



Item Number: 4

CITY OF GRAND RAPIDS AGENDA ACTION REQUEST

DATE: July 16, 2024

TO: Mark Washington, City Manager

COMMITTEE: Community Development Committee

LIAISON: Mary Kate Berens, Deputy City Manager

FROM: Sarah Rainero, Economic Development Director
Economic Development

SUBJECT: **Resolution scheduling a public hearing for July 30, 2024, to consider an application for a twelve-year Obsolete Property Rehabilitation Exemption Certificate, pursuant to PA 146 of 2000, for The Diatribe at 2040 Division Avenue S**

Attached is a resolution setting Tuesday, July 30, 2024, at 7:00 p.m., as the date and time when the City Commission will hold a public hearing to consider an application for a twelve-year Obsolete Property Rehabilitation Act (OPRA) exemption certificate, pursuant to Michigan Public Act 146, of 2000 (the "Act"), for The Diatribe (the "Developer") for a project located at 2040 Division Avenue S (the "Property").

The Developer owns the Property, which currently contains an 18,345 square foot, vacant, two-story building with a basement that is in significant disrepair. The Developer plans to rehabilitate the existing building into a mixed-use property that will include programmatic and office space for The Diatribe's headquarters and commercial space on the ground floor. The second floor will be renovated into eight (8) apartments, to be rented to households earning at or below 60% of the Area Median Income (AMI), and the basement will be a performing arts venue. It is anticipated the project will also seek LEED certification. Total investment in the project is estimated to be almost \$7 million with approximately \$5 million in construction costs.

The City Assessor inspected the building on February 5, 2024, and determined that it meets the definition of "functionally obsolete" as defined in the Act and will require significant investment and rehabilitation prior to future use.

The project qualifies for a 12-year OPRA, pursuant to City Commission Policy 900-42, adopted on February 23, 2016, because it proposes to meet two City Investment Criteria. The Developer is seeking LEED certification for the project (Criteria 1.A.) and all eight (8) of the proposed apartments will be affordable to individuals and families earning less than 80% AMI (Criteria 2.A.).

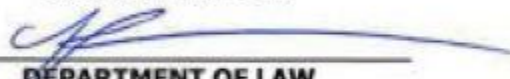
Attachment

JS

Your COMMUNITY DEVELOPMENT COMMITTEE recommends the adoption of the following resolution scheduling a public hearing for July 30, 2024, to consider an application for a twelve-year Obsolete Property Rehabilitation Exemption Certificate, pursuant to PA 146 of 2000, for The Diatribe at 2040 Division Avenue S.

RESOLVED:

1. That the application of The Diatribe for an Obsolete Property Rehabilitation Act exemption certificate for property located at 2040 Division Avenue S, pursuant to PA 146 of 2000, shall remain on file for inspection by the public in the Economic Development Department; and
2. That a public hearing be held on Tuesday, July 30, 2024, at 7:00 p.m., at Gerald R. Ford Academic Center, 851 Madison Avenue S.E. in the City of Grand Rapids, to consider an Obsolete Property Rehabilitation Exemption Certificate for property located at 2040 Division Avenue S (PPN 41-18-07-101-010), pursuant to PA 146 of 2000, at which time and place, the City Commission shall afford the applicant, the City Assessor, and a representative from each of the taxing units an opportunity to be heard; and
3. That the City Clerk shall notify in writing the City Assessor and the legislative body of each taxing unit which levies ad valorem property taxes in the City of the receipt of the application and the date, time, and location at which the City Commission shall afford the applicant, the City Assessor, and a representative of each taxing unit an opportunity to be heard.

CORRECT IN FORM

DEPARTMENT OF LAW