# City of Detroit

Janice M. Winfrey City Clerk

OFFICE OF THE CITY CLERK

Andre P. Gilbert II Deputy City Clerk

### DEPARTMENT PETITION REFERENCE COMMUNICATION

To: The Department or Commission Listed Below

From: Janice M Winfrey, Detroit City Clerk

The following petition is herewith referred to you for report and recommendation to the City Council.

In accordance with that body's directive, kindly return the same with your report in duplicate within four (4) weeks.

Petition No.

2024-232

Name of Petitioner

20201 Development LLC

Description of Petition

Please see the attached request for the Establishment of a Commercial Rehabilitation District at 20201 Livernois Ave,

Detroit, MI 48221.

Type of Petition

Tax Abatement

**Submission Date** 

07/09/2024

Concerned Departments

Finance Department, Planning and Development Department,

Housing and Revitalization Department, Legislative Policy

Division, City Planning Commission

**Petitioner Contact** 

Kevin Brandon

20201 Development, LLC 20201 Livernois Ave Detroit, MI 48221 P: (248) 303-1446 kmb@bmkdp.com





June 14, 2024

Detroit City Council Coleman A. Young Municipal Center 2 Woodward Ave Suite 1340 Detroit, MI 48226

RE: Request for the Establishment of a Commercial Rehabilitation District at 20201 Livernois Avenue, Detroit, Michigan 48221 for 20201 Development LLC

Honorable City Council:

Please accept this letter and attachments as a request to establish a Commercial Rehabilitation District (CRD) in accordance with P.A. 210 of 2005, as amended for the property located at 20201 Livernois Ave., Detroit, Michigan 48221, which is referred to herein as the "Property" and described in Attachment A.

### **Company Synopsis**

20201 Development LLC, (Developer) is a development partner between Brown Schroeder & Company (Brown-Schroeder) and BmK Design+Planning, LLC (BmK). Redeveloping properties in neighborhoods is a shared vision and goals of Brown-Schroeder and BmK. They believe that the location of their inaugural joint development project will not only benefit the neighborhood from the standpoint of investment, but also fulfills a need for commercial and restaurant space.

Brown-Schroeder is a local custom construction company founded in 1971. Kevin Shroeder is a second-generation builder and has been the company's president since 2012. Schroeder's passion for Detroit architecture and desire to contribute to the City's renaissance prompted him to change the company's focus to renovation and restoration projects. Recent relevant projects include:

- 885 Covington Dr 52 Unit Apartment Rehab with an investment of \$8,500,000
- 931 Covington Dr. 68 Unit Apartment Rehab with an investment of \$11,000,000

Owner of BmK, Kevin Brandon has over 37 years of architectural experience in various partnerships and firms. Brandon uses his leadership and management experience to provide design services for a variety of structures (new, existing and historic) and project types, including mixed use, commercial, residential, and retail. Recent relevant projects include:

- 400 Selden St. 12 Unit Condo/Restaurant/Office with an investment of \$6,500,000
- 664 W. Alexandrine 30 Unit Apartment with an investment of \$8,900,000

#### **Project Synopsis**

The proposed project consists of one (1) parcel located at 20201 Livernois Avenue. The parcel is bounded by the property line and a parking lot to the north, Livernois Avenue to the east, the property line and a parking lot to the south, and the property line and alley to the west. The parcel lies in Council District 2, on the east side of Pembroke (or Garden Homes) neighborhood and along the Avenue of Fashion. The parcel totals approximately 0.58 acres; 20201 Livernois is improved with a single-story building. The current building was constructed in 1961 and since then operations have included wholesale furniture companies (1961-1980) and (1989-2023) and a church from 1983-1986. The last user was Fred's Furniture Liquidation and operations ceased in 2023.

The current building is not constructed in a way that can support the proposed project and will be demolished. The proposed project will consist of a new, ground up three-story mixed-use building with a total floor area of approximately 46,741 square feet with 7,120 square feet of first floor commercial space and 50 residential apartments with a mix studio, one-bedroom, and two-bedroom rental units (the "Project").

Additional information on the Project is included in Attachment A.

