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August 23, 2022

HONORABLE CITY COUNCIL

RE: Neighborhood Enterprise Zone Certificate Applications for the rehabilitation of a 10-unit residential apartment building located at 68 East Willis in the Newberry Hall Neighborhood Enterprise Zone (RECOMMEND APPROVAL)

The office of the City Planning Commission (CPC) has received two applications requesting Neighborhood Enterprise Zone (NEZ) certificates for the rehabilitation of a 10-unit residential apartment building located at 68 East Willis. The ten certificates for 68 East Willis are divided as follows: Units 1-7 and Units 8-10.

The property is located on the south side of East Willis between Woodward Avenue and John R – just west of the Detroit Medical Center. The building is located within Council District 5. Below is a map of the location and an image of the building. The site is presently a vacant 3-story apartment building. The building has 8 one-bedroom units and 2 three-bedroom units.

The request is for a 15-year abatement for 10 rental units. Willis Street Apartments LLC, operated by Century Partners, purchased the building in January 2022. The developer estimates spending \$35,000 per unit which includes new kitchens, bathrooms, repairs to drywall/plaster, new lighting etc.

Of the 10 units, the developer will offer 20% of the rental units to those not earning more than 80% of the Detroit SMSA area median income (AMI). Therefore, 2 units will be guaranteed to be affordable. See chart below for the proposed monthly rental rates.

Century Partners
68 E Willis Street
Detroit, MI 48201
Floor Plan & Rent Roll

Unit	Floor	Beds	SF	Rent	Type
1	1	1	700	\$1,343	80% AMI
2	1	1	700	\$1,550	Market
3	1	1	700	\$1,550	Market
4	1	1	700	\$1,343	80% AMI
5	2	3	1100	\$2,200	Market
6	2	1	700	\$1,550	Market
7	2	1	700	\$1,550	Market
8	3	1	700	\$1,550	Market
9	3	1	700	\$1,550	Market
10	3	3	1100	\$2,200	Market

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 NEZ certificate application dated July 14, 2022, to the City Clerk's office.

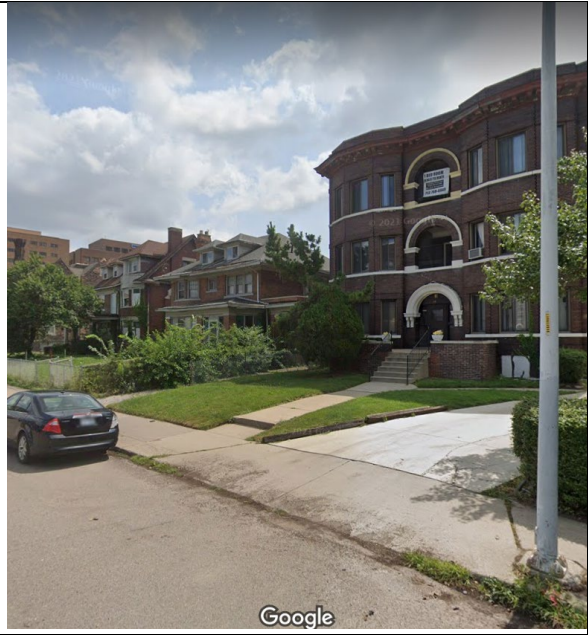
The subject property has been confirmed as being within the boundaries of the Newberry Hall NEZ which was established by a vote of City Council in March 2006. CPC staff has reviewed the applications and recommends approval. A resolution is attached for Your consideration. Please contact our office should 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>
Newberry Hall	68 E. Willis (Units 1-7)	07-0837
Newberry Hall	68 E. Willis (Units 8-10)	07-0838