine the number of available units, as well as, the City Archives to identify how many tax incentives were approved for the rest of the City. There were 20 projects approved for tax incentives between 2015 and 2020. Of those, 9 have been completed, 4 are at full capacity, and 5 are listed on *apartments.com*. We can infer that the 5 projects listed on the *apartments.com*'s website are not at full capacity. The other 13 are still under construction or have not yet begun construction.

Below is a table collected from *departmentofnumbers.com*¹³, that shows Detroit's overall occupancy rates. This includes the entire residential rental stock available, because LPD was unable to obtain occupancy rates for only tax incentivized projects city wide.

Detroit Rental Vacancy Rate

The rental vacancy rate is the fraction of homes for rent that are not occupied.³ In 2017 the rental vacancy rate for Detroit Michigan was 4.95% according to Census ACS data.

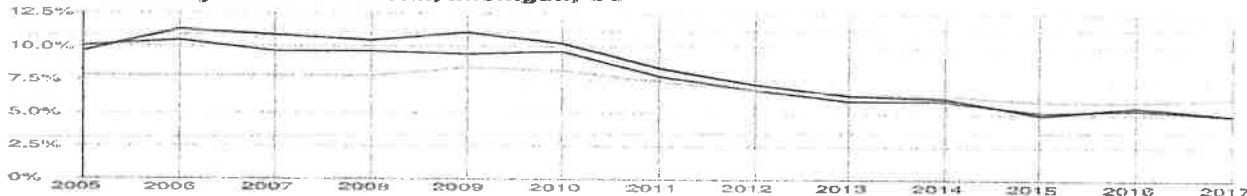
Rental Vacancy Rate in Detroit Michigan

	2017	1 Year Change	3 Year Change
US	6.18%	+0.29%	-0.14%
Michigan	4.87%	-0.54%	-1.01%
Detroit, MI	4.95%	-0.53%	-1.20%

Trends in Detroit, MI Rental Vacancy Rate

The rental vacancy rate in Detroit peaked in 2006 at 11.25%. Since then it has fallen by 6.30% to 4.95%. Data records for this series originated in 2005. From a 2015 post peak low of 4.89%, the rental vacancy rate has increased by 0.06%.

Rental Vacancy Rate: Detroit MI, Michigan, US

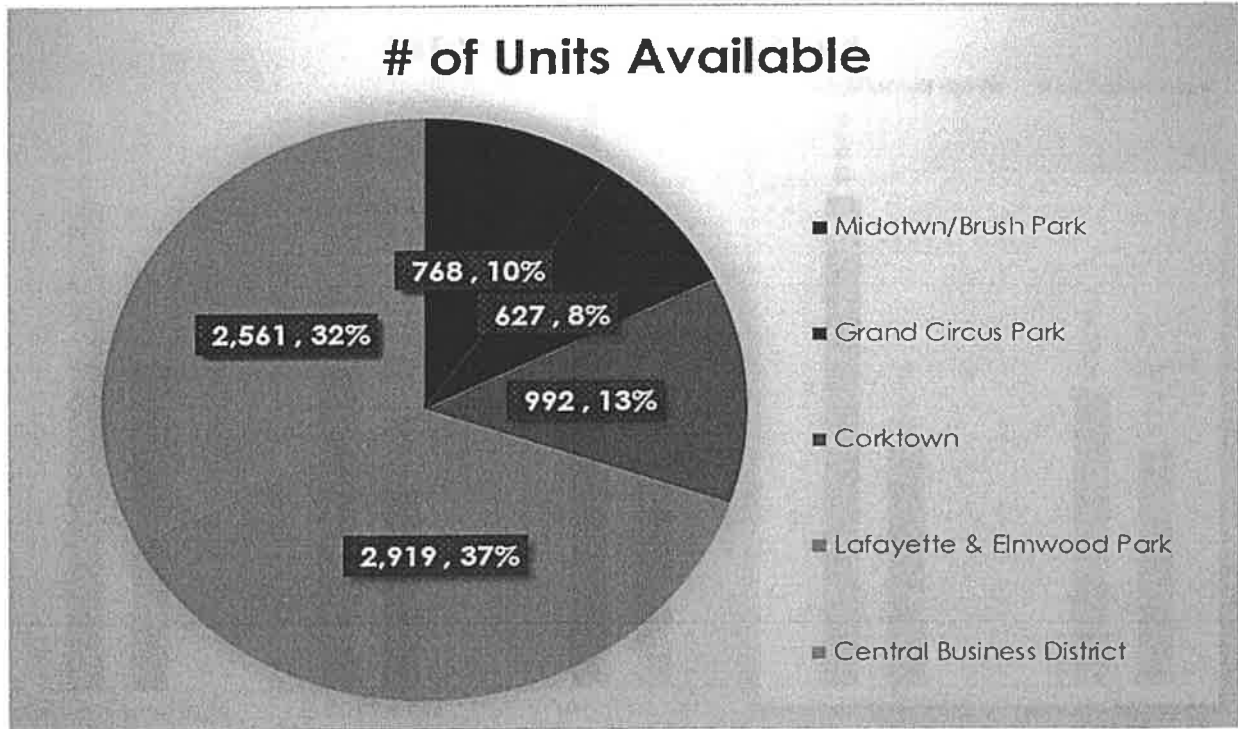


Please contact us if we can be of any further assistance.

- cc: Auditor General's Office
 Arthur Jemison, Chief of Services and Infrastructure
 Katy Trudeau, Planning and Development Department
 Donald Rencher, HRD
 Veronica M. Farley, HRD
 Stephanie Grimes Washington, Mayor's Office
 Malinda Jensen, DEGC
 Kenyetta Bridges, DEGC
 Jennifer Kanalos, DEGC
 Brian Vosburg, DEGC

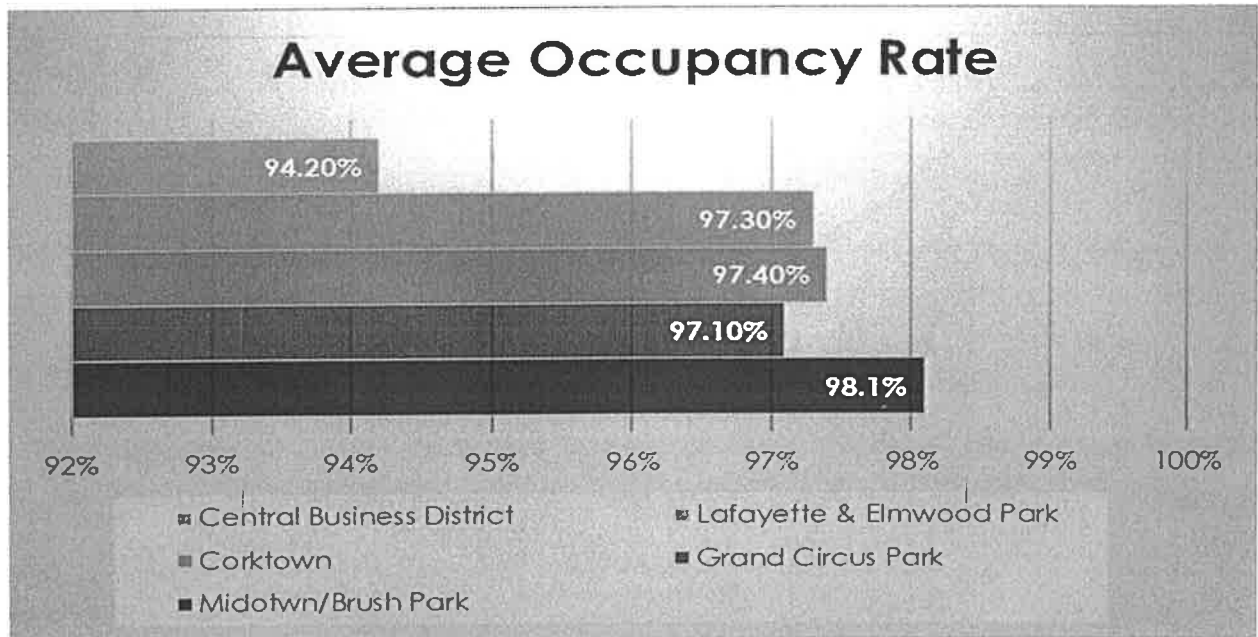
¹³ "Detroit Michigan Residential Rent and Rental Statistics." Department of Numbers, 2019, www.deptofnumbers.com/rent/michigan/detroit/.

Attachment A



*Pie Chart developed using data from the Broder & Sasche Market Study

Attachment B



*Bar graph developed using data from the Broder & Sasche Market Study

Attachment C



*Bar Graph developed using data from the Broder & Sasche Market Study

Attachment D: All Properties included in BSRE Report Occupancy Rates

Apartment Name	# of Units	Rate of Occupancy	Low Rental Rate	High Rental Rate	Received Tax Incentive
Midtown/Brush Park					
The Scott at Brush Park (owned by BSRE)	199	98%	\$1,149	\$3,005	PA 210 (Active)
The Strathmore	129	98%	\$1,200	\$1,480	PILOT
3909 Woodward	61	100%	\$1,600	\$1,888	PA 210 (Active)
The Auburn	58	100%	\$950	\$1,150	PA 210 (Active)
Studio One Apartments	124	100%	\$1,423	\$1,667	N/A
Finn Apartments	28	100%	\$1,423	\$1,152	OPRA (Active)
The Plaza	72	100%	\$1,030	\$1,213	OPRA (Active)
The Hamilton Midtown Detroit (owned by BSRE)	97	89%	\$1,423	\$1,154	OPRA (Active)
Subtotal/ Average	768	98.1%	\$1,275	\$1,539	
Grand Circus Park					
Broderick Tower	124	94%	\$1,187	\$4,500	OPRA (Active)
The Fyfe Apartments	65	90%	\$1,000	\$1,625	N/A
The Kales Building	117	99%	\$1,527	\$2,055	N/A
David Whitney Building	105	100%	\$1,450	\$3,725	OPRA (Active)
The Iodent Lofts	11	100%	\$1,800	\$1,800	N/A
Briggs Houze	116	98%	\$1,040	\$2,840	OPRA (Active)
Phillip Houze	89	99%	\$1,105	\$2,050	OPRA (Active)
Subtotal/ Average	627	97.1%	\$1,301	\$2,656	
Corktown					
Lafayette Lofts	50	N/A	N/A	N/A	N/A
Coat Factory Lofts	62	N/A	N/A	N/A	N/A
Brooklyn Park Lofts	63	N/A	N/A	N/A	N/A
Riverfront Towers	555	92%	\$1,232	\$2,371	N/A
The Corner	111	93%	\$1,075	\$2,908	PA 210 (Active)
Elton Park	151	93%	\$1,025	\$3,238	NEZ (Active)
Subtotal/ Average	992	97.4%	\$1,111	\$1,839	
Lafayette & Elmwood Park					
The Pavilion Apartments	340	96%	\$1,058	\$1,683	N/A
Lafayette Towers	584	99%	\$874	\$2,800	PA 210 (Active)
City Place Detroit	320	99%	\$750	\$940	N/A
The Pains East Apartments	114	99%	\$925	\$1,275	N/A
Central Park Apartments	92	99%	\$1,095	\$1,420	N/A
Carlton Apartments	144	N/A	N/A	N/A	N/A

*BSRE does not intend for any person or entity to rely on any such information, opinions, or ideas, and cannot guarantee the accuracy or completeness of this report.

