











- The approval of this project started with the negotiation of a Memorandum of Understanding (MOU) between the City of Detroit, Gross Pointe Park, and the URIF (Developer).
- This document was signed by the City of Detroit Director of Planning and Development, the Detroit City
 Finance Director and the Detroit Corporation Counsel. It also was approved by Mayor Duggan and
 unanimously by the Detroit City Council.
- This document is a contract, and this contract requires the URIF to construct the Schaap Center as detailed in exhibits attached to the MOU. These exhibits were heavily negotiated between the City of Detroit and the URIF, and the URIF assumed that the City of Detroit obtained approval from all governing parties within the city prior to signing this contract.

A timeline of the actions leading up to Today

2019 MOU Signed by Detroit, URIF, and GPP 2019
Acquisition of
Parcel F –
Purchase from
City of Detroit

Purchase
Agreement with
GPP for Parcels
G, H, I & J

2020 SmithGroup hired as AE Consultant

2021 Acquisition of Parcels G, H, I & J 2021 Permit Application Submitted

2023 Legal Mediation, GPP Construction and Application to HDC



We are requesting a Notice to Proceed.

Per State of Michigan Act 169 of 1970:

- i. Work within a historic district shall be permitted through the issuance of a notice to proceed by the commission <u>if any</u> of the following conditions prevail and if the proposed work can be demonstrated by a finding of the commission to be necessary to substantially improve or correct any of the following conditions:
 - (a) The resource constitutes a hazard to the safety of the public or to the structure's occupants.
 - (b) The resource is a deterrent to a major improvement program that will be of substantial benefit to the community and the applicant proposing the work has obtained all necessary planning and zoning approvals, financing, and environmental clearances.
 - (c) Retaining the resource will cause undue financial hardship to the owner when a governmental action, an act of God, or other events beyond the owner's control created the hardship, and all feasible alternatives to eliminate the financial hardship, which may include offering the resource for sale at its fair market value or moving the resource to a vacant site within the historic district, have been attempted and exhausted by the owner.
 - (d) Retaining the resource is not in the interest of the majority of the community.



(a) The resource constitutes a hazard to the safety of the public or to the structure's occupants.

- The Schaap Centers licensed structural engineer, John Sweda, PE, has concluded that the abandoned DPW building located on 14927 E Jefferson is "an immediate danger and safety hazard" due to the structural deficiencies described in his Report, which is attached to the Schaap Center application named "Exhibit I DPW Building Structural Report". We believe this building and existing salt shed constitutes an unsafe, hazardous, and attractive nuisance and presents a threat and potential harm to the safety and welfare of the public.
- Furthermore, 14927 E Jefferson is not referenced at all in the Final Report of the proposed Jefferson-Chalmers
 Historic Business District. Please confirm by referencing the attached report within the Schaap Center
 application named "Exhibit L JC HBD City Council Report". We do not believe there is any contributing
 historical significance to the abandoned DPW building or the salt shed on the property.
- Upon completion of demolition, the Schaap Center team will position and construct the structure/building that
 will be the community center for the arts in substantial compliance with the Site Plan included within Exhibit C
 of our Contract. The Contract is attached to the Schaap Center application named "Exhibit K MOU" for
 reference.



- (b) The resource is a deterrent to a major improvement program that will be of substantial benefit to the community and the applicant proposing the work has obtained all necessary planning and zoning approvals, financing, and environmental clearances.
- 1. This resource is a clear deterrent to a major improvement program, which is the development of the Schaap Center.
- 2. In Contract with Detroit, signed by the City of Detroit Director of Planning and Development, the Detroit City Finance Director and the Detroit Corporation Counsel, it states:
 - **F.** GPP and the City believe that the construction and operation of a non-profit community center for the arts, bus turnaround and parking area is in the best interest of the public and are desirous of seeking necessary approvals and consummation of the same.
- 3. The above statement provides clear evidence that the highest levels of City government, including Detroit Mayor Duggan and the Detroit City Council (unanimous approval), which provides direct representation of Detroit's residents, agree that this project will provide substantial benefit to the community. The Contract is attached to the Schaap Center application named "Exhibit K MOU" for reference.



- (c) Retaining the resource will cause undue financial hardship to the owner when a governmental action, an act of God, or other events beyond the owner's control created the hardship, and all feasible alternatives to eliminate the financial hardship, which may include offering the resource for sale at its fair market value or moving the resource to a vacant site within the historic district, have been attempted and exhausted by the owner.
- The Contract requires the URIF to "Position and Construct" the Schaap Center in "Substantial Compliance" with the Site Plan attached as Exhibit C to the MOU. The Contract is attached to the Schaap Center application named "Exhibit K MOU" for reference.
- Due to the Contract the URIF has with the City of Detroit and GPP, the land proposed for the construction of the Schaap Center must be used to construct it in accordance with this contract, and therefore other development opportunities on this site are not possible, without breaching this contract.
- The City of Detroit accepted \$300,000 for the sale of land parcel F and the Quit Claim Deed is attached to the MOU.



(d) Retaining the resource is not in the interest of the majority of the community.

We cannot imagine a better use for this site that will be of more interest to the majority of the community than the Schaap Center. This is evidenced by the supporting letters included in the Schaap Center application attachments from residents, program partners and business owners that live near this development.

Please note, the support letters attached to out application as "Exhibit A – Letters of Support" that are attached to our application best demonstrate this condition is achieved. Several of these letters are from the closest Detroit Jefferson-Chalmer's neighbors adjacent to the Schaap Center.