

*New Business*  
9.11.2018

**PLANNING AND  
ECONOMIC  
DEVELOPMENT  
STANDING  
COMMITTEE**



CITY OF DETROIT  
HOUSING AND REVITALIZATION DEPARTMENT

COLEMAN A. YOUNG MUNICIPAL CENTER  
2 WOODWARD AVENUE, SUITE 908  
DETROIT, MICHIGAN 48226  
(313) 224-6380 • TTY:711  
(313) 224-1629  
WWW.DETROITMI.GOV

26

September 9, 2018

Detroit City Council  
1340 Coleman A. Young Municipal Center  
Detroit, MI 48226

**Re: Request for a Public Hearing on behalf of 6001 Cass Owner, LLC to Establish an Obsolete Property Rehabilitation District, in the area of 6001 Cass Avenue, Detroit, Michigan, in accordance with Public Act 146 of 2000. (Petition #282)**

Honorable City Council:

The Housing and Revitalization Department has reviewed the application of **6001 Cass Owner, LLC** and find that it satisfies the criteria set forth by P.A. 146 of 2000 and would be consistent with development and economic goals of the Master Plan.

Prior to acting upon a resolution to recommend approval, a public hearing must be held, and the City Clerk must provide written notice of the public hearing to the assessor and to the governing body of each taxing unit that levies an ad valorem tax within the eligible district, said notice is to be made **not less than 10 days or more than 30 days prior** to your Honorable Body's adoption of said resolution.

We request that a Public Hearing be scheduled on the issue of establishing an Obsolete Property Rehabilitation District. Attached for your consideration, please find a resolution establishing a date and time for the public hearing.

Respectfully submitted,

Donald Rencher  
Director

DR/vf

cc: S. Washington, Mayor's Office  
M. Cox, P&DD  
D. Rencher, HRD  
V. Farley, HRD

CITY CLERK 2018 SEP 10 AM 9:58



**BY COUNCIL MEMBER** \_\_\_\_\_

**WHEREAS**, pursuant to Public Act No. 146 of 2000 (“the Act”) this City Council may adopt a resolution which approves the application of an Obsolete Property Rehabilitation District within the boundaries of the City of Detroit; and

**WHEREAS**, **6001 Cass Owner, LLC** has filed an application for an Obsolete Property Rehabilitation District whose boundaries are particularly described in the map and legal description attached hereto; and

**WHEREAS**, prior to such approval, the City Council shall provide an opportunity for a Public Hearing, at which Public Hearing on such adoption of a resolution providing such tax exemption, at which Public Hearing representatives of any taxing authority levying *ad valorem* taxes within the City, or any other resident or taxpayer of the City of Detroit may appear and be heard on the matter.

**NOW THEREFORE BE IT**

**RESOLVED**, that on the \_\_\_\_\_ 2018 in the City Council Committee Room, 13<sup>th</sup> floor, Coleman A. Young Municipal Center, a Public Hearing be held on the above described application and be it finally

**RESOLVED**, that the City Clerk shall give notice of the Public Hearing to the general public and shall give written notice of the Public Hearing by certified mail to all taxing authorities levying an *ad valorem* tax within the City of Detroit.



**City of Detroit**  
OFFICE OF THE CITY CLERK

Janice M. Winfrey  
City Clerk

Vivian A. Hudson  
Deputy City Clerk

**DEPARTMENTAL REFERENCE COMMUNICATION**

*Thursday, April 05, 2018*

*To: The Department or Commission Listed Below*

*From: Janice M. Winfrey, Detroit City Clerk*

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The following petition is herewith referred to you for report and recommendation to the City Council.

In accordance with that body's directive, kindly return the same with your report in duplicate within four (4) weeks.

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LEGISLATIVE POLICY DIVISION    PLANNING AND DEVELOPMENT DEPARTMENT  
LAW DEPARTMENT    FINANCE DEPARTMENT

**282**    *Asti Environmental, request to establish an Obsolete Property Rehabilitation District for 6001 Cass Avenue under P.A 146 of 2000.*



April 3, 2018

Ms. Janice Winfrey  
City Clerk  
City of Detroit  
2 Woodward Avenue Suite 200  
Detroit, MI 48226

*RE: Obsolete Property Rehabilitation District Establishment, 6001 Cass Avenue, Detroit (ASTI Project 1-9989)*

Dear Ms. Winfrey:

Please accept this letter as a request to expeditiously establish an Obsolete Property Rehabilitation District for the property located at 6001 Cass Avenue, known as Component 1 of the Cass & York Project, described in the attached documents. For your review, please find the following documents attached with this letter:

- Project Summary
- DEGC Economic & Fiscal Impact Project Data Sheet
- Development and Operating Proforma
- Related Figures

If you have any questions or comments, or need additional information, please do not hesitate to call me at **800.395.ASTI**. We greatly appreciate the opportunity to work with you on this project.

Sincerely,

ASTI ENVIRONMENTAL



Melissa Weber  
Brownfield Technician  
313.910.4415 cell  
[mweber@asti-env.com](mailto:mweber@asti-env.com)

**6001 Cass Owner LLC  
Cass & York – Detroit  
March 22, 2018**

**Project Summary**

**Project Name:** Cass & York – Component 1

**Project Location:** 6001 Cass

**Project Applicant:** 6001 Cass Owner LLC

**Estimated Timeline:** This Component is anticipated to begin in the Spring of 2018 and be completed in Fall of 2021.

**Project Description:** This project is part of a portfolio that is currently under review for a Transformational Brownfield Plan. The project will be completed in correlation with the other components of the Cass & York project.

Component 1 consists of 6001 Cass. The existing parcel will remain intact. The property includes one historic five-story building which will be rehabilitated for retail, event, and office space. The existing building was originally constructed by Cadillac as a sales and service building. Cadillac continued to operate until the 1970s, when the building was acquired by Wayne State University. The majority of the building is currently vacant, with only a geology lab and maintenance storage occupying a portion of the first floor.

**Estimated Total Investment:** \$24,600,000

**Estimated Job Creation:** For all components of Cass & York a total of 855 jobs are estimated to be. Positions will include: 297 construction jobs, 450 FTE office jobs, 7 FTE maintenance and management positions, and 101 FTE retail and event positions.

**Obsolete Property Rehabilitation Tax Abatement**

**Included Property** Component 1

**Basis for Eligibility:** Rehabilitation of an existing structure that is functionally obsolete, blighted, and an historic resource.

**Abatement Period** 12 years, plus optional school tax capture for six years



**Current Taxable Value:** \$49,601 (actual current taxable value is \$0, but this evaluation assumes the assessed land value is the current taxable value)

**Estimated Future Taxable Value:** \$6,000,000

**Estimated Tax Abatement Amount:** \$4,500,000 (Assumes optional school tax capture for six years)

**Estimated Tax Abatement Amount:** \$3,100,000

**Contact Information:** *Melissa Weber  
ASTI Environmental  
313-910-4415 (c) 313-910-5766 (w)  
mweber@asti-env.com*

Legal Description:

**6001 Cass:**

02002158

W CASS LOTS 5 THRU 1, E 12 FT OF S 57.50 FT OF 8 & E 12 FT OF 11  
ALSO VAC ALLEYS ADJ BLK 11 CASS FARM CO LTD SUB L19 P35  
PLATS W C R 2/27 39,813 SQ FT COMB OF PART OF ITEMS 02001069.  
& 02002158. LK 12/26/03





## Economic & Fiscal Impact Project Data Sheet

The information requested on this form will be used by the Detroit Economic Growth Corporation to prepare an impact analysis of your firm or project. Enter data in the yellow cells below. You may also enter additional information or notes in other areas of this worksheet, to the right in column K or insert rows to enter other data. Some standard defaults are entered in the data sheet already. You may change these defaults as appropriate.

Please enter information in the yellow cells below and e-mail this completed survey form to:

Kenyetta H. Bridges  
Director, Business Development  
Detroit Economic Growth Corporation  
500 Griswold Street, Suite 2200  
Detroit, Michigan 48226

Phone: 313-237-6097

Email: [kbridges@degc.org](mailto:kbridges@degc.org)

Please call if you have any questions.

### A NOTE ABOUT ENTERING DATA



Light yellow cells are user inputs. Enter the appropriate information for the specific project in the light yellow cells.



Grey cells contain formulas which will automatically recalculate based on your other inputs. You may overwrite grey cells, as appropriate.

### GENERAL INFORMATION ABOUT THE COMPANY

Name of the Company  
Street Address  
City, State Zip  
Company Website

The Platform  
3011 W Grand Blvd Suite 2300  
Detroit, MI 48202  
ThePlatform.city

### Contact information for person completing this data sheet

Name  
Title  
Phone Number  
Email

Melissa Weber  
Brownfield Redevelopment Technician  
313-910-4415  
mweber@asti-env.com

### Background and Requirements

Enter any information that you would like us to know about your requirements or intent for the economic analysis. Please describe any incentives that you would like us to model in the analysis including tax abatement being requested or considered.

The Platform is requesting support from the City for the development and rehabilitation of properties located at 6001 Cass, 5919 Cass, 5935 Cass, 5947 Cass, 432 Antoinette, 448 Antoinette, 458 Antoinette, and 445 York. Each of the following components will be completed under a separate new entity, described below and in the attached documents, for the development and management of the properties. The project will include the following components:

- Component 1: To be developed and managed by 6001 Cass Owner LLC. The project will include the rehabilitation of the historic building located at 6001 Cass.
- Component 2: To be developed and managed by Cass LaSalle Holdings LLC. The project will include the new construction of residential condos and retail space to be developed on 5919 Cass, 5935 Cass, and 5947 Cass.
- Component 3: To be developed and managed by Parking & Antoinette Leasee LLC. The project will include new construction of residential apartments, a parking structure, and retail on 432 Antoinette, 448 Antoinette, 458 Antoinette, and 445 York.

The project is part of a portfolio that is currently under review for a Transformational Brownfield Plan. At this time, The Platform is requesting support for a OPRA Tax Abatement for Component 1, a NEZ Tax Abatement for the residential portion of Component 2, and a CRE Tax Abatement for Component 3.

### ABOUT THE PROJECT

Name of the Project

Cass & York

6001 Cass, 5919 Cass, 5935 Cass, 5947 Cass, 432 Antoinette, 448 Antoinette, 458 Antoinette, and 445 York  
 Detroit, MI 48202

**Location of the Project**

Identify the taxing jurisdictions impacted by the project, if known.

City	City of Detroit
County	Wayne County
School District	Detroit Public Schools
State Education	State Education
Development Authority	N/A
Intermediate School	Wayne RESA
College	Wayne County Comm. College
Zoo	Wayne County Zoo
Museum	Detroit Institute of Arts

Will the Project be located in the city limits?  Yes

**Description of the Project**

Enter any narrative below to describe the Project, including plans to startup, expand, or locate in the community. This description will be included in the report.

The Platform will be purchasing the property included in Component 1 and leasing the property included in Components 2 and 3 from Wayne State University.

Component 1 consists a five-story building, the majority of which is currently vacant. A geology lab and maintenance storage on a portion of the first floor are the only remaining uses of the building. The building will be rehabilitated for retail use and office space.

Prior to redevelopment the parcels in Component 2 and 3 will be reconfigured to coordinate with the intended use. Please see the attached Project Summary and Figures for description of the future parcel configurations.

Component 2 currently consists of vacant land utilized for parking. The land will be developed for ground floor retail and 54 for-sale residential condos.

Component 3 is currently utilized for parking. The land will be developed for 76 residential rental units and a parking structure that will included retail and 550 parking spaces.

The following information is a summary of all Components included in the Cass & York project. The attached information provides specific details for each of the Components individually.

Identify the Project's primary North American Industry Classification System (NAICS) Code or describe the activity that will occur at the local facility

To help identify the correct industry code: <http://www.census.gov/ipeds/data/naics/naicsch2chart.html>

The project will include commercial leasing (236117), apartment leasing (531110), for-sale condos (236117), and parking garage (812930).

**Financing Information**

	Amount of Funding	Source of Funding
Funding Source #1	\$3,805,756	Historic Tax Credits
Funding Source #2	\$21,140,623	Construction Loan
Funding Source #3	\$4,000,000	Invest Detroit & Incentive Loan
Funding Source #4	\$16,807,699	Condo Loan
Funding Source #5	\$31,422,867	Equity
Funding Source #6		
<b>Total Funding</b>	<b>\$77,176,934</b>	

Percentage of Total Funding 100%

Percentage of secured financing 100.0%

**Briefly describe the financing structure**

Financing for the project will be acquired through several sources. The construction and condo loans will be obtained for development of Component 2 and 3. Once completed the loans will be converted to permanent loan. A loan will also be obtained from Invest Detroit for the rehabilitation of Component 1 and construction on Component 3. The Platform is financing 40% of the project through equity. The remainder of the financing will be supported through a variety of incentives, such as HTC.

### Describe the proposed use of funds

Funding for the project will be used to develop quality residences for Detroit citizens and provide commercial space for business opportunities. The development will provide safe and affordable living for Wayne State University students and increase economic activity in an underserved area. Funding will also be used to remediate contamination present on the site caused by historic uses.

### Describe the Project's alternative locations

The Platform is not considering alternative locations. The size for the project limits relocation options. The project site allows the development to reach its full potential and have an extraordinary impact on revitalizing the community.

