## City of Metroit

Janice M. Winfrey City Clerk

OFFICE OF THE CITY CLERK

Andre P. Gilbert II Deputy City Clerk

March 22, 2023

To:

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

Re: Request for Establishment of Commercial Rehabilitation District - Avanath North End Multifamily, LLC (2 of 2 requests for North End Landing Project)

Please find attached Petition Request for Establishment of Commercial Rehabilitation District - Avanath North End Multifamily, LLC (2 of 2 requests for North End Landing Project)

Respectfully submitted,

Jaleesa McIntosh, Jr. Assistan City Council Committee Clerk Office of the City Clerk



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

By Email

March 21, 2023

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

Re: Request for Establishment of Commercial Rehabilitation District - Avanath North End Multifamily, LLC (2 of 2 requests for North End Landing Project)

Ladies and Gentlemen:

Please see the attached request by Avanath North End Multifamily, LLC, a Delaware limited liability company ("Applicant"), for the establishment of a Commercial Rehabilitation District pursuant to P.A. 210 of 2005, as amended, for a portion of the proposed North End Landing project. A separate request is being submitted by Avanath North End Parcel Owner I, LLC for another portion of the proposed North End Landing project.

Thank you for your attention to this matter.

Very truly yours,

**HONIGMAN LLP** 

Richard of Barr

Richard A. Barr

Enclosure

#### Avanath North End Multifamily, LLC 1920 Main Street, Suite 150 Irvine, CA 92614

March 21, 2023

Detroit City Council c/o City Clerk 200 Coleman A. Young Municipal Building 2 Woodward Avenue Detroit, MI 48226

Re: Petition to Establish Commercial Rehabilitation District Pursuant to PA 210 of 2005, as amended

Honorable City Council,

Avanath North End Multifamily, LLC ("Owner"), requests the establishment of a Commercial Rehabilitation District pursuant to section 3 of the Commercial Rehabilitation Act, PA 210 of 2005, MCL 207.841 ("PA 210"), to support the planned rehabilitation of a portion of the parcels located as further described in the table below, all of which are in Detroit, Michigan. The Owner plans to develop a total of twenty-four (24) new apartments on the parcels that it owns within the proposed district. Avanath North End Parcel Owner I, LLC (an affiliate of Owner) plans to develop an additional one hundred fifty-three (153) new apartments on parcels it owns, in connection with which a separate request has been submitted for the establishment of a second Commercial Rehabilitation District under PA 210. Together, a total of one hundred seventy-seven (177) new residential apartments are proposed, of which approximately ninety-five (95) will be intended for senior housing.

The proposed district includes nine (9) tax parcels of land, all of which are owned by the Owner, containing approximately 0.87 acres of land, with a substantial majority of the lots being vacant. The nine parcels are in the process of a tax parcel combination pursuant to a request approved or in the process of being approved by the City assessor, following which there are expected to be one (1) tax parcel within the proposed district.

The development intends to rehabilitate the area for uses eligible for the issuance of a commercial rehabilitation tax exemption certificate under PA 210. A related portion of the development, which consists of eight (8) proposed new for-sale townhomes, is expected to be developed by a related party pursuant to Neighborhood Enterprise Zone (NEZ) certificates to be requested separately pursuant to the NEZ Act.

Please see Attachment A for the tax parcel numbers and Attachment B for a depiction of the proposed district.

Supporting details for the work described above and applicable costs will be included in the PA 210 certificate application to be submitted in the near future.

We would appreciate your consideration and approval of this request. Thank you.

Respectfully submitted,

### AVANATH NORTH END MULTIFAMILY, LLC,

a Delaware limited liability company

By: Avanath North End Holdings, LLC, a Delaware limited liability company Its Managing Member

> By: Avanath AH Renaissance Aggregator, L.P., a Delaware limited partnership Its Managing Member and Sole Member

> > By: Avanath AH Renaissance Aggregator GP, LLC, a Delaware limited liability company Its General Partner

> > > By: Avanath AH Renaissance GP, LLC, a Delaware limited liability company Its Sole Member

> > > > Name: Jun Sakumoto

Title: Chief Compliance Officer

Encs.

Richard A. Barr, Esq.

## ATTACHMENT A Tax Parcel Numbers

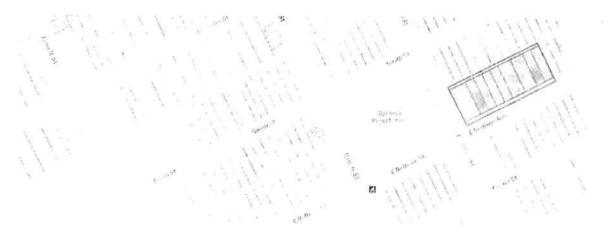
## Parcel ID

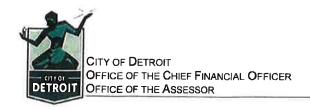
Currently,

3001900, 3001901, 3001902, 3001903, 3001904, 3001905.001, 03001905.002L, 3001906, and 3001907

New parcel assignment expected upon completion of pending parcels combination

# ATTACHMENT B Proposed District





PHONE: 313-224-3011 Fax: 313-224-9400

March 30, 2023

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 - Avanath North End Multifamily LLC

Property Address: see attached list Parcel Number: see attached list

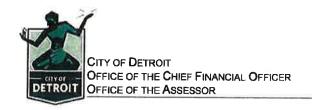
Dear Ms. Trudeau:

The Office of the Chief Financial Officer, Office of the Assessor, has reviewed the proposed Commercial Rehabilitation District located in the **North End 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 **Avanath North End Multifamily LLC** consists of 9 parcels, two of which are improved with multi-unit structures. The proposed district is comprised of 0.87 acres of land. The developer plans to construct 24 new apartments units. The applicant owns more than 50% of the taxable value of all property within the proposed district.

