

Lauren Hood, MCD
Chairperson
Donovan Smith
Vice Chair/Secretary

Marcell R. Todd, Jr.
Director

City of Detroit
CITY PLANNING COMMISSION
208 Coleman A. Young Municipal Center
Detroit, Michigan 48226
Phone: (313) 224-6225 Fax: (313) 224-4336
e-mail: cpc@detroitmi.gov

Brenda Goss Andrews
Kenneth R. Daniels
David Esparza, AIA, LEED
Ritchie Harrison
Gwen Lewis
Melanie Markowicz
Frederick E. Russell, Jr.

August 22, 2022

HONORABLE CITY COUNCIL

RE: Neighborhood Enterprise Zone Certificate Application for the construction of a new 29-unit multi-family building at 503 Horton in the Horton North End Neighborhood Enterprise Zone area (RECOMMEND APPROVAL)

The office of the City Clerk forwarded to the City Planning Commission (CPC) staff an application requesting a Neighborhood Enterprise Zone (NEZ) certificate for the construction of a new 3-story multi-family building at 503 Horton Avenue with 29 rental apartments and one retail/office space.

The property is generally located at the northeast corner of Horton and Beaubien Avenues in the North End. The site is presently vacant. The petitioner, the Beauton LLC, is operated by Charles A. Dickerson III, the owner and founder of CADS III Management, Inc. Below are images of the site and the proposed building.

The request is for a 15-year NEZ certificate for a new facility to include 29 rental units: 2 two-bedrooms, 2 one-bedrooms, 15 studios, and 7 micros. The developer proposes 50% of the units (14 units) will be for households earning between 50% and 80% of the Detroit SMSA area median income (AMI). The developer plans to spend about \$189,000 per unit. The proposed rents are as follows: two-bedrooms \$1,500/month, one-bedroom \$1,200/month, studios \$900/month, and micros \$625/month.

The subject property has been confirmed as being within the boundaries of the Horton North End NEZ which was established by City Council in June 2021 and should be eligible for NEZ certificate under the State NEZ Act (Act 147 of 1992). It appears the NEZ certificate applications 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 the NEZ certificate application dated April 26, 2022, to the City Clerk's office.

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

Respectfully submitted,



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

cc: Janice Winfrey, City Clerk
Angela Jones, City Clerk



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 application to the State Tax Commission, and, if applicable, the City Council concurs with the issuance of the certificate if the application was 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 approve the following for receipt of a Neighborhood Enterprise Zone Certificate for a fifteen-year period:

<u>Zone</u>	<u>Address</u>	<u>Application No.</u>
Horton North End	503 Horton (residential rental units 1-29)	07-0734