### Provide other project considerations - an explanation of the but/for need for the incentive

This project is in need of incentive support from the City of Detroit in order to ease the financial burden of a development of this caliber. Specifically this project will incur additional expenses due to the activities required to improve a Brownfield and restore a Historic building. When compared to green sites, the activities and costs have a significant impact on the construction budget. These activities, such as, asbestos survey and abatement, lead survey and abatement, various environmental assessments, soil remediation, and preservation of a historic structure, create a need for incentives. Support through incentives will allow for successful completion of the new and rehabilitated structures and allow the new structures to lease and sell units at competitive rates.

### Describe the Project's constraints

The project is primarily constrained by the extent of financing needed for a project of this caliber. Additionally, the project will incur extraordinary costs to investigate and resolve any environmental concerns caused by previous uses on the properties. The age and historic nature of the building on Component 1 will result in further extraordinary costs to rehabilitate, update, and preserve the structure. Based on a financial review of the project, there is an apparent need for incentives for the project to be successful.

## DEVELOPMENT DETAILS

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For Real Estate mixed/use development projects, please attach copies of ProFormas including the following information:

- Total Development Costs
- Total Sources
- Owner Equity
- Total Uses
- Total Square Feet
- Average Development cost per sq ft
- Average rental rate per sq ft for new residential units
- Debt Coverage Ratio
- Owner Equity IRR
- Capitalization Ratio
- List additional incentives being considered

**CURRENT OPERATIONS**

Please complete if applicable

The TAXABLE value of firm's taxable property currently on the tax rolls

Land	
Buildings & Other Real Property Improvements	
Commercial Personal Property	
Industrial Personal Property	

Number of existing employees working at the company's local facility

Average annual salaries paid to existing employees

**TAXABLE ASSETS, EMPLOYEES, AND OPERATIONS**

The Project's capital investment each year

Year	Land	Buildings and Other Real Property Improvements	Commercial Personal Property	Industrial Personal Property	Total
1	\$2,810,000	\$64,193,738			\$67,003,738
2					\$0
3					\$0
4					\$0
5					\$0
6					\$0
7					\$0
8					\$0
9					\$0
10					\$0
Total	\$2,810,000	\$64,193,738	\$0	\$0	\$67,003,738

Are the building and improvements costs entered above for construction?

 Yes

Building permits and fees to be paid to the City during construction, if applicable

Year	Total City Building Permits and Fees
1	\$610,900
2	
3	
4	
5	
6	
7	
8	
9	
10	
Total	\$610,900

Number of new full-time jobs to be added in the community each year  
 Enter the jobs added in the community each year, including jobs relocated from outside of the community.

**The project will also create approximately 297 FTE construction jobs.**

Year	New Employees To Be Hired Each Year
1	108
2	450
3	
4	
5	
6	
7	
8	
9	
10	
Total	558

Average annual salaries of new employees each year  
 Enter an amount in Year 1 and the percent of annual increase, or enter appropriate amounts for each year.

Year	Average Annual Salaries
1	\$40,000
2	\$40,800
3	\$41,616
4	\$42,448
5	\$43,297
6	\$44,163
7	\$45,046
8	\$45,947
9	\$46,866
10	\$47,804

Percent of annual increase 2.0%

Taxable income subject to the City of Detroit's Corporation Income Taxes  
 Enter an amount in Year 1 and the percent of annual increase, or enter appropriate amounts for each year.

Year	Corporation Taxable Income
1	\$0
2	\$0
3	\$0
4	\$0
5	\$0
6	\$0
7	\$0
8	\$0
9	\$0
10	\$0

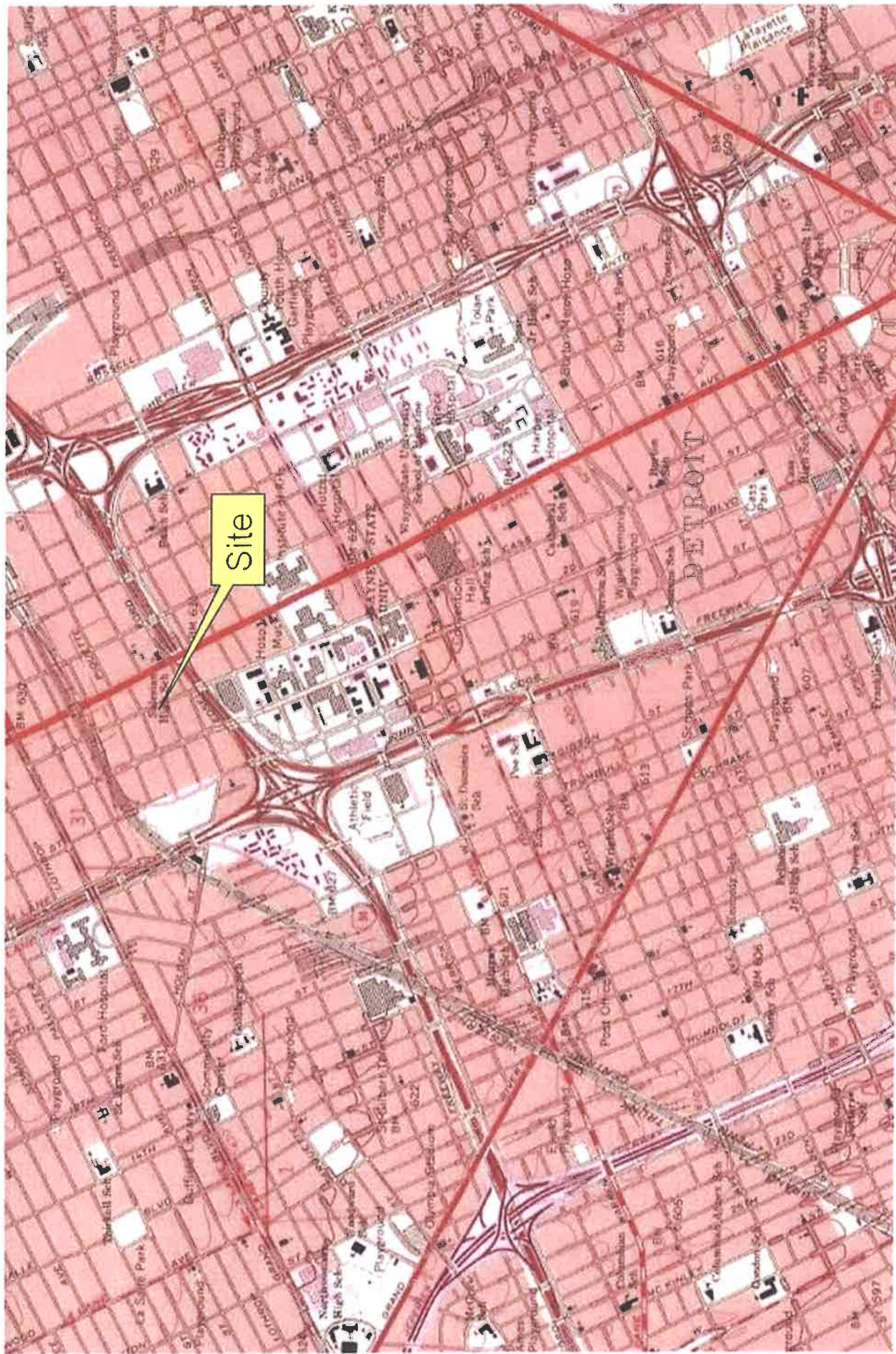
Percent of annual increase 2.0%



The Project's annual utilities

Enter an amount in Year 1 and the percent of annual increase, or enter appropriate amounts for each year

Year	Water	Wastewater	Solid Waste	Electricity	Natural Gas	Cable	Telephone
1	\$15,000	\$0	\$0	\$15,000	\$15,000	\$0	\$0
2	\$15,300	\$0	\$0	\$15,300	\$15,300	\$0	\$0
3	\$15,606	\$0	\$0	\$15,606	\$15,606	\$0	\$0
4	\$15,918	\$0	\$0	\$15,918	\$15,918	\$0	\$0
5	\$16,236	\$0	\$0	\$16,236	\$16,236	\$0	\$0
6	\$16,561	\$0	\$0	\$16,561	\$16,561	\$0	\$0
7	\$16,892	\$0	\$0	\$16,892	\$16,892	\$0	\$0
8	\$17,230	\$0	\$0	\$17,230	\$17,230	\$0	\$0
9	\$17,575	\$0	\$0	\$17,575	\$17,575	\$0	\$0
10	\$17,926	\$0	\$0	\$17,926	\$17,926	\$0	\$0
Annual Increase:	20%	20%	20%	20%	20%	20%	20%



Cass & York



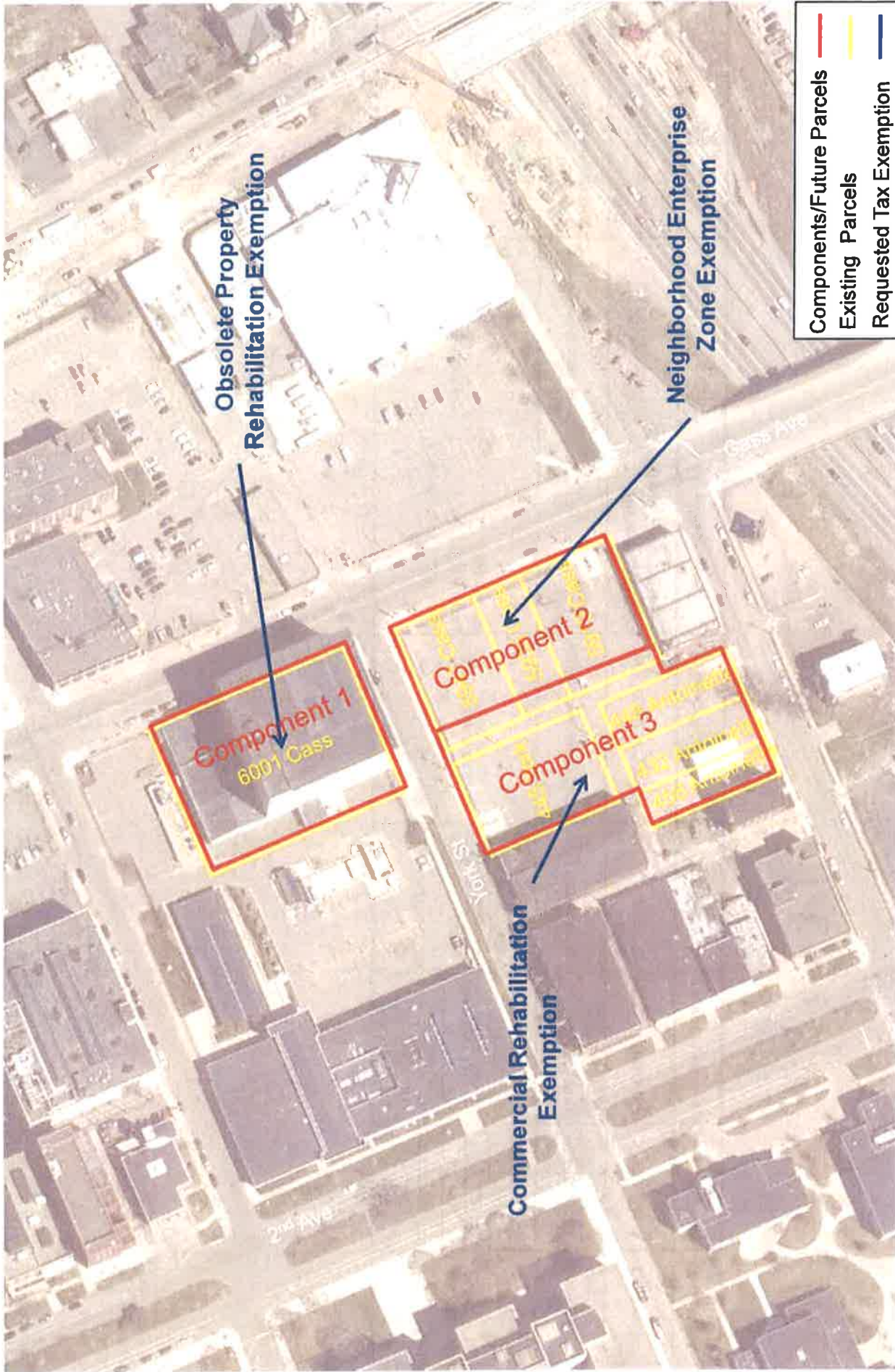
Created for: The Platform, LLC  
Created by: MAW, February 28, 2017



Detroit, MI

Figure 1: Site Location Map





Cass & York



Created for: The Platform, LLC  
 Created by: MAW, September 27, 2017



Detroit, MI

Figure 2: Cass & York Property Map

# Project Property Information Table

Components	Parcel Included	Addresses Included	Name	Managing Entity	Development Type	Eligibility	Tax Exemption Requested
Component 1	2002158	6001 Cass	6001 Cass	6001 Cass Owner LLC	Existing Building Rehab Retail/Office Space	Historic Resource	Obsolete Property Rehabilitation Exemption (OPRA)
	2002161	3/4 of 5919 Cass	Cass Building				
	2002160	3/4 of 5935 Cass					
Component 2	2002159	3/4 of 5947 Cass	Cass Lasalle Holdings LLC	Condos Retail	Adjacent & Contiguous	Neighborhood Enterprise Zone Exemption (NEZ)	
	2001064	432 Antoinette					
	2001063	448 Antoinette					
Component 3	2001062	458 Antoinette	Antoinette Building & Parking Garage	Parking & Antoinette Leasee LLC	Apartments Parking Structure Parking Structure Retail	Adjacent & Contiguous	Commercial Rehabilitation Exemption (CRE)
	2001065	445 York					
	2002161	1/4 of 5919 Cass	Parking Garage				
	2002160	1/4 of 5935 Cass					
	2002159	1/4 of 5947 Cass					



