

# BEFORE





# Sherbrooke Apartments

## 615 West Hancock Street, Detroit

### Project overview

Located in Midtown Detroit, the Sherbrooke was built in the early 1920s as a six-unit luxury apartment building. In 1950, it was converted into 24 small studio apartments (less than 500 square feet). The building is currently vacant. It has no heating/cooling system, a leaking roof, a ruined plumbing system due to freeze, a severely undersized electrical system. The masonry is in generally good condition, but has several problems that need to be addressed. Given its state, the building is vulnerable to vandalism. The building is located in the Warren-Prentis Historic District and is directly south of Wayne State University. Currently the building has no parking lot.

The project will adapt the building to provide for 14 residential units designed for Wayne State grad students or other professionals who find midtown desirable. The parking lot directly south of the building will be developed to provide 14 parking spaces.

The development team, Knibbe Land Company, is committed to investing \$550,000 in federal historic preservation tax credits and \$200,000 in cash. Midtown Detroit is expected to invest an additional \$200,000 and is assisting with loan negotiations. In order to use tax credits, project must start and finish in 2012.

The project is “a historic resource” as authorized under the program. The applicant plans to make an eligible investment of \$2,397,649 for the site improvements, building renovations, furniture and fixtures and eligible professional costs and fees as authorized under the program. City of Detroit has offered a “staff, financial, or economic commitment to the project” in the form of a property tax abatement. Detroit City Council approved the establishment of an Obsolete Property Rehabilitation District on May 22, 2012, allowing the applicant to submit an application for the exemption certificate. The application will request an exemption certificate for a period of 12 years, and its value is estimated to be \$842,413.

The project is located in a downtown or traditional commercial center. Preference was given to the project because it is the only vacant building on the block and is currently a detriment to its neighbors. The building is located in, and contributes to, the locally designated historic district of Detroit Warren Prentis and is adjacent to Wayne State University. Once restored it will add to the vitality of the neighborhood and will enhance the walkability of the community.

**MEDC investment:** \$599,412 Community Revitalization Program grant

**Private investment:** \$2.4 million