### The Necessity for Tax Relief

Currently, the building does not have market demand for the original use due to deficiencies in design and changes in equipment required for modern operations. Redevelopment of the site will require, but not limited to, efficient heating, ventilation, and air conditioning (HVAC) systems, plumbing, electrical system, fire suppression system, new elevator system, insulation, means of egress, site improvements, parking, and a building design and layout capable of accommodating the proposed uses.

Substantial investment is necessary for redevelopment of the Property for uses that will adequately serve neighborhood residents and the Avenue of Fashion district. The costs associated with the rehabilitation will require multiple funding sources. In order to secure this financing, the operating costs of the redevelopment need to be kept as low as possible (including property taxes). The Project will not be possible without receipt of the CRD (and Certificate).

### PA 210 Request

This application documents the request for the establishment of the CRD. A 10-year abatement will be requested under the PA 210 CRA Certificate application.

The proposed CRD is eligible as defined by Public Act 210, as amended because it is located in a downtown or business area as determined by the legislative body of the qualified local governmental unit.

#### **Economic Advantages of the Rehabilitation**

The Project is an appropriate use, design, and scale for the Avenue of Fashion, more so than the underutilized building that currently occupies the site. The project will serve as a catalyst for entrepreneurs starting or expanding their business(es), the additional residents will provide economic support to existing businesses and existing residents will have additional shopping and dining options that keep local dollars in the community. The infill project will build on previous investments made in the area and help to further establish this area as the premier place for shopping and entertainment. Not only will the Project invite business investment along Livernois Avenue, but it will also offer employment opportunities to members of the historical residential neighborhoods of Bagley, Sherwood Forest and University District. Every successful project strengthens confidence and attracts investment through building improvements, new construction and business startups.

The granting of the PA 210 tax abatement will not result in any fewer taxes to the City of Detroit in the short-term or long-term. Upon successful redevelopment, the project will generate increased income taxes, aid in the retention of skilled, local talent and fill a need for additional commercial spaces.

On a short-term basis, approximately 46 temporary construction jobs will be created during site preparation and new construction activities. Brown-Schroeder is experienced in redevelopment projects within the City of Detroit and will make the necessary efforts to hire Detroit-based workers using programs available such as the Skilled Trades Taskforce.

On a long-term basis, the proposed Project is anticipated to create 26 permanent FTE jobs. It is expected that the future commercial/retail tenants will create the jobs for business operations and the Developer will be responsible for the creation of one full-time equivalent job associated with property maintenance. The Developer will advertise the position in a way to attract a Detroit resident for the position. It is estimated that fifteen (15) jobs are associated with restaurant operations and the remaining jobs are associated with future commercial tenants.

The developer is also pursuing a NEZ tax abatement for the residential portions of the project, Brownfield Tax Increment Financing (TIF), and Michigan Economic Development Corporation assistance through the Michigan Community Revitalization Program (MCRP)

#### Closing

20201 Development LLC are invested in the City of Detroit and ready to put decades worth of experience to use assuring the Project succeeds. They look forward to pursuing the redevelopment, creating a community space and contributing to the vitality of the corridor within the Avenue of Fashion district.

Thank you for considering the creation of this Commercial Rehabilitation District. If you have any questions regarding this request, please contact me at <a href="mailto:kmb@bmkdp.com">kmb@bmkdp.com</a> or (248) 303-1446.

Respectfully submitted.

Kevin

Digitally signed by Kevin

Brandon

**Brandon** 

Date: 2024.06.14 16:08:16

-04'00'

Kevin Brandon 20201 Development LLC

Attachments:

Attachment A: Detailed Project Description

Attachment B: Parcel Map

Attachment C: Paid Receipt of Current Taxes Attachment D: Incentive Information Chart

CC:

K. Bridges, DEGC

N. Marsh, DEGC

V. Farley, HRD

# **Attachment A: Detailed Project Description**

## **General Description**

The proposed Commercial Rehabilitation District (CRD) project is located at 20201 Livernois Avenue, (the "Property") in the Pembroke neighborhood of Detroit, north of Outer Drive, west of Livernois Avenue and south of 8 Mile Rd. The Property consists of one parcel approximately 0.58 acres of improved land, which is outlined in the map below. The current building was constructed in 1961 and since then operations have included wholesale furniture companies (1961-1980) and (1989-2023) and a church from 1983-1986.

