



CITY OF DETROIT
PLANNING AND DEVELOPMENT DEPARTMENT

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December 1, 2021

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

RE: Property Sale
435 W. Seven Mile, Detroit, MI 48203

Honorable City Council:

The City of Detroit, Planning and Development Department ("P&DD") has received an offer from Chugga's Main Street Bakery, LLC ("Purchaser"), to purchase certain City-owned real property at 435 W. Seven Mile (the "Property"). The P&DD entered into a purchase agreement, dated October 28, 2021, with Purchaser. Under the terms of the proposed purchase agreement, the Property will be conveyed to Purchaser for the purchase price of One Thousand and 00/100 Dollars (\$1,000.00).

Purchaser is the operator of a Detroit-based bakery. They wish to acquire the property in order to open a production and fulfillment center for their baked goods. The Property is within a B4 zoning district (General Business District). Purchaser's proposed use of the Property shall be consistent with the allowable uses for which the Property is zoned. Furthermore, the Property shall be transferred subject to a reverter interest, requiring the purchaser to clean and secure the property within Six (6) months of closing and obtain a Certificate of Occupancy for the production and fulfillment structure within Thirty-Six (36) months.

We request that your Honorable Body adopt the attached resolution to authorize the Director of P&DD to execute a quit claim deed and such other documents as may be necessary or convenient to effect a transfer of the Property by the City to Chugga's Main Street Bakery, LLC.

Respectfully submitted,

Antoine Bryant
Director

cc: Gail Fulton, 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 435 W. Seven Mile, Detroit, MI (the "Property"), as more particularly described in the attached Exhibit A incorporated herein, to Chugga's Main Street Bakery, LLC ("Purchaser"), for the purchase price of One Thousand and 00/100 Dollars (\$4,510.00); and be it further

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

RESOLVED, the Property shall be transferred subject to a reverter interest, requiring the purchaser to clean and secure the property within Six (6) months of closing and obtain a Certificate of Occupancy for the production and fulfillment structure within Thirty-Six (36) months; 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) Sixty and 00/100 Dollars (\$60.00) shall be paid to the DBA from the sale proceeds, 2) Fifty and 00/100 Dollars (\$50.00) shall be paid to the DBA's real estate brokerage firm from the sale proceeds and 3) customary closing costs up to Two Hundred and 00/100 Dollars (\$200.00) as well as any taxes and assessments which have become a lien on the Properties; and be it further

RESOLVED, that the P&DD Director, or his authorized designee, is authorized to execute any required instruments to make and incorporate technical amendments or changes to the quit claim deed (including but not limited to corrections to or confirmations of legal descriptions, or timing of tender of possession of particular parcels) in the event that changes are required to correct minor inaccuracies or are required due to unforeseen circumstances or technical matters that may arise prior to the conveyance of the Property, provided that the changes do not materially alter the substance or terms of the transfer and sale; and be it finally

RESOLVED, that the quit claim deed will be considered confirmed when executed by the P&DD Director, or his authorized designee, and approved by the Corporation Counsel as to form.

(See Attached Exhibit A)

EXHIBIT A

LEGAL DESCRIPTION

Property situated in the City of Detroit, Wayne County, Michigan, described as follows:

Parcel

S SEVEN MILE W LOT 6 WOODWARD PARK L28 P37 PLATS, WCR 1/175 35 X 117
DIVISION FROM 01006973-4

a/k/a 435 W. Seven Mile
Tax Parcel ID 01006974

Description Correct
Engineer of Surveys

By: _____
Basil Sarim
Sr. Associate Surveyor
City of Detroit/DPW, CED