\*\* Does not include TBP Capture

2020	% Gross	% Eff.
<b>DEVELOPMENT INCOME</b>		
Annual TIF Reimbursements	\$0	0.0%
Annual Gross Residential Rental Income	\$0	0.0%
Annual Gross Commercial Rental Income	\$2,558,362	96.4%
Annual Gross Hospitality Income	\$0	0.0%
Annual Other Income	\$95,767	3.6%
<b>Gross Income</b>	<b>\$2,654,129</b>	<b>100.0%</b>
Vacancy Loss (Residential, Commercial, Hospitality)	(\$255,836)	-9.6%
<b>Net Income Potential</b>	<b>\$2,398,293</b>	<b>90.4%</b>

	% Gross	% Eff.	Inflation Factor
<b>DEVELOPMENT OPERATING EXPENSES</b>			
Administrative Expenses	\$143,954	5.4%	6.0%
Management Fees	\$83,605	3.1%	3.5%
Office Payroll		0.0%	0.0%
Payroll Taxes		0.0%	0.0%
Benefits/Worker's Comp.		0.0%	0.0%
Advertising/Marketing		0.0%	0.0%
Legal /Accounting		0.0%	0.0%
General Office	\$60,349	2.3%	2.5%
Other:		0.0%	0.0%
Other:		0.0%	0.0%
Utilities	\$0	0.0%	0.0%
Electricity		0.0%	0.0%
Fuel		0.0%	0.0%
Water & Sewer		0.0%	0.0%
Maintenance/Non-Capitalized Repairs	\$362,091	13.6%	15.1%
Maintenance/Janitorial Payroll	\$362,091	13.6%	15.1%
Janitorial Supplies		0.0%	0.0%
Extermination		0.0%	0.0%
Rubbish Removal		0.0%	0.0%
Snow Removal		0.0%	0.0%
Lawn/Tree Maintenance		0.0%	0.0%
Parking Lot Repairs		0.0%	0.0%
Painting/Decorations/Cleaning		0.0%	0.0%
Heating & Air Repairs		0.0%	0.0%
Plumbing/Electrical Repairs		0.0%	0.0%
Elevator Maintenance		0.0%	0.0%
Vehicle/Equipment Maintenance		0.0%	0.0%
Security		0.0%	0.0%
Other:		0.0%	0.0%
Other:		0.0%	0.0%
Real Estate Taxes	\$516,368	19.5%	21.5%
Tax Abatement (-)	(\$141,826)	-16.6%	18.4%
Property & Liability Insurance	\$120,697	4.5%	5.0%
Reserve Requirements		0.0%	0.0%
Other:		0.0%	0.0%
Other:		0.0%	0.0%
<b>Total Expenses</b>	<b>\$701,284</b>	<b>26.4%</b>	<b>29.2%</b>
<b>Cash Flow Available for Debt Service / NOI</b>	<b>\$1,697,009</b>	<b>63.9%</b>	<b>70.8%</b>
<b>Amortizing Loans</b>			
Loan 1 DS: Construction Loan	\$996,122	37.5%	41.5%
Loan 2 DS: Invest Detroit/Incentive Loans	\$169,627	6.4%	7.1%
Loan 3 DS:	\$0	0.0%	0.0%
<b>MEDC Loan Debt Service</b>	<b>\$0</b>	<b>0.0%</b>	<b>0.0%</b>
<b>Cash Flow Available for Distribution</b>	<b>\$531,259</b>	<b>20.0%</b>	<b>22.2%</b>
<b>Debt Service Coverage Ratio</b>	<b>1.46</b>		

Required DSCR 1.30

LOAN TERMS	Loan Amount	Term (Mos.)	Amort. (Mos.)	Interest Rate	Ref. Rate
Construction Loan	\$14,619,903	60	360	5.50%	7.00%
Invest Detroit/Incentive Loan	\$2,000,000	60	300	7.00%	9.00%
	0	60	240	5.50%	7.50%
	Override				
	\$0 (if requesting a grant input \$0)				
MEDC Conventional Loan	\$0	80	300	1.00%	3.00%

\*\* Does not include TBP Capture

TOTAL DEVELOPMENT COSTS	Amount	% of TDC
Acquisition		
Land		0.00%
Building(s)	\$2,000,000	8.11%
Other		0.00%
<b>Subtotal Acquisition</b>	<b>\$2,000,000</b>	<b>8.11%</b>

Hard Costs	New Construction		Amount	% of TDC	Unit Cost	Eligible Ratio
	Construction	Renovation				
Public Infrastructure (roads, sidewalks, utilities, sewage, etc.)				0.00%	\$0	\$0
Site Improvements (walks, drives, landscaping, fencing, site lighting, and drainage)				0.00%	\$0	\$0
Demolition (Including Lead & Asbestos Abatement)		\$230,000		1.01%	\$0	\$230,000
Other Environmental Mitigation				0.00%	\$0	\$0
Earth Work				0.00%	\$0	\$0
Site Utilities				0.00%	\$0	\$0
Other:				0.00%	\$0	\$0
<b>Structures</b>	<b>\$123,000</b>	<b>\$14,800,000</b>	<b>\$14,923,000</b>	<b>60.55%</b>	<b>\$0</b>	<b>\$14,923,000</b>
Building Concrete/Masonry		\$1,275,000	\$1,275,000	4.97%	\$0	\$1,275,000
Carpentry		\$1,375,000	\$1,375,000	5.54%	\$0	\$1,375,000
Roofing/Metal/Siding/Insulation/Coating		\$475,000	\$475,000	1.77%	\$0	\$475,000
Door/Windows/Glass		\$1,925,000	\$1,925,000	7.81%	\$0	\$1,925,000
Drywall/Acoustical		\$130,000	\$130,000	0.54%	\$0	\$130,000
Flooring		\$130,000	\$130,000	0.51%	\$0	\$130,000
Cabinets/Countertops/Appliances		\$775,000	\$775,000	2.94%	\$0	\$775,000
Painting/Decorating		\$775,000	\$775,000	2.94%	\$0	\$775,000
Plumbing/Plumbing/Tile Protection	\$74,053	\$1,371,000	\$1,399,053	11.79%	\$0	\$1,399,053
HVAC	\$131,292	\$2,250,000	\$2,387,292	9.89%	\$0	\$2,387,292
Accessory Building/Garages			\$0	0.00%	\$0	\$0
Elevators/Special Equipment	\$10,410	\$835,000	\$845,410	2.71%	\$0	\$845,410
Tenant Upgrades	\$87,867	\$750,000	\$837,867	3.40%	\$0	\$837,867
Other: Office/Retail/Trade Center	\$15,377	\$775,000	\$790,377	1.18%	\$0	\$790,377
Builder Overhead/Profit/General Requirements	\$41,302	\$1,853,394	\$1,894,696	7.69%	\$0	\$1,894,696
Permits/Trap Fees/Bond/Cost Certification	\$4,251	\$190,962	\$195,213	0.79%	\$0	\$195,213
Construction Contingency	\$18,414	\$737,361	\$755,775	3.05%	\$0	\$755,775
Other:				0.00%	\$0	\$0
<b>Subtotal Hard Costs</b>			<b>\$18,026,664</b>	<b>73.31%</b>		
<b>Other Eligible Costs</b>						
Machinery & Equipment				0.00%	\$0	\$0
Furniture & Fixtures				0.00%	\$0	\$0
Architectural & Engineering		\$723,595		2.94%	\$0	\$723,595
Environmental Studies/Soil Testing		\$40,500		0.16%	\$0	\$40,500
Survey		\$6,982		0.03%	\$0	\$6,982
Other:		\$112,183		0.46%	\$0	\$112,183
<b>Subtotal Eligible Soft Costs</b>			<b>\$882,220</b>	<b>3.58%</b>		

Total Eligible	\$18,908,884
Min. MEPC	\$3,744,772
Ratio	20%

Ineligible Soft Costs	Amount	% of TDC
Other Professional Fees	\$308,121	1.21%
Loan Fees	\$208,317	0.84%
Construction Interest	\$674,083	2.73%
Construction Taxes	\$51,847	0.21%
Construction Insurance	\$258,857	1.05%
MEPC Fees		0.00%
Title Work	\$62,279	0.25%
Rent-Up Reserve	\$0	0.00%
Replacement Reserve		0.00%
Operating Reserve		0.00%
Other: Municipality Fees/Application	\$29,176	0.12%
Other: Leasing & Marketing	\$1,096,538	4.45%
Other: Soft Contingency	\$98,614	0.40%
<b>Other Ineligible Soft Costs - Related Party Fees</b>	<b>\$865,921</b>	<b>3.51%</b>
Developer Fee		0.00%
Project Management Fees		0.00%
Construction Management Fees (Related Party)		0.00%
Consulting Fees		0.00%
Other Related Party Fees		0.00%
Other:		0.00%
<b>Subtotal Ineligible Soft Costs</b>	<b>\$3,744,772</b>	<b>15.19%</b>
<b>TOTAL DEVELOPMENT COSTS</b>	<b>\$24,648,676</b>	<b>100.00%</b>

SALIFORCE SUMMARY		
Infrastructure	\$0	0.00%
Site Improvement	\$0	0.00%
Demolition	\$230,000	1.01%
Building - New Construction	\$306,966	1.25%
Building - Renovation	\$17,381,214	70.54%
Machinery & Equipment - Purchased	\$0	0.00%
Furniture & Fixtures - Purchased	\$0	0.00%
Other Soft Costs	\$882,220	3.58%
Capital	\$5,744,772	23.31%
<b>Total Private Investment</b>	<b>\$24,648,676</b>	<b>100.00%</b>

TOTAL DEVELOPMENT SOURCES	Amount	% of TDC
Senior Debt		
Construction Loan	\$14,619,901	59.31%
Invest Detroit/Incentive Loans	\$2,000,000	8.11%
0	\$0	0.00%
MEPC Conventional Loan	\$0	0.00%
Subordinate Debt/Grants		
MEPC Subordinated Loan/Grant/Equity		0.00%
Other: Historic Tax Credits	\$3,805,756	15.44%
Other:		0.00%
Other:		0.00%
Deferred Fees/Cash Equity		
Deferred Developer Fees		0.00%
Other Deferred Related Party Fees		0.00%
Deferred Consulting Fees		0.00%
Cash Equity Owner	\$4,223,017	17.13%
Land/Building Contribution Owner		0.00%
Other:		0.00%
Other:		0.00%
Other:		0.00%
<b>TOTAL DEVELOPMENT SOURCES</b>	<b>\$24,648,676</b>	<b>100.00%</b>

Construction Financing		
Construction Loan:	Construction Loan:	\$14,619,901
Interest Rate:	4.50%	

Sources & Uses	
Total Development Costs	\$24,648,676
Total Development Sources	\$24,648,676
Surplus/(Gap)	\$0

Other Calculations			
Rental S.F.	120,697	Construct Cost	
Other S.F.		Devlop Cost	
<b>Total S.F.</b>	<b>120,697</b>	<b>\$148.11</b>	<b>\$204.22</b>
		% TDC	
Cash Equity		\$4,223,017	17.13%
Land/Building Contribution		\$0	0.00%
Owner Contribution		\$4,223,017	17.13%
Cash IRR		14.0%	
Avg. Annual Cash on Cash Return		10.5%	
Owner Equity IRR		14.0%	
Avg. Annual Return on Owner Equity		10.5%	





\*\* Does not include TBP Capture

Property Sales Assumptions	
Capitalization Rate	8.0%
Year of Sale	25
Sale Expenses (% of sale price)	5.0%

Developer Return Analysis

Year	Cash Investment	Net Developer Fees Rec'd	Cash flow	Sale Proceeds	Net Cash Investment	Land/Building Investment	Net Developer Investment	Cash on Cash Return	Return on Owner Equity
0	\$4,223,017	\$865,921	\$0	\$0	(\$3,357,096)	\$0	(\$3,357,096)	0.0%	0.0%
1		\$0	\$752,914	\$0	\$752,914	\$0	\$752,914	22.4%	22.4%
2		\$0	\$777,679	\$0	\$777,679	\$0	\$777,679	23.2%	23.2%
3		\$0	\$580,997	\$0	\$580,997	\$0	\$580,997	17.3%	17.3%
4		\$0	\$606,173	\$0	\$606,173	\$0	\$606,173	18.1%	18.1%
5		\$0	\$631,547	\$0	\$631,547	\$0	\$631,547	18.8%	18.8%
6		\$0	\$389,697	\$0	\$389,697	\$0	\$389,697	11.5%	11.6%
7		\$0	\$413,461	\$0	\$413,461	\$0	\$413,461	12.3%	12.3%
8		\$0	\$437,355	\$0	\$437,355	\$0	\$437,355	13.0%	13.0%
9		\$0	\$461,373	\$0	\$461,373	\$0	\$461,373	13.7%	13.7%
10		\$0	\$485,504	\$0	\$485,504	\$0	\$485,504	14.5%	14.5%
11		\$0	\$509,740	\$0	\$509,740	\$0	\$509,740	15.2%	15.2%
12		\$0	\$227,357	\$0	\$227,357	\$0	\$227,357	6.8%	6.8%
13		\$0	\$57,912	\$0	\$57,912	\$0	\$57,912	1.7%	1.7%
14		\$0	\$69,850	\$0	\$69,850	\$0	\$69,850	2.1%	2.1%
15		\$0	\$81,538	\$0	\$81,538	\$0	\$81,538	2.4%	2.4%
16		\$0	\$92,956	\$0	\$92,956	\$0	\$92,956	2.8%	2.8%
17		\$0	\$104,084	\$0	\$104,084	\$0	\$104,084	3.1%	3.1%
18		\$0	\$114,900	\$0	\$114,900	\$0	\$114,900	3.4%	3.4%
19		\$0	\$125,382	\$0	\$125,382	\$0	\$125,382	3.7%	3.7%
20		\$0	\$135,507	\$0	\$135,507	\$0	\$135,507	4.0%	4.0%
	\$4,223,017	\$865,921	\$7,055,927	\$0	\$7,055,927	\$0	\$7,055,927	10.51%	10.51%
				IRR =	14.03%	IRR =	14.03%		

Calculation of Sales Proceeds

Net Operating Income (year before sale)	#REF!
Capitalization Rate	8.00%
Real Estate Value	#REF!
Less: Sale Expenses	#REF!
Net Sale Proceeds	#REF!
Less: Outstanding Debt	
Construction Loan	#REF!
Invest Detroit/Incentive Loans	#REF!
0	#REF!
MEDC Conventional Loan	#REF!
Other Debt Obligations	#REF!
Proceeds Available for Distributions	#REF!



