



July 14, 2022

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

**RE: Property Sale
19640 Charleston, Detroit, MI 48203 and 10586 Knodell, Detroit, MI 48213**

Honorable City Council:

The City of Detroit, Planning and Development Department (“P&DD”) has received an offer from Detroit Dirt LLC (“Purchaser”), a Michigan limited liability company, to purchase certain City-owned real property at 19640 Charleston and 10586 Knodell (the “Properties”). The P&DD has entered into a purchase agreement with Purchaser. Under the terms of the proposed purchase agreement, the Properties will be conveyed to Purchaser for the purchase price of Eighty Thousand Four Hundred Sixty and 00/100 Dollars (\$80,460.00).

Detroit Dirt is a waste management company and nonprofit organization with the goal to create a low-carbon, zero waste community by utilizing food waste, green waste, spent grains, and manures to create high-quality compost. They wish to obtain the City-owned parcels to build their waste management facilities, which will include a composting facility, indoor growing, manufacturing and commercial space. They have also proposed building a research facility and office space. The parcel at 19460 Charleston is located in an M4 district (Intensive Industrial District) and the parcel located at 10586 Knodell is in an M2 district (Restricted Industrial District). The Purchaser shall apply for and obtain any required approvals necessary prior to the closing and consummation of this sale. The Purchaser’s proposed use of the Properties shall be consistent with the allowable uses for which the Properties are zoned.

Furthermore, the Properties shall be transferred subject to a reverter interest, barring Purchaser, or any of its assigns, from utilizing the Properties for any State-licensed marijuana activity, including, but not limited to, growing, processing, testing, transporting, or distributing of any marijuana or marijuana related products as currently defined by the City’s ordinance or as later may be amended for Sixty (60) months from the date the purchaser receives its certificate of acceptance or operational license for the composting operation.



CITY OF DETROIT
PLANNING AND DEVELOPMENT DEPARTMENT

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We request that your Honorable Body adopt the attached resolution to authorize the Director of P&DD, or his authorized designee, to execute a quit claim deed and such other documents as may be necessary or convenient to effect a transfer of the Properties by the City to Detroit Dirt LLC.

Respectfully submitted,

A handwritten signature in blue ink that reads "Katharine G. Trudeau".

Katharine G. Trudeau
Deputy Director

cc: Gail Fulton, Mayor's Office



RESOLUTION

BY COUNCIL MEMBER _____

NOW, THEREFORE, BE IT RESOLVED, that Detroit City Council hereby approves of the sale of certain real property at 19640 Charleston and 10586 Knodell, Detroit, MI (the “Properties”), as more particularly described in the attached Exhibit A incorporated herein, to Detroit Dirt LLC (“Purchaser”), for the purchase price of Eighty Thousand Four Hundred Sixty and 00/100 Dollars (\$80,460.00); and be it further

RESOLVED, that the Director of the Planning and Development Department, or his authorized designee, is authorized to execute a quit claim deed and other such documents necessary or convenient to effect transfer of the Properties to Purchaser consistent with this resolution; and be it further

RESOLVED, the Properties shall be transferred subject to a reverter interest, , barring Purchaser, or any of its assigns, from utilizing the Properties for any State-licensed marijuana activity, including, but not limited to, growing, processing, testing, transporting, or distributing of any marijuana or marijuana related products as currently defined by the City’s ordinance or as later may be amended for Sixty (60) months from the date the purchaser receives its certificate of acceptance or operational license for their composting operation; and be it further

RESOLVED, that the following Property Sales Services Fees be paid from the sale proceeds pursuant to the City’s Property Management Agreement with the Detroit Building Authority (“DBA”): 1) Four Thousand Eight Hundred Twenty Seven and 60/100 Dollars (\$4,827.60) shall be paid to the DBA from the sale proceeds, 2) Four Thousand Twenty Three and 00/100 Dollars (\$50.00) shall be paid to the DBA’s real estate brokerage firm from the sale proceeds and 3) customary closing costs up to Two Hundred and 00/100 Dollars (\$200.00) as well as any taxes and assessments which have become a lien on the Properties; and be it further

RESOLVED, that the P&DD Director, or his authorized designee, is authorized to execute any required instruments to make and incorporate technical amendments or changes to the quit claim deed (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 not materially alter the substance or terms of the transfer and sale; and be it finally

RESOLVED, that the quit claim deed will be considered confirmed when executed by the P&DD Director, or his authorized designee, and approved by the Corporation Counsel as to form.

(See Attached Exhibit A)

EXHIBIT A

LEGAL DESCRIPTION

Properties situated in the City of Detroit, Wayne County, Michigan, described as follows:

Parcel 1

E CHARLESTON ALL THAT PT OF SE 1/4 SEC 2 T 1 S R 11 E DESC AS BEG AT NW COR LOT 19 OF PREMIER SUB TH N 00D 18M E 335.33 FT ALG E LINE CHARLESTON AVE 50 FT WD TH S 89D 11M E 100 FT TH N 00D 18M E 50 FT TH S 89D 11M E 137.76 FT TH S 29D 39M E 446.40 FT ALG WLY LINE G T W RR R O W TH N 89D 15M W 460.70 FT TO P O B 129,495 SQ FT

a/k/a 19640 Charleston
Tax Parcel ID 01009291.001

Parcel 2

N DEVINE E 27.94 FT 189 188 THRU 181 AND VAC ALLEY LYG N OF & ADJ E 10 FT 243 244 THRU 249 AND VAC KNODELL AVE N & ADJ 313 THRU 316 BESSENGER & MOORES GRATIOT AVE SUB NO 2 L28 P30 PLATS, WCR 19/412 73.739 SQ FT

a/k/a 10586 Knodell
Tax Parcel ID 19002593

Description Correct
Engineer of Surveys

By: _____
Basil Sarim
Sr. Associate Surveyor
City of Detroit/DPW, CED