The Project is located within the Avenue of Fashion district. The Avenue of Fashion district, similar to other areas of Detroit, suffered from disinvestment and population loss, but has been steadily growing. Some businesses remained during the economic downturn and many other businesses launched on the Avenue, even during the hard-times. This is a testament of the entrepreneurial spirit of Detroiters and the enduring appeal of the Avenue.

# **Description of Proposed Use**

This proposed project includes demolishing the existing single-story warehouse building and constructing a new three-story mixed-use building with a total floor area of approximately 46,741 square feet with 7,120 square feet of first floor commercial space and 36,237 square feet of residential space (the "Project"). The ground level has 3,120 square feet for (up to 2) commercial tenant spaces, and 4,000 square feet for restaurant use. Levels 2 and 3 feature fifty (50) residential apartments including, (14) studio units, (32) onebedroom units and (4) two-bedroom units of various sizes and lavouts. Included in the redevelopment is 12,563 square feet of (partially) covered, secured parking seamlessly integrated providing essential parking for 45 vehicles.





The Project is an appropriate use, design, and scale for the Avenue of Fashion, more so than the underutilized building that currently occupies the site.



**Current Site Condition** 

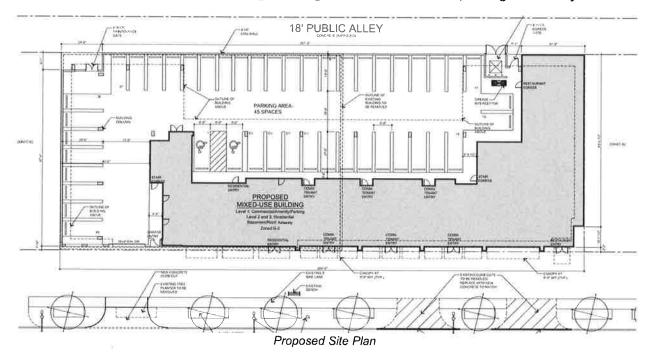
The Project will create additional housing and increase residential density in an area that is in need of new housing options, and provide additional commercial space to help meet the demand of the business sector. The developer is also requesting approval of a Brownfield Plan and will meet the requirement of the "Housing" TIF policy. Six (6) studio units will meet the affordable unit requirements for 80% of the Area Median Income (AMI), three (3) 1-bed units will meet the 60% AMI requirements and two (2) 2-bed units will meet the 70% AMI requirements. Rent of the eleven (11) affordable units are inclusive of a utility allowance. It is proposed that all but one unit will be rented at or below 100% AMI.



Concept Rendering

# Nature and Extent of the Rehabilitation

The new building will be built using commercial and residential technology requirements of the day, and is necessary for long-term functionality. The building will receive new utilities including electrical, water, and natural gas, energy efficient heating, cooling and ventilation systems, energy efficient windows and doors, and insulation. Additionally, the Project design integrates the recent streetscape improvements maintaining the neighborhood feel and improving walkability.



The Project provides Detroiters an option for new and leasable residential space in a desirable and growing neighborhood. These developments help to maintain resident population, that is necessary to grow Detroit's economic base, by providing additional housing options north of I-94. The new commercial spaces will provide opportunities for entrepreneurs to start or expand their business or attract an existing business to relocate to the City. The new retail or personal services businesses will result in more availability of goods and services as well as increase the walkability for community residents. Improving the aesthetics of the building will enhance the Avenue and be more inviting to visitors.

20201 Development LLC intends to apply for a 10-year real property tax abatement certificate under the provisions of PA 210 Commercial Rehabilitation Act.

Total development costs are approximately \$14,000,000. The Developers are providing 10% equity and the remaining capital is funded through private financing sources, including the Michigan Economic Development Corporation (MEDC)'s Community Revitalization Program and Invest Detroit.

