# City of Detroit

Janice M. Winfrey
City Clerk

OFFICE OF THE CITY CLERK

Andre P. Gilbert II
Deputy City Clerk

January 9, 2025

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

Re: Application for Neighborhood Enterprise Zone Certificate for Woodward-Seward Area

**Dear Council Members:** 

On October 21, 1992, your Honorable Body established Neighborhood Enterprise Zones. I am in receipt of one (1) application for Woodward-Seward for a Neighborhood Enterprise Zone Certificate. THIS APPLICATION HAS BEEN REVIEWED AND RECOMMENDED FOR APPROVAL BY THE CITY PLANNING COMMISSION, A COPY OF WHICH IS ATTACHED. Therefore, the attached Resolution, if adopted by your Honorable Body, will approve this application.

Respectfully submitted,

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Andre P. Gilbert, II Deputy City Clerk

APG:aj Enc. Donovan Smith
Chairperson
Melanie Markowicz
Vice Chair/Secretary

Marcell R. Todd, Jr.
Director
Christopher Gulock, AICP
Deputy Director

# City of Detroit

#### CITY PLANNING COMMISSION

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David Esparza, AIA, LEED

Kenneth R. Daniels

January 9, 2025

#### HONORABLE CITY COUNCIL

RE: Neighborhood Enterprise Zone Certificate Application for the rehabilitation of a historic apartment building with 133 rental units at 700 Seward Avenue within the Woodward-Seward Neighborhood Enterprise Zone area (RECOMMEND APPROVAL)

The office of the City Planning Commission (CPC) has received an application requesting Neighborhood Enterprise Zone (NEZ) certificate for the rehabilitation of an apartment building at 700 Seward containing a total of 133 rental units.

The property is located on the north side of Seward between 2<sup>nd</sup> and 3<sup>rd</sup> Avenues. The 7-story building, which is in a historic district, is located within Council District 5. Below is a map of the location and an image of the building.

The petitioner is 700 Seward Detroit LLC. The developer behind the LLC is Brian Spector; Mr. Spector is not based in Michigan, but his representative indicates he recently partnered with Detroit-based developer Richard Hosey to build mixed-income housing at 655 West Willis in Midtown.

The developer is proposing to rehab the building, spending about \$216,000 per unit. The developer indicates the following will be done:

- The work includes all new electrical, plumbing, gas service and fire protection, as well as the addition of a generator for all life safety systems in the building.
- The work also includes stabilization of an existing covered parking deck, new hardscape and landscaping, as well as replacement of existing City sidewalks.
- Each unit will receive brand new bathrooms, kitchens, flooring and closet interiors.

Attached is a table of the unit types and proposed rents provided by the developer. A summary of the units is as follows:

- Units range from 342 to 1,100 square feet
- The building has 15 studios, 81 one-bedroom units, and 37 two-bedroom units
- Rents range from \$804 to \$2,200 per month with the average rent at \$1,371/month

The applicant indicates the proforma and business plan for 700 Seward was developed without Affordable units. However, they noted that 113 of the 133 units are already within the MSHDA guidelines for 80% AMI in Wayne County as summarized below:

• 14 of the 15 studios are within 80% AMI

- 79 of the 81 one-bedrooms are within 80% AMI
- 20 of the 37 two-bedrooms are within 80% AMI

Regarding parking, west of the building there is a surface parking lot and small covered deck. The developer indicates there are 50 surface parking spaces at \$95/month and 20 covered spaces at \$125/month.

Regarding handicap accessibility, the developer indicates the building is handicap accessible, and there are two ADA accessible units within the building. ADA features include ADA compliant building entrances and ramps, handrails in common areas, and an ADA compliant elevator.

It appears the NEZ certificate application was submitted after the issuance of building permits, however, this is allowed under the State NEZ Act, since the building is within a historic area.

The subject property has been confirmed as being within the boundaries of the Woodward-Seward NEZ which was established by a vote of the City Council in January 2000. CPC staff have reviewed the application and recommend approval. Attached is a resolution for Your consideration. Please contact our office should you have any questions.

Respectfully submitted,

Marcell R. Todd, Jr., Director CPC

Marvel R. LMJ.

