

COLEMAN A. YOUNG MUNICIPAL CENTER 2 WOODWARD AVE., DETROIT, MICHIGAN 48226 WWW.DETROITMI.GOV

March 14, 2025

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

RE: Approval and Authorization to Acquire Nine (9) Properties that are within the Prospective Solar Project Sites

Honorable City Council:

The Public Lighting Department ("PLD") hereby requests approval and authorization from your Honorable Body to acquire and purchase nine (9) properties as more particularly described in the attached Exhibit A (collectively the "Properties") from the individuals and entities as noted in the attached Exhibit A, which are within the Prospective Solar Project Sites as part of the Solar Neighborhood Project ("Project"). In accordance with the requirements of Chapter 2, Article 6, Section 2 of the 2019 Detroit City Code, City Council is required to approve any gift, grant, devise or bequest of real or personal property to be used for any public purpose.

The Properties are zoned R1 – Single-Family Residential District. The Properties are in neighborhoods where the City explored locating a solar development as part of the Project but were not ultimately selected to be a solar development site. The sellers of these properties are PRE-Residents located in Prospective Solar Project Sites which the City is offering equal opportunity, at the option of the PRE-Resident, to sell their residence to the City at not less than the same level as being made to PRE-Residents in Phase 1 and Phase 2. In July 2024, your Honorable Body passed a resolution to establish an "equity fund" from reserves from the Utility Conversion Fund that could be used to purchase the properties from homeowners in the potential solar development host neighborhoods so that these homeowners would not be stuck in a state of uncertainty, waiting for some potential buyout. Any use of the Properties by PLD for the Project shall be consistent with the allowable uses for which the Properties are zoned. PLD shall obtain any zoning compatibility, zoning change or special land use authorizations required.

The collective purchase price of the Properties will be One Million Two Hundred Ninety-Three Thousand and 00/100 Dollars (\$1,293,000.00). The Purchase Price will be paid from the Utility Conversion Fund. The price was established in the same manner as the price offered for other homeowners with a principal residence exemption on file, which is at twice the fair market value of the home or a minimum of ninety thousand dollars (\$90,000).



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We, therefore, respectfully request that your Honorable Body approve the acquisition of the Properties by adopting the following resolution.

Respectfully submitted,

Alexa Bush

Planning Director

cc: Malik Washington, Mayor's Office



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RESOLUTION

BY COUNCIL MEMBER	
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WHEREAS, the City of Detroit ("<u>City</u>") through the Public Lighting Department ("<u>PLD</u>") wishes to purchase and acquire that certain properties, located within the City of Detroit, MI, as noted in the attached <u>Exhibit A</u> (the "<u>Property</u>"), for the total sum of One Million Two Hundred Ninety-Three Thousand and 00/100 Dollars (\$1,293,000.00); and

WHEREAS, the Properties are to be acquired as part of the Solar Neighborhood Project

NOW, THEREFORE, BE IT RESOLVED, that this Honorable Body hereby declares that the acquisition of property for the Property 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 this Honorable Bodyl hereby approves acquisition of the Properties from those individuals, as noted in the attached Exhibit A, in the amount of One Million Two Hundred Ninety-Three Thousand and 00/100 Dollars (\$1,293,000.00) as the purchase price of the Properties, and the payment of customary closing costs (anticipated to be approximately up to Three Thousand Five Hundred and 00/100 dollars (\$3,500.00) per property, from funds appropriated to the Public Lighting Department for acquisition purposes, Appropriation Nos. 13969; and be it further

RESOLVED, that Detroit City Council finds and declares that (1) acquisition of the Property is necessary to promote the health, safety and welfare of the public and (2) that the preservation of the public health safety and welfare outweighs the cost of the environmental inquiry and assessment, and therefore, waives the requirement that the seller bear the cost of the environmental inquiry and assessment for the Property; and be it further

RESOLVED, that in accordance with the foregoing communication, the Director of the Public Lighting Department, or his/her authorized designee, be and is hereby authorized to (1) accept and record deeds to the Property, and such other documents as may be necessary to effectuate the transfer of the Property for the amounts listed in the attached Exhibit A, totaling of One Million Two Hundred Ninety-Three



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Thousand and 00/100 Dollars (\$1,293,000.00); and (2) to pay the cost of any owner's policy of title insurance, record any deeds granting title to the Property to the City of Detroit, and to pay such other necessary and/or additional customary closing costs payable in connection with the acquisition of the Property; and be it further

RESOLVED, that the transfer of the Properties to the City may occur in one or more separate closings, provided that the deed for each respective closing shall reflect the purchase price in <u>Exhibit A</u>; and be it further

RESOLVED, that upon acquisition of the Property, the Property shall be placed under the jurisdiction of the Public Lighting Department for use, operation and further development; and

BE IT FINALLY RESOLVED, that the Director of the Public Lighting Department, or his/her authorized designee, be and is hereby authorized to execute any required instruments to make or incorporate technical amendments or changes to the deed and such other documents as may be necessary to effectuate the transfer (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 no materially alter the substance or terms of the transfer.

A WAIVER OF RECONSIDERATION IS REQUESTED.

(See Attached Exhibit A)