# **Descriptive List of the Fixed Building Equipment/Renovations**

Demolition and new construction for the project include;

- Temporary Facilities; including dumpsters, construction fencing, and temporary lighting and power maintenance
- Sitework; including new water, gas, electrical service, and landscaping
- · Concrete; including repair or replacement of the current sidewalks
- Parking lot
- Mechanical; plumbing and HVAC
- Electrical; electrical work and communications
- Energy efficient windows, curtain walls, and exterior doors
- Interior build-outs
- Interior doors/frames/hardware
- Finishes; drywall and steel studs/insulation, hard tile, flooring, painting
- Specialties; fire extinguishers, toilet accessories, appliances
- Modern fire protection systems
- Improved thermal and moisture protection

Total construction hard cost investment is estimated at \$11,500,000.

## **Time Schedule**

Construction activities are anticipated to commence in December 2024. Completion of construction activities is anticipated by September 2025.

# **Statement of Economic Advantages**

The project will serve as a catalyst for entrepreneurs starting or expanding their business(es), the additional residents will provide economic support to existing businesses and existing residents will have additional shopping and dining options that keep local dollars in the community. The infill project will build on previous investments made in the area and help to further establish this area as the premier place for shopping and entertainment. Not only will the Project invite business investment along Livernois Avenue, but it will also offer employment opportunities to members of the historical residential neighborhoods of Bagley, Sherwood Forest and University District. Every successful project strengthens confidence and attracts investment through building improvements, new construction and business startups.

The granting of the PA 210 tax abatement will not result in any fewer taxes to the City of Detroit in the short-term or long-term. Upon successful redevelopment, the project will generate increased income taxes, aid in the retention of skilled, local talent and fill a need for additional residential spaces. A survey released in 2018 by American Express and NFIB, found that about 67 cents of every dollar spent at a small business remains in the community.

On a short-term basis, approximately 46 temporary construction jobs will be created during site preparation and new construction activities. Brown-Schroeder is experienced in redevelopment

projects within the City of Detroit and will make the necessary efforts to hire Detroit-based workers using programs available such as the Skilled Trades Taskforce.

On a long-term basis, the Project is anticipated to create 26 permanent FTE jobs. It is expected that the future commercial/retail tenants will create the jobs for business operations and the Developer will be responsible for the creation of one (1) full-time equivalent job associated with property maintenance. The Developer will advertise the position in a way to attract a Detroit resident for the position. It is estimated that 15 jobs are associated with restaurant operations and the remaining jobs are associated with future commercial tenants.

## **Legal Descriptions**

TAX PARCEL ID: 16017473-81

W LIVERNOIS S 11.5 FT 232 233 THRU 237 EXC LIVERNOIS AVE AS WD KENILWORTH PARK SUB L31 P82 PLATS, W C R 16/277 1 THRU 3 EXC LIVERNOIS AVE AS WD ZEIGENS WARWICK PARK SUB L37 P47 PLATS, W C R 16/280 260.50 X 97.49A

# **Attachment B: Parcel Map**





## Attachment B: Parcel Map

Industrial Property 20201 Livernois Avenue, Detroit, Michigan PM Project No. 01-14049-0-0001