Attachment D, continued

Apartment Name	# of Units	Rate of Occupancy	Low Rental Rate	High Rental Rate	Received Tax Incentive
Jean Rivard Apartments	146	97%	\$990	\$1,215	N/A
Palms Apartments	62	95%	\$700	\$1,300	N/A
DuCharme Place	185	95%	\$1,350	\$1,920	PA 210 (Active)
Orleans Landing	278	98%	\$1,955	\$2,342	PA 210 (Active)
Fenimore Court	N/A	N/A	N/A	N/A	N/A
Waters Edge at Harbortown	134	96%	\$1,681	\$2,667	N/A
Alden Towers	350	96%	\$625	\$1,815	N/A
Cityside Apartments	170	97%	\$900	\$1,400	N/A
Jeffersonian	N/A	N/A	N/A	N/A	N/A
Pullman Parc (in development by BSRE)	N/A	N/A	N/A	N/A	PA 210 (Active)
Subtotal/ Average	2,919	97.3%	\$1,075	\$1,748	
<i>Central Business District (contains 37% of Downtown's Apartments)</i>					
The Albert - Capitol Park (owned by BSRE)	127	95%	\$1,790	\$2,418	PA 210 (Active)
Detroit Savings Bank	56	71%	\$1,323	\$3,041	OPRA (Active)
Malcomson Building	25	96%	\$1,540	\$2,140	NEZ (Active)
Detroit City Apartments	351	94%	\$1,473	\$1,810	N/A
Candage House Apartments	43	92%	\$850	\$2,500	PA 210 (Active)
Town Residences	312	98%	\$1,089	\$1,226	NEZ (Active)
The Lofts at Merchant Row	76	98%	\$1,250	\$3,050	N/A
Lofts at Woodward Center	61	N/A	N/A	N/A	N/A
Fort Shelby Tower Apartments	65	98%	\$1,757	\$2,350	OPRA (Active)
Security Trust Lofts	11	100%	\$1,900	\$1,900	OPRA (Active)
Library Lofts	8	100%	\$2,450	\$2,450	N/A
Broadway Lofts	16	N/A	N/A	N/A	N/A
The Ashley	67	99%	\$1,375	\$1,700	OPRA (Active)
Greektown Lofts	51	N/A	N/A	N/A	N/A
Renaissance City Apartments	339	97%	\$1,573	\$1,995	N/A
Cadillac Square	221	96%	\$875	\$1,800	N/A
Capitol Park Lofts	63	86%	\$1,314	\$2,585	OPRA (Active)
The Griswold Building	80	97%	\$2,125	\$3,670	NEZ (Active)
28 Grand	218	100%	\$635	\$1,093	NEZ (Active)
The Vinton	21	60%	\$5,900	\$6,400	NEZ (Active)
The Stott	107	66%	\$1,583	\$6,153	NEZ (Active)
35 West	24	96%	\$1,538	\$2,085	N/A
The Farwell Building	82	77%	\$1,353	\$2,041	OPRA (Active)
Fourteen56	6	100%	\$3,100	\$3,100	N/A
1525 Broadway	4	100%	\$2,500	\$3,600	N/A
The Ferguson	55	91%	\$1,810	\$1,970	N/A
Himelhoch	72	N/A	N/A	N/A	N/A
Subtotal/ Average	2,561	94.2%	\$1,787	\$2,656	
TOTAL	7,867	96.3%	\$1,310	\$2,298	

*BSRE does not intend for any person or entity to rely on any such information, opinions, or ideas, and cannot guarantee the accuracy or completeness of this report.

Attachment E: All Residential Incentives in Greater Downtown Detroit Area 2015-2020

Project/ Developer	Address	Units	Type of Incentive
2015			
Eskrine and Woodward, LLC (amended and Restated)	3100 Woodward Block	200	Brownfield
Lafayette Towers/ Jackson Land Holding Company	1301 & 1321 Orleans St.	584	Brownfield & PA 210
Wily's Overland Lofts	444 West Willis	38	NEZ
Town Residences	1511 First Street	315	NEZ
Brush Park/ Crosswinds (Woodward Place)	248 Mack	4	NEZ
Scott Mansion (James Scott House)	3147 Woodward and 81 Peterboro	3	NEZ
Woodward/Brush/ Hendrie/ Ferry NEZ Area	5734 Woodward 263, 265, 267, 269, 271, 273, 275, 293, 295, 297, 299 E. Palmer	11	NEZ
Finn Apartments/ 678 Selden, LLC	678 Selden	28	OPRA
4625 Second Ave, LLC	4625 Second Ave.	70	OPRA
Toad Management, LLC	445 W. Forest Ave.	6	OPRA
The Elliot Building, LLC	1401-1407 Woodward Ave. (mixed use)	23	PA 210
Rivertown Phase I, LLC	1560, 1828, & 1831 Franklin Street, 1522 E. Woodbridge St.	278	PA 210
Brush Park Development Company Phase I, LLC (restated in 2017)	118, 228, 266 & 318 Edmund Pl, 2718 Brush, 124 & 310 Alfred St., 2750 John R.	325-450	PA 210
Resurget Cinerbus, LLC	8044 Kercheval	3	OPRA
East Kirby Development, LLC	524-526 East Kirby	4	OPRA
Nalah Commons, LLC	658, 692, 710, 702 E. Ferry, 663, 681, 671, 701, 653, 676 E. Kirby, 6431 Hastings	58	PA 210
Phillip Houze/ Bagley Clifford, LLC	415 Clifford Street	89	OPRA
Patterson Terrace/ Almass Downtown Real Estate, LLC	203, 209, 215, Eskrine and 3412 John R.	9	OPRA
2016			
The Union at Midtown Phase II	4830 Cass Ave.	66	Brownfield
Brush Park Development, LLC	3148 John R.	18	NEZ
Brush Park Development Co. Phase I, LLC/ Brush Park Parcel A+B Project	39 Parcels	405	Brownfield, PA 210, NEZ
City Club Apartments/ VG Statler City Apartments, LLC	313 Park Avenue	287	NEZ & PA 210
Makolmson Building/ 1215 Griswold	1215 Griswold	25	NEZ
The Griswold	1117 Griswold	80	NEZ
The Coe at West Village/ Coe Van Dyke, LLC	1462 Van Dyke & 8030 Coe	12	PA 210
Woodward Place	3148 John R.	18	OPRA
2017			
Midtown NEZ/ 449 W. Willis, LLC	449 West Willis	4	NEZ
Woodward Place/ Devon Renewal, LLC	64 Watson St.	6	NEZ
Eco Homes, LAC	4th Street	14	NEZ
Vinten Building	600 Woodward Ave.	22	NEZ
Book Tower, Hudson's Site and Menroe Block/ Bedrock	1265 Washington Blvd., 1206 Woodward Ave., & Book Tower	907	Transformational Brownfield, NEZ
CK Concept Haus, LLC	284 Elliot St.	4	NEZ

*Table data collected from the City Archives

Attachment E, continued

Project/ Developer	Address	Units	Type of Incentive
The Corner/ Tigers Stadium Partners , LLC	1620 Michigan Ave	102	PA 210
Island View/ Banyan Investments, LLC	1454 Townsend	25	NEZ
Harbortown-Great Lakes, LLC	250 E. Harbortown Dr.	94	NEZ
Elton Park/ Trident-Checker/ Trident Corktown, LLC	1400 W. Elizabeth, 2050 & 2125 Eighth St., 2100 & 2120 Trumbull	95	NEZ
Elton Park/Trident-Checker	1230 Trumbull	150	NEZ
Ashton Detroit/ 600 Ventures, LLC	659 Howard	96	Brownfield
Rosko Development , LLC (Bedrock)	Hudson's & Monroe blocks, One Campus Martius, Book Building/Tower	812	Brownfield, NEZ
The Hamilton Midtown Detroit/ 40 Davenport, LLC	40 Davenport	97	OPRA
2018			
Fort Shelby Residential, LLC	Fort Shelby Residences, 525 W. Laffayette Blvd.	56	NEZ
Woodward	626 Mack Ave.	11	NEZ
East Jefferson Development, LLC	1475 East Jefferson	213	Brownfield
640 Temple	640 Temple	70	OPRA, Brownfield
The Corner/ Tigers Stadium Partners 2, LLC	2225 Trumbull (formerly 1620 Michigan Ave and 1550 Kaine Drive)	111	PA 210/ NEZ
The Selden/ Ferito Group	438 Sleden St.	12	NEZ
Paperclip Properties, LLC (The Stott, Bedrock)	1150 Griswold	107	NEZ, PA 210
Pyramid Development Co., LLC (Free Press Building, amended & restated)	321 W. Laffayette	103	NEZ, Brownfield, PA 210
Garfield Area Redevelopment Project (amended & restated 2006 & 2011)	71, 74, 80, 107, 119 Garfield, 52, 66, 76, 92 E. Forest	85	Brownfield
Eastern Market Gateway/ Dev Detroit 1346 Gratiot, LLC and Town Partners	Multiple addresses on Gratiot, Maple Rd., & Service St.	200	Brownfield
Harbortown- Spinnaker, LLC	3320 Spinnaker Lane	14	NEZ
Laffayette West	1401 Rivard	56	Brownfield
Farwell Building/ 1249 Griswold Street, LLC	1249 Griswold St.	83	OPRA
1626 Lafayette, LLC	1627-1629 Lafayette	93	OPRA
2019- Proposed Properties (incentive may not be active)			
Infinity-Park Ave, LLC	2001 Park Ave.	78	Brownfield
The Mid/ 3750 Woodward Ave, LLC (2nd amended & restated)	3750 Woodward Ave.	16	Brownfield, NEZ, PA 210
Broadway lofts/ Broadway Detroit Properties, LLC	1323-1325 Broadway St.	16	OPRA, Brownfield
Brush Park South Phase 1 MR, LLC	2515, 2555, 2621 Brush St., 251, 254, 257 Adelaide St., 269, 281, 291 Winder St.	149	PA 210, Brownfield, PILOT
Corktown Lofts, LLC (Bedrock)	1702 Fort St. (The Assembly)	66	Brownfield, NEZ, PA 210
Jefferson Van Dyke 2, LLC	7891 & 7903 East Jefferson Ave.	36	OPRA, Brownfield
Midtown West/ PDH Development Group, LLC & Procidia Development Group	931 Selden St.	175	NEZ, Brownfield
Pullman Parc, Hunter Pasteur Homes Laffayette Park, LLC	1900 Pembroke (1100 St. Aubin)	180	NEZ, PA 210
Sheridan Propco, LLC	4417 Second	91	NEZ
Sturgeon Bay Partners	651 W. Hancock	28	NEZ
Bagley Development Group, LLC	150 Bagley	75	OPRA, NEZ
Kercheval East, LLC	8646 Kercheval & 1917 Fischer	15	OPRA

*Table data collected from the City Archives

Attachment E, continued

Rosko Development, LLC area	32 Monroe & 725 Bates St.	128	NEZ
Stone Soap	1450, 1460, & 1490 Franklin	48	Brownfield, NEZ, PA 255
CCA, LLC (formly Elmwood Park Plaza Limited Partnership)	670 Chene	202	OPRA, PA 210, NEZ
Kercheval Associates, LLC	8001 Kercheval	92	NEZ
1400 Michigan Ave, LLC	1400, 1410, 1416 Michigan Ave.	18	PA 210
Crosswinds (Woodward Place) NEZ	104 Edmund Place	9	NEZ
2020- Still In Progress			
CCA CBD Detroit, LLC	313 Park Ave.	288	Brownfield, NEZ
Pullman Parc/ Hunter Pasteur Homes Lafayette Park, LLC	1900 Penbridge (1100 St. Aubin)	180	NEZ, PA 210
TOTAL		6914	

*BSRE does not intend for any person or entity to rely on any such information, opinions, or ideas, and cannot guarantee the accuracy or completeness of this report.



