

8. Resolution approving the revocation of Obsolete Property Rehabilitation Exemption Certificates #3-19-0019 and #3-19-0020 for Scott and Associates, LLC, at 1032 and 1040 Martin Luther King, Jr. Street SE



Item Number: 8

# CITY OF GRAND RAPIDS AGENDA ACTION REQUEST

**DATE:** December 17, 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 approving the revocation of Obsolete Property Rehabilitation Exemption Certificates #3-19-0019 and #3-19-0020 for Scott and Associates, LLC, at 1032 and 1040 Martin Luther King, Jr. Street SE**

Attached is a resolution revoking two Obsolete Property Rehabilitation Act (OPRA) exemption certificates #3-19-0019 and #3-19-0020, which were originally issued to Scott and Associates, LLC for projects located at 1032 and 1040 Martin Luther King, Jr. Street SE (the "Properties"). The revocation is being recommended due to the originally planned project not coming to fruition and a change in ownership of the Properties.

On June 11, 2019, via proceeding numbers 88916 and 88918, the City Commission approved applications filed by Scott and Associates, LLC (the "Applicant") for the rehabilitation of the obsolete properties located at 1032 and 1040 Martin Luther King Jr. Street SE. The Applicant proposed to invest just under \$200,000 in the rehabilitation of the two vacant buildings and planned to have commercial space on the ground floor with three apartments on the second floor. Unfortunately, the Applicant was unable to complete a project on the Properties due to unforeseen circumstances and the COVID-19 pandemic. Because the project was not completed, there was no benefit derived from the originally approved OPRA certificates.

The new owner (the "Owner") is interested in completing a project at the Properties, which is currently planned to include the demolition of the 1040 parcel and the rehabilitation of the 1032 parcel into five apartments. The ground floor apartments would be live-work units. Revoking the OPRA certificates will allow the Owner to apply for a new certificate on the 1032 parcel, which will help facilitate this project and provide the Owner the opportunity to take full advantage of an OPRA exemption. The condition of the 1032 parcel has largely remained the same and would still be eligible for an OPRA exemption.

If the revocation is approved, staff expects to bring forward an item at the January 14, 2025 meeting requesting the City Commission schedule a public hearing on the new certificate for the Owner. Staff recommends approval of the attached resolution.

Attachment

SLR/JS

Your COMMUNITY DEVELOPMENT COMMITTEE recommends the adoption of the following resolution approving the revocation of Obsolete Property Rehabilitation Exemption Certificates #3-19-0019 and #3-19-0020 for Scott and Associates, LLC, at 1032 and 1040 Martin Luther King, Jr. Street SE.

**RESOLVED:**

1. That Obsolete Property Rehabilitation Exemption Certificates #3-19-0019 and #3-19-0020 issued to Scott and Associates, LLC under Public Act 146 of 2000 be terminated as the Properties subject to the exemption are no longer owned by the applicant and the original project did not commence; and
2. That the City Clerk send notice of this action to the State of Michigan Department of Treasury notifying it that the certificate has been revoked.

**CORRECT IN FORM**  
  
**DEPARTMENT OF LAW**