# **Attachment C: Paid Receipt of Current Taxes**



## 2023 CITY OF DETROIT

#### **WINTER TAX BILL**

PAYABLE TO: CITY OF DETROIT - PROPERTY TAX PO BOX 33193 DETROIT MI 48232-5193

20201 DEVELOPMENT LLC 6827 EAST 9 MILE ROAD WARREN MI 48091

| TAXING UNITS   | RATE   | TAX AMOUNT  | IMPORTANT IN   | FORMATION - SEE REVERSE SIDE   |
|--|--|---|--|--|
| WAYNE COUNTY W C JAILS W C PARKS W C HCMA W C RESA W C RESA SP ED W C COMM COLLEGE W C ZOO W C DIA | 0.9829<br>0.9358<br>0.2442<br>0.2070<br>0.0956<br>3.3443<br>3.2202<br>0.0992<br>0.1986 | 125.17<br>119.18<br>31.10<br>26.36<br>12.17<br>425.92<br>410.11<br>12.63<br>25.29 | PARCEL #  Bill No. School District SEV Taxable Value: PRE/MBT% Prop Class TIF Dist | 255,100<br>127,357<br>.0000%<br>COMMERCIAL IMPROVED  |
| Total Winter Rate  | 9.3278   |   | W LIVERNOIS S 11.5 FT 232<br>KENILWORTH PARK SUB L3                                | RIPTION PITION, SEE ASSESSMENT ROLL AT ASSESSOR'S OFFICE PROPERTY OF THE PROPE |
| Winter Taxes   | 5.3276   | 1,187.93  |  | YABLE IN FULL DECEMBER 1, 2023 -   |
| Winter Special Fees  |  | 1,107.33  | JANUARY 15, 2024 V   | VITHOUT INTEREST AND PENALTY.  |
| Winter Admin Fee<br>Interest<br>Penalty<br>(Winter Payments)<br><b>Winter Total Balance</b>        |  | 11.87<br>17.82<br>35.64<br>1,253.26<br><b>0.00</b>                                | * SUMMER 2ND PAY<br>WITHOUT INTEREST   | MENT IS DUE JANUARY 15, 2024<br>AND PENALTY.   |
|  |  | 0.00  |  |  |
|  |  | 0.00  |  |  |
|  |  | 0.00<br><b>0.00</b>   |  |  |
| TOTAL DUE  |  | 0.00  | •  |  |

### 2023 WINTER PROPERTY TAX - RETURN LOWER PORTION WITH YOUR REMITTANCE



# **2023 CITY OF DETROIT**

**WINTER TAX BILL** 

PAYABLE TO: CITY OF DETROIT - PROPERTY TAX PO BOX 33193 DETROIT MI 48232-5193

|           | 06/13/2024                  | D |
|-----------|-----------------------------|---|
| PARCEL#   | 16017473-81                 |   |
| TOTAL DUE | 0.00                        |   |
| TAX PAID  | 0.00 BALANCE DUE 06/30/2024 |   |

000020230100033193000016017473281000240000000008

20201 DEVELOPMENT LLC 6827 EAST 9 MILE ROAD WARREN MI 48091

#### 20201 LIVERNOIS 48221 (Property Address)

Parcel Number: 16017473-81



## Item 1 of 5 4

4 Images / 1 Sketch

#### Property Owner: 20201 DEVELOPMENT LLC

#### **Summary Information**

- > Commercial/Industrial Building Summary
  - Yr Built, 1958 # of Buildings 2
  - Fotal Sq.Ft 17 820
- > Property Tax information found

#### > Assessed Value: \$255,100 | Taxable Value: \$127,357

#### Owner and Taxpayer Information

Owner

20201 DEVELOPMENT LLC 6827 EAST 9 MILE ROAD WARREN, MI 48091

Taxpayer

SEE OWNER INFORMATION

#### Legal Description

W LIVERNOIS S 11.5 FT 232 233 THRU 237 EXC LIVERNOIS AVE AS WD KENILWORTH PARK SUB L31 P82 PLATS, W C R 16/277 1 THRU 3 EXC LIVERNOIS AVE AS WD ZEIGENS WARWICK PARK SUB L37 P47 PLATS, W C R 16/280 260 50 X 97.49A

Other Information

### Recalculate amounts using a different Payment Date

You can change your anticipated payment date in order to recalculate amounts due as of the specified date for this property.

Enter a Payment Date

6/13/2024

Recalculate

#### Tax History

| Уеан | Season | Total Amount | Total Paid  | Last Paid  | Total Due |
|------|--------|--------------|-------------|------------|-----------|
| 2023 | Winter | \$1,253,26   | \$1,253.26  | 02/26/2024 | \$0.00    |
| 2023 | Summer | \$9,904.60   | \$9,904.60  | 08/21/2023 | \$0.00    |
| 2022 | Winter | \$1,142.65   | \$1,142.65  | 01/13/2023 | \$0.00    |
| 2022 | Summer | \$10,057.25  | \$10,057.25 | 01/13/2023 | \$0.00    |

<sup>\*\*</sup>Disclaimer: BS&A Software provides BS&A Online as a way for municipalities to display information online and is not responsible for the content or accuracy of the data herein. This data is provided for reference only and WITHOUT WARRANTY of any kind, expressed or inferred. Please contact your local municipality if you believe there are errors in the data.

