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PLANNING AND DEVELOPMENT DEPARTMENT

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November 8, 2024

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

RE: Land Swap Agreement for State Fair Solar Project;

Acceptance of transfer of parcels of land at 19154 Derby, 106 W. Brentwood, 110 W. Brentwood, and 120 W. Brentwood from the Detroit Land Bank Authority; and Transfer of parcels at 138 W. 7 Mile Road, and 32 W. Brentwood, 40 W. Brentwood, 48 W. Brentwood, 106 W. Brentwood, 111 W. Brentwood, and 120 W. Brentwood to Arab American and Chaldean Council in exchange for parcels of land at 712 Fernhill, 720 Fernhill, 726 Fernhill, 19170 Derby, and 19127 Derby from Arab American and Chaldean Council

Honorable City Council:

As you are aware, on July 30, 2024, your honorable body passed a Resolution of Necessity authorizing the City's Public Lighting Department to acquire parcels in the Gratiot/Findlay, State Fair, and Van Dyke/Lynch neighborhoods in Districts 2, District 3, and District 4 of the City of Detroit to be used as solar fields to generate clean and renewable energy in the City of Detroit. Since the adoption of the Resolution of Necessity, the Public Lighting Department, with the help of the Mayor's Office, the Law Department, outside counsel, and the Planning and Development Department have been hard at work securing the parcels of land that are within the boundaries of the solar project.

The Arab-American Chaldean Council, doing business as America's Community Council ("ACC"), is a nonprofit corporation that provides employment programs, healthcare, counseling, youth programs, and other services to residents in the State Fair neighborhood and surrounding area. ACC operates a youth center, an adult training center, and a health clinic building on Seven Mile near John R. Street. ACC also owns multiple vacant parcels of land within the Seven Mile neighborhood, including some that are within the land that will be part of the Solar Project, and other parcels where ACC desires to construct additional facilities to support the continued development and improvement of the surrounding neighborhood.

Through its outreach and negotiation with ACC, the City of Detroit has received a request from ACC to exchange certain parcels owned by the City of Detroit or by the Detroit Land Bank Authority ("DLBA") that are outside of the Seven Mile solar project area, as more particularly described on Exhibit A of the attached resolution (the "City Swap Parcels") for parcels owned by

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ACC within the 7-Mile solar project area, as more particularly described on Exhibit B of the attached resolution (the "ACC Swap Parcels"). The DLBA is willing to convey the parcels it owns that are part of the City Swap Parcels to the City to support the City's solar initiative. All of the City Swap Parcels and the ACC Swap Parcels are vacant land or land with unoccupied homes.

This proposed transaction involves the exchange of real property owned by the City and the DLBA (which will be transferred to the City prior to the actual parcel swap), for real property currently owned by ACC. Neither party will be paying any purchase amount to the other party as part of this transaction. ACC has plans to continue to expand its operations and services in the Seven Mile neighborhood and its acquisition of the City Swap Parcels will further those goals, although at this time ACC does not have any concrete developments to announce at this time. The City's acquisition of the ACC Swap Parcels was already approved by the Resolution of Necessity, before a potential land swap was being negotiated by the City of Detroit and ACC. This proposed transaction represents a unique opportunity for the City of Detroit to exchange under-utilized land it owns in the Seven Mile neighborhood to an active and well-regarded community nonprofit for land that will be part of the Seven Mile solar project, without having to resort to condemnation.

The Planning and Development Department ("PDD") hereby request your Honorable Body adopt the attached resolution to (1) authorize PDD to acquire those parcels of land located at 19154 Derby, 106 W. Brentwood, 110 W. Brentwood, and 120 W. Brentwood from the DLBA, (2) approve the designation of the City Swap Parcels as surplus real property and authorize the transfer of the City Swap Parcels to ACC in exchange for the ACC Parcels, and (3) authorize the execution of such documents as may be necessary or convenient to affect the transfer or acquisition of said property.

Respectfully submitted,

Planning and Development Department

Antoine Bryant

Director

Cc: Malik Washington, Mayor's Office

RESOLUTION

BY (COUNCIL	MEMBER;	
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WHEREAS, the Detroit Land Bank Authority ("DLBA") is the owner of certain real property located in the City of Detroit commonly known 19154 Derby, 106 W. Brentwood, 110 W. Brentwood, and 120 W. Brentwood, as more specifically described in the attached Exhibit A (the "DLBA Property"); and

WHEREAS, the City of Detroit is the owner of certain real property located in the City of Detroit commonly known as 138 W. 7 Mile Road, 32 W. Brentwood, 40 W. Brentwood, and 48 W. Brentwood, as more specifically described in the attached <u>Exhibit A</u> (together with the DLBA Property, the "City Swap Parcels"), which are under the jurisdiction of the Planning and Development Department ("PDD").

WHEREAS, Arab-American Chaldean Council, a Michigan nonprofit corporation ("ACC") is the owner of certain real property located in the City of Detroit commonly known as 712 Fernhill, 720 Fernhill, 726 Fernhill, 19170 Derby, and 19127 Derby, as more specifically described in the attached Exhibit B (the "ACC Swap Parcels").

WHEREAS, PDD has deemed the City Swap Parcels, including the DLBA Property upon acquisition thereof, not essential to the City and therefore requests that the real property be designated as surplus and be transferred; and

WHEREAS, the City, through PDD, desires to transfer the City Swap Parcels to ACC in exchange for the ACC Swap Parcels.

WHEREAS, on July 30, 2024, this Honorable Body adopted that certain Resolution of Necessity of the City Council of the City of Detroit for the Acquisition of Private Property, Including by Condemnation, for the Benefit and Use of the Public for the City of Detroit's Solar Generation Initiative (the "Resolution of Necessity"), which authorized the City of Detroit, acting through its Public Lighting Department ("PLD") to acquire the ACC Swap Parcels, along with other real property within the boundaries of the City of Detroit's planned solar initiative.

NOW, THEREFORE, BE IT RESOLVED, that this Honorable Body hereby declares that the acquisition of property for the Solar Initiative is necessary to protect the health, safety, and welfare of the public and, in the event the City incurs any response costs due to its temporary ownership of the DLBA Property, then all necessary steps consistent with law shall be taken by the City to fully mitigate and recover any costs or damages which may have been incurred by the City as a result of any response activity associated with such property; and be it further

RESOLVED, that the Detroit City Council hereby approves the acceptance of transfer of the DLBA Property to the City of Detroit by the DLBA, and that such property be placed under the jurisdiction of PDD; and be it further

RESOLVED, that in accordance with Section 2-7-4 of the 2019 Detroit City Code, the Detroit City Council hereby deems the City Swap Parcels to be surplus real property that may be offered for sale or transfer by the Planning and Development Department; and be it further

RESOLVED, that Detroit City Council hereby approves of (a) the transfer of the City Swap Parcels to ACC in exchange for the transfer of the ACC Swap Parcels to the City, and (b) the payment of customary closing costs (anticipated to be approximately \$1,000) from Appropriation No. 13969 Non Dept PLD Decommissioning Costs (which was authorized in the Resolution of Necessity to pay for costs associated with the development and implementation of the Solar Initiative); 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 City Swap Parcels to ACC consistent with this resolution; and be it further

RESOLVED, that the PDD Director, of 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 City Swap Parcels or the ACC Swap Parcels, 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 transferring the City Swap Parcels will be considered confirmed when executed by the PDD Director, or his authorized designee, and approved by the Corporation Counsel as to form.

(See Attached Exhibits)