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March 6, 2020

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

**RE: Property Sale
18543 W. Warren**

Honorable City Council:

The City of Detroit, Planning and Development Department (“P&DD”) has received an offer from Omar Ayoub (the “Purchaser”), to purchase certain City-owned real property at 18543 W. Warren, Detroit, MI (the “Property”) for the purchase price of Two Hundred and 00/100 Dollars (\$200.00).

Parcel 22000624/Address 18539 W. Warren and Parcel 22000625/Address 18543 W. Warren were retired March 13, 2013. They were combined into a new Parcel 22000264-5/Address 18539 W. Warren and placed on the tax rolls. 18539 W. Warren consists of a small retail store situated on approximately 3285 square feet and zoned B4 (General Business District).

All property taxes have been paid on 18539 W. Warren. Parcel 22000625/Address 18543 W. Warren, however, incorrectly remained on the tax rolls. The Wayne County Treasurer foreclosed on the Property based on the erroneous tax information. The Property has since been conveyed by Wayne County to the City of Detroit.

The Purchaser is the owner of 18539 W. Warren. He wishes to purchase the Property to remove the City’s interest, in order to secure clear title. This would serve to mitigate ongoing title issues.

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

Respectfully submitted,

Katharine G. Trudeau
Deputy Director

cc: Avery Peeples, 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 18543 W. Warren, Detroit, MI (the "Property"), as more particularly described in the attached Exhibit A incorporated herein, to Omar Ayoub (the "Purchaser"), for the purchase price of Two Hundred and 00/100 Dollars (\$200.00); and be it further

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

RESOLVED, that the following Property Sales Services Fees be paid from the sale proceeds pursuant to the City's Property Management Agreement with the Detroit Building Authority ("DBA"): 1) Twelve and 00/100 Dollars (\$12.00) shall be paid to the DBA from the sale proceeds, 2) Ten and 00/100 Dollars (\$10.00) shall be paid to the DBA's real estate brokerage firm from the sale proceeds and 3) customary closing costs up to One Hundred and 00/100 Dollars (\$100.00) 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

LAND IN THE CITY OF DETROIT, COUNTY OF WAYNE AND STATE OF MICHIGAN BEING:

S WARREN S 73 FT OF W 22.50 FT OF LOT 316 FRISCHKORNS WARREN AVE PK SUB
L39 P89 PLATS, W C R 22/270 22.50 X 73

DESCRIPTION CORRECT

BY _____
ENGINEER OF SURVEYS

A/K/A 18543 W. Warren
WARD 22 ITEM 22000265

**PUBLIC HEALTH
AND SAFETY
STANDING
COMMITTEE**

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OFFICE OF CONTRACTING
AND PROCUREMENT

March 11, 2020

HONORABLE CITY COUNCIL:

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

3041685 100% Grant Funding – To Provide a One Time Purchase of Arearae Pro Equipment for the Homeland Security Department to Detect Hazardous Gas Chemicals. – Contractor: Argus Group Holdings dba Premier Safety – Location: 46400 Continental Drive, Chesterfield, MI 48047 – Contract Period: Upon City Council Approval through April 1, 2021 – Total Contract Amount: \$138,514.00. **HOMELAND SECURITY**

Respectfully submitted,

Boysie Jackson, Chief Procurement Officer
Office of Contracting and Procurement

BY COUNCIL MEMBER BENSON

RESOLVED, that Contract No. 3041685 referred to in the foregoing communication dated March 11, 2020, be hereby and is approved.

OFFICE OF CONTRACTING
AND PROCUREMENT

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March 11, 2020

HONORABLE CITY COUNCIL:

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

3041805 100% Grant Funding – To Provide a One Time Purchase of First Aid Kits for the Homeland Security Department. – Contractor: Bound Tree Medical, LLC – Location: 5200 Rings Road Suite A, Dublin, OH 43017 – Contract Period: Upon City Council Approval through April 1, 2021 – Total Contract Amount: \$40,495.00. **HOMELAND SECURITY**

Respectfully submitted,

Boysie Jackson, Chief Procurement Officer
Office of Contracting and Procurement

BY COUNCIL MEMBER **BENSON**

RESOLVED, that Contract No. 3041805 referred to in the foregoing communication dated March 11, 2020, be hereby and is approved.

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**OFFICE OF CONTRACTING
AND PROCUREMENT**

March 11, 2020

HONORABLE CITY COUNCIL:

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

3041210 100% UTGO Bond Funding – To Provide One Hundred and Twenty Six (126) Radios and Accessories, for Police Dispatch via MiDeal 071B2200101. – Contractor: Motorola Solutions, Inc. – Location: 1301 E Algonquin Road, Schaumburg, IL 60196 – Contract Period: Upon City Council Approval through September 30, 2020 – Total Contract Amount: \$825,146.10. **POLICE**

Respectfully submitted,

Boysie Jackson, Chief Procurement Officer
Office of Contracting and Procurement

BY COUNCIL MEMBER **BENSON**

RESOLVED, that Contract No. 3041210 referred to in the foregoing communication dated March 11, 2020, be hereby and is approved.

OFFICE OF CONTRACTING
AND PROCUREMENT



March 11, 2020

HONORABLE CITY COUNCIL:

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

6001919 100% City Funding – AMEND 1 – To Provide an Increase of Funds for Moving Services to Relocate the Department of Transportation to 100 Mack. – Contractor: BDM Transport, LLC – Location: 1300 Broadway Suite 710, Detroit, MI 48226 – Contract Period: Upon City Council Approval through March 5, 2021 – Contract Increase Amount: \$100,000.00 – Total Contract Amount: \$350,000.00. **TRANSPORTATION**

Respectfully submitted,

Boysie Jackson, Chief Procurement Officer
Office of Contracting and Procurement

BY COUNCIL MEMBER **BENSON**

RESOLVED, that Contract No. 6001919 referred to in the foregoing communication dated March 11, 2020, be hereby and is approved.

OFFICE OF CONTRACTING
AND PROCUREMENT

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March 11, 2020

HONORABLE CITY COUNCIL:

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

6002714 100% City Funding – To Provide Waste Removal Services. – Contractor: Birks Works Environmental, LLC – Location: 19719 Mt Elliot, Detroit, MI 48234 – Contract Period: Upon City Council Approval through March 3, 2021 – Total Contract Amount: \$440,760.00. **TRANSPORTATION**

Respectfully submitted,

Boysie Jackson, Chief Procurement Officer
Office of Contracting and Procurement

BY COUNCIL MEMBER **BENSON**

RESOLVED, that Contract No. 6002714 referred to in the foregoing communication dated March 11, 2020, be hereby and is approved.

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OFFICE OF CONTRACTING
AND PROCUREMENT

March 11, 2020

HONORABLE CITY COUNCIL:

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

3040420 100% City Funding – To Provide an Emergency Demolition for the Following Residential Properties, 12739 Joann and 3849 Marlborough. – Contractor: RDC Construction Services – Location: 100 Riverfront Drive Office Unit 2610, Detroit, MI 48226 – Contract Period: Upon City Council Approval through February 26, 2021 – Total Contract Amount: \$26,300.00. **HOUSING AND REVITALIZATION**

Respectfully submitted,

Boysie Jackson, Chief Procurement Officer
Office of Contracting and Procurement

BY COUNCIL MEMBER **BENSON**

RESOLVED, that Contract No. 3040420 referred to in the foregoing communication dated March 11, 2020, be hereby and is approved.



**OFFICE OF CONTRACTING
AND PROCUREMENT**

March 11, 2020

HONORABLE CITY COUNCIL:

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

3042009 100% City Funding – To Provide an Emergency Demolition for the Residential Property, 6424 Whitewood. – Contractor: RDC Construction Services – Location: 100 Riverfront Drive Office Unit 2610, Detroit, MI 48226 – Contract Period: Upon City Council Approval through February 26, 2021 – Total Contract Amount: \$11,700.00. **HOUSING AND REVITALIZATION**

Respectfully submitted,

Boysie Jackson, Chief Procurement Officer
Office of Contracting and Procurement

BY COUNCIL MEMBER **BENSON**

RESOLVED, that Contract No. 3042009 referred to in the foregoing communication dated March 11, 2020, be hereby and is approved.

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**OFFICE OF CONTRACTING
AND PROCUREMENT**

March 11, 2020

HONORABLE CITY COUNCIL:

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

3042010 100% City Funding – To Provide an Emergency Demolition for the Commercial Property, 14381 Rosa Parks. – Contractor: SC Environmental Services, LLC – Location: 1234 Washington Boulevard 5th Floor, Detroit, MI 48226 – Contract Period: Upon City Council Approval through February 26, 2021 – Total Contract Amount: \$71,786.00.
HOUSING AND REVITALIZATION

Respectfully submitted,

Boysie Jackson, Chief Procurement Officer
Office of Contracting and Procurement

BY COUNCIL MEMBER BENSON

RESOLVED, that Contract No. 3042010 referred to in the foregoing communication dated March 11, 2020, be hereby and is approved.

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OFFICE OF CONTRACTING
AND PROCUREMENT

March 11, 2020

HONORABLE CITY COUNCIL:

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

3042013 100% City Funding – To Provide an Emergency Demolition for the Following Commercial Properties, 4222 Grandy and 4242 Grandy. – Contractor: SC Environmental Services, LLC – Location: 1234 Washington Boulevard 5th Floor, Detroit, MI 48226 – Contract Period: Upon City Council Approval through February 26, 2021 – Total Contract Amount: \$86,950.00. **HOUSING AND REVITALIZATION**

Respectfully submitted,

Boysie Jackson, Chief Procurement Officer
Office of Contracting and Procurement

BY COUNCIL MEMBER **BENSON**

RESOLVED, that Contract No. 3042013 referred to in the foregoing communication dated March 11, 2020, be hereby and is approved.

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**OFFICE OF CONTRACTING
AND PROCUREMENT**

March 11, 2020

HONORABLE CITY COUNCIL:

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

3042048 100% City Funding – To Provide an Emergency Demolition for the Residential Property, 7608 Robinwood. – Contractor: SC Environmental Services, LLC – Location: 1234 Washington Boulevard 5th Floor, Detroit, MI 48226 – Contract Period: Upon City Council Approval through February 26, 2021 – Total Contract Amount: \$14,498.00.
HOUSING AND REVITALIZATION

Respectfully submitted,

Boysie Jackson, Chief Procurement Officer
Office of Contracting and Procurement

BY COUNCIL MEMBER **BENSON**

RESOLVED, that Contract No. 3042048 referred to in the foregoing communication dated March 11, 2020, be hereby and is approved.



CITY OF DETROIT
DEPARTMENT OF PUBLIC WORKS
CITY ENGINEERING DIVISION

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COLEMAN A. YOUNG MUNICIPAL CENTER
2 WOODWARD AVE. SUITE 601
DETROIT, MICHIGAN 48226
PHONE: (313) 224-3949 • TTY: 711
FAX: (313) 224-3471
WWW.DETROITMI.GOV

March 11th, 2020

Honorable City Council:

RE: Petition No.1002 —Nagi Mohammad's request to vacate and convert to easement the alley between West Warren Avenue and Holmes Avenue, east of McDonald Avenue.

Petition No. 1002 – Nagi Mohammad's request to vacate and convert to utility easement the alley between West Warren (100 ft. wide) and Holmes Avenue (60 ft. wide), west of McDonald Avenue (50 ft. wide).