Copyright © 2024 BS&A Software, Inc.

# **Attachment D: Incentive Information Chart**



#### INCENTIVE INFORMATION CHART:

| Project Type                         | Incentive Type  | Investment Amount                        | District   |
|--------------------------------------|---|--|------------|
| Multi-use Residential and Commercial | Commercial Rehabilitation / NEZ Tax Abatements Brownfield TIF | \$14,000,000<br>(\$11,500,000 hard cost) | District 2 |

|              |                      |                  | Jobs Av                             | vailable     |                               |                  |                      |
|--------------|----------------------|------------------|-------------------------------------|--------------|-------------------------------|------------------|----------------------|
| Construction |                      |                  | Post Construction Developer Created |              |                               |                  |                      |
| Professional | Non-<br>Professional | Skilled<br>Labor | Non-Skilled<br>Labor                | Professional | Non-<br>Professional          | Skilled<br>Labor | Non-Skilled<br>Labor |
| 3            | 1                    | 34               | 8                                   | 1            |                               |                  |                      |
|              |                      |                  |                                     | Post         | t Construction Tenant Created |                  |                      |
|              |                      |                  |                                     | Professional | Non-<br>Professional          | Skilled<br>Labor | Non-Skilled<br>Labor |
|              |                      |                  |                                     | 3            | 2                             | 12               | 8                    |

## 1. What is the plan for hiring Detroiters?

The development team will present at a Skilled Trades Task Force and Detroit at Work, to assist in connecting with Detroiters for the project.

The development team will request assistance from Detroit at Work, so that they can provide future commercial tenants with a hiring resource guide that will include organizations that can assist in finding local talent for their operations. In addition, the development team will request a commitment from the commercial tenants to prioritize filling open positions with Detroiters.

# 2. Please give a detailed description of the jobs available as listed in the above chart, i.e. job type, job qualifications, etc.

In the short-term, approximately 46 temporary full time equivalent (FTE) construction jobs are anticipated to be created.

#### Construction Jobs

Brown-Schroeder, will be looking to hire subcontractors, having Detroit residents as employees, for the following trades:

**Building Demolition** 

Concrete Coring/Sawcut/Infill

Masonry

Metal Panel/Thermal Insulation/Waterproofing

Glass and Glazing

Doors/Frames/Hardware

Gyp Board Assemblies

Flooring

Painting and Coatings

Specialties - Toilet and Bath Acc. / Partitions

Equipment

Fire Protection

Plumbing

**HVAC** 

Electrical

#### Post-Construction Jobs

After completion of the project, it is anticipated that 26 permanent FTE jobs will be created in total.

- One job is associated with the management and maintenance of the proposed project, fifteen
- (15) jobs are associated with restaurant operations
  - Management
  - o Chef
  - Cooks
  - Servers
  - Support staff
- (10) jobs are associated with future commercial tenants. The types of jobs depend on the kind of business. Possibilities include:
  - Health and wellness
  - Personal services related to spa and salons
  - Retail
  - Specialty import/export
  - Business support services such as: accounting, design, IT

## 3. Will this development cause any relocation that will create new Detroit residents?

It is anticipated that some of the apartment units will be rented to persons that don't currently reside in the City.

The building is currently vacant.

# 4. Has the developer reached out to any community groups to discuss the project and/or any potential jobs?

The development team has had informal conversations with the neighborhood organizations and received positive feedback about the project.

Prior to the public hearing for consideration of the Brownfield Plan, the development team will reach out to the Greenlawn Block Club, Eight Mile Community Organization, Avenue of Fashion Business Association, and District 2 staff. The development team respects and values the input

from the community and will be meeting with the groups sooner rather than later, so that any input from the community can be thoughtfully considered and can make adjustments to the project, as feasible.

