



July 16, 2024

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

Re: Abolishment of the Lithuanian Hall Brownfield Redevelopment Plan

Dear Honorable Council Members:

The Lithuanian Hall Brownfield Redevelopment Plan (the "Plan") was approved by City Council on May 11, 2005. The legal descriptions for the subject Plan are attached (Exhibit A).

At the regularly scheduled June 12, 2024 DBRA Board of Directors meeting, DBRA staff recommended termination of the Plan on the basis that the project has been completed and the purposes for which the plan was established are accomplished in accordance with Section 14(8)(a) of Act 381. The DBRA subsequently adopted a resolution (Exhibit B) approving the abolishment of the Plan and authorizing the submission of a copy of its resolution to request that City Council adopt a resolution abolishing the Plan.

The DBRA, as authorized by City Council, sent a notification of abolishment of the Plan (Exhibit C) in accordance with Section 14(8)(b).

Authority's Request

The Authority is respectfully requesting the following action from the City Council:

- a.) July 23, 2024
Referral of the resolution abolishing the Plan to Detroit City Council Planning and Economic Development Standing Committee on July 25, 2024.
- b.) July 25, 2024
Consideration of the City Council's Planning and Economic Development Standing Committee to abolish the Plan and opportunity for the Developer to be heard during public comment.
- c.) July 30, 2024
City Council adoption of the Resolution (Exhibit D), abolishing the Plan.

Sincerely,

Jennifer Kanalos
Authorized Agent

C: Detroit City Council
City Clerk
Lakisha Barclift

Jai Singletary
Raymond Scott
Brian Vosburg
Malik Washington

Exhibit A
Legal Descriptions of Plan to be Terminated

II. GENERAL PROVISIONS

A. Description of Eligible Property (Section 13 (1)(g))

The area comprising the eligible property consists of two (2) parcels, the Lithuanian Hall, an approximately 12,500 square foot former social hall, at 3564 W. Vernor Highway and the adjacent lot at 3562 W. Vernor Highway. The Lithuanian Hall is “Functionally Obsolete” and the lot at 3562 W. Vernor is adjacent and contiguous to the Lithuanian Hall.

The Lithuanian Hall project, a development of Southwest Non Profit Housing Corporation, is proposed to be renovated for office, retail and residential uses. Casa de Unidad, a non-profit southwest Detroit cultural/arts organization, will occupy approximately 5,000 square feet, Southwest Non Profit Housing Corporation will occupy up to 5,000 square feet and other office tenants may include the Great Lakes Capital Fund. The project will also have two storefronts on Vernor that will be marketed for retail/commercial tenants. There are two small vacant loft apartments within the building that may remain residential or could be converted to office depending on demand. The project will entail extensive systems replacement including heat, plumbing and electrical. An elevator will also be constructed. The lot at 3562 W. Vernor will be improved for shared parking. It is estimated that the total eligible investment will exceed \$1.905 million.

Attachment A includes a site map of the eligible property parcel. The eligible property is generally located on the southwest side of Detroit, bounded by an alley to the north, property line of 3562 W. Vernor to the east, W. Vernor Highway to the south and W. Grand Boulevard to the west.

The eligible property will include all tangible personal property to be located on the real property. Parcel information is outlined below.

Address	3564 W. Vernor Highway
Tax ID	Ward 12, Item 000290
Owner	Southwest Non Profit Housing Corporation
Legal Description	N W VERNOR 61 THRU 60 LOVETTS WM E SUB OF 16 LOTS # 33 L8 P58 PLATS, W C R 12/34 57X110
Dimensions	57' X 110'

Address	3562 W. Vernor Highway
Tax ID	Ward 12, Item 000291
Owner	Ali Beydoun

Legal Description	N W VERNOR 59 LOVETTS WM E SUB OF 16 LOTS # 33 L8 P58 PLATS, W C R 12/34 30X110
Dimensions	30' X 110'

The parcels and all tangible personal property located thereon will comprise the eligible property and is referred to herein as the "Property."

B. Basis of Eligibility (Section 13 (1)(h) and Section 2 (m))

The Lithuanian Hall is considered "eligible property" as defined by Act 381, Section 2 because (a) the it was previously utilized for a commercial purpose; (b) it is located within the City, a qualified local governmental unit; and (c) it is determined to be functionally obsolete as defined by Act 381. The lot at 3562 W. Vernor is adjacent and contiguous with the Lithuanian Hall.