The petition was referred to the City Engineering Division – DPW for investigation (utility review) and report. This is our report.

The request is being made to consolidate property across an unimproved and dead-end alley.

The request was approved by the Solid Waste Division – DPW, and Traffic Engineering Division – DPW, and City Engineering - DPW.

Detroit Water and Sewerage Department (DWSD) has no objection to the vacation and conversion to utility easement provided certain provisions are met. The DWSD provisions are a part of the attached resolution.

All other involved City Departments, and privately owned utility companies have reported no objections to the vacation and conversion to utility easement of the alley. Provisions protecting utility installations are part of the attached resolution.

I am recommending adoption of the attached resolution.

Respectfully submitted,

Richard Doherty, P.E., City Engineer
City Engineering Division – DPW

/JK

Cc: Ron Brundidge, Director, DPW
Mayor's Office – City Council Liaison

BY COUNCIL MEMBER _____

RESOLVED, the alley between West Warren Avenue (100 ft. wide) and Holmes Avenue (60 ft. wide), west of McDonald Avenue (50 ft. wide), further described as land in the City of Detroit, Wayne County, Michigan being:

All of the east-west alley, 16 ft. wide, lying northerly of and adjoining lots 12 through 22, and lying southerly of and adjoining lots 1 through 11 of "Doty's Subdivision" as recorded in Liber 18 Page 76 of Plats, Wayne County Records

Be and the same is hereby vacated as public right-of-way and converted into a private easement for public utilities of the full width of the right-of-way, which easement shall be subject to the following covenants and agreements, uses, reservations and regulations, which shall be observed by the owners of the lots abutting on said right-of-way and by their heirs, executors, administrators and assigns, forever to wit:

First, said owners hereby grant to and for the use of the public an easement or right-of-way over said vacated public alley herein above described for the purposes of maintaining, installing, repairing, removing, or replacing public utilities such as water mains, sewers, gas lines or mains, telephone, electric light conduits or poles or things usually placed or installed in a public right-of-way in the City of Detroit, with the right to ingress and egress at any time and over said easement for the purpose above set forth.

Second, said utility easement or right-of-way in and over said vacated alley herein above described shall be forever accessible to the maintenance and inspection forces of the utility companies, or those specifically authorized by them, for the purpose of inspecting, installing, maintaining, repairing, removing, or replacing any sewer, conduit, water main, gas line or main, telephone or light pole or any utility facility placed or installed in the utility easement or right-of-way. The utility companies shall have the right to cross or use the driveways and yards of the adjoining properties for ingress and egress at any time to and over said utility easement with any necessary equipment to perform the above mentioned task, with the understanding that the utility companies, other than that specifically prohibited by this resolution, shall be restored to a satisfactory condition,

Third, said owners for their heirs and assigns further agree that no buildings or structures of any nature whatsoever including, but not limited to, concrete slabs or driveways, retaining or partition walls (except necessary line fences or gates), shall be built or placed upon said easement, nor change of surface grade made, without prior approval of the City Engineering Division – DPW,

Fourth, that if the owners of any lots abutting on said vacated alleys shall request the removal and/or relocation of any existing poles or other utilities in said easement; such owners shall pay all costs incidental to such removal and/or relocation, unless such charges are waived by the utility owners,

Fifth, that if any utility located in said property shall break or be damaged as a result of any action on the part of said owners or assigns (by way of illustration but not limitation) such as storage of excessive weights of materials or construction not in accordance with Section 3, mentioned above,

then in such event said owners or assigns shall be liable for all costs incidental to the repair of such broken or damaged utility; and

PROVIDED, that property owners maintain for DTE Energy, full access to their facilities at all times (i.e. gated access with DTE locks at all ends of the easement) and that free and easy access to the DTE facilities is reserved for DTE equipment, including the use of backhoes, bull dozers, cranes or pipe trucks, and other heavy construction equipment, as necessary for the alteration or repair of DTE facilities, and further

PROVIDED, that an easement, the full width of the existing right-of-way, is reserved for the Detroit Water and Sewerage Department for the purpose of installing, maintaining, repairing, removing, or replacing any sewers, water mains, fire hydrants and appurtenances, with the right of ingress and egress at any time to, and over said easement for the purpose above set forth; and be it further

PROVIDED, that free and easy access to the sewers, water mains, fire hydrants and appurtenances within the easement is required for the Detroit Water and Sewerage Department equipment including the use of backhoes, bull dozers, cranes or pipe trucks, and other heavy construction equipment, as necessary for the alteration or repair of the sewer or water main facilities; and be it further

PROVIDED, that the Detroit Water and Sewerage Department retains the right to install suitable permanent main location guide post over its water mains at reasonable intervals and at points deflection; and be it further

PROVIDED, that said owners of the adjoining property, for themselves, their heirs and assigns, agree that no building or structure of any nature whatsoever, including porches, patios, balconies, etc., shall be built upon said easement without prior written approval and agreement with the Detroit Water and Sewerage Department; and be it further

PROVIDED, that if any time in the future, the owners of any lots abutting on said vacated alley shall request the removal and/or relocation of the aforementioned utilities in said easement, such owners shall pay all costs incident to such removal and/or relocation. It is further provided that if sewers, water mains, and/or appurtenances in said easement shall break or be damaged as a result of any action on the part of the owner, or assigns, then in such event, the owner or assigns shall be liable for the costs incident to the repair of such broken or damaged sewers and water mains, and shall also be liable for all claims for damages resulting from his action and be it further

PROVIDED, that if it becomes necessary to remove the paved alley returns at the entrances such removal and construction of the new curb and sidewalk shall be done under city permit and inspection according to City Engineering Division – DPW specification with all costs borne by the abutting owner(s), their heirs or assigns; and further

PROVIDED, That the City Clerk shall within 30 days record a certified copy of this resolution with the Wayne County Register of Deeds.

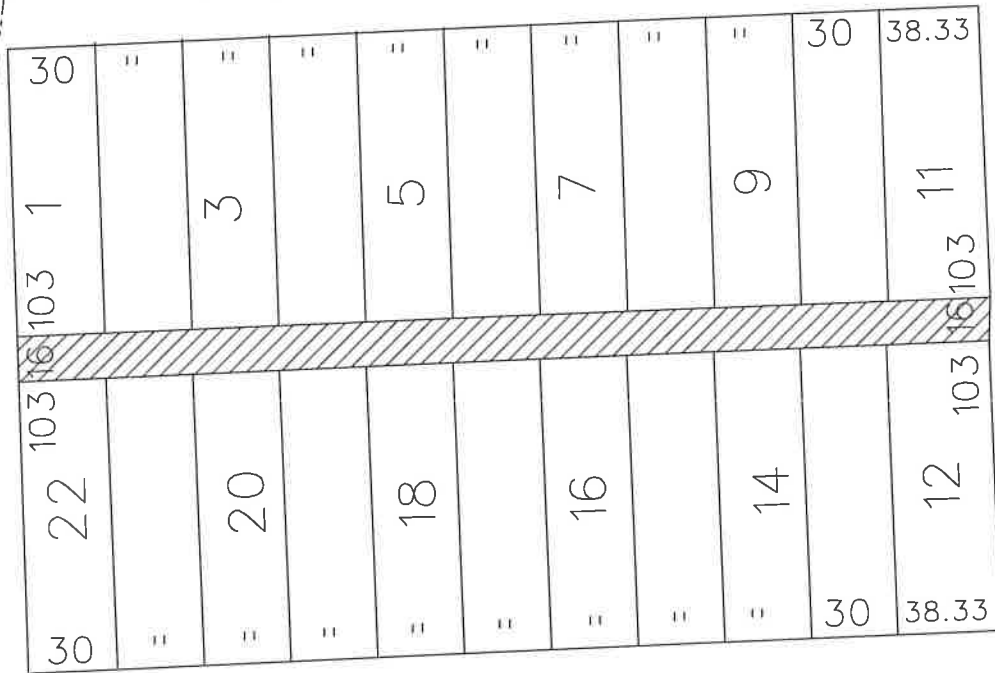
PETITION NO. 1002
 NAGI MOHAMMAD
 6332 TERNES AVE.
 DEARBORN, MICHIGAN 48126
 PHONE NO. 313 715-8522



PENNA.-DETROIT TERMINAL
 RXR 100 FT. WD.

W. WARREN AVE. 100 FT. WD.

MC DONALD AVE. 50 FT. WD.



HOLMES AVE. 60 FT.WD.



- REQUESTED CONVERSION TO EASEMENT

(FOR OFFICE USE ONLY)

CARTO 5 B

B						REQUEST TO CONVERT TO EASEMENT THE EAST/WEST PUBLIC ALLEY, 16 FT. WD. IN THE BLOCK BOUND BY W. WARREN, MC DONALD, HOLMES AVE. AND PENNA.-DETROIT TERMINAL R.R.	CITY OF DETROIT CITY ENGINEERING DEPARTMENT SURVEY BUREAU	
A					JOB NO. 01 01			
DESCRIPTION		DRWN	CHKD	APPD	DATE			DRWG.NO. X 1002
DRAWN BY		REVISIONS						
DATE		CHECKED						
03-10-16		APPROVED						



CITY OF DETROIT
DEPARTMENT OF PUBLIC WORKS
CITY ENGINEERING DIVISION

29

COLEMAN A. YOUNG MUNICIPAL CENTER
2 WOODWARD AVE. SUITE 601
DETROIT, MICHIGAN 48226
PHONE: (313) 224-3949 • TTY: 711
FAX: (313) 224-3471
WWW.DETROITMI.GOV

March 11th, 2020

Honorable City Council:

RE: Petition No. 1175 – KWAI, LLC, request for encroachment permit for installation of new steel canopies on building façade located at 1247 Woodward Avenue.

Petition No. 1175 – KWAI, LLC, request for encroachments with steel canopies on building façades. The encroachments are on the west side of Woodward Avenue, 120 feet wide, between Grand River Avenue Avenue, 60 feet wide, and State Street, 60 feet wide.

The petition was referred to the City Engineering Division – DPW for investigation and report. This is our report.

The request is being made to upgrade the old building awnings.

The request was approved by the Solid Waste Division – DPW, City Engineering Division – DPW, and Traffic Engineering Division – DPW.

Detroit Water and Sewerage Department (DWSD) reports being involved, but they have no objection provided the DWSD encroachment provisions are followed. The DWSD provisions have been made a part of the resolution.

All other involved City Departments, including the Public Lighting Authority and Public Lighting Department; also privately owned utility companies have reported no objections to the encroachment. Provisions protecting all utility installations are part of the attached resolution.

I am recommending adoption of the attached resolution.

Respectfully submitted,

Richard Doherty, P.E., City Engineer
City Engineering Division – DPW

SW

Cc: Ron Brundidge, Director, DPW
Mayor's Office – City Council Liaison

COUNCIL MEMBER _____

RESOLVED, that the Department of Public Works, City Engineering Division is hereby authorized and directed to issue permits to KWAI, LLC or their assigns to install and maintain encroachments with steel canopies on building façades. The encroachment is on the west side of Woodward Avenue, 120 feet wide, between Grand River Avenue, 60 feet wide, and State Street, 60 feet wide and land in the City of Detroit, Wayne County, Michigan: Woodward Avenue, 120 feet wide, adjoining Lot 35 “Plan of Section numbered Eight in the territory of Michigan confirmed unanimously by the Governor and Judges on the 27th day of April, 1807 and ordered to be a record and to be signed by the Governor and attested by the Secretary of the Board” as recorded in Liber 34, Page 543 of Deeds, Wayne County Records. Encroachments are further described as follows:

- 1) Steel canopy being 9.5 feet in height, 5.5 feet wide and 14 feet in length along Woodward Avenue lying east of the east line of said Lot 35.