The development team will request assistance from Detroit at Work, so that they can provide future commercial tenants with a hiring resource guide that will include organizations that can assist in finding local talent for their operations. In addition, the development team will request a commitment from the commercial tenants to prioritize filling open positions with Detroiters.

## 5. When is construction slated to begin?

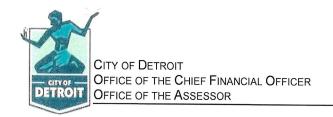
Approximately Winter 2024

### 6. What is the expected completion date of construction?

Approximately Autumn 2025

\*Please contact Linda Wesley at (313) 628-2993 or <a href="wesleyl@detroitmi.gov">wesleyl@detroitmi.gov</a> to schedule a date to attend the Skilled Trades Task Force.

Coleman A. Young Municipal Center • 2 Woodward Avenue • Suite 1340 • Detroit, Michigan 48226
(313) 224-1245 Fax (313) 224-4095



COLEMAN A. YOUNG MUNICIPAL CENTER 2 WOODWARD AVE., SUITE 824 DETROIT, MI 48226

PHONE: 313•224•3011 FAX: 313•224•9400

August 19, 2024

Mr. Antoine Bryant, Director Planning & Development Department Coleman A. Young Municipal Center 2 Woodward Ave, Suite 808 Detroit, MI 48226

Re: Commercial Rehabilitation District - 20201 Development LLC

Property Address: 20201 Livernois Ave.

Parcel Number: 16017473-81

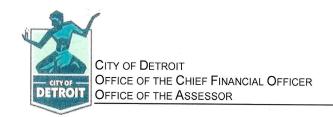
Dear Mr. Antoine Bryant:

The Office of the Chief Financial Officer, Office of the Assessor, has reviewed the proposed Commercial Rehabilitation District located at 20201 Livernois Ave. in **the Avenue of Fashion** area of the City of Detroit.

The rationale for creating Commercial Rehabilitation Districts under PA 210 of 2005, as amended, is based on the anticipation of increased market value upon completion of new construction and/or significant rehabilitation of commercial and former industrial property where the primary purpose and use is the operation of a commercial business enterprise or multifamily residential use. Commercial property also includes facilities related to a commercial business enterprise under the same ownership at that location, including, but not limited to, office, engineering, research and development, warehousing, parts distribution, retail sales, and other commercial activities. Commercial property also includes a building or group of contiguous buildings previously used for industrial purposes that will be converted to the operation of a commercial business enterprise.

The district as proposed by **20201 Development LLC** consists of 1 parcel with a total of 0.583 acres of land which includes one single-story retail building built in 1958 with approximately 17,820 sq. ft, and a commercial parking lot. Since the current building is not constructed in a way that can support the proposed project, the owner plans to have it demolished. This proposed project includes demolishing the existing single-story retail building and constructing a new three-story mixed-use building with a total floor area of approximately 46,741 square feet with 7,120 square feet of first floor commercial space and 36,237 square feet of residential space (the "Project"). The ground level has 3,120 square feet for (up to 2) commercial tenant spaces, and 4,000 square feet for restaurant use. Levels 2 and 3 feature fifty (50) residential apartments including, (14) studio units, (32) one-bedroom units and (4) two-bedroom units of various sizes and layouts. Included in the site redevelopment is 12,563 square feet of (partially) covered, secured parking seamlessly integrated providing essential parking for 45 vehicles. (all approximate). This PA 210 request applies only to the proposed 7,120 square feet of commercial floor area.

This area meets the criteria set forth under PA 210 of 2005, as amended. It applies to blighted, functionally obsolete and contaminated properties. "Commercial rehabilitation district" or "district" means an area not less than 3 acres in size of a qualified local governmental unit established as provided in section 3. However, if the commercial rehabilitation district is located in a downtown or business area or contains a qualified retail food establishment as determined by the legislative body of the qualified local governmental unit, the district may be less than 3 acres in size. The local government unit may establish by resolution a district that contains 1 or more parcels or tracts of land if at the time the resolution is adopted the parcel or tract of land or portion of a parcel or tract of land within the district is a qualified facility.