Christopher J. Gulock, AICP

cc: Angela Jones, City Clerk

### **Unit Overview Provided by the Developer**

| nit#   | Size (sf)                              | bed/bath                 | Monti          | hly Rent             | Renovation Cost  | 500         | 561        | 1/1               | \$  | 1,178.00             | S        | 216,000.00               |
|--|--|--------------------------|----------------|----------------------|--|-------------|------------|-------------------|-----|----------------------|----------|--------------------------|
| 0  | 561                                    | 1/1                      | S              | 1,094.00             | \$ 216,000.00  | 501         | 949        | 2/1               | S   | 1,756.00             | \$       | 216,000.00               |
| 01   | 949                                    | 2/1                      | 5              | 1,613.00             | \$ 216,000.00  | 1 1 1 1 1 1 | 581        | 1/1               | 5   | 1,191.00             | -        | 216,000.00               |
| 202  | 581                                    | 1/1                      | \$             | 1,104.00             | \$ 216,000.00  |             | 621        | 1/1               | 5   | 1,273.00             |          | 216,000.00               |
| 03   | 621                                    | 1/1                      | S              | 1,180.00             | \$ 216,000.00  | 1           | 864        | 2/2               | 5   | 1,622.00             | _        | 216,000.00               |
| :04  | 864                                    | 2/2                      | 5              | 1,491.00             | \$ 216,000.00  |             | 988        | 2/1               | 5   | 1,828.00             | 55       | 216,000.00               |
| 205  | 988                                    | 2/1                      | S              | 1,680.00             | \$ 216,000.00  | 1 100       | 853        | 1/1               | S   | 1,578.00             | -        | 216,000.00               |
| 206  | 853                                    | 1/1                      | 5              | 1,450.00             | \$ 216,000.00  |             | 877        | 1/1               | S   | 1,622.00             | -        | 216,000.00               |
| 207  | 877<br>540                             | 1/1                      | 5              | 1,491.00             | \$ 216,000.00<br>\$ 216,000.00   |             | 540<br>342 | 0/1               | 5   | 1,188.00             |          | 216,000.00               |
| 208  |  |                          | 5              | 805.00               | 5 216,000.00   |             | -          | 1/1               | 5   | 1,203.00             |          | 216,000.00               |
| 209<br>211   | 595<br>595                             | 1/1.5                    | 5              | 1,131.00             | \$ 216,000.00  |             | 587<br>343 | 0/1               | 5   | 840.00               | _        | 216,000.00               |
| 212  | 540                                    | 1/1                      | \$             | 1,107.00             | \$ 216,000.00  | 1 222       | 540        | 1/1               | 5   | 1,188.00             | 0.5777   | 216,000.00               |
| 213  | 877                                    | 1/1                      | 5              | 1,491.00             |  |             | 877        | 1/1               | 5   | 1,622.00             | _        | 216,000.00               |
| 214  | 853                                    | 1/1                      | 5              | 1,450.00             | \$ 216,000.00  | :505        | 853        | 1/1               | 5   | 1,578.00             | _        | 216,000.00               |
| 215  | 988                                    | 2/1                      | 5              | 1,680.00             | \$ 216,000.00  | 4 1 - 1     | 988        | 2/1               | 5   | 1,828.00             | 200      | 216,000.00               |
| 216  | 864                                    | 2/2                      | 5              | 1,555.00             | \$ 216,000.00  | ·     —     | 864        | 2/2               | 5   | 1,685.00             |          | 216,000.00               |
| 217  | 621                                    | 1/1                      | \$             | 1,180.00             | \$ 216,000.00  |             | 621        | 1/1               | 5   | 1,273.00             | 0.00     | 216,000.00               |
| 218  | 581                                    | 1/1                      | 5              | 1,104.00             | \$ 216,000.00  |             | 581        | 1/1               | 5   | 1,191.00             | _        | 216,000.00               |
| 219  | 949                                    | 2/1                      | 5              | 1,613.00             | \$ 216,000.00  | 4 1 4       | 949        | 2/1               | 5   | 1,756.00             | 5        | 216,000.00               |
| 220  | 561                                    | 1/1                      | \$             | 1,094.00             | \$ 216,000.00  | 520         | 561        | 1/1               | 5   | 1,178.00             | 5        | 216,000.00               |
| 221  | 435                                    | 0/1                      | 5              | 848.00               | \$ 216,000.00  | 521         | 435        | 0/1               | 5   | 914.00               | \$       | 216,000.00               |
| 300  | 561                                    | 1/1                      | \$             | 1,122.00             | \$ 216,000.00  | 1555        | 561        | 1/1               | \$  | 1,207.00             | 5        | 216,000.00               |
| 301  | 949                                    | 2/1                      | \$             | 1,661.00             | \$ 216,000.00  | 002         | 949        | 2/1               | 5   | 1,775.00             | _        | 216,000.00               |