Cass & York – Component 1

Detroit, MI



Created for: The Platform, LLC  
Created by: MAW November 15, 2017

Figure 4: Property Current Conditions



Cass & York – Component 1

Detroit, MI



Created for: The Platform, LLC  
Created by: MAW November 15, 2017

Figure 4: Property Current Conditions



Cass & York – Component 1

Detroit, MI



Created for: The Platform, LLC  
Created by: MAW November 15, 2017

Figure 4: Property Current Conditions



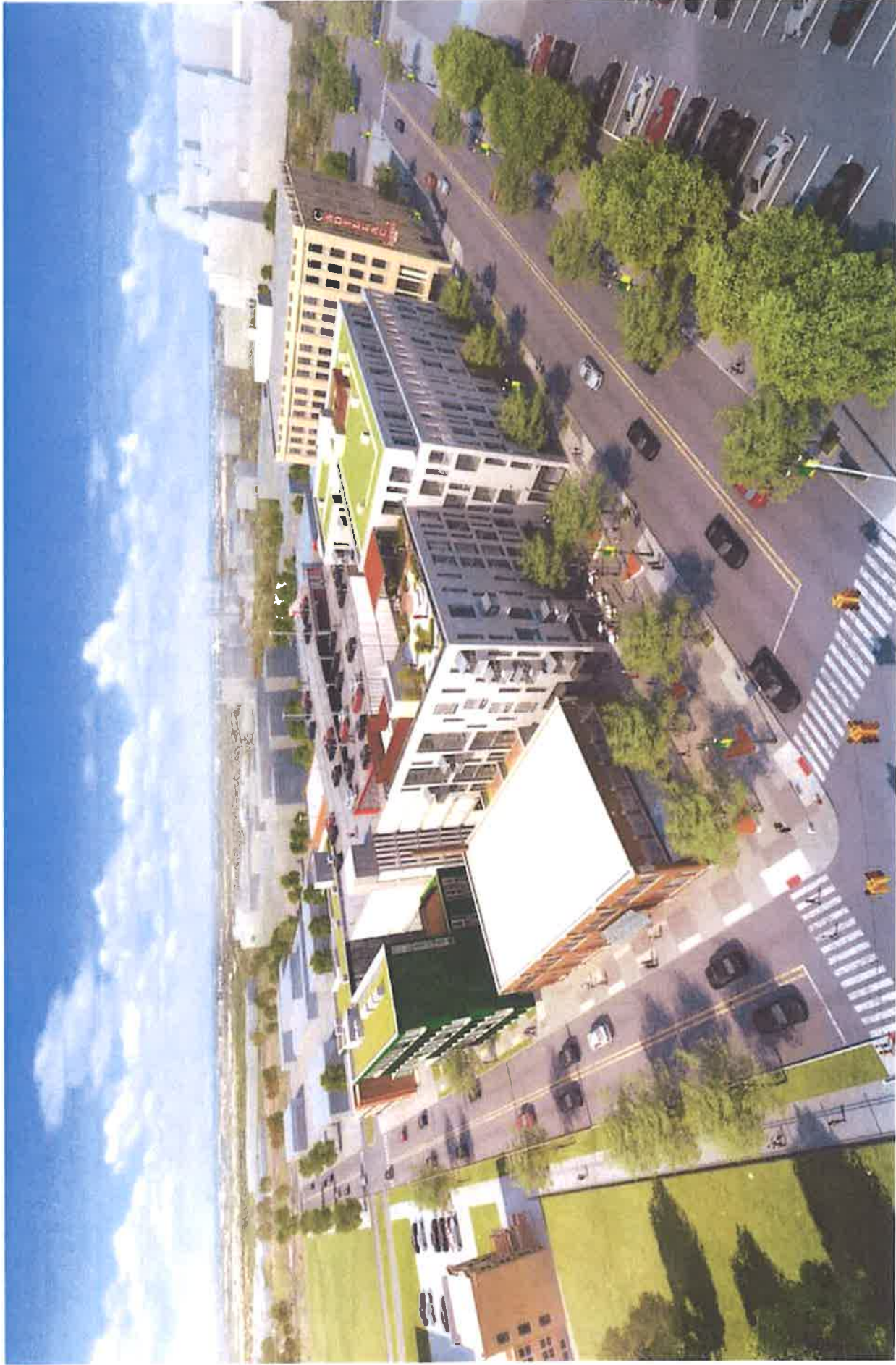
Cass & York – Component 1

Detroit, MI



Created for: The Platform, LLC  
Created by: MAW November 15, 2017

Figure 4: Property Current Conditions



Cass & York

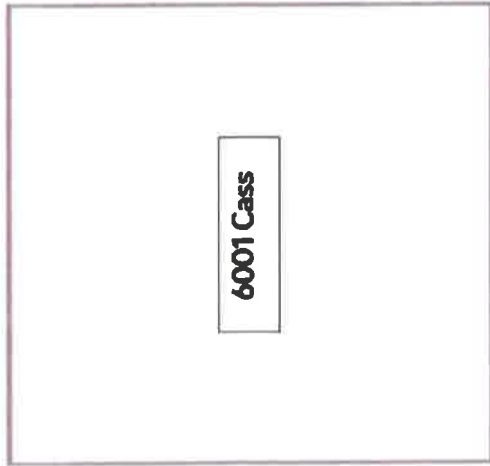


Created for: The Platform, LLC  
Created by: MAW, November 15, 2017



Detroit, MI

Figure 7: Project Renderings



**Cass & York – Site Plan**

Created for: The Platform, LLC  
 Created by: MAW, November 15, 2017



**Figure 7: Project Renderings**

Detroit, MI





the Platform Cass & York Mixed Use Development

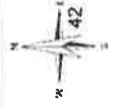
MCINTOSH  
PORIS

VOLUMEONE DESIGN STUDIO

Cass & York



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Created by: MAW, November 15, 2017



Detroit, MI

Figure 7: Project Renderings



the Platform Cass & York Mixed Use Development

MCINTOSH  
PORIS  
VOLUMEONE DESIGN STUDIO

Cass & York

Detroit, MI

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Created by: MAW, November 15, 2017



Figure 7: Project Renderings





## Cass & York – Component 2

Created for: The Platform, LLC  
Created by: MAW, November 15, 2017



Detroit, MI

Figure 7: Project Renderings



## Cass & York – Component 2

Created for: The Platform, LLC  
Created by: MAW, November 15, 2017



Detroit, MI

Figure 7: Project Renderings



the Platform Cass & York Mixed Use Development

## Cass & York – Component 2

Created for: The Platform, LLC  
 Created by: MAW, November 15, 2017



MCINTOSH  
 PARIS ASSOCIATES

VOLUMEONE DESIGN STUDIO

Detroit, MI

Figure 7: Project Renderings



the Platform Cass & York Mixed Use Development

MCINTOSH PORIS ASSOCIATES VOLUMEONE DESIGN STUDIO

## Cass & York – Component 2

Created for: The Platform, LLC  
 Created by: MAW, November 15, 2017



Detroit, MI

Figure 7: Project Renderings



the Platform Cass & York Mixed Use Development

MCINTOSH  
PORIS  
ASSOCIATES

VOLUMEONE DESIGN STUDIO

## Cass & York – Component 2

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Created by: MAW, November 15, 2017



Detroit, MI

Figure 7: Project Renderings



## Cass & York – Component 2

Created for: The Platform, LLC  
Created by: MAW, November 15, 2017



Detroit, MI

Figure 7: Project Renderings



# MAIN ENTRANCE



## Cass & York – Component 3

Detroit, MI

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Created by: MAW, November 15, 2017

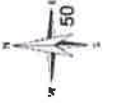


Figure 7: Project Renderings



## Cass & York – Component 3 Parking Structure

Detroit, MI



Created for: The Platform, LLC  
Created by: MAW, November 15, 2017



Figure 7: Project Renderings

2018-04-05

**282**

**282** *Petition of Asti Environmental,  
request to establish an Obsolete  
Property Rehabilitation District for  
6001 Cass Avenue under P.A 146 of  
2000.*

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**REFERRED TO THE FOLLOWING DEPARTMENT(S)**

LEGISLATIVE POLICY DIVISION    PLANNING AND  
DEVELOPMENT DEPARTMENT  
LAW DEPARTMENT    FINANCE DEPARTMENT





CITY OF DETROIT  
PLANNING AND DEVELOPMENT DEPARTMENT

COLEMAN A. YOUNG MUNICIPAL CENTER  
2 WOODWARD AVENUE SUITE 808  
DETROIT, MICHIGAN 48226  
(313) 224-1339 • TTY:711  
(313) 224-1310  
WWW.DETROITMI.GOV

TO: Veronica Farley, Housing and Revitalization  
FROM: John Baran, Planning and Development  
RE: Master Plan Interpretation for **Obsolete Property District** located at 6001 Cass  
DATE: April 20, 2018  
CC: Maurice Cox, Director

In order to insure that the issuance of a certificate for an **Obsolete Property District** is in conformance with the City's Master Plan of Policies and will have the reasonable likelihood to increase commercial activity; create, retain or prevent a loss of employment; revitalize an urban area; or increase the number of residents in a community, pursuant to State of Michigan, Public Act 149 of 2002 (section 125.2788), the Planning and Development Department's Planning Division submits the following interpretation.

Petitioner:  
ASTI Environmental

Project Description:  
Rehabilitation of 6001 Cass for retail, event and office space.

Project Location:  
6001 Cass

Interpretation:  
The Master Plan Future General Land Use designation for the site is **Mixed Residential-Commercial (MRC)**. Mixed Residential-Commercial areas consist predominantly of medium-to-high density housing developed compatibly with commercial and/or institutional uses. This classification is well suited to areas proximal to existing centers of major commercial activity, major thoroughfares, transportation nodes, or gateways into the city.

**The proposed development conforms to the Master Plan's Future General Land Use designation.**



CITY OF DETROIT  
FINANCE DEPARTMENT  
BOARD OF ASSESSORS

COLEMAN A. YOUNG MUNICIPAL CENTER  
2 WOODWARD AVE., SUITE 824  
DETROIT, MICHIGAN 48226  
PHONE 313•224•6989 TTY:311  
FAX 313•224•9400  
WWW.DETROITMI.GOV

April 16, 2018

Maurice Cox, Director  
Planning & Development Department  
2 Woodward Ave, Suite 808  
CAYMC  
Detroit, MI 48226

Re: **Obsolete Property Rehabilitation District - 6001 Cass Owner LLC**  
Address: 6001 Cass  
Parcel Numbers: 02002158.

Dear Mr. Cox:

The Office of the Chief Financial Officer, Office of the Assessor, has reviewed the proposed Obsolete Property Rehabilitation District located at **6001 Cass** near the **New Center** area.

The rationale for creating Obsolete Property Rehabilitation Districts under PA 146 of 2000, as amended, is based on the anticipation of increased market value upon completion of new construction and /or significant rehabilitation of existing commercial property and commercial housing property. Normal repair and maintenance are not assessed and do not necessarily generate additional market value.

**6001 Cass Owner LLC** plans to rehabilitate the building for retail, event and office space. The majority of the building is currently vacant with only a geology lab and maintenance storage space occupying the first floor. The six-story building is a 142,035 square foot office building with an attached 9,478 square foot garage built in 1930 on .914 acres of land. Rehabilitation will include restoring the existing structure that is functionally obsolete, blighted and a historical resource.

