



Housing and Revitalization
Department

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

Phone: 313.224.6380
Fax: 313.224.1629
www.detroitmi.gov

98

May 1, 2020

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

RE: Request for Public Hearing for Petition #1225 to Establish a Commercial Rehabilitation District for the City of Detroit in the area of 3439-3455 Woodward and 13 Stimson, Detroit, Michigan, in accordance with Public Act 210 of 2005.

Honorable City Council:

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

Per Public Act 210 of 2005, prior to acting upon the resolution to approve a district, a public hearing must be held, and the City Clerk must provide written notice of the public hearing to the assessor and to the governing body of each taxing unit that levies an ad valorem tax within the eligible district, **said notice to be made not less than 10 days or more than 30 days** prior to your Honorable Body's adoption of said resolution.

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

Respectfully submitted,

DocuSigned by:
Kelly R Vickers
A1E218A0ECAA417...

Kelly Vickers
Associate Director

KV/ml

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



Housing and Revitalization
Department

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

Phone: 313.224.6380
Fax: 313.224.1629
www.detroitmi.gov

BY COUNCIL MEMBER _____

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

WHEREAS, the City of Detroit 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

Thursday, February 27, 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.

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

1225 *City of Detroit, request to establish a Commercial Rehabilitation District for the properties located at 3349-3355 Woodward and 13 Stimson*



February 14, 2020

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

RE: Request for Establishment of Commercial Rehabilitation District Pursuant to P.A. 210 of 2005, as amended, 3349-3355 Woodward and 13 Stimson, Detroit, Michigan

Honorable City Council:

The City of Detroit (the "City") is requesting the establishment of a Commercial Rehabilitation District pursuant to P.A. 210 of 2005, as amended, for two parcels; one located at 13 Stimson and the other at 3349-3355 Woodward in the Midtown neighborhood area as described on the parcels and legal description on Appendix A and survey depicted on Appendix B (hereinafter, the "Properties"). The City currently owns 100% of the Properties.

The Properties are located at a vital intersection in the downtown Woodward Ave corridor. Their redevelopment within a prominent commercial and residential district are key for the continued revitalization and promotion of mixed-used development within the City of Detroit.

The Properties, as vacant land, qualify for a Commercial Rehabilitation District because in the immediately preceding 15 years they had been commercial property as defined in section 2 of P.A. 210, MCL 207.842(a). The Properties are currently being leased to a private entity for commercial, fee based, surface parking.

The developer, Queen Lillian II LLC, intends to acquire the Properties from the City and develop them to include a multifamily facility with retail and parking spaces. The developer expects to invest \$59 million, for the construction of a 186,000 SF facility with roughly 25,000 SF of commercial retail space and 204 residential units. This substantial investment by the developer would not otherwise be undertaken without the City's support of incentives, including the property tax reduction that may be approved pursuant to a Commercial Rehabilitation Exemption Certificate. In addition, the developer intends to request the adoption of a brownfield plan for the reimbursement of brownfield eligible activities.

The City recognizes that property tax exemptions are necessary to realize the redevelopment of the Properties. To that end, it should be noted that the creation of a Commercial Rehabilitation District does not in and of itself provide a tax exemption. Once the district is created, the property owners will need to undertake significant development efforts in order to qualify for a Commercial Rehabilitation Exemption Certificate as well as seek approval from both the Detroit City Council and the Michigan State Tax Commission.

All projects will be subject to DEGC underwriting standards and subject to a "but for" determination.



Statutory Definition

Commercial Rehabilitation District – The proposed district must be not less than 3 acres in size, located in a downtown or business area, or contain a qualified retail food establishment be located in a downtown or business area, provided that either of the following:

- a. Project is consistent with the City's comprehensive plans, applicable corridor strategies or other strategic initiatives including hiring and procurement plans
- b. A qualified facility may include vacant property or other commercial property which, within the immediately preceding 15 years, was commercial property
- c. A qualified facility may include vacant property or other commercial property which, within the immediately.

Commercial Rehabilitation District Requirements

The proposed district must meet the requirements set forth by the Act. As a qualified local governmental unit, the City of Detroit may, by resolution, of its City Council, establish a **Commercial Rehabilitation District** on its own initiative.

Thank you for your consideration of this petition.

Sincerely,

A handwritten signature in cursive script, appearing to read "Katherine Trudeau".

Katherine Trudeau
City of Detroit, Planning & Development Department

cc: Veronica Farley, City of Detroit, Housing Revitalization Department
Catherine Frazier, Detroit Economic Growth Corporation

Enclosures:

3349-3355 Woodward and 13 Stimson Parcel Information and Legal Descriptions
3349-3355 Woodward and 13 Stimson Parcel Survey

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.

