

PLANNING AND DEVELOPMENT DEPARTMENT Coleman A. Young Municipal Center 2 Woodward Avenue, Suite 808 Detroit, Michigan 48226 Phone 313•224•1339 www.detroitmi.gov

June 26, 2023

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

RE: Property Sale by Detroit Land Bank Authority Omnia Inc. (d/b/a Nine Design and Homes) Development: 16153, 16157 Woodingham; 16125 Santa Rosa; 16561 Monica

Honorable City Council:

Pursuant to the Second Amended and Restated Memorandum of Understanding ("MOU") between the City of Detroit and the Detroit Land Bank Authority ("DLBA"), approved by your Honorable Body on May 19, 2020, the DLBA may not transfer ten (10) or more parcels of property received from the City to the same transferee within any rolling 12 month period without the prior approval of the Mayor and City Council.

The DLBA is now in receipt of an offer from Omnia, Inc., a Delaware Corporation (d/b/a Nine Design and Homes) to enter into an option to purchase four (4) properties ("the Property") acquired by the DLBA (as described in the attached Exhibit A). The Property is within the Fitzgerald/ Marygrove neighborhood located in Council District 2.

The Property is zoned R1 (Single Family Residential) and R2 (Two Family Residential). All are unoccupied single-family dwellings in need of significant repair. The dwellings range in size from approximately 704 to 1596 square feet. The renovated homes will be for sale. The estimated cost of renovation per dwelling is approximately \$80k - \$90k. Currently, Nine Design and Homes has provided proof of a \$400,000 line of credit as funding for the project.

Nine Design and Homes wishes to acquire and renovate these homes to make a positive impact in the community. The renovation of the homes will be featured on the HGTV show, Bargain Block. The upcoming third season will focus on the Fitzgerald/Marygrove neighborhood. Since January 2023, Nine Design and Homes has purchased nine (9) homes from the DLBA and to date has completed the renovation of five (5).

Honorable City Council June 26, 2023 Page 2

Conditions to Exercise Option are to include:

- Detroit City Council approval
- City of Detroit Planning and Development Department ("PDD") Design Review and approvals, as necessary or required
- Clear title
- Zoning compatibility/successful zoning changes and/or conditional land use hearings
- Obtaining applicable City permits
- Other approvals as necessary with required City departments and/or agencies

The Planning & Development Department, therefore, requests that your Honorable Body authorize the Detroit Land Bank Authority to enter into an Option Agreement with Omnia, Inc., a Delaware Corporation (d/b/a Nine Design and Homes) to sell the Property as more particularly referenced in the attached Exhibit A for \$ 22,400.00; and, upon exercise of the option by the optionee, to sell such property in accordance with the terms set forth in the Option Agreement.

Respectfully submitted,

Antoine Bryant

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AB/am

Cc: Julie Schneider, HRD Malik Washington, Mayor's Office

RESOLUTION

BY COUNCIL MEMBER:

WHEREAS, the Detroit Land Bank Authority ("DLBA") was created to assemble and dispose of publicly owned properties in a coordinated manner to foster the development of that property and to promote economic growth in the City of Detroit; and

WHEREAS, pursuant to the Second Amended and Restated Memorandum of Understanding ("MOU") between the City of Detroit and the DLBA, approved by the Detroit City Council on May 19, 2020, the DLBA may not transfer ten (10) or more parcels of property received from the City of Detroit to the same transferee within any rolling twelve (12) month period without the prior approval of the Mayor and City Council; and

WHEREAS, the DLBA is now in receipt of an offer from Omnia, Inc., a Delaware Corporation (d/b/a Nine Design and Homes) to enter into an option to purchase four (4) properties ("the Property") acquired by the DLBA (as described in the attached Exhibit A). The Property is within the Fitzgerald/Marygrove neighborhood located in Council District 2.

WHEREAS, Nine Design And Homes proposes to renovate the residential structures for sale; and

WHEREAS, The Property is zoned R1 (Single Family Residential District) and R2 (Two Family Residential District). Nine Design and Homes shall comply with all applicable zoning guidelines and approval processes.

NOW, THEREFORE, BE IT RESOLVED, that in accordance with the foregoing communication, the Detroit Land Bank Authority, be and is hereby authorized to enter into an Option Agreement with Omnia, Inc., a Delaware Corporation (d/b/a Nine Design and Homes), to sell the Property as more particularly referenced in the attached Exhibit A for \$22,400.00; and, upon exercise of the option by the optionee, to sell such property in accordance with the terms set forth in the Option Agreement.

EXHIBIT A

Parcel ID	Address	Sq ft (Bldg)	Sq Ft (lot)	Sales Price	Zone
16028885	16153 Woodingham	1005	2910	\$ 6,700.00	R1
16028884	16157 Woodingham	1006	2915	\$ 6,700.00	R1
16021751	16561 Monica	704	3885	\$ 4,500.00	R2
16020653	16125 Santa Rosa	1596	4884	\$ 4,500.00	R2

\$22,400.00