| 302  | 581                                    | 1/1                      | \$             | 1,133.00             | \$ 216,000.00  | 4           | 581        | 1/1               | 5   | 1,220.00             |          | 216,000.00               |
| 303  | 621                                    | 1/1                      | S              | 1,211.00             | \$ 216,000.00  | 1 003       | 621        | 1/1               | S   | 1,304.00             | 5        | 216,000.00               |
| 304  | 864                                    | 2/2                      | 5              | 1,535.00             | \$ 216,000.00  | 1 004       | 864        | 2/2               | \$  | 1,667.00             | _        | 216,000.00               |
| 305  | 988                                    | 25/1                     | \$             | 1,729.00             | \$ 216,000.00  | 1 003       | 988        | 2/1               | S   | 1,907.00             | 1177     | 216,000.00               |
| 306  | 853                                    | 1/1                      | 5              | 1,493.00             | \$ 216,000.00  | 1 000       | 853        | 1/1               | 5   | 1,620.00             | -        | 216,000.00               |
| 307  | 877                                    | 1/1                      | S              | 1,535.00             | \$ 216,000.00  | 007         | 877        | 1/1               | 5   | 1.667.00             | _        | 216,000.00               |
| 308  | 540                                    | 1/1                      | S              | 1,134.00             | \$ 216,000.00  | 000         | 540        | 1/1               | S   | 1,215.00             | 100.00   | 216,000.00               |
| 309  | 342                                    | 0/1                      | S              | 804.00               | S 216,000.00   | 1 005 1     | 342        | 0/1               | 1 5 | 875.00               | 5        | 216,000.00               |
| 310  | 587                                    | 1/1                      | S              | 1,145.00             | \$ 216,000.00  | 4 1         |            |                   |     |                      |          |                          |
| 311  | 343                                    | 0/1                      | S              | 806.00               | \$ 216,000.00  |             |            |                   | 1.2 | 1 202 65             | -        | 216 000 00               |
| 12   | 540                                    | 1/1                      | S              | 1,134.00             | \$ 216,000.00  | 610         | 587        | 1/1               | 5   | 1,203.00             | _        | 216,000.00               |
| 313  | 877                                    | 1/1                      | S              | 1,535.00             | \$ 216,000.00  |             | 343        | 0/1               | S   | 840.00               | -        | 216,000.00               |
| 314  | 853                                    | 1/1                      | S              | 1,493.00             | \$ 216,000.00<br>\$ 216,000.00   | 612         | 540        | 1/1               | 5   | 1,215.00             |          | 216,000.00               |
| 315  | 988                                    | 2/1                      | 5              | 1,729.00             | \$ 216,000.00<br>\$ 216,000.00   | 613         | 877<br>853 | 1/1               | 5   | 1,667.00             | -        | 216,000.00               |
| 316<br>317   | 864<br>621                             | 1/1                      | 5              | 1,211.00             | \$ 216,000.00  |             | 988        | 2/1               | 5   | 1,907.00             | -        | 216,000.00               |
| 317  | 581                                    | 1/1                      | S              | 1,133.00             | 5 216,000.00   | 616         | 988<br>864 | 2/2               | 5   | 1,717.00             | _        | 216,000.00               |
| 319  | 949                                    | 2/1                      | 5              | 1,661.00             | \$ 216,000.00  |             | 621        | 1/1               | 5   | 1,304.00             | _        | 216,000.00               |
| 320  | 561                                    | 1/1                      | s              | 1,122.00             | 5 216,000.00   | 1           | 581        | 1/1               | 5   | 1,220.00             | -        | 216,000.00               |
| 321  | 435                                    | 0/1                      | \$             | 870.00               | \$ 216,000.00  |             | 949        | 2/1               | s   | 1,775.00             | _        | 216,000.00               |
| 400  | 561                                    | 1/1                      | 5              | 1,150.00             | \$ 216,000.00  | 3.75        | 561        | 1/1               | S   | 1,207.00             | -        | 216,000.00               |
| 401  | 949                                    | 2/1                      | 5              | 1,708.00             | \$ 216,000.00  |             | 435        | 0/1               | 5   | 914.00               | -        | 216,000.00               |
| 402  | 581                                    | 1/1                      | \$             | 1,162.00             | \$ 216,000.00  | 700         | 561        | 1/1               | 5   | 1,234,00             | 5        | 216,000.00               |
| 403  | 621                                    | 1/1                      | 5              | 1,242.00             | \$ 216,000.00  |             | 949        | 2/1               | S   | 1,725.00             | 5        | 216,000.00               |
| 404  | 864                                    | 2/2                      | S              | 1,579.00             | \$ 216,000.00  | 702         | 581        | 1/1               | \$  | 1,249.00             | 5        | 216,000.00               |