PROVIDED, that if there is any cost for the removing and/or rerouting of any utility facilities, it shall be done at the expense of the petitioner and/or property owner; and be it further

PROVIDED, that access is maintained to all fire department connections, and be it further

PROVIDED, that by approval of this petition the Detroit Water and Sewerage Department (DWSD) does not waive any of its rights to its facilities located in the right-of-way, and at all times, DWSD, its agents or employees, shall have the right to enter upon the right-of-way to maintain, repair, alter, service, inspect, or install its facilities. All costs incident to the damaging, dismantling, demolishing, removal and replacement of structures or other improvements herein permitted and incurred in gaining access to DWSD’s facilities for maintenance, repairing, alteration, servicing or inspection caused by the encroachment shall be borne by the petitioner. All costs associated with gaining access to DWSD’s facilities, which could normally be expected had the petitioner not encroached into the right-of-way, shall be borne by DWSD; and be it further

PROVIDED, that the petitioner maintain a vertical clearance of 18 feet above grade from DWSD facilities for maintenance access and repair; and be it further

PROVIDED, that all construction performed under this petition shall not be commenced until after (5) days written notice to DWSD. Seventy-two (72) hours’ notice shall also be provided in accordance with P.A. 53 1974, as amended, utilizing the MISS DIG one call system; and be it further

PROVIDED, that construction under this petition is subject to inspection and approval by DWSD forces. The cost of such inspection shall, at the discretion of DWSD, be borne by the petitioner; and be it further

PROVIDED, that if DWSD facilities located within the right-of-way shall break or be damaged as the result of any action on the part of the petitioner, then in such event the petitioner agrees to be liable for all costs incident to the repair, replacement or relocation of such broken or damaged DWSD facilities; and be it further

PROVIDED, that the petitioner shall hold DWSD harmless for any damages to the encroaching device constructed or installed under this petition which may be caused by the failure of DWSD’s facilities; and be it further

PROVIDED, that the underground pipes are encased in concrete to protect them from inadvertent damage, and permanent monuments be installed at the intersection of the property line and the centerline of the installed pipes, and further

PROVIDED, that the KWAI, LLC or their assigns provide as-built drawings of their installation and the relationship to other utility infrastructure to the Department of Public Works – City Engineering Division, and further

PROVIDED, KWAI, LLC or their assigns shall apply to the Buildings and Safety Engineering Department for a building permit prior to any construction. Also, if it becomes necessary to open cut public streets, bore, jack, occupy or barricade city rights-of-way for maintenance of encroachments such work shall be according to detail permit application drawings submitted to the City Engineering Division – DPW prior to any public right-of-way construction; and further

PROVIDED, that the necessary permits shall be obtained from the City Engineering Division – DPW and the Buildings and Safety Engineering Department. The encroachments shall be constructed and maintained under their rules and regulations; and further

PROVIDED, that all cost for the construction, maintenance, permits and use of the encroachments shall be borne by KWAI, LLC or their assigns, and further

PROVIDED, that all costs incurred by privately owned utility companies and/or city departments to alter, adjust, and/or relocate their existing utility facilities located in close proximity to the encroachments shall be borne by KWAI, LLC or their assigns. Should damages to utilities occur KWAI, LLC or their assigns shall be liable for all incidental repair costs and waives all claims for damages to the encroaching installations; and further

PROVIDED, that no other rights in the public streets, alleys or other public place shall be considered waived by this permission which is granted expressly on the condition that said encroachments shall be removed at any time when so directed by the City Council, and the public property affected shall be restored to a condition satisfactory to the City Engineering Division – DPW; and further

PROVIDED, that KWAI, LLC or their assigns shall file with the Department of Public Works – City Engineering Division an indemnity agreement in form approved by the Law Department. The agreement shall save and protect the City of Detroit from any and all claims, damages or expenses that may arise by reason of the issuance of the permits and the faithful or unfaithful performance of KWAI, LLC or their assigns of the terms thereof. Further, KWAI, LLC or their assigns shall agree to pay all claims, damages or expenses that may arise out of the use, repair and maintenance of the proposed encroachments; and further

PROVIDED, that filing of said indemnity agreement shall be construed as acceptance of this Resolution by the “permitter”; and further

PROVIDED, that all cost for the construction, maintenance, permits and use of the encroachments shall be borne by Downtown Detroit Partnership, or their assigns; and further

PROVIDED, that construction of the encroachments shall constitute acceptance of the terms and conditions as set forth in this resolution; and be it further

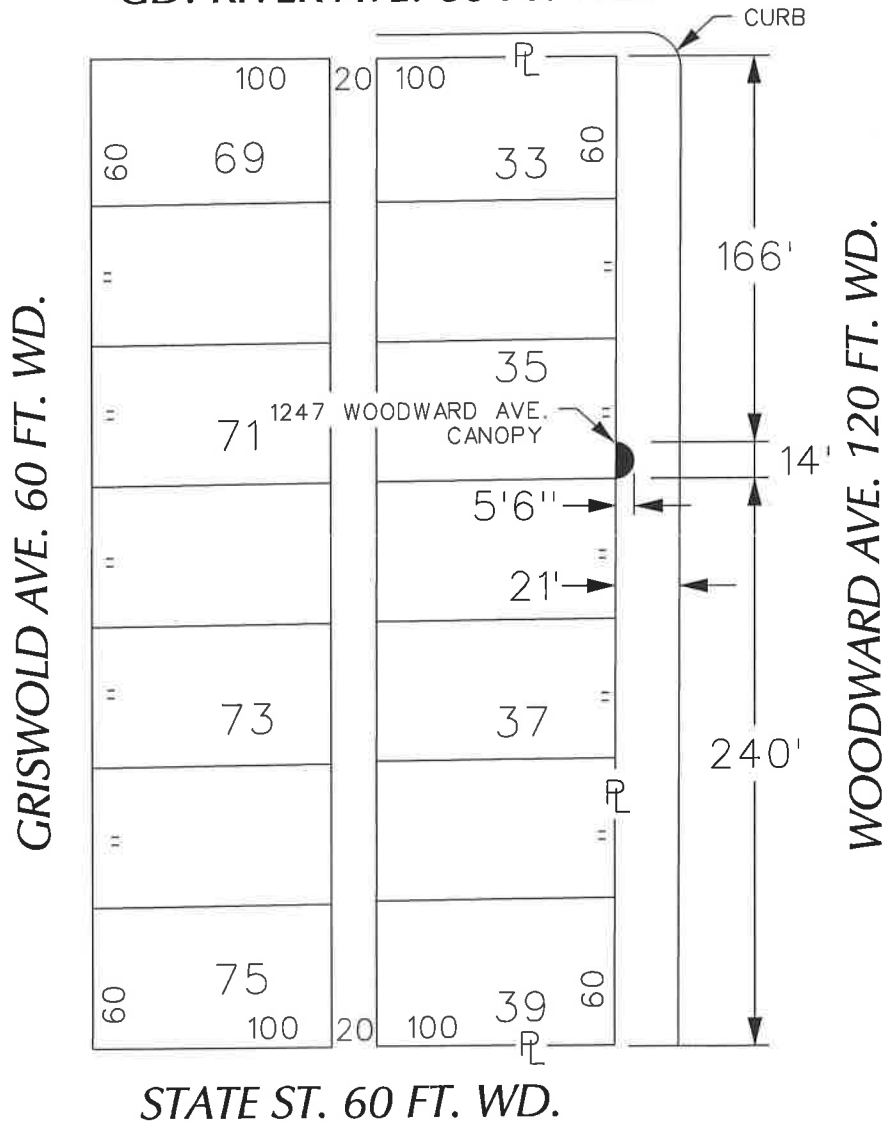
PROVIDED, this resolution or part thereof is revocable at the will, whim or caprice of the City Council, and KWAI, LLC acquires no implied or other privileges hereunder not expressly stated herein; and further

PROVIDED, that the encroachment permits shall not be assigned or transferred without the written approval of the City Council; and be it further

PROVIDED, that the City Clerk shall within 30 days record a certified copy of this resolution with the Wayne County Register of Deeds.



GD. RIVER AVE. 60 FT. WD.



STATE ST. 60 FT. WD.



- REQUEST ENCROACHMENT
(With Steel Canopies)

(FOR OFFICE USE ONLY)

CARTO 28 B

B					
A	SEPARATE THE DRAWING	SA	JD		01/03/20
DESCRIPTION		DRWN	CHKD	APPD	DATE
REVISIONS					
DRAWN BY	WLW	CHECKED	KSM		
DATE	05-09-19	APPROVED			

REQUEST ENCROACHMENT
INTO WOODWARD
AT 1437 WOODWARD
(With Steel Canopies)

CITY OF DETROIT
CITY ENGINEERING DIVISION
SURVEY BUREAU

JOB NO. 01-01

DRWG. NO. X 1697



CITY OF DETROIT
DEPARTMENT OF PUBLIC WORKS
CITY ENGINEERING DIVISION

30

COLEMAN A. YOUNG MUNICIPAL CENTER
2 WOODWARD AVE. SUITE 601
DETROIT, MICHIGAN 48226
PHONE: (313) 224-3949 • TTY: 711
FAX: (313) 224-3471
WWW.DETROITMI.GOV

February 6th, 2020

Honorable City Council:

RE: Petition No. 1003 – Giffels Webster, request for an encroachment into the alley that is located directly south of the property located at 321 Lafayette Ave.

Petition No. 1003 – Giffels Webster, on behalf of Bedrock Management Services, LLC, request for encroachments with automatic parking garage access. The encroachment is on the north side of the east-west alley, 20 feet wide, in the block bounded by Cass Avenue, 80 feet wide, Lafayette Blvd, 80 feet wide, Washington Blvd, 80 feet wide, and Fort Street, 100 feet wide.

The petition was referred to the City Engineering Division – DPW for investigation and report. This is our report.

The request is being made for automated parking service at 321 West Lafayette.

The request was approved by the Solid Waste Division – DPW, City Engineering Division – DPW, and Traffic Engineering – DPW.

Detroit Water and Sewerage Department (DWSD) reports involvement, but no objection provided the DWSD encroachment provisions are followed. The DWSD provisions have been made a part of the resolution.

All other involved City Departments, including the Public Lighting Authority and Public Lighting Department; also privately owned utility companies have reported no objections to the encroachment. Provisions protecting all utility installations are part of the attached resolution.

I am recommending adoption of the attached resolution.

Respectfully submitted,

Richard Doherty, P.E., City Engineer
City Engineering Division – DPW

JMK/SW

Cc: Ron Brundidge, Director, DPW
Mayor's Office – City Council Liaison

COUNCIL MEMBER _____

RESOLVED, that the Department of Public Works, City Engineering Division is hereby authorized and directed to issue permits to Bedrock Management Services, LLC or their assigns to install and maintain encroachment with automatic parking garage access. The encroachment is on the north side of the east-west alley, 20 feet wide, in the block bounded by Cass Avenue, 80 feet wide, Lafayette Blvd, 80 feet wide, Washington Blvd, 80 feet wide, and Fort Street, 100 feet wide, lying south of the north line of the public alley adjoining lots 2 through 5, both inclusive lying south of West Lafayette "Military Reserve" as recorded in Liber 5 of city records, Page 218, Wayne County Records. Encroachment extends 5 feet into the alley right-of-way and begins 72.6 feet east of the southwest corner of the property line and continues east 86 feet.

