

PLANNING AND DEVELOPMENT DEPARTMENT

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

September 23, 2024

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

RE: Transfer of Jurisdiction, Surplus, and Sale of Real Property (w/ Reverter)

14150 Greenfield, Detroit, MI 48234

Honorable City Council:

The City of Detroit, Public Lighting Department ("PLD") has recently requested that the Finance Department transfer jurisdiction of certain City-owned real property known as 14150 Greenfield, Detroit, MI (the "Property") to the Planning and Development Department ("P&DD") to administer as surplus real property.

P&DD has received an offer from W B Real Estate Holdings, LLC ("Purchaser"), a Michigan limited liability company, to purchase the Property, as more particularly described in Exhibit A, for the purchase price of One Hundred Fifteen Thousand and 00/100 Dollars (\$115,000.00).

Frank Dabaja, the principal of W B Real Estate Holdings, LLC has been a small business owner in the Metro Detroit area for several decades. The Property, which was a former substation utilized by PLD, has sat unoccupied and unused for several years. The Purchaser proposes to rehabilitate the Property for future retail tenants. The Property is within a B3 zoning district (Shopping District). Purchaser's proposed use of the Property will be consistent with the allowable uses for which the Property is zoned. Within thirty six (36) months of consummation of sale, the Purchase agrees to obtain a Certificate of Occupancy for the redevelopment. Additionally, as the Public Lighting Department has been responsible for the upkeep and maintenance of the property since acquiring the property, the sale proceeds, minus any and all Property Sales Services Fees, be allocated to PLD.

Pursuant to Sec. 2-7-3 of the Detroit City Code, and in order to facilitate this transaction, PLD has requested that the Finance Department transfer jurisdiction the P&DD for administration. Additionally, pursuant to Sec. Sec. 2-7-4 of the Detroit City Code, it is hereby requested by P&DD that the Property be deemed surplus and available for sale.

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We request that your Honorable Body adopt the attached resolution to authorize the transfer of jurisdiction of the Property from PLD to the P&DD. It is also hereby requested that the Property be deemed surplus and available for sale. Lastly, it is requested that the Director of P&DD, or his designee, be authorized to execute a quit claim deed and such other documents as may be necessary or convenient to effectuate a transfer of the Property by the City to W B Real Estate Holdings, LLC with the sale proceeds to be allocated directly to the PLD.

Respectfully submitted,

OFFFICE OF THE CHIEF FINANCIAL OFFICER

PLANNING & DEVELOPMENT DEPARTMENT

John Naglick Chief Deputy CVO / Finance Director

Antoine Bryant Director

cc: Malik Washington, Mayor's Office

RESOLUTION

BY COUNCIL MEMBER	
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WHEREAS, the Public Lighting Department ("PLD") has jurisdiction over certain City of Detroit real property located at 14150 Greenfield (the "Property"), as more particularly described in the attached Exhibit A; and

WHEREAS, PLD has requested that the Finance Department transfer jurisdiction of the Property to the Planning and Development Department for management and disposition; and

WHEREAS, the Planning & Development Department deems the Property not essential to the City and therefore requests that the real property be deemed surplus and be offered for sale/lease; and

WHEREAS, the Property is to be sold to W B Real Estate Holdings, LLC (the "Purchaser"), a Metro Detroit-based real estate development company, who has submitted an offer to purchase the Property for the purchase price of One Hundred Fisteen Thousand and 00/100 Dollars (\$115,000.00) with the sale proceeds to be allocated to the Public Lighting Department;

NOW, THEREFORE, BE IT RESOLVED, that in accordance with § 2-7-3 of the Detroit City Code, Detroit City Council hereby approves the transfer of jurisdiction of the Property from the Public Lighting Department to the Planning & Development Department; and be it further

RESOLVED, that in accordance with § 2-7-4 of the Detroit City Code, Detroit City Council hereby deems the Property surplus real property that may be offered for sale/lease by the Planning & Development Department; and be it further

RESOLVED, that Detroit City Council hereby approves of the sale of certain real property at 14150 Greenfield (the "Property"), as more particularly described in the attached Exhibit A incorporated herein, to W B Real Estate Holdings, LLC, a Michigan limited liability company, for the purchase price of One Hundred Fifteen Thousand and 00/100 Dollars (\$115,000.00); 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 Properties to Purchaser consistent with this resolution; and be it further

RESOLVED, that the quit claim deed for transfer of the W B Real Estate Holdings, LLC shall include a condition subsequent such that if the Purchaser does not obtain a certificate of occupancy for the Property within thirty six (36) months of closing, then title to the Property may, at the sole discretion of the P&DD Director, or his or her authorized designee, revert back to City of Detroit; 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) Six Thousand Nine Hundred and 00/100 Dollars (\$6,900.00) shall be paid to the DBA from the sale proceeds, 2) Five Thousand Seven Hundred Fifty and 00/100 Dollars (\$5,750.00) 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 amount in sales proceeds remaining after the satisfaction of the Property Sales Service Fees be allocated directly to the City of Detroit Public Lighting Department under the account string: 1011-29381-381100-447305; 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 Properties, 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 1

E GREENFIELD N 95 FT OF S 387.50 FT OF W 311.85 FT ON S BG W 310.10 FT ON N LINE LYG N & ADJ KIEBLERS SCHOOLCRAFT SUB E & ADJ GREENFIELD AS WD OF S W 1/4 OF SEC 19 T 1 S R 11 E 22/--- 95 X 310.98A

a/k/a 14150 Greenfield Tax Parcel ID 22049921.

Descr	iption Correct
By:	
-	Office of the Assessor