| 405  | 988                                    | 2/1                      | 5              | 1,778.00             | \$ 216,000.00  | 703         | 621        | 1/1               | 5   | 1,335.00             |          | 216,000.00               |
| 406  | 853                                    | 1/1                      | 5              | 1,535.00             |  | 704         | 864        |                   | \$  | 1,710.00             | 5        | 216,000.00               |
| 407  | 877                                    | 1/1                      | 5              | 1,579.00             |  | 103         | 988        | 2/1               | 5   | 1,927.00             | \$       | 216,000.00               |
| 408  | 540                                    | 1/1                      | S              | 1,161.00             | \$ 216,000.00  | 1 100       | 853        |                   | \$  | 1,663.00             | _        | 216,000.00               |
| 409  | 342                                    | 0/1                      | 5              | 821.00               | CONTRACTOR OF THE PERSON OF TH | 13.32       | 877        | 1/1               | \$  | 1,710.00             | _        | 216,000.00               |
| 410  | 587                                    | 1/1                      | 5              | 1,174.00             | \$ 216,000.00  |             | 540        |                   | S   | 1,242.00             |          | 216,000.00               |
| 411  | 343                                    | 0/1                      | 5              | 823.00               |  | 1           | 450        |                   | S   | 1,100.00             |          | 216,000.00               |
|  | 540                                    | 1/1                      | \$             | 1,161.00             |  | 1           | 400        |                   | S   | 1,050.00             |          | 216,000.00               |
| 112  | 877                                    | 1/1                      | s              | 1,579.00             |  |             | 343<br>540 |                   | 5   | 875.00<br>1.242.00   |          | 216,000.00               |
| 413  |  | 1/1                      | S              | 1,535.00             | 250 (SEE) (S | 712         | 877        | 1/1               | 5   | 1,710.00             | _        | 216,000.00               |
| 413  | 853                                    | 2/1                      | 5              | 1,778.00             |  | 714         | 853        | 1/1               | 5   | 1,663.00             | _        | 216,000.00               |
| 412<br>413<br>414<br>415                             | 988                                    |                          | 5              | 1,642.00             |  | 715         | 988        |                   | 5   | 1.927.00             | _        | 216,000.00               |
| 413<br>414   | 988<br>864                             | 2/2                      |                | 1,242.00             |  | 716         | 864        |                   | 5   | 1,771.00             | _        | 216,000.00               |
| 413<br>414<br>415<br>416<br>417                      | 988<br>864<br>621                      | 1/1                      | 5              |                      |  | 717         | 621        | 1/1               | 5   | 1,335.00             | _        | 216,000.00               |
| 413<br>414<br>415<br>416<br>417<br>418               | 988<br>864<br>621<br>581               | 1/1<br>1/1               | S              | 1,162.00             |  |             |            | -/-               | -   | 4,333.00             |          |                          |
| 413<br>414<br>415<br>416<br>417<br>418<br>419        | 988<br>864<br>621<br>581<br>949        | 1/1<br>1/1<br>2/1        | 5              | 1,708.00             | \$ 216,000.00  | 4 I 71R I   | 581        | 1/1               | S   | 1,249.00             | _        | 216,000.00               |
| 413<br>414<br>415<br>416<br>417<br>418<br>419<br>420 | 988<br>864<br>621<br>581<br>949<br>561 | 1/1<br>1/1<br>2/1<br>1/1 | \$<br>\$<br>\$ | 1,708.00<br>1,150.00 | \$ 216,000.00<br>\$ 216,000.00   | 718         |            | 1/1               | _   |                      | \$       |                          |
| 413<br>414<br>415<br>416<br>417<br>418<br>419        | 988<br>864<br>621<br>581<br>949        | 1/1<br>1/1<br>2/1        | 5              | 1,708.00             | \$ 216,000.00<br>\$ 216,000.00   | 718         | 581        | 1/1<br>2/1        | s   | 1,249.00             | 5        | 216,000.00               |
| 413<br>414<br>415<br>416<br>417<br>418<br>419<br>420 | 988<br>864<br>621<br>581<br>949<br>561 | 1/1<br>1/1<br>2/1<br>1/1 | \$<br>\$<br>\$ | 1,708.00<br>1,150.00 | \$ 216,000.00<br>\$ 216,000.00   | 718         | 581<br>949 | 1/1<br>2/1<br>1/1 | S   | 1,249.00<br>1,851.00 | \$<br>\$ | 216,000.00<br>216,000.00 |





## Resolution

| By Council Member |  |  |  |
|-------------------|--|--|--|
|                   |  |  |  |

WHEREAS, Michigan Public Act 147 of 1992 allows the local legislative body to establish Neighborhood Enterprise Zones for the purpose of providing exemption from ad valorem property taxes, and the imposition of specific tax in lieu of ad valorem taxes; and

WHEREAS, The Detroit City Council has established a Neighborhood Enterprise Zone for the following area, in the manner required by and pursuant to Public Act 147 of 1992.

**NOW, THEREFORE, BE IT RESOLVED,** That the Detroit City Council approves the submission of the applications to the State Tax Commission.

**BE IT FINALLY RESOLVED**, That the Detroit City Council approve the following for receipt of Neighborhood Enterprise Zone Certificate for a fifteen-year period located within a historic district:

| Zone            | <u>Address</u> | Application No. |
|-----------------|----------------|-----------------|
| Woodward-Seward | 700 Seward     | 07-1116         |
|                 | (133 units)    |                 |