This property meets the criteria set forth under PA 146 of 2000, as amended. It applies to blighted, functionally obsolete and contaminated properties. "Rehabilitation," meaning that changes to qualified facilities that are required to restore or modify the property, together with all appurtenances, to an economically efficient condition. Rehabilitation also includes major renovation and modification including, but not necessarily limited to, the improvement of floor loads, correction of deficient or excessive height, new or improved fixed building equipment, including heating, ventilation, and lighting, reducing multistory facilities to 1 or 2 stories, adding additional stories to a facility or adding additional space on the same floor level not to exceed 100% of the existing floor space on that floor level, improved structural support including foundations, improved roof structure and cover, floor replacement, improved wall placement, improved exterior and interior appearance of buildings, and other physical changes required to restore or change the obsolete property to an economically efficient condition.

A field investigation indicated that the proposed Obsolete Property Rehabilitation District located at **6001 Cass** is eligible as it pertains to the Obsolete Property Rehabilitation Act under P.A. 146 of 2000, as amended.

Sincerely,

Charles Ericson, MMAO  
Assessor, Board of Assessors

mmp



Obsolete Property Rehabilitation District  
6001 Cass Owner LLC  
Page 2

Property Address: 6001 Cass  
Parcel Number: 02002158.  
Legal Description: W CASS LOTS 5 THRU 1, E 12 FT OF S 57.50 FT OF 8 & E 12 FT OF 11 ALSO VAC ALLEYS ADJ BLK 11 CASS FARM CO LTD SUB L19 P35 PLATS W C R 2/27 39,813 SQ FT COMB OF PART OF ITEMS 02001069. & 02002158. LK 12/26/03

The legal description matches the OPRA district request.





27

September 07, 2018

Detroit City Council  
2 Woodward Avenue  
1340 Coleman A. Young Municipal Center  
Detroit, MI 48226

**Re: Property Sale by Development Agreement  
2994 and 2968 Brush, 418 and 432 Watson, 3035, 3027, 3019, 3009 and 3001 Beaubien**

Honorable City Council:

The City of Detroit, Planning and Development Department (“P&DD”) has received an offer from Brush Wilkins 2016 L.L.C. (“Purchaser”), a Michigan limited liability company, to purchase certain City-owned real property at 2994 Brush, 2968 Brush, 418 Watson, 432 Watson, 3035 Beaubien, 3027 Beaubien, 3019 Beaubien, 3009 Beaubien and 3001 Beaubien, Detroit, MI 48201 (collectively the “Properties”) for the purchase price of Nine Hundred Sixty Thousand and 00/100 Dollars (\$960,000.00). The Properties are comprised of approximately 1.1 acres of vacant land.

The Purchaser proposes to construct a mixed-income, mixed-use development on the Properties that will include residential rental units and ground-floor retail/commercial space. Currently, the Properties are within a PD-H zoning district (Planned Development-Historic). This proposed use was reviewed and approved by the Historic District Commission in August 2018. Additionally, an amendment to the respective PD-H zoning district that reflects the Purchaser’s proposed use is submitted herewith for separate approval by City Council.

We request that your Honorable Body adopt the attached resolution to authorize the Director of P&DD to execute a development agreement, deed and such other documents as may be necessary or convenient to effect a transfer of the Properties by the City to Brush Wilkins 2016 L.L.C.

Respectfully submitted,

Janet Attarian  
Deputy Director

cc: Stephanie Washington, Mayor’s Office





## RESOLUTION

**BY COUNCIL MEMBER:** \_\_\_\_\_

**NOW, THEREFORE, BE IT RESOLVED**, that Detroit City Council hereby approves of the sale by development agreement of certain real property at 2994 Brush, 2968 Brush, 418 Watson, 432 Watson, 3035 Beaubien, 3027 Beaubien, 3019 Beaubien, 3009 Beaubien and 3001 Beaubien, Detroit, MI 48201 (the "Properties"), as more particularly described in the attached Exhibit A incorporated herein, to Brush Wilkins 2016 L.L.C., a Michigan limited liability company, for the purchase price of Nine Hundred Sixty Thousand and 00/100 Dollars (\$960,000.00); and be it further

**RESOLVED**, that the Director of the Planning and Development Department, or his authorized designee, is authorized to execute a development agreement and issue a quit claim deed for the sale of the Properties, as well as execute such other documents as may be necessary or convenient to effect the transfer of the Properties to Brush Wilkins 2016 L.L.C. consistent with this resolution; and be it further

**RESOLVED**, that the development agreement shall obligate Brush Wilkins 2016 L.L.C. to cause a mixed-use development to be constructed on the Properties, and be it further

**RESOLVED**, that the following Property Sales Services Fees be paid from the sale proceeds pursuant to the City's Property Management Agreement with the Detroit Building Authority ("DBA"): 1) Fifty Seven Thousand Six Hundred and 00/100 Dollars (\$57,600.00) shall be paid to the DBA from the sale proceeds, 2) Forty Eight Thousand and 00/100 Dollars (\$48,000.00) shall be paid to the DBA's real estate brokerage firm from the sale proceeds and 3) customary closing costs up to Two Hundred and 00/100 Dollars (\$200.00) shall be paid from the sale proceeds; and be it further

**RESOLVED**, that the Director of the Planning and Development Department, or his authorized designee is authorized to execute any required instruments to make and incorporate technical amendments or changes to the quit claim deed (including but not limited to corrections to or confirmations of legal descriptions, or timing of tender of possession of particular parcels) in the event that changes are required to correct minor inaccuracies or are required due to unforeseen circumstances or technical matters that may arise prior to the conveyance of the Properties, provided that the changes do not materially alter the substance or terms of the transfer and sale; and be it finally

**RESOLVED**, that the development agreement and quit claim deed will be considered confirmed when executed by the Director of the Planning and Development Department, or his authorized designee, and approved by the Corporation Counsel as to form.

(See Attached Exhibit A)

**EXHIBIT A**

LEGAL DESCRIPTIONS

Property situated in the City of Detroit, Wayne County, Michigan, described as follows:

**Parcel 1**

E BRUSH LOT 2 BLK H BRUSH SUB L2 P25 PLATS, WCR 1/43 90 X 90

a/k/a 2994 Brush  
Tax Parcel ID 01003824.

**Parcel 2**

E BRUSH LOT 1 BLK H BRUSH SUB L2 P25 PLATS, WCR 1/43 AND LOT 7 MILLER & WILLCOX SUB L1 P86 PLATS, WCR 1/44 90 X 125

a/k/a 2968 Brush  
Tax Parcel ID 01003823.

**Parcel 3**

S WATSON LOT 17 MILLER & WILLCOX SUB L1 P86 PLATS, WCR 1/44 35 X 90

a/k/a 418 Watson  
Tax Parcel ID 01000734.

**Parcel 4**

S WATSON LOTS 15 & 16 MILLER & WILLCOX SUB L1 P86 PLATS, WCR 1/44 70 X 90

a/k/a 432 Watson  
Tax Parcel ID 01000733.

**Parcel 5**

W BEAUBIEN LOT 14 MILLER & WILLCOX L1 P86 PLATS, WCR 1/44 40 X 96

a/k/a 3035 Beaubien  
Tax Parcel ID 01003742.

**Parcel 6**

W BEAUBIEN LOT 13 MILLER & WILLCOX L1 P86 PLATS, WCR 1/44 40 X 96

a/k/a 3027 Beaubien  
Tax Parcel ID 01003743.

**Parcel 7**

W BEAUBIEN LOT 12 MILLER & WILLCOX L1 P86 PLATS, WCR 1/44 40 X 96

a/k/a 3019 Beaubien  
Tax Parcel ID 01003744.

**Parcel 8**

W BEAUBIEN LOT 11 MILLER & WILLCOX L1 P86 PLATS, WCR 1/44 40 X 96

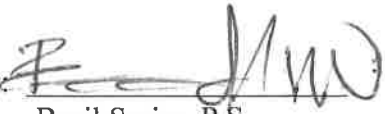
a/k/a 3009 Beaubien  
Tax Parcel ID 01003745.

**Parcel 9**

W BEAUBIEN LOT 10 MILLER & WILLCOX SUB L1 P86 PLATS, WCR 1/44 40 X 96

a/k/a 3001 Beaubien  
Tax Parcel ID 01003746.

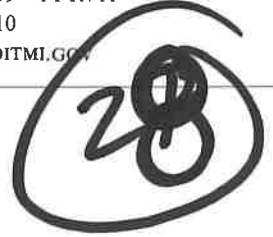
Description Correct  
Engineer of Surveys

By:   
Basil Sarim, P.S.  
Professional Surveyor  
City of Detroit/DPW, CED



CITY OF DETROIT  
PLANNING AND DEVELOPMENT DEPARTMENT

COLEMAN A. YOUNG MUNICIPAL CENTER  
2 WOODWARD AVENUE SUITE 808  
DETROIT, MICHIGAN 48226  
(313) 224-1339 • TTY:711  
(313) 224-1310  
WWW.DETROITMI.GOV



June 28, 2018

Detroit City Council  
1340 Coleman A. Young Municipal Center  
Detroit, MI. 48226

**RE: Request for Public Hearing regarding the Approval for an Industrial Facilities Exemption Certificate on behalf of Troxell Axle, LLC, in the general area of 5151 Bellevue, Detroit, Michigan, in accordance with Public Act 198 of 1974. (Petition # 5161)**

Honorable City Council:

Representatives of the Planning and Development and Finance Departments have reviewed the above referenced petition of the following entity which requests City approval for an Industrial Facilities Exemption Certificate.

Based on discussions with company representatives and examination of the submitted application, we are convinced this company meets the criteria for tax relief as set forth by Public Act 198 of 1974 as amended.

COMPANY:	<b>Troxell Axle, LLC</b>	
ADDRESS:	5151 Bellevue Detroit, Michigan 48211	
LOCATED IN:	Industrial Development District	
TYPE OF BUSINESS:	Manufacturing	
INVESTMENT AMOUNT:	Real Property:	\$ 3,600,000.00
	Personal Property:	\$ 0.00
	Total:	\$ 3,600,000.00
EMPLOYMENT:	New hires:	20

We request that a Public Hearing be held for the purpose of considering City approval of an Industrial Facilities Exemption Certificate.

Respectfully submitted,

Donald Rencher  
Director

DR/vf

cc: S. Washington, Mayor's Office  
M. Cox, PDD  
D. Rencher, HRD  
V. Farley, HRD

CITY CLERK 2018 SEP 10 AM 9:58



**BY COUNCILMEMBER \_\_\_\_\_**

**WHEREAS**, pursuant to Act No. 198 of the Public Acts of 1974, as amended ("1974"), this City Council has the authority to establish "Industrial Development Districts" and "Plant Rehabilitation Districts" within the boundaries of the City of Detroit,

**WHEREAS**, Troxell Axle, LLC has petitioned this City Council for the approval of an Industrial Facilities Exemption Certificate based upon said "districts" in the area of **5151 Bellevue**, in the City of Detroit;

**WHEREAS**, Act 198 requires that prior to the approval of an Industrial Facilities Exemption Certificate, City Council shall provide an opportunity for a hearing on the approval of the Industrial Facilities Exemption Certificate at which, any representative of a taxing authority levying *ad valorem* taxes, or any resident or taxpayer of the City of Detroit may appear and be heard on the matter;

**NOW THEREFORE BE IT**

**RESOLVED**, that on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, @ \_\_\_\_\_ a.m., in the City Council Committee Room, 13th floor, Coleman A. Young Municipal Center, a Public Hearing be held on the approval of an Industrial Facilities Exemption Certificate on the property referred to above and more fully described in the application attached hereto; and be it finally,

**RESOLVED**, that the City Clerk will provide notice of the Public Hearing to the general public by publication, and shall give written notice by certified mail to the taxing authorities and to the owners of all real property within the proposed Development District.

# City of Detroit

## OFFICE OF THE CITY CLERK

Janice M. Winfrey  
City Clerk

Vivian A. Hudson  
Deputy City Clerk

February 14, 2018

To: Maurice Cox, Director  
Planning and Development Department  
Coleman A. Young Municipal Center  
2 Woodward Ave. Suite 908  
Detroit, MI. 48226

Re: Troxell Axle, LLC

Please find attached Industrial Facilities Tax Exemption Certificate for Troxell Axle, LLC located at 5151 Bellevue in accordance with Public Act 198 of 1974. **(RELATED TO PETITION #5161)**

Respectfully submitted,

Christian Hicks, Jr. Asst. City Council Clerk  
Office of the City Clerk

September 18, 2017

Detroit City Council  
Coleman A. Young Municipal Center  
2 Woodward Ave Suite 1340  
Detroit, MI 48226

**RE: Request for Approval Industrial Facilities Exemption  
at 5151 Bellevue, Detroit, Michigan**

Honorable City Council:

Please accept this letter as a request for approval of a 12 year Industrial Facilities Tax Exemption Certificate for the property located at 5151 Bellevue, Detroit, Michigan and described on Attachment A. The parcel described on attachment A is transferred to Troxell Axle, LLC, a Moreen Group company. Lien clearance and transfer of title is final.