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.



PHONE: 313-224-3011 FAX: 313-224-9400

Commercial Rehabilitation District Avanath North End Multifamily LLC Page 2

A review of the proposed district and relevant statutes indicated that the proposed Commercial Rehabilitation District located in the **North End area** in the City of Detroit is eligible as it pertains to the Commercial Rehabilitation Act under P.A. 210 of 2005, as amended.

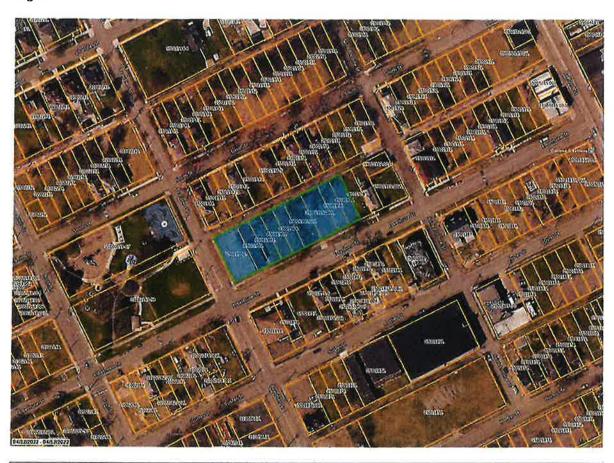
Sincerely,

Charles Ericson, MMAO Assessor, Board of Assessors

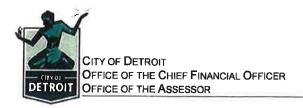


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#### Commercial Rehabilitation District Avanath North End Multifamily LLC Page 3



Parcel	Property Address	Owner	Legal Description
03001900.	501 E BETHUNE	DETROIT LAND BANK AUTHORITY	N BETHUNE E 201-202 WM Y HAMLIN & S J BROWNS L8 P72 PLATS, W C R 3/91 59.5 X 115
03001901.	511 E BETHUNE	AVANATH NORTH END MULTIFAMIL et al	N BETHUNE E 203 WM Y HAMLIN & S J BROWNS L8 P72 PLATS, W C R 3/91 30 X 115
03001902.	519 E BETHUNE	ANE SPE, LLC	N BETHUNE E 204 WM Y HAMLIN & S J BROWNS L8 P72 PLATS, W C R 3/91 30 X 115
03001903.	525 E BETHUNE	DETROIT LAND BANK AUTHORITY	N BETHUNE E 205 WM Y HAMLIN & S J BROWNS L8 P72 PLATS, W C R 3/91 30 X 115
03001904.	529 E BETHUNE	DETROIT LAND BANK AUTHORITY	N BETHUNE E 206 WM Y HAMLIN & S J BROWNS L8 P72 PLATS, W C R 3/91 30 X 115
03001905.001	535 E BETHUNE	DETROIT LAND BANK AUTHORITY	N BETHUNE E 207 W 1/2 208 WM Y HAMLIN & S J BROWNS L8 P72 PLATS, W C R 3/91 45 X 115



PHONE: 313-224-3011 FAX: 313-224-9400

03001905.002L	545 E BETHUNE	DETROIT LAND BANK AUTHORITY	N BETHUNE E E 1/2 208 209 WM Y HAMLIN & S J BROWNS L8 P72 PLATS, W C R 3/91 45 X 115
03001906.	555 E BETHUNE	DETROIT LAND BANK AUTHORITY	N BETHUNE E 210 WM Y HAMLIN & S J BROWNS L8 P72 PLATS, W C R 3/91 30 X 115
03001907.	561 È BETHUNE	DETROIT LAND BANK AUTHORITY	N BETHUNE E 211 WM Y HAMLIN & S J BROWNS L8 P72 PLATS, W C R 3/91 30 X 115



TO:

Justus Cook, Housing and Revitalization

FROM:

Shelby Wyche, Planning and Development

RE:

Master Plan Interpretation for Commercial Rehabilitation District (PA 210) for

Avanath North End Multifamily, LLC (Associated to Petition # 2023-101)

DATE:

March 30, 2023

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 Avanath North End Multifamily, LLC.

**Location and Project Proposal:** 501, 511, 519, 525,529,535,545,555,561,East Bethune Detroit, MI 48202. The proposed proposed project will beknew construction of 8 new townhomes.

Current Master Plan (MP) & Zoning: MP Classification – Low/Medium Density Residential (RLM) Zoning – Low Density Residential District (R3)

#### **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 Middle Woodward neighborhood describe the following recommendations:

- GOAL 1: Reinforce sound neighborhoods
- Policy 1.1: Maintain the stability of the Boston-Edison and New Center area through home repair programs and scattered-site infill development of similar scale and character to the existing housing stock.

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