Functionally obsolete

- The Lithuanian Hall does not have an elevator and is not barrier free to the ballroom portion of the building which is on the second floor.
- The Lithuanian Hall roof, heating, plumbing and electrical systems are in need of significant rehabilitation or replacement. The building does not have modern telecommunication capability such as broadband internet.
- The Lithuanian Hall lacks required life-safety systems.

C. Summary of Eligible Activities and Description of Costs (Section 13 (1)(a))

The "eligible activities" that are intended to be carried out at the Property are considered "eligible activities" as defined by Sec 2 of Act 381, because they include lead and asbestos abatement.

The following eligible activities and budgeted costs are intended as part of the development of the Property and are to be financed solely by the Developer. The Authority is not responsible for any cost of eligible activities and will incur no debt.

<u>Description of Eligible Activity</u>	<u>Budgeted Cost</u>
Lead Abatement	\$50,000
Asbestos Abatement	<u>\$100,000</u>
Total Eligible Activity Costs	\$150,000

It is currently anticipated construction will begin in the late Spring of 2005 and eligible activities and investment will be completed within five (5) years.

Exhibit B
DBRA Resolution



CODE DBRA 24-06-92-03

LITHUANIAN HALL BROWNFIELD PLAN: RECOMMENDATION TO CITY COUNCIL TO ABOLISH PLAN

WHEREAS, the City of Detroit Brownfield Redevelopment Authority (the “DBRA”) was created pursuant to Michigan Public Act 381 of 1996, as amended (“Act 381”); and

WHEREAS, the City Council of the City of Detroit (“City Council”) is the governing body (as that term is defined by Act 381) of the DBRA; and

WHEREAS, on April 6, 2005, the DBRA Board of Directors approved the Lithuanian Hall Brownfield Plan (the “Plan”) and recommended the approval of the Plan to City Council; and

WHEREAS, on May 11, 2005, City Council approved the Plan; and

WHEREAS, on May 27, 2005, the Mayor of the City of Detroit approved the Plan; and

WHEREAS, Section 14(8)(a) of Act 381 of 1996, as amended, permits a governing body to abolish a brownfield plan when it finds that the purposes for which the plan was established are accomplished; and

WHEREAS, on October 10, 2017, City Council delegated developer termination notices to the DBRA; and

WHEREAS, the “developer” for the Plan is Southwest Non Profit Housing Corporation (the “Developer”); and

WHEREAS, the DBRA has determined that the project identified in the Plan has been completed and the purposes for which the Plan was established have been accomplished; and

WHEREAS, the DBRA Board of Directors desires to recommend abolishment of the Plan to City Council.

NOW THEREFORE, BE IT RESOLVED, subject to the notice authority delegated to the DBRA by the City Council, the DBRA Board of Directors hereby authorizes a written abolishment notice to the Developer; and

BE IT FURTHER RESOLVED, subject to the completion of the notice requirement described in Section 14(8)(b)(i) of Act 381 and the provision to the Developer of an opportunity to be heard at a public meeting pursuant to Section 14(8)(b)(ii) of Act 381, the DBRA Board of Directors hereby recommends abolishment of the Plan to City Council; and

BE IT FURTHER RESOLVED, subject to the abolishment of the Plan by City Council, that the DBRA Board of Directors hereby authorizes the termination of any other agreements or contracts between the Developer and the DBRA that were executed in conjunction with the Plan; and

BE IT FURTHER RESOLVED, that any two Officers, or any one of the Officers and any one of the Authorized Agents or any two of the DBRA's Authorized Agents, shall hereafter have the authority to negotiate and execute all documents with such other terms and conditions that are determined by such Authorized Agents and/or Officers to be customary or appropriate and not inconsistent with this resolution, and to negotiate and execute all other documents, contracts, or papers, and take all actions, necessary or appropriate to implement the provisions and intent of this resolution on behalf of the DBRA.

BE IT FINALLY RESOLVED, that all of the acts and transactions of any officer or authorized agent of the DBRA, in the name and on behalf of the DBRA, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

June 12, 2024

Exhibit C
Notice of Abolishment



June 13, 2024

SENT VIA CERTIFIED MAIL

Timothy Thorland
Southwest Non Profit Housing Corporation
3627 W. Vernor Highway
Detroit, MI 48216

Corey Leon
Development Incentives & Consulting, LLC
P.O. Box 15619
Detroit, MI 48215

RE: Notice of Intent to Abolish Brownfield Plan for Lithuanian Hall Project

To Whom it May Concern:

Per Act 381 of 1996 Section 14(8)(a), this letter is to inform you that the Detroit City Council has authorized this notice to inform you that abolishment of the Brownfield Plan for Lithuanian Hall Project (the "Plan") will be considered in no less than thirty ("30") days.