PROVIDED, that if there is any cost for the removing and/or rerouting of any utility facilities, it shall be done at the expense of the petitioner and/or property owner; and be it further

PROVIDED, that access is maintained to all fire department connections, and be it further

PROVIDED, that by approval of this petition the Detroit Water and Sewerage Department (DWSD) does not waive any of its rights to its facilities located in the right-of-way, and at all times, DWSD, its agents or employees, shall have the right to enter upon the right-of-way to maintain, repair, alter, service, inspect, or install its facilities. All costs incident to the damaging, dismantling, demolishing, removal and replacement of structures or other improvements herein permitted and incurred in gaining access to DWSD's facilities for maintenance, repairing, alteration, servicing or inspection caused by the encroachment shall be borne by the petitioner. All costs associated with gaining access to DWSD's facilities, which could normally be expected had the petitioner not encroached into the right-of-way, shall be borne by DWSD; and be it further

PROVIDED, that all construction performed under this petition shall not be commenced until after (5) days written notice to DWSD. Seventy-two (72) hours' notice shall also be provided in accordance with P.A. 53 1974, as amended, utilizing the MISS DIG one call system; and be it further

PROVIDED, that construction under this petition is subject to inspection and approval by DWSD forces. The cost of such inspection shall, at the discretion of DWSD, be borne by the petitioner; and be it further

PROVIDED, that if DWSD facilities located within the right-of-way shall break or be damaged as the result of any action on the part of the petitioner, then in such event the petitioner agrees to be liable for all costs incident to the repair, replacement or relocation of such broken or damaged DWSD facilities; and be it further

PROVIDED, that the petitioner shall hold DWSD harmless for any damages to the encroaching device constructed or installed under this petition which may be caused by the failure of DWSD's facilities; and be it further

PROVIDED, Bedrock Management Services, LLC or their assigns shall apply to the Buildings and Safety Engineering Department for a building permit prior to any construction. Also, if it becomes necessary to open cut public streets, bore, jack, occupy or barricade city rights-of-way for maintenance

of encroachments such work shall be according to detail permit application drawings submitted to the City Engineering Division – DPW prior to any public right-of-way construction; and further

PROVIDED, that the necessary permits shall be obtained from the City Engineering Division – DPW and the Buildings and Safety Engineering Department. The encroachments shall be constructed and maintained under their rules and regulations; and further

PROVIDED, that all cost for the construction, maintenance, permits and use of the encroachments shall be borne by Bedrock Management Services, LLC or their assigns, and further

PROVIDED, that all costs incurred by privately owned utility companies and/or city departments to alter, adjust, and/or relocate their existing utility facilities located in close proximity to the encroachments shall be borne by Bedrock Management Services, LLC or their assigns. Should damages to utilities occur Bedrock Management Services, LLC or their assigns shall be liable for all incidental repair costs and waives all claims for damages to the encroaching installations; and further

PROVIDED, that no other rights in the public streets, alleys or other public place shall be considered waived by this permission which is granted expressly on the condition that said encroachments shall be removed at any time when so directed by the City Council, and the public property affected shall be restored to a condition satisfactory to the City Engineering Division – DPW; and further

PROVIDED, that Bedrock Management Services, LLC or their assigns shall file with the Department of Public Works – City Engineering Division an indemnity agreement in form approved by the Law Department. The agreement shall save and protect the City of Detroit from any and all claims, damages or expenses that may arise by reason of the issuance of the permits and the faithful or unfaithful performance of Bedrock Management Services, LLC or their assigns of the terms thereof. Further, Bedrock Management Services, LLC or their assigns shall agree to pay all claims, damages or expenses that may arise out of the use, repair and maintenance of the proposed encroachments; and further

PROVIDED, that filing of said indemnity agreement shall be construed as acceptance of this Resolution by the “permitee”; and further

PROVIDED, that all cost for the construction, maintenance, permits and use of the encroachments shall be borne by Bedrock Management Services, LLC, or their assigns; and further

PROVIDED, that construction of the encroachments shall constitute acceptance of the terms and conditions as set forth in this resolution; and be it further

PROVIDED, this resolution is revocable at the will, whim or caprice of the City Council, and Bedrock Management Services, LLC acquires no implied or other privileges hereunder not expressly stated herein; and further

PROVIDED, that the encroachment permits shall not be assigned or transferred without the written approval of the City Council; and be it further

PROVIDED, that the City Clerk shall within 30 days record a certified copy of this resolution with the Wayne County Register of Deeds.

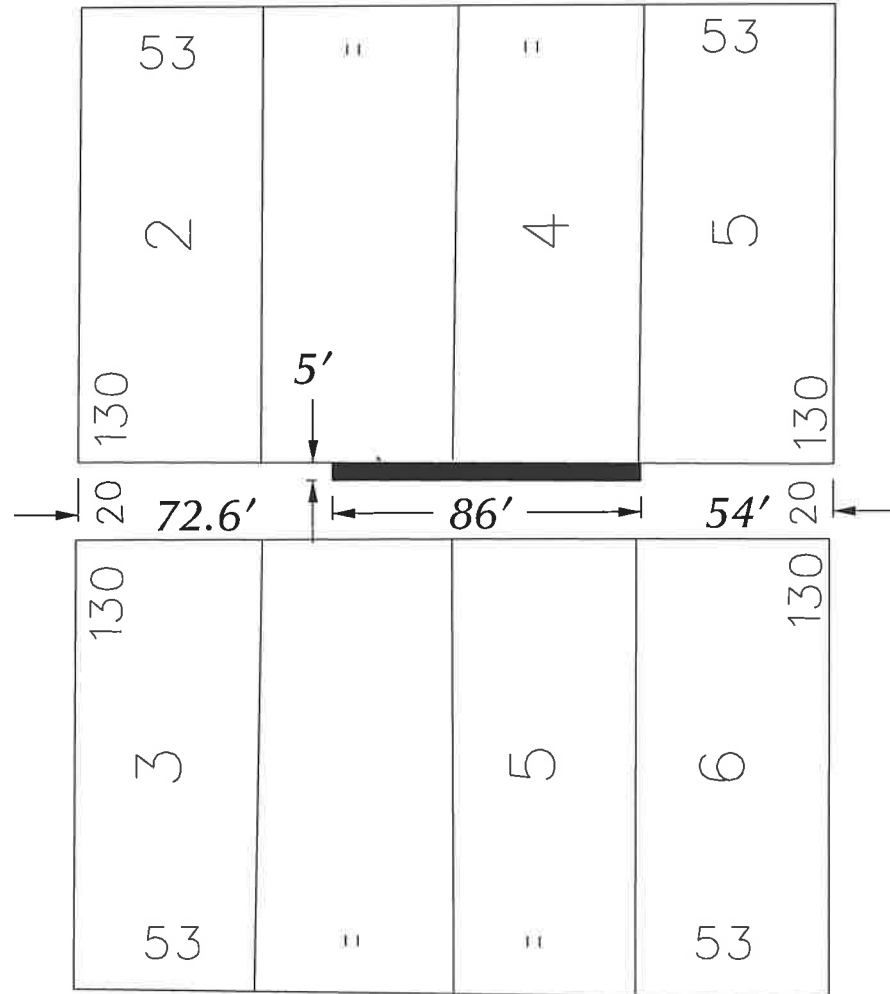
PETITION NO. 1003
 BEDROCK MANAGEMENT SERVICES, LLC
 C/O GIFFELS WEBSTER
 28 W. ADAMS, SUITE 1200
 DETROIT, MICHIGAN 48226
 MICHAEL DARGA
 PHONE NO. (313) 962-4442



LAFAYETTE AVE. 80 FT. WD.

CASS. AVE. 80 FT. WD.

WASHINGTON BLVD.



FORT ST. 100FT. WD.

 - REQUEST ENCROACHMENT

(FOR OFFICE USE ONLY)

CARTO 28 E

B						REQUEST ENCROACHMENT INTO THE ALLEY LOCATED AT 321 LAFAYETTE AVE. IN THE BLOCK BOUND BY CASS. AVE., LAFAYETTE AVE., WASHINGTON BLVD. AND FORT ST.	CITY OF DETROIT CITY ENGINEERING DIVISION SURVEY BUREAU
	A						
DESCRIPTION		DRWN	CHKD	APPD	DATE	DRAWN BY SA CHECKED KSM DATE 09-24-19 APPROVED	DRWG. NO. X 1003
REVISIONS							



CITY OF DETROIT
DEPARTMENT OF PUBLIC WORKS
CITY ENGINEERING DIVISION

31

COLEMAN A. YOUNG MUNICIPAL CENTER
2 WOODWARD AVE. SUITE 601
DETROIT, MICHIGAN 48226
PHONE: (313) 224-3949 • TTY: 711
FAX: (313) 224-3471
WWW.DETROITMI.GOV

March 11th, 2020

Honorable City Council:

RE: Petition No. 1171 — Trident Huber LLC request to outright vacate Grinnell Avenue, 50 ft. wide, and vacate for the conversion to easement various segments of alley that were formally property deed to the City of Detroit on November 13th, 1928, per page 3043 of the JCC, and on October 14th, 1924, per page 2422 of the JCC.

Petition No. 1171- Trident Huber LLC requests to outright vacate the full width of Grinnell Avenue, 50 ft. wide, from Winfield Avenue, 54 ft. wide, to St. Cyril Avenue, 66 ft. wide. Also to vacate for conversion to utility easement the east-west and north-south alley existing north of Grinnell Ave, 50 ft. wide, between Winfield Avenue, 54 ft. wide, and St. Cyril Avenue, 66 ft. wide.

The petition was referred to the City Engineering Division – DPW for investigation (utility review) and report. This is our report.

The request is being made to facilitate the development of the I-94 Industrial Park Project.

The request was approved by the Solid Waste Division – DPW, and Traffic Engineering Division – DPW, and City Engineering - DPW.

Detroit Water and Sewerage Department (DWSD) has no objection to the vacation provided certain provisions are met. The DWSD provisions are a part of the attached resolution.

All other involved City Departments, and privately owned utility companies have reported no objections to the outright vacation of Grinnell Ave. and the conversion to utility easement of the alleys. Provisions protecting utility installations are part of the attached resolution.

I am recommending adoption of the attached resolution.