Jason Moreen was born and raised in New York City. He owns and operates a successful construction company in Brooklyn, New York. Jason started manufacturing and assembling various construction products to meet architectural and designer needs from a quality and precision sizing standpoint due to poor quality construction products coming in but made from outside of the U.S. These products include cupboards, trusses, etc. Jason's company currently employs eleven staff in New York. He has found he cannot find skilled labor that has a passion for manufacturing and will work at quality manufacturing and assembly full time. Typically, workers in New York use manufacturing as a temporary job while waiting for a break in acting or other jobs and therefore, Jason finds they lack the manufacturing passion to make quality product requiring constant supervision to ensure quality and precision. The business has been successful in Brooklyn and the Moreen's are considering their next location for expansion.

Jason and his wife visited Detroit in 2015 and evidenced the passion for manufacturing and making it a life-long skill in Detroit. Other trips to the Midwest states were made and the decision was made to consider Detroit after observing the Detroit renaissance initiatives and the manufacturing work ethic and skilled trades evident in the region, two characteristics that could make the expansion successful in Detroit. American Manufacturing & Industry Corporation (AMIC) formed and the search for space ensued. After looking at several buildings in Detroit and Toledo, Ohio the Moreen Group purchased a building located at 5151 Bellevue, Detroit,

Michigan formerly owned by Packard Detroit, LLC. The company worked with local attorneys and the City to clear title and all liens.

The building is currently vacant and is three stories, 82,000 square feet. The building will be remodeled in three phases by priority. A fire destroyed an entire wing of the building and debris has been cleared away. The roof requires repair and there is no HVAC, utilities, or freight elevator. Windows have been bricked up. There is lead abatement required throughout the building for an estimated cost of \$30,000. Pipes were stolen so it is assumed asbestos was removed with pipes. Purchase price was \$100,000 and paid from cash equity. Company has clear Title to the property. The cost for rehabilitation is estimated at \$3.6 million including lead abatement. American Manufacturing and Industry Corporation will be leasing the entire first floor of 23,687 square feet and is will be the first phase project. The second and third floors will be converted to 20 artist/work spaces in Phases 2 and 3. The Moreen Group may use part of the 3<sup>rd</sup> floor for photography, product staging and events utilizing the view as a draw. There is ample parking and new paving is included in the budget. Jason Moreen researched archival pictures to see what the building looked like when it was built in 1925. Jason Moreen hopes to return many of the historical architectural elements that were inherent to the building's original use. At the time of this writing, architectural renderings are drafted for the three-story building. The company indicates there will be a gap in funding; however, until all due diligence is completed the full gap is preliminarily estimated at \$500,000 to \$600,000. The company is looking for additional state and local support for the project working with the DEGC and MEDC. Environmental Baseline and Phase I have been completed. Taxes are up to date.

Troxell Axle, LLC, a Moreen Group company, is requesting tax relief to lower the cost of rehabilitating and retrofitting a long vacant and blighted 5151 Bellevue to provide clean, safe, affordable manufacturing space for entrepreneurial manufacturing artists and design companies. Without local assistance, the project cannot move forward to provide at or below market cost space for small manufacturers. American Manufacturing and Industry can remain in Brooklyn and/or Boston as an alternative to Detroit. American Manufacturing and Industry will create five jobs initially. By the end of year one, 10 jobs will be created. By the end of year three, owners estimate 30 jobs will be created. Additional jobs will be created as other manufacturing suites are leased out. The owners are interested in hiring skilled labor and apprentices from within the City of Detroit and will work with local workforce agencies to identify labor. Wages and benefits will be competitive with the Detroit Market.

The project is expected to begin at the end of the year, December 2017, once finances, other incentives, and approval of the application for Industrial Facilities Tax Exemption are finalized.

Troxell Axle, LLC respectfully requests a 12-year Industrial Facilities Tax Exemption on real property improvements.

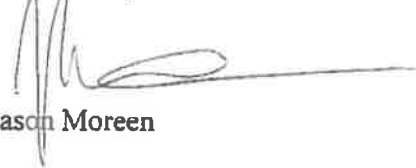
The Moreen Group is interested in being an active member in Detroit's renaissance and rebuilding. Purchasing and renovating the vacant 5151 Bellevue building is a start to contributing to Detroit's renaissance. The Moreen Group will grow and offer quality jobs to inner city Detroit residents. In addition, Jason would like to assist other small manufacturers and entrepreneurs by offering at or below market lease rates, this won't be possible without



incentives to sustain reasonable low-cost rehabilitation. The Moreen Group is also requesting assistance with workforce recruitment and training and gap financing of up to \$600,000.

The City of Detroit has attracted a young creative design and build company in the Moreen Group of companies from New York. Jason Moreen Group brings creativity and solutions to custom design and build issues when renovating and retrofitting historical, blighted and vacant buildings. Approval of the Industrial Facilities Tax Exemption and support with workforce recruitment of inner city residents and gap financing will contribute to establishing the Moreen Group of Companies in Detroit.

Respectfully submitted,



Jason Moreen

**Attachment A: Site Map that includes the parcel(s) of property / Legal Description**

cc: K. Bridges, DEGC  
D. Bolton, PDD

Dawn Baetsen  
(616) 301-5980

dawn.baetsen@debaetsen.com

EXHIBIT A - LEGAL DESCRIPTION

W BELLEVUE S 21.36 FT 75 74 THRU 63 AND VAC

FREDERICK ST ADS AND VAC ALLEY IN REAR BLK 7

HEFFLONS SUB L2 P35 PLATS, WCR 15/59 455.19

X 17684

This is to certify that there are no delinquent property taxes owed to our office on this property for five years prior to the date of this instrument. No representation is made as to the status of any tax liens or titles owed to any other entities.  
No. 14072 Chris Johnson Not Examined  
Date 11-17-16 WAYNE COUNTY TREASURER Clerk RS

# Application for Industrial Facilities Tax Exemption Certificate

Issued under authority of Public Act 198 of 1974, as amended Filing is mandatory

**INSTRUCTIONS:** File the original and two copies of this form and the required attachments (three complete sets) with the clerk of the local government unit. The State Tax Commission (STC) requires two complete sets (one original and one copy). One copy is retained by the clerk. If you have any questions regarding the completion of this form, call (517) 373-3302.

To be completed by Clerk of Local Government Unit	
Signature of Clerk	▶ Date Received by Local Unit
STC Use Only	
▶ Application Number	▶ Date Received by STC

**APPLICANT INFORMATION**  
All boxes must be completed.

▶ 1a. Company Name (Applicant must be the occupant/operator of the facility) <b>Troxell Axle, LLC</b>		▶ 1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (4 or 6 Digit Code) <b>3219, 321912, 321213</b>	
▶ 1c. Facility Address (City, State, ZIP Code) (real and/or personal property location) <b>5151 Bellevue, Detroit, Michigan 48211</b>		▶ 1d. City/Township/Village (indicate which) <b>Detroit</b>	▶ 1e. County <b>Wayne</b>
▶ 2. Type of Approval Requested <input checked="" type="checkbox"/> New (Sec. 2(5)) <input type="checkbox"/> Transfer <input type="checkbox"/> Speculative Building (Sec. 3(8)) <input type="checkbox"/> Rehabilitation (Sec. 3(6)) <input type="checkbox"/> Research and Development (Sec. 2(10)) <input type="checkbox"/> Increase/Amendment		▶ 3a. School District where facility is located <b>Detroit</b>	▶ 3b. School Code <b>82010</b>
		▶ 4. Amount of years requested for exemption (1-12 Years) <b>12</b>	

5. Per section 5, the application shall contain or be accompanied by a general description of the facility and a general description of the proposed use of the facility, the general nature and extent of the restoration, replacement, or construction to be undertaken, a descriptive list of the equipment that will be part of the facility. Attach additional page(s) if more room is needed.

Please see Attachment A - Project Description

6a. Cost of land and building improvements (excluding cost of land) * Attach list of improvements and associated costs. * Also attach a copy of building permit if project has already begun	▶ <u>3,600,000</u> Real Property Costs
6b. Cost of machinery, equipment, furniture and fixtures * Attach itemized listing with month, day and year of beginning of installation, plus total	▶ _____
6c. Total Project Costs * Round Costs to Nearest Dollar	▶ <u>3,600,000</u> Total of Real & Personal Costs

7. Indicate the time schedule for start and finish of construction and equipment installation. Projects must be completed within a two year period of the effective date of the certificate unless otherwise approved by the STC.

<u>Begin Date (M/D/Y)</u>	<u>End Date (M/D/Y)</u>	
Real Property Improvements ▶ <u>4/15/2018</u>	<u>12/15/2019</u>	▶ <input checked="" type="checkbox"/> Owned <input type="checkbox"/> Leased
Personal Property Improvements ▶ _____	_____	▶ <input type="checkbox"/> Owned <input type="checkbox"/> Leased

▶ 8. Are State Education Taxes reduced or abated by the Michigan Economic Development Corporation (MEDC)? If yes, applicant must attach a signed MEDC Letter of Commitment to receive this exemption.     Yes     No

▶ 9. No. of existing jobs at this facility that will be retained as a result of this project <b>1</b>	▶ 10. No. of new jobs at this facility expected to create within 2 years of completion <b>30</b>
----------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------

11. Rehabilitation applications only. Complete a, b and c of this section. You must attach the assessor's statement of SEV for the entire plant rehabilitation district and obsolescence statement for property. The Taxable Value (TV) data below must be as of December 31 of the year prior to the rehabilitation.

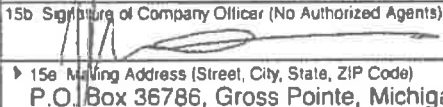
a. TV of Real Property (excluding land)	_____
b. TV of Personal Property (excluding inventory)	_____
c. Total TV	_____

▶ 12a. Check the type of District the facility is located in <input checked="" type="checkbox"/> Industrial Development District <input type="checkbox"/> Plant Rehabilitation District	
▶ 12b. Date district was established by local government unit (contact local unit) <b>1982</b>	▶ 12c. Is this application for a speculative building (Sec. 3(8))? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

**APPLICANT CERTIFICATION - complete all boxes.**

The undersigned, authorized officer of the company making this application certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way and that all are truly descriptive of the industrial property for which this application is being submitted.

It is further certified that the undersigned is familiar with the provisions of P.A. 198 of 1974, as amended, being Sections 207.551 to 207.572, inclusive, of the Michigan Compiled Laws; and to the best of his/her knowledge and belief, (s)he has complied or will be able to comply with all of the requirements thereof which are prerequisite to the approval of the application by the local unit of government and the issuance of an Industrial Facilities Exemption Certificate by the State Tax Commission.

13a Preparer Name <b>Dawn Baetsen</b>	13b Telephone Number <b>616.301.5980</b>	13c Fax Number	13d E-mail Address <b>dawn.baetsen@debaetsen.</b>
14a Name of Contact Person <b>Jason Moreen</b>	14b Telephone Number <b>(917) 538-9715</b>	14c Fax Number	14d E-mail Address <b>jason@moreenltd.com</b>
▶ 15a Name of Company Officer (No Authorized Agents) <b>Jason Moreen</b>			
15b Signature of Company Officer (No Authorized Agents) 		15c Fax Number	15d Date <b>February 15, 2018</b>
▶ 15e Mailing Address (Street, City, State, ZIP Code) <b>P.O. Box 36786, Gross Pointe, Michigan 48236</b>		15f Telephone Number <b>(917) 538-9715</b>	15g E-mail Address <b>jason@moreenltd.com</b>

**LOCAL GOVERNMENT ACTION & CERTIFICATION - complete all boxes.**

This section must be completed by the clerk of the local governing unit before submitting application to the State Tax Commission. Check items on file at the Local Unit and those included with the submittal.

▶ 16. Action taken by local government unit <input type="checkbox"/> Abatement Approved for _____ Yrs Real (1-12), _____ Yrs Pers (1-12) After Completion <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Denied (Include Resolution Denying)	16b The State Tax Commission Requires the following documents be filed for an administratively complete application <b>Check or Indicate N/A if Not Applicable</b> <input type="checkbox"/> 1 Original Application plus attachments, and one complete copy <input type="checkbox"/> 2 Resolution establishing district <input type="checkbox"/> 3 Resolution approving/denying application <input type="checkbox"/> 4 Letter of Agreement (Signed by local unit and applicant) <input type="checkbox"/> 5 Affidavit of Fees (Signed by local unit and applicant) <input type="checkbox"/> 6 Building Permit for real improvements if project has already begun <input type="checkbox"/> 7 Equipment List with dates of beginning of installation <input type="checkbox"/> 8 Form 3222 (if applicable) <input type="checkbox"/> 9 Speculative building resolution and affidavits (if applicable)
16a Documents Required to be on file with the Local Unit <b>Check or Indicate N/A if Not Applicable</b> <input type="checkbox"/> 1. Notice to the public prior to hearing establishing a district. <input type="checkbox"/> 2. Notice to taxing authorities of opportunity for a hearing <input type="checkbox"/> 3 List of taxing authorities notified for district and application action <input type="checkbox"/> 4 Lease Agreement showing applicants tax liability.	
16c LUCI Code	16d School Code
17. Name of Local Government Body	▶ 18 Date of Resolution Approving/Denying this Application

Attached hereto is an original application and all documents listed in 16b. I also certify that all documents listed in 16a are on file at the local unit for inspection at any time, and that any leases show sufficient tax liability.