On May 11, 2005 the Detroit City Council approved the Plan.

It is our understanding that the project as described in the Plan has been completed, the associated Single Business Tax Credit has been utilized, and the purposes for which the plan was established have been accomplished. Because the project has been completed, the Brownfield Plan will be abolished for the subject project per Act 381 of 1996 Section 14(8)(a). While you are welcome to speak at any public meeting of City Council regarding the proposed abolishment, the following public meetings have been tentatively scheduled at the Coleman A. Young Municipal Center, 2 Woodward Avenue, 13th Floor, Detroit, MI 48226 regarding the abolishment of the Plan where, should you desire, you will also have an opportunity to be heard:

- Thursday, July 18, 2024 at 10:00 AM – Detroit City Council Planning & Economic Development Standing Committee
- Tuesday, July 23, 2024 at 10:00 AM – Detroit City Council of the Whole Meeting

In no event would any abolishment be effective until at least 30 days after the date of this notice. Should you have any questions please feel free to contact Brian Vosburg at (313) 237-4612 or bvosburg@degc.org.

Sincerely,

Jennifer Kanalos
Authorized Agent

CC: Rebecca Navin, DEGC
Brian Vosburg, DEGC/DBRA
Ngozi Nwaesei, Lewis & Munday

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Corey Leon
Development Incentives & Consulting
P.O. Box 15619
Detroit, MI 48215

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

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Timothy Thorland
Southwest Non Profit Housing
Corporation
3627 W. Vernor Highway
Detroit MI 48216

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

Exhibit D
City Council Resolution

**RESOLUTION
ABOLISHING THE BROWNFIELD PLAN
OF THE CITY OF DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
FOR THE LITHUANIAN HALL REDEVELOPMENT PROJECT;**

City of Detroit
County of Wayne, Michigan

WHEREAS, pursuant to 381 PA 1996, as amended (“Act 381”), the City of Detroit Brownfield Redevelopment Authority (“Authority”) has been established by resolution of the City Council of the City of Detroit (the “City Council”) for the purpose of promoting the revitalization of eligible properties in the City of Detroit; and

WHEREAS, on May 11, 2005, City Council approved the Brownfield Plan for the Lithuanian Hall Brownfield Redevelopment Plan (the “Plan”); and

WHEREAS, the eligible property described in Exhibit A, attached hereto, is the eligible property subject to the Plan; and

WHEREAS, Section 14(8)(a) of Act 381 permits a governing body to abolish a brownfield plan or plan amendment for an eligible property if finds that the purposes for which the plan was established are accomplished; and

WHEREAS, the City Council is the governing body (as that term is defined by Act 381) of the Authority; and

WHEREAS, the Authority’s staff has confirmed that the project has been completed and the purposes for which the plan was established are accomplished; and

WHEREAS, on June 12, 2024, the Board of Directors of the Authority adopted a resolution recommending abolishment of the Plan; and

WHEREAS, on October 3, 2017, City Council authorized the Authority, on behalf of City Council, to manage and/or administer the notices required by Act 381 in connection with any brownfield plan or plan amendment terminations; and

WHEREAS, a notice of the abolishment of the Plan was given in accordance with Section 14(8)(b)(i) of Act 381, a copy of which is attached as Exhibit B; and

WHEREAS, in accordance with Section 14(8)(b)(ii) of Act 381, the developer identified in the Plan was provided with an opportunity to be heard at a public meeting on July 25, 2024.

NOW, THEREFORE, BE IT RESOLVED, THAT:

1. The Plan is hereby abolished by City Council in accordance with Section 14(8)(a) of Act 381.
2. City Council hereby ratifies the termination, if any, of any agreements or contracts between the developer of the Plan and the Authority that were executed in conjunction with the Plan, including, but not limited to, the reimbursement agreement.

The City Clerk is requested to submit one (1) certified copies of this Resolution to the DBRA, 500 Griswold Street, Suite 2200, Detroit, MI 48226

AYES: Members

NAYS: Members

RESOLUTION DECLARED ADOPTED.

Janice Winfrey, City Clerk
City of Detroit
County of Wayne, Michigan

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Detroit, County of Wayne, State of Michigan, at a regular meeting held on _____, 2024, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

Janice Winfrey, City Clerk
City of Detroit
County of Wayne, Michigan