Respectfully submitted,

Richard Doherty, P.E., City Engineer
City Engineering Division – DPW

/JK

Cc: Ron Brundidge, Director, DPW
Mayor's Office – City Council Liaison

BY COUNCIL MEMBER _____

RESOLVED, Grinnell Avenue, 50 ft. wide, from Winfield Avenue, 54 ft. wide, to St. Cyril Avenue, 66 ft. wide. Also to vacate for conversion to utility easement the east-west and north-south alley existing north of Grinnell Ave, 50 ft. wide, between Winfield Avenue, 54 ft. wide, and St. Cyril Avenue, 66 ft. wide., further described as land in the City of Detroit, Wayne County, Michigan being: All of Grinnell Avenue, 50 ft. wide, lying northerly of and adjacent to lots 17 through 49, and lying southerly of lots 50 through 88, also northerly of the vacated alley, 18 ft. wide, lying between lots 18 & 19, all within "Bessenger & Moores Van Dyke Subdivision" as recorded in Liber 33, Page 80 of Plats, Wayne County Records

Be and the same are hereby vacated (outright) as public rights-of-way to become part and parcel of the abutting property, subject to the following provisions:

PROVIDED, that petitioner/property owner make satisfactory arrangements with any and all utility companies for cost and arrangements for the removing and/or relocating of the utility companies and city departments services, and further

PROVIDED, that the petitioner shall design and construct proposed sewers and to make the connections to the existing public sewers as required by Detroit Water and Sewerage Department (DWSD) prior to construction of the proposed sewers, and further

PROVIDED, that the plans for the sewers shall be prepared by a registered engineer; and further

PROVIDED, that DWSD be and is hereby authorized to review the drawings for the proposed sewers and to issue permits for the construction of the sewers; and further

PROVIDED, that the entire work is to be performed in accordance with plans and specifications approved by DWSD and constructed under the inspection and approval of DWSD; and further

PROVIDED, that the entire cost of the proposed sewers construction, including inspection, survey and engineering shall be borne by the petitioner; and further

PROVIDED, that the petitioner shall deposit with DWSD, in advance of engineering, inspection and survey, such amounts as the department deems necessary to cover the costs of these services; and further

PROVIDED, that the petitioner shall grant to the City a satisfactory easement for the sewers, and further

PROVIDED, that the Board of Water Commissioners shall accept and execute the easement grant on behalf of the City, and further

PROVIDED, that the petitioner shall provide a one (1) year warranty for the proposed sewers, and further

PROVIDED, that upon satisfactory completion, the sewers shall become City property and become part of the City system. And any existing sewers that were abandoned shall belong to the petitioner and will no longer be the responsibility of the City; and further

PROVIDED, that any construction in the public rights-of-way such as curbs and sidewalks shall be done under city permit and inspection according to City Engineering Division – DPW specifications with all costs borne by the abutting owner(s), their heir or assigns; and further

RESOLVED, certain alley segments existing within “Bessenger & Moores Van Dyke Subdivision” as recorded in Liber 33, Page 80 of Plats, Wayne County Records; further described as:

1. The north-south alley, land dedicated to the City of Detroit on October 14th, 1924 per page 2422 of the JCC, lying west of and adjacent to lot 50 of “Bessenger & Moores Van Dyke Subdivision” as recorded in Liber 33, Page 80 of Plats, Wayne County Records; and
2. The east-west alley, land dedicated to the City of Detroit on November 13th, 1928, per page 3043 of the JCC, lying northerly of and adjacent to lots 50 through 88 of “Bessenger & Moores Van Dyke Subdivision” as recorded in Liber 33, Page 80 of Plats, Wayne County Records.

Be and the same is hereby vacated as public right-of-way and converted into a private easement for public utilities of the full width of the right-of-way, which easement shall be subject to the following covenants and agreements, uses, reservations and regulations, which shall be observed by the owners of the lots abutting on said right-of-way and by their heirs, executors, administrators and assigns, forever to wit:

First, said owners hereby grant to and for the use of the public an easement or right-of-way over said vacated public alley herein above described for the purposes of maintaining, installing, repairing, removing, or replacing public utilities such as water mains, sewers, gas lines or mains, telephone, electric light conduits or poles or things usually placed or installed in a public right-of-way in the City of Detroit, with the right to ingress and egress at any time and over said easement for the purpose above set forth.

Second, said utility easement or right-of-way in and over said vacated alley herein above described shall be forever accessible to the maintenance and inspection forces of the utility companies, or those specifically authorized by them, for the purpose of inspecting, installing, maintaining, repairing, removing, or replacing any sewer, conduit, water main, gas line or main, telephone or light pole or any utility facility placed or installed in the utility easement or right-of-way. The utility companies shall have the right to cross or use the driveways and yards of the adjoining properties for ingress and egress at any time to and over said utility easement with any necessary equipment to perform the above mentioned task, with the understanding that the utility companies, other than that specifically prohibited by this resolution, shall be restored to a satisfactory condition,

Third, said owners for their heirs and assigns further agree that no buildings or structures of any nature whatsoever including, but not limited to, concrete slabs or driveways, retaining or partition walls (except necessary line fences or gates), shall be built or placed upon said easement, nor change of surface grade made, without prior approval of the City Engineering Division – DPW,

Fourth, that if the owners of any lots abutting on said vacated alleys shall request the removal and/or relocation of any existing poles or other utilities in said easement; such owners shall pay all costs incidental to such removal and/or relocation, unless such charges are waived by the utility owners,

Fifth, that if any utility located in said property shall break or be damaged as a result of any action on the part of said owners or assigns (by way of illustration but not limitation) such as storage of excessive weights of materials or construction not in accordance with Section 3, mentioned above, then in such event said owners or assigns shall be liable for all costs incidental to the repair of such broken or damaged utility; and

PROVIDED, that property owners maintain for DTE Energy, full access to their facilities at all times (i.e. gated access with DTE locks at all ends of the easement) and that free and easy access to the DTE facilities is reserved for DTE equipment, including the use of backhoes, bull dozers, cranes or pipe trucks, and other heavy construction equipment, as necessary for the alteration or repair of DTE facilities, and further

PROVIDED, that an easement, the full width of the existing right-of-way, is reserved for the Detroit Water and Sewage Department for the purpose of installing, maintaining, repairing, removing, or replacing any sewers, water mains, fire hydrants and appurtenances, with the right of ingress and egress at any time to, and over said easement for the purpose above set forth; and be it further

PROVIDED, that free and easy access to the sewers, water mains, fire hydrants and appurtenances within the easement is required for the Detroit Water and Sewerage Department equipment including the use of backhoes, bull dozers, cranes or pipe trucks, and other heavy construction equipment, as necessary for the alteration or repair of the sewer or water main facilities; and be it further

PROVIDED, that the Detroit Water and Sewerage Department retains the right to install suitable permanent main location guide post over its water mains at reasonable intervals and at points deflection; and be it further

PROVIDED, that said owners of the adjoining property, for themselves, their heirs and assigns, agree that no building or structure of any nature whatsoever, including porches, patios, balconies, etc., shall be built upon said easement without prior written approval and agreement with the Detroit Water and Sewerage Department; and be it further

PROVIDED, that if any time in the future, the owners of any lots abutting on said vacated alley shall request the removal and/or relocation of the aforementioned utilities in said easement, such

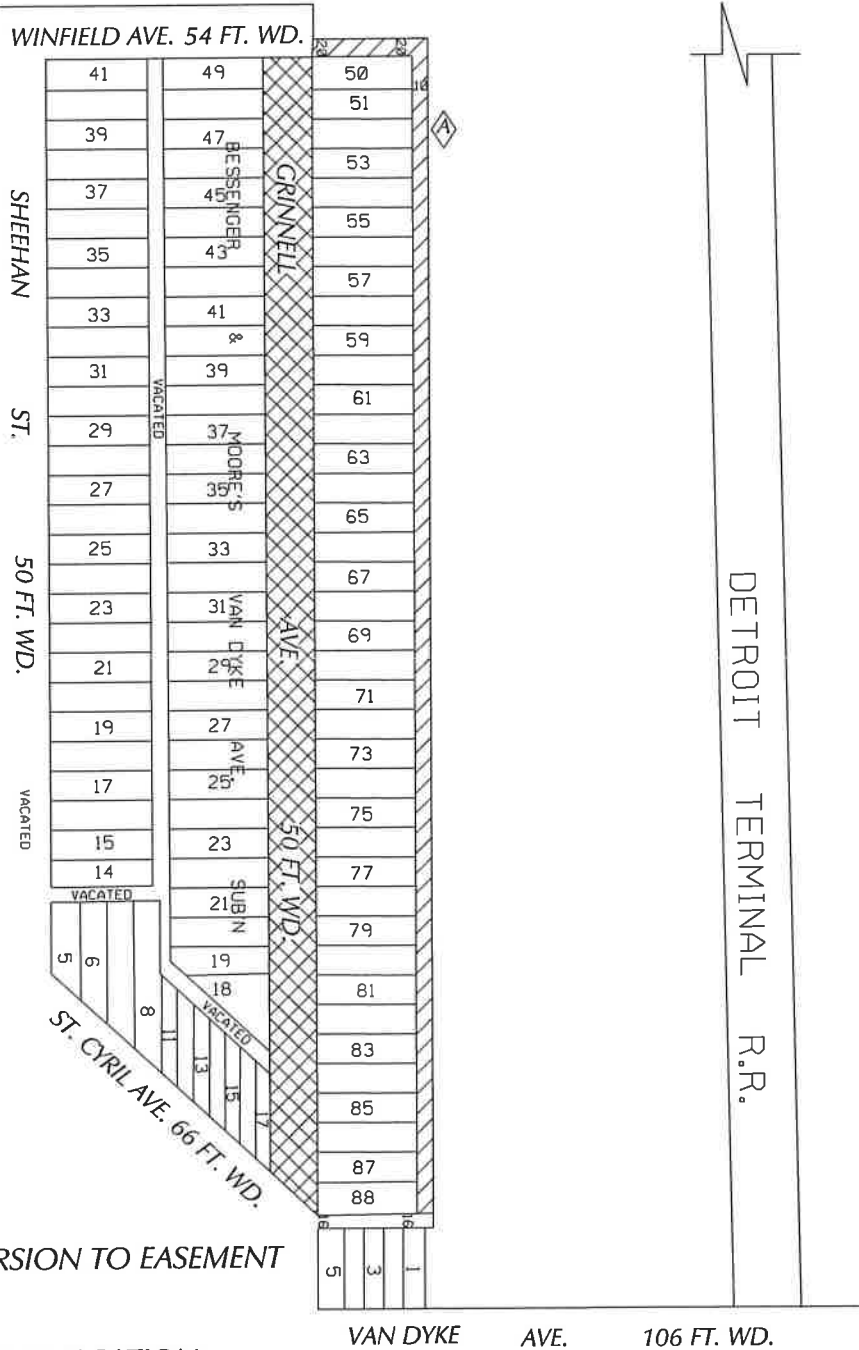
owners shall pay all costs incident to such removal and/or relocation. It is further provided that if sewers, water mains, and/or appurtenances in said easement shall break or be damaged as a result of any action on the part of the owner, or assigns, then in such event, the owner or assigns shall be liable for the costs incident to the repair of such broken or damaged sewers and water mains, and shall also be liable for all claims for damages resulting from his action and be it further



PROVIDED, that if it becomes necessary to remove the paved alley returns at the entrances such removal and construction of the new curb and sidewalk shall be done under city permit and inspection according to City Engineering Division – DPW specification with all costs borne by the abutting owner(s), their heirs or assigns; and further

PROVIDED, That the City Clerk shall within 30 days record a certified copy of this resolution with the Wayne County Register of Deeds.

PETITION NO. 1171
 CHAUNCEY HITCHCOCK
 PHONE NO. (313)-567-6473
 CELL PHONE (313)-820-5954
 EMAIL: Chauncey.hitchcock@soave.com.
 C/O CASSI MEITL
 PHONE NO. (708) 212-0524

"REVISION-A"



-  - CONVERSION TO EASEMENT
-  - OUTRIGHT VACATION

(FOR OFFICE USE ONLY)

CARTO 50 A

B					
A	REVISIONS	SA	KSM	JD	01/27/2020
DESCRIPTION					
DRAWN BY SA					
CHECKED KSM					
DATE 01-21-2020					
APPROVED					

- REQUEST TO OUTRIGHT VACATE GRINNELL AVE. 50 FT. WD. BETWEEN WINFIELD AVE. AND ST. CYRIL AVE.
 - CONVERSION TO EASEMENT ALLEYS (10 AND 20 FT. WD.) NORTH OF GRINNELL AVE. AND EAST OF WINFIELD AVE.

