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City of Detroit

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May 7, 2025

HONORABLE CITY COUNCIL

RE: Neighborhood Enterprise Zone Certificate Applications for the construction of four single-family houses at 2801, 2826, 2832, and 2838 16th Street in the North Corktown Neighborhood Association and North Corktown Equitable Housing Initiative Neighborhood Enterprise Zone area (RECOMMEND APPROVAL)

The office of the City Clerk forwarded to the City Planning Commission (CPC) applications requesting 15-year Neighborhood Enterprise Zone (NEZ) certificates for the construction of four single-family houses at 2801, 2826, 2832, and 2838 16th Street.

The petitioner for the certificates is the North Corktown Neighborhood Association, a non-profit corporation that is focused on establishing and preserving affordable housing options for North Corktown residents.

The subject property is vacant land on the east and west sides of 16th Street between Perry and Temple Streets. The petitioner is proposing a community land trust to encourage affordable housing. Overall, the petitioner is proposing to develop the subject area with 7 single-family houses and 2 duplexes.

The petitioner indicates the new construction will consist of manufactured houses to be delivered and installed after completing preliminary sitework and foundations. A summary of the subject request includes the following:

Unit	Square Footage	# Bedrooms	Unit cost to build/renovate	Estimated sale price or rental price
2801 16th	1728	2	\$792,206*	\$226,222
2826 16th	1292	3	\$509,406*	\$258,556
2832 16th	780	2	\$522,377*	\$230, 889
2838 16th	1342	3	\$651,118*	\$258,333

• The construction cost includes the housing, as well as infrastructure costs

Regarding affordability, the petitioner indicates the community land trust will sell the houses to buyers with incomes ranging from 50% to 80% Area Median Income (AMI). Regarding parking, a detached single car garage is proposed to be built at the rear of each house. Regarding accessibility, the petitioner indicates overall the project includes one barrier-free house.

The subject property has been confirmed as being within the boundaries of the North Corktown Neighborhood Association and North Corktown Equitable Housing Initiative Neighborhood Enterprise Zone area, which was established by City Council in January 2025, and should be eligible for NEZ certificates under the State NEZ Act (Act 147 of 1992) as currently written.

The petitioner indicates building permits were applied for on July 11, 2024; building permits were issued as follows:

- 2801 16th on 9-11-2024 (NEZ application applied for 3-10-2025)
- 2826 16th on 9-13-2024 (NEZ application applied for 3-10-2025)
- 2832 16th on 9-17-2024 NEZ application applied for 3-10-2025)
- 2838 16th on 10-4-2024 NEZ application applied for 3-10-2025)

State law requires the certificate application be filed before the building permit is issued, unless the City Council notes in the approving resolution that the application was filed not later than 6 months following the date of the building permit being issued.

CPC staff have reviewed the applications and recommend approval. Attached is a resolution for Your consideration. Please contact our office should you have any questions.

Respectfully submitted,

Marall R. f.M.J.

Marcell R. Todd, Jr., Director CPC Christopher J. Gulock, Deputy Director CPC

cc: Angela Jones, City Clerk



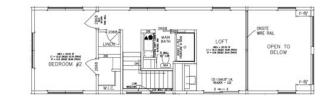


2801 16th St.

1728 SF 2-BED, 2-BATH MANUFACTURER: RITZ-CRAFT



2868 MASTER BATH	x = 0		DINING	
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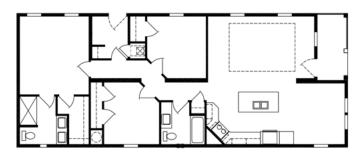


SECOND FLOOR

2826 16th St.

1292 SF 3-BED, 2-BATH MANUFACTURER: SUGAR CREEK



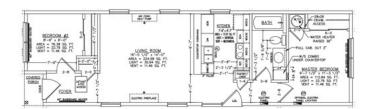


FIRST FLOOR

2832 16Tth St.

780 SF 2-BED, 1-BATH MANUFACTURER: HECKAMAN





FIRST FLOOR

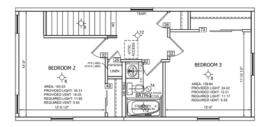
2838 16th St.

1342 SF 3-BED, 2-BATH MANUFACTURER: STRATTENVILLE





FIRST FLOOR



SECOND FLOOR

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, and, if applicable, the City Council concurs with the issuance of the certificates if the applications were filed not more than 6 months after the date of the issuance of a building permit for the facility.

BE IT FINALLY RESOLVED, That the Detroit City Council approves the following for receipt of a Neighborhood Enterprise Zone Certificate for a fifteen-year period:

<u>Zone</u> North Corktown Neighborhood Association and North Corktown	Address	Application No.
Equitable Housing Initiative	2801 16 th Street	25-013
North Corktown Neighborhood Association and North Corktown Equitable Housing Initiative	2826 16 th Street	25-014
North Corktown Neighborhood Association and North Corktown Equitable Housing Initiative	2832 16 th Street	25-015
North Corktown Neighborhood Association and North Corktown Equitable Housing Initiative	2838 16 th Street	25-016