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

August 28, 2024

**RE:** Property Sale by Detroit Land Bank Authority

**Habitat for Humanity Detroit** 

Development: 4820 and 4826 Lakeview

4457 Maryland

### 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 two offers from Habitat for Humanity Detroit, a Michigan nonprofit corporation ("Habitat") to purchase property from the DLBA. The first offer is to enter into an option agreement to purchase two parcels of vacant land located in the City of Detroit at 4820 and 4826 Lakeview (as further described in the attached Exhibit A) (collectively, the "Lakeview Property"). The Lakeview Property is vacant land located in Council District 4 in the Morningside neighborhood. It is approximately 8,447 sq ft or 0.19 acres and is zoned R2 (Two-Family Residential).

Habitat proposes to build a new single-family house on each of the Lakeview Properties. The homes will be sold to qualified low-income homebuyers that are below 80% AMI and who go through Habitat's homeownership program. The sale price of the home will be set at the appraised value to help stabilize the market. Habitat will then work with the homeowners through down payment assistance and helping ensure that the mortgage is affordable.

The DLBA is also in receipt of an offer from Habitat to enter into an agreement with DLBA pursuant to which Habitat would purchase the property located in the City of Detroit at 4457 Maryland which is improved by a single-family residence (the "Maryland Property"). The Maryland Property is located in Council District 4 also in the Morningside neighborhood. It is approximately 3,964 sq ft or 0.09 acres and is zoned R2 (Two-Family Residential).

The agreement would require the DLBA to stabilize the Maryland Property house after which Habitat would purchase the house, finish the renovation, and sell it to a participant in their program.

The estimated cost of the Lakeview Property project is \$266,210, and for the Maryland Property project is \$197,555. Habitat shall adhere to all applicable guidelines and apply for and obtain all applicable zoning changes/variances, permits and/or licenses. Habitat's proposed use of the Property shall be consistent with the allowable uses for which the Property is zoned.

The Planning & Development Department, therefore, requests that your Honorable Body authorize the Detroit Land Bank Authority to sell the Property as more particularly referenced in the attached Exhibit A to Habitat for Humanity Detroit, a Michigan nonprofit corporation.

Respectfully submitted,

Antoine Bryant Director

Attachment

Cc: Julie Schneider, HRD,

Malik Washington, Mayor's Office

#### RESOLUTION

By Co	uncil 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 offers from Habitat Humanity Detroit, a Michigan nonprofit corporation ("Habitat") to enter into (1) an option agreement to purchase two parcels of vacant property acquired by the DLBA; and (2) a purchase agreement to purchase one parcel of improved property acquired by the DLBA (all as described in the attached Exhibit A and collectively referred to as the "Property"). The Property is located in Council District 4 within the Morningside neighborhood; and

**WHEREAS**, the Habitat proposes to build two affordable houses on the vacant land and renovate the house located on the improved property, in each case for sale to participants in its programs; and

**WHEREAS**, the Property is zoned R2 (Two-Family Residential) and Habitat shall adhere to all applicable guidelines and apply for and obtain all applicable zoning changes/variances, permits and/or licenses. Habitat's use of the Property shall be consistent with the allowable uses for which the Property is zoned.

**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 agreements with Habitat for Humanity, a Michigan nonprofit corporation, to sell the improved property to Habitat, and upon exercise of the option by Habitat, to sell the vacant property to Habitat.

## Exhibit A The Property

## **Vacant Land**

1	4820 Lakepointe	21064622.	E LAKEPOINTE W 122.18 FT OF N 9 FT LOT 482 AND W 122.18 FT OF S 25.50 FT LOT 483 ABBOTT & BEYMERS CLOVERDALE SUB L29 P97 PLATS, W C R 21/449 34.50 X 122.18
2	4826 Lakepointe	21064623.	E LAKEPOINTE W 122.18 FT OF N 4.50 FT LOT 483 W 122.18 FT OF LOT 484 ABBOTT & BEYMERS CLOVERDALE SUB L29 P97 PLATS, W C R 21/449 34.50 X 122.18

# **Improved Property**

3	4457 Maryland	21064427.	W MARYLAND LOT 82 PLEASANT HOMES A SUB L38 P9 PLATS,
			W C R 21/443 35 X 113.87