

City of Detroit
OFFICE OF THE CITY CLERK

Janice M. Winfrey
City Clerk

Andre P. Gilbert II
Deputy City Clerk

May 4, 2022

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

**Re: Application for Neighborhood Enterprise Zone Certificate for
Corktown Area**

Dear Council Members:

On October 21, 1992, your Honorable Body established Neighborhood Enterprise Zones. I am in receipt of one (1) application for Corktown 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,



Andre P. Gilbert, II
Deputy City Clerk

APG:aj
Enc.

CITY CLERK 2022 MAY 15 11:52 AM

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 as valorem property taxes, and the imposition of specific property tax in lieu of as 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 City Council approve the following address for receipt of Neighborhood Enterprise Zone Certificate for a fifteen-year period:

<u>Zone</u>	<u>Address</u>	<u>Application No.</u>
Corktown	1830 Church	07-0360

Lauren Hood, MCD
Chairperson
Donovan Smith
Vice Chair/Secretary

Marcell R. Todd, Jr.
Director

City of Detroit
CITY PLANNING COMMISSION
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May 2, 2022

HONORABLE CITY COUNCIL

RE: Neighborhood Enterprise Zone Certificate Application for the rehabilitation of a house at 1830 Church Street in the Corktown Neighborhood Enterprise Zone area (RECOMMEND APPROVAL)

The office of the City Planning Commission (CPC) via the City Clerk's office has received an application from the Mario Dewberry/Kelli Bailey (KBMD Investments, LLC) requesting a Neighborhood Enterprise Zone (NEZ) certificate for the rehabilitation of an existing house at 1830 Church Street. The property is generally located on the north side of Church just east of Rosa Parks Boulevard. Below is an image of the location and existing building. The request is for a 15-year abatement.

Some of the details of this project include the following:

- The subject house is zoned R2 (Two-Family Residential) and within a historic district
- The house is located within Council District 6 in the Corktown neighborhood
- The house was built in 1890 with 1,492 square feet
- The applicant indicate the house was vacant for about 12 years, and they purchased the house November 2021 for \$215,000
- The estimated rehab cost is about \$200,000; needed repairs include new siding, new windows, kitchen remodeling, basement repairs, and a rear addition

The NEZ certificate application appears to have been submitted prior to the issuance of applicable building permits – the NEZ Act (Act 147 of 1992) states the applications must be filed before a building permit is issued. The petitioner submitted NEZ certificate application dated March 3, 2020, to the City Clerk's office.

Some information regarding NEZ certificates for rehabilitated facilities include:

- "Rehabilitated facility" is an exemption for an existing structure or a portion of an existing structure, the primary purpose is residential housing which can be owner or non-owner occupied, meeting specific requirements for improvement investment and true cash value
- A parcel of property with an existing NEZ Certificate for a "rehabilitated facility" will have two assessments. The land will be assessed on the regular ad valorem assessment roll, while the building will have an assessment on the NEZ specific tax roll. The NEZ tax roll assessment of a property with a "rehabilitated" certificate cannot have its assessment altered by the Board of Review during the life of the certificate.

The subject property has been confirmed as being within the boundaries of the Corktown NEZ which was established by a vote of City Council on October 26, 1994. The proposed NEZ certificate for rehab would freeze the value of the home prior to the improvements being made.

CPC staff has reviewed the applications and recommends approval. The City Clerk's office is submitting a resolution for Your consideration. Please contact our office should you have any questions.

Respectfully submitted,

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

cc: Angela Jones, City Clerk's Office