19a. Signature of Clerk	19b Name of Clerk	19c E-mail Address
19d. Clerk's Mailing Address (Street, City, State, ZIP Code)		
19e. Telephone Number	19f. Fax Number	

State Tax Commission Rule Number 57 Complete applications approved by the local unit and received by the State Tax Commission by October 31 each year will be acted upon by December 31. Applications received after October 31 may be acted upon in the following year.

Local Unit Mail one original and one copy of the completed application and all required attachments to

**Michigan Department of Treasury  
State Tax Commission  
PO Box 30471  
Lansing, MI 48909**

(For guaranteed receipt by the STC, it is recommended that applications are sent by certified mail.)

STC USE ONLY				
▶ LUCI Code	▶ Begin Date Real	▶ Begin Date Personal	▶ End Date Real	▶ End Date Personal

## **LEGAL DESCRIPTION**

**American Manufacturing & Industry  
Troxell Axle, LLC  
5151 Bellevue, Detroit, Michigan 48211**

**Lots 63 Through 74 and the South 21.36 feet of Lot 75, together with vacated alley abutting the rear thereof and the vacated portion of Frederick Street adjacent thereof, all in Block 7, Heffron's Subdivision of Outlots 2 and 7 of Beaufait Farm Private Claim 19, as recorded in Liber 2 of Plats, Page(s) 35, Wayne County Record.**

**Commonly known as: 5151 Bellevue Ave, Detroit, MI 48211.**

**Parcel #: 15013238**

**Project Description**  
**American Manufacturing & Industry Corporation\Troxell Axle, LLC**  
**5151 Bellevue, Detroit, Michigan 48211**

Jason Moreen was born and raised in suburban New York City. He owns and operates a successful construction company in New York, New York. Because of consistently poor-quality construction products made from outside of the U.S., Jason started manufacturing and assembling various construction products to meet architectural and designer needs from a quality and precision sizing standpoint. These products include cupboards, trusses, etc. Jason's company currently employs eleven staff in New York. He found he cannot find skilled labor that has a passion for manufacturing work. Typically, workers in New York use manufacturing as a temporary job while waiting for a break in acting or other jobs and therefore, Jason finds they lack the manufacturing passion to make quality product.

Jason and his wife visited Detroit in 2015 and evidenced the passion for manufacturing and making it a life-long skill in Detroit. Other trips were made, discussions with the Detroit Economic Growth Corporation, and local entrepreneurs, observing Detroit's renaissance and manufacturing work ethic and skilled trades in the region, were characteristics that could make the expansion successful in Detroit. American Manufacturing & Industry Corporation (AMIC) formed and the search for space ensued. The three-story manufacturing building at 5151 Bellevue street was found and purchased for \$100,000. The company has clear title to the property. The building needs full renovation of 82,000 square feet and the 1<sup>st</sup> floor will provide space for AMIC which will be the 1<sup>st</sup> phase of rehabilitation to accommodate AMIC's construction product manufacturing. The 2<sup>nd</sup> floor will be renovated to provide leased space for up to 20 other artists and artist manufacturing and the 3<sup>rd</sup> floor will be leased out for events utilizing the view as a draw.

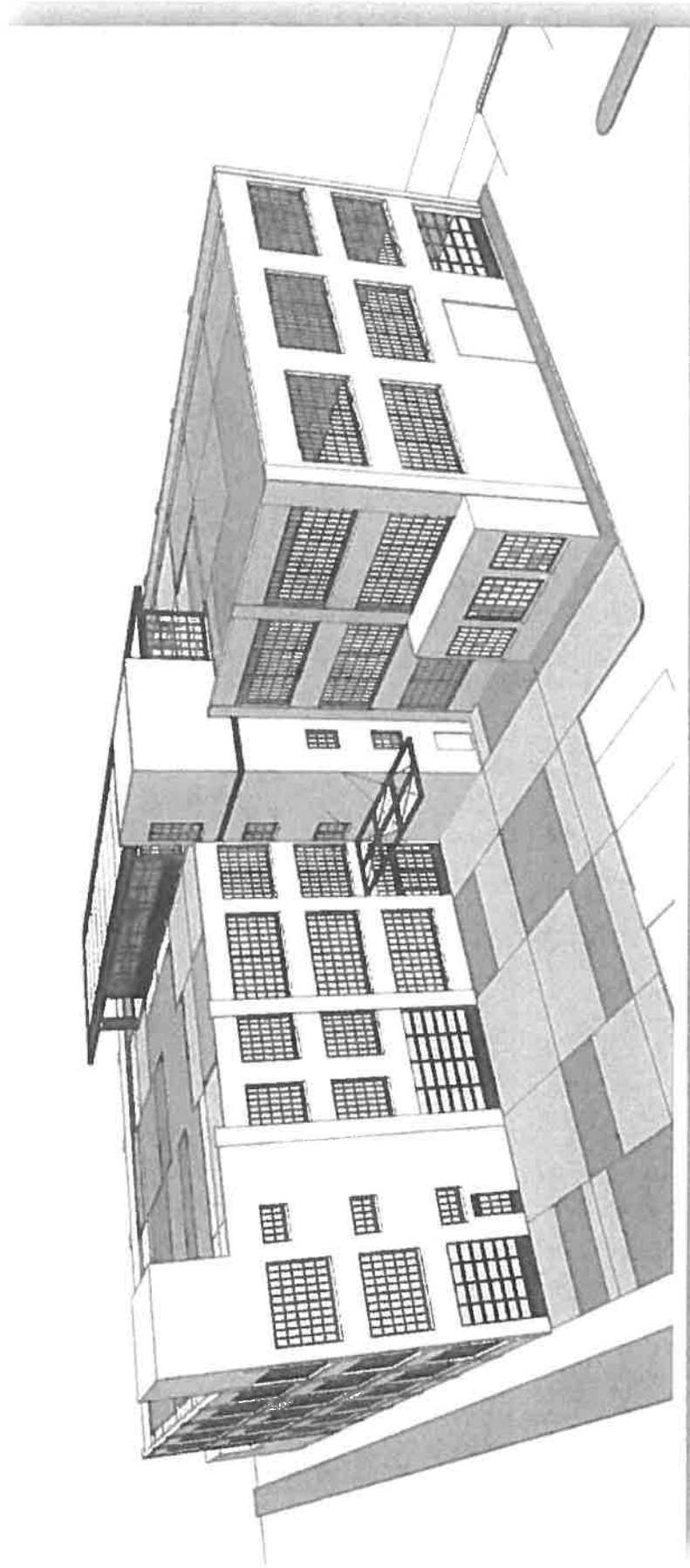
Troxell Axle, LLC, part of the Moreen Group of companies, will own the building. The Moreen Group used equity funds to purchase the building for \$100,000 and is working on SBA financing to fund the project. The company is also working with DEGC and MEDC to identify additional incentives or funding support. Demolition and rehabilitation of the building for approximately \$1.98 million is included in the estimated \$3.7 million to rehabilitate the property. The Industrial Facilities Tax Exemption is a factor in the willingness of banks to provide financing.

Construction has not started. Renovation of all three floors and equipping of AMIC's 23,687 square feet is estimated at \$3.7 million. Approximately \$3.6 million will be invested in real property improvements by Troxell Axle and \$115,100 will be equipment leasing and purchases by AMIC. A fire destroyed an entire wing of the building and debris has been cleared away. The roof requires repair and there is no HVAC, utilities, or freight elevator. Windows have been bricked up. There is lead abatement required throughout the building for an estimated cost of \$30,000. Pipes were stolen so it is assumed asbestos was removed with pipes. Jason Moreen researched archival pictures to see what the building looked like when it was built in 1925. Jason Moreen hopes to return many of the historical architectural elements that were inherent to the building's original use. At the time of this writing, architectural renderings are drafted for the three-story building. The company indicates there will be a gap in funding estimated at \$500,000 to \$600,000; however, until all due diligence is completed the full gap is not known. The company is seeking additional support from state and local government. Environmental Baseline and Phase I are completed. Project is expected to be started no later than April, 2018.

American Manufacturing and Industry will create five jobs initially. By the end of year one 10 jobs will be created. By the end of year three, owners estimate 30 jobs will be created by AMIC. The owners are interested in hiring skilled labor and apprentices from within the City of Detroit and will work with local workforce agencies to identify labor. Wages and benefits will be at local competitive wages. In addition, other manufacturing artists will create jobs on the site as Phases 2 and 3 are completed and space leased.

A M E R I C A N  
M A N U F A C T U R I N G & I N D U S T R Y

Building Rendering



**EQUIPMENT AND FIXTURE BREAKDOWN - Note Not Part of Abatement App**

<b>PRODUCTION EQUIPMENT</b>	
<b>Qty</b>	<b>Item</b>
1	Baliegh Industrial SLIDING PANEL SAW STS-14120-DRO
1	Baleigh Industrial FLOOR DRILL PRESS DP-2012F-HD
1	Baliegh Industrial 10HP CYCLONE DUST COLLECTOR DC-6000C
1	Powermatic DT65 Dovetailer, 1HP, 1PH, 230V, Pneumatic Clamping in Woodworkin
1	Oliver 54HH 6 JOINTER, 1HP 1PH 115/230V, HELICAL CUTTERHEAD Mfg. item #: 175
3	Powermatic PF-31 Powerfeeder, 1HP, 1Ph, 115V, 4-Speed, 3 Wheel in Woodworkin
1	Powermatic SLR12 Straight Line Rip Saw in Woodworking, Rip Saws 1791285
1	Powermatic PM2700 Shaper, 5HP 1PH 230V in Woodworking, Shapers 1280101C
1	WOODMASTER MODEL 725 - 25-INCH PLANER
1	WOODMASTER MODEL 718 3-Side Molding System
1	WOODMASTER MODEL 5075-X2Double drum sander
1	Kreg 3/4 HP Electric Foreman Pocket Hole Machine
1	Ritter R46 Double Row System Drill *
2	Ritter R450V Raised Panel Door Assembly System *
1	Ritter R275E/A Mini-Framer Frame Assembly Easel *
3	Porter-Cable 18-Gauge Pneumatic Brad Nailer Kit Model # BN200C
3	Porter-Cable 16-Gauge Pneumatic 2-1/2 in. Nailer Kit Model # FN250C
1	DEWALT 12 In. Sliding Compound Miter Saw — Model DWS780
3	Porter-Cable PIN138R 23-Gauge 1-3/8 in. Pin Nailer
1	Campbell Hausfeld 7.5-HP 80-Gallon Two Stage Air Compressor (230V 1-Phase) w/ :
<b>TOTAL</b>	
<b>PRODUCTION SUPPORT EQUIPMENT</b>	
<b>Qty</b>	<b>Item</b>
3	JET PTW-2748 6000 lb. Pallet Truck, 27-Inch by 48-Inch
2	Jescraft wb-150 plywood truck,3000 lb. cap,47inl,29inw
3	jamco pb360-p5 platform truck,1400lb,plywood,60inx30in
1	Wesco® Spartan III 3-in-1 3 Position Hand Truck 270391 750 Lb. Capacity
10	Adjustable Cantilever Storage Racks For Lumber , Plywood , PVC , Metal / Bar Stock
15	72" x 72" x 36" Metal, felted work tables
<b>TOTAL</b>	
<b>EMPLOYEE SUPPORT EQUIPMENT</b>	
<b>Qty</b>	<b>Item</b>
1	Bunn coffeemaker CWT15-3-0356
1	Frigidaire 16.3-cu ft Top-Freezer Refrigerator
1	GE 1.1 cu. ft. Countertop Microwave Oven
3	Uline Lockers - Double Tier, 3 Wide, Unassembled, 18" Deep, Gray



<b>TOTAL</b>	
<b>BACK OFFICE SUPPORT EQUIPMENT</b>	
<b>QTY</b>	<b>Item</b>
2	Apple iMac 21.5-inch Display
3	Office Desks
3	FINESSE highback chair in gray
3	Lorell 4-Drawer Vertical File with Lock, 15 by 25 by 52-Inch, Black file cabinets
1	Brother FAX-575 Personal Fax with Phone
1	Xerox WorkCentre 5325 Copy, Print, Scan
<b>TOTAL</b>	
<b>TOTAL</b>	

\* Manufactured in the state of Michigan

lication - Included in Project Description

	Price
	\$ 13,895.00
	\$ 995.00
	\$ 4,595.00
g, Dovetail Machines 1791305	\$ 6,389.99
1317K *	\$ 1,529.99
g, Power Feeders 1790807K	\$ 3,600.00
	\$ 16,600.00
	\$ 3,900.00
	\$ 4,595.00
	\$ 2,399.00
	\$ 5,895.00
	\$ 425.00
	\$ 4,990.00
	\$ 7,150.00
	\$ 3,500.00
	\$ 213.00
	\$ 357.00
	\$ 625.00
	\$ 351.00
Starter	\$ 2,675.00
	<b>\$ 84,679.98</b>
	Price
	\$ 1,137.00
	\$ 538.00
	\$ 1,796.55
	\$ 259.95
	\$ 12,150.00
	\$ 5,625.00
	<b>\$ 21,506.50</b>
	Price
	\$ 599.87
	\$ 679.00
	\$ 159.00
	\$ 1,065.00

	\$	2,502.87
		Price
	\$	2,598.00
	\$	2,493.00
	\$	639.00
	\$	594.00
	\$	74.99
		Lease @ \$48/mo
	\$	6,398.99
	\$	115,088.34