2020-02-27

1225

1225 *Petition of City of Detroit, request to establish a Commercial Rehabilitation District for the properties located at 3349-3355 Woodward and 13 Stimson*

REFERRED TO THE FOLLOWING DEPARTMENT(S)

FINANCE DEPARTMENT HOUSING AND
REVITALIZATION

PLANNING AND DEVELOPMENT DEPARTMENT LAW
DEPARTMENT

LEGISLATIVE POLICY DIVISION



TO: Matthew Langston, Housing and Revitalization
FROM: Dan Rieden, Planning and Development
RE: Master Plan Interpretation for **Commercial Rehabilitation District** (PA 210) for 3439-3455 Woodward and 13 Stimson (Associated to Petition #1225)
DATE: April 2, 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 that **establishment** of a **Commercial Rehabilitation District** is consistent with the City's Master Plan of Policies and will have the reasonable likelihood to increase commercial activity; create, retain or prevent a loss of employment; revitalize an urban area; or increase the number of residents in a community, pursuant to State of Michigan, Public Act 210 of 2005 (section 207.843), the Planning and Development Department's Planning Division submits the following interpretation. The Petitioner is Queen Lillian II LLC.

Location and Project Proposal: 3439-3455 Woodward and 13 Stimson. This developer expects to invest \$59 million to construct a 186,000 SF multifamily facility with approximately 25,000 SF of commercial retail and 204 residential units with parking space.

Current Master Plan (MP) & Zoning: MP Classification – Mixed Residential-Commercial (MRC); Zoning – SD2 Special Development District, Mixed-Use; this project is not in a local historic 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 2.1: Develop Woodward and Cass as high-density mixed-use 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 5.2: Ensure aesthetic compatibility between new and existing structures and sites.
- Policy 8.1: Recognize 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
3439 - 3455 Woodward

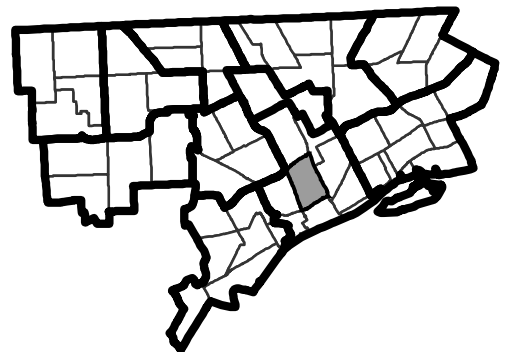
Map 4-5B
City of Detroit
Master Plan of
Policies

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
OFFICE OF THE CHIEF FINANCIAL OFFICER
OFFICE OF THE ASSESSOR

COLEMAN A. YOUNG MUNICIPAL CENTER
2 WOODWARD AVE., SUITE 824
DETROIT, MI 48226
PHONE: 313•224•3011
FAX: 313•224•9400

April 6, 2020

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

RE: Commercial Rehabilitation District – **City of Detroit – Queen Lillian II**
Property Address: 3439-3455 Woodward and 13 Stimson
Parcels Number: 02001818-9 and 02000717-8

Dear Ms. Trudeau:

The Office of the Chief Financial Officer, Office of the Assessor, has reviewed the proposed Commercial Rehabilitation District request located at **3439-3455 Woodward and 13 Stimson** in the **Midtown** area in the **City of Detroit**.

The rationale for creating Commercial Rehabilitation Districts under PA 210 of 2005, as amended, is based on the anticipation of increased market value upon completion of new construction and/or significant rehabilitation of commercial and former industrial property where the primary purpose and use is the operation of a commercial business enterprise or multifamily residential use. Commercial property also includes facilities related to a commercial business enterprise under the same ownership at that location, including, but not limited to, office, engineering, research and development, warehousing, parts distribution, retail sales, and other commercial activities. Commercial property also includes a building or group of contiguous buildings previously used for industrial purposes that will be converted to the operation of a commercial business enterprise.

The district as proposed by the **City of Detroit** consists of parking lots on a total of 1.853 acres of land located in a qualified business area. The developer, Queen Lillian II LLC, proposes new construction of an 186,000 square foot mixed-use building with roughly 25,000 of ground floor commercial retail space and 204 residential units.

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

A field investigation and application review indicated that the proposed Commercial Rehabilitation District located at **3439-3455 Woodward and 13 Stimson** in the **Midtown** area in the City of Detroit is eligible as it pertains to the Commercial Rehabilitation Act under P.A. 210 of 2005, as amended.

Sincerely,

Charles Ericson, MMAO
Assessor, Board of Assessors

mmp