COLEMAN A. YOUNG MUNICIPAL CENTER 2 WOODWARD AVE., SUITE 824 DETROIT, MI 48226

PHONE: 313•224•3011 FAX: 313•224•9400

#### **Commercial Rehabilitation District**

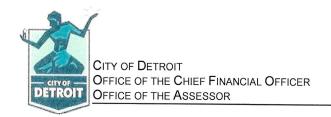
20201 Development LLC Page 2

A review of the project details and relevant statutes indicated that the proposed Commercial Rehabilitation District located at **20201 Livernois Ave.** in the **Avenue of Fashion** area of the City of Detroit is eligible as it pertains to the Commercial Rehabilitation Act under P.A. 210 of 2005, as amended.

Sincerely,

Charles Ericson, MMAO

Assessor



COLEMAN A. YOUNG MUNICIPAL CENTER 2 WOODWARD AVE., SUITE 824
DETROIT, MI 48226

PHONE: 313•224•3011 Fax: 313•224•9400

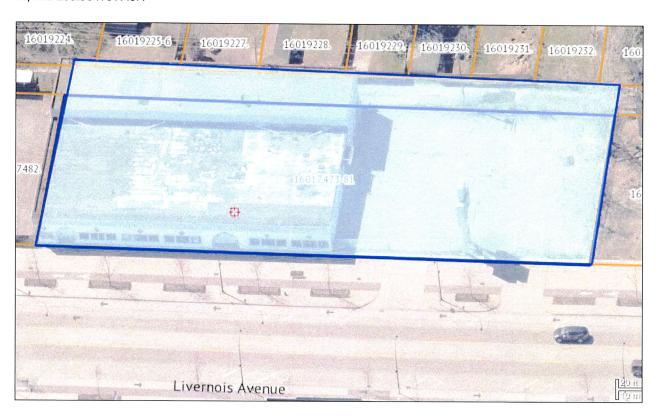
# Commercial Rehabilitation District

20201 Development LLC Page 3

Property Address: 20201 Livernois Ave.

Parcel Number: 16017473-81

**Legal Description:** W LIVERNOIS S 11.5 FT 232 233 THRU 237 EXC LIVERNOIS AVE AS WD KENILWORTH PARK SUB L31 P82 PLATS, W C R 16/277 1 THRU 3 EXC LIVERNOIS AVE AS WD ZEIGENS WARWICK PARK SUB L37 P47 PLATS, W C R 16/280 260.50 X 97.49A





# PLANNING AND DEVELOPMENT DEPARTMENT

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

TO: Justus Cook, Housing and Revitalization FROM: Gregory Moots, Planning and Development

RE: Master Plan Interpretation for Commercial Rehabilitation District Zone (PA 210) at 20201

Livernois (Associated to Petition # 2024-232)

DATE: July 12, 2024

In order to ensure consistency with the City's Master Plan of Policies, pursuant to State of Michigan, Public Act 147 of 1992 (section 207.773), the Planning and Development submits the following interpretation for the proposed establishment of Commercial Rehabilitation District. The Petitioner is 20201 Development LLC.

**Location and Project Proposal:** 20201 Livernois, between Chippewa and Norfolk Streets. The former Fred's Furniture building will be demolished and a new three-story, 46,741 sq. ft. mixed-use building is proposed, consisting of 7,120 sq. ft. of first-floor commercial space and 50 rental apartments above.

Current Master Plan (MP) & Zoning: MP Classification – Thoroughfare Commercial (CT)

Zoning - Local Business and Residential District (B2)

#### **Master Plan Interpretation**

The subject site area is designated Thoroughfare Commercial (CT). These areas "... are located along the major automobile thoroughfares of the City. The retail uses along these thoroughfares are generally oriented toward the passing automobile traffic. High traffic generating uses are generally permitted provided that they are properly buffered from residential and other uses that may be negatively impacted.".

The following policies of the Pembroke neighborhood describe the following recommendations:

- GOAL 2: Increase the vitality of commercial thoroughfares
- Policy 2.1: Attract a larger diversity of retailers along Livernois,
- especially the area south of Eight Mile.

The proposed development conforms to the Future General Land Use characteristics of the area.