



# Detroit Water and Sewerage Department

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## Legislation Details (With Text)

**File #:** 18-0154      **Version:** 1      **Name:**

**Type:** Contract, Lease Agreements      **Status:** Passed

**In control:** Financial Services

**On agenda:** 7/18/2018      **Final action:** 7/18/2018

**Title:** The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to enter into Lease Agreement LA-18-8118, "Lease of Property" with The Province of St. Joseph of the Capuchin Order (Solanus Casey Center), at a cost to DWSD for a duration of ten (10) years, and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

**Indexes:** Finance Committee

**Code sections:**

**Attachments:** 1. Solanus Casey Center

Date	Ver.	Action By	Action	Result
7/18/2018	1	Board of Water Commissioners	approved	Pass
7/10/2018	1	Finance Committee	recommended for approval	Pass

The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to enter into **Lease Agreement LA-18-8118, "Lease of Property" with The Province of St. Joseph of the Capuchin Order (Solanus Casey Center), at a cost to DWSD for a duration of ten (10) years**, and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

### Agenda of July 10, 2018

#### Item No. 18-0154

#### Proposed Contract No. LA-18-8118

**Project Length: Ten (10) Years with an option for two one (1) year extensions**

**Revenue Amount: \$10.00**

**TO:** The Honorable  
Board of Water Commissioners  
City of Detroit, Michigan

**FROM:** Gary Brown, Director  
Water and Sewerage Department

**RE:** Proposed DWSD Contract No. LA-18-8118  
"Lease of Property"

6325 Kercheval  
6331 Kercheval  
6337 Kercheval  
2179 Meldrum  
2183 Meldrum

2189 Meldrum  
2207 Meldrum  
2211 Meldrum  
2219 Meldrum

## MOTION

Upon recommendation of Thomas Naughton, Chief Financial Officer, the Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to enter into **Contract No. LA-18-8118, "Lease of Property on Kercheval and Meldrum" with The Province of St. Joseph of the Capuchin Order (Solanus Casey Center), at a cost to DWSD, not to exceed \$10.00 for a duration of ten (10) years,** and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

## JUSTIFICATION

The proposed contract is a lease agreement of vacant DWSD land near Mt. Elliott and Kercheval, which will be used as additional parking for the Solanus Casey Center in anticipation of increased pilgrimage to the center upon the beatification of Father Solanus.

The primary objectives of this lease is set to:

- Accommodate expansion of their campus and open space amenities to benefit the neighborhood and their anticipated Pilgrimage
- Additional Parking; the parking lots and proposed vegetation help to provide buffer around the facility
- Incorporate storm-water management into the construction of parking lots
- 9 parcels approximately .77 acres

## BACKGROUND

The Province of St. Joseph of the Capuchin Order is a non-profit and community partner of the City of Detroit, managing as a pilgrimage site and soup kitchen. The upcoming beatification of Father Solanus Casey and anticipated pilgrimage traffic as a result, the Capuchins have been working on an expansion plan. The Land Bank have been helping them to identify City and DLBA-owned land that could support the expansion.

There is a grouping of City-owned parcels on Kercheval, just east of Mt Elliott, that they've expressed interest in, nine of which are DWSD: 6325, 6331, and 6337 Kercheval and 2179, 2183, 2189, 2207, 2211, and 2219 Meldrum, the other three of which are PDD (see map attached). DWSD has Lieb CSO facility around the corner on Mt Elliott. The Capuchins have some consultants working for them on the other acquisition. They have provided detail for their expansion plans, and hopefully get an approval from DWSD and the City to move forward.

DWSD confirmed with the appropriate GLWA representatives to ensure there are no conflicts with the proposed lease agreement. GLWA is working on The Wastewater Master Plan that will examine potential future land area requirements for existing CSO control facilities. GLWA's consultant for the Wastewater Master Plan responded on behalf of GLWA stating they do not see a conflict in concept between the proposed lease of land for the Solanus Casey Center development and the potential future expansion of the Lieb Screening and Disinfection Facility (Lieb Facility).

## PROPERTY INQUIRY METHOD

This was a request for purchase through the City of Detroit Community Partnering:

### LEASE AGREEMENT STATUS:

A. Lease Start Date: To be established contingent upon Board of Water Commissioners

B. Final Lease Date: Ten (10) years term following the Lease Start Date.

C. Total Lease Revenue: **\$10.00.**

D. Projected Fiscal Year (FY) Lease Term Revenue:

Fiscal Year 2018-19	\$ 1.00
Fiscal Year 2019-20	\$ 1.00
Fiscal Year 2020-21	\$ 1.00
Fiscal Year 2021-22	\$ 1.00
Fiscal Year 2022-23	\$ 1.00
Fiscal Year 2023-24	\$ 1.00
Fiscal Year 2024-25	\$ 1.00
Fiscal Year 2025-26	\$ 1.00
Fiscal Year 2026-27	\$ 1.00
Fiscal Year 2027-28	\$ 1.00
<b>TOTAL COST</b>	<b>\$ 10.00</b>

Proposed DWSD Contract No. LA-18-8118 does not require