# MOREEN CONSTRUCTION

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September 18, 2017

Project: 5151 Bellevue Street  
Detroit, MI 48211

ATTN: Jason Moreen

RE: Preliminary Construction Cost for 5151 Bellevue Street Rehabilitation

Professional Services	\$165,000.
Environmental Testing	\$10,000.
Demolition and Carting	\$61,250.
Plumbing	\$135,000.
Metal Handrails	\$12,000.
New Freight entry doors (2)	\$14,000.
Freight elevator repair	\$187,635.
Sprinklers and Fire Protection	\$160,000.
Electrical	\$185,000.
Architectural Steel	\$100,000.
Carpentry	\$165,000.
Windows	\$200,000.
Painting	\$105,000.
Steel doors	\$75,000.
Hardware and safety Install	\$15,000.
Lead Remediation	\$30,000.
Concrete and Facade repair	\$45,000.
HVAC	\$250,000.
New Roof	\$227,500.
Fixtures	\$25,000.
New Parking lot	\$195,000.
Roof Greenery and Decking	\$225,000.
Security System	\$15,000.
Commercial Kitchen	\$350,000.
Project security	\$75,000.
<b>Sub Total</b>	<b>\$3,027,385.</b>
Insurance	\$91,483.
General Conditions	\$373,064.
Overhead	\$90,000.
<b>TOTAL</b>	<b>\$3,581,932.</b>

Prepared By: Jason Moreen, President



CITY OF DETROIT  
FINANCE DEPARTMENT  
BOARD OF ASSESSORS

COLEMAN A. YOUNG MUNICIPAL CENTER  
2 WOODWARD AVE., SUITE 824  
DETROIT, MICHIGAN 48226  
PHONE 313•224•6989 TTY:311  
FAX 313•224•9400  
WWW.DETROITMI.GOV

February 26, 2018

Maurice Cox, Director  
Planning & Development Department  
CAYMC  
2 Woodward Ave, Suite 808  
Detroit, MI 48226

Re: Industrial Facilities Exemption Certificate Request - **Troxell Axle LLC**  
Property Address: 5151 Bellevue  
Parcel ID: 15013238.

Dear Mr. Cox

The Office of the Chief Financial Officer, Office of the Assessor, has reviewed the request for an Industrial Facilities Exemption certificate request for the property located at 5151 Bellevue formerly part of the Old Packard Plant.

The rationale for creating Industrial Facilities Exemptions under PA 198 of 1974, as amended, is based upon the anticipation that granting the exemption is a benefit to the city and that expansion, retention, or location of an eligible business will not occur without this exemption. PA 198 of 1974, as amended, also provides a tax incentive to manufacturers in order to enable renovation and expansion of aging facilities, building of new facilities, and to promote establishment of high tech facilities.

The project as proposed by **Troxell Axle LLC**. would allow for partial demolition and renovation of the three-story 70,815 square foot warehouse that will be used for American Manufacturing & Industry Corporation's construction product manufacturing on the first floor, artist manufacturing on the second floor and events utilizing the view as a draw on the third floor. The estimated cost of the project is \$3,600,000 for real property and is expected to create 30 positions over a three year period while retaining 1 position.

A field investigation indicated that the proposed project located in the area as described above is eligible as outlined under PA 198 of 1974, as amended.

Sincerely,

Scott Vandemergel, MMAO  
Assessor, Board of Assessors

mmp





CITY OF DETROIT  
PLANNING AND DEVELOPMENT DEPARTMENT

COLEMAN A. YOUNG MUNICIPAL CENTER  
2 WOODWARD AVENUE SUITE 808  
DETROIT, MICHIGAN 48226  
(313) 224-1339 • TTY:711  
(313) 224-1310  
WWW.DETROITMI.GOV

TO: Veronica Farley, Development Division  
FROM: John Baran, P&DD  
RE: **Master Plan Interpretation for proposed Industrial Development District for property located at 5151 Bellevue.**  
DATE: February 28, 2018  
CC: Maurice Cox, Director

In order to ensure consistency with the City's Master Plan of Policies, pursuant to State of Michigan, Public Act 198 of 1974 (section 207.554), the Planning and Development Department's Planning Division submits the following interpretation for the proposed Industrial Development District (IDD).

This proposal is being requested by Troxelll Axle, LLC for the remodeling of an 82,000 square foot building.

#### **Location**

5151 Bellevue. The proposed Industrial Development District is located in the Neighborhood Cluster 3, Kettering Neighborhood of the Master Plan of Policies.

#### **Existing Site Information**

The subject site is zoned M4 (Intensive Industrial District). The site is currently a three story, 82,000 square feet vacant industrial building. The Master Plan Future Land Use designation is MRI (Mixed – Residential / Industrial).

#### **Surrounding Site Information**

The surrounding zoning is also M4, except for the site to the east, across Bellevue which is zoned M3 (General Industrial District). To the immediate north is a vacant lot. To the south and east are single story industrial buildings. To the west, across a rail corridor is a cemetery. The Master Plan Future General Land Use for most of the surrounding area is designated MRI, except to the south which is designated IL (Light Industrial).

#### **Project Proposal**

The establishment of the district is to support the remodeling of a vacant, 3 story, 82,000 square foot industrial building. Phase one of the renovation will be the leasing of the first floor (23,687) for a manufacturing company. Phases 2 and three will be converting the second and third floors to 20 artist/work spaces.

#### **Interpretation**

##### **Impact on Surrounding Land Use**

The proposed reuse project will facilitate the development of a vacant warehouse facility in an area designated in the Master Plan for live-work opportunities for artists in industrial areas.

##### **Impact on Transportation**

The site is in an industrial area in proximity to two Major Streets (East Grand Boulevard and Mt. Elliott), and the I-94 expressway.





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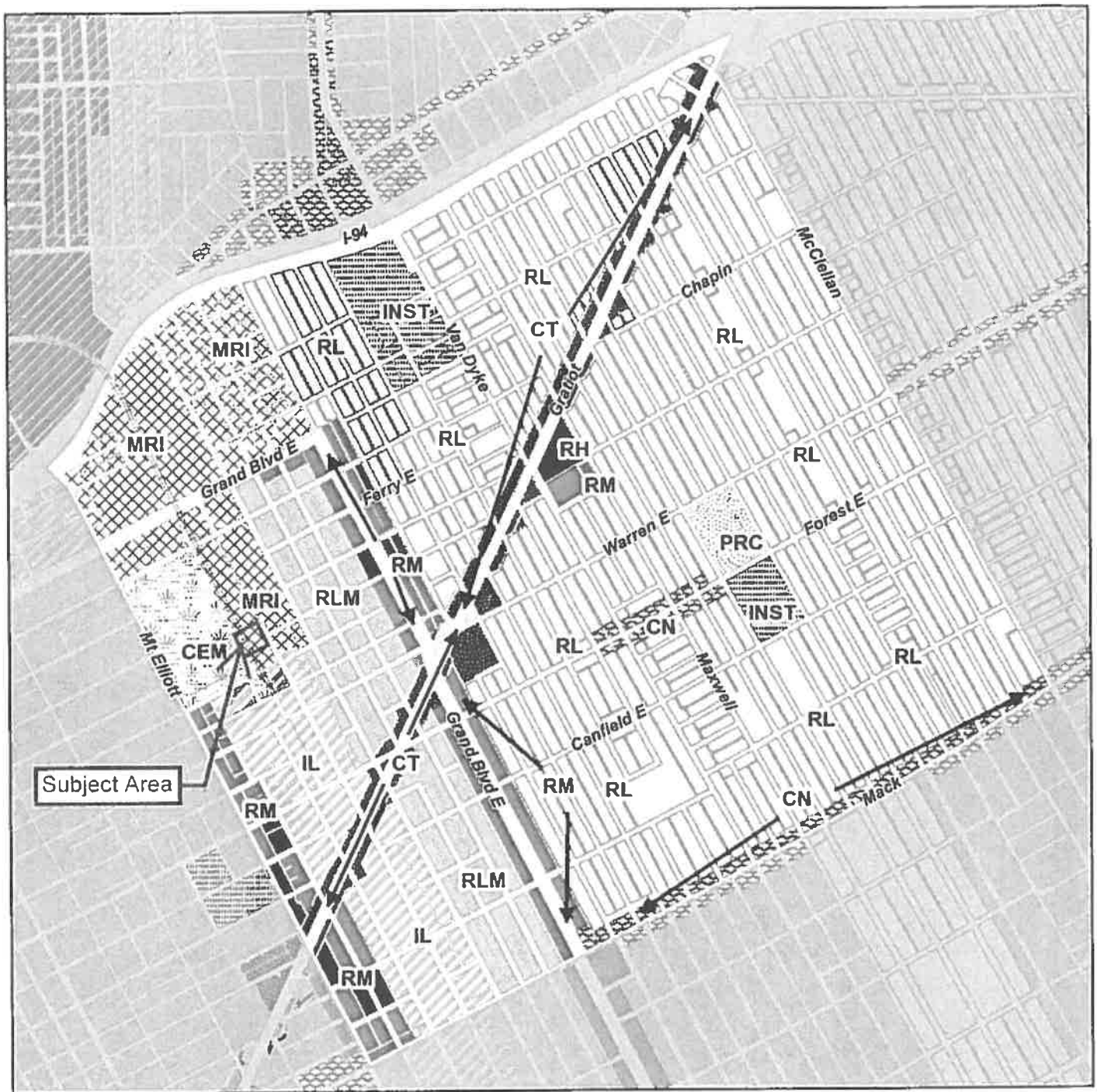
**Master Plan Amendment**

As per the Master Plan of Policies, live-work opportunities, Mixed Residential-Industrial areas offer live-work opportunities for artists and trades-people to create a lively mixture of new residential, commercial, light industrial and/or entertainment opportunities. This designation is especially appropriate for historically industrial areas that may be suited to loft conversions. Also, Kettering Neighborhood Policy 3.1 recommends the rehabilitation of vacant industrial buildings near Mt. Elliott and East Grand Boulevard into residential lofts.

The proposed develop conforms to the City's Master Plan Future General Land Use Map and policies.

**Attachment:**

**Future General Land Use Map: Map 3-8B, Neighborhood Cluster 3, Kettering Neighborhood.**



Map 3-8B

City of Detroit  
Master Plan of  
Policies

## Neighborhood Cluster 3 Kettering



### Future Land Use

Low Density Residential (RL)	Thoroughfare Commercial (CT)	Mixed - Town Center (MTC)
Low / Medium Density Residential (RLM)	Special Commercial (CS)	Recreation (PRC)
Medium Density Residential (RM)	General Industrial (IG)	Regional Park (PR)
High Density Residential (RH)	Light Industrial (IL)	Private Marina (PRM)
Major Commercial (CM)	Distribution / Port Industrial (IDP)	Airport (AP)
Retail Center (CRC)	Mixed - Residential / Commercial (MRC)	Cemetery (CEM)
Neighborhood Commercial (CN)	Mixed - Residential / Industrial (MR)	Institutional (INST)



**CITY OF DETROIT**  
**CIVIL RIGHTS, INCLUSION AND OPPORTUNITY**  
**Decision Regarding Employment Clearance for Tax Abatement**

**June 26, 2018**

**Tax Abatement Type:** Public Act 198  
New  Renewal

**Requesting Agency:** Housing and Revitalization Department  
Real Estate/Development Division  
Fax: 313-628-2054

**Parcel/Facility Address:** 5151 Bellevue

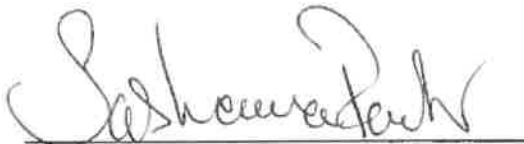
**Applicant/Recipient:** Troxell Axle, LLC.

**Contact:** Jason Moreen  
(917) 538-9715

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The above Applicant/Recipient has provided the Human Rights Department required information in accordance with specific current and future employment data and commitments as part of a tax abatement agreement with the City of Detroit.

Therefore my signature below grants **Conditional Approval** of the above tax abatement application/renewal based upon annual reports to and appraisals by this agency of the recipient's employment measures projected and achieved for the duration of the abatement.



Tashawna Parker  
Civil Rights, Inclusion and Opportunity

6/26/18  
Date



**INCENTIVE INFORMATION CHART:**

Project Type	Incentive Type	Investment Amount	District

Jobs Available							
Construction				Post Construction			
Professional	Non-Professional	Skilled Labor	Non-Skilled Labor	Professional	Non-Professional	Skilled Labor	Non-Skilled Labor
1		7	3	1	2	5	1

1. What is the plan for hiring Detroiters? *ADVERTISE IN LOCAL PUBLICATIONS, CITY AGENCIES*
2. Please give a detailed description of the jobs available as listed in the above chart, i.e: job type, job qualifications, etc. *SKILLED WOODWORKERS, ARTISTS, CARPENTERS*
3. Will this development cause any relocation that will create new Detroit residents? *NO*
4. Has the developer reached out to any community groups to discuss the project and/or any potential jobs? *NO*
5. When is construction slated to begin? *12/18*
6. What is the expected completion date of construction? *12/19*

\*Please contact Linda Wesley at (313) 628-2993 or [wesleyl@detroitmi.gov](mailto:wesleyl@detroitmi.gov) to schedule a date to attend the Skilled Trades Task Force.