CITY OF DETROIT
 CITY ENGINEERING DIVISION
 SURVEY BUREAU

JOB NO. 01-01
 DRWG. NO. X 1171



CITY OF DETROIT
DEPARTMENT OF PUBLIC WORKS
CITY ENGINEERING DIVISION

33

COLEMAN A. YOUNG MUNICIPAL CENTER
2 WOODWARD AVE. SUITE 601
DETROIT, MICHIGAN 48226
PHONE: (313) 224-3949 • TTY: 711
FAX: (313) 224-3471
WWW.DETROITMI.GOV

March 11th, 2019

Honorable City Council:

RE: Petition No. 1174 – Ladder 4, LLC, request for encroachment into W. Grand Blvd (150 feet wide) right of way.

Petition No. 1174 – Ladder 4, LLC request for encroachment upon the berm on the south half of W. Grand Blvd. between Vinewood Street (66 ft. wide) and W. Grand Blvd (169 ft. wide).

The petition was referred to the City Engineering Division – DPW for investigation and report. This is our report.

The request is being made to extend the rear patio space of the newly established restaurant.

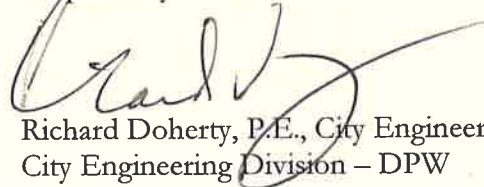
The request was approved by the Solid Waste Division – DPW, City Engineering Division – DPW, and Traffic Engineering – DPW (TED) with TED provisions that are a part of the resolution.

Detroit Water and Sewerage Department (DWSD) reports involvement, but no objection provided the DWSD encroachment provisions are followed. The DWSD provisions have been made a part of the resolution.

All other involved City Departments, including the Public Lighting Authority and Public Lighting Department; also privately owned utility companies have reported no objections to the encroachment. Provisions protecting all utility installations are part of the attached resolution.

I am recommending adoption of the attached resolution.

Respectfully submitted,



Richard Doherty, P.E., City Engineer
City Engineering Division – DPW

JMK

Cc: Ron Brundidge, Director, DPW
Mayor's Office – City Council Liaison

COUNCIL MEMBER _____

RESOLVED, that the Department of Public Works, City Engineering Division is hereby authorized and directed to issue permits to Ladder 4, LLC. or their assigns to install and maintain an encroachment with a privacy fence on the south side of W. Grand Blvd, 150 feet wide, between Vinewood Street, 66 ft. wide, and W. Grand Blvd, 169 ft. wide, and described as: A irregular shaped part of W. Grand Blvd, 150 feet wide, as platted in "Charles F. Campau Subdivision" as recorded in Liber 1, Page 199 of Plats, Wayne County Records; extending 13 ft. north, following the east right-of-way line of Vinewood Street, from the north-west corner of lot 40, excluding parts taken for the widening of W. Grand Blvd, and extending 50 ft. north, following the west right-of-way line alley, 20 ft. wide, from the north-east corner of lot 40, excluding parts taken for the widening of W. Grand Blvd, all within "Charles F. Campau Subdivision" as recorded in Liber 1, Page 199 of Plats , Wayne County Records.

PROVIDED, that if there is any cost for the removing and/or rerouting of any utility facilities, it shall be done at the expense of the petitioner and/or property owner; and be it further

PROVIDED, that the petitioner construct a sidewalk, to the specifications and standards of the City of Detroit City Engineering Division, outside of the encroachment area to follow adjacent to W. Grand Blvd., 150 ft. wide, from Vinewood Street, 66 ft. wide, to the north-south alley. 20 ft. wide, east of and adjacent to lot 40 as platted in "Charles F. Campau Subdivision" as recorded in Liber 1, Page 199 of Plats, Wayne County Records; and be it further

PROVIDED, that by approval of this petition the Detroit Water and Sewerage Department (DWSD) does not waive any of its rights to its facilities located in the right-of-way, and at all times, DWSD, its agents or employees, shall have the right to enter upon the right-of-way to maintain, repair, alter, service, inspect, or install its facilities. All costs incident to the damaging, dismantling, demolishing, removal and replacement of structures or other improvements herein permitted and incurred in gaining access to DWSD's facilities for maintenance, repairing, alteration, servicing or inspection caused by the encroachment shall be borne by the petitioner. All costs associated with gaining access to DWSD's facilities, which could normally be expected had the petitioner not encroached into the right-of-way, shall be borne by DWSD; and be it further

PROVIDED, that all construction performed under this petition shall not be commenced until after (5) days written notice to DWSD. Seventy-two (72) hours' notice shall also be provided in accordance with P.A. 53 1974, as amended, utilizing the MISS DIG one call system; and be it further

PROVIDED, that construction under this petition is subject to inspection and approval by DWSD forces. The cost of such inspection shall, at the discretion of DWSD, be borne by the petitioner; and be it further

PROVIDED, that if DWSD facilities located within the right-of-way shall break or be damaged as the result of any action on the part of the petitioner, then in such event the petitioner agrees to be liable for all costs incident to the repair, replacement or relocation of such broken or damaged DWSD facilities; and be it further

PROVIDED, that the petitioner shall hold DWSD harmless for any damages to the encroaching device constructed or installed under this petition which may be caused by the failure of DWSD's facilities; and be it further

PROVIDED, Ladder 4, LLC. or their assigns shall apply to the Buildings and Safety Engineering Department for a building permit prior to any construction. Also, if it becomes necessary to open cut public streets, bore, jack, occupy or barricade city rights-of-way for maintenance of encroachments such work shall be according to detail permit application drawings submitted to the City Engineering Division – DPW prior to any public right-of-way construction; and further

PROVIDED, that the necessary permits shall be obtained from the City Engineering Division – DPW and the Buildings and Safety Engineering Department. The encroachments shall be constructed and maintained under their rules and regulations; and further

PROVIDED, that all cost for the construction, maintenance, permits and use of the encroachments shall be borne by Ladder 4 LLC. or their assigns, and further

PROVIDED, that all costs incurred by privately owned utility companies and/or city departments to alter, adjust, and/or relocate their existing utility facilities located in close proximity to the encroachments shall be borne by Ladder 4 LLC. or their assigns. Should damages to utilities occur Ladder 4, LLC. or their assigns shall be liable for all incidental repair costs and waives all claims for damages to the encroaching installations; and further

PROVIDED, that no other rights in the public streets, alleys or other public place shall be considered waived by this permission which is granted expressly on the condition that said encroachments shall be removed at any time when so directed by the City Council, and the public property affected shall be restored to a condition satisfactory to the City Engineering Division – DPW; and further

PROVIDED, that Ladder 4, LLC. or their assigns shall file with the Department of Public Works – City Engineering Division an indemnity agreement in form approved by the Law Department. The agreement shall save and protect the City of Detroit from any and all claims, damages or expenses that may arise by reason of the issuance of the permits and the faithful or unfaithful performance of Ladder 4, LLC. or their assigns of the terms thereof. Further, Ladder 4, LLC. or their assigns shall agree to pay all claims, damages or expenses that may arise out of the use, repair and maintenance of the proposed encroachments; and further

PROVIDED, that all cost for the construction, maintenance, permits and use of the encroachments shall be borne by Ladder 4, LLC, or their assigns; and further

PROVIDED, this resolution or part thereof is revocable at the will, whim or caprice of the City Council, and Ladder 4, LLC. acquires no implied or other privileges hereunder not expressly stated herein; and further

PROVIDED, that the encroachment permits shall not be assigned or transferred without the written approval of the City Council; and be it further

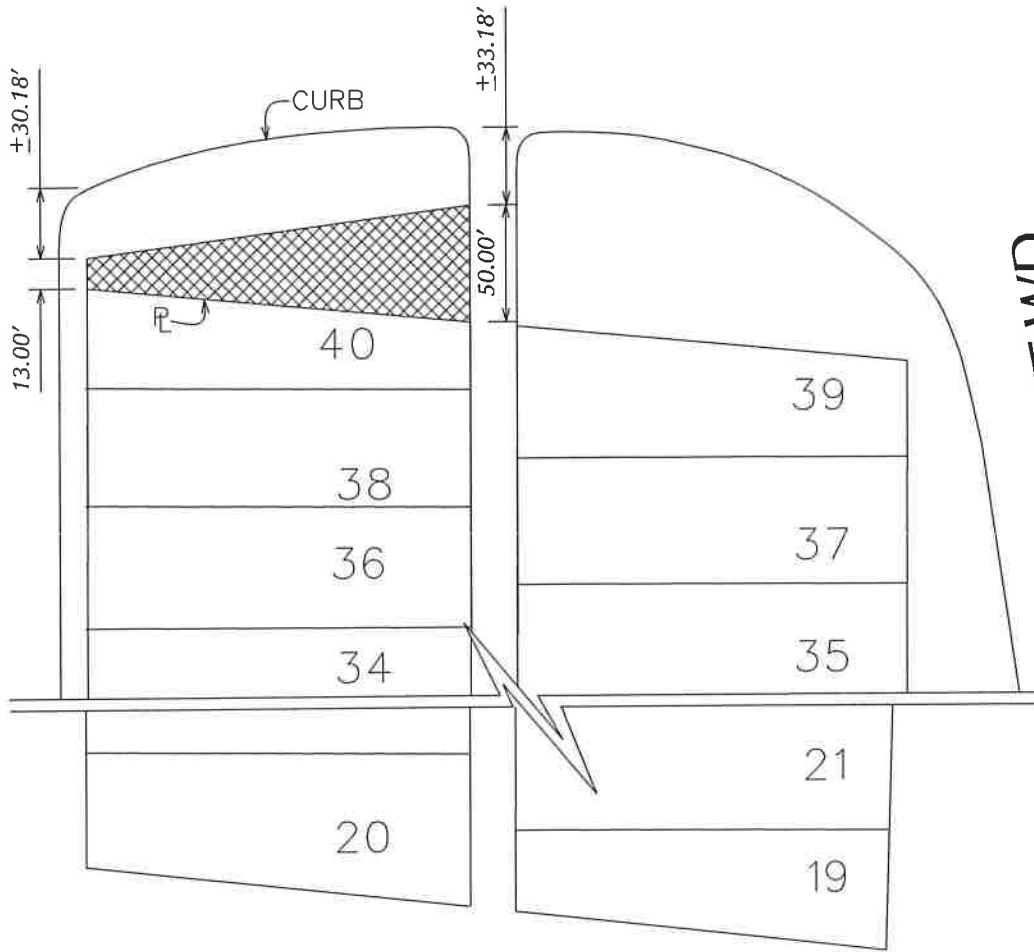
PROVIDED, that the City Clerk shall within 30 days record a certified copy of this resolution with the Wayne County Register of Deeds.

PETITION NO. 1174
 LADDER 4, LLC
 3396 VINEWOOD
 DETROIT, MICHIGAN 48208
 JAMES CADARIU
 PHONE NO. (313) 515-2017



W. GRAND BLVD 150 FT.WD.

VINEWOOD AVE. 66 FT.WD.



ASH ST. 50 FT.WD.



- REQUEST ENCROACHMENT
 (With Fencing & Seating)

(FOR OFFICE USE ONLY)

CARTO 19 C

B					
A					
DESCRIPTION	DRWN	CHKD	APPD	DATE	
REVISIONS					
DRAWN BY	SA	CHECKED	KSM		
DATE	01-04-20	APPROVED			

**REQUEST ENCROACHMENT
 INTO GRAND BLVD
 AT 3396 VINEWOOD**

CITY OF DETROIT	
CITY ENGINEERING DIVISION	
SURVEY BUREAU	
JOB NO.	01-01
DRWG.NO.	X 1174